


NETRONIX®
振曜科技股份有限公司

# 2025

# 永續報告書

## Sustainability Report

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# Message from the Management

GRI 2-22

For Netronix, 2025 was not only a year of technological upgrades but also a pivotal year in transforming our sustainability commitments into industry influence. We successfully advanced the development and mass production of large-sized advertising displays and assisted customers in commercializing the world' s first foldable color e-paper device. Driven by the widespread adoption of color e-paper technology and the global transition to low-carbon solutions, we have delivered outstanding results across all aspects of operations and ESG.

## Strengthening Environmental Management X Implementing the Circular Economy

In the past year, Netronix has effectively capitalized on the replacement wave of color e-paper. We have achieved steady growth in e-reader shipments and also successfully extended our application reach to large color displays in smart retail, transportation, and healthcare sectors. These products feature "ultra-low power consumption, no light pollution, and eye protection" characteristics, directly assisting our customers in reducing their carbon footprint.

In terms of Environmental Management, we continuously conduct organizational Greenhouse Gas Inventory and have obtained certification for the ISO 50001 Energy Management System. According to the statistics for 2025, our carbon emission intensity continues to decrease, and we have successfully increased the proportion of recycled materials in our products to a new high, fulfilling our commitment to the circular economy.

## Advancing Digital Equity X Creating Lasting Social Value

We firmly believe that the value of a company originates from its positive social contribution. In 2025, Netronix continued its "One County or City Per Year" commitment. In collaboration with E Ink Holdings and 21 e-paper ecosystem partners, the Company promoted the Miaoli "eRead For The Future" project. We donated 1,040 color e-readers to 42 elementary schools in Miaoli County, with a total value exceeding NT$30 million. This is not only a donation of materials but also a realization of digital equity for children. By preloading 164 books that include topics on SDGs and Miaoli' s local literature, we enable nearly 21,000 students to connect with global information while protecting their eyesight and fostering future competitiveness.

## Upholding Ethical Governance X Building a Responsible Supply Chain

While pursuing innovation, we always adhere to the principles of integrity, transparency, and governance. In 2025, we will comprehensively strengthen information security protection mechanisms to ensure continuous compliance with ISO 27001:2022 standards. Facing the complex global supply chain environment, we are working in deep collaboration with suppliers to promote responsible procurement processes, ensuring that every Technology product provided by Netronix meets the highest ethical and environmental standards.

## Outlook for 2026

We will continue to deepen the integration of AI technology with color e-paper to develop smarter, low-carbon display solutions. We will plan the response to the net-zero emissions pathway with a more proactive approach.

Sustainability is an endless marathon. In 2026, we will continue to join forces to use the power of technology to protect the Earth, writing a better future for the next generation.

Chairman

**Tsung Shu-Fu**

# 2025 Sustainability Performance

## Environmen

**Product plastic components**
using more than 87% recycled plastic in manufacturing
Recycled plastic usage
increased 2.4% compared to the previous year

**E-reader products**
usage of recycled material in the manufacturing process reached 77%
a 2.7% increase compared to the previous year

Reduced the PCB size of digital signage (volume decreased compared to the previous generation model)
and transitioned from traditional 18650 batteries to slim lithium-ion batteries
**Overall height of digital signage was reduced by 61.9%**

**Energy Intensity**
1.35 GJ / Million Revenue
a 11.76% decrease compared to 2024

**ISO 14001, ISO 14064-1, ISO 50001**
are within the validity period of product life cycle assessment

## Society

**All Employees**
Average Salary Adjustment Rate
**5%**

Coverage rate of Ethical Management Training
**All new employees + 68% of indirect employees**

**eRead For The Future | Miaoli |**

Donated 1,040
E-Readers to 42 elementary schools
Approximately 21,000 students benefited
With a total value exceeding NT$30 million

## Governance

**NT$8,523 million**
An increase of 15.03% compared to 2024

**Total Patents**
Approved Patents: 47
Active/Valid Patents: 43
Patents Approved in the Current Year: 4

**DOA (Dead On Arrival)**
return rate is 0.14%
Better than the target rate of 0.2%

**Customer satisfaction: 95.33 points**
Grade A and above

**Board Internal Performance**
Self-Assessment Scores 4.46–4.90
out of 5

**Sustainability information disclosure**
expanded to subsidiaries

**100% of suppliers signed the**
"Social Responsibility Compliance Commitment and Guarantee"
"Green Product Restricted Substances Commitment"
"Social Responsibility Compliance and Conflict Minerals Non-Use Commitment"

# About This Report

GRI 2-2 GRI 2-3 GRI 2-5

This 2025 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 Period

First publication of the Sustainability Report: 2023 (covering year 2022)

| | |
|---|---|
| **Reporting period for this Report** | January 1, 2025 to December 31, 2025<br>Aligned with the financial reporting period. |
| **Expected publication date (Chinese version)** | Before the end of August 2026 |
| **Previous publication date (Chinese version)** | August 2025 |
| **Publication frequency** | Annually |

## Contact Information

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

| | |
|---|---|
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## 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 Scope

- **Netronix Inc.:** Financial performance data in this report is derived from the 2025 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). Regarding environmental and social data and information, this report mainly discloses information from the primary operating location, the Taiwan Headquarters in Hsinchu.
- **Subsidiaries:** Starting from 2025, we have gradually included the environmental and human resources data of subsidiaries into the reporting scope. However, considering that certain performance information from subsidiaries was not systematically collected in the past or is incomplete, the current focus is on disclosing existing and reasonable data. In the future, we plan to continuously expand the depth of disclosure to comprehensively cover the sustainability information of each subsidiary, ensuring that the reporting boundaries for non-financial information align with those of financial reporting. For specific information regarding the reporting scope of each subsidiary, please refer to the "Appendix - Scope of Data Disclosure" for detailed explanation.

## 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 Group (Singapore) Pte. Ltd. Taiwan Branch 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.

# About Netronix Inc.

1.1 Company Overview
1.2 Product Portfolio
1.3 Operational Highlights




01

# 1.1 Company Overview

GRI 2-1 GRI 2-6 GRI 2-23 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, 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 |
| **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 2025) |
| **Number of employees** | Netronix Group: 1,426 employees (as of the end of 2025)<br>Netronix Inc.: 394 employees (as of the end of 2025) |
| **Revenue Scale** | NT$ 8.523 billion (2025 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 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

**2025**

- Launched a new generation of large-size Color E-Paper Digital Signage

**2024**

- Launched color e-readers
- Acquired controlling interest in Taiwan Biomaterial Company Limited and included it 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 27001:2013 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.

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

## Participation in Associations

| Name | |
|---|---|
| Association of Taiwan Listed Companies | Member |
| Hsinchu County Industrial Association | Member |
| Taipei Computer Association | Member |



# 1.2 Product Portfolio

SASB TC-HW-000.A~C

## Product Types and Applications













| | | | | | |
|---|---|---|---|---|---|
| **Types of E-Paper Application Products** | ● E-Reader | ● E-Note | ● Electronic Shelf Label<br>● Smart Badge | ● Electronic Baggage Tag<br>● IoT logistic Label | ● Digital Signage |
| **Applications** | ● Not limited by the constraints of traditional paper, these devices allow reading or writing in various scenarios.<br>● Color e-readers are primarily used in reading and learning contexts that require the simultaneous presentation of text and color information, including but not limited to:<br>/ Color e-books, magazines, comics, and children' s books reading<br>/ Educational and learning materials (such as charts, illustrations, textbooks, etc.)<br>/ Mobile reading of professional documents and presentation materials<br>/ Digital content replaces paper printing, reducing the use of paper and ink, and lessening the environmental burden. | | ● E-paper display-equipped electronic labels reduce the paper consumption of traditional labels, significantly enhancing convenience.<br>● Replaces paper-based ID or visitor badges, reducing costs and improving corporate management systems. | | ● E-paper digital signage can display dynamic and diverse messages in real time, suitable for public announcements and commercial advertisements.<br>● In addition to general commercial advertising playback, Digital Signage is also widely used in diverse fields, including:<br>/ Public service announcements and public information dissemination<br>/ Commercial advertising and brand display<br>/ Artistic display and cultural applications<br>/ Spatial decoration and smart field applications |

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 Annual Report.

## E-Paper Application Products

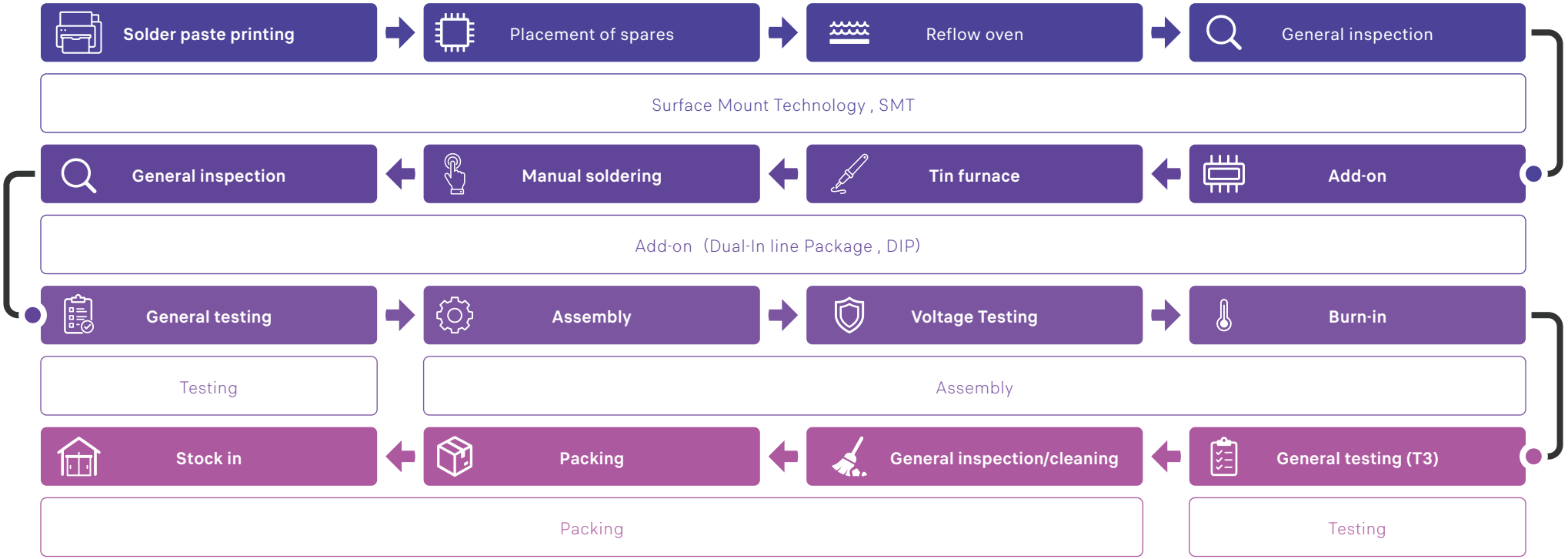
Netronix is a leading expert in the design and manufacturing of e-paper products in Taiwan. We continuously innovate and develop diverse e-paper product lines each year. These products are suitable for five major application scenarios: public transportation, consumer electronics, smart healthcare, retail 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<br>● E-Note (mass production in 2026) | | Replaces traditional paper while being environmentally friendly and eye-friendly.<br>Supporting handwritten notes, combining e-reading with integrated AI features, users can take notes, annotate, and organize while reading. |
| **Retail Stores** | Electronic Label | ● Electronic Shelf Label, ESL | Represents the new trend in smart retail |
| **Industrial Logistics** | Electronic Label | ● IoT logistic Label | Enables real-time tracking to enhance logistics transparency, operational efficiency, and cargo security |
| **Public Transportation \| Consumer Electronics** | Electronic Label | ● Electron Baggage Tag, EBT | Simplifies boarding procedures. reduces manpower and costs Minimizes baggage mishandling |
| **Consumer Electronics \| Medical Applications** | ● Smart Badge | | Replaces traditional ID cards and offers reusability |
| **Retail \| Transportation \| Healthcare** | ● Digital Signage | | Replaces traditional paper signage, featuring energy-saving visibility without backlight and automatic content update capability |
| **Art Exhibitions** | ● Digital Signage | | The digital art frame utilizes unique electronic paper display technology to realistically reproduce famous paintings and the texture of paper, with the flexibility to switch displayed details. It is suitable as a digital decoration for modern home and commercial spaces. |

