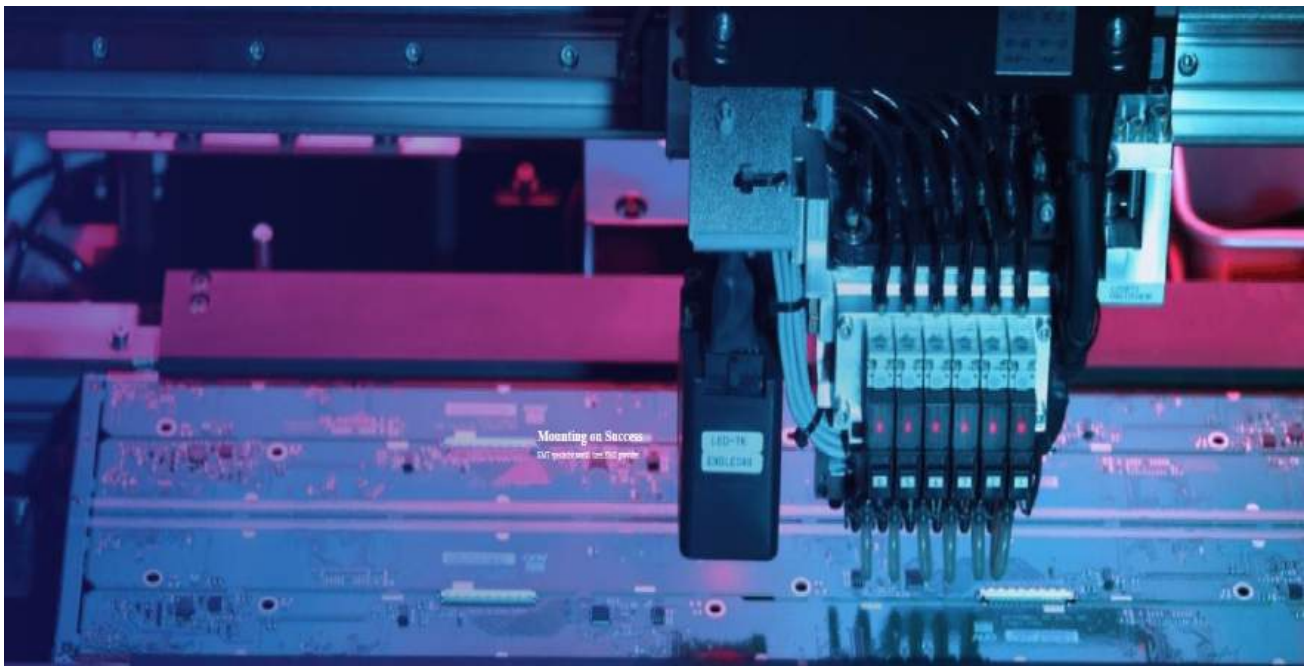
TSMT

Taiwan Surface Mounting Technology Corp.

2024 ESG Sustainability Report



About This Report

This report is published by Taiwan Surface Mounting Technology Corporation (stock code 6278, hereinafter referred to as TSMT). Through this report, TSMT regularly communicates with stakeholders regarding its strategies and activities in governance, economy, environment, and society, demonstrating its commitment to sustainable development. At the same time, the Company hopes that through disclosure, dialogue, and feedback, it can foster mutual understanding and sincerely welcomes guidance and suggestions from all parties. By doing so, TSMT aims to align its efforts more closely with stakeholder expectations and continue moving toward becoming a benchmark for sustainability in the industry.

Reporting Boundary

The scope of this report differs from that of the consolidated financial statements and covers only TSMT's headquarters and manufacturing site in Taoyuan, Taiwan (hereinafter referred to as "TSMT Taiwan"), as well as its factories in Suzhou ("Suzhou Regent Electron") and Chongqing ("Chongqing Regent Electron") in China. The reporting boundary will be gradually expanded to other subsidiaries in the future. All information disclosed in this report is provided by relevant departments to the sustainability team, with department heads reviewing the content for accuracy and completeness. Statistical data are compiled based on internationally recognized standards; where no such standards apply, industry standards or practices are followed. Unless otherwise specified, all financial figures are presented in New Taiwan Dollars and are derived from audited and certified financial statements. The reporting period is aligned with the Company's annual report, covering January 1 to December 31, 2024. To ensure completeness and comparability, certain data have been retrospectively included from December 31, 2023, and earlier periods.

Report Preparation Guidelines

This report is prepared in accordance with GRI Standards published by the Global Reporting Initiative (GRI) and the Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies. It also references the framework of the Task Force on Climate-Related Financial Disclosures (TCFD).

Issue Date

TSMT will publish a sustainability report annually and make it available on our Company's website.

Current Date of Issue: Issued in August, 2025

Contact Information for this Report

If you have any suggestions or feedback regarding TSMT's sustainability report, we warmly welcome you to share your opinions with us

Location: No. 437, Taoying Rd., Taoyuan Dist., Taoyuan City 330, Taiwan (R.O.C.)

Phone: (03) 218-9988

Company Website: https://www.tsmt.com/

Point of Contact: Taiwan Surface Mounting Technology Corp./Administration Department/Ann Lo-Manager

Message from the Chairman

Despite 2024 being a year full of challenges—ongoing geopolitical instability, the Russo-Ukrainian war, the Israeli-Palestinian conflict, slowing global economic growth, and persistent pressures from high interest rates and inflation, along with weak demand for consumer electronics—TSMT still delivered solid results. Thanks to adjustments in our product shipment structure, the Company reported consolidated net profit after tax attributable to the parent company of NT$2,906,467 thousand, representing a 15.93% increase over the NT$2,507,016 thousand recorded in 2023. Basic earnings per share were NT$9.94.

On the environmental front, in 2024 we continued advancing toward our goal of achieving net-zero emissions by 2030, exceeding the government's GHG inventory requirements for listed companies.

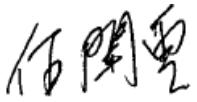
In addition to the annual disclosure of Scope 1 and Scope 2 GHG inventories, we also completed the first phase of Scope 3 data collection and analysis. This enables us to plan concrete measures to reduce emissions, such as improving energy efficiency in production processes and air conditioning systems, while supporting the government's renewable energy policy and actively promoting the transition to low-carbon energy. Moving forward, we will expand Scope 3 inventory efforts to include customers and suppliers, allowing us to more comprehensively identify emission hotspots and develop effective strategies to achieve a 25% reduction in carbon emissions by 2030. This underscores our strong commitment to environmental sustainability and our ability to take meaningful action.

In terms of operational risk management, we successfully obtained ISO 27001 certification, the gold standard in information security management systems. Guided by the PDCA management cycle, we will continue enhancing and optimizing our cybersecurity framework. This certification not only demonstrates that we have a robust audit mechanism and meet stringent

organizational requirements and best practices, but also ensures the confidentiality and integrity of information. It further strengthens customer and market confidence in the Company, while embedding cybersecurity measures into daily operations and building a strong foundation for information protection across all business units.

With respect to corporate governance, we uphold the principles of integrity, transparency, and accountability. We have established a sound governance and risk management framework, including independent directors, a Remuneration Committee, an Audit Committee, a Risk Management Committee, and an ESG Sustainable Development Committee, to ensure fairness in decision-making and long-term operational stability. We also continue to strengthen board independence and diversity. Through shareholder meetings, institutional investor conferences, direct engagement with investors, and enhanced disclosure on the Market Observation Post System and the Company's website, we provide more transparent and diverse information, thereby raising the visibility and credibility of our governance practices.

Looking back over the past year, I would like to extend my heartfelt gratitude to all our employees for their dedication, as well as to our customers, supplier partners, investors, and stakeholders for their long-standing trust and support. We are deeply appreciative of every partner who has joined us on this journey. Moving forward, we will continue deepening our ESG strategies, improving transparency in information disclosure, and working hand in hand with our partners to create a greener, more inclusive, and more prosperous future. Together, we will continue progressing on the path toward sustainability.



Chairman

Contents

Chapter 1 Sustainable Operations

1.1.United Nations Sustainable Development Goals

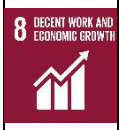
The United Nations released the 2030 Sustainable Development Goals (SDGs) in 2015, comprising 17 sustainable goals and 169 detailed targets. These goals cover global sustainability issues such as climate change, human rights, and social welfare. They call upon governments and businesses worldwide to collaborate and collectively address the challenges of sustainable development and climate change, to create a better society and environment for future generations.

TSMT aligns with the United Nations SDGs by integrating our existing sustainable operational strategies with the objectives of the SDGs. We conduct an annual review of goal achievements to align our operational management goals with global sustainable development objectives and collaborate with nations and businesses worldwide to contribute to sustainable development.

SDGs			2024 Annual Job Performance
SDG 3		Health and Well-Being	● Establishment of designated parking spaces for expectant mothers. ● Installation of accessibility facilities. ● Monthly on-site physician consultations and occasional health seminars. ● Organization of various domestic and international trips. ● 9,625 individuals participated in health promotion activities, fostering a healthy workforce.
SDG 5		Gender Equality	● The retention rate for unpaid parental leave reached 60%, easing the stress for employees while raising their children. ● Promote workplace equality, without different pay for the same job positions. ● No sexual harassment complaints were received.

SDG 6		Clean Water and Sanitation	● In 2024, TSMT’s total water withdrawal amounted to 479 million liters, representing a 22.9% reduction compared with the previous year. Total water discharge was 381 million liters, down 23.4% year over year. Total water consumption reached 98 million liters, a 21.8% reduction from the prior year. These results reflect the Company’s effective efforts in conserving and valuing water resources. ● All wastewater discharge complies with regulatory standards and local laws, and there were no significant fines incurred in 2024 for violations of regulations. ● In 2024, all water quality met the standards, with no incidents of abnormal quality of effluent discharge occurring. ● TSMT's waste recovery rate reached 62.87%, an increase of 6.52% compared to last year.

SDG 7		Affordable and Clean Energy	● In 2024, TSMT in Taiwan had a total energy consumption of 48,410.14 GJ, a decrease of 3,100 GJ, or 6.02%, compared to 2023. ● TSMT Taiwan completed third-party assurance of its 2024 GHG inventory (Scope 1 and Scope 2). ● In 2024, Suzhou Regent Electron had a total energy consumption of 287,273.63 GJ, a decrease of 13,606.01 GJ, or 4.52%, compared to 2023. ● Suzhou Regent Electron completed third-party assurance of its 2024 GHG inventory. ● In May 2024, Suzhou Regent Electron installed and commissioned new solar power generation facilities with a total installed capacity of 1,493.8 kW. By the end of 2024, the photovoltaic project had cumulatively generated 1,056,507.6 kWh of electricity savings and also secured 3,700,000 kWh of green certificates for the corresponding electricity consumption. ● In 2024, Chongqing Regent Electron had a total energy consumption of 7256.67 GJ, a decrease of 600.09 GJ, or 8.27%, compared to 2023. ● Chongqing Regent Electron completed third-party assurance of its 2024 GHG inventory. ● In 2024, Chongqing Regent Electron installed solar power generation facilities with a total installed capacity of 0.781 MW. The project is expected to generate an annual average of 600,000 kWh (equivalent to 600,000 units of electricity) over the next 20 years. In 2024, the Company also secured green certificates corresponding to 600,000 kWh of electricity.

SDG 8		Decent Work and Economic Growth	● In 2024, the consolidated net profit after tax was NT$2,906,467 thousand, and the basic earnings per share were NT$9.94. ● Obtained verification for RBA Code of Conduct Version 8.9 and was awarded the Silver Certificate.
SDG 12		Responsible Consumption and Production	● The annual percentage of new suppliers signing the RBA commitment reached 88.52%. ● During the annual review of 227 supplier conflict material-3TG smelters, the countries of origin of the smelters were not identified to be located in conflict mineral risk areas. ● No violations of health and safety regulations related to products and services during the year. ● The waste recovery rate reached 62.87%, an increase of 6.52% compared to last year.
SDG 13		Climate Action	● In 2024, in accordance with the GHG Protocol guidelines, a GHG inventory was conducted. Annual GHG emissions totaled 60,273.37 metric tons of CO2e, representing a 3.45% reduction compared with 2023. ● In 2024, TSMT implemented an energy-saving and carbon reduction program, with an annual carbon reduction of 1,021.05 metric tons of CO_2e.
SDG 17		Partnership for Sustainable Development	● The operational regions cover Asia, Europe, and America, providing globalized services.

1.2.Sustainable Governance Framework

To continue promoting and implementing the Company's sustainable development strategies and goals, TSMT established the ESG Working Team. The President serves as the highest decision-making executive for sustainable development strategies, responsible for reviewing the material topics and validating the sustainability strategies in the annual sustainability report. The Vice President of the General Management Department serves as the Director of Sustainable Development, responsible for overseeing the tasks of the five major work groups: Corporate Governance, Employee Care, Environmental Sustainability, Social Responsibility, and Product/Customer Care. These five work teams are composed of department heads from relevant departments and are responsible for implementing ESG initiatives related to their respective business areas. They are also responsible for evaluating the impact of sustainability issues under each work team. TSMT's sustainable governance framework is as follows:

1.3.Stakeholder Engagement

TSMT values the expectations of stakeholders for the Company's sustainable development. Therefore, we are committed to engaging in two-way communication with stakeholders through various channels to gain a deep understanding of their perspectives and concerns regarding sustainability issues. These suggestions will serve as the basis for adjusting and implementing our corporate sustainability direction on an annual basis and will also help us explore new sustainable strategies and opportunities.

We convened a meeting with representatives from each department to gather and categorize the stakeholders that each department interacts with in their daily work, as well as individuals or groups that may be affected by the Company's operations. We identified these stakeholders based on the five principles of stakeholder identification outlined in the AA1000 SES (Stakeholder Engagement Standard): dependency, responsibility, influence, diverse perspectives, and tension. Ultimately, we categorized TSMT's key stakeholders into the following six groups: investors, employees, suppliers, customers, government agencies, and neighboring communities.

In addition to maintaining good relationships with stakeholders through daily business operations, we also provide an external communication mailbox on our official website, www.tsmt.com, as the primary communication channel between stakeholders and the Company. In response to the valuable suggestions provided by stakeholders, TSMT will address and analyze them based on their concerns and the impact on TSMT's operations. We will incorporate these suggestions into future operational improvement plans and regularly disclose and respond to relevant performance and management policies in our sustainability report, ensuring that stakeholders' opinions have a meaningful impact on the Company.

List of Communication Channels between TSMT and Stakeholders

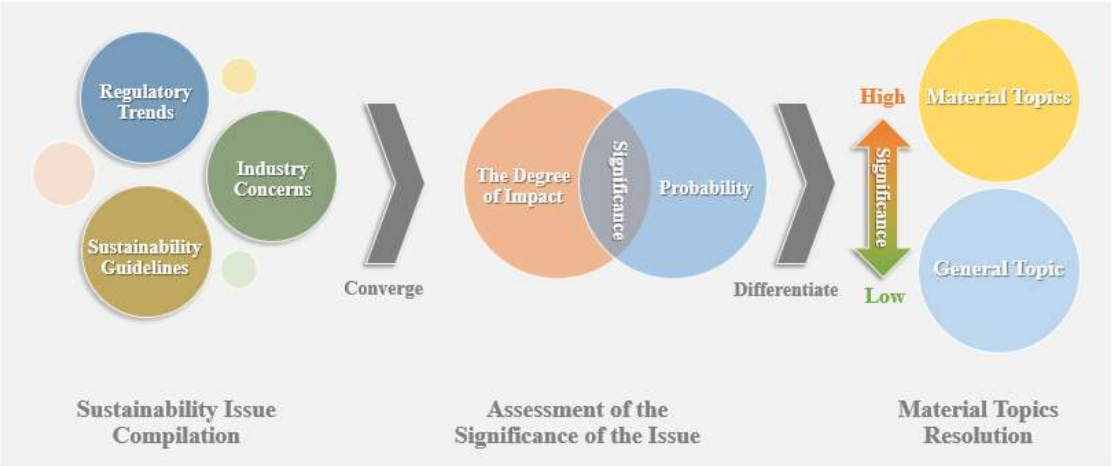
Stakeholder	The Importance of Stakeholders to the Company	Communication and Frequency	Concerned Issues
Investors	Investor funding contributes to enhancing the value of the Company and provides expertise, networks, and even opportunities for collaboration. It not only aids in expanding the Company's scale and enhancing innovation and R&D capabilities but also serves as a driving force for sustainable growth.	1. Shareholders' Meeting/Annually 2. Investor Conference/Ad hoc 3. Company Website/Ad hoc 4. Market Observation Post System/Ad hoc 5. Investor Relations Contact/Ad hoc 6. Financial Statements/Quarterly	• Economic Performance • Corporate Governance • Risk Management • Integrity Management
Employee	Employees are the most important key players in the Company's operations and the main driving force behind its innovative growth. Therefore, TSMT is committed to creating a safe, respectful, friendly, and inclusive work environment. We provide opportunities for employees to showcase their self-worth and accept challenges, as well as comprehensive compensation and benefits, enabling employees to work comfortably and achieve	1. Employee Welfare Committee Meetings/Ad hoc 2. Labor Union/Ad hoc 3. Internal Employee Hotline (Real-time) 4. Occupational Health and Safety Committee Meeting (Quarterly) 5. Company Mailbox/Ad hoc	• Economic Performance • Talent Attraction and Retention • Career Development and Education Training • Occupational Health and Safety • Human Rights Management

	great results together with the Company.		
Supplier	Suppliers provide the components for the Company. The quality of suppliers directly impacts the product quality of the Company and its effects on society and the environment. Suppliers are also integral to the Company's sustainable impact. Only by collaborating with suppliers can we maximize our influence and achieve our sustainability goals and strategies.	1. Supplier Visit/Ad hoc 2. Supplier Certification Audit/Ad hoc 3. Annual Supplier Conference (Yearly) 4. Conflict Minerals from Suppliers, RBA Commitment Letter/Ad hoc	• Responsible Supply Chain • GHG and Energy Management • Product Quality Management
Customers	TSMT values customer needs and strives to meet their expectations. Customers are not only the foundation of the Company's financial performance but also the driving force behind product improvement and innovation. Customers, who are at the forefront of sustainable development, are moving forward with the Company towards a more sustainable operational strategy.	1. Customer Visit/Ad hoc 2. Customer Audit/Ad hoc 3. Customer Satisfaction Survey/Quarterly 4. Company Website, Phone and Email/Ad hoc	• Economic Performance • Product Quality and Hazardous Substances Management • Information Security and Customer Privacy

Government Competent Authorities	Government competent authorities serve as important references for the Company to obtain legal information. It is the Company's responsibility to strictly adhere to government compliance regulations and policies. Failure to pay attention to public information from government competent authorities may result in the Company's inability to meet compliance requirements. Therefore, the Company values its communication and interaction with government competent authorities.	1. Seminars and Training Courses on Policies and Regulations/Ad hoc 2. Declaration Review and On-site Inspection/Ad hoc 3. Official Correspondence/Ad hoc 4. Telephone and Written Communication/Ad hoc 5. Sustainability Report, Annual Report/Annually	• Corporate Governance • Regulatory Compliance • GHG and Energy Management • Climate Change Adaptation
Community	Local communities serve as the most direct channel for the Company to acquire talent and represent potential stakeholders for the Company's operational bases. Therefore, we place great importance on the development and engagement of local communities, organizing periodic neighborhood activities to support the community and enhance local employment opportunities.	1. Neighborhood Activities/Ad hoc 2. Charitable Donations/Ad hoc 3. Volunteer Work/Ad hoc	• Waste Management • Community Engagement and Public Welfare • Water Stewardship

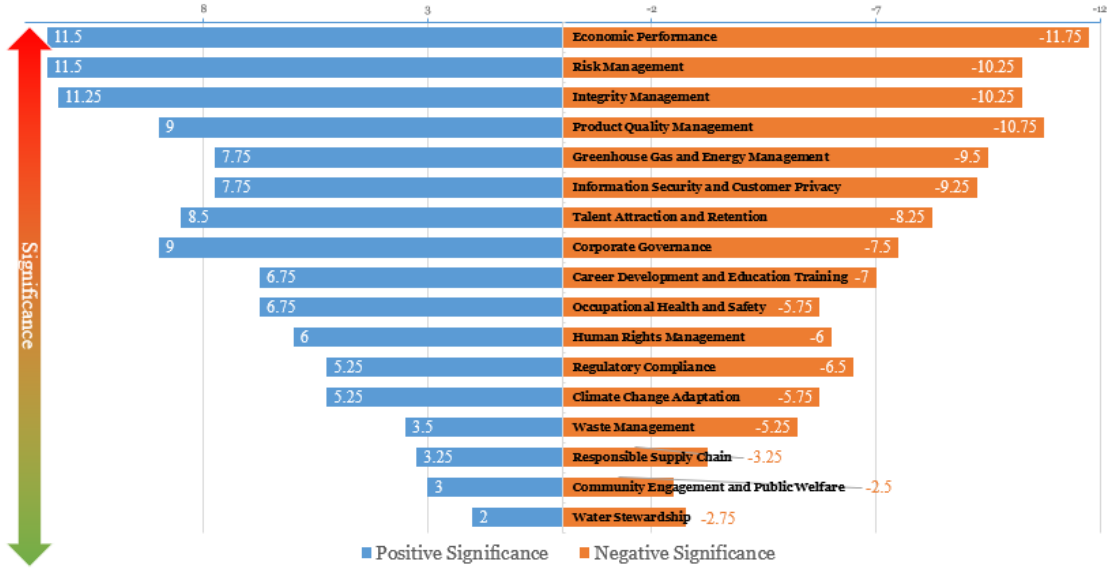
1.4.Material Topics Identification

TSMT has conducted a comprehensive analysis of international trends, industry concerns, and domestic regulatory requirements to gain a sustainable perspective on the characteristics of the TSMT industry. It has also consolidated the 17 sustainability topics that will be disclosed in this year's sustainability report. Following the GRI 3 guidelines for identifying material topics, senior executives from various internal departments were convened to quantitatively assess the impact and likelihood of sustainability topics. These topics were then ranked according to their significance in terms of impact. Through discussions with internal and external consulting experts, the final decision was made to focus on various material topics for this year's sustainability report: economic performance, integrity management, product quality and hazardous substance management, information security and customer privacy, climate change adaptation, GHG and energy management, talent attraction and retention, and occupational health and safety. The decision on these material topics will be presented to the President for review.



The chart below shows a bar graph listing the significance of each sustainability topic from high to low after assessment, considering both positive and negative aspects. The level of significance is the primary basis for identifying material issues. Taking into account recent domestic trends in climate change adaptation laws and the Company's emphasis on worker safety, Occupational Health and Safety and Climate Change Adaptation have been included in the material topics for the formulation of management strategies. These topics will be elaborated on in more detail in various chapters of this report. The remaining sustainability topics with lower significance will be disclosed in accordance with GRI disclosure guidelines in the sustainability report.

Bar Chart on the Significance of Sustainability Topics



Material Topics for TSMT in 2024

Topic Areas	Material Topics	Explanation on the Impact of the Topic	Response Section
Governance and Economy	Economic Performance	Stable economic performance can drive the steady growth and development of TSMT, enabling investors to achieve stable profits. It may also allow the Company to enhance employee benefits. The converse, meanwhile, could undermine investor confidence and even impact employee salaries and basic job rights.	Ch2 Corporate Governance
	Integrity Management	TSMT upholds the principle of integrity management in its operations and opposes all forms of corruption, aiming to enhance the long-term trust of external stakeholders in the Company and strengthen its business resilience. If the Company experiences corruption, it will directly impact the Company's reputation and	

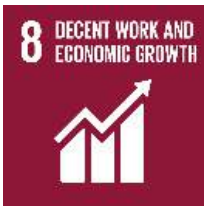
		product quality, affecting investor decision-making and the stability of the capital market.	
Products and Customers	Information Security and Customer Privacy	Information security, customer privacy protection, and trade secret management are critical to maintaining the trust of both internal and external stakeholders. Any information security incidents that violate relevant regulations could result in litigation and financial losses, severely damaging the Company's reputation. TSMT has established clear information security management procedures and policies to properly safeguard the Company's trade secrets and confidential information, preventing any incidents that could compromise customer interests due to information leaks.	Ch3 Customer Relations and Quality Management
	Product Quality Management	The quality of products is crucial to customers' assessment of TSMT. Good product quality is highly favored, and the stable production of high-quality products contributes to establishing long-term cooperative relationships. If the Company does not ensure product quality, it may affect the Company's reputation and even result in fines from customers or competent authorities.	
Environment and Climate	Climate Change Adaptation	In response to global climate change, we are committed to adapting and mitigating the	Ch4 Climate Change and Environmental

	Energy and GHG Management	environmental impact of our business operations. We strive to promote resource reduction management, reduce GHG and energy consumption, and fulfill our responsibility for global environmental protection. Our goal is to build a sustainable green enterprise.	Sustainability
Society and Employees	Talent Attraction and Retention	Talent is the crucial driving force for business advancement. Neglecting talent retention will indirectly impact the pool of innovative talent in the industry and hinder the Company's ability to maintain its competitive edge. It also contributes to a negative work environment for professionals in the same field. TSMT actively recruits and retains talented and diverse professionals to strengthen its presence in Taiwan. This is achieved by enhancing employee benefits to improve the stability and capabilities of industry talent, promoting better working conditions and welfare across the industry, and fostering employee morale and a willingness to learn.	Ch5 Employee Care and Social Welfare
	Occupational Health and Safety	The purpose of promoting occupational health and safety is to prevent workplace accidents. If a Company neglects occupational health and safety, it can harm personnel's health, thereby affecting the Company's core operations and production. The consequences of accidents can also	

		result in personnel injuries or asset losses. TSMT is committed to enhancing personnel's safety awareness, reducing the occurrence of accidents, and enabling employees to pursue a better working environment.	

Chapter 2 Corporate Governance

Sustainability Performance and Corresponding SDGs

SDGs			2024 Annual Job Performance
SDG 8		Decent Work and Economic Growth	● In 2024, the consolidated net profit after tax was NT$2,906,467 thousand, and the basic earnings per share were NT$9.94. ● Obtained verification for RBA Code of Conduct Version 8.9 and was awarded the Silver Certificate.
SDG 17		Partnership for Sustainable Development	● The operational regions cover Asia, Europe, and America, providing globalized services.

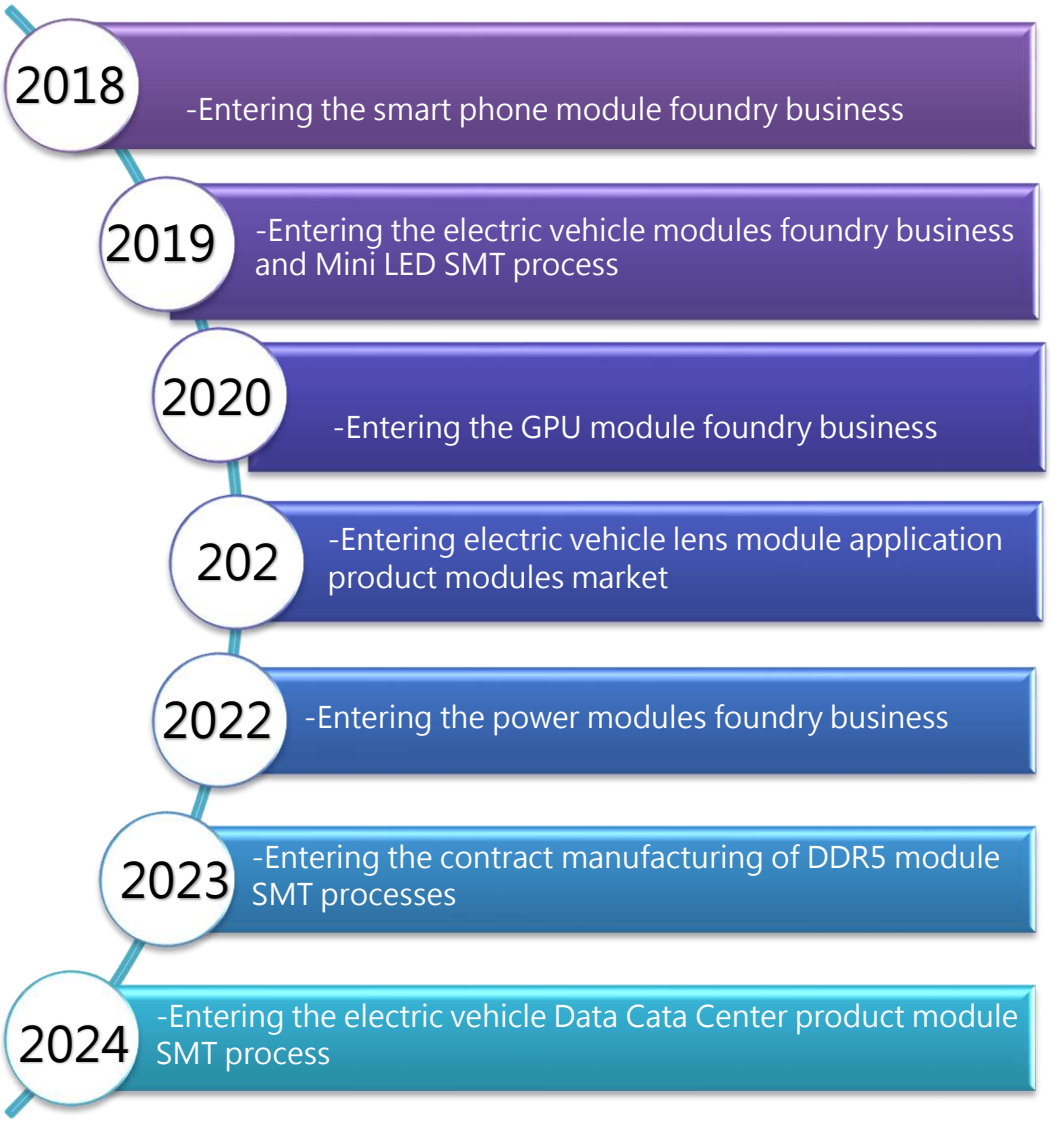
2.1.About TSMT

TSMT is a leading global supplier of Surface Mount Technology (SMT) production solutions for Thin-Film Transistor Liquid Crystal Displays (TFT-LCD). Established in March 1990, TSMT's main business activities include the design, processing, manufacturing, and trading of TFT-LCD panels and other electronic information product circuit board surface mounting. In addition, the Company officially went public on the Taiwan Stock Exchange in August 2010, following approval by the Financial Supervisory Commission.

TSMT has been deeply involved in SMT technology for over 30 years. To provide professional services and meet the immediate needs of customers, we have cultivated a professional management team and continue to maintain a leading position in the industry. With the expansion of production sites and the increasing diversification of products, TSMT has evolved from its early days of computer motherboard processing to now encompassing touch panels, wearable devices, medical equipment, memory modules, and Mini LED, among others. As electronic technology continues to advance rapidly, TSMT's services have also become more diversified, to become a key driver in global informatization.

Company Profile	
Company Name	Taiwan Surface Mounting Technology Corp.
Date of Incorporation	March 24, 1990
Headquarters	No.437, Taoying Rd., Taoyuan City, Taoyuan County 330, Taiwan (R.O.C.)
Chairman	Wu, Kai-Yun
President	Wu, Yun-Chung
Industry	Listed: Optoelectronics
Stock Code	6278
Capital	NT$2,923,984,000 (as of December 31, 2024)
Number of Employees	Approximately 11,000 employees across the entire Group
Major Products	SMT (Surface Mount Technology) is applied to various electronic products, including LCD control boards (TVs/computers/appliances/automotive electronics/tablets), and hard drives.
Operational Locations	Taiwan, Mainland China (Dongguan, Suzhou, Xiamen, Hefei, Chongqing, Xianyang), India, Vietnam, Mexico
Primary Markets (Countries where services are provided)	Mainland China, Taiwan, the United States, etc.

For the past decade, TSMT has consistently invested in green manufacturing and products



2.2.Corporate Governance

Sound corporate governance and integrity management are core objectives of TSMT's sustainable operations. The Company actively promotes operational transparency and manages its business in accordance with the principle of safeguarding stakeholder interests. TSMT's Board of Directors has approved the "Ethical Corporate Management Best Practice Principles," ensuring compliance with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, regulations related to listed companies, and other applicable commercial laws, forming the foundation for ethical business conduct. In addition to the "Code of Ethics," TSMT explicitly prohibits employees from engaging in bribery, accepting or offering improper gifts, entertainment, or other undue benefits—whether directly or indirectly—for the purpose of establishing business relationships or influencing commercial transactions.

Corporate Governance Framework

The Board of Directors is the highest governing body of TSMT, responsible for overseeing, appointing, and guiding the Company's management team, as well as providing guidance on the Company's business direction. In order to implement honest and transparent corporate governance, a comprehensive governance framework has been established. Under the Board of Directors, the Remuneration Committee and the Audit Committee have been set up according to their respective powers and functions to assist the Board in addressing and overseeing important economic, environmental, and social matters.

