



2024

Sustainability Report

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Message from the Management

GRI 2-22

The year 2024 marked the beginning of a major replacement cycle for color e-paper devices. Netronix Inc. took the lead by launching color e-readers, driving a strong market replacement demand and resulting in significant business growth throughout the year. In addition, we actively developed new e-paper signage solutions and strengthened collaboration with the supply chain and customers. By integrating Group resources, we remain focused on advancing the green industry.

As a professional e-reader manufacturer, we have long been dedicated to innovation in the research, design, and manufacturing of low-power, energy-saving, and environmentally friendly e-paper products. We actively expand diverse e-paper applications, offering intelligent solutions across education, retail, smart healthcare, smart transportation, and smart logistics, as well as indoor color signage applications. By promoting paperless product adoption, we strive to fulfill our responsibilities as a corporate citizen.

We continue to make progress in Corporate Governance, Environmental Sustainability, Partnerships, and Employee and Social Impact, fully integrating sustainability practices into everyday operational management. Our ongoing efforts aim to ensure continuous advancement in all aspects of sustainable development and to prepare for future challenges.

Corporate Governance

We are committed to establishing an efficient corporate governance system. We aim to enhance governance effectiveness, improve transparency in information disclosure, and strengthen operational efficiency and risk management capabilities. A stricter internal control system and a more robust governance framework will help us maintain steady and sustainable growth under sound governance practices.

Environmental Sustainability

Netronix Inc. prioritizes eco-friendly principles—such as energy efficiency, low carbon emissions, and durability—from the product design stage. Through advanced technology, we effectively reduce energy consumption during manufacturing, lower product carbon footprints, and extend product lifecycles, aligning with green environmental values. In 2024, over 70% of the materials used in our e-reader products by customers were sourced from recycled resources.

Partnerships

We aim to build long-term and stable cooperative relationships with both our supply chain partners and customers. We are committed to Ethical Management, protecting partner rights, and driving sustainability within the supply chain. Meanwhile, we continually enhance product quality and service responsiveness to better meet customer needs and create mutually beneficial value. We welcome more partners who embrace ESG values to join us in accelerating sustainable growth for businesses, the environment, and society.

Employee and Social Impact

We are dedicated to creating a positive workplace and providing equal opportunities for diverse development. We uphold employee rights, foster a culture of diversity and inclusion, and actively support community care and public welfare initiatives to contribute positively to local society. In 2024, Netronix collaborated with 22 e-paper ecosystem partners to launch the "eReader for the Future" mobile e-reader library program for 40 elementary schools in Yunlin County. A total of 1,024 color e-readers were donated, each equipped with 108 high-quality books suitable for various grade levels—over 110,000 e-books in total. The donation, with a value of nearly NT\$30 million, benefited more than 15,000 students in Yunlin County and demonstrated our strong commitment to social responsibility.

Outlook for 2025

Driven by the transition toward low-carbon smart operations, more retailers are adopting e-paper signage. In 2024, AI-driven e-paper digital signage made its debut at Computex, featuring an ultra-low-power display solution that enables retail and advertising operators to update information dynamically while improving management efficiency and enhancing social responsibility performance. We will continue to assist enterprises in achieving sustainable operations and long-term development.

Chairman TSUNG, SHU-FU

About This Report

GRI 2-2

GRI 2-3

GRI 2-5

This 2024 Sustainability Report of Netronix Inc. (hereinafter referred to as "Netronix," the "Company," or "we") has been prepared in accordance with the following guidelines and principles:

Reporting Framework

This Report is prepared in accordance with the GRI Sustainability Reporting Standards (GRI Standards) issued by the Global Sustainability Standards Board (GSSB) under the Global Reporting Initiative (GRI). It also discloses relevant indicators set out in the Sustainability Accounting Standards Board (SASB) Standards for the Technology and Communications — Hardware industry (December 2023 version).

Reporting Period

First publication of the Sustainability Report: 2023 (covering year 2022)
 Reporting period for this Report: January 1, 2024 to December 31, 2024 (aligned with the financial reporting period)
 Expected publication date (Chinese version): Before the end of August 2025
 Previous publication (Chinese version): August 2024
 Publication frequency: Annually

Reporting Scope

Economic performance data presented in this Report is derived from the 2024 consolidated financial statements of Netronix Inc., covering the consolidated operational and financial performance of Netronix Inc. and its subsidiaries. All financial figures are reported in New Taiwan Dollars (NTD). Environmental and social data disclosed mainly reflects information from the Company's primary operating site—Netronix Headquarters in Zhubei, Hsinchu, due to the absence of comprehensive historical sustainability data or systematic data collection mechanisms in certain areas that affect data accuracy.

Preliminary environmental data for 2024 includes water resource and waste management information from Ntx Electronics Yangzhou Co., Ltd. Going forward, the Company plans to gradually expand sustainability information disclosure to subsidiaries and align it with the financial reporting boundary. Please refer to "Appendix — Scope of Data Disclosure" for further details.

Disclosure Principles

Sustainability information and performance disclosed in this Report is also published on the Netronix ESG website. Product information and operational performance data are based on audited financial information verified by KPMG Taiwan. Other sustainability-related data is compiled by the Report Disclosure Task Force and is presented based on general quantitative description methods, applying rounding principles as appropriate.

Management and Compilation Process

This Report is compiled by the Report Disclosure Task Force composed of designated representatives from each functional department. After consolidation and review by the Task Force, the Report is reviewed by the Chairman and submitted to the Board of Directors for discussion and approval.

External Assurance

To enhance transparency and reliability, following approval by the Chairman, this Report has been assured by BSI Taiwan, the Taiwan branch of the British Standards Institution Group Company under the AA1000 AS v3 assurance standard, Type 1 - Moderate Level of Assurance, covering both the GRI Standards (2021) and SASB Standards. The independent assurance statement is provided in the Appendix.

Contact Information

If you have any questions regarding this Report, please feel free to contact us:

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1

About Netronix Inc.

- 1.1 Company Overview
- 1.2 Product Portfolio
- 1.3 Operational Highlights

1.1 Company Overview

GRI 2-1

GRI 2-6

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GRI 2-28

Netronix Inc. (Stock Code: 6143), founded in 1997 and headquartered in Zhubei City, Hsinchu County, Taiwan, is primarily engaged in the design, manufacturing, processing, wholesale, and sales of communication transmission equipment, industrial computers, acoustic components, e-readers, network surveillance systems, and computer network and peripheral products.

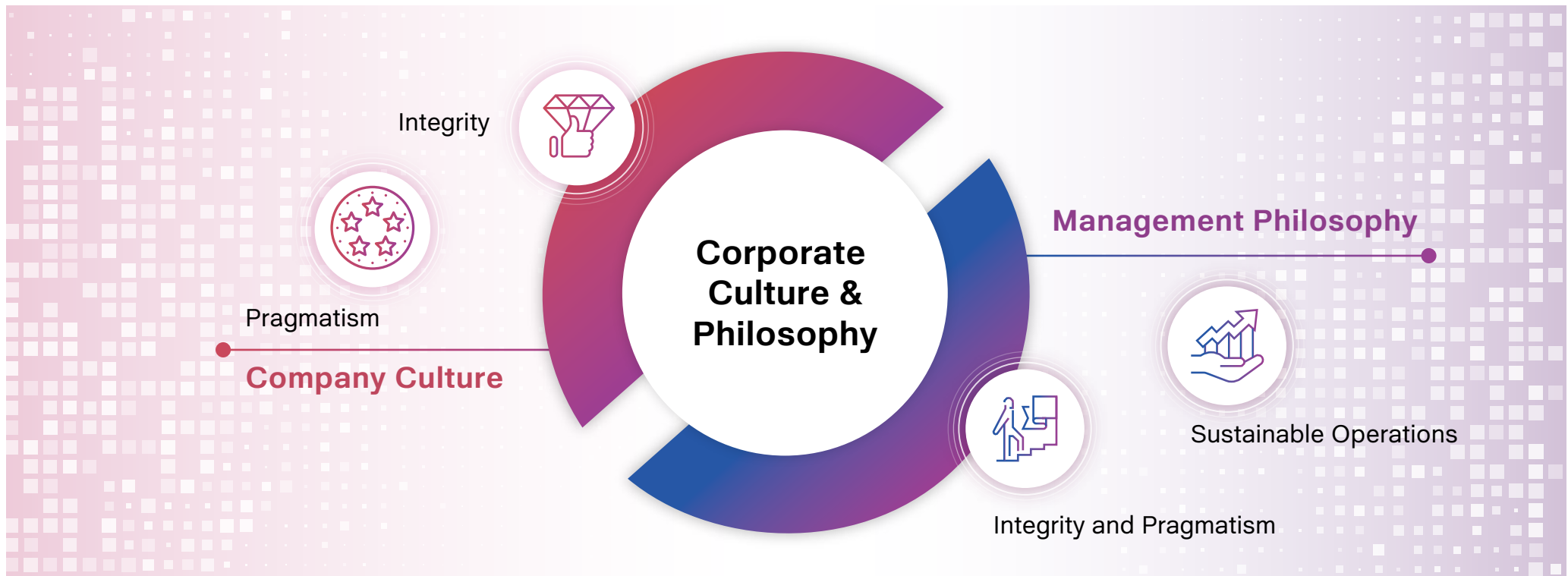
Since 2008, Netronix has been deeply involved in the development of e-readers for more than a decade, and has established comprehensive software, user interface, and manufacturing service capabilities. In addition to Original Design Manufacturing (ODM) and Original Equipment Manufacturing (OEM) services, we offer complete solution services and are a leading manufacturer of e-reader devices worldwide.

Company Name	Netronix Inc
Stock Code	6143
Chairman	Tsung, Shu-Fu
Date of Establishment	1997 / 6 / 6
Date Listed on TPEx	2002 / 1 / 28
Headquarters	No.945, Bo'ai St., Zhubei City, Hsinchu County
Operating Locations	Taiwan, United States, Japan, Germany, Mainland China, Vietnam
Markets Served	Europe, Americas, Japan
Product Portfolio	E-paper application products, acoustic components, networking products, and other products
Capital	NT\$ 875 million (as of the end of 2024)
Number of Employees	Netronix Group: 1,426 employees Netronix Inc.: 377 employees (as of the end of 2024)
Revenue Scale	NT\$ 7.4 billion (2024 consolidated revenue)



Note: More information about Netronix' s company profile and organizational structure is available on the Company' s official website.

Corporate Culture and Philosophy



Netronix Inc. is committed to a corporate culture rooted in Integrity and Pragmatism, valuing every business partner and employee. We interact with honesty, dedication, and a down-to-earth attitude, supporting one another to foster resilience and perseverance among all team members. This strong unity enhances employees' sense of belonging and cohesiveness within the Company.

We care deeply about every employee and emphasize employee development by providing training and strengthening internal competitiveness. With a family-like interaction model, we encourage innovation and continuous improvement, enabling teams to advance alongside evolving market trends. Through these efforts, Netronix strives to fulfill its long-standing commitment to sustainable business operations.

Major Company Events

- 2024

- Launched color e-readers
 - Acquired controlling interest in Taiwan Biomaterial Company Limited and included the company in the consolidated financial statements
 - Certified for ISO/IEC 27001:2022 Information Security Management
 - Certified for ISO 50001:2018 Energy Management Systems

2023

- Subsidiary Sable Corporation made an investment in Sable Electronics (Vietnam) Co., Ltd. to expand production capacity for electroacoustic components.
- 2022

- Certified for ISO 14067 Product Carbon Footprint Verification.
 - Certified for ISO 14064 Greenhouse Gas Inventory Verification.
 - Certified for ISO/IEC 27001 Information Security Management.
 - Merged with Even Systems Co. Ltd.
- 2021

- Subsidiary Zunidata Systems Inc. acquired 100% equity of Baylite Opto-Electronics Technology Co., Ltd.
 - Organizational restructuring: Sable Corporation became a 100% subsidiary of Analog Integrations Corp.
 - Share conversion: Zunidata Systems Inc. became a 100% subsidiary of Analog Integrations Corp.
- 2019

- Obtained GMP certification for domestic medical device manufacturing.
 - Certified for ISO 13485 Medical Devices Quality Management System.
 - Certified for ISO 45001 Occupational Health and Safety Management System.

Note: For more major events, please refer to the company website.

Participation in Associations

Name	Role
Association of Taiwan Listed Companies	Member
Tsing Hua Entrepreneur Networ	Member
Hsinchu County Industrial Associatio	Member
Taipei Computer Associatio	Member
Digital Stationery Consortium	Member



1.2 Product Portfolio

SASB TC-HW-000.A-C

Product Types and Applications

Product Types	Applications	
E-Paper Application Products	E-Readers / E-Notebooks	Not limited by the constraints of traditional paper, these devices allow reading or writing in various scenarios.
	Electronic Shelf Label (ESL)	E-paper display-equipped electronic labels reduce the paper consumption of traditional labels, significantly enhancing convenience.
	Electronic Baggage Tag (EBT)	
	Smart Badge	Replaces paper-based ID or visitor badges, reducing costs and improving corporate management systems.
	IoT logistic Label	E-paper digital signage can display dynamic and diverse messages in real time, suitable for public announcements and commercial advertisements.
	Digital Signage	

Note: The primary products disclosed here are e-paper application products manufactured by Netronix. Other products mentioned, such as speakers and electroacoustic components, as well as network products, are products of Netronix's subsidiaries. For more details on product types and applications, please refer to Netronix's 2023 Annual Report.

E-Paper Application Products

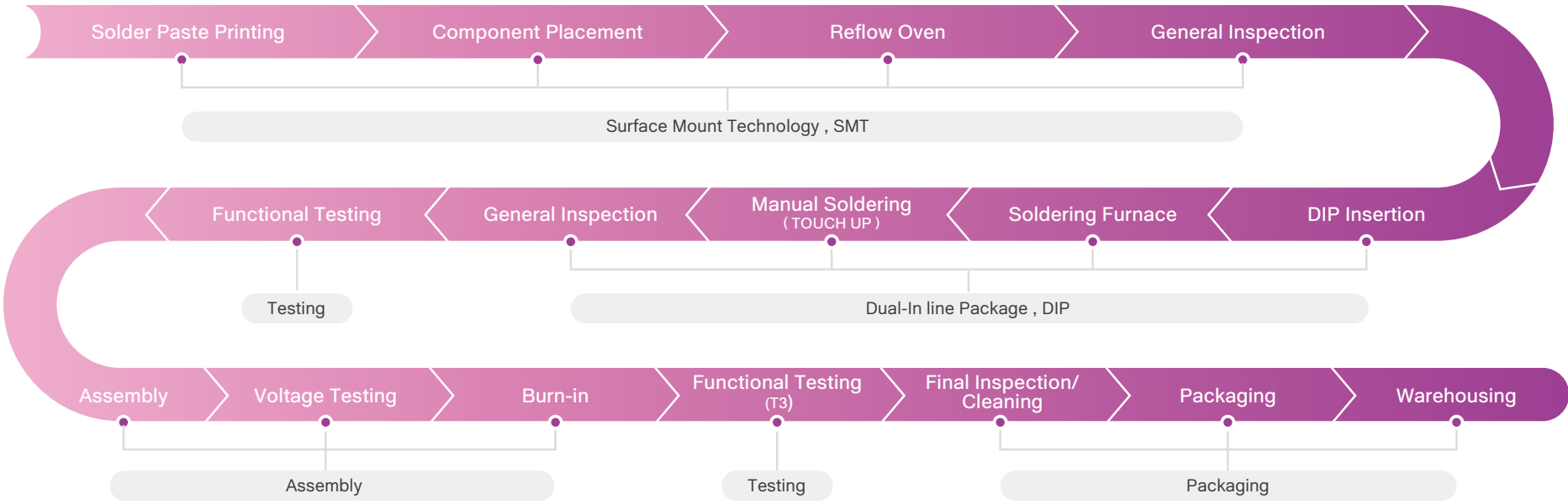
Netronix Inc. is a leading expert in the design and manufacturing of e-paper products in Taiwan. We continuously innovate and develop diverse e-paper product lines each year. These products are suitable for five major application scenarios, including the public transportation, consumer electronics, smart healthcare, retail stores, and industrial logistics. We are committed to expanding market applications and accelerating the adoption of e-paper solutions.

Application Areas	E-Paper Application Products		Key Features
Consumer Electronics	E-Reader		Replaces traditional paper while being environmentally friendly and eye-friendly
Retail Stores	Electronic Labels	Electronic Shelf Label , ESL	Represents the new trend in smart retail
Industrial Logistics		IoT logistic Label	Enables real-time tracking to enhance logistics transparency, operational efficiency, and cargo security
Public Transportation – Consumer Electronics		Electron Baggage Tag , EBT	Simplifies boarding procedures, reduces manpower and costs, and minimizes baggage mishandling
Consumer Electronics – Medical Applications	Smart Badge		Replaces traditional ID cards and offers reusability
Retail Stores – Public Transportation	Digital Signage		Replaces traditional paper signage, featuring energy-saving visibility without backlight and automatic content update capability

New Product Development

Product Line	New Product Development Items	2024 Progress
E-Paper Application Products	– Color E-Paper Digital Signage	– Under development; obtained Japan TELEC and JATE certifications starting late 2024
	– Kaleido 3 Color E-Notebook	– Existing generation in mass production; new generation under ongoing development
	– Gallery 3 Full-Color Flexible E-Reader	– Under development; expected to enter mass production in Q3 2025

E-Reader Production Proce



SASB Operational Activity Indicators			
Indicator No.	Item		2024
TC-HW-000.A	Number of units produced by product category (PCS)	E-Paper Application Products	140
		Industrial PC	1
		Network Products	25
		Other Products ^(Note 1)	467
TC-HW-000.B	Area of manufacturing facilities (ft²)		65,650 .27
TC-HW-000.C	Percentage of production from owned facilities (%)		100

Note: 1. "Other Products" mainly refers to the production volume of components tested and assembled by Netronix on behalf of clients.

2. Operational activity indicators cover only Netronix Inc. (Taiwan Headquarters). Considering that the listed subsidiary Analog Integrations Corporation (AIC) and its subsidiaries Sable Corporation and Zunidata Systems Inc. each separately disclose sustainability performance, Netronix will evaluate consolidating sustainability reporting boundaries upon future completion of unified subsidiary data disclosure in alignment with consolidated financial reports.

1.3 Operational Highlights

GRI 2-6 GRI 201-1

Operating Performance

In 2024, the global economy gradually stabilized despite the impact of high inflation and adjustments to monetary policies. However, supply chain restructuring, intensified U.S. – China technology competition, escalating geopolitical risks, and the accelerated global investment in green energy and AI technologies have created both challenges and opportunities for our business environment.

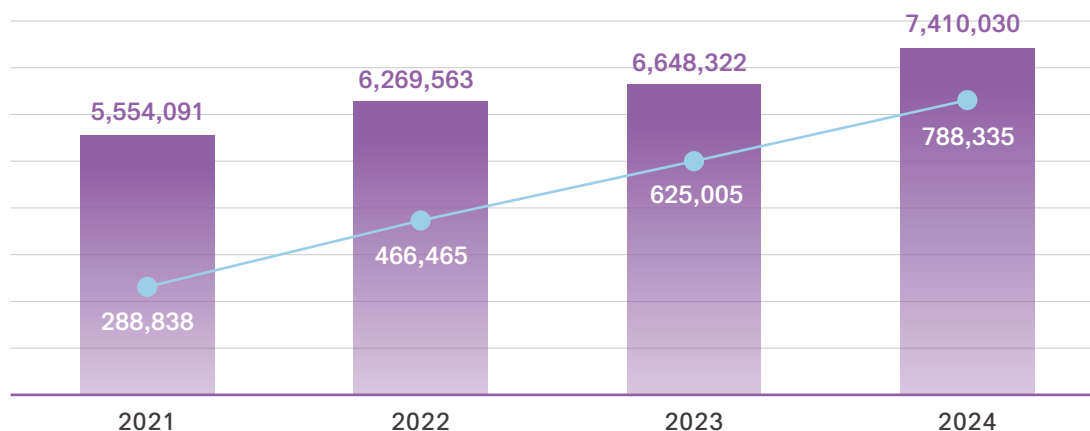
Netronix's overall performance in 2024 surpassed the results of 2023. Consolidated operating revenue reached NT\$7,410 million, representing an 11.46% increase compared to 2023. Consolidated gross profit increased 5.14%, consolidated operating income increased 3.17%, and consolidated net income increased 26.08%, mainly attributable to the 58% year-over-year growth in e-reader product shipments.

Looking ahead to 2025, all business units within Netronix Group will continue to leverage existing resources to expand new product businesses. Our investment subsidiaries will also strive for breakthrough growth while maintaining steady progress.

Revenue and Net Profit After Tax

■ Revenue ● Net Profit

Unit: NT\$1,000



Note: The scope refers to the consolidated financial performance of Netronix.

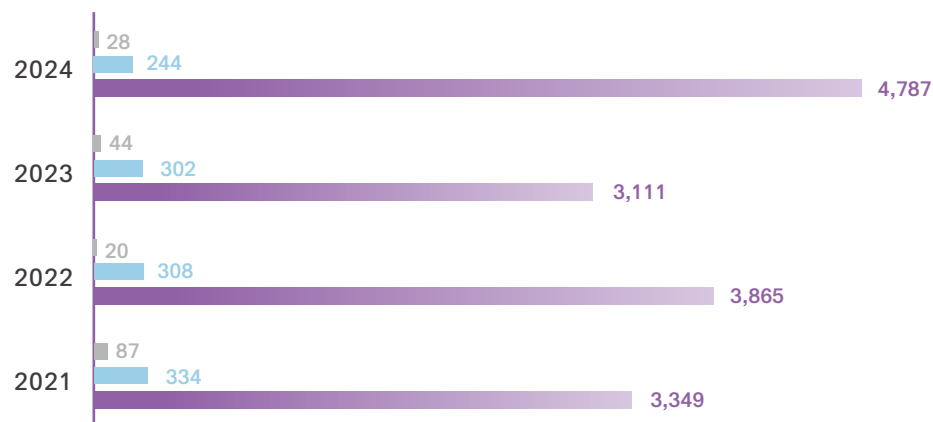
Unit: NT\$1,000

	2021	2022	2023	2024
■ Historical Revenue and Profit/Loss				
Revenue	5,554,091	6,269,563	6,648,322	7,410,030
Cost of Goods Sold	4,567,741	5,072,598	5,169,191	5,854,986
Gross Profit	986,350	1,196,965	1,479,131	1,555,044
Operating Expenses	622,888	772,639	754,425	807,304
Selling Expenses	203,636	252,504	284,042	281,212
Administrative Expenses	206,518	285,006	279,072	345,807
R&D Expenses	213,516	231,825	191,026	175,416
Others	(782)	3,304	285	4,869
Operating Profit	363,462	424,326	724,706	747,740
Non-operating Income (Expenses)	14,801	183,227	96,603	244,012
Pre-tax Profit	378,263	607,553	821,309	991,752
Income Tax Expenses	89,425	141,088	196,304	203,417
Net Profit	288,838	466,465	625,005	788,335
Net Other Comprehensive Income After Tax	(28,414)	76,247	(28,342)	37,207
Total Comprehensive Income	260,424	542,712	596,663	825,542
Earnings per Share (NT\$)	3	4	4	7
■ GRI Related Disclosure Information				
Employee Salaries and Benefits	902,931	1,009,092	997,534	1,014,883
Interest and Dividend Expenses	172,398	214,600	316,011	558,461
Community Investment	120,000	115,000	65,000	15,000
Direct / Indirect Political Contributions				
■ Government Subsidy Information				
Tax Reductions and Credits	1,631	3,276	4,014	1,925
Other Government Financial Subsidies	11,426	2,004	7,217	0

Historical Revenue by Product

Unit: NT\$ million

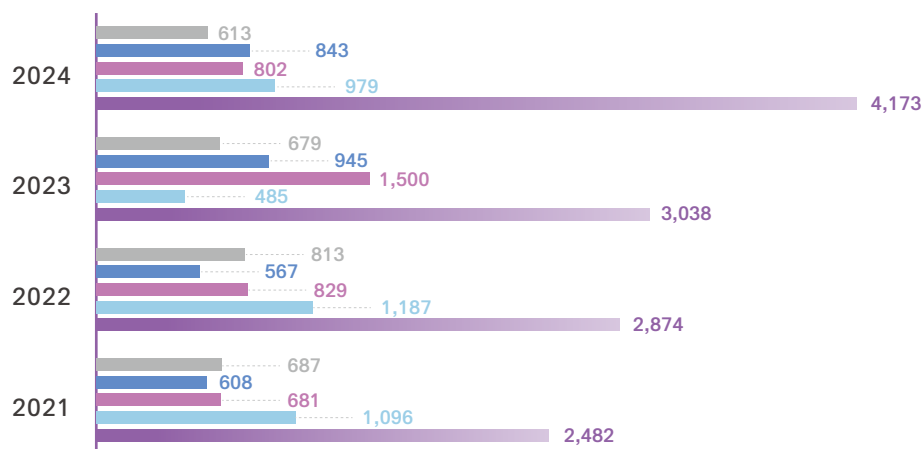
■ Other ■ Processing Income ■ E-Readers



Historical Revenue by Region

Unit: NT\$ million

■ Other Regions ■ Asia (excluding Taiwan) ■ Europe ■ North America ■ Taiwan



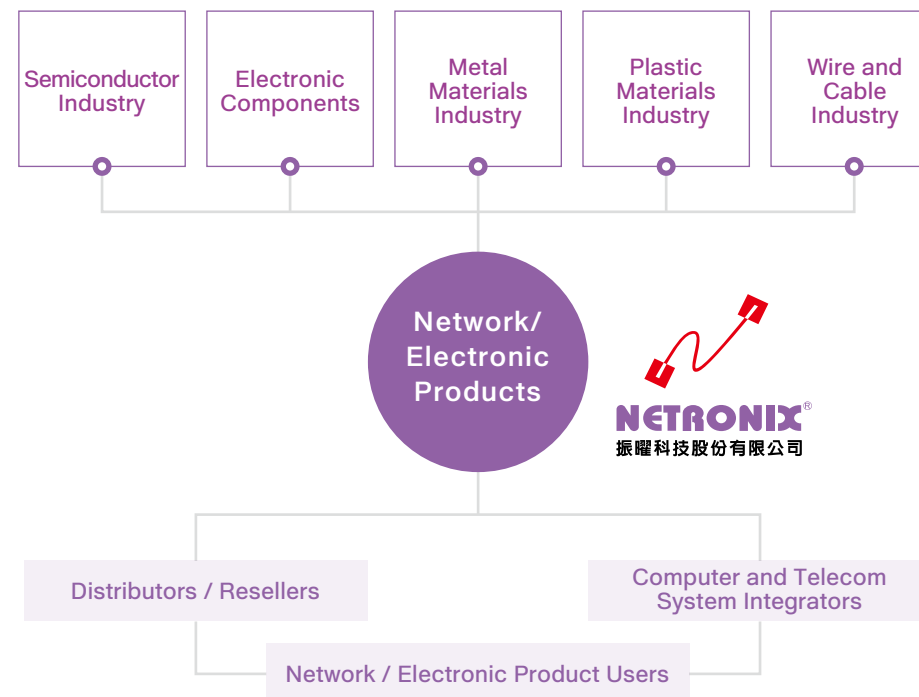
Note: The scope refers to the parent company only financial performance of Netronix.

Role in the Industry Chain

Netronix's main business includes the design, manufacturing, processing, wholesale, and sales of e-paper application products, electroacoustic components, and network products. The upstream industry primarily consists of the semiconductor industry (chipsets), the electronic component industry (panels, printed circuit boards, power supplies, and adapters), the metal materials industry, the plastic materials industry, and the wire and cable industry. The downstream industry mainly includes electronic product distributors and computer/telecom system integrators.

Compared to the previous reporting period, there have been no significant changes in the organization's activities, products, services, markets served, or the entities within its supply chain, both upstream and downstream.