## New Product Development

| Product Portfolio | New Product Development Items | 2024 Progress | 2025 Progress | 2026 Plan |
|---|---|---|---|---|
| **E-Paper application products** | ● Color E-Paper Digital Signage | ● Under development; obtained Japan TELEC and JATE certifications starting late 2024 | ● All sizes of indoor digital signage have completed mass production. | ● Adopts E Ink Spectra 6 technology<br>● Size: 25.3" and 28.5" have completed mass production. |
| **E-Paper application products** | ● Kaleido Color E-Notebook | ● Existing generation in mass production; new generation under ongoing development | ● Kaleido 3 mass production has been completed. | ● Kaleido 4 mass production has been completed. |
| **E-Paper application products** | ● Gallery Full-Color Flexible E-Reader | ● Under development; expected to enter mass production in Q3 2025 | ● E Ink Gallery 3 is still under development. | ● E Ink Gallery 4 mass production has been completed. |

## E-Reader Production Process




## SASB Operational Activity Indicators

| Indicator No. | Item | | 2024 | 2025 |
|---|---|---|---|---|
| TC-HW-000.A | Number of units produced by product category (PCS) | ● E-Paper application products | 140 | 167 |
| | | ● Industrial PC | 1 | 1 |
| | | ● Networking products | 25 | 12 |
| | | ● Other products [Note 1] | 467 | 10,403 |
| TC-HW-000.B | Manufacturing facility area ($ft^2$) | | 65,650.27 | 65,650.27 |
| TC-HW-000.C | Percentage produced from own facilities (%) | | 100 | 100 |

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

Note 2: The statistical boundary for operational activity indicators includes only Netronix Taiwan. Considering that the listed subsidiary Analog Integrations Corporation (AIC) and its subsidiaries Sable Corporation and Zunidata Systems Inc. each separately disclose sustainability performance. 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 retrospect of 2025, the global economic and trade landscape exhibited significant volatility due to fluctuations in tariff policies, adjustments in monetary policies, and intensified U.S.–China technology competition. The escalating geopolitical tensions and supply chain restructuring challenges, along with 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 2025 surpassed the results of 2024. Consolidated operating revenue reached NT$8,523 million, representing a 15.03% increase compared to 2024. Consolidated gross profit increased 4.60%, consolidated operating income increased 2.34%, and consolidated net income increased 26.56%, mainly attributable to the 58% year-over-year growth in e-reader product shipments.

Outlook for 2026, Netronix will continue to leverage existing resources, with each business unit continuing to expand new products. Our investment subsidiaries will also strive for breakthrough growth while maintaining steady progress. We will continue to use innovative e-paper application solutions to connect with the green economic value chain and create long-term sustainable value for stakeholders.

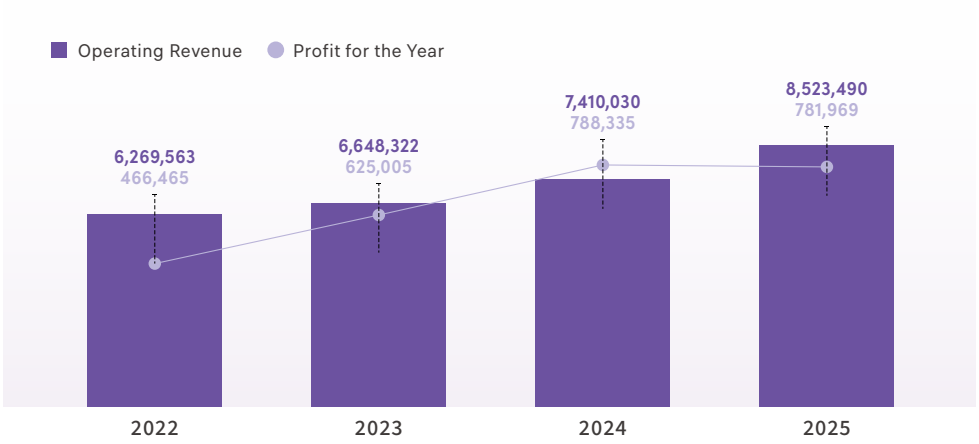
Unit:NT$1,000

| | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| **Historical Revenue and Profit/Loss** | | | | |
| ● **Operating Revenue** | 6,269,563 | 6,648,322 | 7,410,030 | 8,523,490 |
| ／ **Cost of Goods Sold** | 5,072,598 | 5,169,191 | 5,854,986 | 6,627,397 |
| ● **Gross Profit** | 1,196,965 | 1,479,131 | 1,555,044 | 1,896,093 |
| ／ **Operating Expenses** | 772,639 | 754,425 | 807,304 | 882,793 |
| ● **Selling Expenses** | 252,504 | 284,042 | 281,212 | 281,140 |
| ● **Administrative Expenses** | 285,006 | 279,072 | 345,807 | 359,473 |
| ● **R&D Expenses** | 231,825 | 191,026 | 175,416 | 238,225 |
| ● **Others** | 3,304 | 285 | 4,869 | 3,955 |
| ● **Operating Income** | 424,326 | 724,706 | 747,740 | 1,013,300 |
| ● **Non-Operating Income (Expenses)** | 183,227 | 96,603 | 244,012 | (37,550) |
| ● **Net Profit Before Tax** | 607,553 | 821,309 | 991,752 | 975,750 |
| ／ **Income Tax Expenses** | 141,088 | 196,304 | 203,417 | 193,781 |
| ● **Net Profit** | 466,465 | 625,005 | 788,335 | 781,969 |
| ● **Net Other Comprehensive Income After Tax** | 76,247 | (28,342) | 37,207 | (20,404) |
| ● **Total Comprehensive Income** | 542,712 | 596,663 | 825,542 | 761,565 |
| ● **Earnings per Share (NT$)** | 4 | 4 | 7 | 6 |
| **GRI Related Disclosure Information** | | | | |
| ● **Employee Salaries and Benefits** | 1,009,092 | 997,534 | 1,014,883 | 1,039,015 |
| ● **Interest and Dividend Expenses** | 214,600 | 316,011 | 558,461 | 759,601 |
| ● **Community Investment** | 115,000 | 65,000 | 15,000 | 0 |
| **Government Subsidy Information** | | | | |
| ● **Tax Reductions and Credits** | 3,276 | 4,014 | 1,925 | 7,850 |
| ● **Other Government Financial Subsidies** | 2,004 | 7,217 | 0 | 0 |

Note 1: The scope refers to the consolidated financial performance of Netronix
Note 2: The generated economic value includes operating revenue and non-operating income; the distributed economic value includes the cost of goods sold, income tax expenses, employee salaries and benefits, interest and dividend expenses to shareholders, community investment, fines, etc.
Note 3: Retained Economic Value: Generated Economic Value - Distributed Economic Value

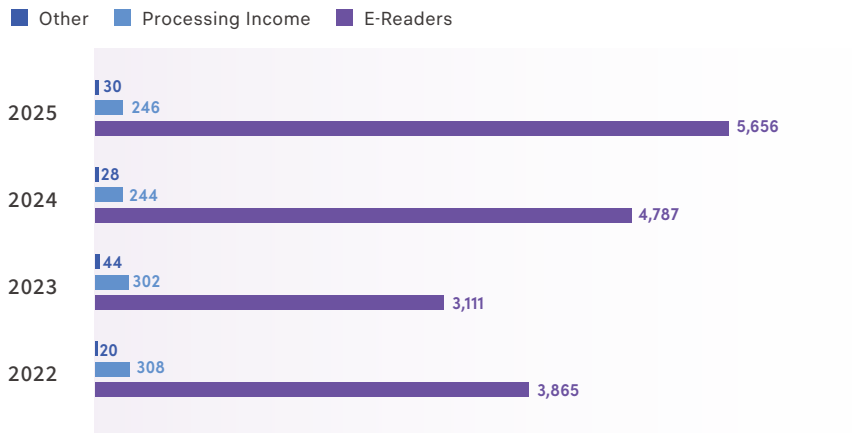
## Historical Revenue and Net Profit After Tax

Unit:NT$1,000




## Historical Revenue by Region

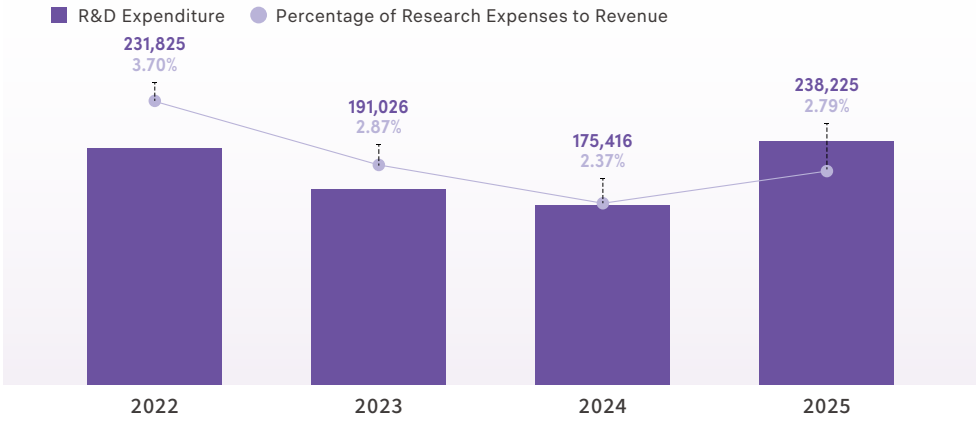
Unit:NT$ million




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

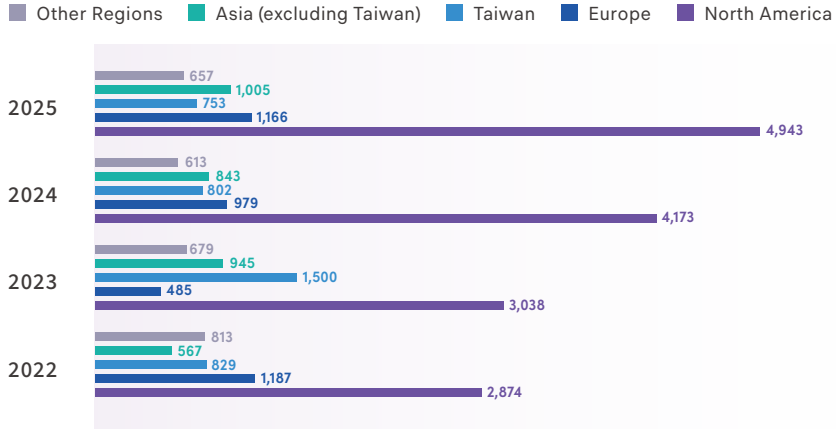
## Historical R&D Investment Expenses and Percentage of Operating Revenue

Unit:NT$ million




## Historical Revenue by Product

Unit:NT$ million




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

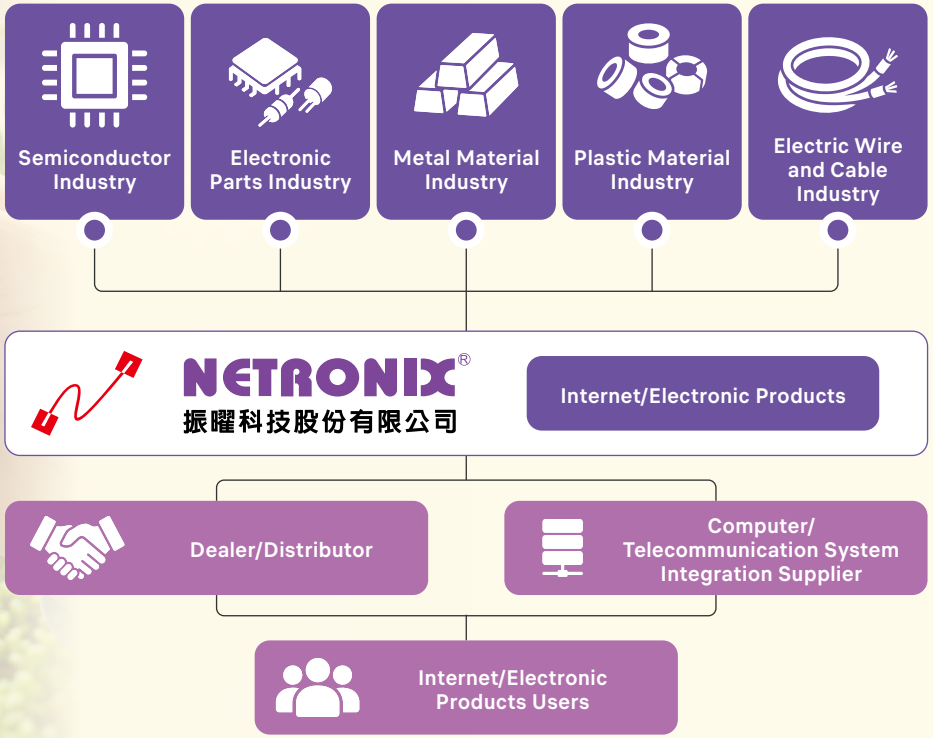



## Role in the Industry Chain

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 Company' s activities, products, services, markets served, or the entities within its supply chain, both upstream and downstream.