Board of Directors	Remuneration Committee	Audit Committee
■ The 14th term Board of Directors of TSMT is composed of 11 directors, with 4 female directors (constituting 36.4%), 4 independent directors (constituting 36.4%), and 100% of the directors being natural persons. Evaluating	■ TSMT established the Remuneration Committee on October 25, 2011. The committee is currently composed of three independent directors who evaluate the Company's executive compensation policies and systems from a professional and	■ TSMT established an Audit Committee on June 13, 2019, to exercise the powers stipulated by the Company Act, Securities and Exchange Act, and other laws and regulations. The Audit Committee is currently composed of four

the list of TSMT board members, they collectively possess abilities in business judgment, leadership decision-making, operational management, international market insights, and crisis handling. ■ The Board of Directors convenes at least on a quarterly basis, holding a total of six board meetings in 2024, with an average attendance rate of 92.5% among the directors. ■ The Company has established the Rules and Procedures of Board of Director Meetings and promptly publishes the significant resolutions passed by its Board of Directors on the website designated by the competent authority, in compliance with the relevant orders and regulations of the competent authority. Additionally, the Company maintains	objective perspective. They provide recommendations to the Board of Directors for decision-making and conduct annual internal performance assessments of the Remuneration Committee. ■ The main responsibility is to assist the Board of Directors in regularly evaluating and determining the remuneration of directors and executives, as well as periodically reviewing the policies, systems, standards, and structures of performance assessment and remuneration for directors and executives. ■ The TSMT Remuneration Committee convenes meetings at least twice a year. The committee met two times in 2024, with a director attendance rate of 100%.	independent directors and is primarily responsible for supervisory duties, evaluating operational performance, making decisions on important matters, and conducting regular internal performance assessments of the committee each year. ■ The TSMT Audit Committee convenes a meeting at least once a year and had a total of five meetings in 2024, with a director attendance rate of 100%. The Audit Committee maintains good communication and interaction with the internal audit manager and accountants.

up-to-date business and financial information on its website, demonstrating effective implementation. ■ To enhance corporate governance capabilities, TSMT has established a Board Performance Assessment Method. Every December, internal performance assessments are conducted for board members to enhance the effectiveness of corporate governance.		

Operation of the Board of Directors

Corporate Governance Best Practice Principles	TSMT has established Corporate Governance Best Practice Principles to develop and implement a diversity policy for the Board of Directors. The nomination and selection of board members are conducted in accordance with the Company's Articles of Association using a candidate nomination system. In addition to evaluating each candidate's education, experience, and qualifications, the Corporate Governance Best Practice Principles are followed to ensure the diversity and independence of board members.

Independence Status of the Board of Directors

The 14th Board of Directors of the Company sets 4 independent directors, accounting for 36.36%, and the qualification and independence of the independent directors are inspected regularly every year, which all conform to the qualification conditions in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies". They neither have direct or indirect interest relationship with the Company within the execution scope of business, nor have the conditions listed in Article 3(1) mentioned above two years before being elected and during their term of office. The Company has obtained a declaration of independence from each independent director.

Name	Professional Qualification and Experience	Independence Status	Number of Other Public Companies He/She Concurrently Serving as Independent Director
Wu, Kai-Yun	Mr. Wu, Kai-Yun, one of the founders of the Company, serves as the Chairman and President of the Company. He has over 30 years of experience in operation management, research and development, process engineering, procurement and logistics, as well as sales and marketing in the electronics industry, specializing in technology leadership, operational judgment and management, and leading the Company's continuous growth with proven results. The conditions specified in Article 30 of the Company Act did not occur to him/her.	The conditions specified in Article 3(1)-5 to Article 3(1)-9 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies have not arisen.	0
Lin, Wen-Ching	Mr. Lin, Wen-Ching, one of the founders of the Company, graduated from the Mechanical Engineering Department of Taiwan Institute of Technology and worked as an engineer at Taiwan Philips and as the R&D Manager of Efa Corp., specializing in the design and sales of molds for mechanical parts for electronic products, with professional knowledge of mechanical engineering and experience in industry development and	The conditions specified in Article 3(1)-1 to Article 3(1)-2, Article 3(1)-5 to Article 3(1)-9 of Regulations Governing Appointment of Independent Directors and Compliance Matters for	0

	management. The conditions specified in Article 30 of the Company Act did not occur to him/her.	Public Companies have not arisen.	
Wang, Chia-Chen	Ms. Wang, Chia-Chen graduated from the Accounting Department of Soochow University and served as a Senior Auditor at PricewaterhouseCoopers Taiwan. She has been with the Company since 2000 and is familiar with the Company's organization and business operations, with professional knowledge and experience in finance and accounting. The conditions specified in Article 30 of the Company Act did not occur to him/her.	The conditions specified in Article 3(1)-3 and Article 3(1)-5 to Article 3(1)-9 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies did not occur to him/her.	0
Shen, Shian-Ho	Mr. Shen, Shian-Ho graduated from Chung Yuan Christian University with a degree in Electronic Engineering and served as a director and Vice President of AU Optronics Corp. He currently serves as a director of C Sun Mfg. Ltd., and an independent director of Ennostar Inc. and ProLight Opto. He has rich professional knowledge in the TFT-LCD industry, with experience in industrial development and operation management. The conditions specified in Article 30 of the Company Act did not occur to him/her.	The conditions specified in Article 3(1) of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies have not arisen.	2
Wu, Yun-Chung	Mr. Wu, Yun-Chung graduated from Lehigh University, USA with a bachelor's degree in Electrical Engineering and a master's degree in Energy Systems Engineering, and served as a Project Manager of Regent Electron (Suzhou) Co., Ltd. He currently serves as the Deputy President of the Advanced Process Business Office of the Group, focusing on the research and development of new SMT processes and the development of international customers, with the expertise and experience required for innovative research and development, automated process, business strategies and business development of the Company. The conditions specified in Article 30 of the Company Act did not occur to	The conditions specified in Article 3(1)-5 to Article 3(1)-9 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies have not arisen.	0

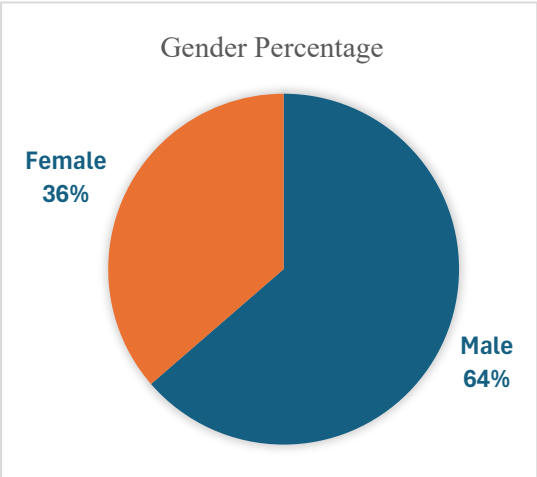
	him/her.		
Lin, Wen-Chang	Mr. Lin, Wen-Chang graduated from Yu Da High School of Commerce and Home Economics, and was formerly the Responsible Person of Tian Wei Motorcycle Co., Ltd, with the expertise and experience required for operation management and business development of the Company. The conditions specified in Article 30 of the Company Act did not occur to him/her.	The conditions specified in Article 3(1)-1 to Article 3(1)-2, Article 3(1)-5 to Article 3(1)-9 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies have not arisen.	0
Hsiao, Hsueh-Fong	Ms. Hsiao, Hsueh-Fong graduated from Bank Assurance Department of Ming Chuan University and served as a Specialist of First Commercial Bank and the Financial/Accounting Manager of Yuan Liou Publishing Co., Ltd., with the expertise and experience in financial management and financial investment. The conditions specified in Article 30 of the Company Act did not occur to him/her.	The conditions specified in Article 3(1) of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies have not arisen.	0
Hwu, Shoou-Chyang (Independent Director)	Mr. Hwu, Shoou-Chyang graduated from China Business Administration College and served as the Business Manager of Junchang Enterprise and the President of Chung Hung Industrial Co., Ltd., with the expertise and experience required for operation management and business development of the Company. The conditions specified in Article 30 of the Company Act did not occur to him/her.	The conditions specified in Article 3(1) of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies have not arisen, besides, neither he nor his spouse or relatives within second-degree kinship serve as director of the Company or affiliated companies nor hold shares of the Company (or hold shares in the name of others).	0
Chang, May-Yuan (Independent Director)	Ms. Chang, May-Yuan graduated from Ohio State University, USA with a Master's degree in Industrial and Systems Engineering. She served as the President of Sheng Yang Co., Ltd., the Manager of Kuang Hua Investment Company, the Investment Manager of Global Investment Holdings, and the President of Dongan Investment (Holding) Co., Ltd., with professional knowledge and experience in financial management, financial investment, investment judgment, management of start-up companies, and operation		0

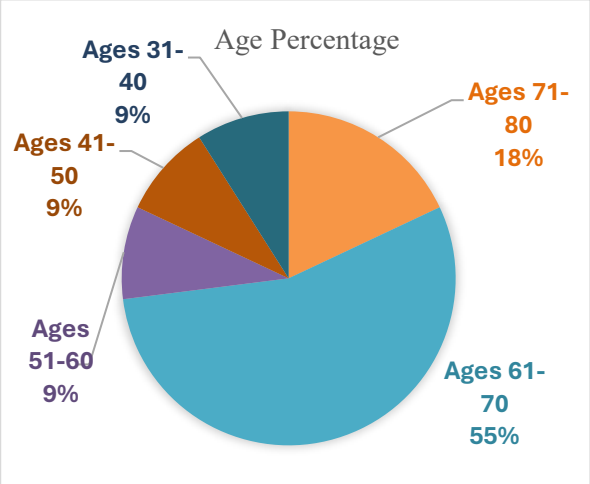
	management. The conditions specified in Article 30 of the Company Act did not occur to him/her.		
Chen, Meng-Ping (Independent Director)	Ms. Chen, Meng-Ping graduated from the Accounting Department of Chinese Culture University and served as the Manager of KPMG in Taiwan. She is currently a CPA of Dnda CPA Firm and an independent director of Force Mos Technology, with professional knowledge and background in finance, accounting, and corporate governance. The conditions specified in Article 30 of the Company Act did not occur to him/her.		1
Shih, Yu-Hua (Independent Director)	Mr. Shih, Yu-Hua graduated from the Department of Shipping and Transportation Management of National Taiwan Ocean University and served as the Vice President of Li-Tzer Investment, Consultants Corporation., Limited., with the expertise and experience required for operation management and business development of the Company. The conditions specified in Article 30 of the Company Act did not occur to him/her.		0

Diversification of the Board of Directors:

TSMT's Board of Directors follows a candidate nomination system. Director candidates nominated by shareholders or board members are reviewed and approved by the Board before being submitted for election at the shareholders' meeting. TSMT has established a "Code of Practice on Corporate Governance," which includes a policy on board diversity under Chapter III Strengthen the effectiveness of the Board of Directors. The Board is composed of 11 members with diverse competencies, including management and operational expertise, accounting and financial analysis, information technology, industry knowledge, leadership, decision-making, risk management, and corporate governance experience. The Board currently meets the requirements for functional diversity.

The Board of Directors includes four female directors, one of whom holds a professional financial certification and also serves as a Company executive. The number of directors who serve as Company executives does not exceed one-third of the total. In order to continuously meet future development needs, consideration is also given to whether to add directors with expertise and experience in environmental sustainability, occupational health and safety, and labor rights, to strengthen oversight and guidance of the Company's response to international sustainable development trends.





Specific management objectives and current achievement condition of diversification policy

Specific management objectives	Current achievement condition
Among the members of the Board of Directors, the number of directors co-acting as managerial personnel of the Company	Achieved.

shall not exceed 1/3 of director seats.	
Among the members of the Board of Directors, the number of female directors shall not be less than (including) 1.	Achieved; there are total 4 female directors in the 14th Board of Directors.
Among the members of the Board of Directors, the number of independent directors shall not be less than one-third of the total board numbers.	Achieved; there are total 4 independent directors in the 14th Board of Directors.
There shall be at least one independent director equipped with accountant's certificate, finance or enterprise management.	Achieved.

Name	Industrial Experience and Professional Capability					
	Administrative Management	Industry Knowledge	Information Technology	Accounting & Finance	Leadership & Decision-Making	Risk Management
Wu Kai-Yun	V	V	V		V	V
Lin Wen-Ching	V	V			V	V
Wang Chia-Chen	V	V		V		V
Shen Shian-Ho	V	V	V	V	V	V
Wu Yun-Chung	V	V	V		V	V
Lin Wen-Chang	V	V			V	V
Hsiao Hsueh-Fong		V		V		V
Hwu Shoou-Chyang	V	V			V	V
Chang May-Yuan	V	V		V		V
Chen Meng-Ping	V			V		V
Shih Yu-Hua	V	V				V

Board of Directors Training

TSMT arranges regular director training courses every year. The courses cover topics such as ESG sustainability trends, corporate governance, securities regulations, and

board meeting operations. The director training situation for 2024 is shown in the table below:

Name	Organizer	Course Name	Hours
Shen, Shian-Ho	Securities and Futures Institute	Strategic Thinking in Issue Management within Corporate Governance	3
	Taiwan Corporate Governance Association	How the Board Ensures Sustainable Business Operations: Starting with Talent Discovery and Development	3
Wang, Chia-Chen (Also the Corporate Governance Manager)	Accounting Research and Development Foundation of the Republic of China	Practical Risk Management and Internal Control in the Era of ESG	3
	Accounting Research and Development Foundation of the Republic of China	Analysis of the Latest Securities Financial Tax Laws and Professional Standards	1
	Accounting Research and Development Foundation of the Republic of China	Legal Responsibilities and Practical Case Analysis of Insider Trading by Corporate Insiders	3
	Accounting Research and Development Foundation of the Republic of China	Analysis of the Latest Securities Financial Tax Laws and Professional Standards	1
	Accounting Research and Development Foundation of the Republic of China	Practical Approaches to Corporate Tax Governance in the ESG Era	3
	Accounting Research and Development Foundation of the Republic of China	Analysis of the Latest Securities Financial Tax Laws and Professional Standards	1
Chen, Meng-Ping	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
Shih, Yu-Hua	Taiwan Corporate Governance Association	Enhancing Corporate Governance: Lessons from Enforcement Cases	3
	Securities and Futures Institute	Economic Situation and Market Opportunities in New Southbound Countries	3
Chang, May-Yuan	Taiwan Corporate Governance Association	Driving Enterprise Innovation and Growth	3
	Securities and Futures Institute	Disputes over Corporate Control and an Introduction to the Commercial Case Adjudication Act	3
Hwu, Shoou-Chyang	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
Hsiao, Hsueh-Fong	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6

Board of Directors Performance Assessment

To enhance corporate governance functions and the effectiveness of the Board of Directors, TSMT conducts an annual performance assessment of the board and individual directors. The assessment is based on self-assessment by directors, internal assessment by the board, and a comprehensive assessment based on board resolutions. The Company assesses the level of agreement among directors regarding the operation of the Board of Directors through various assessment indicators. The assessment items are shown in the table below. The relevant assessment has been submitted to the Board of Directors as a reference for the Company's ongoing improvement.

Board of Directors Performance Assessment Indicators	Individual Director Performance Assessment Indicators
1. Involvement in Company Operations 2. Improving the Quality of the Board of Directors Decision-Making 3. Composition and Structure of the Board of Directors 4. Selection and Ongoing Education of Directors 5. Internal Control	1. Understanding Company Goals and Missions 2. Awareness of Director's Responsibilities 3. Involvement in Company Operations 4. Internal Relationship Management and Communication 5. Director's Expertise and Ongoing Education 6. Internal Control

Board of Directors' Compensation

TSMT follows the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange. After a proposal by the Remuneration Committee, it is implemented upon approval by the Board of Directors. It is stipulated in the Company's Articles of Association that, in any profitable fiscal year, a sum not exceeding one percent should be allocated for the director's remuneration. However, when the Company has an accumulated deficit, an amount shall be reserved in advance to offset the losses.

The remuneration of the directors, independent directors, and executives of TSMT includes salaries, bonuses, and retirement benefits. The Remuneration Committee

provides compensation recommendations based on professional, independent, and objective considerations. Besides individual performance, compensation factors in industry standards, time and responsibilities, the achievement of personal goals, performance in other roles, and the compensation of individuals in similar positions in recent years. Regular meetings are held to review and ensure the competitiveness and reasonableness of the compensation, supporting the sustainable operation of TSMT. Comprehensive details of the compensation are disclosed annually in the Company's annual report and reported at the shareholders' meeting.

Analysis on the ratio of the total remuneration paid to the Company's Directors, President and Vice President by the Company and all the companies listed in TSMT's Consolidated Financial Statements (including the Company) in the most recent two years in net profit after tax:

Item / Title	Ratio of Total Remuneration in Net Profit after Tax			
	2023		2024	
	The Company	All Companies in the Financial Statements	The Company	All Companies in the Financial Statements
Director	2.57%	3.43%	2.63%	4.08%
President and Vice President	2.06%	2.89%	2.06%	3.48%

Membership Qualifications of the Association

In 2024, TSMT participated in multiple external organizations. Through attending meetings and events, exchanging information, and holding key positions, the Company maintained close engagement with industry, government, and academic sectors, fostering strong relationships. The main organizations in which the Company participates are as follows:

List of Participating Associations/Names of the Associations	Roles Held in the Associations
Taoyuan County Guishan Industrial Park Manufacturers Association	Member
Taiwan Electronics Manufacturers Association	Member
Taiwan Electrical and Electronics Manufacturers Association	Member
Accounting Research and Development Foundation of the Republic of China	Member
Taoyuan County Industrial Association	Member
Taiwan Corporate Governance Association	Member
"Taiwan Smart Mobility Industry Association"	Member

Note: Suzhou Regent Electron and Chongqing Regent Electron did not participate in any external public associations in 2024.

2.3.Economic Performance

Management Policy for Material Topics

Material Topics	Economic Performance
GRI Indicators	GRI 201-1 / GRI 201-3 (please refer to the Employee 5.2 section) / GRI 201-4
Impact Statement	Positive: Stable economic performance can drive steady growth and development of businesses, providing stable profits for shareholders and investors, increasing employment opportunities in society, and improving worker welfare. Negative: the Company's financial performance is unstable, which may result in reduced dividends for shareholders and investors, as well as an impact on employee compensation and job security
Policy/Commitment	To provide professional services and meet the immediate needs of customers, TSMT has cultivated a professional management team and continue to maintain a leading position in the industry
Objective	Short-term: 1. Grow revenue and profits every year 2. Continuously innovate and develop to enhance the Company's competitiveness 3. Promote automation and intelligent production to enhance production efficiency and reduce costs Long-term: 1. Develop new customers and establish long-term partnerships 2. Focus on market trends and enhance operational agility
Responsibility	Management and all employees
Resources	Continuously invest in research and development. In 2024, we allocated nearly NT$770 million to research and development, accounting for 1.70% of our revenue.
Grievance Mechanism	The communication procedures and complaint/suggestion guidelines of TSMT should be followed when submitting through any channel. The channels for reporting, lodging complaints, and making suggestions are as follows: 1) Dedicated mailbox located in front of the B1 convenience store (on the right side). 2) Internal Complaint Hotline: 03-2189988 ext. 29902 3) Internal Complaint Email:lisa-lu@tsmt.com 4) External Complaint Hotline: +886-3-2189988 ext. 29122 5) External Complaints Inbox:tsmt_service@tsmt.com.tw
Action Plan	Hold regular corporate briefing sessions to disclose financial performance and operational results, allowing external stakeholders to understand the Company's business conditions.
Assessment Mechanism	By convening regular Board meetings to review operational performance and discuss business objectives.

In 2024, we continued to refine and optimize the DDR module manufacturing process. Leveraging a high-yield process and our leading-edge technology, we supported customers in validating the Corner-Fill process. Ultimately, we assisted clients in customizing adhesive application carriers, specifically magnetic carriers combined with magnetic steel sheets, to perform single-piece, panelized dispensing operations. This successfully fulfilled customer requirements and contributed to the Company's operational growth momentum.

The Company continues to optimize manufacturing process tools and invests in advanced machinery and equipment. Simultaneously, we have upgraded related software and hardware to support customers' diverse product validations. In 2024, we completed the design of specialized crimping fixtures tailored to customer needs and successfully passed product certification within the same year. Looking ahead, we will remain committed to actively participating in process validation for electric vehicle-related module products to meet evolving customer requirements.

The electronic products have changed quickly, and the production process has kept upgrade. Since its establishment, the Company has been adhering to the spirit of service by utilizing state-of-the-art production technology to satisfy customers' needs. The Company also has been recognized by the world's major Electronics factories. From the past cornerstone, looking forward to the future.
The Company specializes in electronic products of professional manufacturing technology, the improvement and upgrading of test fixture and other related engineering technology. It also engages in the manufacturing process of automated production and intelligent process to meet the customers' needs and conform to the market trends, and then enhances the competitiveness of the Company in the overall industry and achieves a win-win goal.

Business Strategy

Marketing	Technical Development	Development Strategy
1. Developing well-known domestic and international clients, seeking for cooperating with major overseas companies, and striving for orders with huge quantity but less variety, in order to increase the effect of economies of scale.	1. Introducing automated production equipment and optimizing manufacturing process to boost production efficiency and reduce cost of production. 2. Introducing new manufacturing process and curtailing production and delivery	1. Strengthening the management team, expanding business scale, and dispersing sales risk. 2. Continuously developing and producing different types of products for reducing the risk of product life cycle succession, and

2. Establishing strategic alliance with customers and achieve positive interaction. 3. Planning for overall marketing strategy and actively developing the international market in addition to existing customers.	time to increase customer's satisfaction. 3. Increasing investment in equipment, replacing old equipment with new ones, and improving production and sales process as well as the configuration of production lines to reduce material wastes and improve production capacity and efficiency.	diversifying operation to improve the Company's competitiveness to ensure sustainable development.

Competitive Advantages

Factors of Competitive Advantages	Description
All-round layout of production lines to meet customer's needs	TFT-LCD panel products can be applied to various displays, with a wide range of applications. TSMT provides complete solutions for products of various sizes through its engineering capabilities and practical experience.
Production with scale economies effect, and maintenance of cost competitiveness	In general, a large amount of investment is required for manufacturing and processing industry, so it is necessary to maintain a high utilization of equipment and mass production to reduce unit fixed costs, so as to achieve scale economies effect. TSMT is able to adapt to different products within a short period of time, leveraging its technical expertise and experience. We optimize production processes and reduces facility usage time and error rates.
Establish production facilities near customers	TSMT has established production sites in Taiwan, Dongguan, Suzhou, Xiamen, Hefei, Chongqing, Xianyang, India, Vietnam, and Mexico, following a strategy of locating near key customers. This approach ensures timely delivery to meet customer demand.
Continuously innovation of process technologies	TSMT is actively researching and developing new technologies and improving production processes. In recent years, we have also invested in the development of Mini LED processes to provide excellent service.

Direct Economic Value Generated by Organization Distribution

Item		2022	2023	2024
Generation of Direct Economic Value	Revenue (including non-operating income)	58,114,014	34,166,113	31,000,219
Distribution of Direct Economic Value	Operating Costs	47,976,204	29,168,091	25,470,448
	Employee Compensation and Benefits	3,480,035	2,247,372	2,142,729
	Payments to Investors	1,754,390	2,046,788	1,461,992
	Payments to the Government	445,151	391,690	461,321
Total Economic Value Allocated		53,655,780	33,853,941	29,536,490
Retained Economic Value		4,458,234	312,172	1,463,729
Obtained from Government-related Grants		132,966	106,565	15,875

2.4.Fulfillment of Integrity Management

Management Policy for Material Topics

Material Topics	Integrity Management
GRI Indicators	GRI 205-1/GRI 205-2/GRI 205-3/GRI 206-1
Impact Statement	Establishing an integrity management system can reduce operational risks for TSMT. Positive impacts include enhancing investor trust in the Company, safeguarding investment decisions, and making the Company's operations more resilient. Failure to uphold ethical standards may damage the Company's reputation, negatively affect investor interests, and create instability in the capital markets.
Policy/Commitment	TSMT adopts a zero-tolerance policy towards all forms of bribery, corruption, extortion, and embezzlement. It strictly prohibits both the giving and receiving of gifts, engaging in anti-corruption and bribery practices, and entering into transactions and agreements that may appear to create conflicts of interest with any internal or external personnel.
Objective	In 2024, employees and the Board of Directors maintained a 100% signing rate for the Integrity Management Document, and 100% of all suppliers signed the Integrity Pledge document.
Responsibility	Administration Department, Audit Department
Resources	1) TSMT provides the latest revised Ethical Corporate Management Best Practice Principles on its official website. 2) Regularly disclose relevant progress in the sustainability report and on the website.
Grievance Mechanism	The communication procedures and complaint/suggestion guidelines of TSMT should be followed when submitting through any channel. The channels for reporting, lodging complaints, and making suggestions are as follows: 1) Dedicated mailbox located in front of the B1 convenience store (on the right side). 2) Internal Complaint Hotline: 03-2189988 ext. 29902 3) Internal Complaint Email: lisa-lu@tsmt.com 4) External Complaint Hotline: +886-3-2189988 ext. 29122 5) External Complaints Inbox: tsmt_service@tsmt.com.tw
Action Plan	Positive: Regularly conduct education and promotion on

	compliance with regulatory compliance. Negative: Establish an official website where all internal and external stakeholders can report incidents that violate business ethics using the TSMT communication process, complaint and suggestion guidelines, and other available channels.
Assessment Mechanism	TSMT conducts regular and ad hoc audits of integrity management activities, necessitating self-examinations of operational projects, including compliance with laws and regulations and risk assessment, for all factories, departments, and subsidiaries. In addition, the Audit Department conducts relevant audits based on legal regulations and risk considerations by formulating an annual audit plan. It regularly reports the audit results and tracks progress in improvements to both the Audit Committee and the Board of Directors.

Integrity Management Guidelines

TSMT has long upheld integrity and honesty as its core values. In addition to complying with the regulations of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, the Company has established a strict "Code of Ethics" that governs employee behavior and is expected to be observed by all employees, external clients, and suppliers. Internally, employees are required to sign documents related to anti-corruption, anti-insider trading, or other ethical business conduct. The Company also conducts regular training courses to promote ethical values and requires employees to pledge adherence to TSMT's integrity standards. These efforts are reinforced through integration with the performance appraisal system and internal audit processes, ensuring that employees fully understand the importance of ethical conduct. Externally, all potential business partners undergo an ethical business assessment prior to formal engagement. TSMT communicates its ethical business policies to partners to prevent dealings with unethical operators and, upon confirming cooperation, requires suppliers to submit an official Integrity Pledge document.

Reporting and Prevention System

Company Whistleblowing Procedure	To safeguard employee rights and promote labor-management harmony, TSMT enhances communication and welcomes employee reports, complaints, and suggestions. Simultaneously, it offers channels for suppliers, customers, and stakeholders to report, complain, and provide suggestions, aiming to uphold business ethics and social responsibility as outlined in this procedure. Complainants may file complaints through written, telephone, fax, email, or other available means. The Company assigns suitable personnel to address the reported issues, ensuring the effective operation of the complaint system.

■ Complaint Handling Process

STEP1 Filing a Complaint	Employees are required to complete the Employee Complaints and Feedback Form and attach relevant information and evidence, which will be handled by personnel assigned by the specialized department.
STEP2 Accepting Complaints	After receiving a complaint, the specialized unit should notify the relevant department supervisor within two working days for handling, and the unit is required to respond to the Human Resources Department within 14 working days
STEP3 Complaints Handling	Complaint cases should be finalized within two months after the establishment of the investigation team, with a possible one-month extension in the case of particularly complex circumstances.
STEP4 Complaint Cases Finalized	● Once the investigation is finalized, the specialized department will present recommendations on the process and discretionary results, submit them for the president's decision, and then provide the investigation results to the complainant. ● Upon verification, if the reported matters are confirmed to be true and pose a risk to the Company's operations, they should be documented by the Human Resources department. Additionally, during the annual performance assessment, a confidential communication should be sent to the highest executive in the factory to notify them, and a reward for reporting should be considered.

Opposition to corruption, anti-competitive practices, anti-trust, and monopolistic behavior.

All operational locations of the TSMT Group have been included in the scope of corruption risk assessment. In 2024, no reports of financial and accounting-related violations were received. Moving forward, a series of promotional activities will continue to be carried out to promote the integrity management policy, with the aim of enhancing awareness of professional ethics among colleagues and business partners. Employees, governance units, and suppliers of TSMT have all signed and executed relevant documents on anti-corruption and anti-insider trading. Additionally, employees and governance units have completed anti-corruption training courses.

Integrity Management Education and Training

Subject	Content	Execution Frequency
Supplier	New suppliers are required to sign an annual Integrity Pledge or related documents, pledging to abide by the ethical and disciplinary requirements of TSMT.	When adding new suppliers
Employee	1. RBA Code of Conduct Training and Promotion. 2. Training Employees on Social Responsibility Policies and Employee Ethics	Once per quarter (For new employees, it will be held as necessary)
Directors and Managers	Upon the appointment of directors and executives, an email containing the Insider Equity Handbook is sent on the day of their appointment to inform the newly appointed executives about their obligations under relevant laws and regulations. Additionally, on the same day, the shareholder services agency is notified to report the relevant information of the newly appointed insiders.	Ad hoc

2.5.Risk Management and Operational Strategy

Risk management has a significant impact on business operations. TSMT regularly assesses various uncertain factors that could occur during its operations and establishes appropriate control mechanisms. The Board of Directors has established written principles for overall risk management and provides written policies for specific areas and matters, such as exchange rate risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and the investment of surplus liquidity. In line with global environmental and organizational operational strategy priorities, TSMT identified major risk factors, such as market risk and financial risk in 2024, and conducted assessments on these risk factors to propose corresponding risk mitigation strategies.

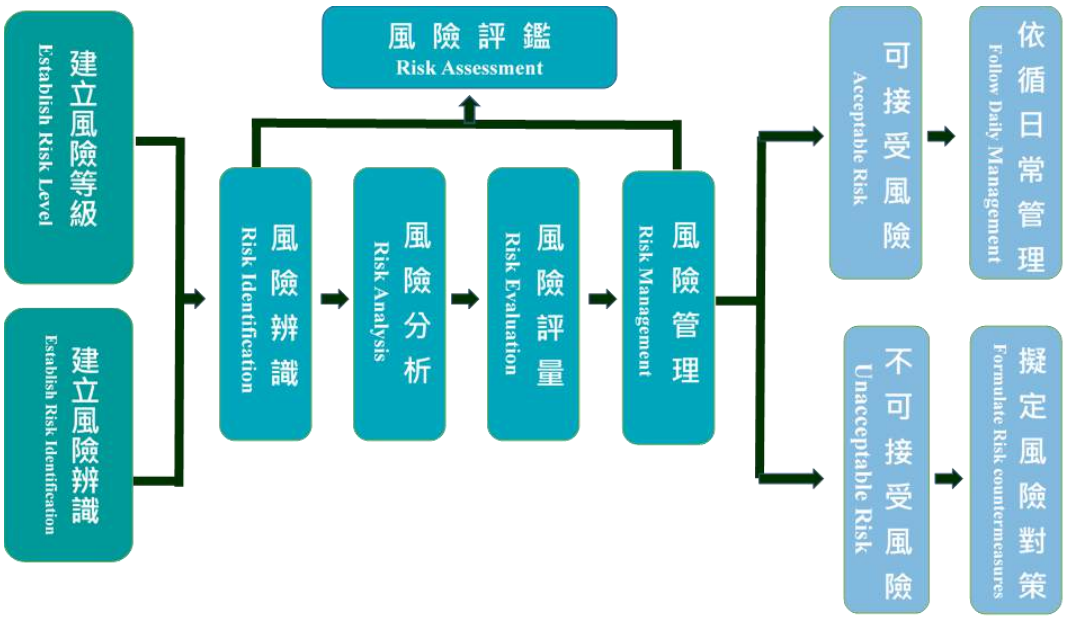
Risk Governance Policy and Operations

TSMT has adopted the Risk Management Policy approved by the Board of Directors as the guiding principle for risk management. In accordance with the principle of significance, TSMT incorporates risks related to operations and ESG issues into its operational management strategies. Through the identification, measurement, supervision, and control of potential risks, TSMT clearly understands the scope of operational risks and establishes an integrated risk management system, promoting a business model guided by appropriate risk management.