Upstream Supply Chain



2

Sustainability Issues Management

- 2.1 Stakeholder Engagement and Communication
- 2.2 Materiality Identification and Analysis
- 2.3 Management Approaches to Material Issues

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2.1 Stakeholder Engagement and Communication

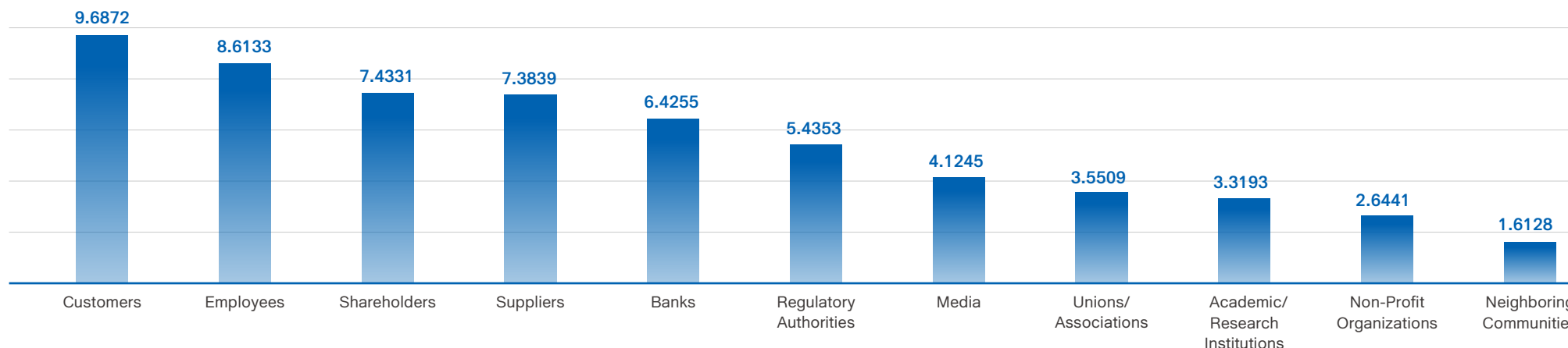
GRI 2-6

GRI 2-14

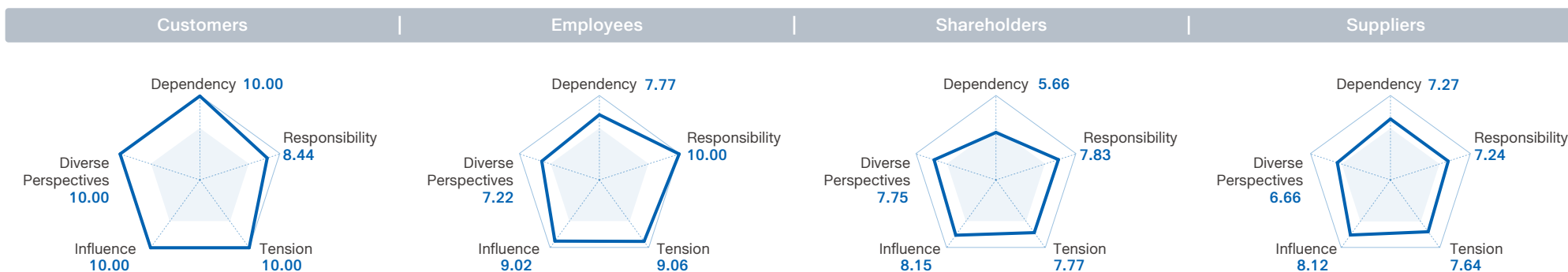
GRI 2-29

Netronix values and emphasizes interaction with stakeholders, establishing mechanisms for communication and response to sustainability issues. Through the AA1000 SES standard, the company identifies key stakeholders based on five dimensions: "Responsibility, Influence, Tension, Diverse Perspectives, and Dependency." After evaluating and discussing with senior management in 2024, Netronix concluded that the operating environment had no significant differences compared to 2023. Therefore, the results of the stakeholder identification were retained, confirming that the key stakeholder categories include customers, employees, shareholders, and suppliers. The evaluation results of the five dimensions are shown in the following diagram.

Comprehensive Stakeholder Identification Results



Evaluation Results of the Five Dimensions for Key Stakeholders



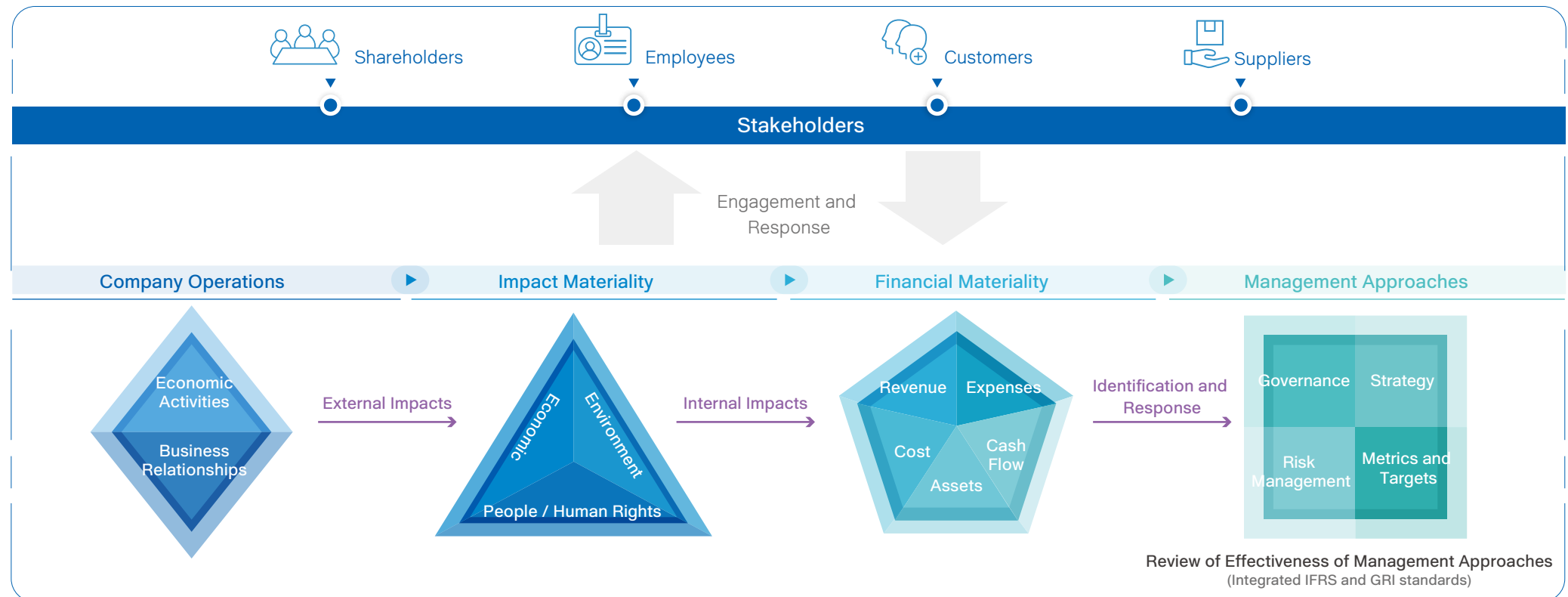
Key Stakeholder Engagement

Stakeholder Types	Customers	Employees	Shareholders	Suppliers
Significance to Netronix	Customers are the primary source of revenue and key partners in driving product and technological innovation. They also play a crucial role in inspiring innovative products, making them essential collaborators for Netronix.	Employees are one of Netronix's most valuable assets. The company's ongoing progress and innovation depend on offering competitive compensation, benefits, and training programs, which enable employees to reach their full potential and contribute to strong operational performance.	Both institutional and individual investors are vital to Netronix. The company ensures consistent transparency in both financial and non-financial information to safeguard shareholders' interests, while valuing and respecting their opinions as an important reference for continuous improvement.	Netronix considers suppliers to be key partners. Through ongoing and close collaboration, the company works to build a strong supply chain management system and operational framework, aiming for shared, sustainable growth within the industry.
Focus Topics	Economic Influence	Quality Management	Quality Management	Quality Management
	Ethical Management	Information Security	Information Security	Information Security
	Sustainable Supply Chain	Product Responsibility	Innovation Management	Occupational Safety and Health
	Climate Strategy	Occupational Safety and Health	Economic Influence	Economic Influence
	Energy Management	Economic Influence	Ethical Management	Ethical Management
Purpose of Engagement	Improve customer service and quality	Enhance employee satisfaction	Increase shareholder value and transparency	Improve supplier management outcomes
Responsible Departments	Sales Department	Administrative Support Department	Finance Department	Cost Control Center
Engagement Methods/ Frequency	■ Correspondence (as needed) ■ Conference calls (weekly) ■ On-site visits (as needed)	■ Internal/external employee training (according to training plan) ■ Suggestion box (open for feedback 24/7) ■ Company website (updated periodically) ■ Employee Welfare Committee meetings (quarterly) ■ Occupational Safety and Health Committee meetings (quarterly)	■ Board of Directors meetings (quarterly) ■ Shareholders' meetings (annually) ■ Institutional Investor Conferences (5 times per year) ■ Revenue announcements (monthly) ■ Financial reports (quarterly) ■ Investor section on company website (updated periodically) ■ Public disclosure of significant information and financial reports on Market Observation Post System (as needed) ■ In-person/teleconference meetings (as needed) ■ Emails (as needed) ■ Timely response to investor inquiries	■ Quality issue meetings (weekly with major material suppliers) ■ Production and sales coordination meetings (weekly) ■ Cost reduction meetings (quarterly) ■ Supplier guidance and audits (2 per month) ■ Contract, confidentiality, and integrity briefings (as needed)
Engagement Outcomes	■ Conference calls (approximately 50 times) ■ On-site visits (as needed)	■ Employee training participation rate (100%) ■ Suggestion box submissions (0) ■ Employee Welfare Committee meetings (9 times) ■ Occupational Safety and Health Committee meetings (4 times)	■ Board of Directors meetings (9 times) ■ Shareholders' meeting (1 time) ■ Institutional Investor Conference (1 time) ■ Monthly revenue announcements (12 times) ■ Financial report submissions (4 times)	■ Quality issue meetings (17 suppliers) ■ Production and sales coordination meetings (46 times) ■ Cost reduction meetings (55 times) ■ Supplier guidance and audits (45 suppliers)

Note: The type of engagement involving the highest governance body refers to the Shareholders' Meeting.

2.2 Materiality Identification and Analysis GRI 3-1

Netronix Inc. conducts an annual sustainability impact assessment to review the high-impact issues identified and develop sustainability strategies and action plans accordingly. With the release of the IFRS Sustainability Disclosure Standards in 2023 and the European Sustainability Reporting Standards (ESRS), the Company adopts the GRI 3: Material Topics 2021 as the basis, and also refers to the guidance of IFRS and ESRS for sustainability impacts. Following the Double Materiality principle, sustainability impacts are included in Impact Materiality and Financial Materiality, and a five-stage identification process is implemented to assess the Company's operational activities and their impacts on society, the environment, people, and human rights (external impacts), as well as the resulting internal financial impacts that require Netronix Inc. to allocate resources to manage these impacts (internal impacts). The sustainability impact analysis results are derived based on internal and external impacts, which determine the priority material sustainability topics for disclosure. Relevant responsible departments of Netronix Inc. formulate policies, action plans, and target setting for each topic according to the impact assessment results.



Explanation of Sustainability Impact Assessment

1 Understanding the Organizational Context	■ Identify the focus topics and potential impacts of four key stakeholder groups. ■ Analyze the potential impacts arising from economic activities and upstream and downstream business relationships within the supply chain. ■ Map potential impacts to 20 sustainability topics.
2 Identification of External Impacts (Impact Materiality)	■ Considering the integrated information from ongoing stakeholder engagement, each responsible department evaluates whether the impacts of each topic are actual or potential, positive or negative, and identifies the impact materiality for the 20 sustainability topics under the current management level regarding the upstream and downstream supply chain, environmental, and social aspects (external organizational impacts). ■ Identification indicators: ○ Negative impact materiality: Severity (scale, scope, remediability) × Likelihood ○ Positive impact materiality: Benefit (scale, scope) × Likelihood
3 Identification of Internal Impacts (Financial Materiality)	■ Financial materiality: Based on the impact materiality of the 20 sustainability topics, each responsible department further evaluates the short-, medium-, and long-term financial impacts on operational activities (external to internal). The level of impact is measured with reference to financial statement materiality standards, and key financial indicators are analyzed based on their relevance to Netronix Inc.'s value. Consolidated revenue for 2023 is used as the baseline for evaluating the level of financial materiality. ■ In assessing financial impacts, sustainability-related risks and opportunities are thoroughly considered, including topics listed under the IFRS Sustainability Disclosure Standards and SASB Standards for the Hardware industry, as well as other topics with comparable or greater financial impact levels, to ensure completeness of sustainability-related financial information. ■ Identification indicators: ○ Financial materiality: Level of operational impact × Likelihood Note: Financial impacts include information related to financial statements, such as revenue, cost, expenses, cash flow, and capital raising/financing.
4 Prioritization of Impact Significance	■ Summarize the results of impact materiality and financial materiality identification for each topic, and separately rank positive/negative impacts by impact materiality and financial materiality, then finalize the evaluation of materiality with each department based on the Company's future operational planning. ■ Evaluate the topics listed in the SASB industry-specific disclosure indicators. Some topics may not present significant impacts under the current management level but are still included as secondary topics to continuously monitor and disclose necessary information. ■ Fully consider the double materiality of each topic. After discussion with relevant responsible departments, a total of 8 material sustainability topics are included in the Sustainability Report. The results of the sustainability impact analysis were confirmed with senior management in January 2025.
5 Determination of Material Sustainability Topics	■ Following discussions with relevant responsible departments, the priority material topics for disclosure are determined (8 material topics confirmed). ■ Correspondence with GRI Topics / Disclosure Standards (corresponding to 6 GRI Topic Standards and 2 self-defined topics). ■ Correspondence with SASB industry indicators: Hardware under the Technology and Communications industry.

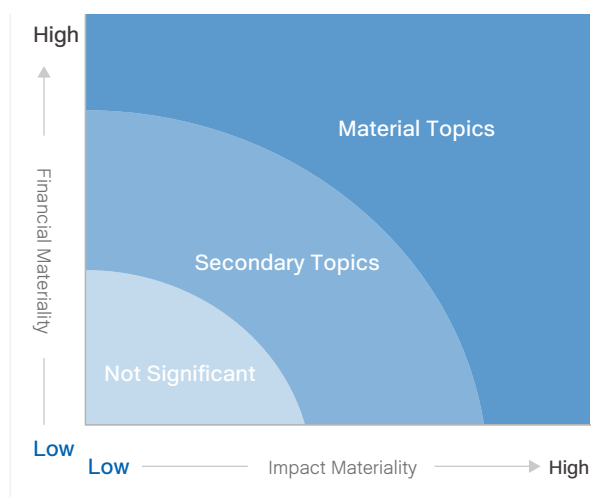
Identification of Priority Material Topics for Disclosure

GRI 3-2

Based on the results of the double materiality impact analysis, Netronix Inc. has identified 8 negative material topics and 4 positive material topics, along with 4 negative secondary topics and 4 positive secondary topics, which will remain under continuous monitoring. After comprehensive discussion and evaluation by relevant responsible departments, the management approaches and performance outcomes for the following 8 topics with significant negative impacts—Ethical Management, Innovation Management, Information Security, Quality Management, Product Responsibility, Sustainable Supply Chain, Climate Strategy, and Human Capital Development (including Talent Attraction and Retention)—are identified as the priority content for disclosure in this Report.

In 2024, Netronix Inc. adopted the double materiality assessment approach for the first time; therefore, the results are not compared with those of the previous reporting year.

Focus Topics



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

Note: During the materiality analysis process, Netronix Inc. evaluated each sustainability topic and simultaneously considered internal management practices. Human Capital Development (including Talent Attraction and Retention), Product Responsibility, and Product Safety and Marketing were consolidated for unified management.

Material Sustainability Topics and Standard Correspondence

Reviewing the 31 GRI Topic Standards and mapping them to the material topics, six relevant GRI Topic Standards and two self-defined topics were selected. Correspondence with SASB hardware industry indicators was also applied to initiate the preparation of this Report.

Material Topics	Impact Dimensions			Value Chain Impact Scope					Correspondence with GRI Topic Standards or SASB Indicators
	Economic	Environment	People (including Human Rights)	Tier-2 Suppliers	Tier-1 Suppliers	Netronix Inc.	Customers	End Customers	
Ethical Management	●				●				■ GRI 205: Anti-corruption 2016
Innovation Management	●		●				●	●	■ Self-defined Topic: Use of Recyclable Materials
Information Security	●		●			●	●		■ Self-defined Topic: Information Security Incidents ■ TC-HW-230a.1
Quality Management	●						●		■ GRI 416: Customer Health and Safety 2016
Sustainable Supply Chain	●	●			●	●	●		■ GRI 204: Procurement Practices 2016 ■ TC-HW-430a.1 ~ 430a.2
Product Responsibility	●	●					●	●	■ GRI 416: Customer Health and Safety 2016
Climate Strategy	●	●			●	●	●	●	■ GRI 305: Emissions 2016
Human Capital Development (including Talent Attraction and Retention, Training and Development)			●			●			■ GRI 401: Employment 2016 ■ GRI 405: Diversity and Equal Opportunity 2016 ■ TC-HW-330a.1

Time Horizon of Impacts for Material Sustainability Topics

Key Disclosure Topics		Explanation of External Sustainability Impacts	Explanation of Internal Financial Impacts	Impact Time Horizon			
				Already Occurred	Future Impact		
					1-2 Years	3-5 Years	More than 5 Years
Ethical Management	Negative	Past incidents of Ethical Management affected the cooperative relationship between Netronix and suppliers.	Terminating cooperation with suppliers involved in Ethical Management incidents increases the cost of switching suppliers, potentially affecting product shipments or delivery schedules and even resulting in customer compensation, with high potential financial impact.			●	
Innovation Management	Negative	- Risks of failure in innovative products or development of new materials. Examples: - Innovation failure affects customer product verification schedule. - Poor software design may cause personal data leakage risks or health hazards to end users due to poor battery performance.	Material costs increase, orders may be lost, and financial impact is high.		●		
	Positive	For digital signage products adopting E6 e-paper display panels, they provide power-saving benefits and no light pollution, making them environmentally and health friendly.	Revenue increased significantly in 2024 for digital signage products adopting E6 e-paper panels.	●			
Information Security	Negative	- External: In recent years, cybersecurity attacks against domestic and international enterprises have occurred frequently. If a major cybersecurity incident occurs, such as a ransomware attack, it may cause operational interruption, affect customer shipment schedules, and result in potential leakage of customer trade secrets and employee personal data. - Internal: If employees do not follow the Company's information security management procedures, cybersecurity incidents may easily occur.	If an incident occurs, estimated costs include cybersecurity restoration expenses and production downtime costs, with high financial impact.		●		
Quality Management	Negative	If production line employees do not follow SOP or set parameters incorrectly, resulting in lower product yield, it may lead to risks affecting customer shipment schedules.	To meet customer delivery schedules, changes in transportation methods (e.g., switching from sea freight to air freight) or increased costs due to product reproduction or inspection (man-hours or materials).		●		
Sustainable Supply Chain	Negative	Raw material suppliers (electronic components, mechanical parts, packaging materials) located in regions such as Mainland China and Israel may face supply chain interruption risks due to climate change and geopolitical conditions; or if suppliers lack ESG management, potential quality or human rights risks may impact customer production schedules, yields, and the Company's reputation.	Orders and financial costs associated with switching to alternative suppliers and failure to meet customer schedules.	●			
	Positive	- On-time payment builds good cooperation and trust with suppliers. - Key suppliers capable of providing recyclable materials (plastics, metals, paper) can contribute to Netronix's product development, environmental friendliness, and enhanced product advantages and competitiveness for customers.	- Good supplier relationships allow better pricing to reduce costs. - For e-reader products, estimated market opportunities increase in 2025.		●		

Key Disclosure Topics		Explanation of External Sustainability Impacts	Explanation of Internal Financial Impacts	Impact Time Horizon			
				Already Occurred	1-2 Years	3-5 Years	More than 5 Years
Product Responsibility	Negative	Improving sustainability design requirements from stakeholders: if such requirements cannot be met, customer product launch schedules may be impacted, resulting in potential loss of market competitiveness.	Delayed product launch reduces revenue; reduced market competitiveness results in fewer orders.		●		
	Positive	Using eco-friendly materials such as recycled materials, biodegradable materials, and organic ink reduces the use of raw materials or resources, resulting in lower environmental impact.	By innovating in R&D, and designing and manufacturing low-power, energy-saving, and eco-friendly e-paper products, the promotion of paperless product applications has high market opportunities.		●		
Climate Strategy	Negative	Due to the increasing probability of extreme weather and the growing requirement to reduce carbon emissions becoming a major principle in supplier selection by domestic and international listed companies (global brands), if Netronix does not integrate climate change into operational strategy early, it may increase environmental impact and affect business operations or supply chain resiliency.	Costs of enhancing climate management, such as product carbon footprint consulting and verification fees; and if any product fails to meet customer carbon reduction requirements resulting in loss of orders, significant financial impact may occur.		●		
	Positive	E-readers have positive environmental impact and carbon reduction potential. E-books are digital content with no need for physical transportation. Compared with printed books (production, printing, distribution), the carbon footprint is lower (reduced transportation emissions) and reduces paper consumption and deforestation.	Consolidated operating revenue in 2024 was NT\$7,410 million, an 11.5% increase compared with 2023, mainly due to a 58% increase in e-reader product shipments.	●			
Human Capital Development (including Talent Attraction and Retention, Training and Development)	Negative	Difficulty in recruitment causes increased workload for existing employees, which may lead to overtime and extended working hours, creating human rights (occupational safety) risks or risks of declining product yield.	Government penalties and increased annual overtime payments.		●		

2.3 Management Approaches to Material Issues

GRI 2-13

GRI 3-3

Material Topic	Ethical Management		Innovation Management and Climate Strategy	
Policies and Commitments	Netronix Inc.'s business philosophy is "Integrity and Pragmatism, Sustainable Operations. " The "Employee Code of Conduct " is established to regulate employee behaviors when performing duties, including respect for individuals, suppliers, and customers, clean business practices, avoidance of conflicts of interest, and prohibition of improper gains under related ethical integrity rules.		- A patent application operation procedure is established. - A greenhouse gas inventory procedure is established.	
Responsibility	Administrative Support Department (Director)		Market Development Department (Director)	
Targets	2024	- "Zero " violations or incidents related to Ethical Management.	2024	- According to customer requirements, gradually introduce environmentally friendly materials to reduce environmental impact and carbon emissions.
			Short-term (1 – 2 years)	- All e-reader products. - Recycled materials (plastic materials) adoption rate expected to reach more than 65% in 2025. - Recycled materials (plastic materials) adoption rate expected to reach more than 80% in 2026.
Action Plans	Implement whistleblowing and complaint handling mechanism for stakeholders and anti-bribery and anti-corruption policies. Establish whistleblowing channels for stakeholders to facilitate communication with Netronix Inc., protect stakeholder rights, and strengthen corporate governance.		- Conduct cost analysis, research, evaluation, and inventory of recycled material applications and communicate with customers on the feasibility of product adoption. Collaborate with suppliers on technology enhancement to reduce appearance impacts after adopting recycled materials. - Since 2022, certifications of ISO 14064-1 GHG Inventory and ISO 14067 Product Carbon Footprint have been obtained progressively.	
Annual Performance	"Zero " violations or incidents related to Ethical Management.		- All e-reader product packaging uses more than 60% FSC (Forest Stewardship Council) certified paper materials. - All e-reader products adopt more than 70% recycled materials (including 10% ocean-recycled plastic materials). - Completion of annual greenhouse gas inventory work.	
Tracking and Review Mechanism	Each business unit conducts internal control self-assessment mechanisms (including Ethical Management). Each department reviews compliance with laws and company policies and regulations related to operational behavior and is subject to review by the internal audit unit.		Weekly new product development progress meetings are held to review project progress and the effectiveness of new product introductions.	
Stakeholder Engagement	Relevant stakeholders can provide feedback and complaints through the "Anti-Corruption" page on the company website (http://www.netronixinc.com/anti-corruption.html).		Customers: Regular customer satisfaction surveys and real-time communication mechanisms with customers to promptly address and respond to product or service-related issues or suggestions.	

Material Topic	Information Security		Customer Relations and Product Responsibility	
Policies and Commitments	- Improve information security management for servers, network equipment, and communications to minimize risks arising from human error, intentional acts, or natural disasters, ensuring the confidentiality, integrity, and availability of data processing. "Convenience in IT, security in confidentiality."		- We are committed to following the "Quality Management Principles" and fully dedicated to continuous improvement, ensuring that customers are satisfied with our products and services. - In line with the EU RoHS Directive and the REACH Regulation, we have established the "Green Product Substance Restriction Guidelines" to meet customer demands and reduce health and safety impacts on end users.	
Responsibility	Information Security Committee (Chairperson)		Manufacturing Center (Deputy Director)	
Targets	2024	"Zero " major information security incidents. - Implement management procedures in compliance with the updated ISO 27001:2022 certification obtained in 2024.	2024	- Quality Management - Product Responsibility Process FPY of 97% Process repair rate of 99.9% All suppliers comply with Netronix's Green Product Substance Restriction Guidelines. Suppliers use no conflict minerals.
	Short-term (1 – 2 years)	Expected to successfully pass the first (2025) and second (2026) surveillance audits after certification.		
Action Plans	- Conduct regular risk assessments, identify potential issues, and implement preventive measures to reduce the risk of future data breaches. - Promote information security management upgrades: optimize network protection architecture, strengthen the R&D environment, and implement IT security mechanisms. - Conduct regular information security training and awareness promotion.		- Regular quality system audits. - Employee quality training. - Increase the level of automation.	
Annual Performance	"Zero " major information security incidents. - Passed ISO 27001:2022 management system certification.		- Quality Management - Product Responsibility Process FPY of 97% Process repair rate of 99.9% 100% of suppliers meet Netronix's Green Product Substance Restriction Guidelines. 100% of suppliers use no conflict minerals.	
Tracking and Review Mechanism	The Information Security Management Committee holds regular monthly meetings to discuss the management, implementation progress, and effectiveness of cybersecurity operation regulations.		Conduct regular weekly and monthly manufacturing quality meetings to review and track quality performance, audit results, and KPI achievement rates.	
Stakeholder Engagement	Relevant stakeholders can provide feedback and complaints through the "Stakeholder" page on the company website		Relevant stakeholders can provide feedback and complaints through the "Stakeholder" page on the company website	

Material Topic	Human Capital Development		Sustainable Supply Chain Management	
Policies and Commitments	- Provide comprehensive employee policies, benefits, and protection mechanisms, including the establishment of the Employee Handbook, Work Rules, Recruitment and Employment, Prevention of Sexual Harassment, and Anti-Workplace Bullying internal management measures, clearly regulating and declaring the protection of employee rights. - Employee salaries and compensation are determined based on professional knowledge, skills, academic background, professional experience, and individual performance, and shall not differ due to gender.		Committed to reducing supply chain risks by jointly establishing sustainability targets with suppliers, developing action plans, and implementing sustainability improvement initiatives (such as using environmentally friendly or recycled materials), to jointly achieve sustainable development with the supply chain and create sustainable value.	
Responsibility	Administrative Support Department (Director)		Cost Control Center (Vice President)	
Targets	2024	- Annual voluntary turnover rate lower than 15%.	2024	- Signing rate of " Letter of Commitment to Comply with Social Responsibility Laws and Regulations" above 95%. - Signing rate of " Letter of Commitment on Restricted Substances for Green Products" above 98%. - Signing rate of " Letter of Commitment of Non-Use of Conflict Minerals in Compliance with Social Responsibility Laws and Regulations" above 98%. - At least 2 supplier audits per year.
Action Plans	Create a quality working environment and improve employee retention.		- Regularly conduct new supplier evaluations, qualified supplier audits, and coaching. - Assist 6 qualified suppliers in adopting recycled materials.	
Annual Performance	Annual voluntary turnover rate in 2024: 15%.		100% signing rate for the " Letter of Commitment on Restricted Substances for Green Products" and " Letter of Commitment of Non-Use of Conflict Minerals in Compliance with Social Responsibility Laws and Regulations." - Supplier audits: 36 suppliers completed, 100%.	
Tracking and Review Mechanism	Regularly review and evaluate the effectiveness of talent attraction and retention through department head meetings.		- Internal audit meetings. - Monthly meetings of the Cost Control Center.	
Stakeholder Engagement	- Relevant stakeholders can provide feedback and complaints through the "Stakeholder" page on the company website - Additionally, internal employees may provide feedback through employee satisfaction surveys and suggestion boxes to understand employee opinions.		Relevant stakeholders can provide feedback and complaints through the "Stakeholder" page on the company website	

Note: The management results of each material topic are reported to the Board of Directors each year after the Sustainability Report is completed.

3

Innovative Services

- 3.1 Innovation Management
- 3.2 Customer Service
- 3.3 Quality Management



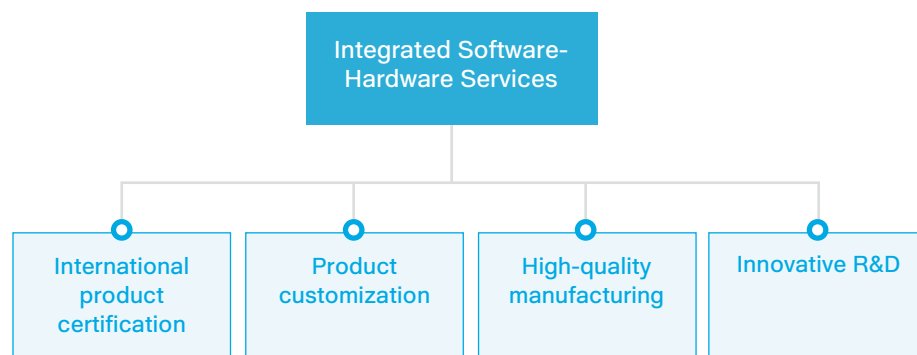
3.1 Innovation Management

Innovation and R&D

Netronix Inc. offers diversified manufacturing models such as OEM and ODM, providing complete services and product categories for customers to choose from for e-paper application products.