### Upstream Supply Chain



# Sustainability Issues Management

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



02

GRI 2-13 GRI 2-14 GRI 2-29

# 2.1 Stakeholder Engagement and Communication

Netronix values and emphasizes interaction with stakeholders, establishing mechanisms for communication and response to sustainability issues. The company website features a dedicated area for communication and contact with stakeholders, providing transparent and diverse channels of communication. We identify key stakeholders through the five dimensions of the AA1000 Stakeholder Engagement Standard (AA1000 SES) established by AccountAbility: Responsibility, Influence, Tension, Diverse Perspectives, and Dependency. In 2022, questionnaires were distributed to company executives, identifying four key stakeholders: customers, employees, shareholders, and suppliers. Since its establishment in 2022, annual reviews have been conducted. In 2025, after evaluations and discussions led by senior management focused on sustainability, Netronix concluded that the operating environment had no significant differences compared to 2024. Therefore, the results of the stakeholder identification were retained.



## Key Stakeholder Engagement

| Stakeholder Types | Customers | Employees |
|---|---|---|
| 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. |
| Focus Topics | Economic Influence; Ethical Management; Sustainable Supply Chain; Climate Strategy; Energy Management | Quality Management; Information Security; Product Responsibility; Economic Influence; Occupational Safety and Health |
| Purpose of Engagement | Improve customer service and quality | Enhance employee satisfaction |
| Responsible Departments | Sales Department | Administration Department |
| Engagement Methods/ Frequency | • Correspondence (as needed)<br>• Conference calls (weekly)<br>• On-site visits (as needed) | • Internal/external employee training (according to training plan)<br>• Suggestion box (open for feedback 24/7)<br>• Company website (updated periodically)<br>• Employee Welfare Committee meetings (quarterly)<br>• Occupational Safety and Health Committee meetings (quarterly) |
| Engagement Outcomes | • Conference calls (approximately 55 times)<br>• On-site visits (5 times) | • Employee training participation rate (100%)<br>• Suggestion box submissions (0)<br>• Employee Welfare Committee meetings (7 times)<br>• Occupational Safety and Health Committee meetings (4 times) |
| Responsive Sections | 03 Innovative Services<br>04 Operational Governance | 06 Shared Growth |

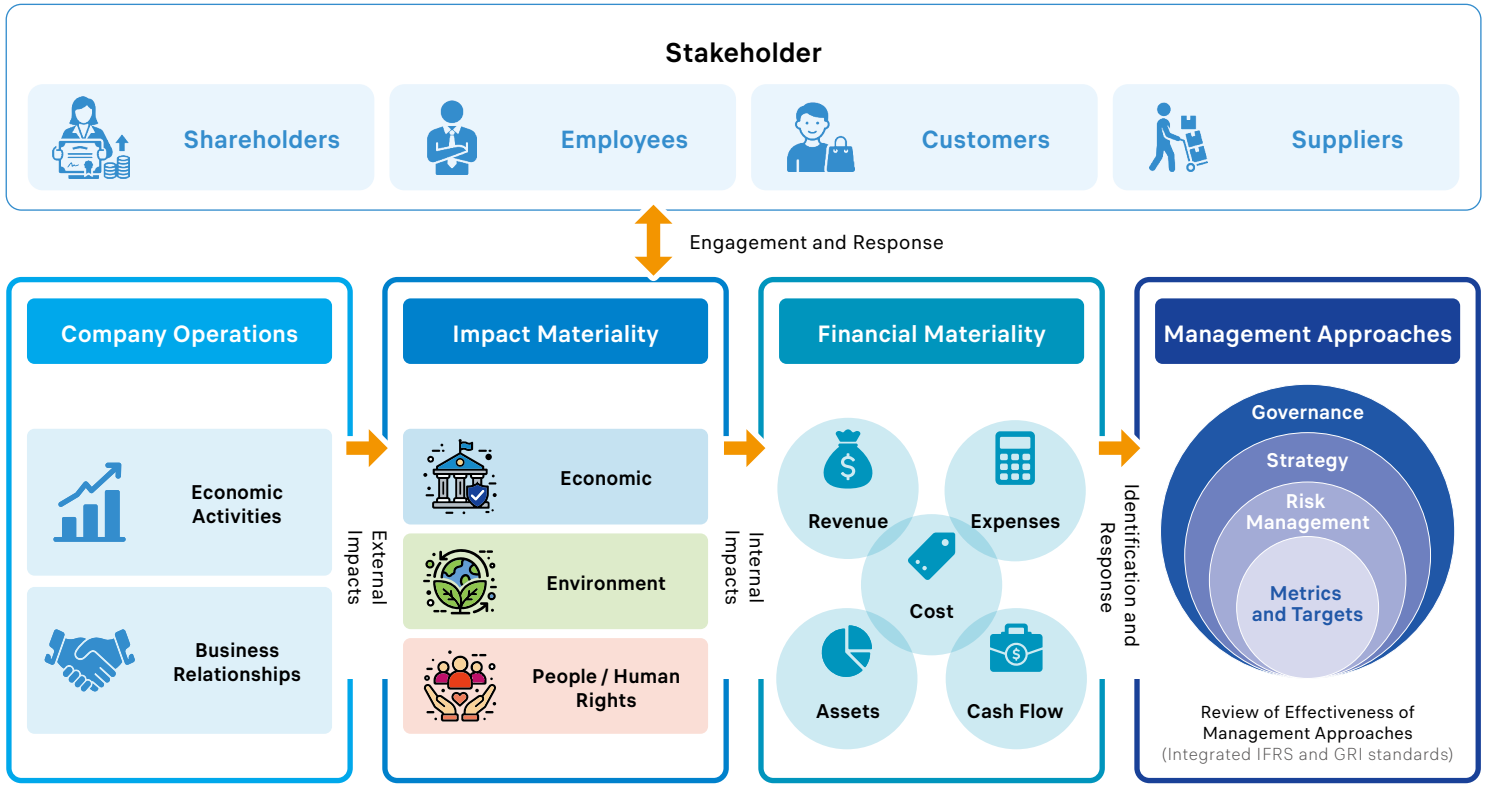
| Stakeholder Types | Shareholders | Suppliers |
|---|---|---|
| Significance to Netronix | Both institutional and individual investors are vital to Netronix. The Company ensures consistent transparency in both financial and non-financial information to safeguard shareholders' interests, while valuing 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 | Quality Management; Information Security; Innovation Management; Economic Influence; Ethical Management | Quality Management; Information Security; Ethical Management; Economic Influence; Occupational Safety and Health |
| Purpose of Engagement | Increase shareholder value and transparency | Improve supplier management outcomes |
| Responsible Departments | Department of Financial Management | Cost Control Center |
| Engagement Methods/ Frequency | • Board of Directors (quarterly)<br>• Shareholders' meetings (annually)<br>• Institutional Investor Conferences (Annually)<br>• Revenue announcements (monthly)<br>• Financial reports (quarterly)<br>• Investor section on company website (as needed)<br>• Public disclosure of significant information and financial reports on Market Observation Post System (as needed)<br>• In-person/teleconference meetings (as needed)<br>• Emails (real-time)<br>• Timely response to investor inquiries | • Quality issue meetings (weekly with major material suppliers)<br>• Production and sales coordination meetings (weekly)<br>• Cost reduction meetings (quarterly)<br>• Supplier guidance and audits (monthly)<br>• Contract, confidentiality, and integrity briefings (as needed) |
| Engagement Outcomes | • Board of Directors meetings (6 times)<br>• Shareholders' meeting (1 time)<br>• Institutional Investor Conferences (10 times)<br>• Monthly revenue announcements (12 times)<br>• Financial report submissions (4 times) | • Quality issue meetings (18 suppliers)<br>• Production and sales coordination meetings (44 times)<br>• Cost reduction meetings (92 times)<br>• Supplier guidance and audits (45 suppliers) |
| Responsive Sections | 01 About Netronix Inc.<br>04 Operational Governance<br>03 Innovative Services | 04 Operational Governance |

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 conducts a sustainability materiality analysis and identification, continuing to adopt the "Double Materiality" principle in 2025. Based on "GRI 3: Material Topics 2021" and considering the IFRS and ESRS guidance on sustainability impacts, sustainability impacts are divided into Impact Materiality and Financial Materiality. A six-stage process is implemented for systematic identification of sustainability impacts, which includes external impacts from Company Operations on society, environmental issues, stakeholders, and human rights, as well as internal financial impacts arising from resources allocated to address external impacts. The comprehensive results of external and internal impacts produce the final sustainability impact analysis results, which serve as the basis for prioritizing the reporting of sustainability information. Simultaneously, the responsible departments of Netronix formulate policies, action plans, and target setting for each issue based on the impact assessment results.



# Method of Sustainability Impact Assessment



**STEP 01**

**Understanding the Organizational Context**

Based on the overview of operational activities, and with comprehensive reference to sustainability reporting standards (GRI, SASB), international sustainability evaluation indicators (MSCI, S&P CSA, CDP), and the practices of benchmark enterprises, relevant sustainability topics and trends were collected and summarized into 19 sustainability topics.

After identifying 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 value chain. After comprehensive consideration, converge into 11 sustainability topics and designate responsible departments for each topic, then submit to the President for confirmation.



**STEP 02**

**Identification of External Impacts (Impact Materiality)**

Through the annual sustainability meeting, relevant department heads are invited to participate in an in-depth analysis of the Company' s operational activities and business relationships concerning the list of 11 sustainability topics. This analysis covers the value chain, including upstream suppliers, internal operations, and downstream customers, to identify and rank impact materiality regarding actual/potential, positive/negative impacts on environmental issues, and social aspects (including human rights).

**Impact Materiality Identification Method:**

- **Negative impact materiality**: Severity (scale, scope, remediability) × Likelihood
- **Positive impact materiality**: Benefit (scale, scope) × Likelihood



**STEP 03**

**Identification of Internal Impacts (Financial Materiality) (Financial Materiality)**

Based on the impact materiality of the 11 sustainability topics, the heads of each responsible department further discuss the opportunities or risks they present to operational activities from an external to internal perspective. They identify and rank the financial materiality of the actual or potential direct/ indirect short-, medium-, and long-term financial impacts.