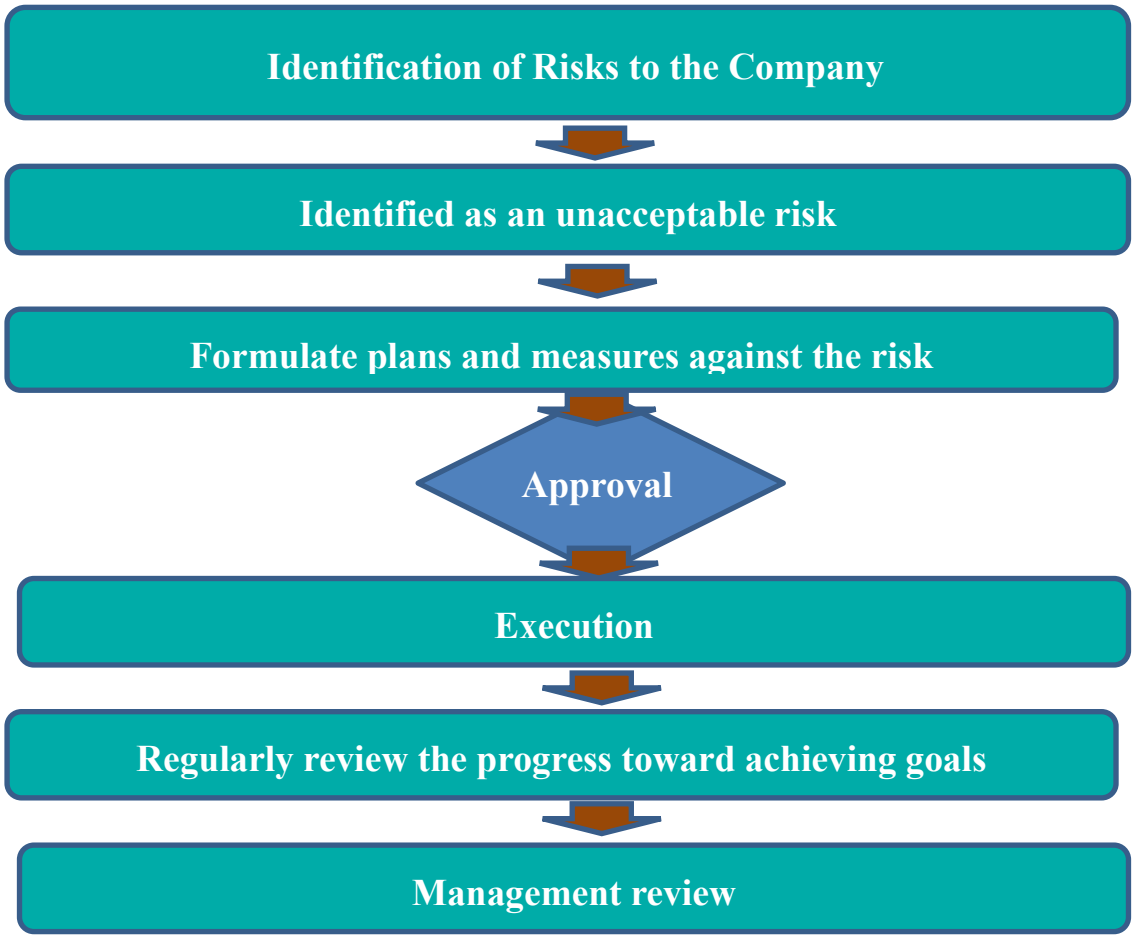
Risk Identification Process and Management

TSMT actively implements risk prevention and loss control, integrating risk management measures into daily internal control operations. Each department is required to conduct regular self-reviews and participate in education and training, which are then evaluated for effectiveness by senior executives, ensuring that risks can be effectively controlled within an acceptable range. Through the establishment of risk indicators and a risk event reporting mechanism, we consolidate business information, identify potential risks, and highlight the main risks. We also provide regular updates on the risk monitoring situation to the risk management supervisor. After identification, measurement, and assessment by the risk management organization, TSMT's primary risk items includes market risk, financial risk, and credit risk. The annual management situation has been reported to the Board of Directors.

Process of Establishing Risk Assessment



Risk Improvement Process



Key Risk Management Items

Category of Risk	Risk Explanation and Response Measures
Market Risk	Due to the short life cycle and rapid technological changes in information electronic products, TSMT will continue to enhance its manufacturing capabilities and competitiveness in response to rapidly changing industry conditions. Additionally, the Company will actively maintain long-term cooperative relationships with existing suppliers to facilitate the acquisition of stable, long-term orders. In addition, the concentration of sales and purchases is a risk that the industry commonly faces. TSMT will leverage its wealth of experience to diversify into other sectors and proactively enter the optoelectronics industry to seize market opportunities.
Financial Risk	Considering various financial risks, such as currency risk, price risk, and interest rate risk, it is crucial to continuously monitor international financial information and exchange rate fluctuations. Maintaining close communication with banks and staying informed in a timely manner is essential to ensure liquidity and minimize the impact of financial risks on TSMT.
Credit Risk	To avoid financial losses resulting from a counterparty's inability to meet contractual obligations, we strictly adhere to our internal credit policy, assess customer credit transaction methods, and continuously monitor accounts receivable after transactions.

2.6.Regulatory Compliance

TSMT has been committed to maintaining its corporate image over the years, pledging to abide by the legal requirements of the countries where it conducts business activities. TSMT also conducts regular assessments of environmental and safety regulations, assisting the Company in establishing risk management measures and operational requirements. The Company continually internalizes legal regulations into Company policies or implementation procedures and disseminates them to employees through relevant educational and training programs. All factories obtained certifications such as ISO 14001:2015 Environmental Management System, ISO 45001:2018 Occupational Health and Safety Management System, ISO 9001:2015 Quality Management System, and IECQ QC08000:2017 Hazardous Substance Process Management System. These certifications ensure compliance with environmental, labor, and occupational safety regulations and provide a safe working environment for employees. As of the end of 2024, apart from labor-related regulatory matters, TSMT has not incurred any significant [Note] fines or penalties for violations of corporate governance, economic, social, or environmental regulations. No incidents of customer privacy breaches or data leaks were reported.

Category	Description	Amount of Penalty (NT$ million)	Improvement Measures
Labor	Date of penalty: October 4, 2024 Contents of violation: Exceeding legal limits on working hours.	15	Implementation of and compliance with relevant laws and regulations.

Chapter 3 Customer Relations and Quality Management

Sustainability Performance and Corresponding SDGs

<table>
<tr><th colspan="3">SDGs</th><th>2024 Annual Job Performance</th></tr>
<tr><td>SDG 12</td><td> 
</td><td>Responsible Consumption and Production</td><td>● The annual percentage of new suppliers signing the RBA commitment reached 88.52%.
● During the annual review of 227 supplier conflict material-3TG smelters, the countries of origin of the smelters were not identified to be located in conflict mineral risk areas.
● No violations of health and safety regulations related to products and services during the year.
● The waste recovery rate reached 62.87%, an increase of 6.52% compared to last year.</td></tr>
<tr><td colspan="4">Other Performance</td></tr>
<tr><td colspan="4">● There have been no incidents of customer data theft or leakage at TSMT within the year, and no incidents of customer privacy infringement have been reported.
● A total of 1,161 employees from the Taiwan factory participated in information security education and training during the year. 100% of the employees completed the information security education and assessment.
● During the year, a total of 2,709 participants from TSMT's global locations (Taiwan, Mainland China, India) engaged in social engineering attack drills, with a pass rate of 99.8%.</td></tr>
</table>

3.1. Customer Relationship Maintenance

Customer Satisfaction

Maintaining strong customer relationships is one of the key factors contributing to the Company's success. At TSMT, we are dedicated to establishing and nurturing these relationships. Through regular communication, we gain insight into customer needs and improvement suggestions, which are then integrated into our future operations to bolster trust and loyalty. Furthermore, ongoing communication helps us identify potential opportunities and enhance the long-term value of our partnerships.

TSMT recognizes that improving products and services relies heavily on customer feedback and suggestions. Accordingly, the Company has established a "Customer Satisfaction Procedure." Every six months, the Sales Department distributes questionnaires to clients to assess satisfaction across two main dimensions: overall satisfaction and key performance indicators. Overall satisfaction covers delivery quality, pricing, service quality, and product quality. Key performance indicators include quality stability, professional competence, responsiveness to urgent orders, sales personnel attitude, complaint handling, and speed of feedback. After collecting customer feedback, TSMT convenes relevant departments to hold improvement meetings for any areas scoring below the satisfaction benchmarks. The teams discuss actionable plans for enhancement and communicate specific improvement measures to customers, demonstrating TSMT's commitment to valuing client input and its proactive approach to driving meaningful improvements.

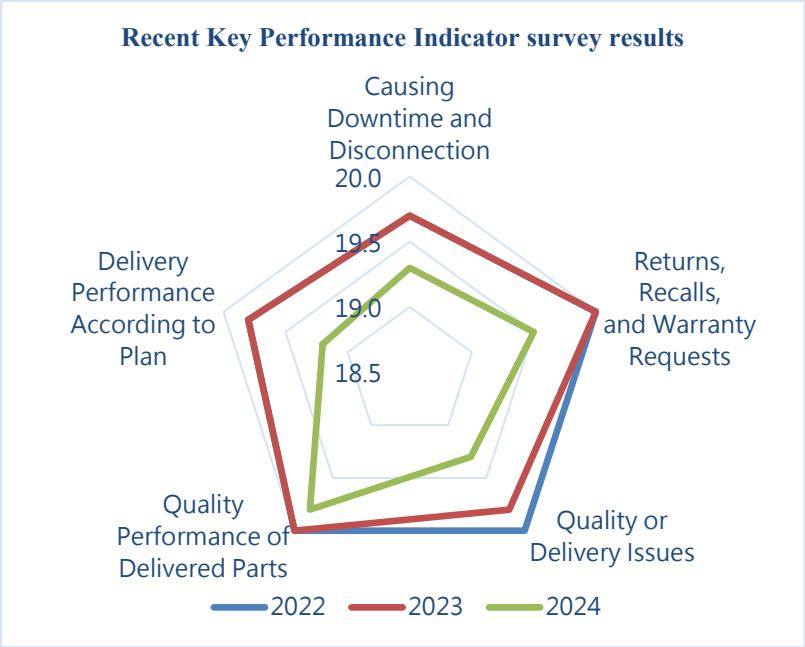
Customer Satisfaction Survey Process

Customer Satisfaction Survey Results

Over the past three years, TSMT's customer satisfaction survey results have consistently scored above 90 points, affirming our services and quality. In the future, we will continue to aim for a satisfaction score of 90 points or higher to provide our customers with stable and high-quality service.

Customer Satisfaction Survey Results

In addition to customer satisfaction surveys, TSMT evaluates the potential impact of its products and services on clients by tracking annual service key performance indicators. Any occurrences such as product returns, production stoppages, product recalls, or customer complaints directly affect the corresponding key performance indicator scores. Over the past three years, customer ratings for all five key performance indicators have consistently exceeded 98 points, with most indicators showing an upward trend year over year. This demonstrates that TSMT meets customer requirements in terms of delivery, quality, and service. Moving forward, the Company will place particular emphasis on continuous quality monitoring and improvement, using annual trends to track internal progress and drive further enhancements.

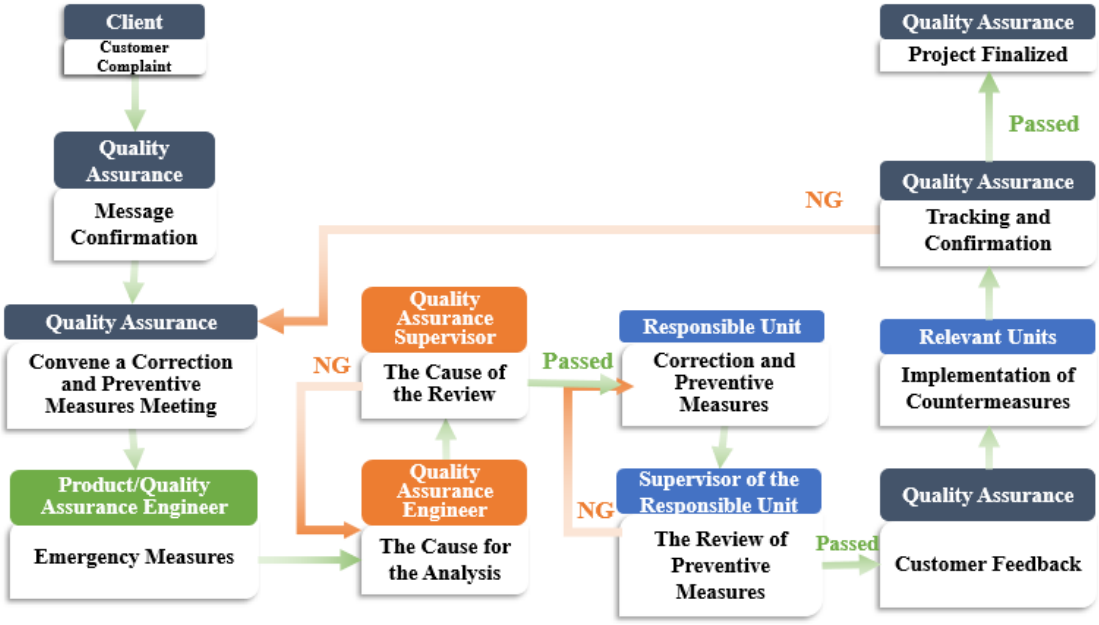


Key Performance Indicator Survey Results

Customer Complaint Handling Procedures

TSMT highly values after-sales service for every customer. When customers provide feedback, whether it's criticism or suggestions related to our products, we view these as opportunities for improvement and take them seriously. To ensure a swift and efficient response, we have established a Customer Complaint Handling Procedures. When the Quality Assurance Department receives a customer complaint, we promptly take appropriate measures and follow the procedure for improvements. Effective communication with customers and timely resolution of their complaints are our goals, aiming to minimize any inconvenience caused by quality or service issues. This not only upholds our Company's reputation but also enhances the quality of our after-sales service, ultimately improving customer satisfaction.

In 2024, TSMT did not receive any major customer complaints, primarily related to product quality defects. However, the relevant departments have already implemented improvement measures, which have been approved by the customers.



Procedures for Addressing Customer Concerns

3.2. Information Security and Customer Privacy

Management Policy for Material Topics

Material Topics	Information Security and Customer Privacy
Impact Statement	The protection of information security, customer privacy, and trade secrets is fundamental to establishing and maintaining trust with both internal and external stakeholders. Any information security incidents that violate relevant regulations could result in compromised customer interests, leakage of trade secrets, legal disputes, and may severely damage the Company's brand reputation and cause financial losses. To mitigate such risks, TSMT has established clear information security management systems and operational procedures, strictly controlling access to and use of trade secrets and sensitive information. Through institutionalized management and continuous monitoring, the Company reduces the risk of information leaks, safeguards customer interests, and ensures stable operations and long-term corporate credibility.
Policy/Commitment	TSMT places a high priority on information security, establishing clear policies and operational guidelines to ensure that stakeholder data and information are properly protected. Through its Information Security Management System (ISMS) and Information Security Committee, the Company oversees the implementation of these policies, strengthening overall cybersecurity governance. TSMT continuously integrates and optimizes its information security management framework, developing institutionalized, documented, and systematic controls to comprehensively enhance the cybersecurity environment and risk response capabilities. Key objectives of the policy include: Protecting customer personal and sensitive data. Safeguarding the Company's intellectual property and trade secrets. Preventing information security incidents and enhancing incident response capabilities. Achieving measurable targets and audit standards for all

	information security policies. Through these commitments and measures, TSMT aims to create a trustworthy information environment, ensuring business continuity and maintaining stakeholder confidence over the long term.
Objective	**Short-term Goals (-2025):** 1. There have been zero complaints filed against the Company for violations of customer data protection or customer data loss, which could lead to legal action. 2. Continue to maintain and pass re-evaluation for ISO 27001:2022. **Medium-term Goals (-2026):** 1. There have been no major information security incidents caused by information security vulnerabilities. 2. Continue to maintain and pass re-evaluation for ISO 27001:2022. **Long-term Goals (-2027):** 1. There have been no major information security incidents caused by information security vulnerabilities. 2. Continue to maintain and pass re-evaluation for ISO 27001:2022.
Responsibility	1. Information Security Management Committee: Conducts review of information security office governance plans and supervises the implementation of information security matters. 2. Information Security Office: Carries out implementation and reporting of the Company's information security governance plan. 3. All employees: Please adhere to the information security management standards and ensure proper data management and threat defense.
Resources	1. To effectively manage the Company's information security and protect customer privacy, the Company established the Information Security Management Office in 2021. The office is responsible for governing the Company's information security, as well as planning, implementing, and defending against security threats. To ensure the security policy's effective implementation, the Company

	also established the Information Security Management Committee. Chaired by the President, the committee includes the highest executives from each department, collectively overseeing information security governance. 2. Every year, at least one comprehensive information security awareness training and social engineering attack drill should be conducted. Monthly information security promotion is carried out, and a third-party audit unit conducts an ISO 27001:2022 information security governance audit annually.
Grievance Mechanism	mail: tsmtsecurity@tsmt.com
Action Plan	**Positive Effective Management** TSMT continuously strengthens information security behavior management, focusing on initiatives such as “cyber threat visualization” and planning for a “zero-trust architecture” to enhance cybersecurity resilience. Through the execution of long-term strategies, the Company gradually reduces information security risks while continuously improving the organization’s overall cybersecurity maturity. **Negative Impact Management** 1. Regular social engineering drills, system vulnerability scans, and penetration tests are conducted, and suppliers are required to perform self-assessments of their information security practices to proactively identify potential risks. 2. Incident Reporting and Response Mechanism: Employees can report security incidents via phone extension or email. Upon receiving a report, the information security team classifies and prioritizes the incident based on its nature and severity, ensuring timely response and minimizing potential impacts.
Assessment Mechanism	TSMT has established an Information Security Management Committee responsible for coordinating overall cybersecurity strategy and governance, regularly reviewing the effectiveness of security policies, and driving annual information security initiatives.

	Key assessment mechanisms: 1. Annual Security Work Report: Consolidates the execution results and future priorities from all units, ensuring strategy implementation and continuous improvement. 2. Periodic Policy Review: Updates information security policies and systems based on regulatory changes, industry trends, and actual risk assessments. 3. Technical Risk Assessment: Conducts regular system vulnerability scans and penetration tests, implementing immediate corrective measures for identified issues to strengthen system defenses. Annual performance review: 1. Audit Performance: Passed all internal and external information security audits, including customer audits, with no major deficiencies, violations of security policies, or data breaches reported. 2. Personal Data Protection: No incidents occurred throughout the year involving violations of the Personal Data Protection Act, data loss, judicial actions, or customer complaints, maintaining a record of zero violations and zero disputes.

Amid the global wave of digital transformation, digitization has become a key strategy for enhancing operational efficiency and strengthening ESG data management. However, converting large volumes of paper-based information into digital formats also introduces potential risks of personal data and trade secret leaks, making information security a critical focus in the digital transformation process.

Facing these challenges, TSMT places high importance on the security management of all information assets generated during operations, striving to ensure their confidentiality, integrity, and availability. The Company actively strengthens defensive measures to prevent malicious attacks, system disruptions, unauthorized access, and accidental disclosures, comprehensively safeguarding the data of customers, employees, and the Company itself, thereby ensuring a secure and trustworthy digital transformation.

Enhance the Information Security Management Framework

TSMT places the highest priority on information security and privacy protection for all customers and employees, committing to safeguarding customer trade secrets and personal data. To ensure the effective implementation, continuous operation, and compliance of its information security management system with regulatory and customer requirements, the Company has established a clear and comprehensive information security governance framework with well-defined roles and responsibilities.

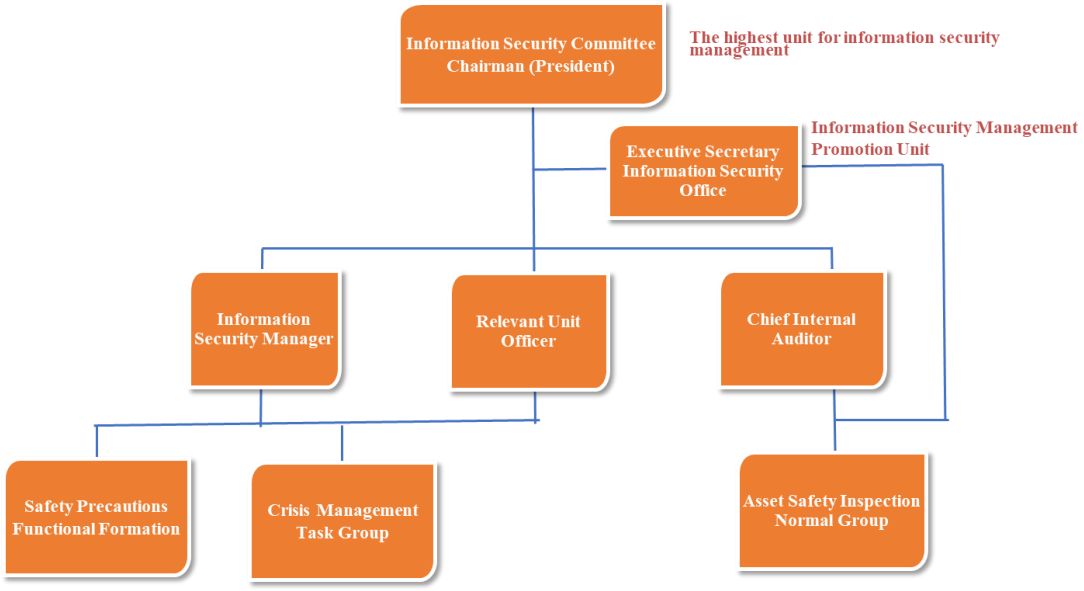
The Information Security Governance Framework is led by the Information Security Committee, which serves as the top decision-making body, responsible for final approval of security policies, major security decisions, and the introduction of external resources. Under the committee, the Information Security Office manages and executes company-wide cybersecurity activities, including:

- Reporting regularly to the Information Security Committee on the implementation status of information security measures.
- Coordinating company-wide information security initiatives and planning security policies.
- Guiding individual units in implementing information security controls.
- Periodically reviewing and updating security policies and procedures to ensure compliance with laws, regulations, and customer requirements.

This framework ensures top-down cybersecurity governance, strengthens overall protection mechanisms, safeguards customer and employee data, and reinforces the Company's reputation.

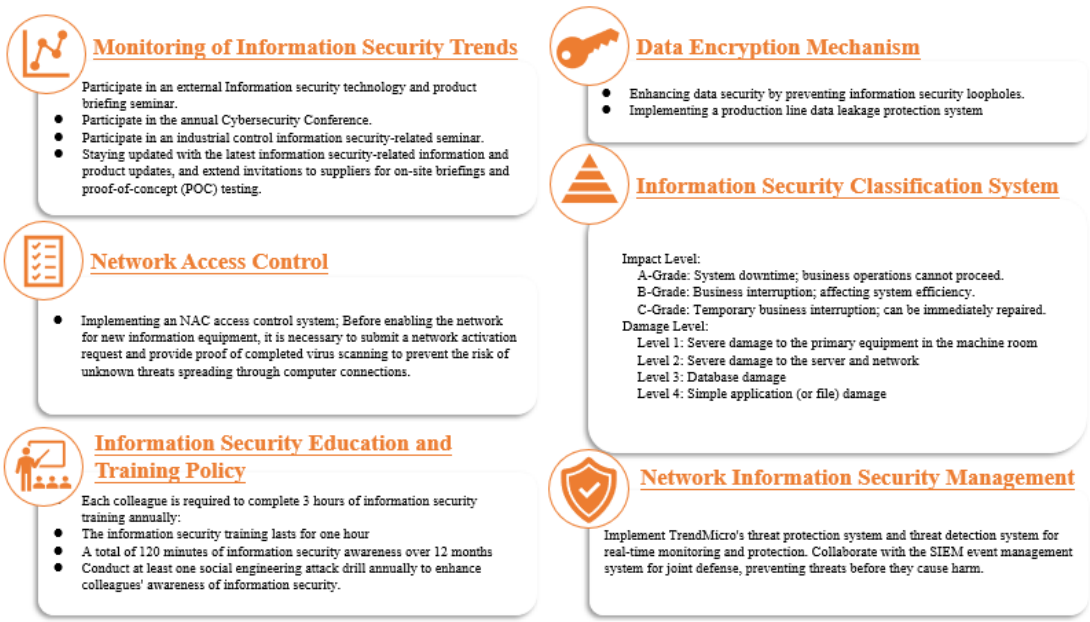
In 2024, TSMT experienced no major cyberattacks affecting operations, no customer data breaches, no violations of information security regulations, and no involvement in legal actions or regulatory investigations, demonstrating the effectiveness of its information security management system.

Information Security Units at TSMT



Information Security Policy

On August 11, 2024, TSMT achieved ISO 27001 Information Security Management System certification. The Company will continue to follow the PDCA management cycle to continuously optimize and enhance its information security management practices. To help relevant units establish a robust cybersecurity foundation and integrate security actions into daily operations, TSMT has established six key information security management policies: Employee information security education and training, Internal data encryption mechanisms, Asset classification and management, Data security, Network access control, and Monitoring and responding to information security trends. Aligned with the Company's existing information security management system governance framework and defined responsibilities, these policies are integrated with TSMT's overall information security initiatives, consolidating resources, improving efficiency, and building a comprehensive mechanism for protecting information assets.



TSMT Information Security Policy

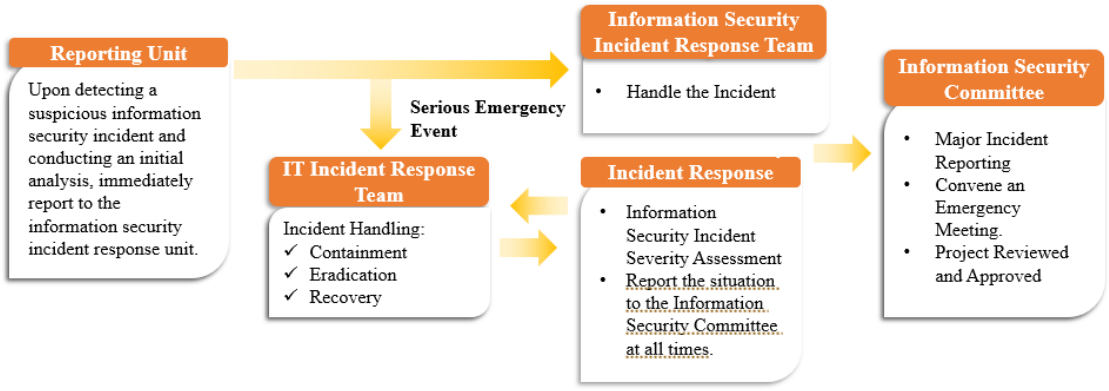
Information Security Incident Reporting and Response Process

Information security is a cornerstone of stable daily operations. Severe external cyberattacks or malware intrusions could paralyze internal systems, risking the leakage of confidential data and potentially causing serious disruptions in highly digitized facilities, such as production stoppages, operational downtime, revenue loss, and delays in customer deliveries, thereby posing significant operational risks.

To mitigate the impact of information security incidents on operations, TSMT has established a clear incident reporting and response process, which emphasizes:

1. Immediate Reporting: All units must promptly report any anomalies or suspected security incidents to the information security team according to standard operating procedures (SOPs).
2. Incident Classification: Incidents are classified by severity and urgency to facilitate rapid decision-making and resource allocation.
3. Cross-Department Response: Depending on the incident level, a cross-functional response mechanism is activated to coordinate actions across relevant departments.
4. Targeted Mitigation and Recovery: Appropriate response procedures and recovery plans are initiated according to the incident type to improve handling efficiency and minimize downtime.
5. Continuous Follow-up and Review: After resolution, comprehensive post-incident analysis and review are conducted to strengthen future prevention and defense measures.

Through this mechanism, TSMT minimizes the impact of cybersecurity incidents within a controllable scope, ensuring business continuity and maintaining customer trust.



Information Security Incident Reporting and Handling Procedures

Information Security Education and Training

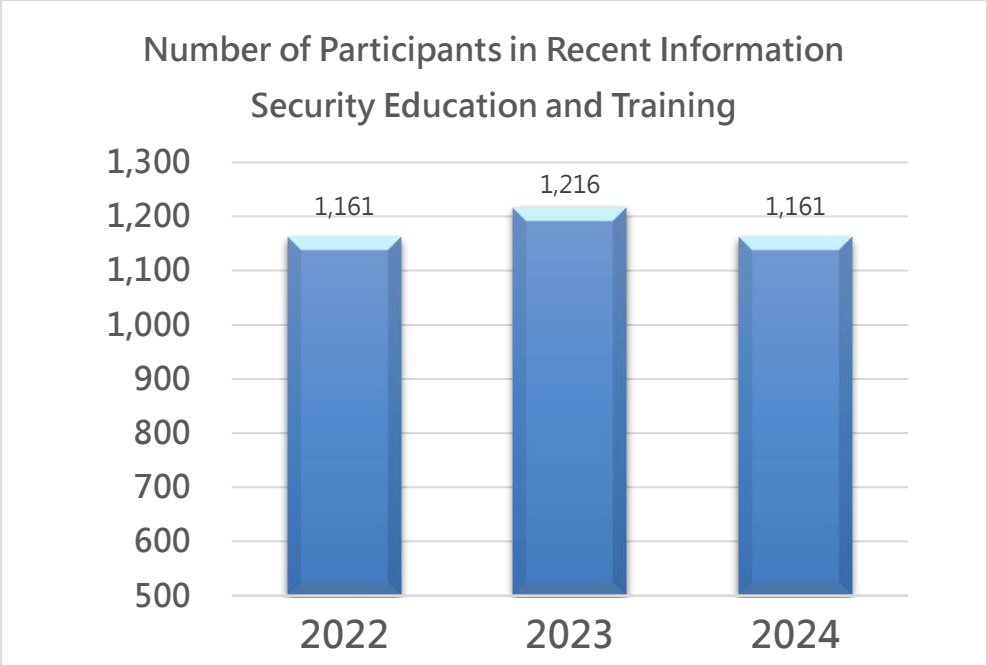
TSMT is committed to cultivating a work environment where all employees possess strong information security awareness, integrating security policies into daily workflows to enhance overall cybersecurity resilience.

To continuously strengthen employee awareness and response to information security threats, the Information Security Office compiles the latest cybersecurity trends and incidents monthly and distributes them company-wide through "cybersecurity bulletins," ensuring employees are promptly informed of current risks and best practices.

In addition to ongoing communications, TSMT conducts annual cybersecurity training and assessments, requiring all employees to complete at least three hours of courses each year. In 2024, a total of 1,161 employee participations were recorded at the Taiwan factory, with 100% of all on-duty employees completing the training and assessments, demonstrating the Company's commitment to cybersecurity education.

In response to the increasing prevalence of social engineering attacks, TSMT conducts annual simulated phishing exercises to raise employee vigilance and response capabilities. In 2024, a total of 2,709 employees across global sites (Taiwan, China, and India) participated, achieving a pass rate of 99.8%. Employees who did not pass were required to retake the training and assessment, ensuring comprehensive coverage of cybersecurity awareness.

Through continuous education and simulations, TSMT effectively enhances employees' overall cybersecurity capability, strengthens frontline defense against potential daily threats, and further fortifies the Company's overall information security posture.