We have been deeply engaged in e-paper application products for many years. In terms of manufacturing and design, product development focuses on e-paper applications, continuously designing and innovating products based on consumer needs. E-paper application products feature ultra-low power consumption, low-carbon and environmentally friendly benefits, and colorful e-paper displays, which can replace LCD displays and become a new favorite in the digital signage market, with applications extending into the LCD market. In addition to color e-paper, the future R&D focus will include combining positioning systems and radio-frequency identification (RFID) functions, which can be applied to electronic baggage tags and logistics label systems.

Integrated Software-Hardware Services



R&D Investment

Netronix Inc.'s R&D team consists of personnel with backgrounds and experience in design, mechanism, product verification, FAE, software, and hardware, possessing high sensitivity and insight into product characteristics and applications. In 2024, the total R&D expenditure amounted to NT\$175,416 thousand, accounting for 2.37% of annual revenue.

Item / Year	2021	2022	2023	2024
R&D Expenditure	213,516	231,825	191,026	175,416
Percentage of Operating Revenue for the Year	3.84%	3.70%	2.87%	2.37%

Sustainable Design

Netronix Inc. values investment in R&D capabilities and encourages employee innovation. Sustainability management principles and concepts are embedded into the product lifecycle thinking model. From the product design stage, considerations include the adoption of recycled materials and improving efficiency and yield during production to reduce environmental impact and create sustainable value.

Using Certified Recycled Plastics and Ocean Waste Plastics

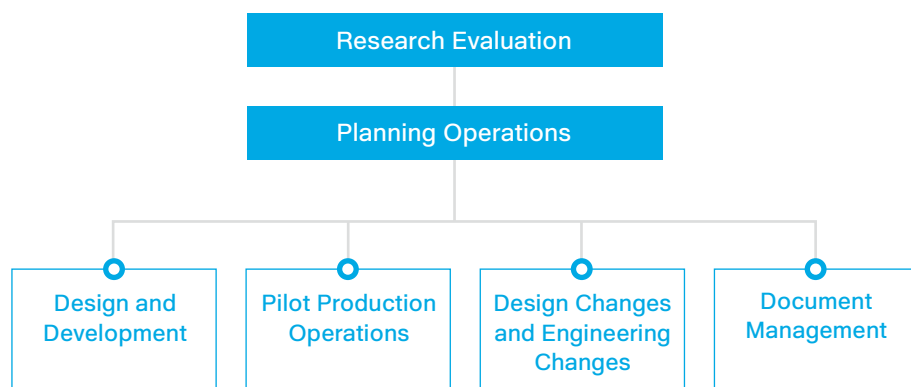
- Use of recycled materials (plastic materials): More than 85% recycled plastic is used in product plastic components, including 10% Ocean Bound Plastic (OBP) certified by the OBP Certification Program. It is expected to reduce over 200,000 plastic bottles entering the ocean per year and reduce 1 million CDs and DVDs from entering landfills. In 2024, e-reader customers used 75% recycled materials in products.
- Use of recycled materials (metal materials): Recycled metal materials developed in 2022 have been successfully applied to the e-reader product series. According to different customer needs, in 2024, e-reader customers used 65% recycled materials in products.

Aspect	Type	Description
Design	Structural Optimization	- Product slimness: - Change plastic housings to metal housings. - Composite material development.
	Low-Impact Components	Restricted substance management: Raw materials used comply with EU RoHS and REACH environmental regulations.
	Product Safety	Testing / certification: Products are tested by third-party testing laboratories to comply with product safety regulatory requirements in each country; and have passed relevant product safety certifications in the EU, the U.S., Japan, Taiwan, and Mainland China.
	Recyclable Materials	- Recycled plastics: Adoption rate increased from 50% in 2023 to over 70%. - Recycled metals: Adoption rate increased from 50% in 2023 to over 60%.
Manufacturing	Efficient Manufacturing	- Design improvements: Product design simplification reduces assembly processes and improves production efficiency and yield rate. - Production efficiency improvement: Introduction of automated fixtures to enhance manufacturing efficiency.
Logistics	Packaging Reduction	- Packaging reduction: Based on environmental considerations, recommend product retail packaging design concepts to customers to reduce packaging volume, and provide related information for customers to evaluate feasibility. - Packaging material recycling (TRAYs, cartons): TRAY IC types recycled at 100%, and other carton TRAYs recycled by suppliers upon delivery at 70%. - Currently, cooperation with customers has achieved the use of FSC (Forest Stewardship Council) certified recycled paper materials in 60% of product packaging.
Usage Phase	High-Performance Products	- Compared with mobile phones and tablets, e-readers offer significantly longer standby time with lower power consumption, with an average standby time of about 20 days, and average continuous usage of about 7 days. - Use of color panels and enlarged battery capacity with increased R&D investment in power-saving modes ensures that both enterprise customers and end users can enjoy user-friendly visual performance with optimized panel colors. - New product chip functions continue to improve, with better CPU specifications and smoother product operation.
	Product Repair	Netronix Inc.'s German subsidiary has established a machine repair center to handle general defective product repairs. In addition, ODM customers provide consumers with the option to directly purchase replacement parts for self-repair, such as e-reader screens, motherboards, and batteries.
Social Contribution	Social Contribution	- Reducing waste of environmental resources: - A 32GB e-reader can store approximately 30,000 to 40,000 books. - An electronic baggage tag in good condition can be reused for five years, reducing the use of traditional paper-based baggage tags. - Optimizing user reading experience: - E-readers significantly reduce blue light exposure to the eyes, promoting a more comfortable reading experience.

Intellectual Property Rights Management

Netronix Inc. places great importance on the Company's R&D cycle, and manages intellectual property within the R&D audit documentation, with the establishment of the "Patent Application Operating Guidelines." Additionally, Netronix holds a D-U-N-S® number certification (Code: 65-748-7919) and is aligned with the global supply chain; therefore, a well-established intellectual property management framework is a fundamental requirement.

In recent years, Netronix has actively expanded patent applications for e-paper products to strengthen product competitiveness and provide customers with a wide range of product options.



Trade Secrets Management

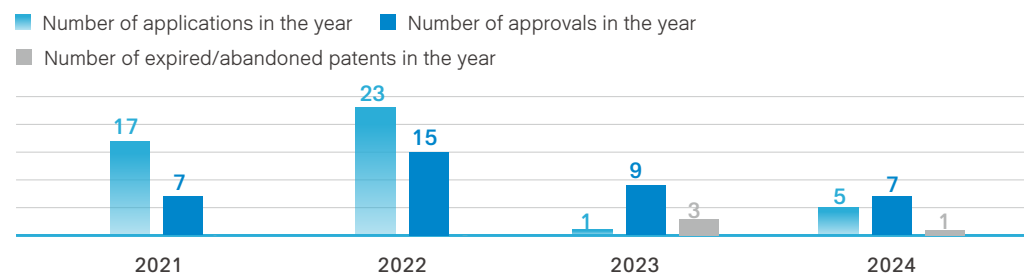
- "Documented Information Management Regulations," "Technical Data Control Standard," and related information security regulations have been established to protect the Company's sensitive information. Design documents are centrally managed in the document center with controlled access permissions. Non-disclosure agreements are signed with both customers and suppliers.

Patent Management

- The "Patent Application Operating Guidelines" have been established to regulate patent management procedures. Patent types include Utility Models, Design Patents, and Invention Patents, with coverage in Taiwan, the United States, Mainland China, and Japan.
- Employees may apply for patents in accordance with the "Patent Application Operating Guidelines." Upon approval and patent certificate acquisition, the Company awards bonuses to encourage innovation. In 2024, employees submitted 5 patent proposals.
- As of 2024, the cumulative number of approved patents reached 44, with 7 patents approved in 2024.

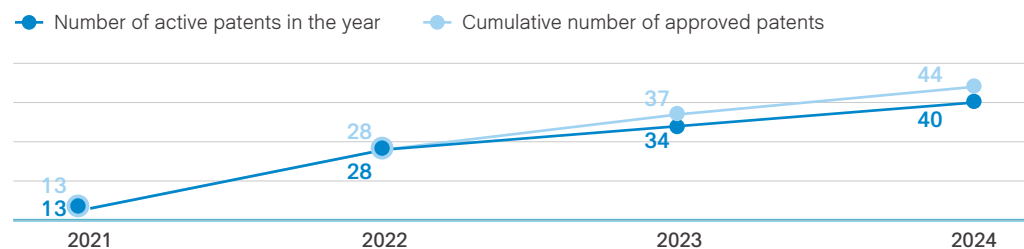
Historical Patent Applications

Historical Number of Applications, Approvals, and Active Patents



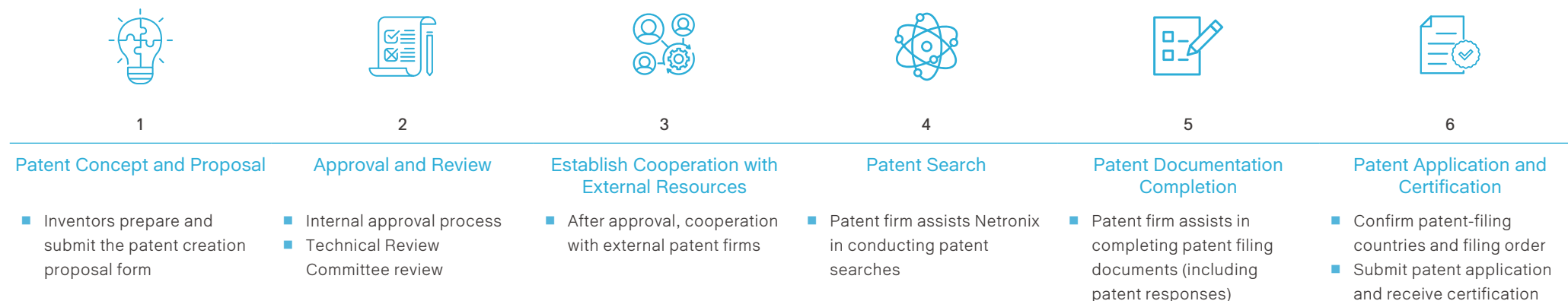
Historical Patent Applications

Historical Number of Applications, Approvals, and Active Patents



Note: Active patents in the year = active patents in previous year + approvals in the year - expired/abandoned in the year.

Patent Management Procedures



Trademark Management

To meet product sales and operational needs, trademark applications are filed domestically and internationally. Future trademark registration decisions for new market entries will be evaluated based on operational conditions to ensure comprehensive trademark protection.

Item	Description
MobiScribe (Product Trademark)	Trademark registered in Taiwan and the United States for proprietary e-reader products.
ULANI (Product Trademark)	Trademark registered in Taiwan and Europe for e-paper-related products.



3.2 Customer Service

GRI 416-2

Customer Service

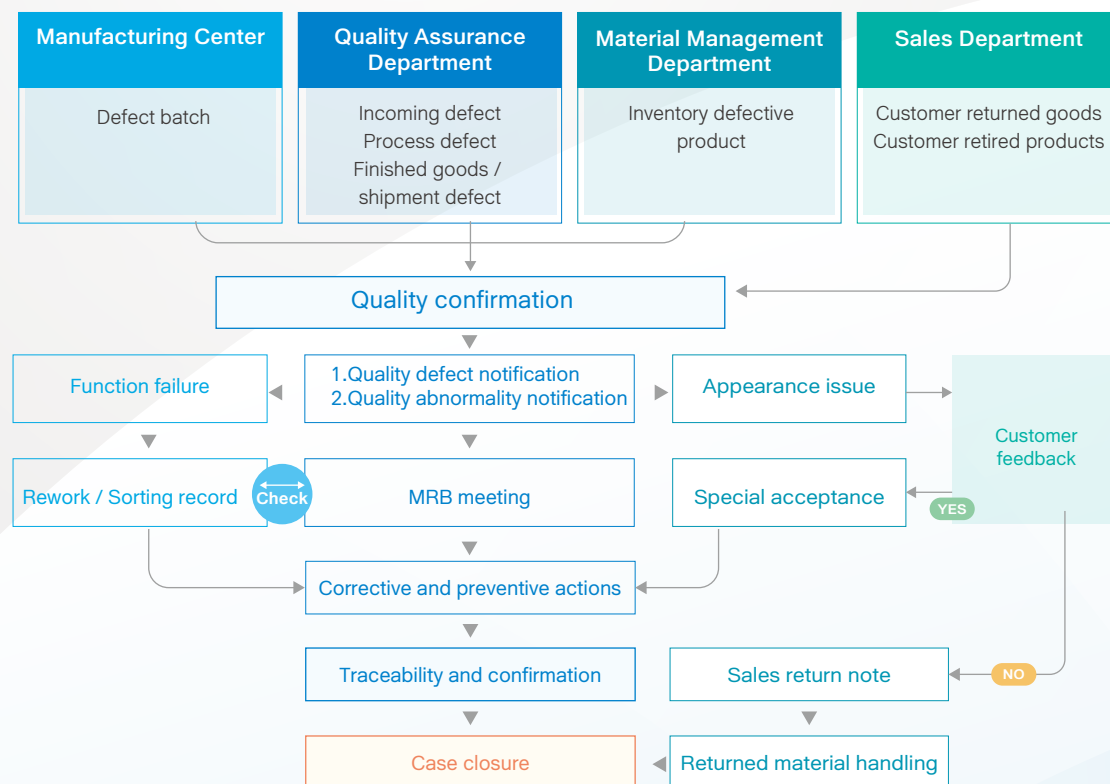
Netronix Inc. values customer feedback. Upon receiving customer comments or complaints, the Sales Unit follows the "Nonconforming Product Handling Procedure." Relevant departments determine defect symptoms and classify nonconforming products (functional defects or appearance issues), then convene a Material Review Board (MRB) meeting to confirm the handling method (e.g., rework / sorting / special acceptance). Internal review is then conducted and corrective and preventive actions are proposed, followed by continuous tracking until closure, to continuously enhance customer relationship management. In 2024, we set a DOA (Dead On Arrival) return rate target of 0.2%, and the actual return occurrence rate was 0%, achieving the annual goal. There were no incidents of violations concerning product and service information and labeling in 2024.



Customer Service Process



I Nonconforming Product and Customer Complaint Handling Process

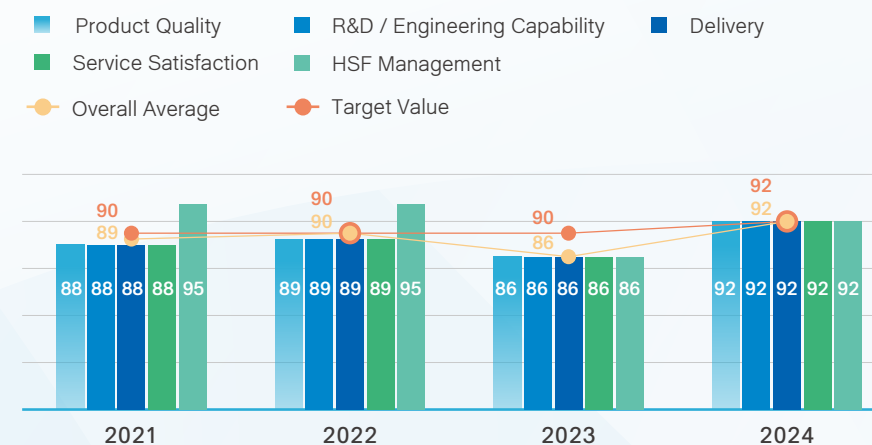


Note: Rework = reprocessing through the workflow again; Sorting = separating good and defective products; Special acceptance = conditional approval

Customer Service Satisfaction

Netronix Inc. adopts different communication methods and frequencies depending on customer product characteristics, region, and order volume. The Company's main customers are located in Asia, Europe, and North America. In order to better understand customer needs, bring greater value to customers, and provide higher-quality services, customer satisfaction surveys are conducted once a year. The survey recipients are determined through discussion by the Sales Unit based on practical conditions. In 2024, 1 customer was surveyed, with a 100% response rate, and the satisfaction score was 92.

Historical Customer Satisfaction Survey



3.3 Quality Management

Quality Management System

Since 2000, Netronix Inc. has obtained ISO 9001 Quality Management System certification. In accordance with the ISO 9001 framework, Netronix has established a comprehensive quality management mechanism to continuously enhance quality through its three quality management objectives: "Innovation," "Quality," and "Satisfaction." Regular internal and external quality audits and quality management meetings are conducted every year to ensure the effective operation of the quality management system.

Netronix holds weekly quality meetings to review quality objectives and propose corresponding corrective actions to ensure effective system operation. In 2024, annual targets were set for incoming material, production line, and customer service quality: incoming yield rate 99.8%, final product pass rate 99.9%, and DOA return rate 0.2%. The actual performance results were 99.73%, 99.97%, and 0% respectively. Root cause analysis and improvement actions have been carried out for the incoming yield rate result, while the other quality plans achieved the annual targets.

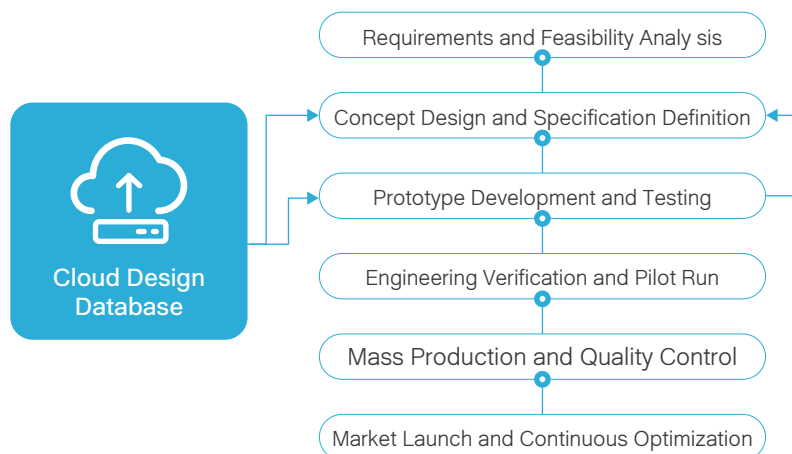
Product Management Process

▮ Quality Management for New Product Development

To provide customers with the best product quality, Netronix conducts Engineering Verification, Design Verification, and Production Verification during new product development. After validation and testing stages are completed, products officially enter mass production and are launched into the consumer market.

	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05
Stage	New Product Project Initiation	Engineering Verification Test	Design Verification Test	Production Verification Test	Mass Production Stage
	New Product Design Quality Management			Existing Product Management	
Content	Project initiation and evaluation of component availability.	New product development and debugging tests based on customer specifications.	Confirm whether the validated design complies with EMC, reliability, environmental regulations, and whether production line yield rates can be achieved	Confirm the yield rate and stability for mass production.	Weekly monitoring of production yield to ensure continuous improvement in product quality.
Responsible Units	R&D Department	R&D Department	R&D Department	Quality Assurance Department	Quality Assurance Department
	Market Development Department		Quality Assurance Department	Manufacturing Center	Manufacturing Center
	Manufacturing Center		Manufacturing Center		

I New Product Development Design Quality Management Process



I Existing Product Quality Management

Mass production products go through strict control mechanisms. Incoming raw materials are inspected based on the Vendor Part Approval Form (VPAF). Qualified materials are warehoused. During SMT production, components are controlled through the production management system to prevent misfeeds. Solder paste thickness is inspected 100% using a solder paste inspection machine. After PCBA component mounting, functional testing is performed before assembly.

The QA unit conducts random inspections on machine parameters and verifies whether operators follow SOPs. If nonconformities are found, production rework is required. Qualified products are warehoused. Before shipment, product shipment accuracy is confirmed against order information.

I Product Control Flowchart



Quality Projects

2024 Project Name	Purpose	2024 Effectiveness
Improvement of appearance defects on semi-finished products	Reduce appearance damage caused by transportation	Defect rate caused by transportation decreased from 3,140 ppm to 803 ppm

4

Operational Governance

- 4.1 Corporate Governance
- 4.2 Tax Governance
- 4.3 Ethical Management
- 4.4 Information Security
- 4.5 Supply Chain Management



4.1 Corporate Governance

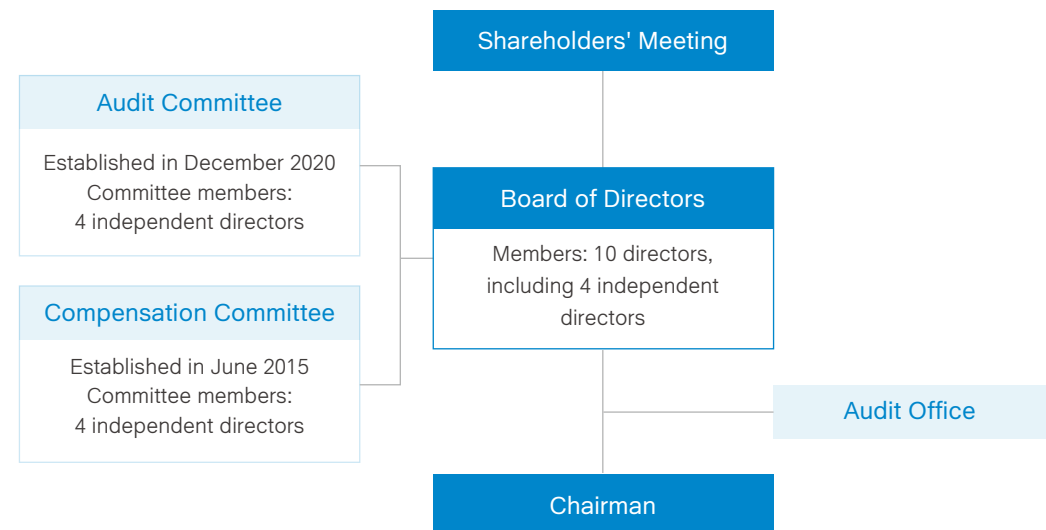
GRI 2-9 GRI 2-10 GRI 2-11 GRI 2-15 GRI 2-16 GRI 2-17 GRI 2-18 GRI 2-19 GRI 2-20 GRI 2-21 GRI 2-24 GRI 2-27 GRI 205-2 GRI 405-1 GRI 416-2 GRI 417-2

Board Composition

The Board of Directors is the highest governance body of Netronix Inc. The nomination and election of Board members follow the "Director Election Procedure," adopting a public and fair candidate nomination system. Board elections consider the overall configuration of the Board, ensuring member diversity. The Company establishes diversity policies based on its operational characteristics, business type, and development needs, including gender, age, and nationality, as well as professional expertise such as professional background, skills, and industry experience. In 2024, the board consisted of 10 members, including 4 independent directors (40% of the total board seats, with 10% female representation). Through a more diverse Board composition, Netronix aims to bring in broader perspectives and enhance Board independence.

To strengthen corporate governance, Netronix has appointed a Corporate Governance Officer, currently served by the Deputy Director of the Finance Department, who actively promotes and improves corporate governance-related tasks.

Governance Structure





Responsibilities and Operations of Board of Directors

 Board of Directors	■ The Board of Directors is responsible for guiding the company’ s strategy, addressing important proposals and key issues such as economic, environmental, social, and risk management, supervising the executive management team, and being accountable to the company and its shareholders. The board ensures compliance with laws and the company’ s articles of incorporation ■ 9 meetings were held in 2024, with 90% actual attendance rate.
 Audit Committee	■ The Audit Committee is responsible for establishing and revising internal control systems and assisting the board in overseeing the quality and integrity of the company’ s accounting, auditing, financial reporting processes, and financial controls. ■ The current Audit Committee consists of 4 independent directors, meeting the qualifications of professionalism, independence, work experience, and the number of independent directorships held, as required by the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." ■ 8 meetings were held in 2024, with 97% actual attendance rate.
 Compensation Committee	■ The Compensation Committee is responsible for formulating and reviewing performance evaluations and compensation policies, systems, and standards for directors and managers ■ The current Compensation Committee consists of 4 independent directors, providing independent recommendations on compensation. The committee meets at least twice a year to review and ensure the competitiveness and reasonableness of compensation. ■ 5 meetings were held in 2024, with 95% actual attendance rate.

Note: Communication between independent directors and internal audit supervisors during Audit Committee meetings is detailed in the Netronix 2024 Annual Report.

Board Diversity

Board Diversity Goals	
Management Objectives	Achievement Status
At least three independent director seats.	Achieved
No more than one-third of directors may concurrently serve as executives at Netronix.	Achieved
No more than two directors may have spousal or second-degree familial relationships.	Achieved
At least one female director.	Achieved

Implementation of Board Member Diversity

Title	Chairman	Director					Independent Director			
Name	Tsung Shu-Fu	Lu Jin-De	Lu Rong-Jie	Liu Hong-Yang	Ke Jia-Cheng	Lu Shao-Lun	Wang Chang-Bin	Wu Hong-Hui	Huang Zhi-Wen	Luo Yan-Fen
Gender	M	M	M	M	M	M	M	M	M	F
Age	61~70	61~70	71~80	71~80	41~50	31~40	61~70	61~70	51~60	61~70
■ Professional Knowledge and Skills										
Industry Background	●	●	●	●	●	●	●	●	●	●
Academic Research							●	●		●
Marketing	●	●	●	●	●	●			●	
■ Abilities										
Operational Judgment	●	●	●	●	●	●	●	●	●	●
Accounting and Financial Analysis	●	●	●	●	●	●	●	●	●	●
Management and Leadership Skills	●	●	●	●	●	●			●	
Crisis Management	●	●	●	●	●	●	●	●	●	●
Industry Expertise	●	●	●	●	●	●	●	●	●	●
Global Market Perspective	●	●	●	●	●	●	●	●	●	●
Leadership Capability	●	●	●	●	●	●	●	●	●	●
Decision-Making	●	●	●	●	●	●	●	●	●	●
■ Concurrent Roles as Senior Executives										
Employee Status	●	●	●	●		●				
■ Functional Committees										
Audit Committee							●	●	●	●
Compensation Committee							●	●	●	●

Note: 1. All members of the 10th Board of Directors at Netronix are citizens of the Republic of China (Taiwan). Tsung Hsu-Fu, Lu Rong-Jie and Liu Hong-Yang are employees of subsidiaries.

2. Term of the 10th Board of Directors: June 7, 2024, to June 6, 2027.

3. Board members possess diverse backgrounds, including ESG expertise, with skills in operations, management, accounting, and industry-related abilities, covering competencies related to organizational impact.

Key Issues Communication

Most of Netronix's board members also serve as part of the company's senior management team, facilitating regular communication and the sharing of important company reports and information.

- **Audit Office:** The internal audit supervisor reports the status of internal audits to independent directors at each quarterly Audit Committee meeting (7 times in 2024). In cases of significant anomalies, meetings may be convened at any time.
- **Finance Department:** Prior to each quarterly board meeting, relevant financial information is provided to board members for reference (4 times in 2024).

Conflict of Interest

- The board adheres to the "Regulations Governing Procedure for Board of Directors Meetings" to ensure that board discussions and decisions follow proper procedures and rules. Board members are required to recuse themselves when facing conflicts of interest, ensuring fairness, honesty, transparency, and compliance with legal regulations. The annual report discloses any conflicts of interest related to board discussions, including the names of the directors involved, the subject matter, and the reasons for the conflict.
- Additionally, information related to cross-shareholdings with stakeholders, the existence of controlling shareholders, and related party transactions are disclosed in the annual report to avoid or mitigate potential conflicts of interest. In 2024, there were 11 cases of conflict-of-interest recusal, as detailed in Netronix's 2024 Annual Report on "Corporate Governance."

Board Training

Netronix provides annual training courses for board members to enhance their overall knowledge of compliance, economic, environmental, and social issues. In 2024, board training topics included "Corporate Governance, Climate Change, Risk Management, ESG Management, Ethical Management, and Industry Trends." A total of 66 hours of training were completed by all 10 directors, achieving a 100% training rate. All directors met the minimum required training hours. For more information on board training, please refer to Netronix's 2024 Annual Report on "Corporate Governance."

Board Performance Evaluation

To implement corporate governance and enhance the functionality of the board, Netronix has established the "Rules for Performance Evaluation of the Board of Directors." An internal performance evaluation is conducted annually for the board, functional committees, and individual board members, with the evaluation results reported to the board as a reference for improving board effectiveness.

In 2024, the self-assessment scores for the board and its members ranged from 4.77 to 4.93 (out of 5). For more details on board performance evaluations, refer to Netronix's 2024 Annual Report on "Corporate Governance." Future plans include incorporating the board's performance in overseeing the organization's management of economic, environmental, and social impacts.