Note: The level of impact is measured with reference to financial statement materiality standards, and the relevance of key financial indicators to Netronix' s value is analyzed. Annual net profit is used as the baseline for evaluating the level of financial materiality. Financial impacts include information related to financial statements, such as revenue, cost, expenses, cash flow, and capital raising/financing.

**Impact Materiality Identification Method:**

- **Financial materiality**: Level of operational impact × Likelihood



**STEP 04**

**Develop management approaches for sustainability issues**

Summarize the results of impact materiality and financial materiality identification for each sustainability topic. Department heads of each responsible area discuss and adjust based on future operational planning to ensure the alignment of sustainability initiatives and operational strategies. The final identification and ranking of sustainability topics are completed, and each responsible department formulates policies, action plans, and targets based on the assessment results.



**STEP 05**

**Inclusion in governance and responsibilities**

The final sustainability issues identification results confirmed 7 topics as material issues, approved by the Company' s President in March 2026.



**STEP 06**

**Correspondence with Sustainability Reporting Topics and Indicators**

The Sustainability Development Promotion Group, based on the resolutions passed, aligned with 5 GRI topics and the SASB Technology and Communications industry — Hardware sector, serves as the Reporting Framework for this sustainability report.

## Ranking of Impact Assessment and Matrix GRI 3-2

| Ranking | Impact Materiality | | Financial Materiality | | Double Materiality | |
|---|---|---|---|---|---|---|
| | Negative | Positive | Negative | Positive | Negative | Positive |
| 1 | Information Security | Innovation Management | Talent Attraction and Retention | Climate Strategy | Talent Attraction and Retention | Climate Strategy |
| 2 | Innovation Management | Product Responsibility | Product Responsibility | Innovation Management | Innovation Management | Innovation Management |
| 3 | Talent Attraction and Retention | Climate Strategy | Climate Strategy | Product Responsibility | Product Responsibility | Product Responsibility |
| 4 | Human Capital Development | Sustainable Supply Chain | Innovation Management | Sustainable Supply Chain | Information Security | Sustainable Supply Chain |
| 5 | Product Responsibility | | Sustainable Supply Chain | | Climate Strategy | |
| 6 | Sustainable Supply Chain | | Information Security | | Human Capital Development | |
| 7 | Climate Strategy | | Human Capital Development | | Sustainable Supply Chain | |
| 8 | Energy Management | | Ethical Management | | Energy Management | |
| 9 | Diversity and Inclusion | | Energy Management | | Diversity and Inclusion | |
| 10 | Occupational Safety and Health | | Diversity and Inclusion | | Ethical Management | |
| 11 | Ethical Management | | Occupational Safety and Health | | Occupational Safety and Health | |

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

Based on the results of the double materiality impact analysis, Netronix has identified 7 negative material topics and 4 positive material topics, along with 3 negative secondary topics and 0 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 7 topics with significant impacts (both positive and negative)—Talent Attraction and Retention, Innovation Management, Product Responsibility, Information Security, Climate Strategy, Human Capital Development, and Sustainable Supply Chain—are identified as the priority content for disclosure in this Report.

Compared to the previous reporting year, the results of the 2025 double materiality analysis showed that the overall topics remained largely the same, with a reduction in Ethical Management and Quality Management. As the previously listed topics of Ethical Management and Quality Management pertain to the core items of corporate basic compliance and operational management, and given the relevant systems and risk control mechanisms are well-established and operate stably, their risks are assessed to be within controllable ranges, thus they are not included as major topics for this year.



## Disclosure Indicators and Corresponding Sections

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

| Material Topic | Value Chain Impact Scope | | | Correspondence with GRI Topic Standards or SASB Indicators | Disclosure Sections |
|---|---|---|---|---|---|
| | Supply | Netronix | Customers/End Consumers | | |
| Human Capital Development (including Talent Attraction and Retention) | | 🔵🔴 | 🔵 | • GRI 401: Employment 2016<br>• GRI 405: Diversity and Equal Opportunity 2016<br>• TC — HW — 330a.1 | 6.3 Talent Development<br>6.4 Compensation and Benefits |
| Innovation Management | | 🔵🟢🔴 | 🔵🟢🔴 | • Self-defined topic: Use of Recyclable Materials | 3.1 Innovation Management |
| Product Responsibility | | | 🔵🔴 | • GRI 416: Customer Health and Safety 2016 | 3.2 Customer Service<br>3.3 Quality Management |
| Information Security | | 🔵🔴 | 🔵🔴 | • Self-defined topic: Information Security Incidents<br>• TC — HW — 230a.1 | 4.4 Information Security |
| Climate Strategy | 🟢 | 🟢 | 🟢 | • GRI 305: Emissions 2016 | 5.3 GHG Management |
| Sustainable Supply Chain | 🔴🔵 | 🔴🔵 | 🔴🔵 | • GRI 204: Procurement Practices 2016<br>• TC — HW — 430a.1 ~ 430a.2 | 4.5 Supply Chain Management |

Note: Impact assessment dimensions cover economic ( 🔵 ), environmental issues ( 🟢 ), and social issues/people including human rights ( 🔴 ).

## Explanation of Material Topic Impacts

| Material Topic | | Explanation of External Sustainability Impacts | Explanation of Internal Financial Impacts | Impact Time Horizon | | | |
|---|---|---|---|---|---|---|---|
| | | | | Already Occurred | Future Impact | | |
| | | | | | 1-2 Years | Within 3-5 Years | More than 5 Years |
| Human Capital Development (including Talent Attraction and Retention) | 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. | Increased annual overtime payments. | ◉ | | | |
| Innovation Management | Negative | Risks of failure in innovative products or development of new materials. Examples: For example:<br>1. Innovation failure affects customer product verification schedule.<br>2. 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; stable shipments in 2025. | ◉ | | | |
| 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. | | ◉ | | |
| Information Security | Negative | 1. **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.<br>2. **Internal**: If employees do not follow the Company' s information security management procedures, cybersecurity incidents may easily occur. | Following the cybersecurity incident in 2025, the Company promptly completed system recovery and managed related disposal costs effectively, resulting in limited overall impact. During this period, the production line remained in normal operation, and due to a comprehensive backup mechanism, there was no significant impact on operations. | ◉ | | | |

| Material Topic | | Explanation of External Sustainability Impacts | Explanation of Internal Financial Impacts | Impact Time Horizon | | | |
|---|---|---|---|---|---|---|---|
| | | | | Already Occurred | Future Impact | | |
| | | | | | 1-2 Years | Within 3-5 Years | More than 5 Years |
| 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 2025 was NT$8,523 million, an increase of 15.03% compared to 2024. | ◉ | | | |
| 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 | 1. On-time payment builds good cooperation and trust with suppliers.<br>2. 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. | 1. Good supplier relationships allow better pricing to reduce costs.<br>2. For e-reader products, estimated market opportunities increase in 2025. | | ◉ | | |

# 2.3 Management Approaches to Material Issues

GRI 2-13 GRI 3-3

| Material Topic | Human Capital Development (Including Talent Attraction and Retention) | Innovation Management and Climate Strategy |
|---|---|---|
| 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.<br>● 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. | ● A patent application operation procedure is established.<br>● A greenhouse gas inventory procedure is established. |
| Responsibility | Administration Department (Vice President) | Market Development Center (President) |
| Targets | **2025**<br>● Annual voluntary turnover rate lower than 15%.<br>● Evaluation of Human Resource Management System Optimization<br>● Employee recruitment rate 80%<br>**Short-term (1-2 years)**<br>● Annual training programs provide systematic courses to managers and employees based on changes in laws and the latest technology development trends, helping the organization to keep up-to-date with regulatory dynamics and knowledge of the industry. Simultaneously, by digitizing training satisfaction surveys (paperless), administrative processes are simplified, allowing training planners to focus resources on enhancing course quality. | **2025**<br>● According to customer requirements, gradually introduce environmentally friendly materials to reduce environmental impact and carbon emissions.<br>● Advertising machines and color e-Readers: Electronic materials (internal PCBA volume reduced) and battery size reduced.<br>**Short-term (1-2 years)**<br>● All e-reader products.<br>○ Plan to use over 83% recycled materials (plastic materials) in 2027.<br>○ Plan to use over 85% recycled materials (plastic materials) in 2028.<br>● Planning for Subsidiary Greenhouse Gas Inventory and Verification |
| Action Plans (2025) | ● Average Salary Adjustment for All Employees Yearly is 5%.<br>● Evaluation of Human Resource Management System Optimization (such as digitization of pay slips)<br>● Expand recruitment channels and strengthen job marketing (participation in the 104 online recruitment fair) | ● New generation product development projects<br>● 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. |
| Annual Performance (2025) | ● Voluntary turnover rate in 2025: 14.5%<br>● Evaluation of Human Resource Management System Optimization has been completed.<br>● Employee recruitment rate 90.7% | ● Use of recycled materials in the process for e-reader products reached 77%. An increase of 2.7% compared to the previous Year.<br>● Advertisement machine: The PCB has been reduced in size (compared to the previous generation, the volume is approximately reduced). It has been changed from the original 18650 battery to a slim lithium battery. The overall height of the POS is reduced by 61.9%.<br>● Color e-Readers: The internal battery has been changed to a framed battery, allowing End Customers to replace it at home and extend the device' s lifespan. |
| Tracking and Review Mechanism | ● Regularly review and evaluate the effectiveness of talent attraction and retention through monthly operational management meetings. | ● 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 "Stakeholder" page on the Company website<br>● Additionally, internal employees may provide feedback through employee satisfaction surveys and suggestion boxes to understand employee opinions. | ● 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 | Product Responsibility | Sustainable Supply Chain |
|---|---|---|
| Policies and Commitments | • 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.<br>• 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. | • 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 | Manufacturing Center (Deputy Director) | Cost Control Center (Vice President); Quality Assurance Department (Deputy Director) |
| Targets | **2025**<br>1. Quality Management<br>• Process FPY of 97%<br>• Process repair rate of 99.9%<br>2. Product Responsibility<br>• All suppliers comply with Netronix' s Green Product Substance Restriction Guidelines.<br>• Suppliers use no conflict minerals.<br>**Short-term (1-2 years)**<br>1. Optimize production and logistics flow paths to enhance material preparation, replenishment efficiency, and reduce handling time.<br>2. Surface Mount Technology (SMT) and Automatic Optical Inspection (AOI) equipment upgrade | **2025**<br>• Signing rate of "Letter of Commitment to Comply with Social Responsibility Laws and Regulations" over 100%.<br>• Signing rate of "Letter of Commitment on Restricted Substances for Green Products" above 98%.<br>• Signing rate of "Letter of Commitment of Non-Use of Conflict Minerals in Compliance with Social Responsibility Laws and Regulations" above 98%.<br>• At least 2 supplier audits per year.<br>**Short-term (1–2 years)**<br>• Guide suppliers to undergo RBA VAP audits, increasing the number by more than 5 suppliers. |
| Action Plans (2025) | • Regular quality system audits.<br>• Employee quality training. | • Regularly conduct new supplier evaluations, qualified supplier audits, and coaching.<br>• Qualified suppliers use recycled materials. |
| Annual Performance (2025) | 1. Quality Management<br>• Process FPY of 97.22%<br>• Process repair rate of 98.15% (Repair parts provided by customers, and due to insufficient supply of parts, repairs could not be executed. Subsequently, customers confirmed that no repairs were necessary, resulting in the repair rate not meeting the Target Value.)<br>2. Product Responsibility<br>• 100% of suppliers meet Netronix' s Green Product Substance Restriction Guidelines.<br>• 100% of suppliers use no conflict minerals. | • 100% of suppliers signed the "Social Responsibility Regulatory Compliance Commitment," "Green Product Substance Restriction Commitment," and "Social Responsibility and Conflict-Free Minerals Commitment."<br>• All 45 qualified suppliers passed the supplier quality management audit with 100% success. |
| Tracking and Review Mechanism | • Conduct regular weekly and monthly manufacturing quality meetings to review and track quality performance, audit results, and KPI achievement rates. | • Internal audit meetings.<br>• Monthly meetings of the Cost Control Center. |
| 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 |