Number of Participants in Recent Information Security Education and Training

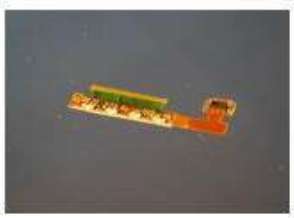
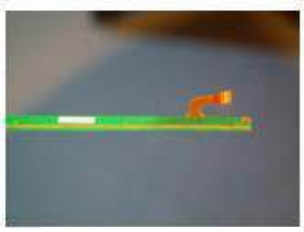
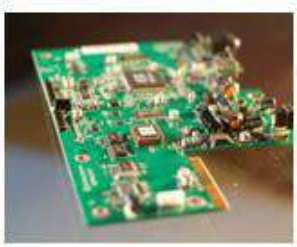
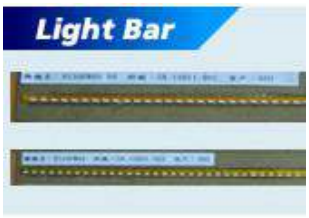
3.3. Green Production and Quality Management

Management Policy for Material Topics

Material Topics	Product Quality Management
Impact Statement	The quality of products is crucial to customers' assessment of TSMT. Good product quality is highly favored, and the stable production of high-quality products contributes to establishing long-term cooperative relationships. If the Company does not ensure product quality, it may affect the Company's reputation and even result in fines from customers or competent authorities.
Policy	TSMT aims for zero defects as its long-term quality management goal and implements a quality policy of applying effective management systems, achieving real-time comprehensive quality, and ensuring complete customer satisfaction.
Objective	**Annual Ongoing Goals** 1. Customer Satisfaction Score ≥ 80 points 2. Production Yield (VI) >99.98% 3. Final Visual Inspection (FVI) Yield >99.98% 4. Shipment Achievement Rate: 100%
Commitment	TSMT has implemented the ISO 9001 Quality Management System and adheres to quality processes and policies. We utilize a robust IT information system and management procedures to monitor, measure, analyze, and continuously enhance quality-related indicators. Through the comprehensive implementation of the PDCA cycle, our objective is to proactively prevent the occurrence of poor quality.
Responsibility	1. Quality Assurance: Management is conducted based on the quality management system. 2. All employees: Perform operations according to the respective operating SOPs.
Resources	Costs of personnel education and training, ISO 9001 system verification, internal/external auditing costs
Grievance Mechanism	tsmt_service@tsmt.com.tw
Action Plan	1. Regularly conduct education and training related to quality management 2. Through the Continuous Improvement Process (CIP), we aim to continuously enhance product quality and reduce production costs.
Assessment Mechanism	Through annual management review meetings, annual audits, and satisfaction surveys, the achievement of quality objectives is confirmed, and the progress toward annual goals is monitored

Major Products

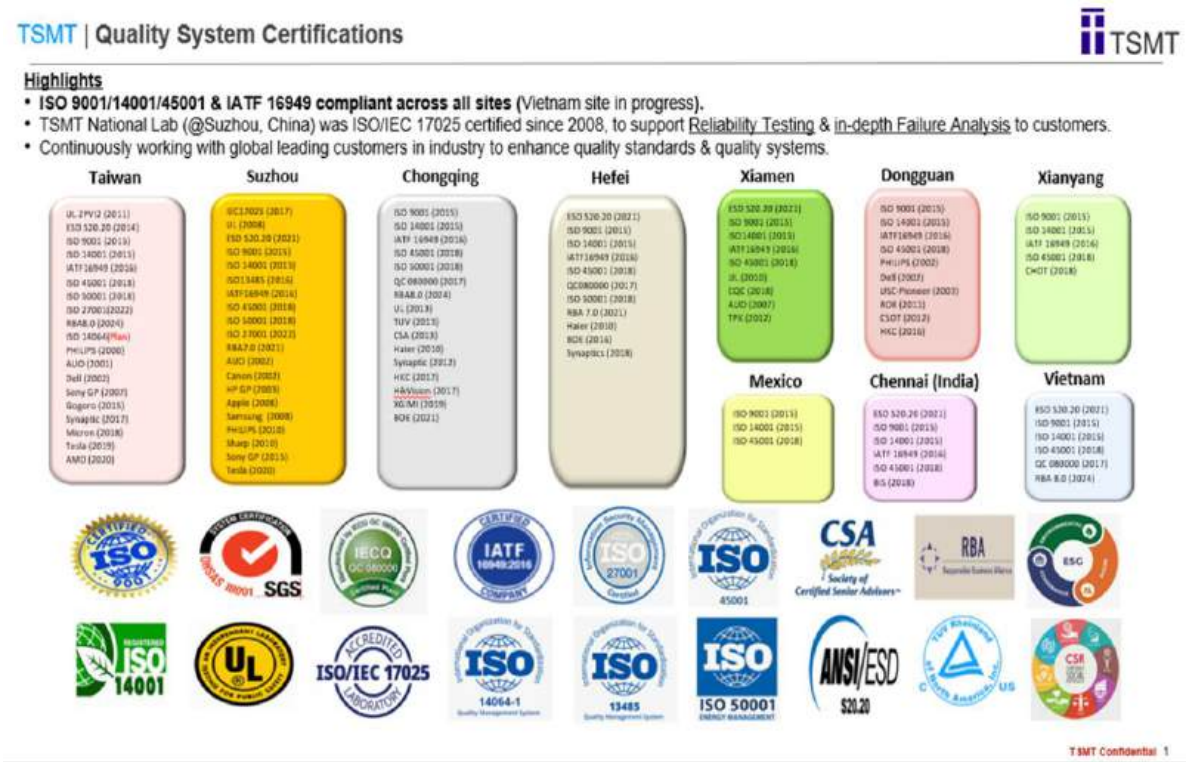
TSMT is a global leading provider of Surface Mount Technology (SMT) production solutions for TFT-LCDs. Its business scope covers procurement and management of raw materials and components, engineering design processes, SMT assembly, quality assurance, logistics management, and after-sales services. As production sites have expanded, TSMT's product offerings have become increasingly diverse, ranging from early personal computer motherboards to mobile phones and LCD monitors. With the rapid advancement of electronic technologies, the Company's services have also diversified, consistently serving as a key driver of global digitalization. Guided by a "customer first" philosophy, TSMT is committed to maintaining high-quality standards and providing optimal service to its clients. At the same time, the Company emphasizes environmentally responsible production facilities and processes, aiming to reduce pollution and minimize environmental impact. In response to the global green energy agenda, TSMT focuses on the development of eco-friendly and energy-efficient products.

<table>
<tr>
<td> 
Mobile phone</td>
<td> 
15" Laptop</td>
<td> 
Printer</td>
</tr>
<tr>
<td> 
LCD television</td>
<td> 
</td>
<td> 
</td>
</tr>
<tr>
<td> 
</td>
<td> 
</td>
<td>  </td>
</tr>
</table>

Quality Management and Assurance

TSMT's primary business operations encompass general electronic information products, circuit board design, processing, and manufacturing with surface adhesion assembly. To ensure the highest product quality for customers, all of TSMT's production factories have obtained ISO 9001 quality management and ISO 14001 environmental management system certifications. Additionally, the Company has also passed quality audits from brands such as Dell, Micron, Google, Pioneer, and Bosch to ensure that the quality meets customer expectations.

Certification Statistics
ISO 9001 Quality Certification
ISO 14001 Environmental Certification
ISO 14064-1 GHG Certification
ISO 45001 Occupational Health and Safety Management System Certification
UL Certification
RBA Code of Conduct Training and Promotion (Formerly known as EICC)
ISO/TS16949 Implementation of Production Conditions and Related Service Items in the Automotive Industry
ISO 50001 Energy Management System Certification
ISO 27001 Information Security Management System Certification



TSMT Quality System Certifications

ISO/IEC 17025 National Level Laboratory

The professional service scope of TSMT's laboratory covers SMT processing, PCB manufacturing, semiconductors, optoelectronic devices, lighting products, electronics and electrical equipment, plastic products, metal materials, and environmental management substances. The laboratory strictly follows domestic and international standards such as IEC, UL, EN, GB, ASTM, JEDEC, and ANSI to provide customers with professional testing services. Upholding the principles of fairness and impartiality, accuracy and timeliness, scientific rigor, and people-oriented management, the laboratory leverages its technical expertise, talent, and resources to strongly support quality improvement and technological innovation in the industry, creating value together with customers.

TSMT-LAB (Taiwan Surface Mounting Technology (Suzhou) Co., Ltd. Laboratory), established in 2006, was founded to provide technical support for the Company's technological innovation and quality control. It offers comprehensive product testing, analysis, evaluation, and consulting services. The laboratory occupies more than 1,000 square meters and houses nearly one hundred advanced medium- and large-scale testing instruments imported domestically and internationally. Its equipment includes a full range of routine physical and chemical analysis instruments, specialized environmental reliability testing equipment, electronic component failure analysis tools, and optoelectronic product testing and analysis instruments. The lab is staffed by a highly qualified technical team with extensive practical experience and strong professional expertise.

The laboratory operates strictly in accordance with CNAS-CL01:2006 (ISO/IEC 17025) system requirements and obtained accreditation from the Chinese National Accreditation Service for Conformity Assessment (CNAS) in July 2008, qualifying it as a professional testing laboratory authorized to issue independent and impartial test reports. With the rapid development of the LED industry, TSMT invested in 2011 to establish an optical performance and safety testing laboratory for LEDs and LED lighting products. That same year, the Company reached an agreement with Underwriter Laboratories Inc. (UL), becoming an authorized laboratory for UL lighting certification, CB Scheme certification, and U.S. ENERGY STAR lighting certification. In addition, the laboratory passed capability verification testing conducted by the U.S. National Institute of Standards and Technology (NIST), establishing itself as a professional one-stop lighting testing laboratory.

CNAS Accreditation Certificate

UL Energy Star Authorization Certificate

CB Scheme Authorization Certificate

UL Lighting Safety Authorization Certificate

TSMT Laboratory and Certification

Environmental Reliability Testing

Analysis of Electronic Product Failures

Environmental Hazardous Substance Testing

Light Fixture Safety Testing and Certification

Light Fixture Safety Testing and Certification

Lighting Fixture Performance Testing and Certification

Lighting Fixture Performance Testing and Certification

Green Production

To reduce environmental and human health hazards during the production process and ensure that the materials, auxiliary materials, and finished products used in the production process comply with international standards (such as RoHS, REACH, California Proposition 65) and client requirements, TSMT has established a Green Product Quality Specification Manual. Suppliers are required to comply with TSMT specifications for lead-free processes, lead-free products, halogen-free processes, and halogen-free products, and to sign a commitment guarantee.

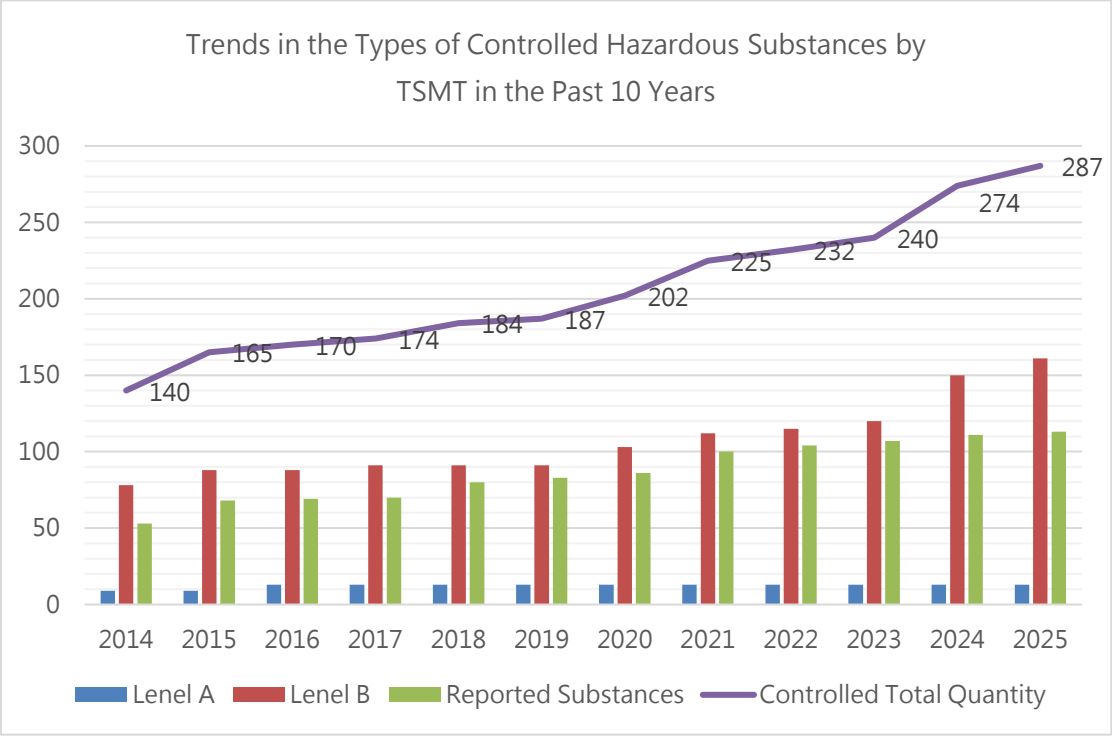
The Engineering Department annually tracks international regulations and customer requirements related to hazardous substances. The Green Product Quality Specification Manual is continually adjusted and updated to align with these trends. All materials used by the Taiwan Division, including materials, parts, components, process materials, and auxiliary materials, must comply with this specification.

TSMT fully complies with the requirements of the Restriction of Hazardous Substances (RoHS) regulation established by the European Union. In 2024, there were no violations of relevant product regulations, and no products were prohibited from being sold due to regulatory violations or incidents of violating marketing regulations. As of the end of 2024, TSMT has included 274 hazardous/restricted substances in its internal regulatory management. These substances are classified into three categories based on their level of hazard: Level A (prohibited substances), Level B (restricted substances), and substances requiring reporting. Suppliers are required to provide supporting documents and samples in accordance with the classification requirements for each substance, for TSMT to conduct green component audits.

Classification of Hazardous Substances	Management Policy
Substances Requiring Reporting	This kind of substance, while not prohibited, can affect the recycling and final disposal of the product when present in the product. Therefore, the use of such substances must be understood and controlled. If a supplier uses or adds such substances in components, the supplier must list them in the Material Safety Data Sheet (MSDS) or the component list to inform TSMT.
Level B Substances Restricted	This kind of prohibited substance must provide MSDS or ingredient list and environmental management substance' to demonstrate that the product does not contain or use such

Classification of Hazardous Substances	Management Policy
Substances	prohibited substances and complies with the restricted concentration specifications for such prohibited substances. In addition, substances classified as Level B, are further divided into three levels of management based on their prohibition/restriction levels.
Level A Prohibited Substances	These restricted substances of this kind must provide a chemical analysis report, MSDS or ingredient list, and an environmental management substance non-use certificate to demonstrate that the product complies with the specifications for these prohibited substances. Based on their prohibition/restriction goals, they are further divided into three management levels.

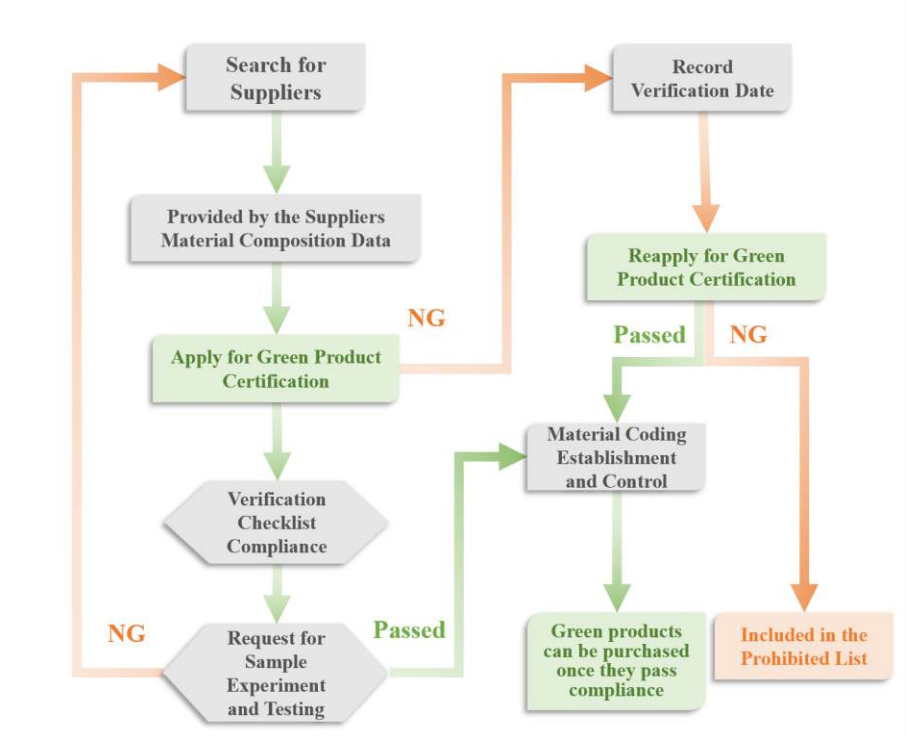
With the increasing focus on hazardous substances in recent years, driven by international regulations and customer demands, TSMT has consistently raised its self-regulatory standards. By 2024, the Company has already managed 287 hazardous substances. The 18th edition of the Green Product Quality Specification Manual will come into effect on February 1, 2025. In the future, TSMT will maintain communication and collaboration with its suppliers to reduce the presence of prohibited and restricted substances in its products, thereby establishing a green supply chain and pursuing environmental sustainability.



Trends in the Control of Hazardous/Limited Substances by Suppliers Over the Years

The State Council of the People's Republic of China issued the Three-Year Action Plan for Winning the Blue Sky War in 2018, strengthening the management of volatile organic compounds (VOCs) in enterprises. Although TSMT's Taiwan factory is not within the scope of this plan, it has still conducted an inventory of the use of cleaning water, adhesives, inks, and paints in the factory area as requested by customers. The investigation was completed in 2024, covering a total of 25 item numbers. TSMT also requires all materials submitted by the aforementioned suppliers to fully comply with the Chinese national standards for the limited requirements of VOCs (Volatile Organic Compounds).

To effectively manage and identify the types of hazardous substances covered by the parts provided by suppliers, TSMT has established the Green Product Supplier Hazardous/Restricted Substance Management Procedure. When suppliers cooperate with TSMT for the first time, they must apply for Green Product certification in accordance with the Green Product management procedure. They are required to provide ingredient lists and samples of raw materials for testing in the TSMT laboratory. Only after passing the test can they become qualified suppliers and begin the procurement process. If the supplier's parts and materials cannot pass the hazardous/restricted substance testing, they will be included in the list of prohibited materials.

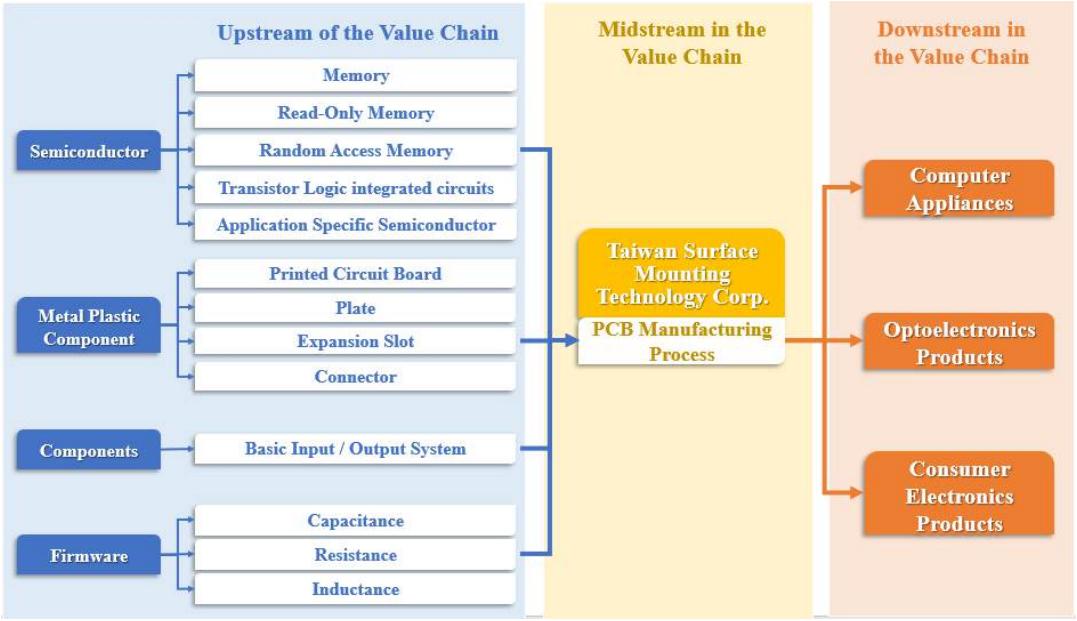


TSMT Supplier Hazardous/Restricted Substance Management Procedure

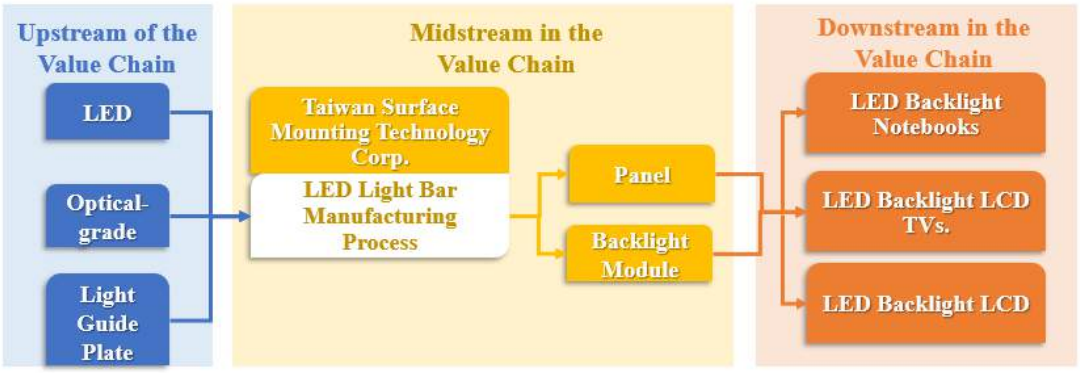
3.4. Responsible Supply Chain

TSMT Value Chain Upstream and Downstream

TSMT's core business focuses on PCB substrate processing and manufacturing, as well as the production and sales of LED light strips, making the Company a key player in the electronic hardware industry. Our processing services cover a wide range of applications, including information technology, optoelectronics, and consumer electronics. Within the production process of electronic hardware—ranging from design, component manufacturing, assembly, to final delivery—PCB substrate processing is a critical manufacturing step. Any mishandling in this stage inevitably affects product quality. In recent years, as the electronic industry's division of labor has become increasingly specialized, many domestic manufacturers have chosen to outsource PCB processing in order to rapidly expand production capacity while reducing equipment investment and operational risks. This trend has provided significant growth opportunities for professional assembly and contract manufacturing service providers. As of 2024, TSMT's value chain remains largely unchanged from the previous year.



Relation among PCB with up-, mid-, and downstream



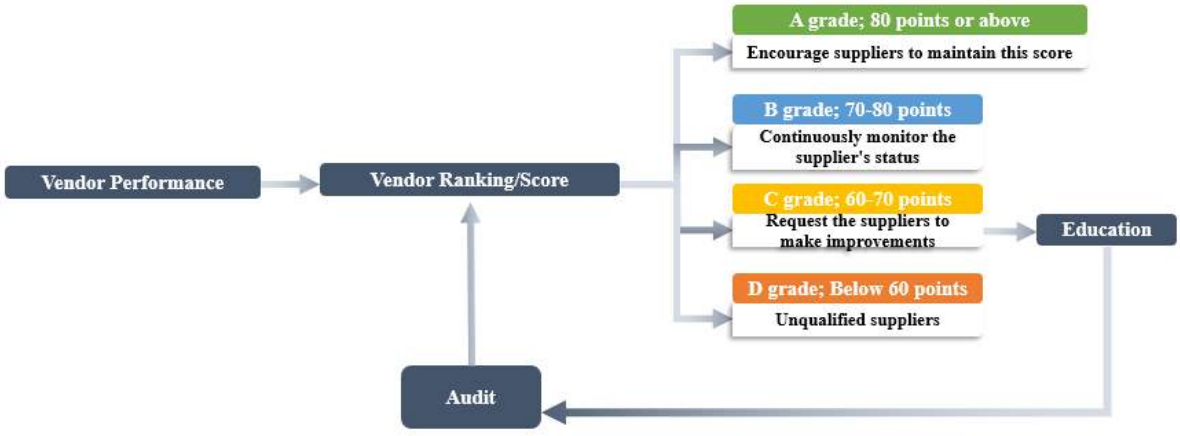
Relation among LED light bar and up-, mid-, and downstream

Sustainable Supply Chain

TSMT firmly believes that the success of a Company cannot be achieved by individual efforts alone. It requires the mutual support of the entire supply chain, fostering coexistence and mutual prosperity. The same applies to achieving sustainable development, where issues such as carbon reduction, human rights protection, and environmental conservation must be addressed through collaborative efforts and consensus among industry stakeholders. Only then can the industry as a whole truly exert long-term influence on the external environment and society.

Besides the quality, delivery, cost, and service of supplier products, we also urge suppliers to pay attention to human rights and global environmental protection issues. In response to the EU RoHS directive and REACH regulations, TSMT requires suppliers to comply with the relevant specifications for lead-free processes, lead-free products, halogen-free processes, and halogen-free products, and to sign relevant commitments. This will drive the supply chain to reduce the use of harmful/restricted substances and minimize the impact on the environment.

In order to select suppliers that meet the quality, human rights, and hazardous/restricted substance requirements of TSMT, new suppliers of TSMT must comply with the Green Product Quality Specification of TSMT, and possess the latest ISO 9001:2015 certification and complete the RBA commitment letter. Only after passing the audit by the audit team can they become qualified suppliers of TSMT. Suppliers with an audit score of 90 or above will be given priority, while suppliers with a score of 70 or above will need to make significant improvements after guidance and undergo a reassessment within 7 days to ensure full compliance with the standards of TSMT. Suppliers with a score below 69 will not be chosen as suppliers for TSMT.



Supplier Assessment Management Workflow

In addition, TSMT conducts supplier audits every six months. During this period, suppliers who have placed orders are evaluated to continuously monitor and investigate the improvement of high-risk suppliers. This is to ensure that TSMT effectively and comprehensively enhances product safety, production processes, working environment, human rights, health, and safety aspects in its overall supply chain. In 2024, TSMT completed on-site audits of 9 major suppliers following RBA guidelines and did not find any significant violations by the suppliers. If any suppliers are found to be involved in the procurement of conflict minerals or the employment of child labor in conflict areas, investigations will be initiated. In 2024, no instances of human rights violations or violations of corporate ethics were found among the suppliers.

Responsible Business Alliance (RBA)

TSMT has adopted the Responsible Business Alliance (RBA) Code of Conduct, which is an international standard that ensures suppliers comply with RBA's guidelines and commitments in operational management, labor rights, environmental protection, occupational health and safety, and management systems. Formerly known as the Electronic Industry Citizenship Coalition (EICC), the RBA's Code of Conduct was implemented by TSMT in 2018 and has since been verified by a third-party audit. All suppliers are required to sign the RBA Commitment Letter.

Out of the 183 new suppliers in 2024, 162 have completed the RBA Commitment Letter, accounting for 88.52% of the new suppliers for the year. As for the 1,136 suppliers involved in annual transactions, a cumulative total of 653 have completed the RBA commitment letter, accounting for 57.48% of the suppliers involved in annual transactions. In the future, TSMT will continue to urge suppliers to sign the RBA commitment letter in order to exert influence on the supply chain.

RBA Signature Status of Existing Suppliers	**TSMT**	**Suzhou Regent Electron**	**Chongqing Regent Electron**	**Total**
Total number of suppliers in annual transactions	**550**	**509**	**77**	**1,136**
Number of suppliers in annual transactions who have signed the RBA Commitment Letter	**304**	**281**	**68**	**653**
Percentage of suppliers in annual transactions who have signed the RBA Commitment Letter	**55.27%**	**55.21%**	**88.31%**	**57.48%**
RBA Signature Status of New Suppliers for the Year	**TSMT**	**Suzhou Regent Electron**	**Chongqing Regent Electron**	**Total**
Number of new suppliers for the year	**136**	**26**	**21**	**183**
Number of new suppliers for the year who have signed the RBA requirements	**123**	**24**	**15**	**162**
Percentage of new suppliers signing the RBA Commitment Letter for the year	**90.44%**	**92.31%**	**71.43%**	**88.52**

TSMT will continue to leverage its influence to enhance the supply chain's focus and actions on environmental and human rights issues, to reduce the impact on external stakeholders. The Company has established the following regulations to be adhered to by all suppliers to improve and enhance environmental, labor rights, and safety conditions, and to expand the social responsibility of the supply chain:

- **Business Integrity:** All business interactions must adhere to the highest standards of integrity. All participants should prohibit all forms of corruption, extortion, embezzlement, and other misconduct. Monitoring and strengthening procedures must be implemented to ensure compliance with ethical business operation requirements.
- **No Improper Gains:** Providing or accepting bribes or any other improper gains is prohibited.
- **Information Disclosure:** In compliance with applicable laws and major industry practices, information related to business activities, organizational structure, financial condition, and performance is disclosed.
- **Intellectual Property:** Respect the transfer of intellectual property, technology, and production experience, and ensure its proper protection.
- **Fair Trade, Advertising, and Competition:** Establish standards for fair trade, advertising, and competition. Participants must have measures in place to protect customer information.
- **Identity Confidentiality:** Procedures should be established to protect the identities of suppliers and employee whistleblowers and ensure their confidentiality

Conflict Mineral Management

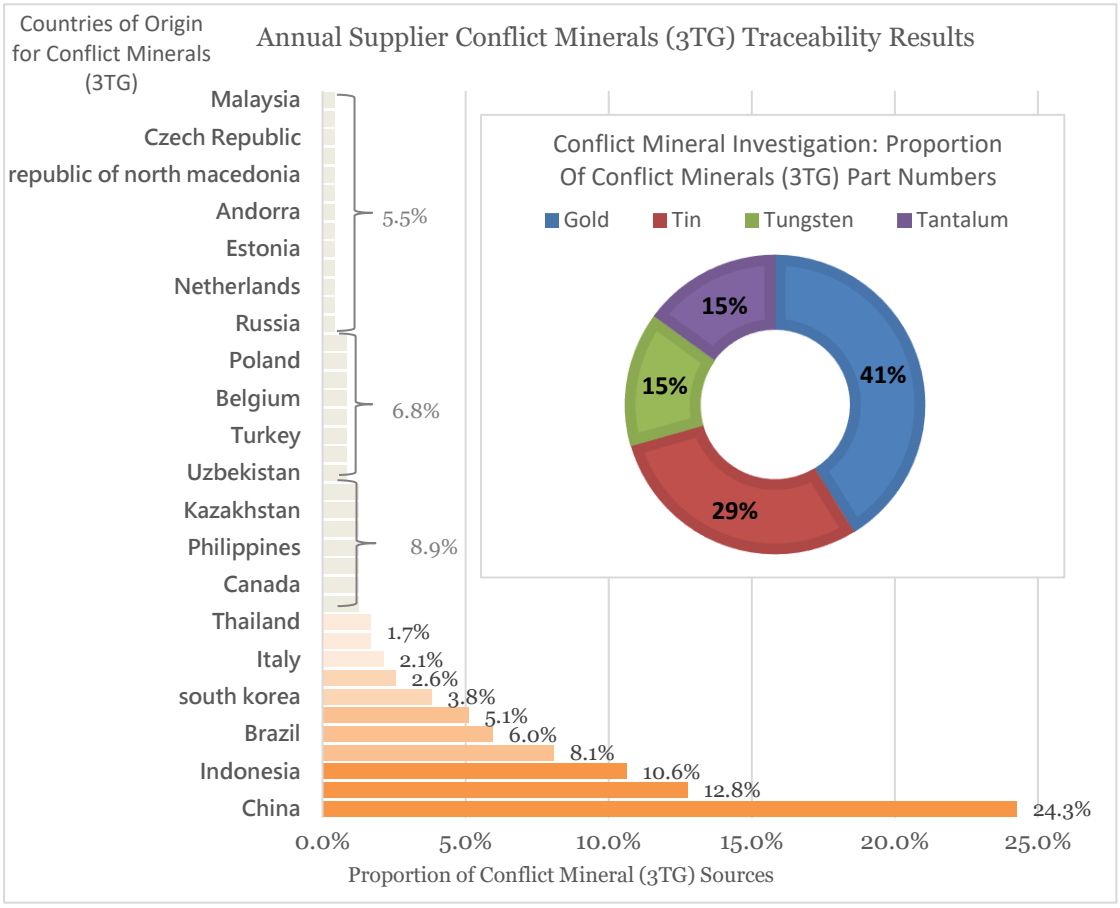
Conflict minerals refer to metals and minerals extracted in environments marked by human rights violations and armed conflicts. This term generally applies to minerals sourced from the mining areas in the eastern part of the Democratic Republic of the Congo (DRC). These minerals, including commonly used elements in the electronics industry like tungsten, tin, tantalum, and gold (3TG), have been associated with ongoing issues. Owing to the rich mineral resources in the DRC, numerous illegal

armed groups have seized control of local mining areas, resulting in frequent human rights violations such as fraud, forced labor, child labor, and safety concerns for workers in the surrounding areas. This situation has led to the introduction of legislation in the United States and the European Union, which mandates companies to prohibit the use of minerals originating from regions with a high risk of human rights violations.

Although TSMT's main business is contract manufacturing and does not directly procure metal raw materials, it still aims to reduce its impact on the environment and society through its influence on the supply chain. Therefore, since 2014, TSMT has implemented a conflict minerals policy and responded to international due diligence initiatives concerning conflict minerals. We have issued statements to our suppliers prohibiting the use of conflict minerals in accordance with the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance. We require suppliers to refrain from sourcing conflict minerals from high-risk human rights and environmental areas, ensuring that gold (Au), tantalum (Ta), tin (Sn), tungsten (W), cobalt (Co), mica, and other metals are not obtained from illegal groups or high-risk conflict regions. This guarantees that the raw materials handled by our Company do not contain conflict minerals, indirectly reducing the support for armed crimes and human rights abuses.

TSMT required all suppliers involved with 3TG to trace the sources in their supply chains using the latest version of the Responsible Minerals Initiative Conflict Minerals Reporting Template (CMRT). TSMT verified the reports submitted by suppliers, which included 3TG, and traced a total of 227 supplier 3TG part numbers. This process confirmed the countries where their smelters are located. The identification results showed that the 3TG smelters procured by suppliers in that year originated from 40 countries, with China, Japan, Indonesia, and the United States being the major sources. No minerals from the Democratic Republic of Congo or smelters located in high-risk areas were identified. In the future, TSMT will continue to annually identify and supervise the 3TG sources of its suppliers to ensure that we can reduce funding to human rights-violating organizations or countries through its supply chain influence.