Compensation Policy for Senior Executive

According to Article 16 of the "Articles of Incorporation," Netronix may provide compensation to its directors for their duties, regardless of the company's profits or losses. The compensation is determined by the board based on the directors' involvement in the company's operations and considering industry standards. In the future, Netronix plans to introduce a compensation mechanism linked to ESG management contributions.

The compensation package for directors includes independent director remuneration, attendance fees, and director compensation. Independent directors receive a fixed monthly fee and do not participate in the distribution of director compensation. Attendance fees are paid based on board meeting participation, and director compensation (excluding independent directors) is allocated based on Article 19 of the "Articles of Incorporation." If the company has profits for the year, up to 3% may be allocated as director compensation, as reviewed by the Compensation Committee and approved by the board.

The compensation for the President and Vice Presidents includes salary, bonuses, special allowances, and employee compensation. It is determined based on industry salary levels for the position, the scope of responsibilities within the company, contributions to operational goals, and individual performance. The compensation package is reviewed by the Compensation Committee and approved by the board. Additionally, Netronix plans to introduce governance indicators for sustainable development, considering contributions to economic, environmental, and social aspects, to ensure fair compensation.

2024 Ratio of the highest-paid executive's (Vice Presidents) total annual compensation to the total annual compensation of all employees	
Ratio of the highest-paid executive's (Vice Presidents) total annual compensation to the median total annual compensation of all employees	9.37
Percentage growth in the highest-paid executive's (Vice Presidents) compensation compared to the median percentage growth in employee compensation.	-1.06

Internal Audit

Internal audit assists the board of directors and management in reviewing and assessing deficiencies in the internal control system, as well as verifying the effectiveness and efficiency of operations. Timely improvement recommendations are provided to ensure the continuous and effective implementation of internal control systems, serving as a basis for reviewing and amending internal controls.

Netronix has established an independent audit unit (Audit Office) under the board of directors. The unit is headed by a dedicated chief auditor. The appointment and removal of the internal audit supervisor are approved by the Audit Committee and submitted to the board of directors for resolution. The appointment, evaluation, and remuneration of internal audit staff are handled in accordance with Netronix's "Regulations for the Appointment, Evaluation, and Remuneration of Internal Audit Staff," and are submitted by the chief auditor to the chairman for approval. Evaluations are conducted annually.

Internal Audit Plan

1. Based on risk assessment results, an annual audit plan is formulated and submitted to the Audit Committee and the board of directors for approval.
2. Auditing activities are carried out in accordance with the approved annual audit plan. Completed audit reports are submitted to independent directors for review.
3. The internal audit team reports on audit execution at Audit Committee and board meetings (at least once per quarter).

Internal Audit Training

Course Title	Number of Participants	Training Hours
How to Use Excel Functions to Improve Audit and Financial Efficiency – Practical Workshop	1	6
Analysis of “Sustainability Information Disclosure Policy” and Key Areas of Internal Control & Internal Audit	1	6

Incorporating Sustainability Information Management into Corporate Internal Control

In accordance with applicable regulations issued by the Financial Supervisory Commission (FSC), Netronix Inc. added the "Procedures for the Preparation and Assurance of Sustainability Reports", Internal Control System: "Sustainability Information Management Procedures", and Internal Audit Guidelines: "Audit of Sustainability Information Management". Additionally, the sustainability information management audit items have been included in the annual audit plan. All aforementioned items have been approved by the Audit Committee and the Board of Directors.

Regulatory Compliance

In 2024, there were 2 government fines related to labor and environmental regulations, totaling NT\$26,000. Other than these, Netronix Inc. had no major violations (fines exceeding NT\$1,000,000) related to economic, environmental, or social matters in 2024.

Year	2024		2023
Item	1	2	1
Violated Regulation	Article 17 of Labor Occupational Accident Insurance and Protection Act	Article 31, Paragraph 1, Subparagraph 1 of Waste Disposal Act	Article 32, Paragraph 2 and Article 36, Paragraph 1 of Labor Standards Act
Date of Penalty	2024 / 12 / 19	2024 / 01 / 16	2023 / 01 / 13
Case Description	Failure to notify insured employees of wage adjustment within the prescribed time	Discrepancy between waste reporting and actual output	Overtime exceeding legal limits
Amount	20,000	6,000	100,000
Corrective Actions	Netronix Inc. will adjust insured wages before the end of February and August each year.	A qualified waste disposal service provider has been commissioned to assist with reporting.	Netronix Inc. has strengthened control of excessive overtime and hired additional production line workers to reduce working hours.

Note: 1. Statistics for regulatory violations are based on the date of penalty.

2. Major violations are defined in accordance with the "Taipei Exchange Procedures for Verification and Disclosure of Material Information of Companies with TPEX Listed Securities" by the Taipei Exchange.

4.2 Tax Governance GRI 207-1

Netronix upholds a comprehensive tax risk management system, committed to transparency and sustainable development, while supporting government tax incentive policies.



Tax Policy

- Compliance with Laws: Adhere to all relevant tax laws and regulations in operating locations, accurately calculate tax liabilities, and file and pay taxes within the required deadlines.
- Information Transparency: Disclose all necessary tax information in financial statements to meet tax laws, regulations, and applicable accounting standards.
- Reasonable Tax Planning: Utilize tax deductions and incentives in operating locations to reduce the company's tax burden without engaging in tax avoidance or planning transactions solely in low-tax countries.
- Establish Communication Channels: Regularly communicate with tax professionals to ensure that the company's tax policies comply with local tax laws and regulations. Maintain a respectful and transparent relationship with tax authorities based on integrity.
- Tax Governance and Risk Management: Major business decisions comply with relevant laws and regulations, with assessments of tax risk impacts.
- Adhere to the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations: Establish related-party transaction principles in accordance with transfer pricing rules and ensure compliance with standard practices.

Tax Risk Management

- Ensure the compliance of the company's financial status, tax risk management, and adherence to legal requirements through the effective functioning of the internal audit system.
- Conduct risk assessments for items that may involve tax and legal risks, and implement corresponding risk control measures.
- Actively comply with local laws and regulations and promptly update and adjust the company's tax strategies and related policies.

Tax Payment Status

Unit: NT\$ thousands

		2021	2022	2023	2024
Consolidated	Pre-tax profit and loss (A)	378,263	607,553	821,309	991,752
	Income tax expense (B)	89,425	141,088	196,304	203,417
	Reported effective tax rate (B) ÷ (A)	23.64%	23.22%	23.90%	20.51%
	Paid income tax (D)	71,886	93,439	158,142	272,025
	Cash effective tax rate (D) ÷ (A)	19.00%	15.38%	19.25%	27.43%
Taiwan	Pre-tax profit and loss (A)	321,167	507,242	789,393	1,027,434
	Income tax expense (B)	56,944	131,777	175,161	197,205
	Reported effective tax rate (B) ÷ (A)	17.73%	25.98%	22.19%	19.19%
	Paid income tax (D)	58,938	65,373	138,445	251,916
	Cash effective tax rate (D) ÷ (A)	18.35%	12.89%	17.54%	24.52%
Overseas	Pre-tax profit and loss (A)	57,096	100,311	31,916	(35,682)
	Income tax expense (B)	32,481	9,311	21,143	6,212
	Reported effective tax rate (B) ÷ (A)	56.89%	9.28%	66.25%	(17.41%)
	Paid income tax (D)	12,951	28,066	19,697	20,109
	Cash effective tax rate (D) ÷ (A)	22.68%	27.98%	61.72%	(56.36%)

Note: Reported effective tax rate = Income tax expense for the year ÷ Pre-tax profit and loss for the year; Cash effective tax rate = Paid income tax for the year ÷ Pre-tax profit and loss for the year



4.3 Ethical Management

GRI 2-23

GRI 2-25

GRI 205-2

Integrity Policy

Netronix Inc. upholds the principle of "Integrity and Practicality." All directors and managerial officers have 100% signed the "Statement of Compliance with Ethical Corporate Management Policy."

The "Work Rules" clearly stipulate that employees must not misuse the company's name to engage in activities that could harm the company's interests or reputation. Additionally, employees must not directly or indirectly use their positions to accept gifts or invitations from others, nor engage in improper gain activities. These policies are reinforced through employee education and training, along with the establishment of rewards and disciplinary measures.

Before establishing business relationships with partners, Netronix evaluates the creditworthiness of suppliers, customers, or other transaction parties to avoid dealings with those who have a history of unethical conduct. As of now, 100% of Netronix's (including its subsidiaries) raw material suppliers have signed an Integrity Commitment.

Education and Training Promotion

Netronix requires all employees to adhere to the Ethical Management guidelines. In 2025, Netronix plans to provide Ethical Management training to all new hires in Taiwan and 60% of indirect employees, and will continue to promote training on Ethical Management and anti-corruption policies.

Grievance Mechanism

Internal Grievance Mechanism	■ Physical Suggestion Box	- Policy or Guidelines: "Suggestion Box Management Guidelines". - Communication/Grievance Channel: Physical suggestion box located in the company cafeteria. - Handling Process: If any employee submissions are received, the highest executive of the Administrative Support Department will process them within one week. The entire process is confidential, and the results are reported to the President. - In 2024, no physical complaints or letters were received.
	■ Ethical Management Communication/ Grievance Channel	- Policy or Guidelines: "Procedures for Handling Reports of Illegal, Unethical, or Dishonest Acts". - Communication/Grievance Channel: Internal employees can use the Chairman's mailbox or HR mailbox to communicate with the Chairman or the highest executive in Human Resources. - Handling Process: The Administrative Support Department conducts the investigation and completes a report. Once the facts are established, the case is forwarded to the Personnel Review Committee for further action. The grievance cases are handled confidentially to ensure fair and efficient resolution. - In 2024, no Ethical Management related events occurred.
External Grievance Mechanism	■ Whistleblowing Mailbox	- Available on the company website under "Anti-Corruption" at ethic@netronixinc.com
	■ Responsible Department	- Managed by the Finance Department's senior executive
	■ In 2024, no ethical management or fraud reports were received.	

4.4 Information Security

Information Security Management Policy

To enhance the company's information security management, Netronix continually improves the security management of hosts, network equipment, and network communications. This approach effectively reduces risks to information assets caused by human error, malicious intent, or natural disasters, ensuring the confidentiality, integrity, and availability of data processing. Since 2024, Netronix has obtained ISO 27001:2022 certification through external verification.

Information Security Policy

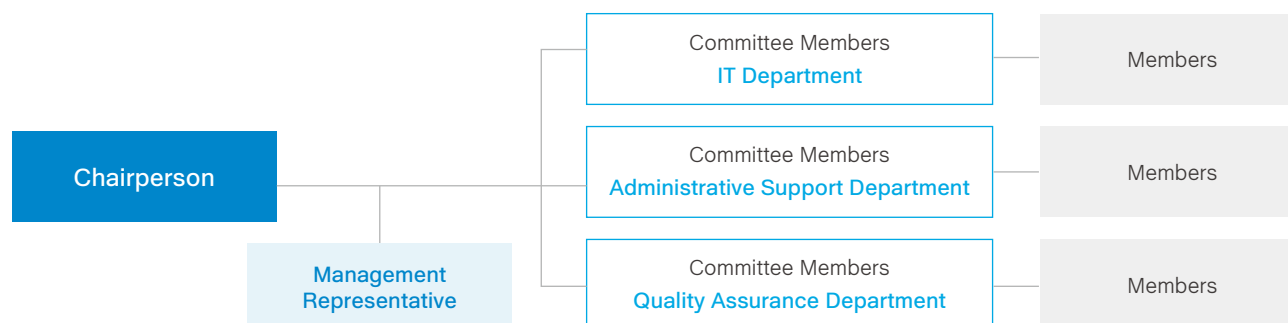


Information Security Governance Organization

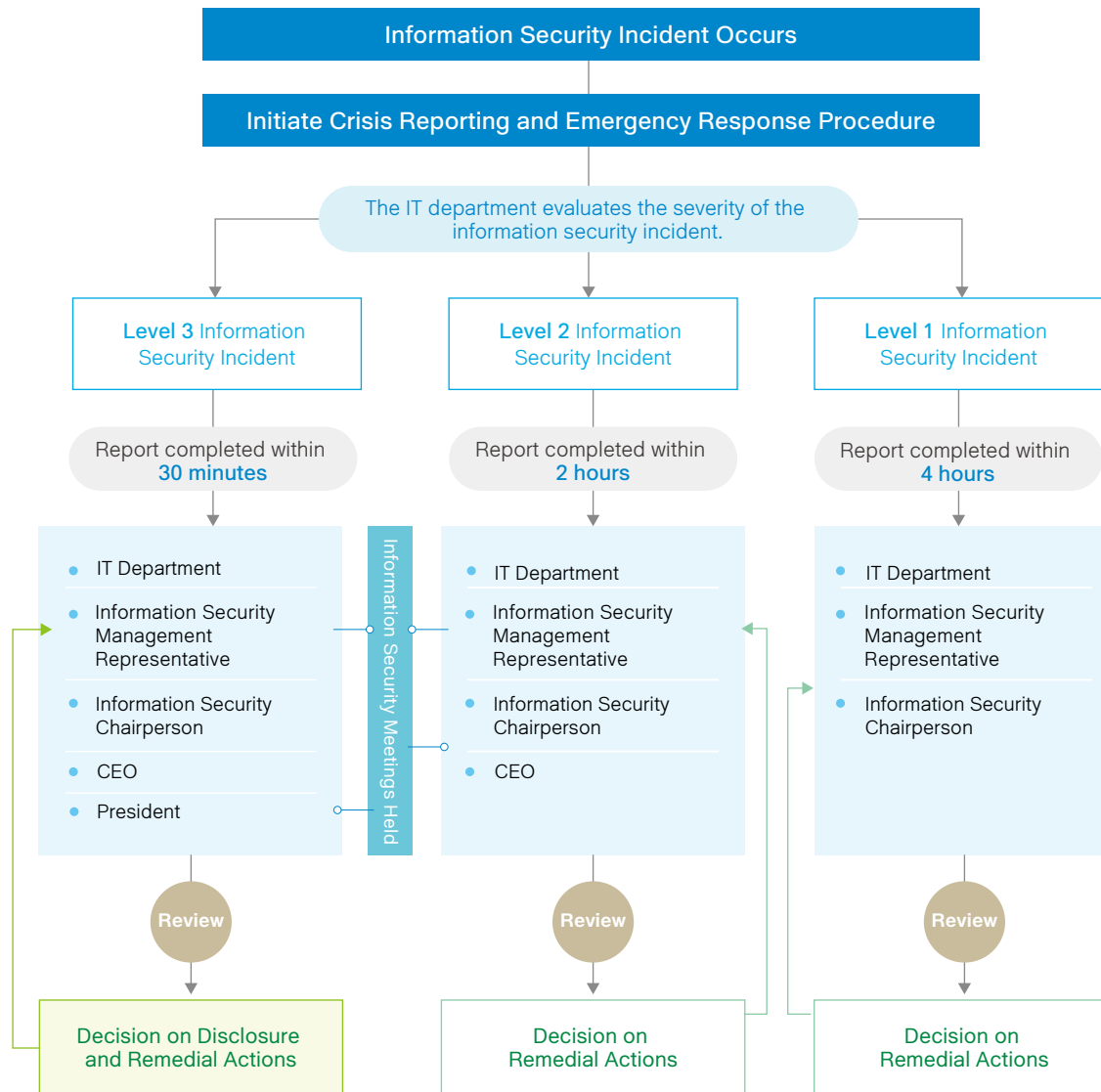
Since 2022, Netronix Inc. has established the "Information Security Management Committee" (referred to as the Committee). The Chairperson of the Board appoints the IT Department Head as the Chairperson of the Committee, responsible for approval of policies and objectives related to the Company's information security management system, as well as acquisition, allocation, coordination, and supervision of relevant resources. The Chairperson also appoints the IT Department Head as the Management Representative, responsible for coordinating and reviewing the establishment, implementation, and maintenance of information security standards and resource allocation. The Committee consists of implementation members from the IT Department, Administrative Support Department, and the Quality Assurance Department, who are responsible for reviewing and planning information security management system initiatives and promoting implementation plans. The Committee convenes ISO 27001 management review meetings at least once per year to discuss cybersecurity-related topics and objective items, formulate internal information security awareness announcements, and continuously enhance employees' cybersecurity awareness.

To strengthen the company's information security management mechanism, in line with the Financial Supervisory Commission's amendment to Article 9-1 of the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" on December 28, 2021, Netronix has appointed one dedicated information security officer and one dedicated information security personnel by the end of 2023 to enhance the company's information security protection capabilities.

Organizational Structure of Information Security Management Committee



Information Security Incident Reporting Mechanism



Note: 1. Level 3 Incident: Any of the following conditions are met:

- (1) Highly confidential information is leaked.
- (2) Core business systems or data are severely altered.
- (3) Core business operations are impacted or systems are down and cannot resume normal operations within the tolerable downtime.

2. Level 2 Incident: Any of the following conditions are met:

- (1) Confidential-level information is leaked.
- (2) Core business systems or data are slightly altered.
- (3) Core business operations are impacted, or system efficiency is reduced but can resume normal operations within the tolerable downtime.
- (4) Non-core business operations are impacted, or system efficiency is reduced and cannot resume normal operations within the tolerable downtime.

3. Level 1 Incident: Any of the following conditions are met:

- (1) Internal-use information is leaked.
- (2) Non-core business systems or data are altered.
- (3) Non-core business operations are impacted, or system efficiency is reduced but can resume normal operations within the tolerable downtime.
- (4) Core business operations are impacted or experience a brief interruption.

Information Security Risk Management

Netronix conducts analyses of its organizational environment and the needs and expectations of stakeholders, as well as an inventory of its information assets. Based on these analyses, the company carries out identification and assessment of information security risks to identify opportunities for improvement and reduce information security risks to business operations. In 2024, there were no information security incidents.



▮ Risk Assessment

Process	Content	Responsible Units
1	Identify and manage stakeholders related to the management system.	Risk Management Committee
2	Collect internal and external information security issues and stakeholder concerns.	Risk Management Committee
3	Determine risk levels based on the risk assessment results.	Risk Management Committee
4	For major risks, set objectives and plan risk mitigation measures.	Relevant Units
5	Approval.	Senior Management (President)
6	Implementation.	Relevant Units
7	Regular review of the achievement of objectives.	Risk Management Committee
8	Management review.	Senior Management (President)

▮ Risk Scenarios and Responses

Information Security Risks in 2024		Planned Risk Mitigation Actions for 2025
Insufficient software licensing	■ Violation of intellectual property rights affecting business reputation.	■ Renew software licenses every six months.
	■ Insufficient licensing may cause operational interruption.	
Windows Server, Office EOS	■ Vulnerabilities cannot be patched, increasing risks of data leakage and attacks that may cause system failure.	■ Schedule and execute system upgrades.
Uncontrolled mobile devices causing virus spread and system abnormalities	■ Lack of appropriate management mechanisms or operational procedures.	■ EDR / MDR protection systems have been implemented. ■ Information security policy awareness promotion.
Firewall (OA) hardware not meeting operational needs	■ Firewall device is outdated and needs replacement.	■ Evaluate replacing existing equipment with new devices featuring complete cybersecurity functions.

Information Security Management Measures

Type of Management Measure	Content
Personnel Management	- Manage user behavior in accordance with ISO 27001 requirements. - Management of portable IT devices: restrictions on external computer network access.
Data Management	- Data classification: Classified according to information asset management procedures into Top Secret, Confidential, Internal, and Public. - Data backup: Managed according to the "Information Data Backup Cycle Overview Table" and "Off-site Backup Retrieval and Return Record Form."
System Management	- Access control: Quarterly password changes, periodic permission review. - Monitoring / Anti-virus management: vulnerability scanning and anti-hacking systems. - Management of development environment: in accordance with ISO 27001 system development and maintenance procedures.
Physical Management	Equipment control: access control of data center and office areas; mobile device control.
Hardware Protection	Strengthen hardware protection: firewall, fire protection management, temperature and humidity control, UPS, emergency generator, hardware warranty.
Network Security Management	- Management of administrator privileges and network users. - Domain authentication, certificate management, network segmentation control. - Data exchange management. - Social engineering: 2024 cybersecurity awareness promotion and one social engineering drill conducted. - Endpoint Detection and Response (EDR).
Inventory and Audit	Conduct internal audits and cybersecurity inspections at least once per year.
Contingency Plan	- Disaster recovery drills for production systems, ERP systems, databases, and power, with recorded traceability. - Annual disaster response drills: In 2024, the scenario assumed power failure in the data center causing server damage; post-exercise review completed with recorded traceability.

Execution Items	2024 Result
Information security policy awareness	Conducted 4 sessions
Firewall configuration compliance with network security procedures — less than 2 non-conformities per year	0 non-conformities
Cybersecurity training for personnel with AD accounts — at least once/year; attendance rate ≥ 90%	Attendance rate above 90%
Information asset inventory, update, and evaluation — at least once/year	Updated 2 times
Account deletion or deactivation for resigned/retired employees on the last working day — less than 5 non-conformities/year	0 non-conformities
VPN encryption certificate validity — less than 1 non-conformity/year	0 non-conformities
External network disconnection — maximum 4 times/year, each ≤ 24 hours	0 non-conformities

Execution Items	2024 Result
Data breach incidents per year	■ 0 cases
Recurrence of identical cybersecurity incident — less than 2 times/year	■ 0 cases
Cybersecurity events affecting business continuity — less than 1 time/year	■ 0 cases
Availability rate of MES, BPM, ERP systems of 99.90 – 99.95%	■ Achieved 100%
Compliance with legal/regulatory requirements during business operations — zero non-conformance/year	■ 0 cases
Handling of threat intelligence within 3 days — zero non-conformities/year	■ 0 cases
Cloud service availability ≥ 99.95%	■ Achieved 100%
Cybersecurity training and awareness	■ Training participation rate 100%

Product Information Security

Identification and Handling of Product Information Security

- To reduce the risk of information system breaches, Netronix Inc. ensures the effectiveness of its ISO 27001 management system to mitigate potential risks of theft, tampering, damage, or leakage of confidential corporate information, patents, and R&D data.
- Information security risks for e-reader products: Risks relate to end users connecting the product with external digital devices (e.g., mobile phones, computers, tablets). Malware-infected devices may cause information security risks for e-readers. Beyond such scenarios, the inherent information security risks of e-readers are extremely low.
- Products manufactured by Netronix on behalf of its customers (OEM/ODM): Primary responsibility for product information security lies with the customers. Netronix does not engage in original system or software development; software provided by customers is only installed in the product and validated through checksum verification to ensure software version accuracy.
- Information security control for Netronix's own e-reader products:
 - During software development, a "software repository" is used to manage documentation of every development, revision, and enhancement. The Software Manager under the R&D Division verifies correctness, and a preliminary testing version is approved and installed on testing units.
 - The Design and Quality Assurance Department verifies the functional accuracy of software fixes/updates based on testing plans.
 - Following software installation in mass production, the Manufacturing Execution System (MES) records and tracks product history (e.g., production date and serial number).
 - During product development, encryption mechanisms for login and logout are implemented at both software and hardware levels to enhance information security.



4.5 Supply Chain Management

Disclosure Topic: Supply Chain Management

Code	Item	Description
TC-HW-430a.1	Percentage of Tier-1 supplier facilities audited under the Responsible Business Alliance (RBA) Validated Assessment Program (VAP) or equivalent audit programs, by (a) all facilities and (b) high-risk facilities	(a) 20%
		(b) Not further evaluated
TC-HW-430a.2	Tier-1 suppliers' (a) priority non-conformances and (b) other non-conformances: (1) non-conformance rate based on RBA VAP or equivalent audits, and (2) corrective action rate	Only suppliers audited through RBA VAP are included. Due to administrative cost considerations, coverage may be expanded in the future.

Note: 1. A Tier-1 supplier is defined as a supplier engaging in transactions involving raw materials or services directly related to manufacturing.

2. High-risk facilities are defined as facilities scoring 65% or lower in at least one category (Labor, Health & Safety, Environment, Ethics, Management System) in the RBA SAQ, or facilities identified by RBA with priority investigation findings such as child labor, forced labor, bonded labor, RBA-defined critical health and safety issues, RBA-defined critical environmental issues, falsified records, or bribery.

Netronix's supply chain management strategy is built upon sustainable development and customer requirements, covering six major aspects: quality, cost, technology, delivery management, resilience & flexibility, and service. Netronix manages the full process including quality management, supplier sourcing, order collaboration, payment settlement, inventory management, and logistics operations. Netronix regards suppliers as long-term partners and is committed to collaborative efforts and shared growth. The Company prioritizes local supply chains and places equal focus on supplier corporate governance, environmental, and social considerations, jointly driving sustainable development.

Supplier Overview

Considering the variety of suppliers and raw materials used by the company, Netronix categorizes its suppliers into three main types to effectively manage them based on the company's current operations: raw materials (electronic components, mechanical parts, packaging materials), production-related miscellaneous items (production line consumables such as iron, solder paste, gloves, etc.), and general administrative items. This helps in understanding the overall supply chain situation. Suppliers that provide critical materials, such as printed circuit boards (PCBs), CPUs, batteries, displays, or those with sole-source materials like plastics, metals, or co-developed molds, are classified as critical suppliers. In 2024, Netronix had a total of 155 suppliers, including 69 Tier 1 suppliers, and 1 high-risk supplier.

Item	Description
Number of suppliers	Suppliers providing raw materials, production-related items, general administrative services, or other procurement items for the company.
Number of Tier 1 suppliers	Suppliers ranked by annual procurement value, with the top 80% by total procurement amount classified as tier 1 suppliers.

New Supplier Management

New suppliers to Netronix must possess ISO 9001 certification and meet restrictions on hazardous substances and social responsibility requirements. After signing a non-disclosure agreement, a due diligence process is conducted. Suppliers are then evaluated based on quality, cost, R&D capabilities, production capacity, and responsiveness. According to the "Supplier Evaluation Guidelines," suppliers are provided with a self-assessment questionnaire, which Netronix reviews in writing. For suppliers dealing with key components, such as PCBs or environmentally sensitive materials, on-site audits are conducted. In 2024, all 10 new suppliers were 100% selected through the new supplier standard screening process.

					
STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06
Non-Disclosure Agreement	Due Diligence	Evaluation	Audit	Document Signing	Establish Supplier Data
Conduct information exchange and confirmation.	Investigate the supplier's business scope, scale, and financial status.	Evaluate based on five criteria: quality, cost, R&D capability, production capacity, and responsiveness.	Conduct written and on-site audits, covering aspects such as quality, delivery, supply chain, and engineering capabilities. Confirm sustainability-related assessments, such as international certifications (ISO 9001, ISO 14001).	- Suppliers are required to sign a "Social Responsibility Regulatory Compliance Commitment," "Green Product Substance Restriction Commitment," "Social Responsibility and Conflict-Free Minerals Commitment," and "Integrity Commitment." The signing rate is 100%. - Starting from 2025, RBA-related declarations will be investigated and supplemented for existing suppliers.	The supplier becomes a qualified supplier for Netronix and is included in regular management.

Qualified Supplier Manageme

Supplier Quality Management

Netronix conducts biannual quality management evaluations for qualified suppliers (raw material suppliers) across seven key quality assessment categories. The evaluation is rated on a five-tier scale from A to E. If a supplier receives an E rating (below 60 points), a quality review meeting is held, and the Quality Assurance (QA) unit provides on-site guidance if necessary. If no improvement is made, the supplier is categorized as unqualified. In 2024, all 45 qualified suppliers passed the supplier quality management audit with 100% success.

Evaluation Categories	Weight/Scoring
On-time delivery rate	20
Continuous cost optimization	15
Flexibility in delivery scheduling	15
Service attitude and response time	15
Initial Lot Reject Rate (ILRR)	10
Verify Lots Reject Rate (VLRR)	15
After-sales service quality	10

Grade	Corresponding Action	Score
A	Increase order allocation	90-100
B	Maintain order allocation	80-89
C	Maintain order allocation	70-79
D	Reduce order allocation	60-69
E	Non-qualified supplier; quality system access suspended immediately. Supply Chain Management Department notified concurrently. Continued cooperation requires approval by the President.	Below 60

Note: Suppliers rated Grade A to Grade D are considered qualified. Suppliers that receive Grade D twice consecutively or Grade D or below will enter a counseling period. During counseling, incoming quality inspection requires strict testing for 5 batches, and only after all 5 batches pass can normal inspection be resumed.

In 2024, Netronix reinforced its review of the Verify Lots Reject Rate (VLRR) and Initial Lot Reject Rate (ILRR) of raw material suppliers through weekly meetings. Apart from issues with the laser engraving on the top cover caused by poor painting, the defect rate of other key raw materials decreased, reducing rework on production lines and saving man-hours. Additionally, the QA unit conducted monthly written audits of the top three suppliers with the highest ILRR to avoid failing supplier evaluations mid-year and year-end. In 2024, there were no unqualified suppliers.