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

| Material Topic | Information Security | |
|---|---|---|
| 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.<br>• "Convenience in IT, security in confidentiality." | |
| Responsibility | Information Security Committee (Chairperson) | |
| Targets | 2025 | • "Zero" major information security incidents. |
| | Short-term (1-2 years) | • Continually evaluate cybersecurity gaps and enhance cybersecurity management.<br>• Enhance investment in cybersecurity Item<br>• Strengthen system recovery abilities |
| Action Plans | • Conduct regular risk assessments, identify potential issues, and implement preventive measures to reduce the risk of future data breaches.<br>• Promote information security management upgrades: optimize network protection architecture, strengthen the R&D environment, and implement IT security mechanisms.<br>• Conduct regular information security training and awareness promotion.<br>2025<br>• The cybersecurity monitoring system will be replaced at the end of 2025, with the aim to fully implement pre-event, during-event, and post-event security management. | |
| Annual Performance (2025) | • In March 2025, a hacking incident occurred. The company promptly completed system recovery and effectively managed related disposal costs, resulting in a limited overall impact. During this period, the production line remained in normal operation, and due to a comprehensive backup mechanism, there was no significant impact on operations. (For event improvement details, see 4-4 Information Security)<br>• The ISO 27001:2022 management system recertification was completed in 2025. | |
| 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. | |
| Stakeholder Engagement | • Relevant stakeholders can provide feedback and complaints through the "Stakeholder" page on the Company website | |



# Innovative Services

3.1 Innovation Management
3.2 Customer Service
3.3 Quality Management



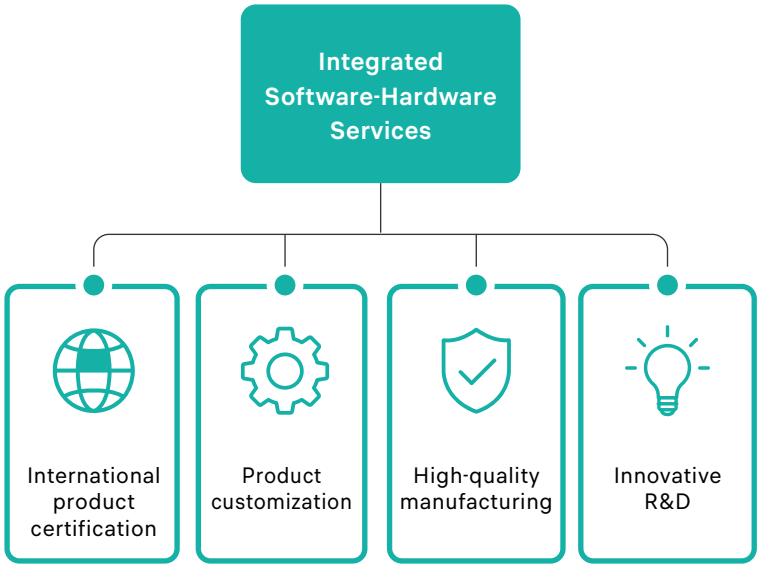
03

# 3.1 Innovation Management

## Innovation and R&D

Netronix 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 over a decade, continuously designing and innovating products from manufacturing, design to product development and integration, based on consumer needs. E-paper application products feature ultra-low power consumption and low-carbon, environmentally friendly characteristics. Together with colorful e-paper displays, they can replace LCD displays as a more environmentally advantageous and low-power consumption display solution. 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.




## R&D Investment

Netronix' 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 2025, the total R&D expenditure amounted to NT$238,225 thousand, accounting for 2.79% of annual revenue.

| Item \ Year | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| R&D Expenditure (thousand NTD) | 231,825 | 191,026 | 175,416 | 238,225 |
| Percentage of Operating Revenue for the Year | 3.70% | 2.87% | 2.37% | 2.79% |

## Sustainable Design

Netronix 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 in products

**Plastic materials**



- Using more than 87% recycled plastic in product plastic components manufacturing (an increase of 2.4% compared to the previous year).
- Use of recycled materials in the process for e-reader products reached 77% in 2025 (an increase of 2.7% compared to the previous year).

Use of recycled materials in products

**Metal materials**

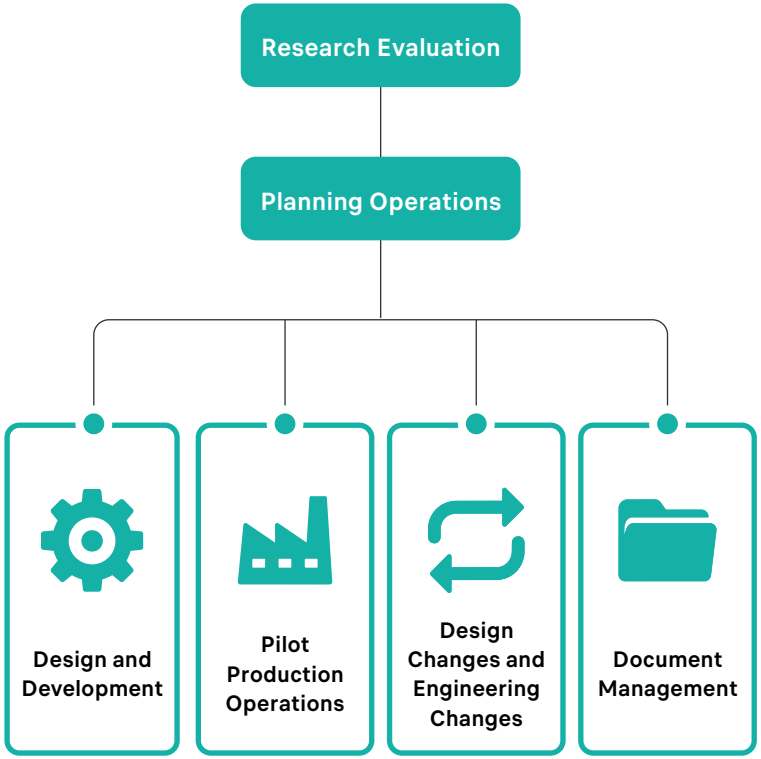


- Recycled materials developed from 2022 have been successfully applied to the e-reader product series according to different customer needs.
- Use of recycled materials in the process for e-reader products reached 70% in 2025 (an increase of 7.7% compared to the previous year).

| Product life cycle stages | | |
|---|---|---|
| **Aspect** | **Type** | **Explanation** |
| Design | Structural Optimization | ● **Product slimness:**<br>/ Color e-readers: Composite material development.<br>/ Advertisement machine: Using slim lithium batteries compared to the 18650 specification, the overall machine height is reduced from 21mm to 8mm, marking a 61.9% decrease. |
| | 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**: E-reader products' adoption rate increased from 70% in 2024 to over 77%.<br>● **Recycled metals**: E-reader products' adoption rate increased from 60% in 2023 to over 70%. |
| Manufacturing | Efficient Manufacturing | ● **Design improvements**: Product design simplification reduces assembly processes and improves production efficiency and yield rate.<br>● **Production efficiency improvement:**<br>/ Introduction of automated machinery: Incorporate 2 to 3 automated machines, such as in the E-Reader assembly process. (2026 Plan)<br>/ Optimizing advertising machine assembly efficiency: Plan to optimize the production line flow. (2026 Plan) |
| Logistics | Packaging Reduction | ● **Product 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.<br>/ Plan to reduce packaging methods and sizes in 2026 based on different product dimensions (material change from corrugated cardboard to cardboard with a reduced size).<br>● **Packaging material recycling (TRAYs, cartons):** The recycling rate for TRAYs carrying IC components is 100%, and other carton TRAYs are recycled by suppliers upon delivery.<br>● Currently, cooperation with customers has increased the use of FSC (Forest Stewardship Council) certified recycled paper materials in product packaging from 60% to 66%. |
| UsagePhase | High-Performance Products | ● **E-Readers:** 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.<br>● **Digital Signage:** 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.<br>● In power-saving mode, the advertisement machine further improves the standby current of the whole machine, reducing the standby mode current from 1.6 mA to 1.2 mA, decreasing standby power consumption by 25%.<br>● **E-Reader:** New product chip functions continue to improve, with better CPU specifications and smoother product operation. (2026 Plan Execution) |
| | Product Repair | ● Netronix' 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:**<br>/ A 32GB e-reader can store approximately 30,000 to 40,000 books.<br>/ An electronic baggage tag in good condition can be reused for five years, reducing the use of traditional paper-based baggage tags.<br>● **Optimizing user reading experience:**<br>/ E-readers significantly reduce blue light exposure to the eyes, promoting a more comfortable reading experience. |

# Intellectual Property Rights Management

Netronix 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." 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.



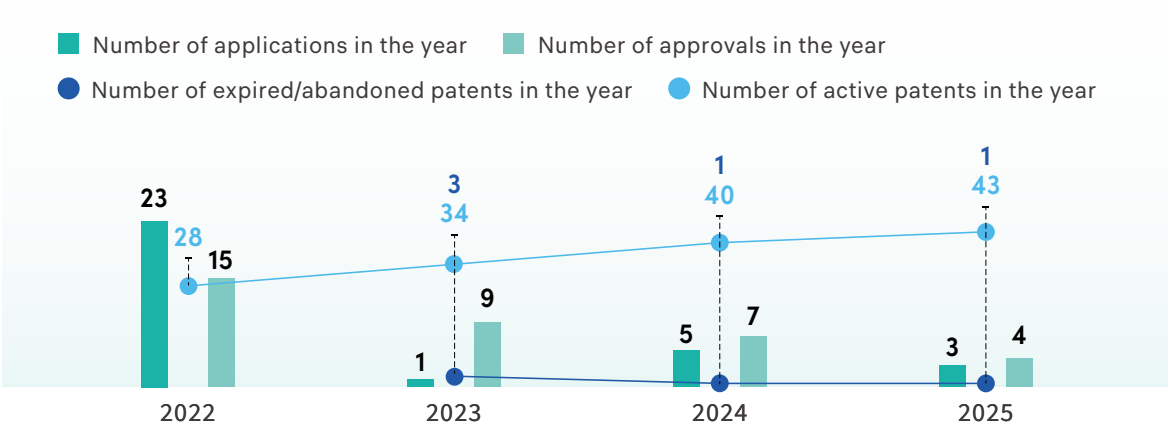

## Trade Secrets Management

"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.
- The primary patent type is Utility Models, 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 2025, the number of employee patent proposals and applications was 3.
- As of 2025, the cumulative number of approved patents reached 47, with 43 active patents. The number of patents approved in 2025 is 4.

### Historical Number of Applications, Approvals, and Active Patents




Note: The cumulative number of approved patents includes expired patents. Active patents in the year = active patents in previous year + approvals in the year - expired/abandoned in the year.

**Patent Management Procedures**

| STEP 01 | STEP 02 | STEP 03 | STEP 04 | STEP 05 | STEP 06 |
|---|---|---|---|---|---|
| **Patent Concept and Proposal** | **Approval and Review** | **Establish Cooperation with External Resources** | **Patent Search** | **Patent Documentation Completion** | **Patent Application and Certification** |
| ● Inventors prepare and submit the patent creation proposal form | ● Internal approval process<br>● Technical Review Committee review | ● After approval, cooperation with external patent firms | ● Patent firm assists Netronix in conducting patent searches | ● Patent firm assists in completing patent filing documents (including patent responses) | ● Confirm patent-filing countries and filing order<br>● Submit patent application and receive certification |

## 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.




Product Trademark | **MobiScribe**

Trademark registered in Taiwan and the United States for proprietary e-reader products.




Product Trademark | **ULANI**

Trademark registered in Taiwan and Europe for e-paper-related products.