Annual Conflict Minerals Due Diligence Results



Chapter 4 Climate Change and Environmental Sustainability

Sustainability Performance and Corresponding SDGs

SDGs			2024 Annual Job Performance
SDG 6		Clean Water and Sanitation	● In 2024, TSMT's total water withdrawal amounted to 479 million liters, representing a 22.9% reduction compared with the previous year. Total water discharge was 381 million liters, down 23.4% year over year. Total water consumption reached 98 million liters, a 21.8% reduction from the prior year. These results reflect the Company's effective efforts in conserving and valuing water resources. ● All wastewater discharge complies with regulatory standards and local laws, and there were no significant fines incurred in 2024 for violations of regulations. ● In 2024, all water quality met the standards, with no incidents of abnormal quality of effluent discharge occurring. ● TSMT's waste recovery rate reached 62.87%, an increase of 6.52% compared to last year.
SDG 7		Affordable and Clean Energy	● In 2024, TSMT Taiwan had a total energy consumption of 48,410.14 GJ, a decrease of 3,100 GJ, or 6.02%, compared to 2023. ● TSMT Taiwan completed third-party assurance of its 2024 GHG inventory (Scope 1 and Scope 2). ● In 2024, Suzhou Regent Electron had a total energy consumption of 287,273.63 GJ, a decrease of 13,606.01 GJ, or 4.52%, compared to 2023. ● Suzhou Regent Electron completed third-party assurance of its 2024 GHG inventory. ● In May 2024, Suzhou Regent Electron installed and commissioned new solar power generation facilities with a total installed capacity of 1,493.8 kW. By the end of 2024, the photovoltaic project had cumulatively generated 1,056,507.6 kWh of electricity savings and also secured 3,700,000 kWh of green certificates for the corresponding electricity consumption. ● In 2024, Chongqing Regent Electron had a

SDGs			2024 Annual Job Performance
			total energy consumption of 7256.67 GJ, a decrease of 600.09 GJ, or 8.27%, compared to 2023. ● Chongqing Regent Electron completed third-party assurance of its 2024 GHG inventory. ● In 2024, Chongqing Regent Electron installed solar power generation facilities with a total installed capacity of 0.781 MW. The project is expected to generate an annual average of 600,000 kWh (equivalent to 600,000 units of electricity) over the next 20 years. In 2024, the Company also secured green certificates corresponding to 600,000 kWh of electricity.
SDG 12		Responsible Consumption and Production	● The annual percentage of new suppliers signing the RBA commitment reached 88.52%. ● During the annual review of 227 supplier conflict material-3TG smelters, the countries of origin of the smelters were not identified to be located in conflict mineral risk areas. ● No violations of health and safety regulations related to products and services during the year. ● The waste recovery rate reached 62.87%, an increase of 6.52% compared to last year.
SDG 13		Climate Action	● In 2024, in accordance with the GHG Protocol guidelines, a GHG inventory was conducted. Annual GHG emissions totaled 60,273.37 metric tons of CO2e, representing a 3.45% reduction compared with 2023. ● In 2024, TSMT implemented an energy-saving and carbon reduction program, with an annual carbon reduction of 1,021.05 metric tons of CO_2e. ● In 2024, we implemented the TCFD framework to analyze climate-related risks and opportunities. We assessed a total of one opportunity, two transition risks, and one physical risk.

4.1.Responding to Climate Change (TCFD)

Climate change poses significant risks and challenges to the global community. According to the Intergovernmental Panel on Climate Change (IPCC) of the United Nations, businesses must actively respond to and plan for mitigation and adaptation policies. Minimizing climate risks and adapting to climate change have become highly prioritized issues for governments, businesses, and societies worldwide.

TSMT has consistently integrated environmental considerations into its production and operations. To gain a comprehensive understanding of the environmental risks associated with the Company's operations, as of 2022, TSMT has implemented the ISO 14001:2015 Environmental Management System. TSMT has also adopted the Task Force on Climate-Related Financial Disclosure (TCFD) framework and conducted a GHG inventory by the GHG Protocol, showcasing its commitment to climate action.

In addition to continuously maintaining the validity of its international certifications and conducting annual GHG inventories, TSMT introduced the ISO 50001 Energy Management System in 2023 and plans to pursue GHG assurance in the future. Through the quantitative management and monitoring of environmental performance, the Company aims to build resilience in response to climate risks.

Management Policy for Material Topics

Material Topics	Response to Climate Change (TCFD); Energy and GHG Management
GRI Indicators	GRI202-2、GRI302、 GRI305
Impact Statement	In response to global climate change, we are committed to adapting and mitigating the environmental impact of our business operations. We strive to promote resource reduction management, reduce GHG and energy consumption, and fulfill our responsibility for global environmental protection. Our goal is to build a sustainable green enterprise.
Policy/Commitment	To ensure the achievement of resource management and GHG emission reduction goals, TSMT has obtained the ISO 14001:2015 Environmental Management System and ISO 50001 Energy Management System certifications. Additionally, TSMT has been conducting GHG inventories and implementing the TCFD Framework. By tracking the environmental activity data of operational sites and production bases, the Company confirms the implementation status of projects and continuously reviews and proposes improvement measures. This serves as the basis for setting goals and managing actions for the next year, to achieve the Company's carbon reduction target.
Objective	**Short-term Goals (2025)** 1. Comply with government carbon emission policies and meet environmental regulations, achieving zero violations. 2. Utilize the ISO 14001 Environmental Management System and ISO 50001 Energy Management System for continuous review and improvement, reducing energy consumption and costs, and enhancing the effectiveness of energy management. 3. Chongqing Regent Electron: Implement an air-conditioning energy-saving project by upgrading the central air-conditioning and exhaust duct systems. By improving exhaust capacity and cooling efficiency, the project is expected to achieve comprehensive energy savings, with an estimated annual reduction of 1.845 million kWh of electricity consumption, representing a 43% energy-saving rate. 4. Suzhou Regent Electron: Actively promote low-carbon energy transition by installing new solar power generation equipment. With a total installed capacity of 1,493.8 kW, all generated electricity is connected to the grid and sold to the local power plant. The photovoltaic project has achieved a cumulative electricity saving of 1,056,507.6 kWh. 5. Complete renovation of the public-area lighting system by

	adding motion-sensing switches to existing panel lights, enabling smart control with "lights on when people are present, lights off when people leave." 6. Taiwan is replacing old production lines with new LED lighting to achieve energy savings and efficiency. 7. Taiwan has added variable frequency drive (VFD) energy-saving systems (for all factory area chilled water main engine motors). **Medium to Long-term Goals (2026-2027)** 1. Furthermore, complete GHG assurance.
Responsibility	ESG Working Initiative Team
Resources	Conducting a GHG inventory and addressing costs related to the ISO 50001 Energy Management System
Grievance Mechanism	Company Email: tsmt_service@tsmt.com.tw
Action Plan	**Positive Effective Management** 1. In 2024, we implemented the TCFD framework to analyze climate-related risks and opportunities. We assessed a total of one opportunity, two transition risks, and one physical risk. 2. In accordance with the guidelines of the GHG Protocol, the GHG inventory was conducted in 2024, resulting in annual GHG of 60,273.37 metric tons of CO2e. **Negative Impact Response** 1. Regularly replace old and energy-consuming equipment, such as traditional lighting fixtures and bulbs, as well as motors in public facilities. 2. Purchased products with environmental certification, such as paper boxes, ink cartridges, toilet paper, photocopy paper, and laptops. 3. Post energy-saving labels and provide employees with information on electricity conservation.
Assessment Mechanism	1. The annual regular meeting reviews the results of the GHG inventory and the effectiveness of the reduction target program. 2. Regular internal and external audits are conducted to maintain the effectiveness of the management system, such as ISO 14001 and ISO 50001. 3. No significant environmental violations.

4.1.1 Climate Governance Framework

Since 2022, TSMT has followed the TCFD guidelines issued by the Financial Stability Board (FSB). Through the four-fold framework of governance, strategy, risk management, and indicators and targets, it transparently discloses the management status of key risks and opportunities. This also ensures the long-term operation and sustainable development of the business by formulating environmental strategies and goals.

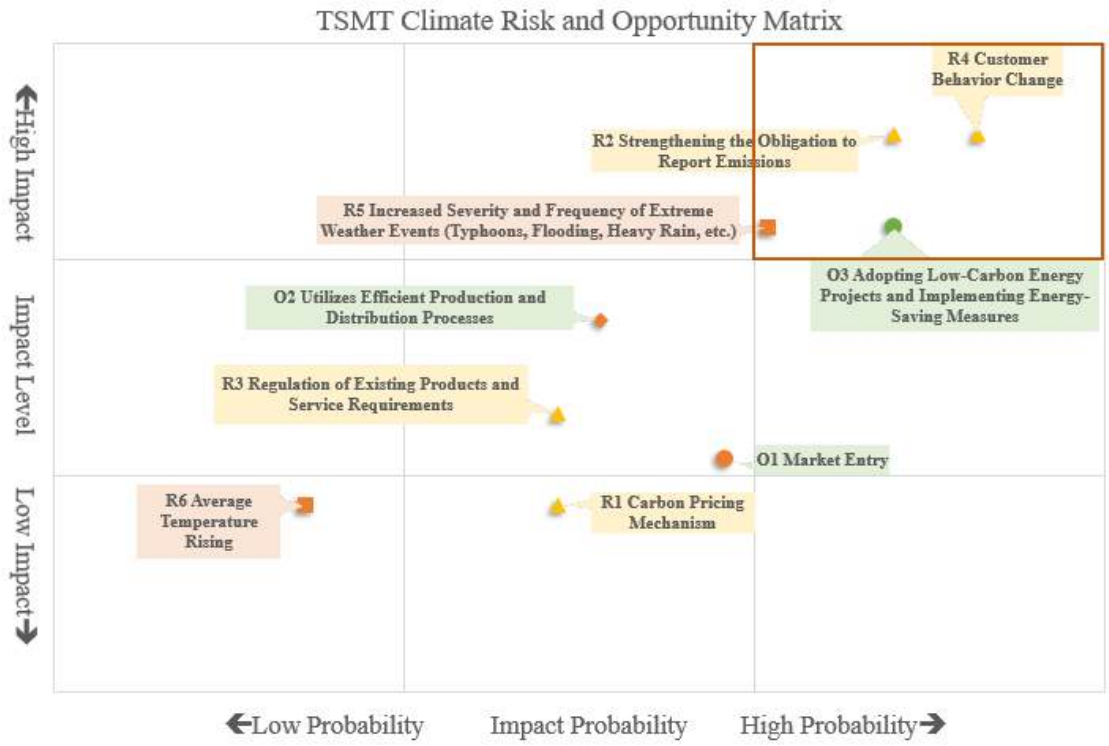
To effectively supervise and manage climate issues, TSMT has established an ESG Working Initiative Team within the existing organizational structure. This group serves as the responsible unit for climate change and environmental management, with the President as the highest decision-maker, responsible for approving management strategies and policies. The group is led by the highest executive of the General Administration Department, who coordinates and promotes the development of climate change strategies. Regular meetings are held each year to assess and monitor environmental management data, as well as the effectiveness of various initiatives.

■ **TSMT Climate Risk Governance Framework**

4.1.2 Identification of Climate-Related Risks and Opportunities

In 2024, TSMT's ESG Working Initiative Team held a Climate Risk and Opportunity Workshop, bringing together the Environmental Sustainability and Product/Customer Care subcommittees to assess climate-related risks and opportunities specific to the Company. Based on the TCFD framework, TSMT has categorized the issues into three major categories: transition risks, physical risks, and opportunities. By considering the likelihood, severity, and duration of impacts, the significant risk values for each issue have been evaluated, and a risk and opportunity matrix has been created. Ultimately, TSMT has identified and summarized four major climate-related risks and opportunities, including two transition risks, one physical risk, and one opportunity. The Sustainability Subcommittee developed corresponding strategies and targets for each issue. Moving forward, the implementation and goal attainment of each initiative will be monitored and reviewed on an annual basis.

■ **TSMT Climate Risk and Opportunity Matrix**



4.1.3 Climate Change Response Strategy

Based on the analysis of the climate risk and opportunity matrix, it can be determined that the climate transition risks that have a significant impact on TSMT are the strengthening of emission reporting obligations and changes in customer behavior. The physical risks include the "increased severity and frequency of extreme weather events (typhoons, floods, heavy rainfall, etc.)". The climate opportunities include adopting low-carbon energy projects and implementing energy-saving measures. For details on the impact and management strategies related to climate issues, please refer to the table below.

Factors	Issues	Period of Occurrences	Financial Impacts	The Impact and Influence of Risk/Opportunities on TSMT	Response Strategy
Transition Risks - Policies and Regulations	R2 Strengthening the Obligation to Report Emissions	Short-term (Occurred within 3 years)	Increased operating costs	■ In March 2022, the Financial Supervisory Commission (FSC) issued the Sustainable Development Roadmap for Listed Companies, requiring companies to disclose carbon inventory data in phases based on their capital size. With a capital of NT$2.92 billion, all of TSMT's consolidated subsidiaries are required to complete a GHG inventory by 2027, obtain GHG verification for individual entities by 2028, and complete verification for	■ Since 2022, TSMT has conducted organizational GHG inventories in Taiwan, Suzhou Regent Electron, and Chongqing in accordance with the GHG Protocol. ■ In 2024, in addition to following the GHG Protocol for organizational GHG inventories, the Company plans to introduce ISO 14064-1 for GHG accounting. The parent company aims to complete its GHG inventory by 2025, while all subsidiaries

				consolidated subsidiaries by 2029.	included in the consolidated financial statements will complete their GHG inventories before the required deadlines. ■ The Company will also complete GHG verification for all entities prior to the stipulated deadlines.
Transition Risks - Market	R4 Customer Behavior Change	Medium-term (Occurred within 3-10 years)	The inability to meet customer or stakeholder demands has led to a decrease in orders and a decline in revenue.	■ According to statistics from the United Nations Global Compact, Scope 3 carbon emissions account for approximately 70% of the overall emissions of global businesses. Supply chain decarbonization has become a critical factor for companies to achieve their net-zero carbon emissions goals. ■ The customers of TSMT are all global electronics manufacturers and terminal brand merchants. Currently, the Company has received requests from customers for carbon emission data	■ Establish an ISO 14001 environmental management system and an ISO 50001 Energy Management System and create an integrated environmental management framework to effectively manage the Company's environmental impact. ■ Introducing TCFD climate financial disclosure to identify and disclose climate risks and opportunities, enhancing management performance. ■ TSMT Taiwan has already obtained ISO 50001 Energy Management System certification.

				disclosure. In order to maintain stable cooperative relationships with customers, TSMT has been investing in climate change and environmentally related governance in recent years to enhance its corporate competitiveness.	
Physical Risk - Acute Risk	R5 Increased Severity and Frequency of Extreme Weather Events (Typhoons, Droughts and Flooding, Heavy Rain, etc.)	Medium-term (Occurred within 3-10 years)	The business incurred losses due to production disruptions.	■ Climate change has become a global concern, marked by a rise in extreme weather events. This is expected to worsen regional water and energy challenges, compelling businesses to confront an array of physical operational risks. These risks include potential disruptions to operations and production lines, heightened challenges in allocating water resources due to more severe droughts and floods, and the possibility of supplier interruptions. These challenges are likely to result in additional costs for recovery,	■ In 2012, TSMT Taiwan experienced road flooding in front of the Company due to heavy rainfall, which prevented employees from coming to work. At the time, tools were used to block the water flow into the factory, and a waterproof gate was installed later that year. In May 2021, the city government initiated the Taoyuan Taoying Road Rainwater Discharge Project to eliminate the water bottlenecks from Shuren 3rd St to Dazhi Road. They also installed smart, sensor-based

				delays in product delivery, increased management expenses, and an impact on corporate sales revenue. ■ According to the Annual Climate Report published by the Taiwan Central Weather Administration and the China Meteorological Administration's China Climate Bulletin, the climate systems in Taiwan and Jiangsu have been warming in recent years, and the risk of extreme weather events will further intensify.	pumping units and integrated related equipment into Taoyuan City's smart monitoring system for real-time water status monitoring. ■ Although Suzhou Regent Electron and Chongqing Regent Electron have never experienced production or operational disruptions due to extreme climate events, the Suzhou factory has seen an increasing frequency of severe and sudden extreme weather in recent years. To mitigate such risks, the Company has established emergency response measures. (1) For typhoons: Prepare adequate emergency supplies and reinforce outdoor signs and other objects that are prone to falling. (2) For floods and heavy rainfall: Prepare an

					adequate supply of sandbags, submersible pumps, etc., to prevent operational disruptions. Also, regularly clear the discharge system.
Opportunity-Energy Source	O3 Adopting Low-Carbon Energy Projects and Implementing Energy-Saving Measures	Medium-term (Occurred within 3-10 years)	Reduce energy usage costs	■ According to Article 9 of the Energy Administration Act, if the contracted electricity capacity of the Taiwan production base of TSMT exceeds 800Kw, it is considered a regulated energy user and must achieve an annual energy saving rate of at least 1% in accordance with the regulations. ■ Taiwan has passed the Climate Change Response Act in its third reading, with plans to begin collecting carbon fees in 2026 from major power and manufacturing emitters whose annual emissions exceed 25,000 tons. The fee is expected to range between NT$300 and NT$500 per	■ TSMT continues to promote energy-saving initiatives, enhance equipment efficiency, and advocate for energy conservation and carbon reduction. In addition to reducing GHG and CO2 emissions, these efforts also help lower operating costs from a corporate sustainability perspective. ■ Suzhou Regent Electron replaced traditional mercury street lamps with solar-powered street lamps to achieve energy-saving and carbon reduction benefits. Complete renovation of the public-area lighting system by adding motion-sensing switches to existing panel

				metric ton. Although TSMT does not meet the threshold for carbon fee collection, the Company must remain mindful of potential risks. ■ TSMT specializes in the processing and manufacturing of PCB boards. ■ The primary source of energy for production operations is electricity. Therefore, if the relevant factories can enhance energy efficiency, conduct maintenance and upkeep, replace high-efficiency equipment or components for lighting, power, air conditioning, or other energy-consuming equipment, or even install a self-use renewable energy generation system, it can reduce TSMT's long-term operational costs.	lights, enabling smart control with “lights on when people are present, lights off when people leave.” ■ Suzhou Regent Electron invested in a solar power project with a total installed capacity of 2.34 MW. The estimated average annual electricity generation for the next 20 years is 2,326,000 kWh, equivalent to 2.326 million kWh. The generated electricity will be sold to the local power plant, and Suzhou Regent Electron will also purchase green certificates for a corresponding amount of 7,340,024 kWh. ■ In response to government renewable energy policies, Chongqing Regent Electron has actively promoted a low-carbon energy transition by installing solar power generation facilities. The generated electricity is sold to

					the local power plant, with a total installed capacity of 0.781 MW and an estimated average annual generation of 600,000 kWh (equivalent to 600,000 units) over the next 20 years. In 2024, the Company also subscribed to a corresponding 600,000 kWh green certificate. ■ Electricity meters and flow meters have been installed to measure the energy consumption of the chiller. Through the renovation, with an energy efficiency rate of 40%, the annual electricity savings are 1,814,700 kWh.

4.1.4 Indicators and Objectives

In line with the global net-zero sustainability trend and to establish a foundation for energy conservation and emissions reduction management, since 2022 the Company has conducted organizational GHG inventories at its Taiwan, Suzhou Regent Electron, and Chongqing facilities in accordance with the GHG Protocol. Based on the results of these inventories, the Company will further develop more proactive GHG reduction plans. Going forward, each site will continue to independently complete its annual GHG inventory for the previous year and pursue GHG verification to enhance and ensure the accuracy of inventory results.

TSMT Climate Goals			
Timeline	**Taiwan**	**Suzhou Regent Electron**	**Chongqing**
Short-term Goals (2025)	1. Comply with government carbon emission policies and meet environmental regulations, achieving zero violations. 2. By applying the ISO 14001 Environmental Management System, ISO 50001 Energy Management System certification, and ISO 14064-1 certification—along with continuous review and improvement—the Company reduces energy consumption and costs while enhancing the effectiveness of its energy management.		
	1. Taiwan is replacing old production lines with new LED lighting to achieve energy savings and efficiency. 2. Taiwan has added variable frequency drive (VFD) energy-saving systems (for all factory area chilled water	In Suzhou, an air conditioning energy-saving project is planned. The project proposes to dismantle one existing screw chiller unit and install a 400RT magnetic levitation centrifugal variable frequency chilled water unit in its original location. The project will also include a central air conditioning cold source energy-saving control system, with variable frequency operation of the	Chongqing Regent Electron: Implement an air-conditioning energy-saving project by upgrading the central air-conditioning and exhaust duct systems. By improving exhaust capacity and cooling efficiency, the project is expected to achieve comprehensive energy savings, with an estimated annual reduction of 1.845 million kWh of electricity consumption, representing a 43%

	main engine motors).	water pump. Comprehensive evaluation calculations estimate that the project will save 1.8147 million kWh of electricity annually, achieving a 30% energy-saving rate.	energy-saving rate.
Medium-term Goals (2026-2028)	Complete GHG assurance.		

4.2.Energy and GHG Management

With the introduction of the 1.5℃ target in the Paris Agreement and the concept of net zero emissions proposed by the Intergovernmental Panel on Climate Change (IPCC), governments around the world have successively put forward declarations of net zero emissions and carbon neutrality and have also implemented climate regulations and strategies to collectively address the challenges of climate change. In March 2022, Taiwan announced its Pathway to Net-Zero Emissions in 2050, and China has incorporated the Dual Carbon Goal into multiple national key policy objectives and plans. As a result, the gradual phase-out and reduction of the use of fossil fuels and the decrease in GHG have become an inevitable global trend.

4.2.1Energy Consumption and Energy Consumption Intensity

In 2024, TSMT's total energy consumption amounted to 387,536.78 GJ. The energy mix was primarily composed of purchased electricity, accounting for 96.60% of total consumption, mainly from electricity used in electronic product processing and manufacturing. The remaining 3.1% came from diesel and gasoline for Company vehicles and production equipment, as well as liquefied natural gas used in employee dormitories. Overall, total energy consumption decreased by 2.74% compared to 2023 (395,095.07 GJ).

The following sections present TSMT's 2024 energy consumption, with a breakdown of the energy structure and trends for Taiwan, Suzhou Regent Electron, and Chongqing.

■ **TSMT Energy Structure in 2024**

Energy Items	Location	Unit	Energy Consumption in 2024	Sub-total	Percentage (%)
Gasoline	Taiwan	Billion gigajoules (GJ)	864.08	12,098.34	3.1%
	Suzhou Regent Electron	Billion gigajoules (GJ)	1,120.95		
	Chongqing	Billion gigajoules (GJ)	580.6		
Diesel	Taiwan	Billion gigajoules (GJ)	937.44		
	Suzhou Regent Electron	Billion gigajoules (GJ)	5,688.14		
	Chongqing	Billion gigajoules (GJ)	797.58		
Liquefied Natural Gas	Taiwan	Billion gigajoules (GJ)	0		
	Suzhou Regent Electron	Billion gigajoules (GJ)	122.16		

	Chongqing	Billion gigajoules (GJ)	1,987.39		
Purchased Power	Taiwan	Billion gigajoules (GJ)	46,608.62	375,438.44	96.6%
	Suzhou Regent Electron	Billion gigajoules (GJ)	280,342.37		
	Chongqing	Billion gigajoules (GJ)	48,487.45		
Energy Consumption		Billion gigajoules (GJ)	387,536.78	387,536.78	100%

■ **Energy Consumption and Intensity in the Past Three Years (Taiwan - Taoyuan)**

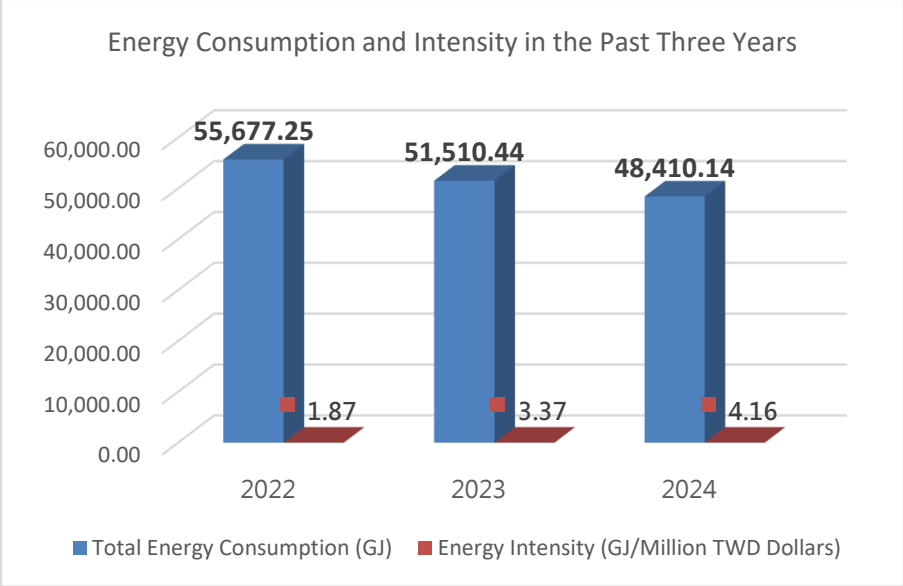
In 2024, the total energy consumption of TSMT's Taoyuan factory in Taiwan was 48,410.14 GJ, representing a 6.02% decrease from the previous year. Through regular equipment maintenance, the Company has improved energy efficiency, which has also led to a continued decline in energy intensity (energy consumption per annual revenue).

As TSMT Taiwan's contracted electricity capacity exceeds 800 kW, it is classified as an energy user under the Energy Administration Act and is therefore required to meet the regulatory target of achieving an annual energy-saving rate of at least 1%. Despite increased production capacity over the past three years, the Company's ongoing energy-saving measures have enabled it to achieve an average annual energy-saving rate that meets legal requirements.

Energy Items		**Unit**	**Historical Consumption**		
			2022	**2023**	**2024**
Non-renewable Energy	Gasoline	Liters (L)	21,196.40	30,724.00	25,265.50
		Billion gigajoules (GJ)	780.99	1,050.76	864.08
	Diesel	Liters (L)	28,856.30	24,340.20	26,185.42
		Billion gigajoules (GJ)	942.41	939.52	937.44
	Purchased Power	Megawatt-hours (MWh)	14,983.768	13,755.60	12,946.84
		Billion gigajoules (GJ)	53,953.85	49,520.16	46,608.62
Energy Consumption		Billion gigajoules (GJ)	55,677.25	51,510.44	48,410.14
Energy Intensity		Billion gigajoules (GJ)/Million New Taiwan Dollars	1.87	3.37	4.16

Note 1: TSMT's electrical calorific value = 860 kcal/kWh, gasoline's calorific value = 8,800 kcal/L, and diesel's calorific value = 7,800 kcal/L.

Source of Coefficients: Energy Administration, Ministry of Economic Affairs' "Heat Content of Energy Products."



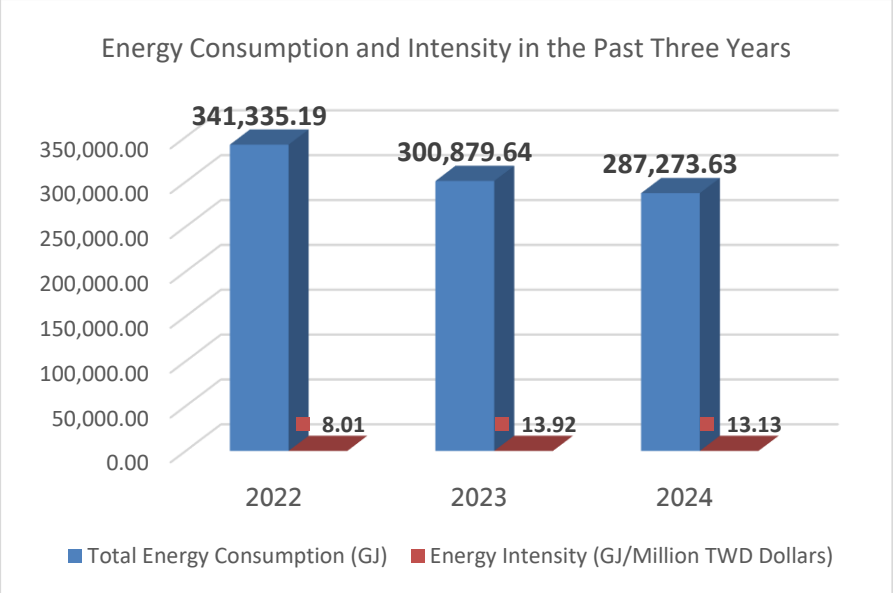
■ **Energy Consumption and Intensity in the Past Three Years (Suzhou Regent)**

In 2024, Regent Electron (Suzhou) Co., Ltd. had a total energy consumption of 287,273.63 GJ, which was a decrease of 4.52% compared to the previous year. However, through annual energy-saving project planning and execution to enhance energy efficiency, the energy intensity (energy consumption/revenue) continued to decrease.

Energy Items		Unit	Historical Consumption		
			2022	2023	2024
Non-renewable Energy	Gasoline	Liters (L)	20,923.80	31,490.70	33,968.14
		Billion gigajoules (GJ)	902.36	1080.45	1,120.95
	Diesel	Liters (L)	140,035.00	144,461.20	133,849.41
		Billion gigajoules (GJ)	5,980.53	4,004.47	5,688.14
	Liquefied Natural Gas	Cubic meter (m^3)	4,853.00	2,286.00	2,372.00
		Billion gigajoules (GJ)	249.93	191.52	122.16
	Purchased Power	Megawatt-hours (MWh)	92,812.850	82,112.00	77,872.88
		Billion gigajoules (GJ)	334,202.37	295,603.20	280,342.37
Energy Consumption		Billion gigajoules (GJ)	341,335.19	300,879.64	287,273.63
Energy Intensity		Billion gigajoules (GJ)/Million New Taiwan Dollars	8.01	13.9	13.13

Note 1: Suzhou Regent Electron's revenue is reported in accordance with publicly disclosed information.

Note 2: The heat value of Suzhou Regent Electron electricity=860 kcal/kWh, the heat value of gasoline=10,300 kcal/L, the heat value of diesel=10,200 kcal/L, and the heat value of liquefied natural gas=12,300 kcal/cubic meter. Source of Coefficient: State Administration for Market Regulation and the Standardization Administration of China' "General Rules for Calculation of the Comprehensive Energy Consumption."



■ **Energy Consumption and Intensity in the Past Three Years (Chongqing Regent)**

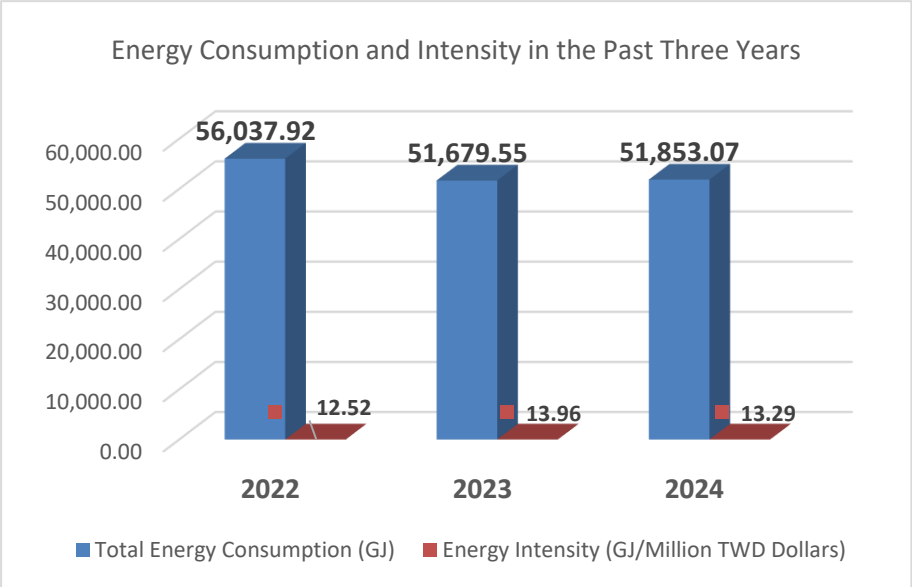
In 2024, Regent Electron (Chongqing) Co., Ltd. had a total energy consumption of 51,853.07 GJ. Although this represents a slight 0.34% increase from the previous year, energy efficiency projects and their implementation improved energy utilization, resulting in a 4.86% reduction in energy intensity (energy consumption per annual revenue) compared to the prior year, thereby enhancing overall energy efficiency.

Energy Items		Unit	Historical Consumption		
			2022	2023	2024
Non-renewable Energy	Gasoline	Liters (L)	9,406.87	11,454.70	13,503.34
		Billion gigajoules (GJ)	405.70	494.00	580.64
	Diesel	Liters (L)	25,828.40	18,513.08	18,675.45
		Billion gigajoules (GJ)	1,103.06	790.64	797.58
	Liquefied Natural Gas	Cubic meter (m^3)	101,361.00	56,554	38,590
		Billion gigajoules (GJ)	5,220.09	2,912.53	1,987.39
	Purchased Power	Megawatt-hours (MWh)	13,693.85	13,186.55	13,465.67
		Billion gigajoules (GJ)	49,309.09	47,482.38	48,487.45
Energy Consumption		Billion gigajoules (GJ)	56,037.92	51,679.55	51,853.07
Energy Intensity		Billion gigajoules (GJ)/Million New Taiwan Dollars	12.52	13.96	13.29

Note 1: Chongqing Regent Electron's revenue is reported in accordance with publicly disclosed information.

Note 2: The heat value of Chongqing Regent Electron electricity=860 kcal/kWh, the heat value of

gasoline=10,300 kcal/L, the heat value of diesel=10,200 kcal/L, and the heat value of liquefied natural gas=12,300 kcal/cubic meter. Source of Coefficient: State Administration for Market Regulation and the Standardization Administration of China's "General Rules for Calculation of the Comprehensive Energy Consumption."