Supplier ESG Management

To assess the ESG management risks within the supply chain, Netronix issued the RBA Self-Assessment Questionnaire (SAQ) to Tier 1 suppliers for the first time in 2023. The questionnaire covered aspects such as sustainable management risk, legal compliance in material control, climate change, sustainable product design competitiveness, human rights and labor protection, and occupational health and safety. Suppliers were asked to provide relevant supporting documentation. The self-assessment results will serve as the basis for future sustainability risk management.

Supplier Type	Audit Frequency	Audit Results
Tier 1 suppliers (raw material suppliers)	Every six months	- In 2024, 69 suppliers were issued the RBA assessment questionnaire, with 69 responses, achieving a 100% response rate. 100% of suppliers signed the Integrity Commitment.

Note: Only raw material suppliers are audited. Suppliers of production-related miscellaneous items are sourced through wholesalers, so no audits were conducted.

Training Programs

Course Title	Participants	Training Completion Rate
Anti-Corruption	- Netronix Cost Control Center employees - Netronix 1st-tier suppliers	100%
Ethical Management	Netronix 1st-tier suppliers	100%

Local Procurement

Suppliers are key partners in Netronix's operations. To improve production efficiency and reduce transportation carbon emissions, local procurement (Taiwan) is prioritized. In 2024, local procurement accounted for 83.9% of the total procurement.

Region	Total Number of Suppliers			Number of Suppliers Meeting Local Procurement Criteria			Local Procurement Ratio		
Year	2022	2023	2024	2022	2023	2024	2022	2023	2024
Taiwan	143	136	155	129	121	130	90%	89%	83.9%
China	-	-	115	-	-	99	-	-	86%

Note: The percentage of local procurement in Taiwan is calculated based on the amount purchased from Taiwanese local suppliers. The percentage of local procurement in Mainland China is calculated based on the amount purchased from Mainland China suppliers.

Raw Material Risk Management

Netronix regularly conducts risk management for raw materials. In addition to having two supply sources from different regions for critical materials, the company's Cost Control Center regularly updates supply chain demand forecasts to plan production schedules in advance. The Materials Department promptly confirms delivery dates based on orders and emails, accurately controls inventory, and regularly reviews inactive stock and overall safety stock levels.

Disclosure Topic: Raw Material Procurement

Code	Item	Description
TC-HW-440a.1	Description of the management of risks associated with the use of critical materials.	The critical materials used by Netronix include graphite, magnesium, tantalum, platinum, neodymium, and rubidium. To mitigate the risk of sourcing critical materials, the company has established two supply sources from different regions to address potential risks arising from geopolitical issues, regulations, or significant fluctuations in supply prices.

Conflict Minerals Management

Netronix declares that the raw materials used in its products do not contain conflict minerals. We are committed to thoroughly investigating the supply chain to ensure that gold (Au), tantalum (Ta), tungsten (W), tin (Sn), and cobalt (Co) are not sourced from mines in conflict areas of the Democratic Republic of Congo or illegally smuggled by non-governmental armed groups or illegal organizations.

Conflict Minerals Policy

- Implement management procedures to ensure procurement only from certified conflict-free smelters.
- Follow the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.
- Communicate the policy to all suppliers, including subcontractors and suppliers providing materials.
- Require suppliers not to procure from smelters that directly or indirectly benefit armed groups in 3TG (tin, tungsten, tantalum, and gold) mining.

Signing of Conflict Minerals Declaration

In 2024, Netronix requested suppliers to sign the "Declaration of Non-Use of Conflict Minerals in Compliance with Social Responsibility Laws and Regulations." A total of 69 Tier 1 suppliers signed, achieving a 100% signing rate. All mineral sources used in the Company's products are 100% non-conflict mineral areas.

5

Environmental Sustainability

- 5.1 Environmental Management
- 5.2 Climate Strategy
- 5.3 GHG Management
- 5.4 Energy Management
- 5.5 Water Resource Management
- 5.6 Waste Management
- 5.7 Chemical Substance Management

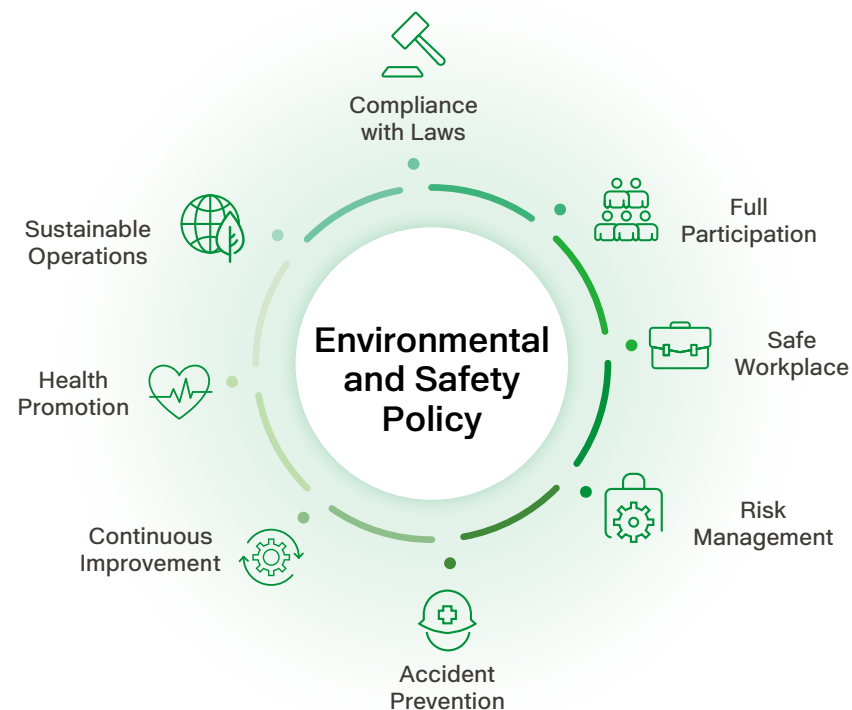


5.1 Environmental Management

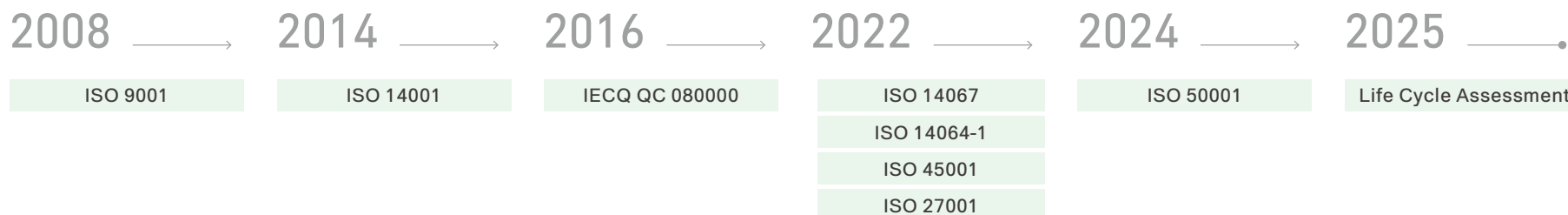
Environmental Policy and Management System

Netronix has obtained ISO 14001 Environmental Management System certification since 2014. In response to global climate change issues, the Company subsequently obtained ISO 14064-1 Greenhouse Gas Inventory verification and ISO 14067 Product Carbon Footprint verification. In 2024, Netronix also introduced the ISO 50001 Energy Management System. Through a systematic approach—including energy inventory, energy consumption analysis, energy-saving actions, and regular reviews and improvements—the Company enhances energy efficiency, achieves energy control, reduces carbon emissions, saves costs, and advances sustainable development.

In addition, in early 2025, Netronix completed Life Cycle Assessment (LCA) and assurance for its products, enabling full understanding of the energy consumption, raw material usage, and GHG emissions generated throughout the production process of e-readers. This assessment further quantifies the associated environmental impacts and identifies opportunities and methods for improvement.



Management System





Environmental Management Principles and Mechanisms

Comply with International and National Laws and Requirements	Strengthen the Balance between Environmental Protection and Corporate Sustainability	Establish and Maintain Environmental, Safety, and Health Management Systems	Regular Review of Environmental, Safety, and Health Management Goals for Continuous Improvement	Establish Energy-Saving and Carbon-Reduction Programs	Promote Greenhouse Gas and Energy Management	Promote Full Participation in Green Environmental and Safety Activities
■ Comply with environmental laws and international conventions ■ Adhere to voluntary commitments related to environmental safety, health, and energy	■ Enhance waste reduction and pollution prevention at the source to achieve green design, production, and operations ■ Reduce air, water pollution, and waste generation	■ Implement an environmental management system integrated into the overall organizational management system to ensure sustained environmental performance ■ Enforce preventive management to ensure a safe working environment, giving employees peace of mind and reassuring customers	■ The company regularly reviews, audits, and assesses to implement improvements ■ Prevent hazards and ensure workplace safety	■ Facility energy-saving programs: optimize parameters of existing equipment and improve manufacturing processes to reduce resource consumption ■ Regular maintenance of facilities to maintain optimal performance ■ Replace outdated equipment in manufacturing facilities ■ Office energy-saving programs: replace old lighting fixtures, gradually reduce electricity consumption at all sites	■ Annual greenhouse gas inventory and external verification at all facilities ■ Carbon footprint inventory and external verification for designated products ■ Regular legal reporting of energy consumption	■ Promote environmental ethics education to enhance environmental awareness ■ Provide safety and health training to factory workers and suppliers entering the site, in accordance with the safety and health management plan

5.2 Climate Strategy

In response to global climate change and in alignment with international low-carbon trends, Netronix initiated an assessment of climate-related risks and opportunities in 2023, using the "Recommendations of the Task Force on Climate-related Financial Disclosures" (TCFD), published by the Financial Stability Board in June 2017, as a reference. This assessment is aimed at establishing management guidelines and developing response measures.

Identification and Assessment of Climate Risks and Opportunities

The "Recommendations of the Task Force on Climate-related Financial Disclosures," issued in June 2017, require companies to effectively manage the risks and opportunities associated with climate change through four core elements: "Governance," "Strategy," "Risk Management," and "Metrics and Targets." In 2023, the primary mission of Netronix's first year of systematic climate governance was to enhance climate risk awareness and implement "Risk Identification" and "Risk Assessment." The steps for this implementation are as follows:

Identification of Risks and Opportunities

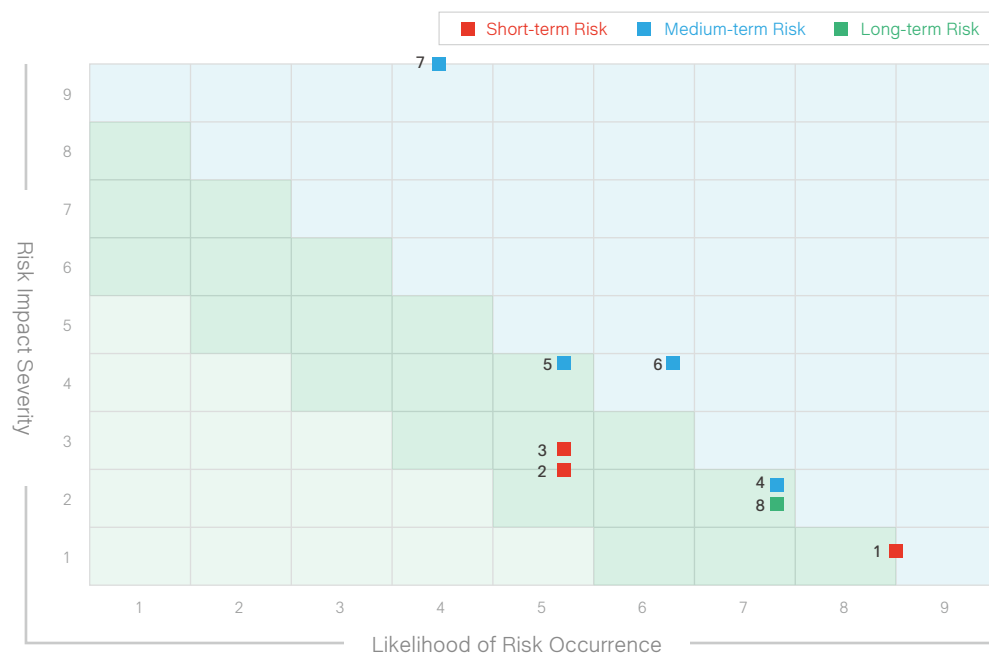
Netronix references several key frameworks and strategies to identify potential risk and opportunity factors associated with the future low-carbon transition. These include the "Taiwan 2050 Net-Zero Emission Pathway and Strategy" by the National Development Council, the "Corporate Governance 3.0 – Sustainable Development Blueprint" by the Financial Supervisory Commission, the "Climate Change Adaptation Act" by the Ministry of Environment, and overall industry trends. Additionally, the company utilizes simulated data from the "Climate Change Disaster Risk Adaptation Platform" by the National Science and Technology Center for Disaster Reduction, along with information from the "Taiwan Climate Change Science Report 2017," to consolidate potential physical risk factors under climate change. Taking into account Netronix's geographic location, industry sector, and upstream and downstream value chain relationships, and based on their relevance, three transitional risks, five transitional opportunities, and five physical risks were selected from a built-in database containing 44 risk and opportunity factors for impact assessment.

Risk and Opportunity Assessment

Netronix conducted climate risk education and training through cross-departmental meetings to establish awareness among relevant business units. Based on the selected risk and opportunity factors, the company identified potential impacts and assessed the likelihood and magnitude of these risks and opportunities occurring in the short, medium, and long term. This assessment aimed to understand how these factors could affect Netronix, the potential timeframes of occurrence, and the possible financial impacts. The results of the identification are ranked by their impact magnitude as shown in the following chart.



Risk

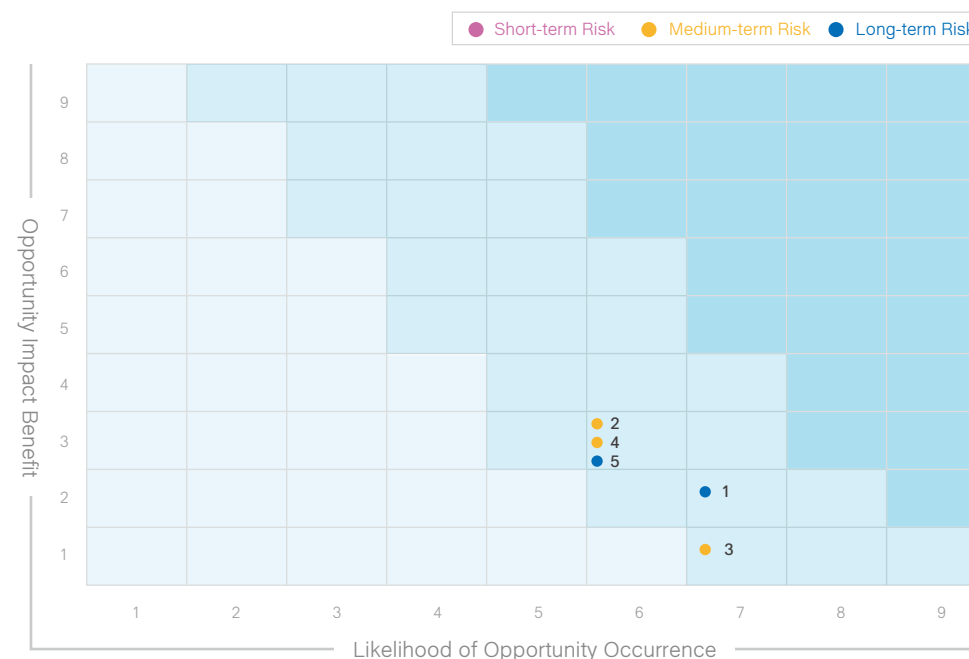


- 1. Increasing reporting requirements, leading to more disclosure
- 2. Extreme summer heat affecting power stability and causing unexpected outages
- 3. Fewer but stronger typhoons, leading to flash floods from intense rainfall
- 4. Low-carbon products replacing existing products
- 5. Increased extreme climate patterns – water restrictions/outages
- 6. Increased extreme climate patterns – power restrictions/outages
- 7. Increased extreme climate patterns – heavy rain/flooding
- 8. Changes in customer behavior (low-carbon commitments)

I Response Planning

In response to the identified potential risks and opportunities, Netronix's main focus in 2023 has been to review the resilience of existing programs and facilities in addressing climate change risks and opportunities. In the future, the company will continue to consider the direction of its operational development strategy and develop ongoing improvement measures through relevant departments.

Opportunity



- 1. Advantage of low-carbon products, e-readers replacing physical books
- 2. Consumer preference shift toward low-energy products
- 3. Development and expansion of low-carbon products and service applications
- 4. Increased market demand for eco-friendly/energy-saving products
- 5. Low-carbon production

I Supervision and Reporting

The significant climate-related risks and opportunities identified in 2023 will be integrated into the Sustainability Report, which is scheduled to be submitted to the Board of Directors in August 2024. Going forward, Netronix will regularly reassess these risk and opportunity factors each year, based on the organization's situation and external demands, to timely evaluate the feasibility of existing strategic plans. The company aims to achieve continuous improvement through goal setting and a risk management cycle mechanism, progressively reducing the impact of climate-related risks while creating opportunities to enhance competitiveness.

Short-, Medium- and Long-Term Climate-Related Risks and Opportunities

Through climate risk and opportunity identification and prioritization, Netronix summarized five major risks and two potential opportunities across short-, medium- and long-term horizons that may significantly impact operations. After internal and external evaluations, the Company determined that there were no significant changes in 2024; therefore, the results remain consistent with 2023.

Transition Risk Factors	Risk Description	Financial Impact	Affected Parties	Response Strategies and Plans
Increasing reporting requirements, more disclosure demands	In August 2022, Taiwan's Financial Supervisory Commission (FSC) announced that starting in 2024, listed companies must disclose in their annual reports the impact of climate change on the company's business and financials, governance attitudes, and risk assessments, including four climate scenarios and greenhouse gas (GHG) inventories. In August 2023, Taiwan officially released the roadmap to align with IFRS sustainability disclosure standards, further connecting with international standards. In the future, Taiwan will adopt IFRS sustainability disclosure standards directly. This increase in disclosure requirements will necessitate additional resources and staff awareness to meet regulatory demands.	Short- to medium-term (1-5 years) Increase in direct costs	Internal operations	Enhance climate change education and training to raise employee awareness and meet future disclosure requirements.
Low-carbon products replacing existing products	In response to customer demands, our company must conduct carbon footprint certifications (ISO 14067) for certain models. Our R&D team is now required to use materials with higher recycling rates for plastic and metal parts in packaging and machines. This requirement will increase procurement costs.	Medium-term (3-5 years) Increase in indirect costs	Internal operations Downstream customers	- Gradually increase the proportion of recycled materials used in all e-reader products. - The E60K24, E60P74, and EA0T04 models have already adopted plastic casings containing 85% recycled materials, including 10% ocean-bound plastic (OBP).
Changes in customer behavior (low-carbon commitments)	Customers are requiring carbon footprint certification (ISO 14067) for certain models. The company needs to bear the certification costs and allocate personnel to assist with completing the relevant certifications.	Medium-term (5-10 years) Increase in indirect costs	Internal operations Downstream customers	Implement ISO 14064-1/ISO 14067/ISO 14040 and ISO 50001 to understand the carbon footprint of the organization and products, as well as the greenhouse gas impact at each stage of the life cycle

Physical Risks	Risk Description	Financial Impact	Affected Parties	Response Strategies and Plans
Increase in extreme climate patterns – water restrictions/ outages	Extreme climate increases the likelihood of consecutive dry periods during crucial water collection times. If the situation worsens, the government may implement water restriction measures, preventing employees from attending work.	Long-term (5-10 years) Increased direct costs and credit risk	Internal operations	- Establish a water condition monitoring mechanism and take early preventive measures. - Install backup water storage systems to ensure water supply during droughts.
Increase in extreme climate patterns – power restrictions/ outages	The Ministry of Economic Affairs estimates a 2.5% annual growth in electricity demand from 2021 to 2027, with peak load growth at 2.3%. If power resilience is insufficient, resulting in outages or restrictions, it will affect critical data center operations and production capacity.	Long-term (5-10 years) Increased direct costs and credit risk	Internal operation	- Conduct monthly tests of the generator's operation. - Perform quarterly maintenance of the UPS system to ensure stability of key data centers and equipment. - The plant's generator can supply power for essential equipment like fire systems, elevators, and lighting, with backup capacity for at least 4 hours.
Transition Opportunities	Opportunity Description	Financial Impact	Affected Parties	Ways to Realize the Opportunity
Development and expansion of low-carbon products and services	The EU has updated its energy labeling regulations, restricting the sale of high-energy-consuming electrical equipment that doesn't meet standards. Our company's e-paper screens, used in indoor advertising displays, have significantly better energy performance compared to LCD-based displays. This trend will contribute to the increased sales of Netronix's advertising machines.	Medium-term (1-3 years) Increased revenue due to rising demand for products and services	Direct operation	- Purchase relevant equipment - Expand the application of e-paper to advertising machines, providing low-carbon products and services to advertising clients while reducing energy usage.
Advantage of low-carbon products, e-readers replacing physical books	Extreme climate conditions are increasingly affecting daily life, causing consumers to develop habits of reducing energy and resource consumption. The shift to digital reading over paper-based content is becoming mainstream. In digital reading scenarios, e-readers have significantly lower energy consumption compared to devices like smartphones and tablets (which require daily charging), as e-readers only need charging every 2-3 weeks. This positions e-readers as a product with steady demand.	Long-term (5-10 years) Reduced operational costs	Downstream customers	- Develop color e-readers to attract readers with a preference for color-printed books, encouraging them to switch to color e-readers. This will enhance the reading experience, reduce the demand for printed color books, and lower the environmental impact of paper use and color printing. - Develop color e-paper digital signage: providing customers with an alternative advertising display option that is more energy-efficient and more environmentally friendly (power consumption is only about 1% of a traditional LCD display). This solution supports business promotion while contributing to reduced energy usage and environmental protection.

Indicators and Goals

In August 2022, the Financial Supervisory Commission (FSC) announced that, starting in 2024, listed companies must disclose in their annual reports the impact of climate change on nine key pieces of information including their business and finances, their corporate governance approach, and risk assessments. This includes four climate scenario assumptions and a greenhouse gas inventory. In the first year, Netronix has focused on identifying significant short-, medium-, and long-term climate-related risks and opportunities as its primary mission. Moving forward, the company plans to continuously develop and plan relevant management structures and further align with international standards by directly adopting the IFRS sustainability disclosure standards.

Although Netronix is not part of an energy-intensive industry, the global transition to a low-carbon economy could lead to stricter regulatory policies and increased energy costs, which may indirectly raise manufacturing and procurement costs. In the short term, Netronix will expand the scope of its organizational greenhouse gas inventory. In the medium to long term, some models will continue to face customer requirements for carbon footprint inventory and verification. Implementing a carbon footprint assessment will help understand greenhouse gas emissions at each stage of the product lifecycle. To this end, the R&D team will require the use of materials with higher recycling rates, such as paper materials (e.g., color box packaging), plastic parts, and metal components used in equipment, to reduce related environmental impacts. As more customers consider product energy efficiency and the company's carbon reduction capabilities as factors in their cooperation decisions, Netronix will continue to develop and expand the application scope of low-carbon products and services to enhance competitiveness and create more opportunities in the current markets.



5.3 GHG Management

GRI 305-1 GRI 305-2 GRI 305-4

Overview of Greenhouse Gas Emissions

Since 2022, Netronix has conducted its annual GHG inventory in accordance with ISO 14064-1:2018 (Organizational GHG Inventory Standard), and has undergone third-party verification to obtain a GHG Verification Statement, ensuring accuracy and reliability of the emissions data. Results are used to assess feasible reduction measures and continuously refine the Company's GHG management policies.

In 2024, the total GHG emissions (Scope 1 and Scope 2) amounted to 1,649.204 metric tons of CO₂e. Emissions from energy consumption were primarily associated with purchased electricity and chiller systems, with Scope 2 purchased electricity accounting for 94.88% of total emissions.

Based on the analysis of Scope 1 GHG emission source categories, fugitive emissions accounted for the largest share at 4.18% of the combined Scope 1 and Scope 2 emissions, followed by mobile combustion sources at 0.93%. By Scope 1 GHG type, HFCs constituted the majority of emissions, followed by CH₄, CO₂, and N₂O, accounting for 59.30%, 22.56%, 17.79%, and 0.35% of total Scope 1 emissions, respectively.

Greenhouse Gas Emissions (by Scope/Category)						Unit: MTCO ₂ e	Unit: MTCO ₂ e per million in revenue
Scope	Scope 1		Scope 2		Scope 3	Total GHG Emissions (Scope 1 and Scope 2)	GHG Emission Intensity (Scope 1 and Scope 2)
Category	Category 1 Direct GHG emissions	Category 2 Purchased electricity	Category 3 Upstream transportation and distribution	Category 4 Purchased products and services, waste generated during operations			
2022	149.5955	1,687.7626	0.0028	337.7572		1,837.358	0.293
2023	140.3002	1611.7569	0.0161	354.0772		1,752.057	0.264
2024	84.3896	1,564.8142	0.0016	346.3944		1,649.204	0.222

Note: 1. The organizational boundary is defined based on the operational control approach. Global Warming Potential (GWP) values follow IPCC AR6 (2021).

2. Scope 1 fuel and refrigerant emission factors reference Taiwan Ministry of Environment's "GHG Emission Factor Management Table Version 6.0.4."

3. The 2024 Scope 2 electricity emission factor is based on 0.494 tCO₂e/MWh published by the Energy Administration, Ministry of Economic Affairs in 2024 (based on 2023 data).

5.4 Energy Management

GRI 302-1 GRI 302-3

Energy Consumption Data

In 2024, Netronix's total energy consumption reached 11,610.34 GJ. The primary energy source was non-renewable electricity purchased from the power utility, which accounted for 98.21% of total consumption. Other energy sources include gasoline for corporate vehicles and diesel fuel for emergency generators.

Energy types are closely associated with operational activities, and revenue is used as the basis for calculating energy intensity. In 2024, the energy intensity was 1.57 GJ per million in revenue, and total electricity consumption reached 3.16764 million kWh, resulting in an electricity intensity of 1.53 GJ per million in revenue, representing a 12.57% reduction compared with 2023.

Energy Consumption (Raw Data)	Energy Usage Items	2021	2022	2023	2024
Non-Renewable Energy	Gasoline (L)	-	-	-	2,047.63
	Diesel (L)	7,076.63	6,026.00	4,802.34	3,984.00
	Non-renewable electricity (kWh)	3,467,580	3,315,840	3,234,020	3,167,640
Energy Consumption (Converted to Thermal Energy) in GJ	Energy Usage Items	2021	2022	2023	2024
Non-Renewable Energy	Gasoline	-	-	-	66.86
	Diesel	248.83	211.89	168.86	140.10
	Non-renewable electricity	12,483.15	11,936.89	11,642.34	11,403.38
	Total	12,731.98	12,148.78	11,811.20	11,610.34
Revenue (Million NT\$)		5,554	6,270	6,648	7,410
Energy Intensity (GJ per million NT\$)		2.29	1.94	1.78	1.57
Electricity Intensity (GJ per million NT\$)		2.25	1.90	1.75	1.53

Note: 1. Electricity conversion factor: 1 kWh of purchased electricity = 0.0036 GJ; diesel conversion factor: 1 L diesel = 0.0351624 GJ
 2. Conversion factors for various energy sources are derived from the Ministry of Economic Affairs Energy Bureau's Energy Statistics Yearbook, where 1 liter of diesel = 8,400 kcal
 3. 1 kcal = 4,186 joules = 4.186 KJ
 4. The denominator for energy intensity is calculated based on Netronix' s consolidated revenue in million NT\$



Energy Management Measures

Netronix actively promotes energy conservation and carbon reduction. Since 2017, traditional lighting has been progressively replaced with LED lighting, with full replacement completed by 2019 to support national energy-saving policies. In 2024, the Company introduced the ISO 50001 Energy Management System, carrying out a full review of equipment energy usage and formulating practical reduction targets to further improve energy performance.



Routine Energy Management Measures	Details
 Maintenance of lighting equipment	■ Lighting equipment: Regular maintenance and cleaning to ensure brightness. ■ Underground parking lot: Lowering the height of lighting fixtures to increase brightness.
 Setting energy-saving schedules in related systems	■ Air conditioning: Temperature control set at 25 °C. ■ Electrical equipment: Regular maintenance and inspections. ■ Photocopiers: Set to energy-saving mode; the longer the warm-up time before use, the more stable the operation, and internal lighting is more energy-efficient. ■ Personal computers: Set to energy-saving mode; automatically switch to standby or sleep mode when not in use. ■ Chiller units: Control the optimal output and return water temperature for chilled water and cooling water (with a temperature differential controlled above 3 °C).
 Improvement of employee behavior	■ Energy-saving and carbon reduction promotion: Encouraging employees to use stairs for lower floors, turn off computers after work, and turn off lights during lunch breaks. ■ Office lighting: Implementing a zone management system, encouraging the habit of turning off lights in designated areas. ■ Meeting rooms and restrooms: Promoting the habit of turning off lights when not in use. °
 Adoption of eco-labeled equipmen	■ Use eco-labeled refrigerators.