# 3.2 Customer Service

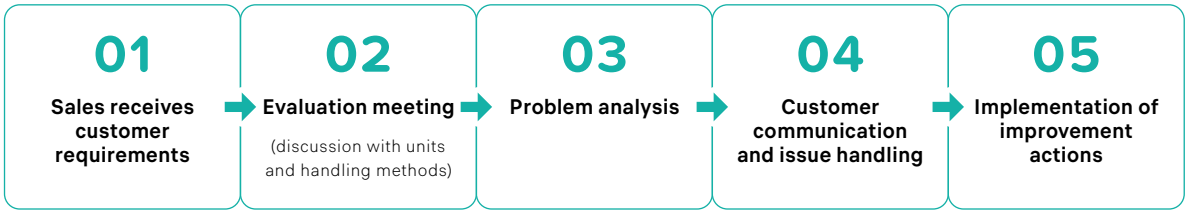
GRI 416-2

## Customer Service

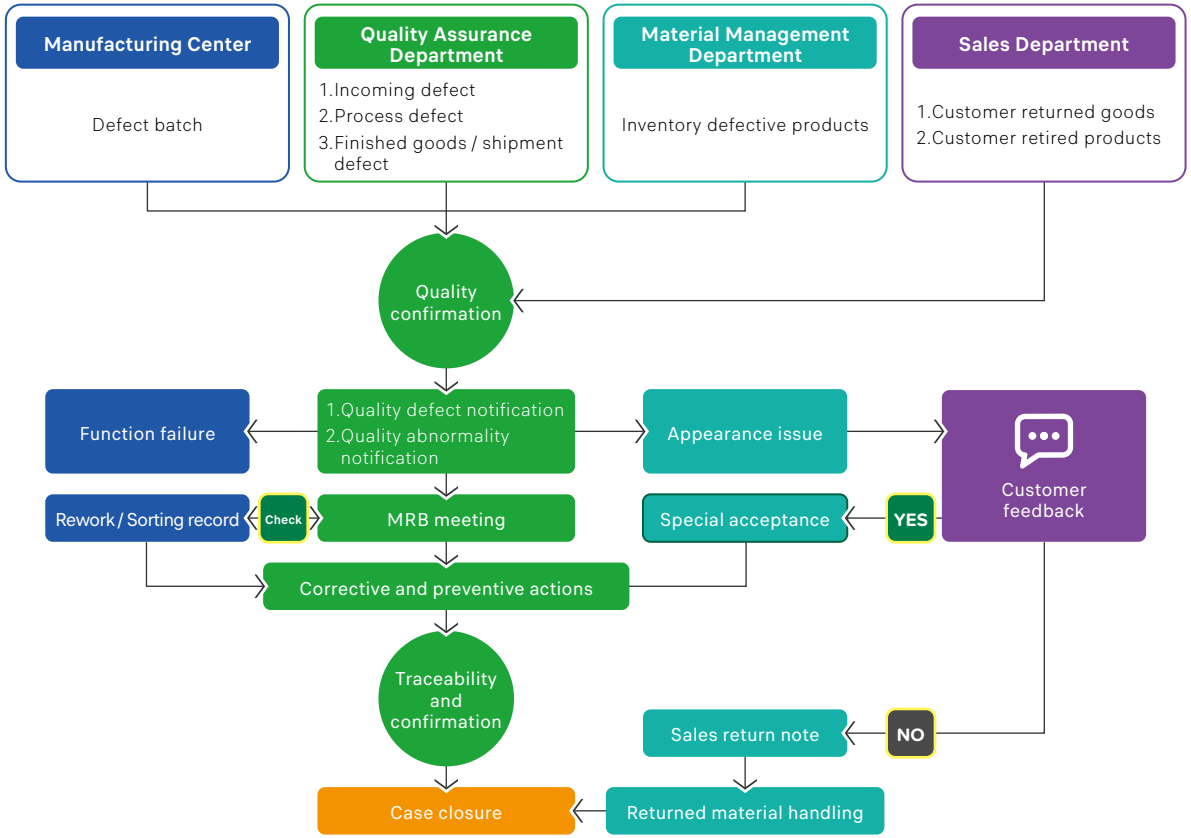
Netronix views customer feedback as the core driving force for quality improvement. The company has established a comprehensive "Nonconforming Product and Customer Complaint Handling Mechanism." Through this mechanism, relevant departments determine defect symptoms, classify nonconforming products (functional defects or appearance issues), and convene Material Review Board (MRB) meetings for professional assessment. This ensures that nonconforming products receive timely corrective and preventive actions, continuously enhancing customer relationships. In 2025, we achieved significant performance in service quality and customer satisfaction. We set a DOA (Dead On Arrival) return rate target of 0.2%, with the actual return occurrence rate at 0.14%, better than the management objectives for the year. No incidents of non-compliance with product and service health and safety regulations occurred for Netronix in 2025.




## Customer Service Process




## 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 satisfaction

Netronix 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 2025, 3 customers were selected from the product line to receive the survey, with a 100% response rate, and the satisfaction score was 95.33, classified above grade A (ranging from grades A to D).



# 3.3 Quality Management

## Quality Management System

Since the year 2000, Netronix has obtained ISO 9001 Quality Management System certification. Following the ISO 9001 framework, the Company has established a comprehensive quality management mechanism with three major quality management objectives: "Innovation," "Quality," and "Satisfaction." It continually improves quality management, conducting regular internal and external quality audits and holding quality management meetings annually 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. The 2025 Quality Management program set annual targets for the manufacturing incoming yield rate and customer service. Root cause analysis and improvements have been made for Items that did not Achieve the Targets, while other quality management plans have Achieved the annual Targets.



| Annual Quality Management Plan | Incoming yield rate | Final Product Inspection (FQA) Pass Rate | DOA (Dead On Arrival) return rate |
|---|---|---|---|
| Quality objectives | 99.8% | 99.9% | 0.2% |
| 2025 Actual Performance | 99.73% | 99.99% | 0.14% |

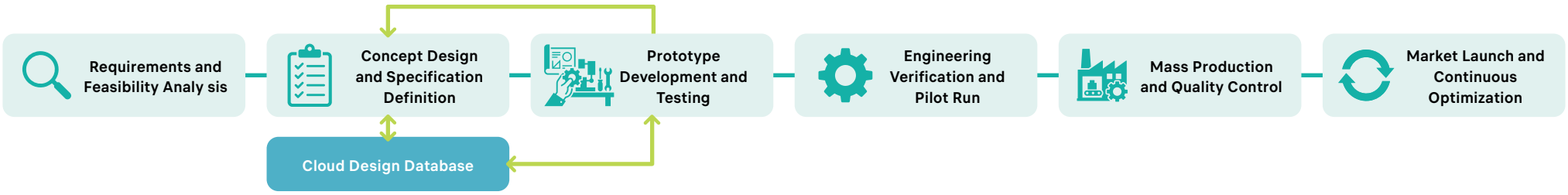
# Product Management Process

## 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.

| Stage | STEP 01 | STEP 02 | STEP 03 | STEP 04 | STEP 05 |
|---|---|---|---|---|---|
| | 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<br>Market Development Department<br>Manufacturing Center | R&D Department | R&D Department<br>Quality Assurance Department<br>Manufacturing Center | Quality Assurance Department<br>Manufacturing Center | Quality Assurance Department<br>Manufacturing Center |

## New Product Development Design Quality Management Process



## Existing Product Quality Management

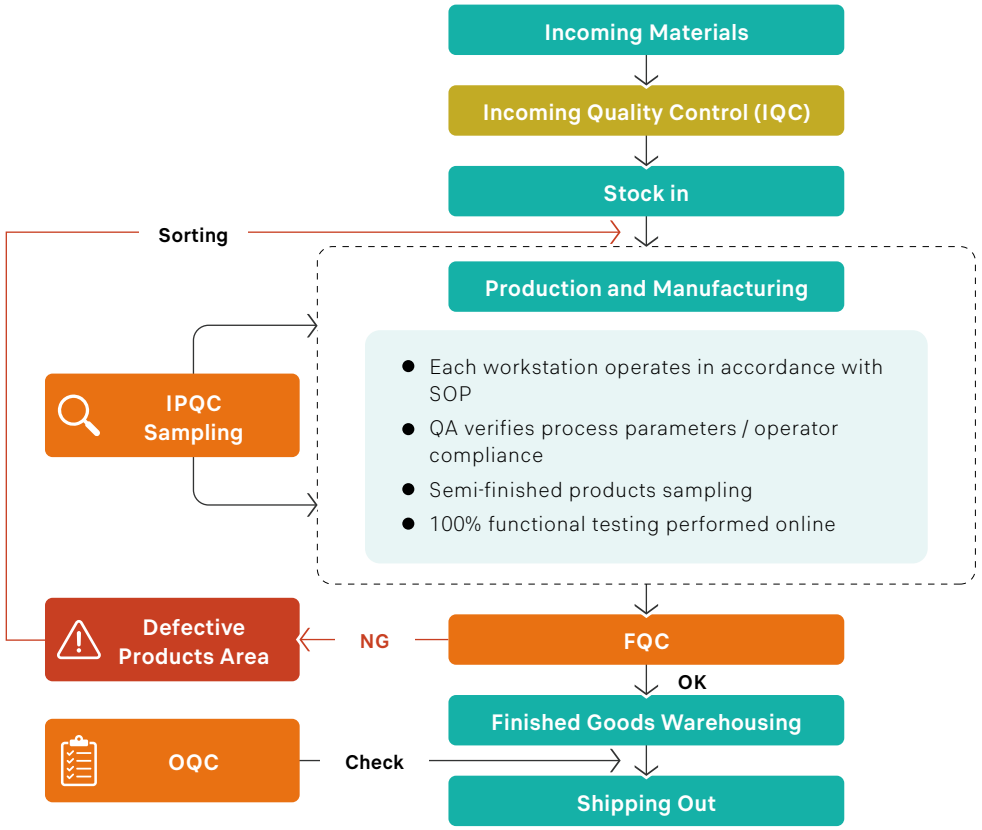
Mass production products of Netronix go through a series of strict control mechanisms. Incoming raw materials are subject to specification inspection and warehousing management based on the Vendor Part Approval Form (VPAF). During the production and manufacturing stage, automated production equipment and advanced optical inspection technology are introduced. The accuracy of SMT feeding is monitored through the production management system, and 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.