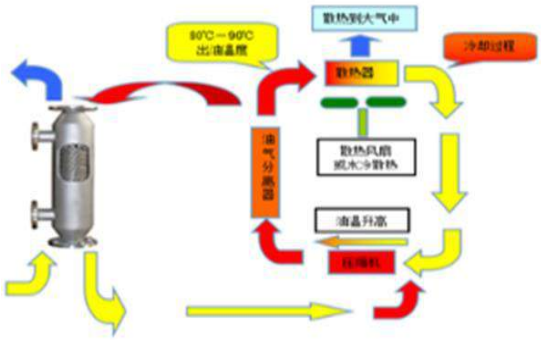
4.2.2 Renewable Energy Installation

In response to energy-saving initiatives, TSMT implemented an air-conditioning efficiency project by replacing an existing screw chiller unit with a 400 RT magnetic levitation centrifugal variable-frequency chiller at the same location. The system is equipped with a central air-conditioning energy-saving control system and variable-frequency water pump operation. Based on a comprehensive evaluation, the project is expected to save 1,814,700 kWh of electricity annually, achieving an energy-saving rate of 30%. This initiative also aligns with government renewable energy policies and actively supports the Company’s low-carbon energy transition.

Suzhou Regent Electron has installed solar power generation facilities, with the electricity generated sold to the local power plant. The total installed capacity is 2.34 MW, with an estimated average annual generation of 2,326,000 kWh (equivalent to 2.326 million units) over the next 20 years. The Company has also subscribed to 7,340,024 kWh worth of green certificates corresponding to this electricity generation.

In response to government renewable energy policies, Chongqing Regent Electron has actively promoted a low-carbon energy transition. In 2024, the Company installed solar power generation facilities, with the electricity generated sold to the local power plant. The total installed capacity is 0.781 MW, with an estimated average annual generation of 600,000 kWh (equivalent to 600,000 units) over the next 20 years. In 2024, Chongqing Regent Electron also subscribed to 600,000 kWh worth of green certificates corresponding to this electricity generation.

In 2024, Chongqing Regent Electron implemented a compressed air system waste heat recovery project, converting the thermal energy from the hot oil of five air compressors into hot water for two employee dormitory buildings. The project achieved an energy-saving rate of 60.2%, saving approximately 62,000 cubic meters of natural gas annually.



4.2.3 GHG Emissions

To adapt to global climate change and international environmental trends, TSMT conducted an inventory of GHG within Taiwan Surface Mounting Technology Corp. (Taiwan), Regent Electron (Suzhou) Co., Ltd., and Regent Electron (Chongqing) Co., Ltd. in 2022. Through a systematic inventory and list of GHG, the Company aims to accurately understand its current GHG and, based on the inventory results, further invest in GHG management and reduction planning. The goal is to effectively reduce GHG and mitigate the impact of climate change on the environment.

In addition to following the GHG Protocol and using the operational control approach to account for operational direct GHG emissions and energy-related indirect GHG emissions, TSMT tracks emissions of carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFC_s), perfluorocarbons (PFC_s), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3). The Company has also implemented ISO 14064-1 for GHG accounting and obtained GHG verification.

GHG Verification for TSMT Taoyuan Factory (Scope 1 and Scope 2, 2024)

pwc 資誠

台灣表面黏著科技股份有限公司溫室氣體聲明
會計師有限確信報告

資會綜字第 24012299 號

台灣表面黏著科技股份有限公司 公鑒：

本會計師受託執行台灣表面黏著科技股份有限公司（以下簡稱「貴公司」）民國 113 年 1 月 1 日至 12 月 31 日溫室氣體聲明之有限確信案件，該溫室氣體聲明包含溫室氣體盤查報告及解釋性附註。本案件係由具有多項專案之案件服務團隊執行，包括確信執案人員及環境專家。

管理階層對溫室氣體聲明之責任

貴公司之責任係依照溫室氣體盤查議定書 GHG protocol（請參見溫室氣體盤查報告書一、組織邊界設定）編製溫室氣體聲明，且設計、付諸實行及維持與溫室氣體聲明編製有關之內部控制，以確保溫室氣體聲明未存有導因於舞弊或錯誤之重大不實表達。

溫室氣體之量化受先天不確定性之影響，此主要係因用以決定排放係數之科學知識並不完整，以及報導之數值須彙總不同氣體之捕放。

會計師之獨立性及品質管理

本會計師及事務所已遵循會計師職業道德規範有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密與專業行為。

本事務所適用品質管理準則 1 號「會計師事務所之品質管理」，該品質管理準則規定會計師事務所設計、付諸實行及執行品質管理制度，包含與遵循職業道德規範、專業準則及所適用法令有關之政策或程序。

pwc 資誠

有限確信之結論

依據所執行之程序與所獲取之證據，本會計師並未發現第一段所述 貴公司民國 113 年 1 月 1 日至 12 月 31 日溫室氣體聲明在所有重大方面有未依照溫室氣體盤查議定書 GHG protocol 編製之情事。

其他事項

貴公司網站之維護係 貴公司管理階層之責任，對於確信報告於 貴公司網站公告後任何溫室氣體聲明之變更，本會計師將不負就該等資訊重新執行確信工作之責任。

資誠聯合會計師事務所

會計師 林 [illegible]

中華民國 114 年 8 月 12 日

GHG Verification for Suzhou Factory (Scope 1, Scope 2, and Scope 3, 2024)

萬泰認證

温室气体排放核查声明

以下组织的温室气体盘查报告，已由WIT依据ISO14064-3:2019的要求进行核查，确认其满足核查准则要求，达到合理保证等级且满足实质性要求。

台表科技（苏州）电子有限公司

地址：吴江经济技术开发区甘泉东路888号

1、该组织GHG陈述发布日期：2025年07月8日版本号：V2.0

2、该组织GHG陈述所覆盖的时段：2024年01月01日至2024年12月31日

3、核查准则：ISO14064-1:2018

4、组织边界：组织按照运营控制权原则确定的位于吴江经济技术开发区甘泉东路888号的台表科技（苏州）电子有限公司所有产生GHG排放和清除量的设施。

5、经营及活动范围：贴片电路板的生产、销售

6、包含的温室气体种类：■CO_2 ■CH_4 ■N_2O ■HFCs □ PFCs □SF_6 □ NF_3

7、组织的GHG排放量277635.50tCO_2e，抵扣量0.00tCO_2e，清除量0.00tCO_2e，抵消量0.00tCO_2e，具体如下：

类别1	类别2	类别3	类别4	类别5	类别6	GHG排放总量（tCO_2e）
直接GHG排放（tCO_2e）	源自输入能源的间接GHG排放（tCO_2e）	源自交通的间接GHG排放（tCO_2e）	源自组织使用的产品的间接GHG排放（tCO_2e）	与使用组织产品相关的间接GHG排放（tCO_2e）	源自其他组织源的间接GHG排放（tCO_2e）	
581.81	3887.85	1762.66	235912.88	505.30	/	277635.50

8、核查目的、保证等级、实质性、GHG声明的目标用户等详细信息参见本核查声明附录，附录为本核查声明的组成部分。

初次发证日期：2025年07月23日
最新发证日期：2025年07月23日

证 书 号：15/WTTGHG2025289
有效期至：2028年07月22日

GHG Verification for Chongqing Factory (Scope 1, Scope 2, and Scope 3, 2024)

萬泰認證

温室气体排放核查声明

以下组织的温室气体盘查报告，已由WIT依据ISO14064-3:2019的要求进行核查，确认其满足核查准则要求，达到合理保证等级且满足实质性要求。

峻凌电子(重庆)有限公司

地址：重庆市渝北区萬山中路1号

1、该组织GHG陈述发布日期：2025年03月25日版本号：V2.0

2、该组织GHG陈述所覆盖的时段：2024年01月01日至2024年12月31日

3、核查准则：ISO14064-1:2018

4、组织边界：组织按照运营控制权原则确定的位于重庆市渝北区萬山中路1号的峻凌电子(重庆)有限公司所有产生GHG排放和清除量的设施。

5、经营及活动范围：PCBA产品加工

6、包含的温室气体种类：■CO_2 ■CH_4 ■N_2O ■HFCs □ PFCs □SF_6 □ NF_3

7、组织的GHG排放量164897.91tCO_2e，抵扣量0.00tCO_2e，清除量0.00tCO_2e，抵消量0.00tCO_2e，具体如下：

类别1	类别2	类别3	类别4	类别5	类别6	GHG排放总量（tCO_2e）
直接GHG排放（tCO_2e）	源自输入能源的间接GHG排放（tCO_2e）	源自交通的间接GHG排放（tCO_2e）	源自组织使用的产品的间接GHG排放（tCO_2e）	与使用组织产品相关的间接GHG排放（tCO_2e）	源自其他组织源的间接GHG排放（tCO_2e）	
218.16	7038.51	147.53	157493.72	0	0	164897.91

8、核查目的、保证等级、实质性、GHG声明的目标用户等详细信息参见本核查声明附录，附录为本核查声明的组成部分。

初次发证日期：2025年04月02日
最新发证日期：2025年04月02日

证 书 号：15/WTTGHG2025043
有效期至：2028年04月01日

In 2024, TSMT's total GHG emissions amounted to 60,273.37 metric tons CO_2e, with Scope 1 emissions of 1,104.67 metric tons CO_2e and Scope 2 emissions of 60,293.30 metric tons CO_2e. The GHG emission intensity was 1.61 metric tons CO_2e per million NTD. The inventory results indicate that the largest source of emissions was purchased electricity for operations, used for daily office functions and powering production equipment. The second-largest source was fuel oil usage, including gasoline for Company vehicles and diesel for generators and forklifts. Compared to the previous year's total of 62,763.68 metric tons CO2e, TSMT reduced its emissions by 2,490.32 metric tons CO_2e, representing a 3.97% decrease.

■ **GHG Summary Table for 2024**

Category	Location	Emissions (metric tons of CO_2e)	Percentage (%)
Scope 1: Direct GHG Emissions		1,104.67	1.83%
Fixed Combustion Direct Emissions	Taiwan	0.1804	-
	Suzhou Regent Electron	16.8268	
	Chongqing Regent Electron	80.86	
Mobile Combustion Direct Emissions	Taiwan	128.6740	-
	Suzhou Regent Electron	426.48	
	Chongqing Regent Electron	88.33	
Direct Process Emissions from Industrial Processes	Taiwan	3.3609	-
	Suzhou Regent Electron	19.5771	
	Chongqing Regent Electron	5.30	
Direct Fugitive Emissions from GHG Releases in the Anthropogenic System	Taiwan	127.2390	-
	Suzhou Regent Electron	158.8744	

	Chongqing Regent Electron	48.97	
Scope 2: Indirect GHG Emissions from Electricity		60,293.30	98.17%
Emissions From Purchased Electricity	Taiwan	6,136.80	-
	Suzhou Regent Electron	46,013.38	
	Chongqing Regent Electron	7038.51	
Total GHG Emissions		60,273.37	100%
Carbon Intensity (Total GHG emissions/million New Taiwan Dollars)		1.61	-

4.2.4 Energy-saving and Carbon Reduction Measures

TSMT continues to promote energy-saving initiatives by installing variable-frequency equipment, energy-efficient lighting with motion sensors, and replacing old lights with LED fixtures. The Company also improves lighting and air-conditioning efficiency and performs regular equipment maintenance to reduce energy consumption. These measures not only help lower GHG emissions but also reduce operating costs from a corporate sustainability perspective. In 2024, TSMT's energy-saving and carbon reduction initiatives achieved an annual carbon reduction of 1,021.05 metric tons CO2e.

Plan	Region	Execution Status	Efficiency Performance (GJ)	Amount of Carbon Reduction (metric tons of CO_2e)
Installation of Variable-Frequency Energy-Saving Equipment	Taiwan	Installation of variable-frequency energy-saving motors for the chilled water main units across the entire factory.	832.60	116.03
New Solar Power	Suzhou	In May 2024, new	3,906.57	655.56

Plan	Region	Execution Status	Efficiency Performance (GJ)	Amount of Carbon Reduction (metric tons of CO_2e)
Generation Facilities and Operation	Regent Electron	solar power generation facilities were installed and became operational, with all generated electricity fed into the grid and sold to the local power plant. By the end of 2024, this photovoltaic project had saved a total of 1,056,507.6 kWh of electricity. In August 2024, the public area lighting system was upgraded by adding motion sensors to existing flat-panel lights, enabling smart control: “lights on when people are present, lights off when absent.” By the end of 2024, this lighting upgrade saved 28,650 kWh. Together, the two projects resulted in a total electricity savings of 1,085,157.6 kWh.		
1. Upgrade of Energy-Efficient Lighting Across the	Chongqing	In 2024, 2,732 units of 40W lighting fixtures across the factory were	1,574.40	249.46

Plan	Region	Execution Status	Efficiency Performance (GJ)	Amount of Carbon Reduction (metric tons of CO_2e)
Factory 2. Replacement of Fixed-Frequency AC Units in Dormitories		replaced with 20W energy-efficient lamps, achieving an energy savings of 40% and an annual electricity reduction of 393,000 kWh. Also in 2024, the dormitories replaced old fixed-frequency air conditioners with variable-frequency units, achieving approximately 20% energy savings and an annual electricity reduction of 44,000 kWh.		
Total Energy Savings/Carbon Reduction			6,313.57	1,021.05

Note 1: Due to the inconsistency in the timing of implementation plans, the plans presented above are all estimates of annual energy-saving and carbon-reduction achievements.

Note 2: Power Carbon Emission Coefficient: Suzhou and Chongqing adopt the Notice on Doing a Good Job in 2023-2025 Reporting and Management of GHG Emissions of Power Generation Enterprises issued by the Ministry of Ecology and Environment of China.

4.3.Water Stewardship

According to The United Nations World Water Development 2023 report, the demand for water resources will continue to increase, with an estimated increase of 20-30% by 2050. In recent years, the frequency of alternating droughts and floods has been on the rise due to the impact of climate change, leading to higher risks in accessing and utilizing water resources. Therefore, TSMT conducts identification and response to water risk factors and regularly investigates the water usage situation every year. We continuously monitor and manage to proactively address complex water resource issues and understand the risks and opportunities that water resources pose to the Company's operations.

4.3.1 Risk Management for Water Resources

TSMT's factories are all located within an economic development zone or industrial zone established by the public sector, which is not an area related to ecological conservation. The main water usage in each production base is for domestic purposes, and the production process does not heavily rely on water resources. However, the Company is still committed to water conservation to improve the efficiency of water resource allocation and usage, reduce operational risks, and minimize the impact on the water environment.

Through the Aqueduct Water Risk Atlas, a water risk assessment tool developed by the World Resource Institute (WRI), TSMT has identified the water risk index levels in the regions where its factories are located. TSMT's Taoyuan and Chongqing production bases are situated in medium to low-water-risk areas, while its Suzhou Regent Electron facility is located in a high-water-risk area. Over the past three years, TSMT has not experienced any operational disruptions due to droughts or floods. In the future, TSMT will conduct regular assessments and implement water resource management to mitigate the impact of risks.

■ **Water Sources and Discharge Destinations for TSMT's Factories**

Production Base	Catchment	Water Sources	Wastewater Treatment	Discharge Destination
Taiwan	Shihmen Reservoir	Taiwan Water Corporation	Wastewater Treatment Plant at Guishan Industrial Park	Nankan River
Suzhou Regent Electron	Lake Taihu Watering Source	Wujiang Huayan Water Services Co., Ltd.	Yundong Wastewater Treatment Plant	Wusong River
Chongqing Regent Electron	Jialing River	Chongqing Sino French Water	Jiuquhe Wastewater Treatment Plant	Dazhulin

4.3.2 Water Usage Structure

TSMT's water supply mainly comes from third-party tap water, and water usage is primarily for domestic purposes, as production processes do not require water. In 2024, TSMT's total water withdrawal amounted to 479 million liters, representing a 22.9% reduction compared with the previous year. Total water discharge was 381 million liters, down 23.4% year over year. Total water consumption reached 98 million liters, a 21.8% reduction from the prior year. These results reflect the Company's effective efforts in conserving and valuing water resources.

In view of the importance of water resources, TSMT has been implementing water conservation improvement programs in recent years. They also regularly monitor water usage in the factory area. In Taiwan, the main approaches include promoting water conservation policies and replacing manual faucets with sensor-activated automatic faucets. On the other hand, Suzhou Regent Electron has established an ROR water recycling system to reuse processed wastewater for rooftop cooling towers, thereby enhancing the utilization of water resources. In the future, we will continue to strengthen the promotion of water conservation policies, replace water-saving equipment, and increase the proportion of recycled water usage to reduce the impact of water shortage risks.

At Chongqing Regent Electron, ground subsidence caused leaks at underground pipe joints. In December 2023, the underground piping was replaced with above-ground pipelines. Comparing January–November 2024 with the same period in 2023, total water usage decreased by 140,000 cubic meters (approximately 144 million liters), a 66% reduction, and costs were similarly reduced by 66%.

■ **Historical Structure of Water Usage in TSMT**

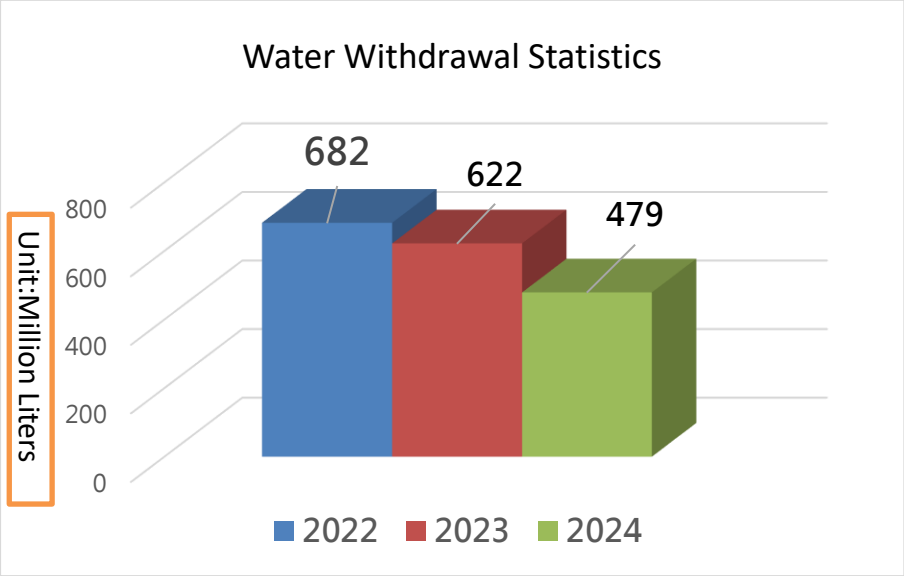
Item	Source	Unit: Million Liters		
		2022	2023	2024
Total Water Withdrawal	-	**682**	**622**	**479**
Taiwan	Tap water	66	65	54
Suzhou Regent Electron	Tap water	399	335	347
Chongqing Regent Electron	Tap water	217	222	78
Total Water Discharge	-	**547**	**497**	**381**
Taiwan	-	53	52	41
Suzhou Regent Electron	-	320	268	277
Chongqing Regent Electron		174	177	**63**

Total Water Consumption	-	**137**	**125**	**98**
Taiwan	-	14	13	13
Suzhou Regent Electron	-	80	68	69
Chongqing Regent Electron		43	44	**16**
Water Withdrawal Intensity (million liters/million NTD)	**-**	**0.0089**	**0.0153**	**0.0128**

Note 1: The water withdrawal is based on the data from the Taiwan Water Corporation

Note 2: The groundwater withdrawn by Suzhou Regent Electron is used for landscaping irrigation in the factory area twice a month.

Note 3: Water Intensity = Water Withdrawal (million liters) / Annual Revenue (million NTD).



4.3.3 Water Pollution and Prevention Control

The wastewater discharge of TSMT follows the regulations and requirements of the park where the factory is located. The wastewater from daily life and production in Taiwan is directly discharged into the wastewater system and sent to the industrial wastewater treatment plant. However, Suzhou Regent Electron has its own wastewater treatment system because the wastewater discharge contains special substances such as NH_4OH, EDTA, and potassium sodium tartrate. After preliminary treatment, it is then discharged to the local wastewater treatment plant. TSMT conducts annual independent testing of the quality of wastewater discharge to ensure compliance with local regulations or industrial zone management standards. In 2024, the water quality met the standards, and there were no incidents of abnormal quality or discharge of wastewater discharge.

■ **Water Quality Monitoring Items for Discharge (Taiwan)**

Water Quality Monitoring Items	Unit	Referencing Standards Limits	Year		
			2022	2023	2024
pH value	-	5-9	7.10	7.49	7.35
Chemical Oxygen Demand (COD)	mg/L	<320	227.50	226.04	225.06
Suspended Solid (SS)	mg/L	<200	61.50	59.06	60.2

Note 1: Referencing standards limit: Guishan Industrial Park Wastewater Quality Standard.

■ **Water Quality Monitoring Items for Discharge (Suzhou Regent Electron)**

Water Quality Monitoring Items	Unit	Referencing Standards Limits	Year					
			2022		2023		2024	
			Phase 1	Phase 2	Phase 1	Phase 2	Phase 1	Phase 2
pH value	-	6-9	6.9	6.9	7.51	7.7	7.6	7.4
Chemical Oxygen Demand (COD)	mg/L	<500	299	416	328	441	307	22
Suspended Solid (SS)	mg/L	<400	34	35	22	26	17	13
Petroleum Products	mg/L	<20	1.62	2.41	0.72	0.75	0.35	< 0.06
Total Nitrogen	mg/L	<70	42.8	47.1	48.3	52	69.3	6.1
Total Phosphorus	mg/L	<8	3.85	5.29	4.86	5.17	7.49	0.07
Ammoniacal Nitrogen	mg/L	<45	37	41.0	35.8	41.7	39.2	0.634
Biochemical Oxygen Demand (BOD)	mg/L	<300	117	149	83.8	68.9	109	7.1
Animal and Vegetable Oils	mg/L	<100	0.17	3.26	5.85	1.7	5.37	0.06

Note 1: Reference Standard Limits: Class 3 standards in Table 4 of the Integrated Wastewater Discharge Standard GB8978-1996, Class A standards in Table 1 of the Wastewater Quality Standards for discharge to Municipal Sewers GB/T 31962-2015.

Note 2: The Suzhou Regent Electron production base consists of Phase 1 and Phase 2 buildings. Phase 1 refers to the wastewater discharge pipeline of the Phase 1 building, while Phase 2 refers to the wastewater discharge pipeline of the Phase 2 building. Both discharge pipelines are regularly sampled for wastewater quality testing.

■ **Water Quality Monitoring Items for Discharge (Chongqing Regent Electron)**

Water Quality Monitoring Items	Unit	Referencing Standards Limits	Year		
			2022	2023	2024
pH value	-	5-9	7.71	7.2	7.5
Chemical Oxygen Demand (COD)	mg/L	< 500	176	178	130
Suspended Solid (SS)	mg/L	< 400	38	36	39
Five-Day Biochemical Oxygen Demand	mg/L	< 300	49.8	48.8	54.6
Ammoniacal Nitrogen	mg/L	-	43	30.2	54.6
Animal and Vegetable Oils	mg/L	< 100	0.46	1.56	1.16

Note 1: Reference Standard Limits: Class 3 standards in Table 4 of the Integrated Wastewater Discharge Standard GB8978-1996, Class A standards in Table 1 of the Wastewater Quality Standards for discharge to Municipal Sewers GB/T 31962-2015.

4.4.Waste Management

TSMT values the sustainable utilization of resources, following the principle of resource optimization and adhering to the ISO 14001 standard. We have established the Energy and Resource Management Procedures and the Waste Management Procedures, and assigned dedicated personnel to continuously track the flow of resource materials. This ensures that reusable resources are used in the appropriate places, promoting the sustainable circulation of resources.

4.4.1 Waste Structure

The waste generated by TSMT is classified into hazardous and non-hazardous categories, all of which are handled and disposed of by licensed waste management companies. In 2024, the Company's total waste volume was 2,541.25 metric tons, of which non-hazardous waste accounted for approximately 2,159.49 metric tons (84.98%), and hazardous waste accounted for 381.76 metric tons (15.02%), resulting in a waste intensity of 0.067. Since the types of waste differ among Taiwan, Suzhou Regent Electron, and Chongqing facilities, detailed breakdowns are presented in separate tables.

■ **Summary Table of Waste Quantity in TSMT**

Category	Location	Unit	Production Volume	Sub-total	Percentage (%)
Non-hazardous Waste	Taiwan	metric tons	235.94	4,159.49	84.98%
	Suzhou Regent Electron	metric tons	1,712.24		
	Chongqing	metric tons	211.31		
Hazardous Waste	Taiwan	metric tons	58.13	381.76	15.02%
	Suzhou Regent Electron	metric tons	268.29		
	Chongqing	metric tons	55.34		
Total Quantity (metric tons)				2,541.25	100%
Waste Density (metric tons/million NTD)				0.0679	-

■ **2024 Types of Waste (Taiwan)**

Types of Waste		Treatment Method	Amount of Waste Generated (metric tons)	Categorized by Type (metric tons)
Non-hazardous Waste	Domestic Waste	Incinerated	63.00	235.94
	Plastic Waste	Recovered	38.60	
	Paper Waste	Recovered	117.14	
	Waste Wood	Recovered	12.40	
	Scrap Metal	Recovered	4.80	
Hazardous Waste	Printed Circuit Board that Contains Metal	Physical Treatment	57.50	58.13
	Scrap Tin	Recycled Materials	0.63	
Total				294.07

■ **2024 Types of Waste (Suzhou Regent Electron)**

Types of Waste		Treatment Method	Amount of Waste Generated (metric tons)	Categorized by Type (metric tons)
Non-hazardous Waste	General industrial Waste	Incinerated	668.67	1,712.25
	Types of Tray Package	Recovered	262.09	
	Paper/Cardboard/Carrier Tape	Recovered	617.25	
	Other	Recovered	164.23	
Hazardous Waste	Engine Oil Waste	Recycled Materials	1.11	268.29
	Used Wiping Paper	Incinerated	15.66	
	Barrels and Empty Bottle Packaging	Incinerated	3.78	
	Waste Organic Solvents	Incinerated	27.68	
	Rubber Waste	Incinerated	3.37	
	Waste Activated Carbon	Recycled Materials	14.84	
	Raw Material Barrel Waste	Incinerated	23.55	
	Waste Circuit Boards	Recovered	155.41	

Types of Waste		Treatment Method	Amount of Waste Generated (metric tons)	Categorized by Type (metric tons)
	Sludge	Incinerated	17.98	
	Waste Solder Paste Cans and Waste Solder Paste		4.91	
Total				1,980.53

■ **2024 Types of Waste (Chongqing Regent Electron)**

Types of Waste		Treatment Method	Amount of Waste Generated (metric tons)	Categorized by Type (metric tons)
Non-hazardous Waste	General industrial Waste	Incinerated	41.40	211.31
	Types of Tray Package	Recovered	23.31	
	Paper/Cardboard/Carrier Tape	Recovered	123.60	
	Other	Recovered	23.00	
Hazardous Waste	Barrels and Empty Bottle Packaging	Incinerated	0.44	55.34
	Waste Board Edges	Recovered	46.14	
	Waste Organic Solvents	Incinerated	3.30	
	Waste Circuit Boards	Recovered	5.43	
	Waste Solder Paste Cans and Waste Solder Paste		0.03	
Total				266.65

4.4.2 Waste Disposal and Reduction

To achieve the goal of efficient resource recovery, TSMT has established temporary resource waste storage areas in each factory area and office. In following regulations, potential resource waste, such as cardboard boxes, waste paper, waste plastic materials, waste metal, circuit boards, batteries, and more, are identified. After the production units have calculated the total amount and quantity of recyclable materials, the management department will arrange for them to be placed in designated areas

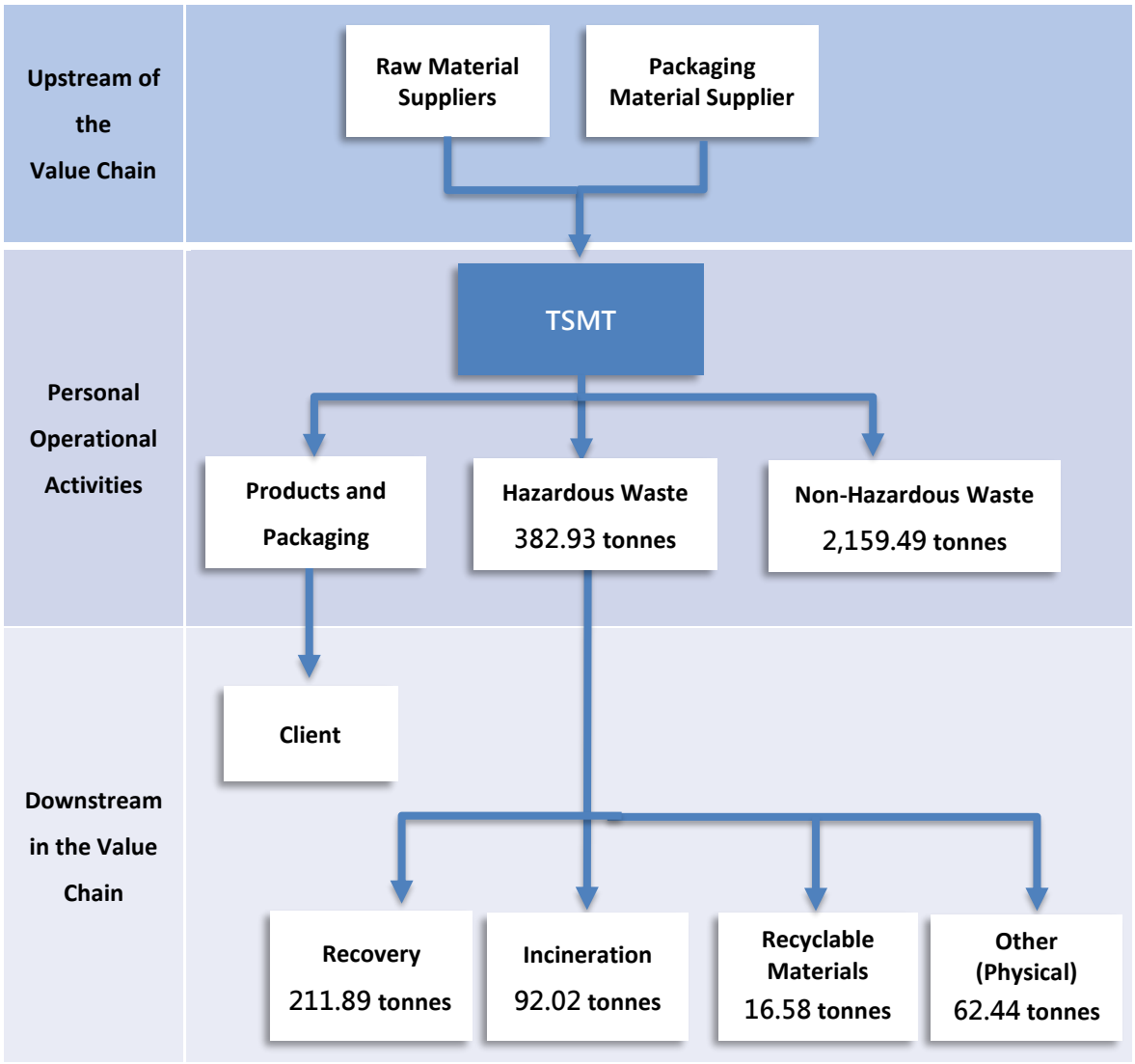
based on their categories. When a sufficient quantity has accumulated, qualified waste disposal companies will be notified for transportation. In 2024, TSMT achieved a waste recycling rate of 62.87%, an increase of 6.52% from 56.35% in the previous year. The Company will continue to strengthen its resource recycling efforts in the future.

Except for recyclable waste, other hazardous waste generated during the process, such as chemical solvents, acids and alkalis, inks, and waste ion exchange resins, are temporarily stored in waste storage facilities after being labeled for classification. They are classified and stored according to waste compatibility, component characteristics, and storage regulations, and then cleared and treated by qualified vendors approved by the competent authority. In addition, to ensure that the generated waste does not have a significant impact on the surrounding environment, our Company not only selects qualified transportation and disposal organizations but also strengthens waste inspection and control through irregular on-site audits and regular monitoring. This is to fulfill our responsibility in waste management.

■ **Methods of Disposing of Waste in TSMT in 2024**

Category	Unit	Disposal Method				Total Amount
		Incinerated	Recovered	Recycled Materials	Other (Physical)	
Non-hazardous Waste	**metric tons**	773.07	1,386.42	0	0	2,159.49
Hazardous Waste	**metric tons**	92.02	211.89	16.58	62.44	382.93
Sub-total	**metric tons**	865.09	1,598.31	16.58	62.44	2,542.42
Percentage (%)	**%**	34.03%	62.87	0.65%	2.46%	100%

Waste Logistics of TSMT Value Chain



Chapter 5 Employee Care and Social Welfare

Sustainability Performance and Corresponding SDGs

SDGs			2024 Annual Job Performance
SDG 3		Health and Well-Being	● Establishment of designated parking spaces for expectant mothers. ● Installation of accessibility facilities. ● Monthly on-site physician consultations and occasional health seminars. ● Organization of various domestic and international trips. ● 9,625 individuals participated in health promotion activities, fostering a healthy workforce.
SDG 5		Gender Equality	● The retention rate for unpaid parental leave reached 60%, easing the stress for employees while raising their children. ● Promote workplace equality, without different pay for the same job positions. ● No sexual harassment complaints were received.