5.5 Water Resource Management GRI 305-3

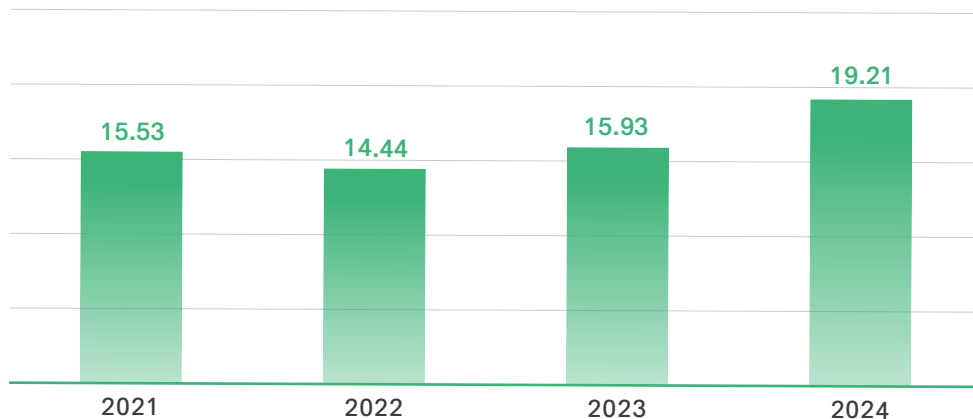
Overview of Water Use

Netronix's primary water consumption at its Hsinchu headquarters is for air-conditioning circulation in office areas and for domestic use by employees. The water supply is sourced 100% from Taiwan Water Corporation (third-party water), originating from Baoshan Reservoir, which is not categorized as a water-stress area. In 2024, the boundary of water statistics was expanded to include Ntx Electronics Yangzhou Co., Ltd., with a total annual water withdrawal of 19.21 million liters. Netronix accounted for 16.59 million liters, remaining consistent with the previous year.

Water Resource Management Overview

Unit: ML

■ Total Water Withdrawal



Water Discharge and Consumption Information

Water is not used in Netronix's production processes, which primarily operate using electricity; therefore, no process wastewater is generated. Wastewater mainly consists of domestic sewage from employee activities and is discharged to surface water in accordance with regulations; however, the volume of discharged water is not tracked due to the absence of flow meters. In addition, evaporative losses from the chilled water circulation system of air-conditioning equipment currently cannot be effectively quantified.

Information on Water Conservation

Netronix has installed infrared sensor faucets in all its restrooms to reduce water usage time. Additionally, hand dryers are placed at restroom entrances to replace paper towels, achieving waste reduction. The company also conducts regular inspections and maintenance of toilets in the restrooms to prevent leaks.



5.6 Waste Management

GRI 306-3

Overview of Waste

Netronix categorizes its waste into four main types: general domestic waste (such as paper and aluminum cans), industrial waste (like mixed waste plastic or wood), reusable waste (such as offcut boards), and recyclable waste (such as plastic trays). All these types are classified as non-hazardous industrial waste. In 2024, Netronix generated a total of 89.09 metric tons of waste, with disposal costs amounting to NT\$1,223,255.

General waste, industrial waste, and reusable waste are all collected and processed by certified contractors according to environmental regulations, with final disposal methods including incineration or landfill in compliance with the regulations in Taiwan. Recyclable waste is handled by certified recycling units, sorted, and then sent to professional manufacturers who crush the materials. These crushed materials are then reused by manufacturers to produce products containing polyethylene and polypropylene components.

Waste Data Statistics

Netronix Taiwan

Waste Types			Disposal Types		Weight (Tons)			
			Direct Disposal - Incineration (Including Energy Recovery) (2022 and before) Direct Disposal - Landfill (2023-2024)	Recycling and Reuse	2021	2022	2023	2024
Non-hazardous	General Household Waste	H-0002 (Domestic Waste from Employees)	●		27.25	28.7	27.62	33.90
	Industrial Waste	D-1801 (General Waste Generated by Business Activities)	●					
		D-0299 (Mixed Waste Plastics)	●		11.70	20.44	30.94	25.14
		D-0799 (Mixed Waste Wood)	●		11.50	16.71	13.45	1.01
	Recyclable Waste	R-0201 (Waste Plastics) ^{Note 2}	●		144.00	144.00	96.00	14.26
		R-0701 (Waste Wood)	●		-	-	11.84	9.41
Hazardous	Reusable Waste	E-0221 (Printed Circuit Board Waste Containing Metals and Their Residues)	●		12.82	12.12	10.89	5.37

Note: 1. The total amount of industrial waste reported to the competent authority excludes recycled waste.

2. Waste plastics primarily consist of tray pans which can be crushed for reuse as plastic raw material. In 2023, the volume was estimated based on truckload tonnage (8 tons per truck, collected monthly). Starting in 2024, data are based on actual monthly disposal volume.

3. Recycled waste R-0701 (waste wood): previously reported as D-0799 from 2022 to 2023. In 2024, waste wood mixtures were fully categorized as recyclable under R-0701.

4. Non-hazardous waste was originally processed through incineration (including energy recovery). Due to the Hsinchu incineration plant's renovation during 2023–2024, the waste was alternatively handled by contractors through physical treatment.

Nwtx Electronics Yangzhou Co., Ltd.

Unit: metric tons

2024		Recycling and Reuse			Direct Disposal
		Hazardous		Non-hazardous	Hazardous
		Reuse as material	Other recycling operations	Other recycling operations	Incineration (including energy recovery)
General Waste	Waste cardboard	-	-	11.42	-
	Waste plastic materials	-	-	11.07	-
Hazardous Waste	Waste cleaning agents	-	-	-	0.06
	Waste PCBs	-	0.56	-	-
	Waste activated carbon	1.38	-	-	-
	Waste sludge	-	-	-	1.98
	Waste packaging materials	-	-	-	0.10
	Waste hot-melt adhesive	-	-	-	2.07



Recycling of Process Waste

Netronix adheres to the principles of conserving raw materials and manufacturing tools during production processes, such as reducing alcohol usage to minimize empty alcohol container waste, and centrally managing used milling cutters for PCB routing and PCB edge scraps for vendor recycling. In addition, beginning in 2024, carton boxes from production lines are returned to vendors for reuse to conserve resources.

5.7 Chemical Substance Management

Netronix adheres to the precautionary principle and is committed to protecting environmental safety by exercising strict control over chemicals that may be used in products or during manufacturing processes and that may pose environmental risks.

In response to increasingly stringent regulations on chemical usage in recent years and customer requirements for restricting hazardous substances in products, Netronix has strengthened controls on the use of various chemicals in products, particularly those classified as hazardous. In 2016, the Company obtained IECQ QC 080000 Hazardous Substance Management System certification and continues to ensure compliance with chemical requirements through systematic controls covering both Netronix and its suppliers.

Netronix also complies with the EU Restriction of Hazardous Substances Directive (EU RoHS) and the Registration, Evaluation, Authorisation and Restriction of Chemicals (EU REACH), requiring suppliers to adhere to Netronix's "Green Product Hazardous Substance Management Specification" for effective control over all components to ensure compliance with hazardous substance limits and minimize health and safety risks to end users. All components currently supplied to Netronix comply with REACH and RoHS 2.0 requirements.

During manufacturing, Netronix uses lead-free solder paste and solder wire, and primarily uses alcohol and rosin, where alcohol is applied for cleaning printed circuit boards (PCBA) and tooling after assembly, while rosin is used during soldering to facilitate adhesion between solder and components. Other chemicals or hazardous substances may originate from raw materials supplied by vendors. Netronix requires all suppliers to ensure the concentration of hazardous substances in materials remains below RoHS limits—and continues to decrease year by year—and suppliers must provide RoHS 2.0 testing reports. Currently, 100% of suppliers comply with Netronix's hazardous substance reduction requirements, including:



Item	RoHS Requirements	Hazardous Substance Reduction Program			
		2024	2025	2026	2027
Cadmium (Cd)	100 ppm	75 ppm	75 ppm	75 ppm	70 ppm
Lead (Pb), Mercury (Hg), Hexavalent Chromium (Cr6+), Polybrominated Biphenyls (PBB), Polybrominated Diphenyl Ethers (PBDE), Di(2-ethylhexyl) Phthalate (DEHP), Benzyl Butyl Phthalate (BBP), Dibutyl Phthalate (DBP), Diisobutyl Phthalate (DIBP)	1000 ppm	750 ppm	750 ppm	750 ppm	700 ppm

Chemical Substance Reduction Program

Chemical Used in Process	Alcohol	Rosin
Manufacturing Stage	Visual inspection: Cleaning completed PCBA and tooling	Soldering: Assisting bonding between solder and components
Environmental Considerations / Impacts	- Empty alcohol barrels after use - Health impact and cost to employees	Solder fumes
Impact Categories	- Waste - Employee health	Air quality
Reduction Measures	- Relax PCBA appearance inspection to reduce alcohol use - Clean tooling with dry wiping first, alcohol only when necessary - Clean immediately to reduce volume required	- Improve yield rate to avoid rework - Increase SMD design to reduce DIP processing
Control / Mitigation	- Centralized handling of empty barrels and recycling by contractors - Improved employee health and reduced costs	Exhausted via onsite air purification systems
Reduction Results	Alcohol procurement decreased by 36.5% in 2024 compared with 2023	No significant reduction for rosin in 2024





6

Shared Growth

- 6.1 Human Rights Management
- 6.2 Talent Recruitment and Retention
- 6.3 Talent Development
- 6.4 Compensation and Benefits
- 6.5 Employee Relations
- 6.6 Occupational Safety and Health
- 6.7 Social Impact

6.1 Human Rights Management GRI 2-23

Human Rights Policy

To create a people-centric, friendly, and healthy workplace environment, Netronix complies with labor-related regulations in all its global operational locations to safeguard employees' legal rights. The company adheres to the spirit of human rights protection and fundamental principles outlined in various international human rights conventions, including the "United Nations Global Compact," the "Universal Declaration of Human Rights," and the "International Labour Organization's Declaration on Fundamental Principles and Rights at Work." Netronix is committed to respecting and protecting human rights, treating all current employees, contract workers, and interns with dignity and respect.



Netronix has obtained BSCI
(Business Social Compliance Initiative) certification.

Human Rights Management

Netronix plans to implement human rights education and advocacy in the future to strengthen a respectful and inclusive work environment.

Management Items	Actions
 Forced Labor	- Continuously optimizing the leave and attendance management system. - Promoting a culture of reasonable working hours.
 Management of Sexual Harassment and Unlawful Violence	- A grievance channel for sexual harassment incidents has been established. - Policy or Procedure: "Sexual Harassment Grievance Procedure" - Communication/Complaint Channels: Employees can call the Section Chief of the Personnel Department (extension 6510) or the Manager of the Administrative Support Department (extension 6100). - Handling Procedure: If a complaint is filed, the Sexual Harassment Handling Committee conducts a thorough investigation and interviews. - In 2024, no sexual harassment complaints were reported.
 Maternity Protection	In accordance with the "Act of Gender Equality in Employment" and the "Standards for the Establishment of Breastfeeding (Nursing) Rooms and Childcare Facilities and Measures for Funding Subsidies," a comfortable and well-equipped breastfeeding room is provided for employees' use. Additionally, the relevant regulations regarding breastfeeding time for female employees are clearly stipulated in the "Work Rules."
 Child Labor	The minimum age for employees is set in compliance with the labor regulations of the locations where each operational site is situated, and child labor is strictly prohibited.
 Equal Pay for Equal Work	There shall be no differential treatment or any form of discrimination against employees based on gender (including sexual orientation), race, class, age, marital status, language, ideology, religion, political affiliation, place of origin, birthplace, appearance, height, or physical or mental disability.

Diversity and Inclusion

GRI 2-7 GRI 2-8 GRI 202-2 GRI 401-1 GRI 405-1

To ensure equal employment opportunity, companies in Taiwan do not request employees to provide information on race or ethnicity upon onboarding. Therefore, for SASB workforce diversity disclosure requirements regarding race/ethnicity, Netronix reports by nationality instead. The primary nationalities are Taiwan, the Philippines, and Indonesia. Based on the distribution of nationalities in Netronix's current workforce structure, the majority ethnicity can be identified as Asian.

Disclosure Topic: Workforce Diversity and Inclusion

Code	Item	Description
TC-HW-330a.1	Percentage of gender and race/ethnicity	■ To ensure equality and fair employment, companies in Taiwan do not require disclosure of race/ethnicity during onboarding; therefore, SASB race/ethnicity disclosure is presented by nationality (primarily Taiwan, the Philippines, and Indonesia), and the majority ethnicity is Asian. ■ Please refer to Appendix 7.5 Workforce Diversity Data.
	■ Executive management	
	■ Non-executive management	
	■ Technical employees	
	■ All other employees	



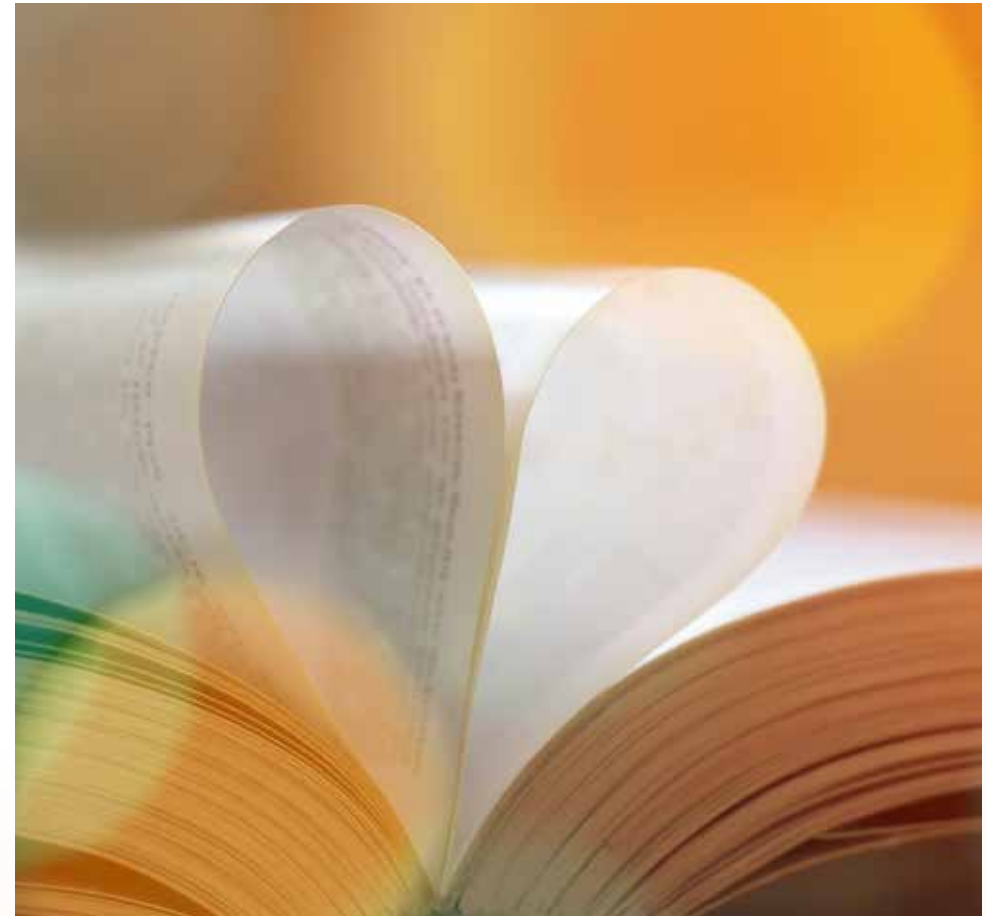
6.2 Talent Recruitment and Retention

Recruitment and Employment

Netronix recruits talent through multiple channels, including campus recruiting, employment agencies, online recruitment platforms, and public employment service offices, as well as employee referrals. The hiring process follows principles of fairness, openness, and impartiality. Successful candidates who pass the written test and interviews are notified of acceptance, and new hires must complete pre-employment training during the probation period before formal employment confirmation.

Netronix conducts human resource management in accordance with the "Personnel Management Regulations" and "Employee Work Rules." New hires are required to sign the "Code of Ethical Conduct" and "Employee Commitment Letter" upon onboarding, and are informed of relevant labor regulations and internal rules, including:

- Recruitment, employment, job transfer, compensation and benefits, performance management, and resignation policies and related procedures
- Prevention and grievance procedures for workplace sexual harassment
- Occupational safety and health policy
- Prevention measures for unlawful infringement during duty
- Maternity health protection in the workplace
- Methods for communication and cooperation between employer and employees
- Labor-management meeting implementation procedures

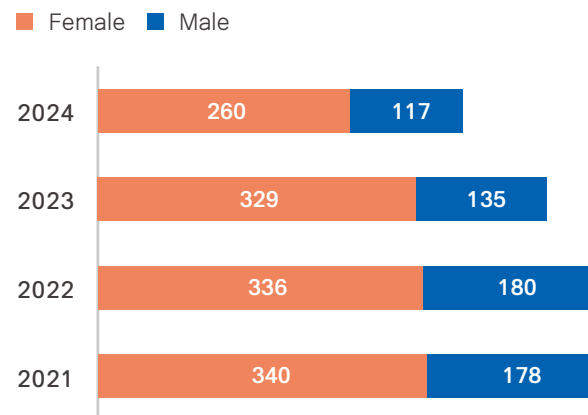


Workforce Profile

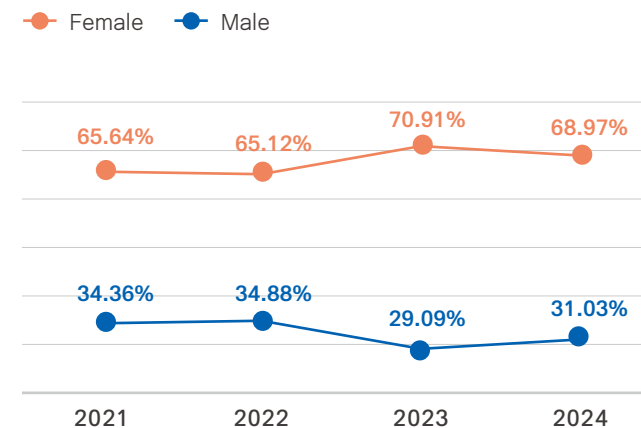
As of 2024, Netronix Taiwan (Hsinchu Headquarters) employed 377 persons, all of whom are full-time permanent employees with no temporary workers or workers without guaranteed working hours; 9 non-employees work onsite, including dispatched production workers, security personnel, and cleaning staff.

By gender: 117 male employees (31.03%) and 260 female employees (68.97%). By age group: 45 employees aged 30 or below (11.94%), 251 aged 31 – 50 (66.58%), and 81 aged 51 and above (21.49%). 85.71% of senior management employees are residents of the local area (Hsinchu, Taiwan).

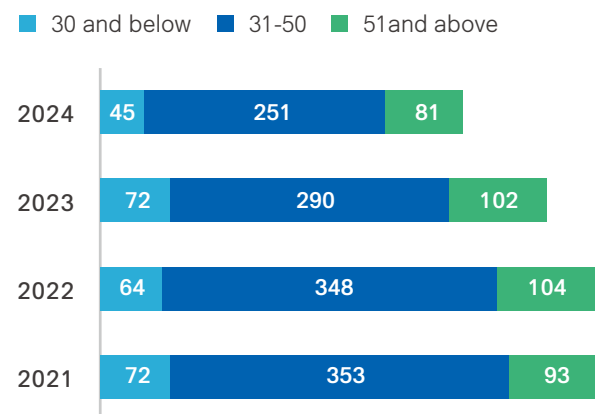
Total Employees by Gender Over the Years



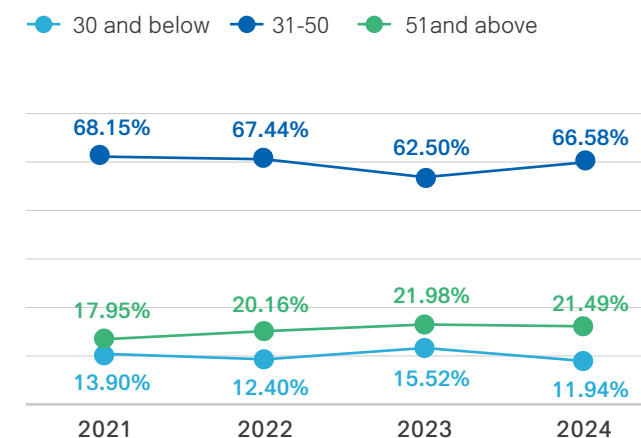
Employee Gender Ratio Over the Years



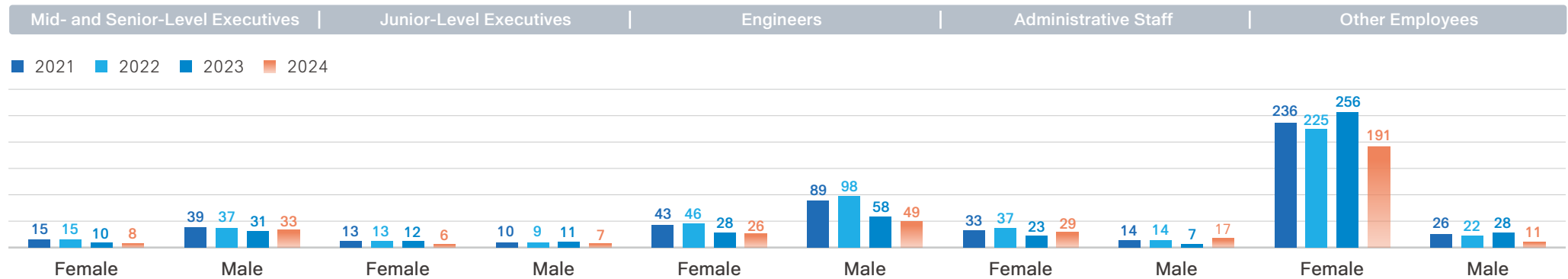
Total Employees by Age Group Over the Years



Employee Age Distribution Ratio Over the Years

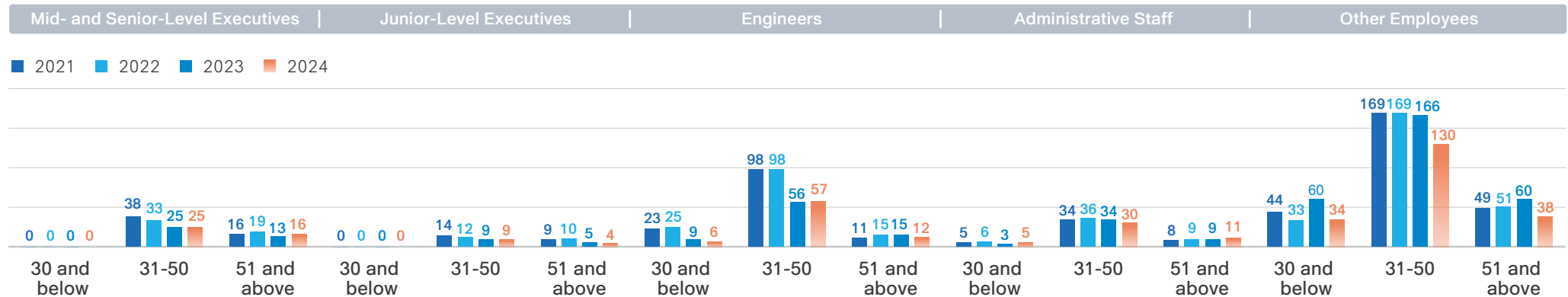


Total Number of Employees Hired by Job Position and Gender Over the Years



Note: Mid- and senior-level executives refer to positions at the deputy manager level and above; junior-level executives include section chiefs, directors, and foreman; engineers refer to engineers and project managers; administrative staff include assistants, administrators, specialists, and clerks; other employees refer to technicians and direct workers.

Total Number of Employees by Job Category and Age Over the Years



Non-Employee Workers

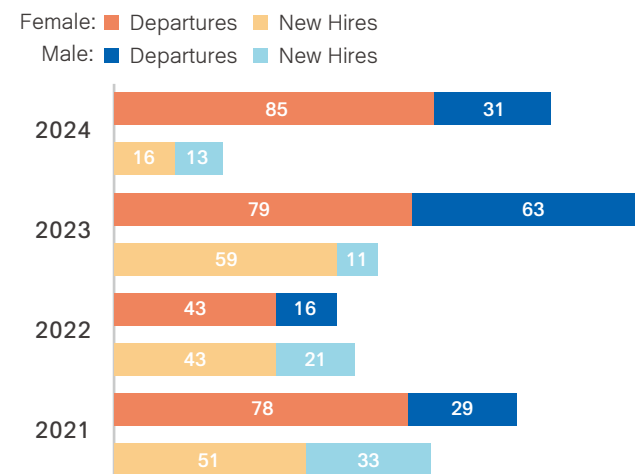
Dispatched Workers	Job Types	2022	2023	2024
Production Line Workers	Manufacturing (assembly, packaging, testing)	36	15	4
Security/Guards	Company personnel security and control	2	2	2
Cleaning Staff	Company environment maintenance and cleaning	2	2	3

Workforce Turnover

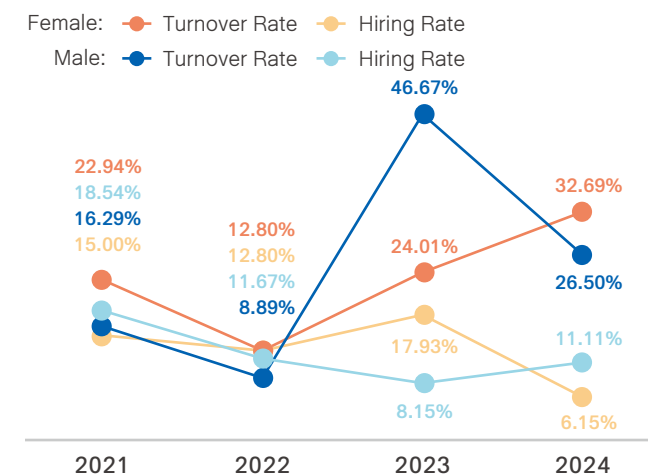
A total of 29 new hires joined Netronix in 2024, with an annual hiring rate of 7.7%. Among them, 16 were female (6.15%) and 13 were male (11.11%); 7 employees aged 30 and below (15.56%), 18 aged 31 – 50 (7.17%), and 4 aged 51 and above (4.94%).

In 2024, a total of 116 employees departed (including voluntary and involuntary turnover), with an annual turnover rate of 30.76%. Departures included 85 female employees (32.69%) and 31 male employees (26.50%); 15 aged 30 and below (33.33%), 64 aged 31 – 50 (25.50%), and 37 aged 51 and above (45.68%). The 2024 turnover rate remained similar compared to 2023.