**Introduction of automated equipment Program and process optimization**

| Netronix Inc. | Netronix Subsidiary Nwtx Electronics Yangzhou Co., Ltd. |
|---|---|
| **Optimization of large electronic paper assembly for advertising machines:** In 2025, the optimization of large electronic paper assembly for advertising machines integrated the process that originally required flipping the electronic paper into direct assembly, preventing damage caused by moving and flipping the electronic paper.<br>**Introduction of automated equipment:** In 2026, the "visual automatic labeling machine" and "visual automatic dispensing machine" are expected to be introduced to increase the automation percentage to 5%. | **Introduction of automated machinery in SMT and Assembly processes:** In 2025, 14 machines have been introduced, increasing the automation percentage to 50%. In 2026, the automation percentage for 6-inch models is 54.17%, and for 7-inch models is 57.45%, enhancing overall quality and efficiency. |

## Product Control Flowchart



## Quality Projects

| | 2023 | 2024 | 2025 | 2026 | | |
|---|---|---|---|---|---|---|
| **Project Name** | Yield Improvement Project | Improvement of appearance defects on semi-finished products | Cross-departmental audit team activities | Continuous improvement program promotion/ competition | Employee quality concept competition | Proactive personnel response to issues |
| **Purpose** | Improve yield rate in the manufacturing process | Reduce appearance damage caused by transportation | 1. Cultivate management concepts for management personnel<br>2. Abnormality Improvement<br>3. Production line personnel strictly implement SOPs | | | |
| **Annual Performance** | The defect rate reached 3,200 to 5,000 ppm weekly. After weekly yield reviews and process improvements, the rework rate decreased to 1,400 to 2,000 ppm | The defect rate of finished products with appearance defects caused by transportation decreased from 3,140 ppm to 803 ppm | 1. Cultivated the abilities of 8 middle managers<br>2. A total of 52 deficiencies were identified and all were successfully rectified | | | |
| **Expected to implement in 2026** | | | | 1. Reduced working hours<br>2. Increased detection rate<br>3. Improved yield rate | 1. Enhanced employee quality concepts<br>2. Implement daily training and development | 1. Encourage proactive personnel response to issues to prevent defective products from being released<br>2. Enhance employee quality awareness<br>3. Collect defective issues |

# Operational Governance

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



04

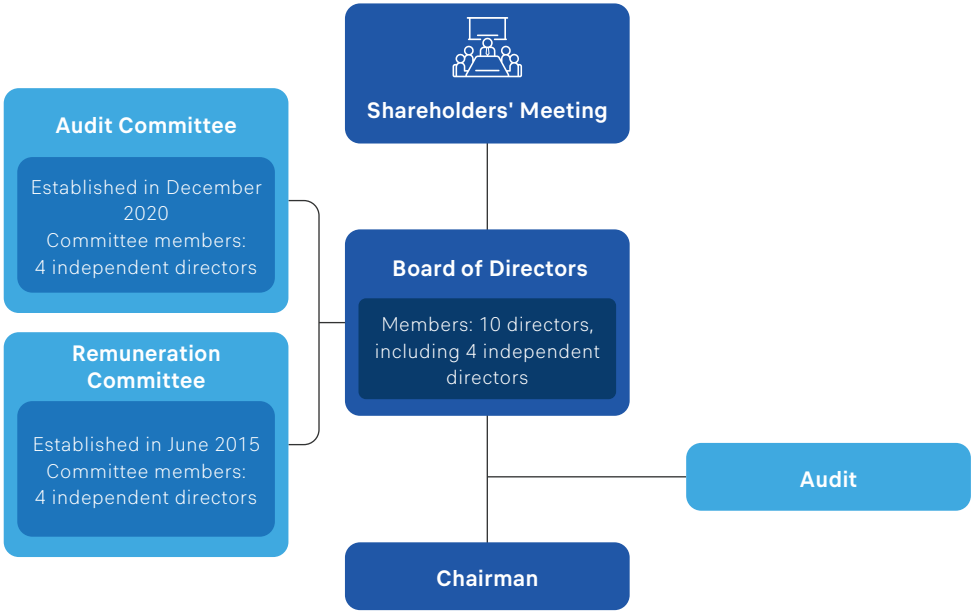
# 4.1 Corporate Governance

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. 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 2025, the Board consisted of 10 members, including 4 independent directors (40% of the total board seats), with 1 female director (10% representation). The majority of directors were aged between 61~70. Through a more diverse Board composition, the Company 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.




## Operations and Performance of the Board of Directors

**Board of Directors**
The Board of Directors held 6 meetings in 2025. The actual attendance rate was 83%, including 97% attendance by proxy.

**Audit Committee**
The Audit Committee held 6 meetings in 2025. The actual attendance rate was 92%, including 100% attendance by proxy.

**Remuneration Committee**
The Remuneration Committee held 4 meetings in 2025. The actual attendance rate was 88%, including 100% attendance by proxy.

Note: Communication between independent directors and internal audit supervisors during Audit Committee meetings is detailed in the Netronix 2025 Annual Report.

## Board Diversity

The overall composition of the Board of Directors taken into consideration in the selection of Netronix directors. The composition of the Board of Directors determined by taking diversity into consideration and formulating an appropriate policy on diversity based on business operations, operating dynamics, and development needs. It is include, without being limited to basic requirements and values(Gender, age, and nationality), professional knowledge and skills (professional background, professional skills, and industry experience.) Please refer to the 2025 Annual Report "Chapter 3 Corporate Governance Report."

| Board Diversity Goals | Implementation of Board Member Diversity |
|---|---|
| | |

Note 1: All members of the 10th Board of Directors at Netronix are citizens of the Republic of China. Shu-Fu Tsung, Rong-Jye Lu, Hung-Yang Liu, and Shao-Lun Lu are employees of subsidiaries.
Note 2: Term of the 10th Board of Directors: June 7, 2024, to June 6, 2027.
Note 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 through management meetings. If assessed internally as having a material impact (meeting financial materiality thresholds involving financials, operations, shareholder equity, or securities prices), material events are disclosed externally within statutory deadlines. Simultaneously, Board members receive this information to ensure the highest governance body maintains prompt oversight of material events and their remediation. A total of 1 major announcement was made in 2025.

**Audit Office**

The internal audit supervisor reports the status of internal audits to independent directors at each quarterly Audit Committee meeting (5 times in 2025). 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 2025).

## 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 2025, there were 14 cases of conflict-of-interest recusal, as detailed in Netronix' s 2025 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. Topics for board training conducted in 2025 included "Regulatory Compliance, Tax Governance, Digital Transformation, and Corporate Governance." A total of 60 hours of training were completed by all 10 directors, achieving a 100% participation rate. All directors met the minimum required training hours. For more information on board training, please refer to Netronix' s 2025 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 an evaluation performed by an external professional independent agency or external expert team at least once every three years. The evaluation results are reported to the board as a reference for improving board effectiveness.

In 2025, the self-assessment scores for the Board of Directors and its members ranged from 4.46 to 4.90 (out of 5). In November of the same year, the performance evaluation measures for the Board of Directors and Functional Committees were amended to specify that the execution of the board performance evaluation should be conducted by an external professional independent agency or an external expert team at least once every three years. Netronix plans that the performance evaluation of the Board of Directors and Functional Committees for 2026 will be conducted by an external professional independent agency.

## 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. Additionally, Netronix plans to introduce governance indicators for sustainable development, considering contributions to economic, environmental, and social aspects, to ensure fair compensation.

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 Remuneration 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 Remuneration Committee and approved by the Board.

| 2025 ratio of the highest-paid executive' s total annual compensation to the total annual compensation of all employees | |
|---|---|
| Ratio of the highest-paid executive' s total annual compensation to the median total annual compensation of all employees | 6.71 |
| Percentage growth in the highest-paid executive' s compensation compared to the median percentage growth in employee compensation | 0.26 |

# 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

**Based on risk assessment results, an annual audit plan is formulated and submitted to the Audit Committee and the board of directors for approval.**

**Auditing activities are carried out in accordance with the approved annual audit plan. Completed audit reports are submitted to independent directors for review.**

**The internal audit team reports on audit execution at Audit Committee and board meetings (at least once per quarter).**

## Internal Audit Training

| 2025 Course Name | Number of Participants | Training Hours |
|---|---|---|
| How to Use Excel Functions to Improve Audit and Financial Efficiency – Practical Workshop | 1 | 6 |
| Promote Corporate Sustainable Development with "Risk Management" | 1 | 6 |

## Incorporating Sustainability Information Management into Corporate Internal Control

In accordance with applicable regulations issued by the Financial Supervisory Commission (FSC), Netronix established 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, new 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.

### Key Focus of 2025 Sustainability Audit

- When handling sustainability reporting information, ensure compliance with the applicable laws and preparation standards, reviewed and approved by responsible supervisors from each unit. All sustainability information is properly safeguarded and documented by dedicated personnel from the responsible units.
- If the preparation of sustainability information involves estimates or assumptions, are there relevant sources or estimation bases to check their reasonableness?
- If sustainability information or reports require third-party assurance or verification, has the Company selected and commissioned an institution that complies with the "Directions for the Implementation of Assurance Institutions for the Sustainability Information of TWSE/TPEx Listed Companies"?
- After the Sustainability Report has been approved by the responsible supervisor, it must be uploaded to the Company' s website. Before the deadline, the report and the link to the Company' s website must be filed with the regulatory authorities via the designated internet information reporting system.

### Internal Audit Results

- The collection and compilation processes for various sustainability information are generally functioning properly, and the relevant data is traceable.
- Most indicators have established standardized calculation methods and internal control mechanisms.
- Overall, the Company' s sustainability information management mechanisms are gradually improving, which helps enhance the transparency and reliability of information disclosure.

## Regulatory Compliance

In 2025, Netronix had no government fines related to economic, environmental, and social matters, nor any major violations (fines exceeding $1,000,000). In the previous year (2024), there were 2 government fines related to labor and environmental regulations, totaling NT$26,000.

| 2024 | | |
|---|---|---|
| | 1 | 2 |
| **Violated Regulation** | **Article 17 of the Labor Occupational Accident Insurance and Protection Act** | **Article 31, Paragraph 1, Subparagraph 1 of the Waste Disposal Act** |
| **Date of Penalty** | 2024 / 12 / 19 | 2024 / 01 / 16 |
| **Case Description** | Failure to notify insured employees of wage adjustment within the prescribed time | Discrepancy between waste reporting and actual output |
| **Amount (NTD)** | 20,000 | 6,000 |
| **Corrective Actions** | Netronix 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 |

Note 1: Statistics for regulatory violations are based on the date of penalty.
Note 2: Major violations are defined in accordance with the "Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities."

# 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

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.

### 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.

OECD
BETTER POLICIES FOR BETTER LIVES



### 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 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.

Dispatch professionals to attend relevant seminars and conferences to stay updated on the latest tax laws and tax policies, and engage with relevant professionals for discussion and consultation to ensure the Company' s tax strategies comply with local laws and regulations.

When necessary, establish a tax professional team to assist in handling the Company' s tax risk management and regulatory compliance. The team includes professionals such as accountants and legal advisors to ensure that the Company' s tax strategies comply with local tax laws and regulations.

## Tax Payment Status

Unit:NT$ thousand

| | | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| Consolidated | Pre-tax profit and loss (A) | 607,553 | 821,309 | 991,752 | 975,750 |
| | Income tax expense (B) | 141,088 | 196,304 | 203,417 | 193,781 |
| | Reported effective tax rate (B)÷(A) | 23.22% | 23.90% | 20.51% | 19.86% |
| | Paid income tax (D) | 93,439 | 158,142 | 272,025 | 213,092 |
| | Cash effective tax rate (D)÷(A) | 15.38% | 19.25% | 27.43% | 21.84% |
| Taiwan | Pre-tax profit and loss (A) | 507,242 | 789,393 | 1,027,434 | 1,005,013 |
| | Income tax expense (B) | 131,777 | 175,161 | 197,205 | 200,926 |
| | Reported effective tax rate (B)÷(A) | 25.98% | 22.19% | 19.19% | 19.99% |
| | Paid income tax (D) | 65,373 | 138,445 | 251,916 | 171,776 |
| | Cash effective tax rate (D)÷(A) | 12.89% | 17.54% | 24.52% | 17.09% |
| Overseas | Pre-tax profit and loss (A) | 100,311 | 31,916 | (35,682) | (29,263) |
| | Income tax expense (B) | 9,311 | 21,143 | 6,212 | (7,145) |
| | Reported effective tax rate (B)÷(A) | 9.28% | 66.25% | (17.41%) | 24.42% |
| | Paid income tax (D) | 28,066 | 19,697 | 20,109 | 41,316 |
| | Cash effective tax rate (D)÷(A) | 27.98% | 61.72% | (56.36%) | (141.19%) |

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 has established a corporate culture of ethical management and sound development with the "Integrity Management Policy." Engage in business activities based on the principles of fairness, integrity, trust, and transparency. To implement the ethical management policy and actively prevent unethical conduct, the "Procedures for Ethical Management and Guidelines for Conduct" are established according to Netronix' s "Integrity Management Policy." To guide the behavior of Netronix' s Directors and Managers in alignment with ethical standards, and to help the Company' s Stakeholders better understand its ethical norms, a "Code of Ethical Conduct" has been established.

Netronix 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.

## 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 the Company receives any employee submissions, the highest executive of the Administration Department will process them within one week. The entire process is confidential, and the results are reported to the President.