5.1.A Safe and High-Quality Working Environment

Management Policy for Material Topics

Material Topics	Occupational Health and Safety
GRI Indicators	GRI403
Impact Statement	a. The purpose of promoting occupational health and safety is to prevent the occurrence of workplace-related accidents, as the consequences of accidents can lead to harm to personnel or asset losses, resulting in various losses for the Company b. Positive: Committed to enhancing personnel's safety awareness, reducing the occurrence of accidents, and enabling employees to pursue a better working environment. Negative: Ignoring occupational safety can cause harm to personnel's health and impact production issues, potentially increasing costs.
Policy/Commitment	TSMT has established a range of measures in accordance with the Occupational Safety and Health Act to create a high-quality occupational health and safety environment for the Company, all while ensuring the effectiveness of the occupational health and safety management system certification.
Objective	Short-term: 1. Zero cases of severe workplace accidents were recorded 2. The number of accidents classified as minor or above is ≤ 10 Medium-term Continuously provide optimal resources to improve the safety and hygiene facilities in the factory area, and strengthen various employee health service projects to establish a safe and healthy working environment and enhance the overall safety culture.
Responsibility	Health and Safety Management Committee
Resources	TSMT established the Health and Safety Management Committee at the Taoyuan factory, comprising a total of 14 members, including three labor representatives who are department managers and labor representatives themselves. The committee convenes meetings on a quarterly basis. A Health Management Department was established at the Suzhou factory, consisting of a total of eight employees, including one supervisor. This department is dedicated to its functions and holds weekly meetings.

Grievance Mechanism	Email: Colleagues can report environmental health and safety issues via email.
Action Plan	1. Implement preventive management to ensure a safe working environment and operations. 2. Regularly conduct educational training and occupational safety promotion. 3. Comply with safety and health regulations and strive for zero accidents 4. Provide on-site medical personnel services, conduct colleague health management, and offer health consultation services
Assessment Mechanism	1. Pass ISO 45001 Occupational Health and Safety Management System verification annually 2. The committee reviews and confirms the needs and expectations of stakeholders on a quarterly basis

Occupational Health and Safety Management System

TSMT is committed to creating a high-quality, safe, and stable working environment. The Company has established employee occupational safety and protection regulations to strictly ensure workplace health and safety. Both the Taiwan and Suzhou factories have obtained ISO 45001 Occupational Health and Safety Management System certification, ensuring that occupational health and safety management meets international standards. This enhances employee safety awareness, provides a safe and healthy work environment, and fosters a comprehensive safety culture across the Company. The management scope covers all on-site employees and other workers (Coverage Rate = 100%). To maintain the validity of the certification, the Company conducts two annual audits of health and safety management policies and performance, supporting TSMT's goal of sustaining a high-quality, safe, and stable working environment.


CERTIFICATE

ARES

台灣表面黏著科技股份有限公司

ISO 50001:2018

SMT插件，模組成品組裝，車載電子產品，儀表板

ARES/TW/123121749N

2023-12-28

2026-12-27

IAS ACCREDITED

IAF

ARES International Certification Co., Ltd.


CERTIFICATE

ARES

The Governing Board of ARES International Certification Co., Ltd. Hereby Grants To:

Taiwan Surface Mounting Technology Corp.

No.437, Taoying Rd., Taoyuan Dist., Taoyuan City 330, Taiwan (R.O.C.)

No. 7, Xinghua Rd., Taoyuan Dist., Taoyuan City 330, Taiwan (R.O.C.)

has been assessed and found to be in accordance with the requirements of standard detailed below:

ISO 50001:2018

Scope:

Assembly of Printed Circuit Boards Using Surface Mounting Technology, Module assembly / Final assembly, Vehicle Electronic Products, Speedometer

Certificate No.: ARES/TW/123121749N

Certificate Issue Date: 2023-12-28

Registration Expiration Date: 2026-12-27

IAS ACCREDITED

IAF

Authorized by :

ARES International Certification Co., Ltd.

The Company utilizes this safety and health management system:

- Hazard Identification, Risk Assessment, and Risk Control Planning/ISO45001 Management Plan/Structure and Responsibility Division
- Training, Understanding, and Capability / Consultation and Communication / Operations Management / Emergency Prevention and Response / Performance Measurement, Monitoring, and Improvement


DNV·GL

MANAGEMENT SYSTEM CERTIFICATE

This is to certify that the management system of

Taiwan Surface Mounting Technology Corp.

No. 437, Tao Ying Rd., Taoyuan Dist., Taoyuan City 330, Taiwan and the sites as mentioned in the appendix accompanying this certificate

has been found to conform to the Occupational Health and Safety Management System standard:

ISO 45001:2018

This certificate is valid for the following scope:

Assembly of Printed Circuit Boards Using Surface Mounting Technology for Computer and Electronic Equipment

IAF

Health and Safety Management

The Occupational Health and Safety Office of TSMT oversees safety and health matters across different regions. In compliance with legal regulations, the Taoyuan factory has established a Health and Safety Management Committee, comprising a total of 14 members, including three labor representatives, who consist of department heads and labor representatives. The committee convenes meetings quarterly to address recent significant and non-significant occupational safety incidents and health issues. Resolutions are then communicated to all Company colleagues to enhance overall occupational safety awareness. Matters handled by the committee include:

Taiwan - Meeting Agenda
I. Provide recommendations for the employer's proposed occupational health and safety policy
II. Coordinate and recommend the occupational health and safety management plan
III. Review the implementation plan for safety and health education and training
IV. Review the operational environmental monitoring plan, monitoring results, and corrective measures
V. Review health management, occupational disease prevention, and health promotion matters
VI. Review various health and safety proposals
VII. Review matters related to self-inspection and occupational health and safety audits by business units
VIII. Review preventive measures for hazards related to machinery, equipment, or raw materials and materials
IX. Review occupational accident investigation reports
X. Assess on-site health and safety management performance
XI. Review health and safety management matters related to contracted services
XII. Other matters related to health and safety management

Employee health and safety education and training

To enhance employees' awareness of occupational health and safety, TSMT regularly organizes occupational safety training and courses in health. Each year, an education and training plan is developed based on practical needs. This plan includes health and safety education and training for both new and existing employees, as well as training for legal certifications, such as first aid, rescue training, radiation safety training, and industrial safety training. Additionally, emergency response training and contractor education and training are provided. Furthermore, employees are given opportunities for hands-on practice to enhance their knowledge, skills, and ability to respond to various situations. In 2024, a total of 72 promotional and training events were conducted, with 15,840 participants in total (excluding new employee educational training).

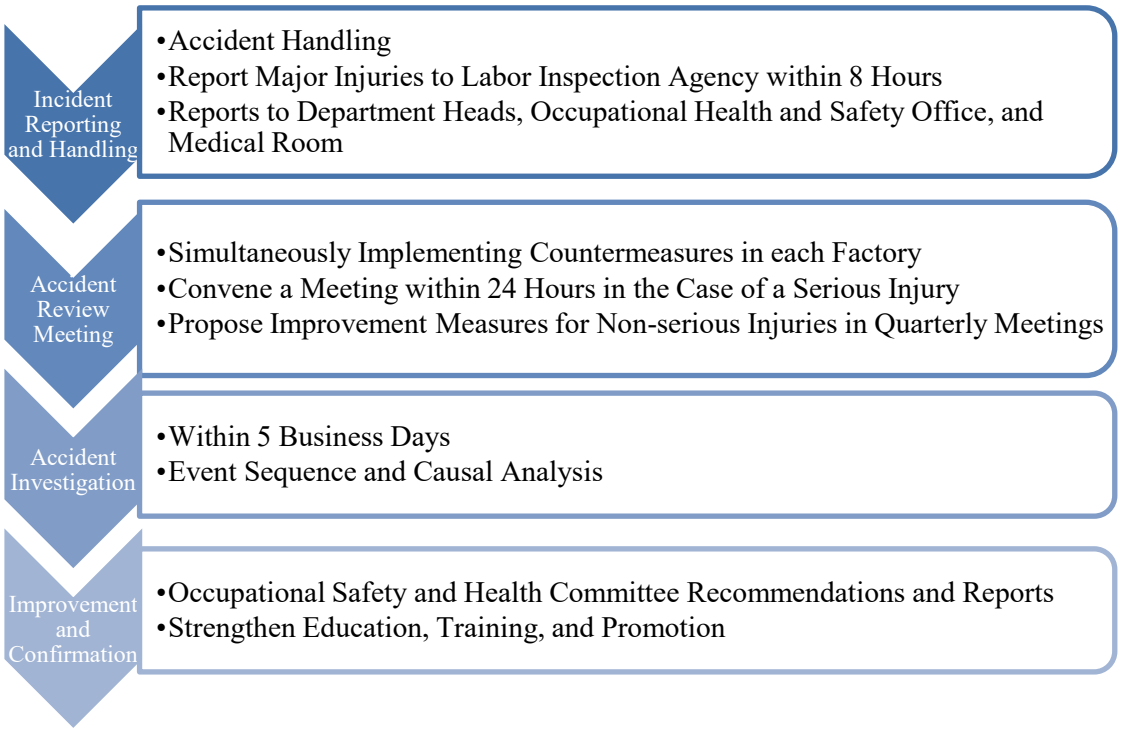
Name of the Training Program	Description of the Training Program Content	Number of Events Organized	Number of Participants
First Aid Training	Training in CPR, basic first aid knowledge, including simple wound dressing and the Heimlich maneuver	12	420
Occupational Health Management Training	Gaining a deeper understanding of our Company's work-related hazard descriptions and hazard job management program.	12	360
Radiation Safety Training	Knowledge of X-rays, their impact on the human body, and protective measures	12	180
Workplace Injury Safety Training	Definition of workplace injury, scope of application, relevant cases, and preventive measures	36	1,260
Emergency Response Drill	Emergency Response Drill	36	12,000
New Employee Occupational Health and Safety Training	1. Occupational Health and Safety Regulations 2. Occupational Health and Safety Concepts 3. Workplace Safety and Health Matters 4. Fire Safety Knowledge 5. Chemical Safety Knowledge 6. Accident Reporting and Investigation	Newly Hired Employees *New employees are required to undergo education provided on an ad hoc basis	Newly Hired Employees *New employees are required to undergo education provided on an ad hoc basis

Additionally, other measures have been implemented to enhance occupational safety awareness, including the placement of warning signs, daily deficiency checks, and the establishment of a system for monitoring and incentivizing safe practices. These measures are aimed at continuously reinforcing the fundamental safety practices in the factory area to achieve early detection and timely prevention goals.

Accident Reporting and Investigation Process

After an accident occurs, an investigation team is established to conduct on-site inspections, interviews, and monitoring, collecting accident data and reconstructing the sequence of events. Accident analysis is then performed. Based on the cause-and-effect relationship, responsibility for the accident is determined, and

necessary criticisms, educational measures, administrative penalties, or financial penalties are imposed on relevant personnel in the department. This is done to enhance safety awareness among personnel and prevent the recurrence of incidents.



Management Measures for Hazard Identification and Risk Assessment

To prevent occupational accidents, TSMT has developed the Hazard Identification and Risk Assessment Management Procedure to categorize the risks associated with events that may harm personnel. Subsequently, management strategies are devised and implemented based on the level of risk and the frequency of occurrence. To effectively identify safety and health hazards arising from work activities, the work environment, and various types of hazards, responsible units are required to conduct annual hazard identification and risk assessments based on the likelihood and severity of incidents.

The Occupational Health and Safety Management Office categorizes risk levels into three ranges: unacceptable, temporarily acceptable, and acceptable. For unacceptable risks, immediate improvement measures are instituted, and unit supervisors are required to implement these improvements within a specified period. The discussion of risks falling into the temporarily acceptable and acceptable categories occurs during the quarterly Health and Safety Management Committee meetings. In addition, if employees believe that the job content may result in injuries or illnesses, they can request to change their job position or resign without being bound by any Company regulations.

Level	Risk	Control Measures	Is it Acceptable to Take the Risk?
1	Very high	Review the effectiveness of current protective measures and promptly develop a management plan.	**Unacceptable:** Immediate action is required to implement improvement measures and reduce the risk level to an acceptable range. If the risk cannot be reduced, operational control measures and emergency response plans should be developed.
2	High	After being reviewed by each department, operational guidelines will be established.	
3	Medium to High	Additional protective measures need to be strengthened.	**Temporarily Acceptable:** Strengthen or revise existing protective measures and controls to continuously improve the risk.
4	Medium	Attention should be given to the current regulatory status.	
5	Medium to Low	Considered acceptable, to be monitored using existing methods.	**Acceptable:** Confirm the effectiveness of current protective control measures and carry out relevant education and training.
6	Low	Acceptable, no improvement is needed.	

Control measures for intolerable (Level 1-2) risks.

This type of risk accounts for 8% of the total risk, comprising a total of 54 items. The following table presents control measures for risks that are considered intolerable within the organization. These measures are based on guidelines for risk assessment techniques and include elimination, replacement, engineering controls, administrative management, the use of personal protective equipment, and vigilance maintenance to reduce hazards. Additionally, relevant management improvement plans are developed to mitigate the severity of high-risk operational activities.

For instance, in the context of serious traffic accidents, the Company established an occupational safety policy in 2024 that involves the participation of all employees, intending to prevent injuries and illnesses. Through administrative management and other control measures, it is anticipated that the occupational accident rate related to traffic accidents will be reduced by 10% by 2025.

Control measures for temporarily tolerable (Level 3-4) risks

This type of risk constitutes 12% of the overall risk, totaling 70 items. The severity is temporarily acceptable. Relevant control measures include reinforcing administrative

management, such as on-site operational safety and health management, adhering to standard operating procedures for machinery and equipment operation, and the use of personal protective equipment during operations.

For instance, the risk associated with chemical hazards is temporarily tolerable. Common issues within the factory include employees not fully complying with general measures for handling chemicals.TSMT has established a management plan to label hazardous substances and revise SDS (Safety Data Sheets). Administrative management includes the provision of general education courses on organic solvents used in the factory. On-site inspections are carried out to assess employees' understanding of relevant emergency response procedures when using chemicals. This is expected to enhance colleagues' knowledge of chemical labeling, content, hazard characteristics, and first aid methods.

Risk Level		Hazard Type	Hazard Statement	Control Measures	Percentage of People
1	**Very high**	**Collison**	Traffic accidents while commuting or on business trips	I. **Administrative Management** 1. Strengthening Traffic Safety Promotion 2. Producing relevant promotional announcements for all employees	Cannot be calculated

2	**High**	**Electric shock**	(1) Electrical leakage (2) Poor grounding (3) Contact with live wires/current (4) Contractor's hydraulic and electrical operations	I. **Engineering Control** 1. Priority should be given to selecting electrical appliances that have been inspected and approved by the Power Department II. **Administrative Management** 1. Regularly inspect equipment and machinery in the factory for electrical leakage or insulation damage 2. Regularly maintain relevant equipment and post warning signs for public area power distribution equipment and engine rooms 3. General employee health and safety education and training 4. Enhance contractor management, focusing on hazard notification and related education and training for hydraulic and electrical operations 5.Strengthen the promotion of conducting water and electricity/electrical fire extinguishing operations, ensuring proper testing and power disconnection **III. Personal Protective Equipment** Personnel must wear personal protective equipment and insulating gloves when performing hydraulic and electrical operations.	Cannot be calculated

		Fire	(1) Smoking and disposal of cigarette butts in inappropriate places (2) High-temperature items (3) Power overload (4) Chemical Fire (5) Contractor's hot work operations (6) Emergency response drill for firefighting, uncontrolled ignition source	I. **Engineering Control** 1. Installation of an automatic power cut-off device for long-duration charging equipment 2. Chemicals are stored in explosion-proof cabinets on the production line **II. Administrative Management** 1. Designated smoking areas will be established within the factory premises, with smoking strictly prohibited in indoor areas. 2. Strict no smoking and open flame warning signs posted in restricted area 3. Fire-related equipment is automatically inspected monthly to ensure its effectiveness 4. Chemical Management 5. Enhance contractor management, focusing on hazard notification and related education and training for hot work operations 6. Strengthening employees' fire safety knowledge and conducting biannual emergency response drills	Cannot be calculated
		Fall	(1) Elevator malfunction traps individuals; the contractor/rescued individuals improperly operate the door	**I. Administrative Management** 1. Enhance contractor management, providing hazard notification and related education and training for operations with a height greater than two meters	Cannot be calculated

			opening. (2) Elevated contractor work	2. Enhancing employee elevator safety through general occupational health and safety training **II. Personal Protective Equipment** 1. During elevated operations, it is necessary to wear safety helmets, back-covered safety belts, and other relevant protective equipment	
		Oxygen Deficiency/ Poisoning	(1) Contractor Confined Space Operations	**I. Administrative Management** 1. Enhance contractor management, providing hazard notification and related education and training for confined space operations at elevated heights. 2. Warning signs should be placed in confined spaces to prevent employees from entering them accidentally **II. Personal Protective Equipment** Personnel should wear full-body safety harnesses and have emergency rescue lifting equipment available.	Cannot be calculated
		Collison	(1) General employees/contractors forklift operations (2) Operating the router machine	**I. Engineering Control** Safety device added to the router machine **II. Administrative Management (Forklift Operations)** 1. Enhance contractor management, focusing on hazard notification and related education and training for forklift operations	1. Number of personnel operating the router machine: Approximately 120 people 2. Percentag

				2. A regulation sets the maximum speed for forklifts in the factory at 10 km/hr 3. Enhance general safety training for employees **III. Administrative Management (Router Machine)** 1. Warning signs posted on the router machine 2. Ensure that all colleagues strictly adhere to standard operating procedures, and supervisors should strengthen active management 3. Automatically inspect the safety devices of the router machine	e of total employees: 8%

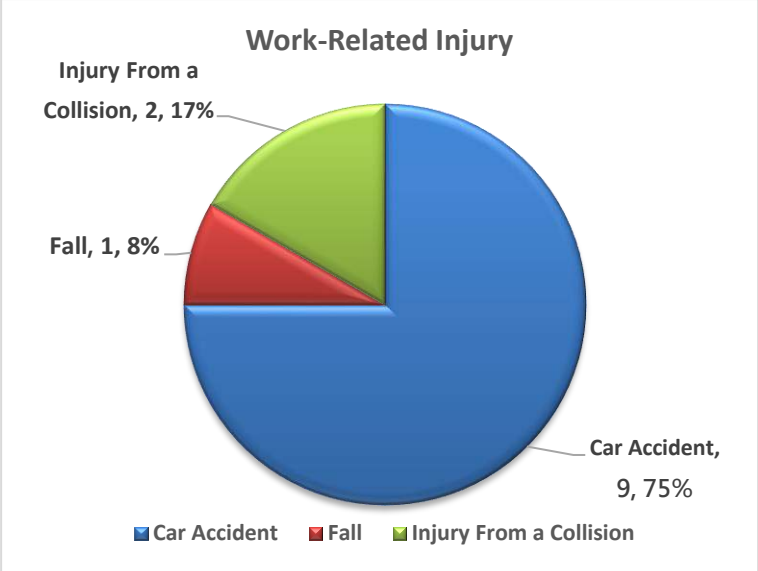
Control measures for acceptable (Level 5-6) risks

This type of risk accounts for 80% of the overall risk, totaling 480 items. The level of risk is considered acceptable. The related control measures mainly involve verbal reminders to personnel and ensuring the effectiveness of existing control measures.

Work-related Injury Statistics

In addition to establishing labor safety and protective regulations, the Company also implements preventive measures, such as conducting emergency response drills and providing employees with occupational safety and health training, in order to prevent accidents and minimize occupational injury rates, thereby creating a safe and high-quality working environment. In 2024, a total of 12 occupational injury cases were recorded. The Company reported no work-related fatalities and no chemical-related injury incidents. Most of the cases (10) were traffic accidents and contusions/abrasions, while the main type of occupational injury was caused by improper operation of machinery, resulting in impact injuries. The Company is committed to continuously promoting safety and health management practices, complying with occupational safety and health regulations and other applicable requirements. With a focus on hazard prevention and full employee participation, we pledge to pursue continuous improvement to build a safe and healthy workplace.

Factory Area	Number of Employees	Car Accident	Fall	Injury From a Collision	Chemicals	Burn	Pinch, Cut and Roll	Total
Taiwan	1,301	5	0	0	0	0	0	5
Suzhou	4,069	4	1	2	0	0	0	7
Chongqing	976	0	0	0	0	0	0	0
Total	6,346	9	1	2	0	0	0	12



Occupational Diseases

TSMT is committed to enhancing workplace safety and health management, improving employees' self-awareness of health hazards. Through various courses and promotions, employees are encouraged to strengthen their knowledge of safety and health in their job positions. In addition, emergency response procedures are developed through risk assessments. In order to address potential occupational hazards such as physical, human, chemical, and ionizing radiation, TSMT Suzhou has established various control measures, including chemical management regulations, environmental exception handling procedures, and ESH supervision measurement control programs. Employees are also required to comply with rules and regulations to minimize the occurrence of occupational diseases.

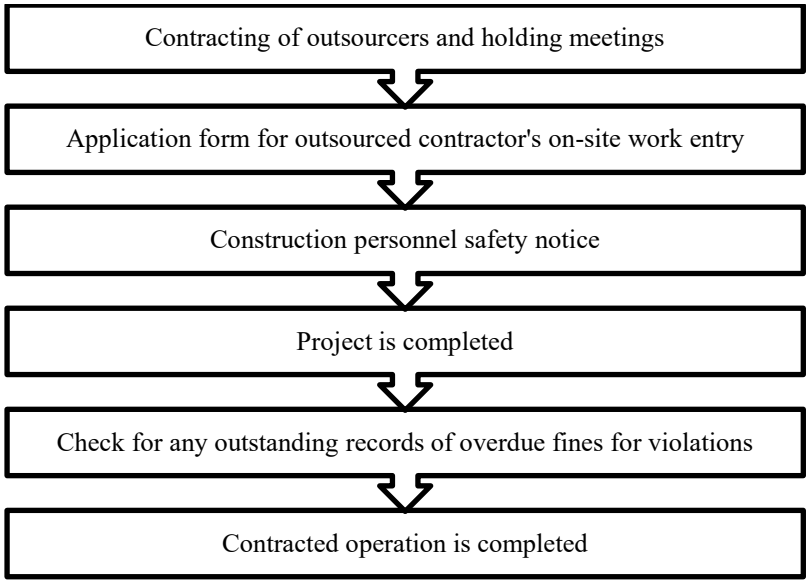
In 2024, the Taoyuan factory did not identify any occupational disease risks, while the Suzhou factory identified potential occupational hazards such as occupational radiation diseases, occupational pneumoconiosis, and occupational deafness. In response, TSMT has implemented a series of management measures for occupational disease prevention. In addition, the Taoyuan factory is visited monthly by the factory doctor to inspect the work site for any potential risks. They also conduct preventive

lectures, occupational injury and illness consultations, and special health hazard operation health check management. In 2024, TSMT had no reported cases of occupational diseases.

Measures to Prevent and Reduce Occupational Health Hazards	**Company Practices**
Personal Occupational Disease Prevention	1. A hazard identification and risk management process will be developed, with the risk assessment classified as high and the identification as an unacceptable risk. Immediate improvement measures will be implemented. 2. Regular special health check-ups are scheduled for employees in positions that may be at risk of occupational diseases.
Provision of Protective Equipment	Provision of personal protective equipment, such as face masks, gloves, and earplugs.
Supervision and Educational Training	1. Regularly provide safety training for employees to enhance safety awareness. 2. Increase the frequency of routine inspections of the factory premises and review employee work processes.
Environmental Prevention	1. Regularly conduct occupational hazard factor testing in the workplace to monitor whether the values of the hazard factors exceed the standards. 2. Improve production processes and update outdated equipment.

Contractor Safety Management

Contractors are important partners of TSMT. The Company requires all contractors and their responsible personnel to undergo construction safety training, and only those who obtain a safety training certificate are permitted to enter the premises for construction work. Contractors are also informed of the relevant regulations and procedures to ensure standardized operations. The Company has established detailed management procedures. Construction projects are supervised by the applying department's staff, while occupational safety personnel conduct inspections. If any operations are found to be non-compliant with safety and health requirements, corrective actions are enforced, including on-site guidance for immediate rectification, deadlines for corrective measures, work suspension, or fines. Non-compliance cases are reported during the quarterly Occupational Health and Safety Committee meetings to ensure that all related personnel fully understand the contractor safety requirements and strengthen inspections, thereby preventing hazards. In 2023, the Company recorded zero contractor-related injuries or fatalities.



- Contractor training course

In order to prevent and reduce accidents involving contractors and enhance their safety awareness, TSMT organized a total of 35 contractor education and training courses in 2024, with a total of 325 participants. Contractors were required to sign a safety and health commitment letter and follow the course content to minimize accidents and injuries.

5.2.Talent Attraction and Retention

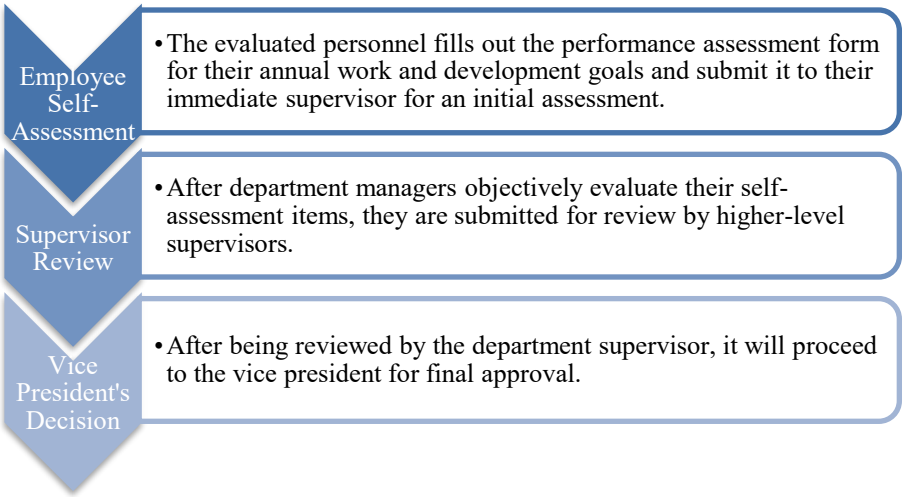
Management Policy for Material Topics

Material Topics	Talent Attraction and Retention
GRI Indicators	GRI401、GRI404、GRI405
Impact Statement	Talent is the crucial driving force for business advancement. The Group actively recruits and retains outstanding and diverse talent to cultivate Taiwan and establish a global presence, thereby providing a competitive advantage. Positive: If the Company values talent and retention, it will help improve the stability and capabilities of industry talent, promote improvements in labor conditions and benefits in the industry, boost employee morale, and enhance the willingness to learn Negative: Talent is the crucial driving force for business advancement. Neglecting talent retention will indirectly impact the pool of innovative talent in the industry and hinder the Company's ability to maintain its competitive edge. It also contributes to a negative work environment for professionals in the same field.
Policy/ Commitment	Providing employees with fair and comprehensive compensation, benefits, and policies is essential for attracting and retaining talented individuals, which, in turn, contributes to the competitiveness of the Company. In addition to reasonable salaries, various performance bonuses are awarded based on the Company's operations and performance, providing the necessary recognition and actively retaining high-performing talents.
Objective	Short-term: Increase employees' professional competence by providing department-specific professional training. Medium-term: Increase the retention rate of key talents to 90%
Responsibility	Human Resources Unit
Resources	Regularly organize various types of educational training to enhance employees' professional skills and increase their sense of identification with the Company.
Grievance Mechanism	The communication procedures, complaint and suggestion guidelines of the Company should be followed when submitting through any channel. The channels for reporting, lodging complaints, and making suggestions are as follows: 1) Dedicated mailbox located in front of the B1 convenience store (on the right side). 2) Internal Complaint Hotline: 03-2189988 ext. 29902 3) Internal Complaint Email: lisa-lu@tsmt.com 4) External Complaint Hotline: +886-3-2189988 ext. 29122 5) External Complaints Inbox: tsmt_service@tsmt.com.tw
Action Plan	1. Utilize annual employee assessments and KPI assessments to establish a fair and equitable employee compensation system. 2. To attract like-minded talents, we offer competitive salaries and bonuses, as well as benefits that exceed legal requirements.
Assessment Mechanism	Daily management meetings are conducted to monitor personnel recruitment and turnover, perform manpower audits, and analyze the reasons and issues related to recruitment and turnover on a monthly basis. Annual assessments and KPI assessments are also carried out.

5.2.1 Performance Management

TSMT has implemented a fair and comprehensive performance management system that incorporates an overall performance assessment process for all employees. This system aligns the Company's strategic goals with individual work objectives and performance measurement standards for employees. At the end of each year, every full-time employee undergoes an assessment that forms the basis for job promotions, salary adjustments, employee compensation distribution, and employee development training, among other management operations. The assessment criteria encompass job objectives, job performance, and teamwork, encouraging employees to pursue diverse development.

The assessment mechanism process established by our Company is as follows:



Position/Gender	Male			Female			Total		
	Number of people evaluated for performance	Total number of people	Proportion of people undergoing performance assessment	Number of people evaluated for performance	Total number of people	Proportion of people undergoing performance assessment	Number of people evaluated for performance	Total number of people	Proportion of people undergoing performance assessment
Supervisor	94	94	100%	57	57	100%	151	151	100%
Non-supervisor	3,445	3,445	100%	2,750	2750	100%	6,195	6,195	100%
Total	3,539	3,539	100%	2,807	2,807	100%	6,346	6,346	100%

5.2.2 Educational Training

Professional competence employee education and training

Talent has always been the most valued asset of our Company, and education and training are the most important means to ensure the continuous growth of our human capital.

In addition to taking good care of the physical and mental health of its employees, TSMT also offers employee development programs to help them enhance their professional skills and grow steadily through various educational training. Through a series of educational training programs, we aim to enhance employees' professional skills, improve their job performance, and strengthen organizational efficiency to achieve our Company's business objectives and ensure sustainable development. Employee education and training at TSMT is based on on-the-job training and individual development plans. It consists of three main parts: training for new employees, specialized training, and hierarchical management and leadership training. These training programs aim to assist employees in demonstrating the Company's core values and achieving the Company's vision and strategies.

TSMT has established a comprehensive career development program, allowing employees to choose the most suitable development path based on their needs, whether it be promotion, job rotation, or overseas assignments. This program aims to strengthen employees' development in various areas and promote lifelong learning.

- **General Courses:** Upon joining the Company, to ensure the basic education and training of all colleagues, the Company holds regular general education and occupational health and safety education training every year. This enhances the lifelong learning goals of each employee, providing them with skills, knowledge, emotional intelligence, effective communication, and critical thinking to strengthen their foundational knowledge.

TSMT General Education and Training Courses	
Electrostatic Discharge Control and Production Line Protection	1.5 hours
Information Security Management	1 hour
Social Responsibility Policy and Employee Ethics	1 hour
Quality Thinking and Policies	2 hours
Integrated General Education (6S, Conflict Minerals and GPM, Workplace Health and Safety Promotion)	2 hours
General Occupational Safety and Health On-the-Job Education and Training	3 hours

- **Professional Courses:** In addition to providing basic general education, our Company also offers various internal and external training programs for employees in professional positions and technical roles. These training programs are designed to develop the necessary professional skills as determined by department managers. We not only encourage employees to continue their education, but also enhance their professional knowledge and career advancement goals through professional course training. The training situation for 2024 is as follows:

		Taoyuan			Suzhou			Chongqing		
		Number	Hours	Average hours per person	Number	Hours	Average hours per person	Number	Hours	Average hours per person
Gender	Male	560	18,659	33.32	2,474	85,353	34.50	505	15,211	30.12
	Female	741	25,557	34.49	1,595	42,746	26.80	471	15,119	32.1
Total		1,299	1301	44,216	33.99	4,069	128,099	31.48	976	30,330




5.2.3 Employee Structure

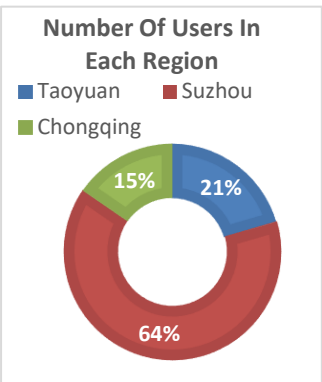
- Employee Structure

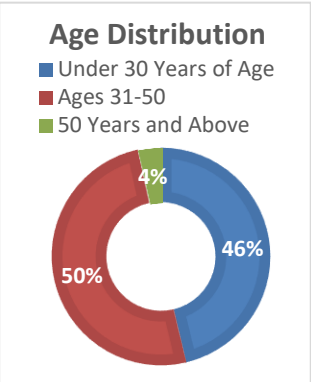
TSMT believes that talent is the cornerstone of the Company and an important seed for sustainable growth. It needs to be carefully nurtured and cultivated. Having a robust human resource management system and a high-quality talent development model are essential to fulfilling the Company's commitment to sustainable development. Our Company values its employees and is committed to providing comprehensive welfare systems, safeguarding the rights and benefits of employees, establishing a safe and high-quality working environment, ensuring the safety and health of the workplace, nurturing employees, emphasizing talent development, and prioritizing communication and coordination with employees through a people-oriented and humane management approach.