Statistics on New Hires and Departing Employees by Gender Over the Years

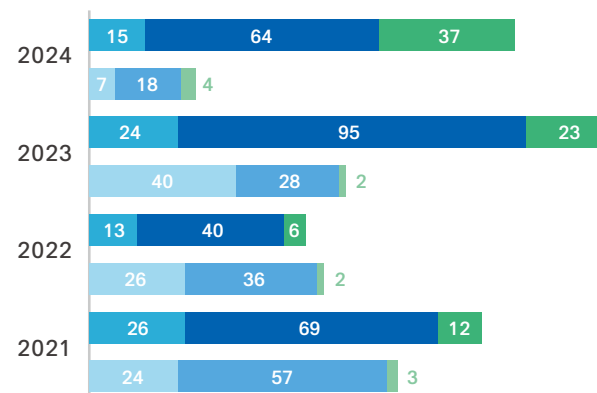


Statistics on Hiring and Turnover Rates by Gender Over the Years



Statistics on New Hires and Departing Employees by Age Over the Years

Departures: 30 and below (Light Blue), 31-50 (Dark Blue), 51 and above (Green)
New Hires: 30 and below (Light Blue), 31-50 (Dark Blue), 51 and above (Green)

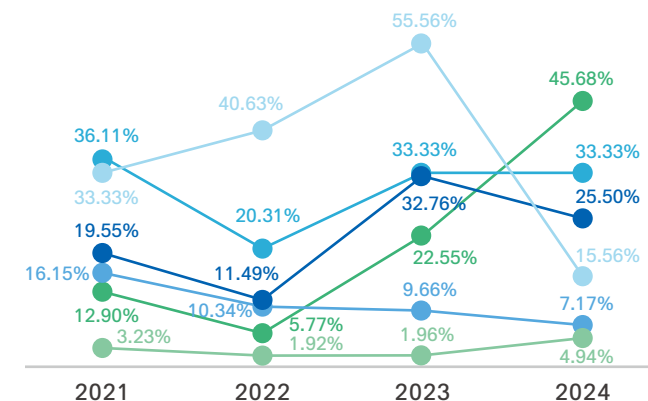


Note: 1. Hiring rate = number of new hires in the category during the year ÷ total number of employees in the category at the end of the year

2. Turnover rate = number of departures in the category during the year ÷ total number of employees in the category at the end of the year

Statistics on Hiring and Turnover Rates by Age Over the Years

Departures: 30 and below (Light Blue), 31-50 (Dark Blue), 51 and above (Green)
New Hires: 30 and below (Light Blue), 31-50 (Dark Blue), 51 and above (Green)

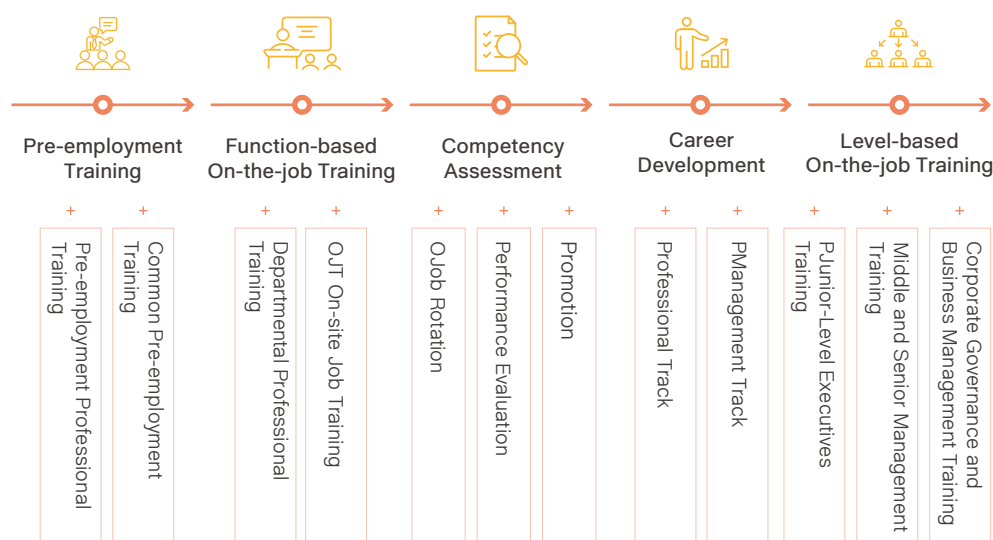


6.3 Talent Development GRI 404-1 GRI 404-3

Talent Development Blueprint

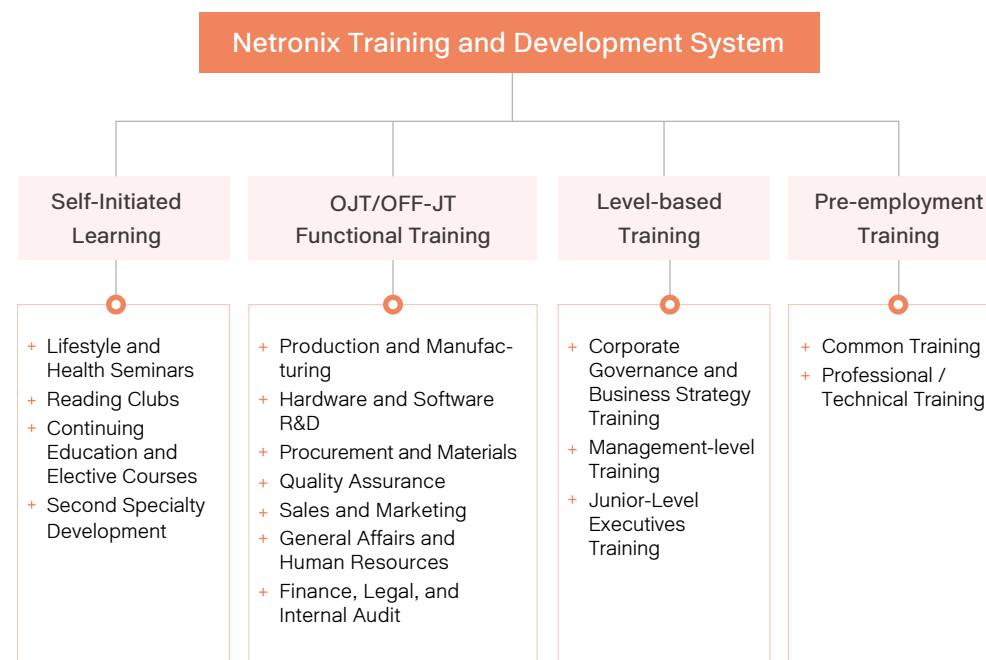
From the moment employees join Netronix, they receive pre-employment education and training covering regulatory requirements, internal operating procedures, and professional skills. Upon the completion of the probation period, performance goals are set, and functional OJT and OFF-JT training programs are provided based on job performance to support employees in achieving their annual performance indicators.

In 2024, Netronix established a talent development blueprint to assess employees' development potential through multiple channels and plan career development paths accordingly. The Company continues to provide sufficient learning resources for talent at all levels, fulfilling its commitment to capability cultivation, ensuring mutual growth between employees and the Company, and supporting sustainable business operations.



Training and Development System

To secure strong human capital, Netronix has established a comprehensive talent training system. This system spans policy formulation, training system design, needs analysis, implementation planning, execution, and review and improvement. It has contributed significantly to talent acquisition and development over the years. The Company also fosters a learning-driven organizational culture by encouraging continuous learning and active knowledge sharing, promoting joint growth between employees and the organization and enabling win-win development.



Core Competencies

Netronix's core competencies include: acquisition and application of professional knowledge and skills, problem analysis and resolution, teamwork and knowledge sharing, innovation and continuous improvement, work efficiency, work quality, and work attitude. These competencies form the foundation of sustainable corporate development. Through a structured training system and performance management mechanisms, Netronix continuously strengthens employee professionalism and positive workplace behaviors to support organizational growth, drive sustainable momentum, and advance team performance in alignment with the Company's philosophy: "Integrity and Pragmatism, Sustainable Operations"



Training Programs

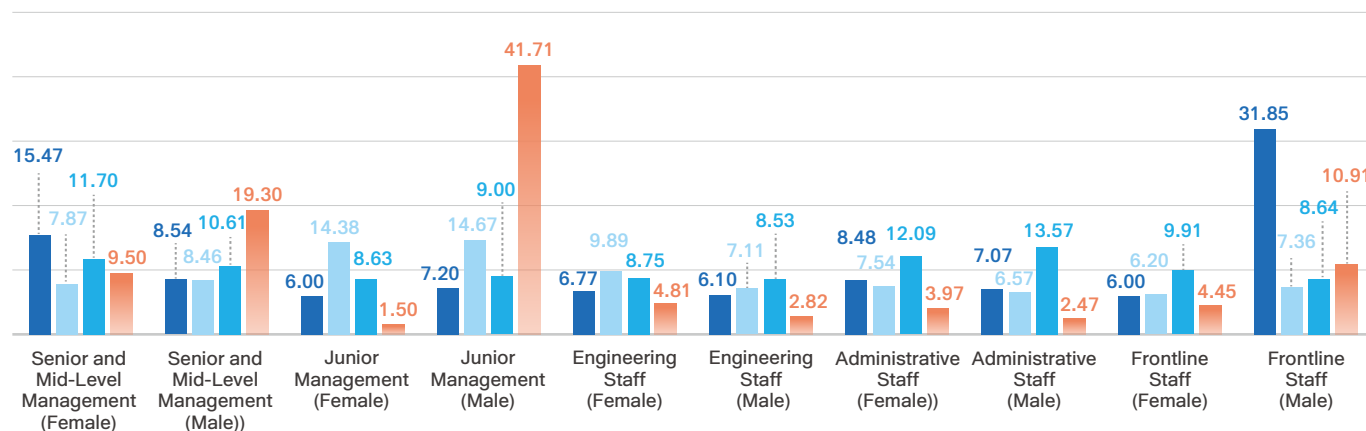
In 2024, Netronix delivered a total of 697 training hours to 743 course participants, reaching a total of 2,513 training person-hours. The average training time per employee was 6.66 hours, with a total training investment of NT\$423,500.

Internal / External Training	Employee Category	Course Types
Internal Training	New Employee Training	■ Fundamental Training
		■ Fire Safety Training
		■ Civil Defense Training
	Professional Training for Existing Employees (Note)	■ Information Security Training
		■ ISO Training
		■ Risk Management Training
		■ Occupational Safety and Health Training
		■ Quality Management Training
		■ Managerial Competency Training
External Training	Professional Training for Existing Employees (Note)	■ Chemical Management Training
		■ First Aid Training
		■ Occupational Safety and Health Management Training
		■ ESG Training
		■ Corporate Governance Training

Note: Professional education and training for employees in specific job roles.

Average Training Hours Over the Years

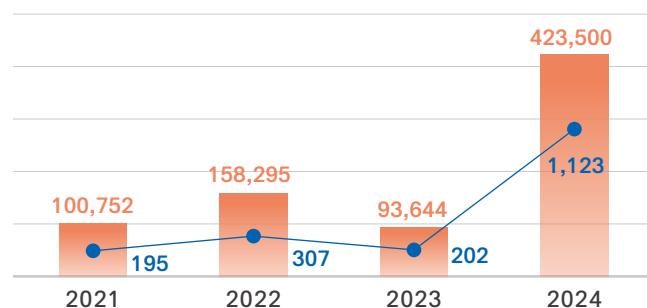
■ 2021 ■ 2022 ■ 2023 ■ 2024



Note: In 2024, Junior Management (male) recorded higher training hours due to participation in the annual ISO coaching program and required refresher courses on regulatory compliance and related professional training.

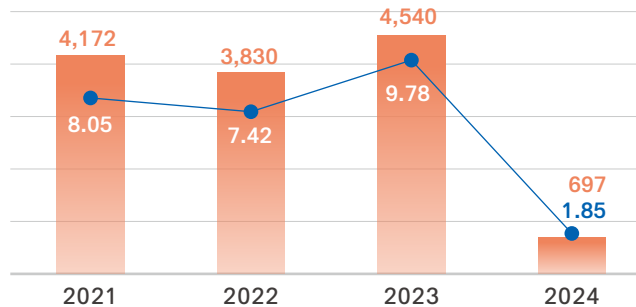
Overview of Annual Investment in Training Expenses

■ Training Expenses (NTD)
● Average Training Cost Per Person (NTD)



Total Training Hours Provided Over the Years

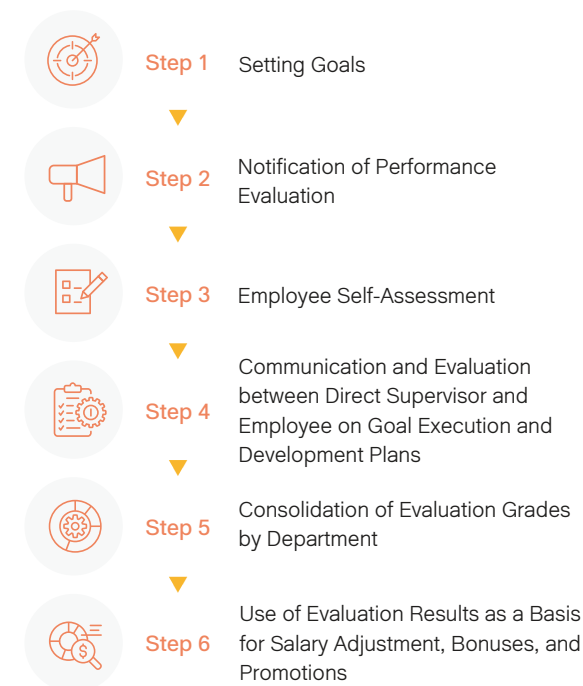
■ Total Training Hours
● Average Training Hours



Performance Evaluation

Netronix conducts performance evaluations annually to manage and enhance individual, departmental, and organizational performance, including performance goal setting, communication and coaching, performance-reward linkage, and career development planning. The performance evaluation coverage rate in 2024 was 100% (excluding foreign migrant workers and employees with less than three months of service).

Performance Evaluation Process



6.4 Compensation and Benefits

GRI 401-2 GRI 401-3 GRI 405-2

Employee Benefits

Netronix is committed to providing a friendly work environment and taking comprehensive care of both employees and their families. Through a variety of diverse welfare measures and recreational activities, the company aims to achieve a perfect balance between work and life.

Types of Benefits	Items
Profit-sharing/ Stock Options	Employee Bonuses
Bonuses/Gifts	- Year-End Bonus - Festive Bonuses/Gifts (three major holidays) - Labor Day Prizes/Gifts - Birthday Vouchers - Travel Subsidy (subsidy amount increased by 200% in 2024)
Insurance	- Employee Group Insurance - Employee Accident Insurance
Healthcare	Health checkups (subsidy amount increased by 242% in 2024; +9 additional examination items)
Leisure	- Domestic Travel - International Travel - Family Day
Systems	Employee Patent Proposal Bonus
Facilities	- Employee cafeteria (meal subsidy amount increased by 20% in 2024) - Café (leased to a vendor) - Nursing Room
Leave/Vacation	- Two-Day Weekend - Paid Leave/Annual Leave - Paternity Leave - Family Care Leave - Menstrual Leave for Female Employees

Employee Compensation

Netronix does not differentiate compensation based on gender, age, religion, race, nationality, or political stance. Compensation is determined based on professional capabilities, education, experience, and seniority, and exceeds general industry levels; all base salaries comply with statutory minimum wage requirements. However, the ratio of average monthly salary and median employee salary by gender shows that male employees have higher compensation than female employees, mainly because most male employees hold managerial, R&D, and engineering roles, whereas over 25% of female employees in the past three years have been foreign migrant workers in entry-level roles, resulting in a higher salary gap ratio.

Item		2022	2023	2024
Minimum Wage Ratio	Ratio	1.00	1.00	1.00
Average Base Monthly Salary	Senior Managers (Male/Female)	1.31	1.11	1.26
	All Managers (excluding Senior Managers) (Male/Female)	1.19	1.03	1.19
	Non-management Staff (Male/Female)	1.52	1.42	1.56
	Full-time Employee Average Monthly Salary (Male/Female)	1.80	1.81	2.03
	Median Employee Monthly Salary (Male/Female)	1.81	1.75	2.12
Average Base Monthly Salary + Annual Bonus	Senior Management Annual Salary with Bonus (Male/Female)	0.87	1.28	1.37
	All Managers (excluding senior management) Annual Salary with Bonus (Male/Female)	1.05	1.21	1.09
	Non-management Staff Annual Salary with Bonus (Male/Female)	1.17	1.31	1.16
	Average Bonus for Full-time Employees (Male/Female)	2.60	3.36	3.90
	Median Employee Bonus Amount (Male/Female)	2.52	2.54	2.91

Note: Information regarding compensation of full-time non-managerial employees is available on the Market Observation Post System (Stock Code: 6143).

Pension System

For employees covered by the "Labor Pension Act," the company contributes 6% of the employee's monthly salary to an individual labor pension account established by the Bureau of Labor Insurance. Employees may voluntarily contribute an additional 0% to 6% of their salary to their personal pension account based on their preference. The portion voluntarily contributed by the employee can be fully deducted from the total individual income for that year.

For employees covered by the "Labor Standards Act," a fixed amount is allocated monthly by the employer to a pension fund. This fund is managed by the Labor Pension Supervisory Committee and deposited into a dedicated account under the committee's name. If the employee continues working until applying for retirement, the pension contributions will be paid in accordance with the law.

Parental Leave

Employees at Netronix can apply for unpaid parental leave in accordance with the "Gender Equality in Employment Act" and the "Regulations for Implementing Unpaid Parental Leave for Raising Children." The company provides a comfortable environment with nursing rooms and offers menstrual leave, maternity check-up leave, and paternity leave for female employees. Employees who apply for parental leave will not be negatively impacted in terms of attendance bonuses, performance evaluations, or other adverse consequences. In 2024, seven female employees applied for parental leave, with an application rate of 40% and a 100% return-to-work rate after the leave period.

Number of Employees on Parental Leave (Female)				
	2021	2022	2023	2024
Number of Employees Eligible for Parental Leave (A)	4	5	8	5
Number of Employees Applying for Parental Leave (B)	3	5	7	2
Expected Number of Employees Returning from Parental Leave (C)	4	5	5	1
Actual Number of Employees Returning (D)	4	4	5	1
Number of Employees Remaining Employed 12 Months After Returning (E)	1	2	3	1
Parental Leave Application Rate (B)/(A)	75.00%	100.00%	87.50%	40.00%
Return-to-work Rate After Leave (D)/(C)	100.00%	80.00%	100.00%	100.00%
Retention Rate One Year After Return (E)/Previous Year (D)	50.00%	50.00%	75.00%	20.00%

Number of Employees on Parental Leave (Male)				
	2021	2022	2023	2024
Number of Employees Eligible for Parental Leave (A)	10	1	2	3
Number of Employees Applying for Parental Leave (B)	-	-	-	-
Expected Number of Employees Returning from Parental Leave (C)	-	-	-	-
Actual Number of Employees Returning (D)	-	-	-	-
Number of Employees Remaining Employed 12 Months After Returning (E)	-	-	-	-
Parental Leave Application Rate (B)/(A)	0.00%	0.00%	0.00%	0.00%
Return-to-work Rate After Leave (D)/(C)	0.00%	0.00%	0.00%	0.00%
Retention Rate One Year After Return (E)/Previous Year (D)	0.00%	0.00%	0.00%	0.00%

Note: 1. The number of employees eligible for parental leave is calculated based on the number of employees who applied for maternity/paternity leave during 2024/1/1~2024/12/31.

2. "-" means no applications for the year.



6.5 Employee Relations

Employee Communication

Employee Communication Mechanism	Frequency	Communication Content
Labor-Management Meetings	Quarterly	Communicating and coordinating labor-management relations, promoting labor-management cooperation, and planning employee welfare.
Suggestion Box	Open 24/7 for feedback and suggestions	Providing employees with a platform for feedback on work quality, raising concerns, or filing complaints.
Welfare Committee Meetings	Quarterly	Discussing and communicating employee welfare matters.
Occupational Safety and Health Committee Meetings	Quarterly	Discussing, coordinating, and advising on safety and health-related issues.



Employee Activities

Work-life balance for employees is a key area of focus for the company. Through the Employee Welfare Committee, Netronix plans various welfare and leisure activities, including year-end parties, Christmas celebrations, employee trips, family days, and periodic festive events, such as Winter Solstice dumpling celebrations, Spring Festival calligraphy, and marathon runs.



6.6 Occupational Safety and Health

GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-4 GRI 403-5 GRI 403-6 GRI 403-8 GRI 403-9

Occupational Safety and Health Management System

Netronix places great emphasis on employee safety, health, and workplace conditions. In accordance with the Occupational Safety and Health Act, the Company has established "Safety Work Regulations" and implemented an Occupational Safety and Health Management System, achieving ISO 45001:2018 certification in 2019. Following the P-D-C-A management approach, the Company adopts a systematic mechanism to strengthen occupational safety and health management and safeguard employee well-being. If a worker identifies an immediate hazard while performing duties, they are authorized to stop work and retreat to a safe location without jeopardizing the safety of others, and must immediately report the situation to their direct supervisor. In accordance with the Occupational Safety and Health Act, the Company shall not dismiss, reassign, withhold wages for the work stoppage period, or impose any disadvantageous treatment on such worker.

The primary responsibility for occupational safety and health management at Netronix lies with the Industrial Safety Office, which is staffed with a Class A Occupational Safety Manager. The company conducts regular internal and external audits annually and performs two fire drills and one civil defense drill each year.

Occupational Health and Safety Management System Coverage of Employees

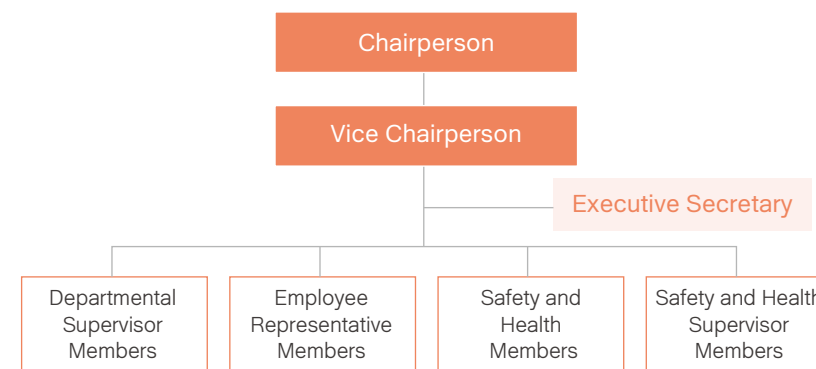
2024	Number of People Covered by the Management System		Total Number in the Organization		Percentage	
	Employees	Non-employees	Employees	Non-employees	Employees	Non-employees
Not Audited	0	0	0	0	0%	0%
Internally Audited	377	9	377	9	100%	100%
Audited or Verified by External Organization	377	9	377	9	100%	100%

Occupational Safety and Health Management Committee

Netronix has established an "Occupational Safety and Health Management Committee" (hereinafter referred to as the Committee), which is responsible for formulating occupational safety and health policies, providing recommendations, reviewing, coordinating, and promoting related safety and health matters. The Committee meets quarterly (4 times in 2024) to facilitate employee participation, consultation, and communication on occupational safety and health issues. It also monitors the execution of tasks, tracks project progress, reviews current conditions, and drives continuous improvement.

The Committee is composed of 13 members: 5 department supervisors, 4 labor representatives elected from various departments, 3 safety and health officers, and 1 chief safety and health officer. Additionally, each department has designated safety, health, and environmental officers who assist in consulting and promoting relevant safety, health, and environmental matters to ensure that all employees are well-informed.

Organizational Structure of the Occupational Health and Safety Management Committee



Contractor Management

To implement occupational safety and health policies and objectives, Netronix strengthens its management of contractors. Contractors are required to comply with labor safety and health regulations and provisions, including undergoing "Safety and Health Education Training" upon entering the premises, signing the "Workplace Environment and Hazard Factors Notification," the "Contractor Environmental, Health, and Safety Commitment," the "Contractor Work Safety Commitment," and possessing relevant professional certifications. This ensures that contractors adhere to safety and health work guidelines while operating on site. In 2024, there were "no" occupational injury incidents involving contractors.

Hazard Identification and Risk Assessment

Netronix conducts occupational safety and health inspections across all departments annually and performs the tasks related to hazard identification and risk assessment in the middle of each year. The tasks include the collection, investigation, and identification of relevant statistics. Personnel from each department are required to complete internal training and obtain certification before they are allowed to conduct hazard and risk assessment.

Each responsible department identifies safety and health hazards based on various operational activities within their work areas, the facilities provided, and the proximity of their operational areas to other operational activities. This includes both routine and non-routine work and hazard classifications (such as physical, ergonomic, chemical, biological, and psychosocial hazards). In addition, they identify safety and health hazards related to equipment, facilities, and the production environment. The process also considers personnel behavior, capabilities, and other human factors that may create risks associated with operational activities. Based on the identification results, operations are improved, and risk and opportunity assessments are carried out to control operations.

The hazard risk assessment result for 2024 was zero. However, the company conducted one high-risk operation in 2024 (hot work and lifting operations). All high-risk operations within the plant were completed following a prior application process, and contractors were required to complete entry documentation before being permitted to start work.

Risk Assessment Timing

- When the company's organizational structure changes
- When there is a change in the entire company's operational processes
- In the event of significant customer complaints or major management anomalies
- When there are changes in laws and regulations
- When new products or services are introduced
- When major issues of concern to stakeholders change
- For planned changes (permanent or temporary), risk and opportunity assessments should be conducted before implementation

Hazard Identification and Risk Assessment Process



Identify all risk sources

Step 1



Identify hazards and consequences

Step 2



Confirm existing protective measures

Step 3



Evaluate hazard risks and apply tiered control

Step 4



Take control measures to reduce risks

Step 5



Confirm residual risks after implementing control measures

Step 6

Emergency Response Notification and Accident Investigation Process

01 Incident Occurrence	In the event of an occupational or accidental disaster, such as fire, flood, or other natural calamities, an initial response should be taken depending on the situation, and relevant departments must be immediately notified. A report on occupational accidents must be submitted monthly.
	In accordance with relevant regulations, fire departments, medical institutions, and other support services should be notified and requested for assistance.
	If there is an incident involving casualties, the local competent authority must be notified within 8 hours.
02 Incident Investigation and Analysis	The department where the accident occurred must fill out the Emergency Incident Handling Record Form within 10 days and submit it to the Occupational Safety Office for review and archiving.

Work Environment Monitoring

Work environment monitoring is conducted twice a year, covering five factors: carbon dioxide, illumination, noise, toluene, and isopropanol. All monitoring results meet the legally permissible standards.

Four Major Labor Health Protection Programs

Netronix's on-site physician and nurse assist in identifying potential occupational safety hazards. Through the annual employee health check, employees are required to complete questionnaires related to the four major labor health protection programs: "Maternal Health Protection," "Abnormal Workload," "Ergonomic Hazards," and "Unlawful Workplace Infringement." The on-site physician determines whether any musculoskeletal or disease-related ergonomic hazards are due to the work environment. The on-site nurse screens health data and questionnaires to identify high-risk cases, arranging for the physician to provide professional advice as needed. There were no abnormal incidents reported in 2024.

Program	2024 Evaluation & Improvement Results
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Maternal Health Protection	In 2024, five employees experienced pregnancy, two took maternity and parental leave, one required hospitalization for prenatal care in late pregnancy, and two have returned to work. The Company fully complied with government regulations on working hours and workplace environment, as well as physician guidance and health promotion requirements, achieving 100% compliance with no harmful exposure. Employees returning from parental leave will continue to receive workplace assessments and care support.
Abnormal Workload Management	Seven employees were assessed as medium to high risk due to abnormal workload. Physician consultations indicated that stress stemmed from workload and chronic health issues (hypertension, hyperlipidemia, and hyperglycemia), along with insufficient physical activity. Employees were encouraged to join company wellness programs, maintain regular exercise, and adopt healthy lifestyle routines. All seven employees acknowledged the need for health improvement and committed to participating in at least one health-promotion activity and gradually increasing exercise frequency.
Ergonomic Hazard Prevention	Assessment using a musculoskeletal survey identified nine employees requiring follow-up. With professional guidance from physicians and on-site occupational health nurses, all cases have been closed, and employees have resumed normal duties.
Prevention of Workplace Violence and Unlawful Infringement	Records from workplace environmental inspection checklists—covering physical environment, administrative controls, job suitability, and workplace design—show compliance after partial improvements. No severe injuries nor unlawful workplace infringement caused by job duties were identified. Open communication channels such as suggestion boxes remain available for reporting and consultation.

Prevention and Improvement

Types	Items
Hazard Prevention	Provision of Personal Protective Equipment (PPE): Goggles, special protective gloves, anti-static gear.
	Warehouse Management: Stack height not exceeding 170 cm; all stacks designed with safety shelves. Forklift operators must have valid licenses, and fire extinguishers are installed.
	X-ray Management: Monthly self-inspections of radiation operations; X-ray operators must complete 18 hours of radiation protection training with a certificate of completion and attend an annual 3-hour refresher training.
Environmental Safety Improvement	Enhancing Office Environment Safety Improvements: Improving office traffic flow and lighting
Health Checkup	Regular Health Examinations: Special health examinations for ionizing radiation; one operations supervisor underwent a special health check for ionizing radiation in 2024, with no abnormalities detected (Level 1 Management).

Occupational Injuries and Diseases

Netronix's statistics on occupational accidents are disclosed in accordance with the definition of occupational accidents under the Occupational Safety and Health Act and the GRI 403-9 occupational injury indicators released by the Global Reporting Initiative (GRI). In 2024, no fatalities or severe occupational accidents occurred among all the workers (employees and non-employees). The total number of recordable occupational accidents was zero, with zero cases of disabling injuries, resulting in zero lost workdays due to disabling injuries. Netronix did not experience any employee health or safety incidents in 2024, and no penalties were imposed by the authorities for violations of relevant regulations.

Items	Employee Occupational Injury Statistics				Non-employee Occupational Injury Statistics			
	2021	2022	2023	2024	2021	2022	2023	2024
Total working hours throughout the year	976,480	953,128	900,576	832,752	198,098	122,720	54,496	20,784
Number of occupational injury fatalities	0	0	0	0	0	0	0	0
Occupational injury fatality rate	0	0	0	0	0	0	0	0
Number of serious occupational injuries	0	0	0	0	0	0	0	0
Serious occupational injury rate	0	0	0	0	0	0	0	0
Number of recordable occupational injuries	0	0	0	0	0	0	0	0
Recordable occupational injury rate	0	0	0	0	0	0	0	0
Number of disabling injuries	0	0	0	0	0	0	0	0
Lost days due to disabling injuries	0	0	0	0	0	0	0	0
Disabling Injury Frequency Rate (FR)	0	0	0	0	0	0	0	0
Disabling Injury Severity Rate (SR)	0	0	0	0	0	0	0	0
Frequency-Severity Indicator (FSI)	0	0	0	0	0	0	0	0

Note: 1. Data covers Netronix's Hsinchu Headquarters.

2. The calculation of employee working hours is based on an 8-hour workday for day shifts; for non-employees (e.g., dispatched workers), working hours are calculated based on the nature of the work.

3. The calculation of these indicators excludes transportation-related injury incidents:

- Occupational injury fatality rate = (Number of occupational injury fatalities × 106) ÷ Total working hours throughout the year
- Serious occupational injury rate = (Number of serious occupational injuries [excluding fatal occupational injuries] × 106) ÷ Total working hours throughout the year
- Recordable occupational injury rate = (Number of recordable occupational injuries × 106) ÷ Total working hours throughout the year
- Disabling Injury Frequency Rate (FR) = (Number of occupational injuries × 106) ÷ Total working hours throughout the year (rounded to two decimal places)
- Disabling Injury Severity Rate (SR) = (Lost days × 10⁶) ÷ Total working hours throughout the year (rounded to the nearest whole number)
- Frequency-Severity Indicator (FSI) = FR × SR ÷ 1000
- "Number of serious occupational injuries": Injuries where the individual cannot recover (e.g., amputation) or cannot return to their pre-injury work state within six months.
- "Number of recordable occupational injuries": Total number of fatalities, serious injuries, and injuries requiring internal or external medical attention.
- "Disabling injury" refers to cases where the injured individual is temporarily (or permanently) unable to return to work. Lost days do not include the day of injury or the day of return to work but should include all intervening days (including Sundays, holidays, or company shutdown days) and any subsequent days of incapacity after resuming work due to the injury.

Training and Education

Training Participants	Course Content	Participation Rate	Hours	Sessions	Participants
New Employee Training	Occupational health and safety education for new employees	100%	6	20	29
	Hazard identification and risk assessment on-the-job training	100%	3	1	35
	Environmental considerations and hazard risk assessment operations training	100%	3	1	18
	General occupational health and safety education (including traffic safety awareness)	100%	3	14	421
On-the-job Employee Training	General occupational health and safety education - Supervisors	100%	3	1	19
	Hazard awareness education on chemical management	100%	3	1	12
	Organic solvent operations training	100%	3	1	7
	Hazard identification and risk assessment education on workplace violence prevention	100%	3	1	20
	Contractor hazard notification training	100%	6	16	58
	On-the-job training on risk and opportunity assessment and planning measures	100%	6	1	18
	Civil defense drills	100%	8	1	30
	Fire drills	100%	8	2	60

Health Promotion Activities

Netronix irregularly organizes nutrition seminars, health activities (triennial health check-ups), and health awareness activities (weight loss and fat reduction advocacy, blood pressure measurement).

Occupational Health Services

Netronix employs an on-site physician and a full-time occupational nurse to provide comprehensive health consultation services for employees. This includes monthly on-site services by a physician, where employees can make appointments for consultations. For employees with abnormal health check results (e.g., overweight, three highs, high-risk medical history), the company offers health consultations and follows up on improvement measures.



6.7 Social Impact

Since 2017, Netronix has been actively involved in public welfare initiatives through the digital reading project "eReader for the Future," aiming to reduce disparities in educational resources, care for disadvantaged groups, and give back to society.

Reading is one of the most effective ways to enhance focus among cognitive activities. To cultivate a reading habit through extensive and frequent reading, the choice of digital tools becomes a critical factor. The visual and auditory stimuli from mobile phones and tablets can easily cause distractions. In contrast, e-readers, which are 'electronics-like products' designed specifically for focused reading, have no audio-visual distractions, can store a large number of books, are portable, and are designed to protect the eyes. Students do not have to carry heavy books or worry about the negative impact of prolonged use of electronic products on their eyes, allowing them to enjoy reading anytime, anywhere.

Netronix 2024 "eReader for the Future" Initiative
Together with Analog Integrations Corp. and E Ink Holdings Inc., Netronix supported mobile e-library programs by delivering eReaders to 40 elementary schools in Yunlin County, enhancing access to digital reading resources.

eReader for the Future



Note: For more details on the Company's social contribution programs, please refer to the Netronix ESG website.



7

Appendix

- 7.1 GRI Content Index
- 7.2 SASB Disclosure Index
- 7.3 Sustainability Disclosure Index for the Telecommunications and Network Industry
- 7.4 GHG Inventory and Assurance
- 7.5 Workforce Diversity Data
- 7.6 Overview of Implemented Management Systems
- 7.7 External Assurance Statement
- 7.8 Scope of Data Disclosure

7.1 GRI Content Index

Universal Standard Disclosure Index

■ Statement of Use	Netronix has reported the content for the period 2024/1/1 to 2024/12/31 in accordance with the GRI Standards.
■ GRI 1 Used	GRI 1: Foundation 2021
■ Applicable GRI Sector	As of June 2025, there are no applicable sector standards.

Indicators	Disclosure Items	Corresponding Section of the Report	Page	Explanation/Reason for Omission
GRI 2: General Disclosures 2021				
The organization and its reporting practices				
2-1	Organizational details	1-1 Company Overview	4	
2-2	Entities included in the organization's sustainability reporting	- About This Report	2	
2-3	Reporting period, frequency and contact point	- About This Report	2	
2-4	Restatements of information	- About This Report	2	
2-5	External assurance	7-7 External Assurance Statement	94	
Activities and workers				
2-6	Activities, value chain and other business relationships	1-3 Operational Highlights	9	No significant changes in Netronix's supply chain in 2024.
		4-5 Supply Chain Management	46	
2-7	Employees	6-2 Talent Recruitment and Retention	69	
2-8	Workers who are not employees	6-2 Talent Recruitment and Retention	69	
Governance				
2-9	Governance structure and composition	4-1 Corporate Governance	33	ESG functional committee has not yet been established.
2-10	Nomination and selection of the highest governance body	4-1 Corporate Governance	33	
2-11	Chair of the highest governance body	4-1 Corporate Governance	33	

Indicators	Disclosure Items	Corresponding Section of the Report	Page	Explanation/Reason for Omission
2-12	Role of the highest governance body in overseeing the management of impacts	4-1 Corporate Governance	33	
		- About This Report	2	
		2-1 Stakeholder Engagement and Communication	12	
2-13	Delegation of responsibility for managing impacts	2-3 Management Approaches to Material Issues	20	
2-14	Role of the highest governance body in sustainability reporting	2-2 Materiality Identification and Analysis	14	
		- About This Report	-	
2-15	Conflicts of interest	4-1 Corporate Governance	33	
2-16	Communication of critical concerns	4-1 Corporate Governance	33	
2-17	Collective knowledge of the highest governance body	4-1 Corporate Governance	33	
2-18	Evaluation of the performance of the highest governance body	4-1 Corporate Governance	33	
2-19	Remuneration policies	4-1 Corporate Governance	33	Future compensation mechanisms are planned to include a link to contributions to ESG management.
2-20	Process to determine remuneration	4-1 Corporate Governance	33	
2-21	Annual total compensation ratio	4-1 Corporate Governance	33	
Strategy, policies and practices				
2-22	Statement on sustainable development strategy	- Message from the Management	1	



Indicators	Disclosure Items	Corresponding Section of the Report	Page	Explanation/Reason for Omission
2-23	Policy commitments	1-1 Company Overview	4	
		4-3 Ethical Management	40	
		6-1 Human Rights Management	67	
		4-5 Supply Chain Management	46	
2-24	Embedding policy commitments	4-1 Corporate Governance	33	
		4-5 Supply Chain Management	46	
2-25	Processes to remediate negative impacts	4-3 Ethical Management	40	
		6-1 Human Rights Management	67	
2-26	Mechanisms for seeking advice and raising concerns	4-3 Ethical Management	40	
2-27	Compliance with laws and regulations	4-1 Corporate Governance	33	
2-28	Membership associations	1-1 Company Overview	4	
Stakeholder engagement				
2-29	Approach to stakeholder engagement	2-1 Stakeholder Engagement and Communication	12	
2-30	Collective bargaining agreements	- -	-	Netronix has not yet established a labor union; therefore, no collective bargaining agreement has been signed.
GRI 3: Material Topics 2021				
3-1	Process to determine material topics	2-2 Materiality Identification and Analysis	14	
3-2	List of material topics	2-2 Materiality Identification and Analysis	14	
Material Topic 1: Ethical Management				
3-3	Management of material topics	2-3 Management Approaches to Material Issues	20	

Indicators	Disclosure Items	Corresponding Section of the Report	Page	Explanation/Reason for Omission
205-2	Communication and training about anti-corruption policies and procedures	4-1 Corporate Governance	33	
		4-3 Ethical Management	40	In 2024, one Director received anti-corruption training, representing a 10% training participation rate among directors. In 2024, no employees participated in anti-corruption-related promotion or training programs.
		4-5 Supply Chain Management	46	
		4-3 Ethical Management	40	No such incidents occurred in 2024.
205-3	Confirmed incidents of corruption and actions taken	4-3 Ethical Management	40	No such incidents occurred in 2024.
Material Topic 2: Innovation Management (Custom Topic)				
3-3	Management of material topics	2-3 Management Approaches to Material Issues	20	
-	Custom Topic: Use of Recyclable Materials	3-1 Innovation Management	24	
Material Topic 3: Information Security (Custom Topic)				
3-3	Management of material topics	2-3 Management Approaches to Material Issues	20	
-	Custom Topic: Information Security Incidents	4-4 Information Security	41	
Material Topic 4: Quality Management				
3-3	Management of material topics	2-3 Management Approaches to Material Issues	20	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	4-1 Corporate Governance	33	No such incidents occurred in 2024.
Material Topic 5: Sustainable Supply Chain				
3-3	Management of material topics	2-3 Management Approaches to Material Issues	20	
204-1	Proportion of spending on local suppliers	4-5 Supply Chain Management	46	



Indicators	Disclosure Items	Corresponding Section of the Report	Page	Explanation/Reason for Omission
Material Topic 6: Product Responsibility				
3-3	Management of material topics	2-3 Management Approaches to Material Issues	20	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	4-1 Corporate Governance	33	No such incidents occurred in 2024.
Material Topic 7: Climate Strategy				
3-3	Management of material topics	2-3 Management Approaches to Material Issues	20	
305-1	Direct (Scope 1) GHG emissions	5-3 GHG Management	58	
305-2	Energy indirect (Scope 2) GHG emissions	5-3 GHG Management	58	
305-3	Other indirect (Scope 3) GHG emissions	5-3 GHG Management	58	
		7-4 GHG Inventory and Assurance	91	

Indicators	Disclosure Items	Corresponding Section of the Report	Page	Explanation/Reason for Omission
305-4	GHG emissions intensity	5-3 GHG Management	58	
Material Topic 8: Human Capital Development (including Talent Attraction and Retention, Training and Development)				
3-3	Management of material topics	2-3 Management Approaches to Material Issues	20	
401-1	New employee hires and employee turnover	6-2 Talent Recruitment and Retention	69	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	6-4 Compensation and Benefits	76	
401-3	Parental leave	6-4 Compensation and Benefits	76	
405-1	Diversity of governance bodies and employees	6-2 Talent Recruitment and Retention	69	
		4-1 Corporate Governance	33	
405-2	Ratio of basic salary and remuneration of women to men	6-4 Compensation and Benefits	76	

Voluntary Disclosure Standard Index

Standards	Disclosure Items	Corresponding Section of the Report		Page	Explanation
GRI 200: Economic					
GRI 201: Economic Performance 2016					
201-1	Direct economic value generated and distributed	1-3	Operational Highlights	9	
GRI 202: Market Presence 2016					
202-2	Financial implications and other risks and opportunities due to climate chang	6-2	Talent Recruitment and Retention	69	
GRI 300: Environmental					
GRI 302: Energy 2016					
302-1	Energy consumption within the organization	5-4	Energy Management	59	
302-3	Energy intensity	5-4	Energy Management	59	
GRI 303: Water and Effluents 2018					
303-3	Water withdrawal	5-5	Water Resource Management	61	
GRI 400: Social Topics					
GRI 402: Labor/Management Relations 2016					
402-1	Minimum notice periods regarding operational changes	-	-		In the event of significant operational changes, Netronix will provide notice in accordance with the Labor Standards Act or local regulations.
GRI 403: Occupational Health and Safety 2018					
403-1	Occupational health and safety management system	6-6	Occupational Safety and Health	79	
403-2	Hazard identification, risk assessment, and incident investigation	6-6	Occupational Safety and Health	79	
403-3	Occupational health services	6-6	Occupational Safety and Health	79	
403-4	Worker participation, consultation, and communication on occupational health and safety	6-6	Occupational Safety and Health	79	
403-5	Worker training on occupational health and safety	6-6	Occupational Safety and Health	79	
403-6	Promotion of worker health	6-6	Occupational Safety and Health	79	
403-8	Workers covered by an occupational health and safety management system	6-6	Occupational Safety and Health	79	
403-9	Work-related injuries	6-6	Occupational Safety and Health	79	
GRI 404: Training and Education 2016					
404-1	Average hours of training per year per employee	6-3	Talent Development	73	
404-3	Percentage of employees receiving regular performance and career development reviews	6-3	Talent Development	73	

7.2 SASB Disclosure Index

Hardware Industry Disclosure Indicators

■ Industry Type	Technology & Communications
■ Industry Name	Hardware
■ Version	December 2023

Topics	Accounting Indicator Content	Code	Corresponding Sections/Explanations
Product Information Security	Description of approach to identifying and addressing data security risks in products	TC-HW-230a.1	4-4 Information Security
Employee Diversity and Inclusion	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) technical employees and (d) all other employees	TC-HW-330a.1	7-5 Workforce Diversity Data
Lifecycle Management Products	Percentage of products by revenue that contain IEC 62474 declarable substances	TC-HW-410a.1	■ Netronix follows the restricted substance lists under RoHS and REACH as primary compliance references. During the reporting period, a comparison between IEC 62474 and these two regulations identified differences; however, while certain substances listed in IEC 62474 are present in products currently shipped, their concentrations do not exceed the applicable declaration thresholds. ■ Percentage of revenue from products containing substances covered by IEC 62474: 0%.
	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	TC-HW-410a.2	N/A
	Percentage of eligible products, by revenue, certified to an energy efficiency certification	TC-HW-410a.3	N/A
	Weight of end-of-life products and e-waste recovered, percentage recycled	TC-HW-410a.4	N/A
Supply Chain Management	Percentage of Tier 1 suppliers audited under RBA VAP or equivalent, categorized by: (a) All Tier 1 supplier facilities (b) High-risk Tier 1 supplier facilities	TC-HW-430a.1	4-5 Supply Chain Management
	Tier 1 Suppliers: (1) Percentage not compliant with RBA VAP (or similar audit) (2) Percentage of corrective actions taken, categorized by: (a) Priority non-compliance (b) Other non-compliance	TC-HW-430a.2	
Raw Material Procurement	Description of risk management related to key raw material usage	TC-HW-440a.1	4-5 Supply Chain Management

Activity Metric	Code	Corresponding Sections
Total production output (by product type)	TC-HW-000.A	1-2 Product Portfolio
Manufacturing facility area (ft ²)	TC-HW-000.B	1-2 Product Portfolio
Percentage produced from own facilities (%)	TC-HW-000.C	1-2 Product Portfolio

7.3 Sustainability Disclosure Index for the Telecommunications and Network Industry

No.	Indicators	Indicator Types	Corresponding Sections/Explanations	Page
1	Total energy consumption (in gigajoules), percentage of purchased electricity, and percentage of renewable energy use	Quantitative	5-4 Energy Management No renewable energy used.	59 -
2	Total water withdrawal and total water consumption (in thousand cubic meters)	Quantitative	5-5 Water Resource Management	61
3	Weight of hazardous waste produced (in metric tons) and recycling percentage (%)	Quantitative	5-6 Waste Management	62
4	Description of occupational injury categories, number (quantity), and rates	Quantitative	6-6 Occupational Safety and Health	79
5	Disclosure of product lifecycle management, including the weight of discarded products and electronic waste (in metric tons) and recycling percentage (%) ^{Note}	Quantitative	N/A	-
6	Description of risk management related to key material usage	Quantitative	4-5 Supply Chain Management	46
7	Total monetary loss due to legal proceedings related to anti-competitive behavior (reported in currency)	Quantitative	No legal cases related to anti-competitive behavior occurred.	-
8	Main product output by product category	Quantitative	1-2 Product Portfolio	7

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

7.4 GHG Inventory and Assurance

Netronix Inc. is classified as a company with "a capital less than NT\$5 billion." According to the roadmap for sustainable development of listed companies, it has not yet been in the scope of mandatory inventory as of 2024 and is therefore engaging in voluntary disclosure. The information on greenhouse gas emission in this report is inventoried in accordance with ISO 14064-1. The operational boundary includes Scope 1 (Category 1), Scope 2 (Category 2), and Scope 3 (Categories 3 and 4). For details on the organizational boundary and assurance scope, please refer to the "Explanation of Organizational Boundary."

Greenhouse Gas Emissions (Scope 1 and Scope 2)

Emission Scope	Total Emissions (tCO ₂ e)	Assurance Institution	Explanation
Scope 1	84.3896	BSI Group (Singapore) Pte. Ltd. Taiwan Branch	BSI has conducted a reasonable assurance level verification procedure on the Scope 1 and Scope 2 greenhouse gas emissions of Netronix, Inc. Additionally, an Agreed-Up Procedures (AUP) engagement has been performed for Scope 3. The organizational boundary for the verification procedure is set according to the operational control method, covering a total of one operational site. For details on the specific sites, please refer to the table below that explains the organizational boundary.
Scope 2	1,564.8142		
Intensity (Scope 1 & Scope 2) (tCO ₂ e / Million Revenue)	0.222		

Note: Scope 1 or Scope 2 emission intensity for the parent company = Parent company's Scope 1 or Scope 2 emissions ÷ Revenue from consolidated financial statements.

Greenhouse Gas Emissions (Scope 3)

Emission Scope	Total Emissions (tCO ₂ e)	Assurance Institution	Explanation
Scope 3 — Total	0.0016	BSI	For more information on the AUP engagement, please see the verification statement.
3-1 Upstream transportation and distribution	0.0016		
Scope 4 — Total	346.3944		
4-1 Purchased goods and services	329.3067		
4-3 Wastewater/waste generated in operations	17.0877		

Organizational Boundary Description

Operating Site	Description	Inventory	Assurance	Exclusion
Netronix, Inc.	Taiwan Headquarters	●	●	●
Operating Site	Description			
Investment Holding Companies	Easylink Technology Limited, MEDIA CHAMPION CORPORATION, Northlink Technology Corporation (no physical operating locations)			

Note: 1: The above table represents all emissions from operating sites included in the GHG inventory. Other than (1) investment holding companies and (2) sites representing less than 5% of total emissions, not all consolidated financial entities are yet covered.

2: Verification statements issued by third-party assurance organizations are available on the Company's official website.

7.5 Workforce Diversity Data

Gender	Executive Management				Non-executive Management				Number of STEM Employees				All Other Employees				Total Employees	
Year	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Female	2	1	29%	12.5%	13	13	28.89%	29%	5	5	17.24%	17%	309	241	80.68%	82%	329	260
Male	5	7	71%	87.5%	32	32	71.11%	71%	24	25	82.76%	83%	74	53	19.32%	18%	135	117
Subtotal	7	8	-	-	45	45	-	-	29	30	-	-	383	294	-	-	-	-
TOTAL																	377	

Nationality	Executive Management				Non-executive Management				Number of STEM Employees				All Other Employees				Total Employees	
Year	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Taiwan	7	8	100%	100%	45	45	100.00%	100%	29	30	100.00%	100%	246	186	64.23%	63%	327	269
Philippines	0	0	0%	0%	0	0	0.00%	0%	0	0	0%	0%	120	99	31.33%	34%	120	99
Indonesia	0	0	0%	0%	0	0	0.00%	0%	0	0	0%	0%	17	9	4.44%	3%	17	9
Subtotal	7	8	-	-	45	45	-	-	29	30	-	-	383	294	-	-	-	-
TOTAL																	464	377

Note: 1. Executive Management refers to CXO-level roles, such as senior executives; Non-executive Management refers to middle and frontline managers.

2. STEM employees include those in Science, Technology, Engineering, and Mathematics – related engineering functions.

7.6 Overview of Implemented Management Systems

Scope: Netronix Taiwan Headquarters	Initial Certification Date	Current Certificate Validity Date
ISO 9001 : 2015	2008 / 5 / 29	2026 / 5 / 28
ISO 14001 : 2015	2014 / 4 / 14	2026 / 4 / 13
ISO 45001 : 2018	2018 / 4 / 19	2025 / 4 / 19
ISO 50001 : 2018	2024 / 11 / 28	2025 / 11 / 27
ISO 27001 : 2022	2024 / 12 / 31	2027 / 12 / 30
ISO 14064-1 : 2018	2022 / 12 / 17	-
IECQ QC 080000 : 2018	2016 / 1 / 26	2028 / 1 / 25
Life Cycle Assessment (LCA)	2025 / 2 / 24	2027 / 2 / 23

7.7 External Assurance Statement





獨立保證意見聲明書

振曜科技股份有限公司 2024 年永續報告書

英國標準協會與振曜科技股份有限公司(簡稱振曜科技)為相互獨立的公司。英國標準協會除了針對振曜科技股份有限公司 2024 年永續報告書進行評估和查證外，與振曜科技並無任何財務上的關係。

本獨立保證意見聲明書之目的，僅作為對振曜科技股份有限公司 2024 年永續報告書所界定範圍內的相關事項進行保證之結論，而不作為其他之用途。除對查證事實提出獨立保證意見聲明書外，對於其他目的之使用，或閱讀此獨立保證意見聲明書的任何人士，英國標準協會並不負有或承擔任何有法律或其他之責任。

本獨立保證意見聲明書係英國標準協會審查振曜科技提供之相關資訊所作成之結論。因此審查範圍乃基於並局限於這些提供的資訊內容之內。英國標準協會認為這些資訊內容都是完整且準確的。

對於這份獨立保證意見聲明書所載內容或相關事項之任何疑問，請向振曜科技一併問。

查證範圍

振曜科技與英國標準協會協議的查證範圍包括：

1. 本查證作業範圍與振曜科技股份有限公司 2024 年永續報告書揭露之報告範圍一致。
2. 依照 AA1000 保證標準 V3 的第 1 應用類型評估振曜科技遵循 AA1000 查證性原則(2018)的本質和程度，不包括對於報告書揭露的資訊/數據之可信程度的查證。
3. 依照 AA1000 保證標準 V3 的第 1 應用類型評估振曜科技的 SASB 準則永續揭露的符合性。

本聲明書以英文作成並已翻譯為中文以供參考。

意見聲明

我們瞭解振曜科技股份有限公司 2024 年永續報告書內容，對於振曜科技之相關運作與績效提供了一個公平的觀點。基於保證範圍限制事項，振曜科技所提供資訊與數據以及細微之測試，此報告書並無重大之不實陳述。我們相信有關振曜科技的環境、社會及治理等績效資訊是誠正與無欺地呈現。報告書所揭露之水權績效資訊展現了振曜科技對識別利害關係人的努力。

我們的工作是由一組具有依據 AA1000 保證標準 V3 查證能力之團隊執行，以及策劃和執行這部分的工作，以獲得必要之訊息資料及說明。我們認為振曜科技所提供之足夠證據，表明其符合 AA1000 保證標準 V3 的報告方法與自我聲明披露 GRI 永續性報導準則和 SASB 準則揭露公允的。

查證方法

為了收集與作成結論有關的證據，我們執行了以下工作：

- 對來自外部團體的議題與振曜科技成員進行訪談，以確認本報告書中聲明書的合適性；
- 與管理層討論有關利害關係人參與的方式。然而，我們並未直接接觸外部利害關係人；
- 訪談 6 位與永續性管理、報告書編製及資訊提供有關的員工；
- 審查有關組織的關鍵性發展；
- 審查內部稽核的發現；
- 審查報告書中所作之合宜的支持性證據；
- 針對公司報告書及其相關 AA1000 查證性原則(2018)中有關包容性、重大性、回應性及衝擊性原則之風險管理進行審查；
- 對組織使用 SASB 準則的指標或指標來評估和管理與主題相關的風險和機會進行評估。

結論

針對 AA1000 查證性原則(2018)之包容性、重大性、回應性及衝擊性、GRI 永續性報導準則與 SASB 準則的詳細審查結果如下：

包容性

2024 年報告書反映出振曜科技已持續尋求利害關係人之參與，並建立重大永續主題，以發展及達成對永續具有實質且策略性的回應。報告書中已公布地權與揭露環境、社會及治理的訊息，足以支持適當的計畫與目標設定。以我們的專業意見而言，這份報告書涵蓋了振曜科技之包容性議題。

重大性

振曜科技公布對組織及其利害關係人之評估。決策、行動和績效會產生實質性影響與衝擊之重大主題。永續性資訊揭露使利害關係人得以對公司之管理與績效進行判斷。以我們的專業意見而言，這份報告書適切地涵蓋了振曜科技之重大性議題。

回應性

振曜科技執行來自利害關係人之期待與看法之回應。振曜科技已發展相關溝通政策，作為提供進一步的利害關係人機會，並能對利害關係人所關切之議題作出及時性回應。以我們的專業意見而言，這份報告書涵蓋了振曜科技之回應性議題。

衝擊性

振曜科技已識別並以平衡和有效之量測及揭露方式公正展現其衝擊。振曜科技已確立監督、量測、評估和管理衝擊之流程，從而組織內實現更有效之決策和結果管理。以我們的專業意見而言，這份報告書涵蓋了振曜科技之衝擊性議題。

GRI 永續性報導準則

振曜科技提供有關披露 GRI 永續性報導準則 2021 之自我宣告，並對每個滿意其行案準則和其相關性的 GRI 主題準則之重大主題，若將該項目依照全部披露要求的相關資料。基於審查的結果，我們確認該報告書中參照 GRI 永續性報導準則之水權發展相關項目已披露。部分報告或省略。以我們的專業意見而言，此自我宣告涵蓋了振曜科技的永續性主題。

SASB 準則

振曜科技提供有關披露 SASB 準則(硬體永續會計準則，2023-12 版本)進行永續揭露之自我宣告。基於審查的結果，我們確認報告書中參照 SASB 準則(硬體永續會計準則，2023-12 版本)的永續揭露主題與會計指標已被報告。部分報告或省略。以我們的專業意見而言，此自我宣告涵蓋了振曜科技適用的 SASB 準則之水權揭露主題，相關會計指標與活動指標。

保證等級

依據 AA1000 保證標準 V3 我們審查本聲明書為中度保證等級，如同本聲明書中所描述之範圍與方法。

依據 AA1000 保證標準 V3 我們審查 SASB 準則為中度保證等級。

責任

這份永續報告書所屬責任，如同責任信中所宣稱，為振曜科技負責人所有。我們的責任為基於所描述之範圍與方法，提供專業意見並提供利害關係人一個獨立的保證意見聲明書。

能力與獨立性

英國標準協會於 1901 年成立，為全球標準與驗證的領導者。本查證團隊係由其專業資深，且接受過 AA1000AS-ISO 14001、ISO 45001、ISO 14064 及 ISO 9001 之一系列永續性、環境及社會等管理標準的訓練。其有經驗員資格之成員組成。本保證係依據 BSI 公平交易準則執行。



For and on behalf of BSI:
Peter Pu, Managing Director BSI Taiwan



AA1000
Licensed Report
000-4V3-GEHS6

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2025-06-27

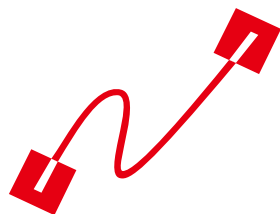
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7.8 Scope of Data Disclosure

Entities under consolidated financial reporting		Taiwan Operating Sites	Overseas Operating Sites	
		Hsinchu	China	Germany
Parent Company	Netronix, Inc.	●		
Associates	Ntx Electronics Yangzhou Co., Ltd.		●	
	Longshine Technologie GmbH			●
Governance				
Financial Performance		●	●	●
Ethical Management		●		
Information Security		●		
Supply Chain Management		●	●	
Environment				
Financial Performance		●		
Environmental Management		●		
Climate Management and GHG Emissions		●		
Energy Management		●		
Water Resource Management		●	●	
Waste Management		●	●	
Chemical Substance Management		●		
Social				
Workforce		●		
Training and Development		●		
Compensation and Benefits		●		
Occupational Safety and Health		●		

Note: The consolidated financial entities also include Analog Integrations Corp. and Taiwan Biomaterial Company Limited, and their subsidiaries. As the two subsidiaries are TWSE/TPEX-listed companies and must comply with the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, they are required to prepare their own Sustainability Reports.



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