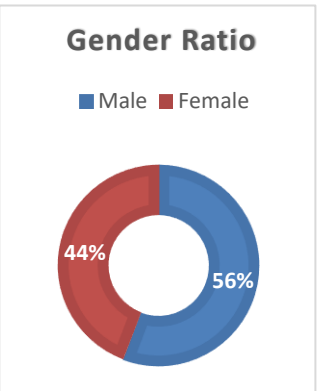
In alignment with its business strategy and employees' career development, TSMT recruits outstanding talent through various channels based on the professional skills and qualifications required for each position. When hiring new employees, the Company adheres to the principles of fairness and equality, placing emphasis on professional competence and integrity. To comply with government policies on the employment of persons with disabilities, the Taoyuan factory exceeded the required quota in 2024 by hiring individuals with disabilities, including those with speech and mobility impairments. This reflects TSMT's commitment to supporting disadvantaged groups and promoting workplace diversity. In addition, the Company employs 175 foreign nationals, further advancing its efforts toward diverse and inclusive employment practices.

Employee Structure of TSMT's Taoyuan, Suzhou, and Chongqing Factories

Age / Gender	<30	31-50	>50	Total	
				Gender	Percentage (%)
Male	1,699	1,707	133	3,539	55.6%
Female	1,238	1,484	85	2,807	44.2%
Total	2,937	3,191	218	6,346	100%







Job Type

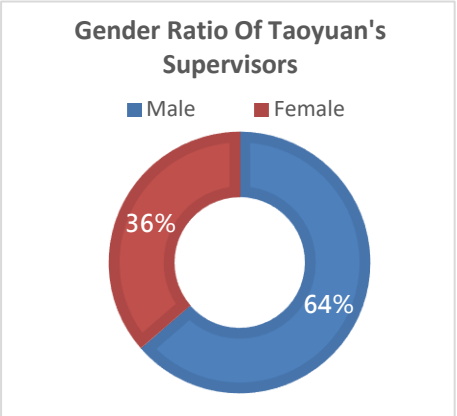
Taoyuan					
Item	Classification	Male		Female	
		Number	Percentage (%)	Number	Percentage (%)
Job Type	Supervisor (Manager and above)	28	5%	16	2%
	Non-supervisor	532	95%	725	98%

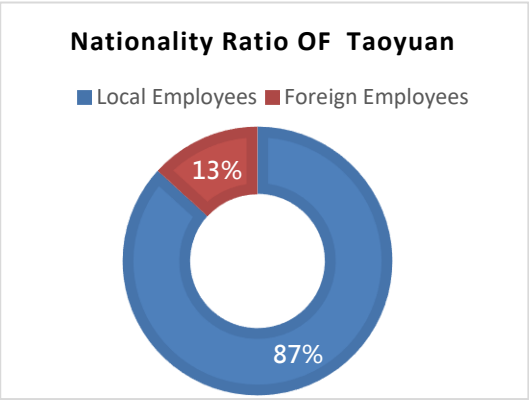
Age

Taoyuan					
Item	Classification	Male		Female	
		Number	Percentage (%)	Number	Percentage (%)
Age	<30	155	28%	221	30%
	30-50	361	64%	456	62%
	>50	44	8%	64	9%

By Nationality

Taoyuan			
Item	Classification	Number	Percentage (%)
Nationality Type	Local Employees	1,126	87%
	Foreign Employees	175	13%





Job Type

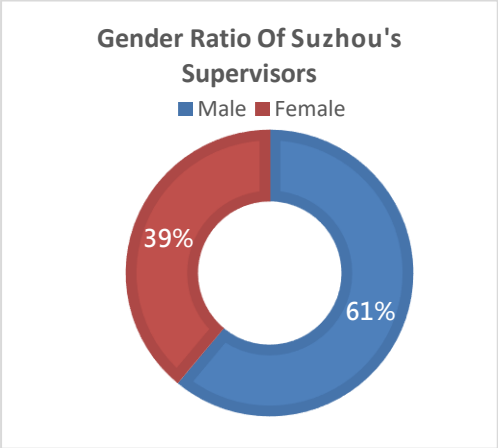
Suzhou					
Item	Classification	Male		Female	
		Number	Percentage (%)	Number	Percentage (%)
Job Type	Supervisor (Manager and above)	58	2%	37	2%
	Non-supervisor	2,416	98%	1,558	98%

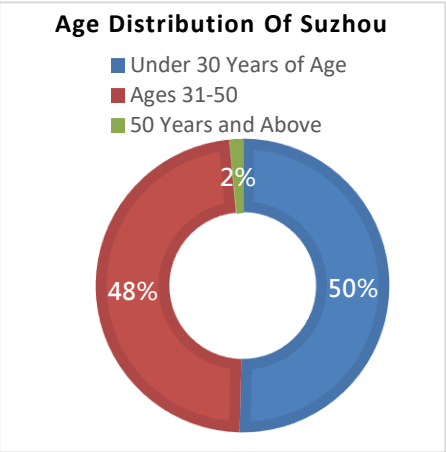
Age

Suzhou					
Item	Classification	Male		Female	
		Number	Percentage (%)	Number	Percentage (%)
Age	<30	1,240	50%	809	51%
	30-50	1,174	48%	786	49%
	>50	60	2%	0	0%

Turnover Rate

Turnover Rate			
Factory Area	Number	Number	Percentage (%)
Taoyuan	1,301	121	9%
Suzhou	4,069	491	12%
Chongqing	976	101	10%



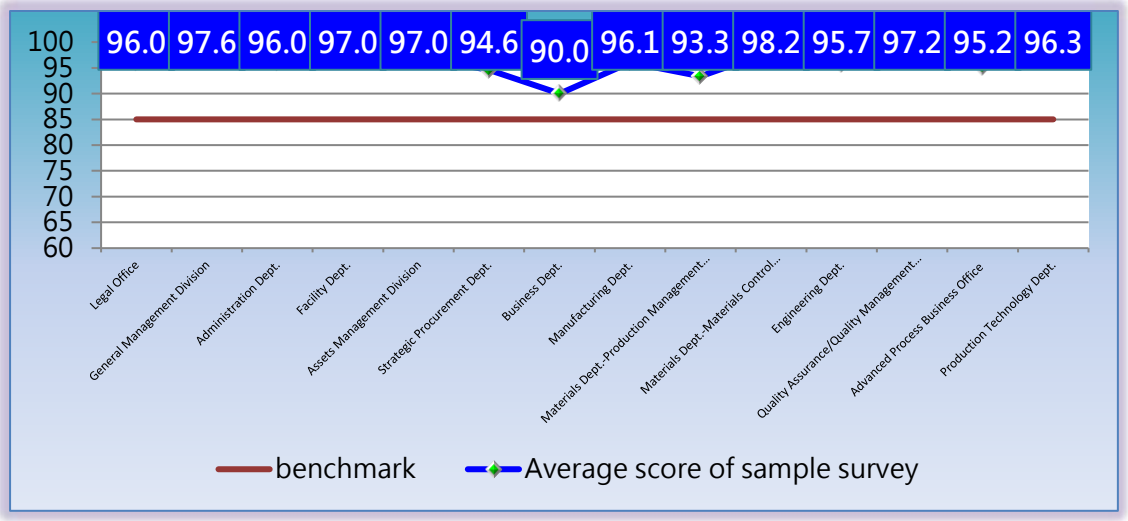


■ **Labor-Management Communication**

TSMT values labor-management equality and provides multiple channels for employees to express their work-related needs while actively promoting workplace equity. These include quarterly labor-management meetings and a dedicated grievance mailbox (tsmt_service@tsmt.com.tw). During the 2024 fiscal year, no significant labor-management issues were encountered. Maintaining a positive work environment remains a key objective for the Company. Regarding changes to labor conditions, employees in Taiwan are notified in accordance with the Labor Standards Act. In mainland China, the Labor Contract Law is followed, and in the event of significant operational changes, the situation is explained in advance to the labor union or all employees.

The Company conducts an annual employee satisfaction survey. In 2024, all business units reported satisfaction scores above the benchmark of 85, with an overall average score of 95.7.

2024 Employee Satisfaction Survey



5.2.4 Comprehensive Welfare System

TSMT values employee welfare. We offer our employees a comprehensive salary, bonus, dividend, and benefits system, enabling each employee to contribute their efforts in their respective positions and receive recognition for outstanding performance.

Retirement System

■ **Under the previous system in Taiwan,** TSMT had an "Employee Retirement Plan," which, in accordance with the legal regulations of each operational site, allocated contributions for each employee to pay for various types of social insurance, such as labor retirement, medical, and senior citizen pensions. The Taiwanese factory has established the Retirement Fund Supervisory Committee in accordance with the law, which is responsible for the management of

retirement pensions and the implementation of retirement regulations. Under the old retirement system, the retirement pension is calculated at 2% of the monthly salary for each employee based on their years of service under the old system, and it is deposited monthly into the Taiwan Bank's old retirement reserve account.

- **New Taiwan System: Following** the implementation of the new retirement system, companies allocate 6% of employees' retirement benefits to their personal retirement accounts on a monthly basis, determined by the retirement benefit level. In addition to the fixed Company allocation, employees can opt to deposit their retirement benefits within the 6% into a special account to enjoy tax benefits.
- **Mainland Retirement System:** In Mainland China factory areas, employees are also mandated by local regulations to participate in the pension insurance plan. Their contributions are calculated as a percentage of their monthly salary, determined by the payment base, with employees contributing 8% and employers contributing 15% to 20%.

	Retirement Fund Contribution as a Percentage of Salary	Extent of Employee Participation in Retirement Plans
Taiwan*	Old Retirement Plan: Employer 2%, Employee 0% New Retirement Plan: Employer 6%, Employee 0-6%.	100%
Suzhou Regent Electron	Employer 15-20% Employee 8%	100%
Chongqing Regent Electron	Employer 15-20% Employee 8%	100%

*Excluding dispatched employees and foreign employees

Comprehensive welfare system

The Taiwan factory has established the Employee Welfare Committee, referred to as the Welfare Committee, with the main source of funding coming from the Company's monthly operating revenue of 0.05% and a 0.5% contribution from Taiwan factory employees' salaries. Budgets are allocated from this fund, and employee welfare initiatives are implemented in accordance with resolutions made during committee meetings.

Item	Content
Bonus	Holiday bonus, performance bonus, holiday gift vouchers, and birthday gift vouchers
Leave	Employees are entitled to various types of leave, including paid leave, marriage leave, bereavement leave, public holiday leave, work-related injury leave, paternity leave, maternity leave, sick leave, menstrual leave, personal leave, family care leave, overseas return leave, pandemic prevention leave, and vaccination leave. Among them, the standards for sick leave, partial bereavement leave for relatives, typhoon leave, and paid leave for vaccinations exceed the standards set by labor laws
Insurance	Employees are covered by mandatory social insurance and contribute to retirement funds. Additionally, they benefit from commercial insurance, including group insurance and accident insurance
Catering	Meal subsidy for employees on a daily basis. The restaurant conducts regular ingredient inspections to ensure safety and hygiene. Special holiday-themed dishes are introduced, and additional dishes are added on a weekly basis as a token of appreciation for the hard work of the employees
LOHAS	Employee domestic and international travel and subsidies, year-end banquet, club activity subsidies, and sports competition events
Continuing Education	Offer comprehensive education and training opportunities, encourage employees to acquire professional certifications, participate in foreign language training, and provide corresponding rewards after certification attainment
Health	The Company provides a medical room and a lactation room, staffed with dedicated medical personnel and professional on-site doctors. They offer free medical consultations, emergency services, and provide employees with a complimentary annual health check-up. The Company also actively monitors employee health on a regular basis. Additionally, the Company organizes periodic hygiene training and seminars.
Other	Employee marriage subsidy, employee and family funeral subsidy, maternity subsidy/congratulatory gift, employee children/self-education subsidy (Taoyuan, Suzhou, and Chongqing factories); establishment of convenience stores and special discount stores

Parental leave

TSMT provides employee benefits such as maternity leave, paternity leave, parental leave, and menstrual leave, regardless of gender, in accordance with the law. In Mainland China, employees are also entitled to legal and appropriate types of leave in accordance with various regulations and non-labor laws in different regions. While showing consideration for the hard work of employees in raising children, the

Company provides a caring and gender-equal friendly workplace environment.
In accordance with Article 16 of the Gender Equality in Employment Act in Taiwan, employees who have been employed for at least six months may apply for parental leave before each child reaches the age of three. The leave period shall end when the child reaches the age of three, but shall not exceed two years. During the leave period, employees may apply for "allowance during parental leave without pay."
The number of employees at TSMT (Taoyuan Factory) who actually utilized parental leave in 2024 is as follows:

Item	Number
Number of employees who applied for parental leave in 2023	**5**
Number of employees who applied for reinstatement in 2024	**3**
Number of employees who applied for an extension in 2024	**1**
Reinstatement/Return Rate	**60.0%**

Note: Suzhou and Chongqing factories are governed by different local regulations and policies and are therefore not included in the table.

5.2.5 Gender Pay Gap

The Company's compensation policy philosophy is:

- Balancing the Interest of Employees and Shareholders
- Attracting and Retaining Talented Individuals
- A Fair and Incentivizing System
- Ensuring a Competitive Compensation Package

The compensation and benefits provided by TSMT comply with local legal requirements and are never lower than the legally mandated minimum wage. All full-time employees are entitled to the insurance and pension plan mandated by law. All employees are compensated under an equal pay for equal work policy. Remuneration is not differentiated based on geographic location, race, ethnicity, upbringing, social class, lineage, religion, physical disability, gender, sexual orientation, pregnancy, marital status, union membership, political views, or age. The remuneration system is based on the concept of total remuneration, which includes salary, benefits, bonuses, and compensation.
To strengthen employees' workplace competitiveness, TSMT establishes salary standards in accordance with the Salary Operation Management Regulations and adjusts compensation based on changes in the external environment, Company performance, and individual achievements.

This ensures that salaries remain fair, competitive, and aligned with market levels, while also enhancing employee income through operational efficiency improvements.

Compensation is determined by a combination of factors, including academic and professional background, technical expertise, years of relevant experience, and individual performance. In addition to fixed monthly salaries, the Company offers various incentive programs such as quarterly bonuses, annual performance bonuses, ad hoc achievement-based bonuses, and profit-sharing. These incentives are designed to reward employees who exceed expectations, expand their responsibilities, and deliver exceptional results. Outstanding teams and individuals are also publicly recognized through diverse employee recognition programs, highlighting their contributions across different areas of the business and reinforcing overall organizational performance. Furthermore, job-related allowances are provided as required by specific roles.

The remuneration of directors and executives is evaluated by the Remuneration Committee, based on the salary level of the position in the job market, the scope of responsibilities within the Company, the contribution to the Company's operational objectives, and other performance indicators.

TSMT examines the gender pay gap among its employees based on employee category. The salary differences are primarily attributable to variations in factors such as seniority, job level, and job nature, rather than gender. The Company aims to continue making progress toward gender equality.

TSMT's 2024 annual salary information for full-time employees not holding managerial positions in Taiwan indicates an average salary of NT$654,000 and a median salary of NT$544,000.

Salary information for previous years for full-time employees not holding managerial positions can be found on the Market Observation Post System.

The regional salary information is presented in the table below

Region	Year	2022		2023		2024	
	Employee Category	Male	Female	Male	Female	Male	Female
Taoyuan	Supervisor (Director and above)	1.23	1	1.22	1	1.21	1
	Supervisor (Deputy director and above)	1	1	1	1	1	1
	Non-supervisory personnel	1.17	1	1.16	1	1.16	1
Suzhou	Supervisor (Director and	1.09	1	1.10	1	1.10	1

	above)						
	Supervisor (Deputy director and above)	1.07	1	1.07	1	1.08	1
	Non-supervisory personnel	1.03	1	1.13	1	1.14	1
Chongqing	Supervisor (Director and above)	1.18	1	1.18	1	1.19	1
	Supervisor (Deputy director and above)	1.07	1	1.06	1	1.07	1
	Non-supervisory personnel	1.12	1	1.10	1	1.11	1

Healthcare Services

TSMT provides annual employee health check-ups and on-site physician consultations, allowing employees to maintain their health even in a busy work environment. The Company follows safety and health laws, regulations, and requirements, continually seeks improvement through the prevention of hazards and staff participation, and aims to establish a safe and healthy work environment.

Health Promotion

TSMT is committed to encouraging employees to actively participate in promoting a healthy lifestyle and creating a healthy and safe work environment. The management team takes concrete actions to support and participate in various health promotion activities. In recent years, to promote work-life balance for employees, sports and fitness centers have been established in various factory areas. These centers provide a variety of exercise equipment, allowing employees to work out and relieve stress together. In 2024, we integrated various sports clubs, consolidated internal and external resources, and actively encouraged colleagues to participate in sports programs on a regular basis.


113年台灣表面黏著科技旺年盛宴
攜手同心
齊力創金


四面山
2024峻凌之旅 邂逅非凡风景


好玩在峴


超级有氧鼓
TSMT 峻凌集团 2024年年中运营大会合影


車廻巡療醫光

5.2.6 Percentage of Employees Who Participated in the Labor Union

TSMT has a labor union organization in Suzhou, with 100% of employees signing the agreement. In Taiwan, labor-management meetings are held in accordance with Article 83 of the Labor Standards Act and regulations promulgated by the Ministry of the Interior. Regulations for Implementing Labor-Management Meeting has been established, and labor-management meetings are regularly conducted to facilitate labor-management negotiations and discussions on labor issues.

Region	Number of Participants	Percentage of Participation (%)
Taoyuan	No labor union has been established	
Suzhou	4,069	100%
Chongqing	976	100%

5.2.7 Human Rights Management

■ **Human Rights Policy**

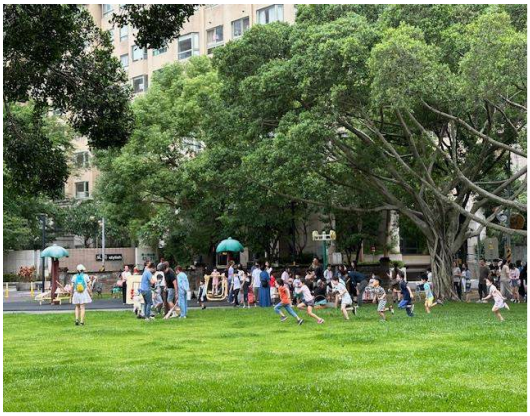
TSMT places strong emphasis on human rights and is committed to embedding the principles and spirit of human rights into the Company's values and culture as part of its commitment to human rights protection. In alignment with the Responsible Business Alliance (RBA) Code of Conduct, the Company has established internal regulations covering labor rights, health and safety, environmental protection, ethical standards, and management systems. When recruiting new employees, TSMT adopts a diverse and inclusive hiring approach, ensuring no discrimination based on race, gender, age, religion, nationality, or political stance. The Company also upholds strict principles that prohibit the employment of child labor, human trafficking, slavery, and forced labor. To safeguard the employment rights of persons with disabilities, TSMT actively promotes equal opportunity and continuously monitors human rights management practices to ensure the protection of employees' rights and interests.

<Responsible Business Alliance Code of Conduct>

1. Comply with local regulations and support labor human rights norms.
2. Prohibit child labor by law and maintain strict safeguards to protect children.
3. Establishing clear work regulations to protect the employment rights of workers.
4. No discrimination or abuse; equal and respectful treatment with humanity.
5. Sexual harassment is strictly prohibited, and the work environment promotes gender equality.

5.3.Community Welfare

Guided by the principle of “caring for society, a friendly community,” TSMT actively engages in public welfare initiatives. The Company participates in blood donation drives and recruits volunteers to serve local communities, including visiting senior care centers and assisting with environmental clean-up activities. TSMT also supports local arts and cultural events, participating in performances aimed at bringing cultural benefits to the public. Additionally, the Company takes part in nearby community activities, such as local sports events, reflecting its commitment to giving back to the community while pursuing sustainable corporate growth and development.



Appendix 1 GRI Standards Index Table

Disclaimer	TSMT has prepared a sustainability report in accordance with the GRI guidelines. The data covers the period from January 1, 2024, to December 31, 2024.		
GRI 1 Used	GRI 1: Foundation 2021		
Applicable GRI industry Guidelines	GRI Guideline 2021		
GRI Guideline	**Disclosure Items**	**Page Number**	**Additional Clarification**
GRI 2: General Disclosures (2021)			
GRI 2: General Disclosures (2021)	2-1 Organizational details	20-22	2.1 About TSMT
	2-2 Entities included in the organization's sustainability reporting	1	About This Report
	2-3 Reporting period, frequency and contact point	1	About This Report
	2-4 Restatements of information	-	No re-editing was needed
	2-5 External assurance	99-100	GHG Inventory and Verification
	2-6 Activities, value chain and other business relationships	70	3.4 Responsible Supply Chain
	2-7 Employees	135-137	5.2.3 Employee Structure
	2-8 Workers who are not employees	135-137	5.2.3 Employee Structure
	2-9 Governance structure and composition	10、23	1.2 Sustainable Governance Framework 2.2 Corporate Governance
	2-10 Nomination and selection of the highest governing body	24	2.2 Corporate Governance
	2-11 Chair of the highest governance body	23	2.2 Corporate Governance

	2-12 Role of the highest governance body in overseeing the management of impacts	15	1.4 Material Topic Identification
	2-13 Delegation of responsibility for managing impacts	10	1.2 Sustainable Governance Framework
	2-14 Role of the highest governance body in sustainability reporting	10	The Sustainability Report for TSMT is currently being reviewed by the President.
	2-15 Conflicts of interest	26-29	2.2 Corporate Governance
	2-16 Communication of critical concerns	15	1.4 Material Topic Identification
	2-17 Collective knowledge of the highest governing body	31-32	2.2 Corporate Governance
	2-18 Evaluation of the performance of the highest governance body	33	2.2 Corporate Governance
	2-19 Remuneration policies	33-34	2.2 Corporate Governance
	2-20 Process to determine remuneration	33-34	2.2 Corporate Governance
	2-21 Annual total compensation ratio	33-34	2.2 Corporate Governance
	2-22 Statement on sustainable development strategy	3-4	Message from the Chairman
	2-23 Policy commitments	3-4	Message from the Chairman
	2-24 Embedding policy commitments	-	Management Policy for Various Material Topics
	2-25 Processes to remediate negative impacts	-	Management Policy for Various Material Topics
	2-26 Mechanisms for seeking advice and raising concerns	-	Management Policy for Various Material Topics
	2-27 Compliance with laws and regulations	48	2.6 Regulatory Compliance
	2-28 Membership associations	35	2.2 Corporate Governance

	2-29 Approach to stakeholder engagement	12	1.3 Stakeholder Engagement
	2-30 Collective bargaining agreements	145	5.2.6 Percentage of Employees Who Participated in the Labor Union
GRI 3: Material Topics (2021)			
GRI 3: Material Topics	3-1 Process to determine material topics	15-19	1.4 Material Topic Identification
	3-2 List of material topics	16-19	1.4 Material Topic Identification
Integrity Management			
3-3 Management of material topics		40	2.4 Fulfillment of Integrity Management
GRI 205: Anti-corruption (2016)	205-1 Operations assessed for risks related to corruption	42	2.4 Fulfillment of Integrity Management
	205-2 Communication and training about anti-corruption policies and procedures	43	2.4 Fulfillment of Integrity Management
	205-3 Confirmed incidents of corruption and actions taken	43	There has been no corruption this year
GRI 206: Anti-competitive Behavior (2016)	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	43	No incidents of anti-competitive behavior, anti-trust, or monopoly practices resulting in fines occurred during the current year.
Economic Performance			

3-3 Management of material topics		36	2.3 Economic Performance
GRI 201: Economic Performance (2016)	201-1 Direct economic value generated and distributed	39	2.3 Economic Performance
	201-3 Defined benefit plan obligations and other retirement plans	138	5.2.4 Comprehensive welfare system
	201-4 Financial assistance received from the government	39	2.3 Economic Performance
Energy and GHG Management			
3-3 Management of material topics		78-80	4.1 Climate Change Adaptation
GRI 302: Energy (2016)	302-1 Energy consumption within the organization	92-96	4.2 Energy and GHG Management
	302-3 Energy intensity	92-96	4.2 Energy and GHG Management
	302-4 Reduction of energy consumption	92-96	4.2 Energy and GHG Management
GRI 305: Emissions (2016)	305-1 Direct (Scope 1) GHG emissions	101	4.2 Energy and GHG Management
	305-2 Energy indirect (Scope 2) GHG emissions	101	4.2 Energy and GHG Management
	305-4 GHG emissions intensity	101	4.2 Energy and GHG Management
	305-5 Reduction of GHG emissions	101	4.2 Energy and GHG Management
Climate Change Adaptation			
3-3 Management of material topics		78-91	4.1 Climate Change Adaptation

GRI 201: Economic Performance (2016)	201-2 Financial implications and other risks and opportunities due to climate change	82-91	4.1 Climate Change Adaptation
Occupational Health and Safety			
3-3 Management of material topics		116	5.1 A Safe and High-Quality Working Environment
GRI 403: Occupational Health and Safety (2018)	403-1 Occupational health and safety management system	116	5.1 A Safe and High-Quality Working Environment
	403-2 Hazard identification, risk assessment, and incident investigation	120-127	5.1 A Safe and High-Quality Working Environment
	403-3 Occupational health services	128	5.1 A Safe and High-Quality Working Environment
	403-4 Worker participation, consultation, and communication on occupational health and safety	117	5.1 A Safe and High-Quality Working Environment
	403-5 Worker training on occupational health and safety	119-120	5.1 A Safe and High-Quality Working Environment
	403-6 Promotion of worker health	143	5.1 A Safe and High-Quality Working Environment
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	128-129	5.1 A Safe and High-Quality Working Environment
	403-8 Workers covered by an occupational health and safety management system	117	5.1 A Safe and High-Quality Working Environment
	403-9 Work-related injuries	127	5.1 A Safe and High-Quality Working Environment
	403-10 Work-related ill-health	127	5.1 A Safe and High-Quality Working Environment

Talent Attraction and Retention			
3-3 Management of material topics		131	5.2 Talent Attraction and Retention
GRI 401: Employment (2016)	401-1 New employee hires and employee turnover	137-138	5.2.3 Employee Development
	401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	138-141	5.2.4 Comprehensive welfare system
	401-3 Parental leave	140	5.2.4 Comprehensive welfare system
GRI 404: Training and Education (2016)	404-1 Average hours of training per year per employee	133-134	5.2.2 Educational Training
	404-2 Programs for upgrading employee skills and transition assistance programs	133-134	5.2.2 Educational Training
	404-3 Percentage of employees receiving regular performance and career development reviews	132	5.2.1 Performance Management
GRI 405: Diversity and Equal Opportunity (2016)	405-1 Diversity of governance bodies and employees	23-31 135-137	2.2 Corporate Governance 5.2.3 Employee Structure
	405-2 Ratio of basic salary and remuneration of women to men	141-143	5.2.5 Gender Pay Gap
Information Security and Customer Privacy			
3-3 Management of material topics		54-61	3.2 Information Security and Customer Privacy
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	60	3.2 Information Security and Customer Privacy
Product Quality Management			
3-3 Management of material topics		62	3.3 Green Production and Quality Management
GRI 416 (2016): Customer	416-1 Assessment of the health and safety impacts of product and	67-69	3.3 Green Production and

Health and Safety	service categories		Quality Management
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	67-69	3.3 Green Production and Quality Management
Other Disclosure Items			
GRI 300: Environment			
GRI 303: Water and Effluents (2018)	303-1 Interactions with water as a shared resource	105-107	4.3 Water Stewardship
	303-2 Management of water discharge-related impacts	107	4.3 Water Stewardship
	303-3 Water withdrawal	106	4.3 Water Stewardship
	303-4 Water discharge	106	4.3 Water Stewardship
	303-5 Water consumption	106	4.3 Water Stewardship
GRI 306: Waste (2020)	306-1 Waste generation and significant waste-related impacts	110-114	4.4 Waste Management
	306-2 Management of significant waste-related impacts	110-114	4.4 Waste Management
	306-3 Waste generated	110	4.4 Waste Management
	306-4 Waste diverted from disposal	112-114	4.4 Waste Management
	306-5 Waste directed to disposal	112-114	4.4 Waste Management
GRI 308: Supplier Environmental Assessment (2016)	308-1 New suppliers that were screened using environmental criteria	70	3.4 Responsible Supply Chain
	308-2 Negative environmental impacts in the supply chain and actions taken	71-73	There have been no instances where a cooperative relationship was terminated due to non-compliance with audit results in 2024
GRI 400: Society			
GRI 402: Labor/Management Relations (2016)	402-1 Minimum notice periods regarding operational changes	138	In the event of any significant operational changes, the

			Company will provide one month's notice in advance.
GRI 414: Supplier Social Assessment (2016)	414-1 New suppliers that were screened using social criteria	71	3.4 Responsible Supply Chain
	414-2 Negative social impacts in the supply chain and actions taken	71-73	There have been no instances where a cooperative relationship was terminated due to non-compliance with audit results in 2024

Appendix 2 Sustainability Disclosure Indicators - Photovoltaic Industry

Reference number	Indicator	Types of Indicators	Annual Disclosure Status	Unit	Note
I.	Total Energy Consumption, Percentage of Purchased Electricity, and Renewable Energy Utilization Rate (Taoyuan, Suzhou, Chongqing Factories)	Quantitative	Total Energy Consumption: 387,536.78 GJ Percentage of Purchased Electricity: 96.60% Renewable Energy Utilization Rate: 0%	One billion gigajoules(GJ), percentage (%)	
II.	Total Water Withdrawal and Total Water Consumption (Taoyuan, Suzhou, Chongqing Factories)	Quantitative	Total Water Withdrawal: 479,000 m^3 Total Water Consumption: 98,000 m^3	Thousand cubic meters (m^3)	
III.	Hazardous Waste Generated and Recycling Percentage (Taoyuan, Suzhou, Chongqing Factories)	Quantitative	Weight of Hazardous Waste: 382.93 t Percentage of Hazardous Waste Recycling: (211.89)55.33%	metric tons (t), Percentage (%)	
IV.	Explain Occupational Accident Categories, Number of Incidents, and Ratio (Taoyuan, Suzhou, Chongqing Factories)	Quantitative	Types of occupational accidents: 9 from traffic accidents, 1 from falls, 2 from crush/impact injuries, 0 from pinch injuries, 0 from chemical injuries, 0 from burns, total:	Percentage (%), Quantity	

			12 people		
V.	Disclosure of Product Lifecycle Management: Including the weight of discarded products and electronic waste, as well as the percentage of recycling (Note 1) (Taoyuan, Suzhou, Chongqing Factories)	Quantitative	Weight of scrapped products and electronic waste: 160.84 tonnes Percentage of Recycling: 75.88%	metric tons (t), Percentage (%)	
VI.	Description of Risk Management Related to the Use of Critical Materials	Qualitative Description	Please refer to Chapter 3.3 Conflict Minerals	N/A	
VII.	Total amount of monetary losses resulting from legal disputes related to anti-competitive practices regulations	Quantitative	Total amount of monetary losses resulting from legal disputes related to anti-competitive practices regulations in 2024 is correct and does not require any proofreading	Reporting Currency	

Note 1: Include the sale of scrap or other recycling processes, with relevant explanations provided.

Appendix 3. TCFD Guidelines Disclosure Index Table

Risks and Opportunities of Climate Change on the Company and Related Response Measures Taken by the Company

Item	Disclosure Content	Corresponding Section	Page number
1	Supervision and Governance of Climate-Related Risks and Opportunities by the Board of Directors and Management	4.1.1 Climate Governance Framework	81
2	How do climate-related risks and opportunities identified affect the business, strategy, and finance of the Company in the short, medium, and long term?	4.1.3 Climate Change Adaptation	83-89
3	Impact of Extreme Weather Events and Transition Actions on Finances	4.1.3 Climate Change Adaptation	83-89
4	Integration of Climate Risk Identification, Assessment, and Management Processes into Overall Risk Management System	4.1.2 Identification of Climate-Related Risks and Opportunities	82
5	When conducting climate risk assessment using scenario analysis, provide an explanation of the scenario, parameters, assumptions, analysis factors, and the main financial impacts	No scenario analysis was conducted	-
6	If there is a transition plan to address climate-related risks, please provide a description of the plan's content, as well as the indicators and objectives used to identify and manage physical and transition risks	4.1.3 Climate Change Adaptation	83-89
7	If using internal carbon pricing as a planning tool, explain the basis for price determination	The carbon pricing instrument was not used	-

8	If climate-related goals are set, the activities covered, GHG scope, planning schedule, and annual progress should be explained. If carbon offsetting or Renewable Energy Certificates (RECs) are used to achieve the goals, the source and quantity of carbon offsets or the quantity of RECs should be specified	4.1.4 Indicators and Objectives	90-91
9	Inventory and Confirmation of GHG	In 2024, TSMT conducted an organizational GHG inventory for its Taiwan headquarters, Suzhou Regent Electron, and Chongqing Regent Electron in accordance with the GHG Protocol. Additionally, the Company implemented the ISO 14064-1 standard for GHG accounting and successfully obtained third-party assurance on its GHG inventory.	-