**In 2025**
**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 Administration 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 2025**
**No ethical management related events occurred**

### External Grievance Mechanism

#### Whistleblowing Mailbox

Available on the company website under "Anti-Corruption" at ethic@netronixinc.com

#### Responsible Unit

Managed by the Finance Department' s senior executive

**In 2025**
**No ethical management or fraud reports were received**

## Education and Training Promotion

Netronix plans to complete ethical management guideline training for all new hires in Taiwan and 68% of indirect employees in 2025, and will also continue to promote training on ethical management and anti-corruption policies.

# 4.4 Information Security

## Information Security Management Policy



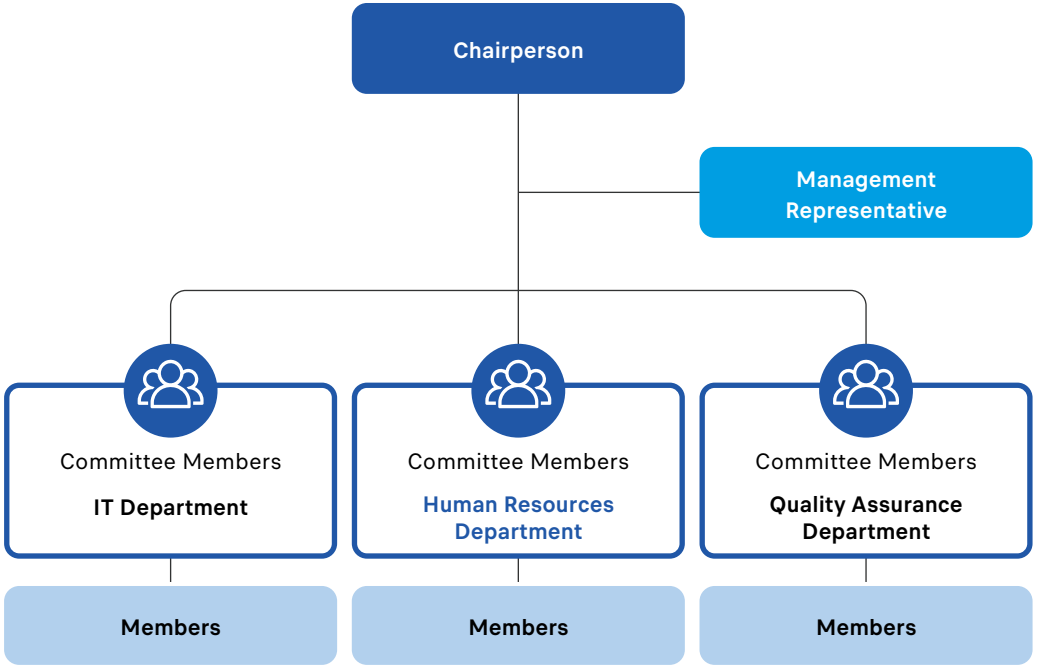

To enhance the Company' s information security management, Netronix continually improves the security management of hosts, network equipment, and network communications. This approach effectively reduces risks to information assets caused by human error, malicious intent, or natural disasters, ensuring the confidentiality, integrity, and availability of data processing. Since 2024, Netronix has obtained ISO 27001:2022 certification through external verification. In 2025, Netronix continuously maintained the validity of the ISO 27001:2022 certification and passed the external annual surveillance audit.

## Information Security Governance Organization

Since 2022, Netronix 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. Under it, there are Committee Members from the IT Department, Administration Department, and the Quality Assurance Department, responsible for the review, planning, and promotion of details related to information security management systems. In 2025, the Committee held one information security management review meeting related to ISO 27001, discussing cybersecurity-related topics and objective items, formulating internal cybersecurity awareness announcements, and continuously enhancing 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 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 to enhance the Company' s information security protection capabilities.

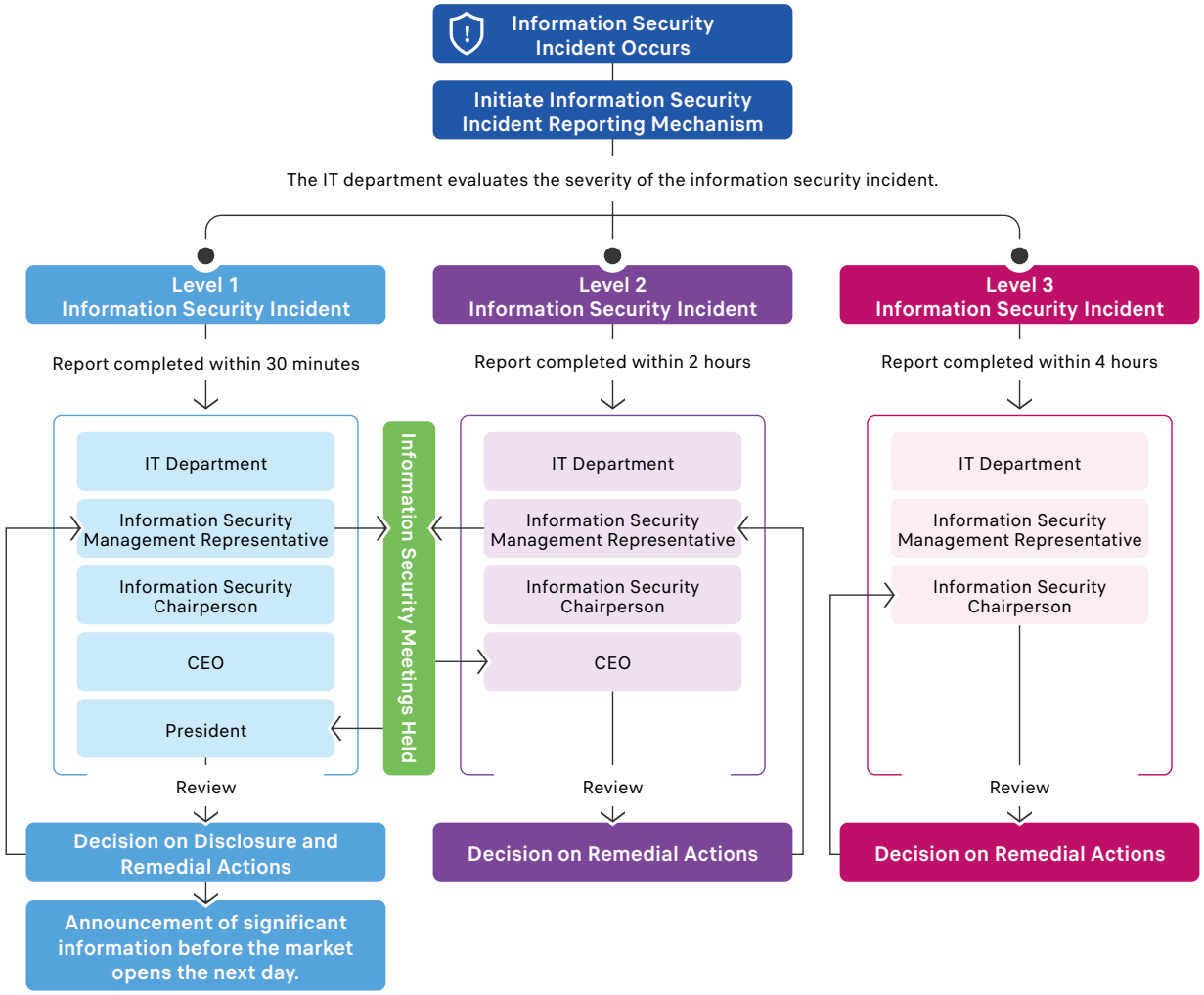
### Organizational Structure of Information Security Management Committee




### Information Security Management Objectives

| Short-term Targets (2025–2026) | 2025 Execution Progress |
|---|---|
| Increase software and hardware to enhance cybersecurity resilience: Acquire software and hardware to strengthen cybersecurity, such as installing EDR systems on personal computers and enhancing firewall and hardware functions of the system environment. | By the end of 2025, introduce a zero trust architecture in cybersecurity, establish self-security audit items, strengthen backup defense and recovery abilities, and enhance the domain system environment. |

## Information Security Incident Reporting Mechanism




Note: Level 1 Incident: Any of the following conditions are met: (1) Highly confidential information is leaked. (2) Core sales systems or data are severely altered. (3) Core sales operations are impacted or systems are down and cannot resume normal operations within the tolerable downtime.

Note: 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.

Note: Level 3 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. 1 major information security incident occurred in 2025.

**Case Summary**

On March 31, 2025, an external network intrusion incident was detected, resulting in damage to certain system services and operational disruptions due to a hacker attack. During the response process, parts of the internal information environment were affected, impacting some servers and client devices. Immediately after the incident, an emergency response mechanism was activated, and after a thorough investigation, system reconstruction, and vulnerability patching, full environmental recovery and sales resumption were completed by the end of April.

### Contingency Plan

- Emergency suppression and isolation: Disconnect the network first, then configure internal and external network isolation.
- Disaster recovery and account management: Restore the system using offline backup files, perform system recovery according to the level of importance, and change passwords.
- Assistance from cybersecurity experts: Cybersecurity experts are deployed to detect points and paths of intrusion.
- Immediate reinforcement: Immediate strengthening of cybersecurity, executing emergency patching for known vulnerabilities.
- Subsequent evaluation of cybersecurity gaps.

### Future strengthening planning

- Expand capital investment in cybersecurity: Enhance investment in cybersecurity Item.
- Optimize resilience mechanisms: Strengthen system recovery abilities.

## 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 2025 | | Risk Mitigation Actions for 2026 |
|---|---|---|
| **Uncontrolled mobile devices** | ● Lack of appropriate management mechanisms or operational procedures. | 1. Implemented EDR / MDR protection systems.<br>2. Information security policy awareness promotion. |
| **The existing 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, and plan to enter the POC stage. |
| **The EDR / MDR system software does not meet operational requirements.** | ● Lack of appropriate management mechanisms or operational procedures. | Plan to replace with another EDR / MDR system. |
| **MSWindows Server** | ● The software version is outdated, posing a risk of cybersecurity vulnerabilities. | Plan to proceed with system updates, or first defend using the EDR / MDR system. |

# Information Security Management Measures

| Type of Management Measure | Content |
|---|---|
| **Personnel Management** | ● Manage user behavior in accordance with ISO 27001 requirements.<br>● 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.<br>● 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.<br>● Monitoring / Anti-virus management: vulnerability scanning and anti-hacking systems.<br>● 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.<br>● Domain authentication, certificate management, network segmentation control.<br>● Data exchange management.<br>● Social engineering: 2025 cybersecurity awareness promotion and two social engineering drills conducted.<br>● 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, domain systems, mail systems, file systems, with recorded traceability.<br>● Annual disaster response drills: In 2025, the scenario assumed that aging and exposed wires used by the server room mainframe caused a circuit short and sparked; post-exercise review completed with documented records. |

| Execution Items | 2025 |
|---|---|
| **Information security policy awareness** | ● Conducted 4 sessions |
| **Firewall configuration compliance with network security procedures — less than 2 non-conformities per year less than 2 non-conformities per year** | ● 0 non-conformities |
| **Cybersecurity training for personnel with AD accounts: At least 1 time per year; attendance rate ≥ 90%** | ● Attendance rate above 90% |
| **Information asset inventory, update, and evaluation — at least once/year** | ● Updated 1 time |
| **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** | ● Executed once in the second quarter (16 hours), with 0 non-conformities. |
| **Data breach incidents per year: 0 cases** | ● 0 cases |
| **Recurrence of identical cybersecurity incident — less than 2 times/year** | ● 0 cases |
| **Cybersecurity events affecting business continuity — less than 1 time/year** | ● 1 incident (see the Incident Description in Information Security Risk Management) |
| **Availability rate of MES, BPM, ERP systems of 99.90–99.95%** | ● Achieved 100% for MES and ERP system availability rate.<br>● BPM system availability rate of 99.88%, continuously strengthening improvement. |
| **Compliance with legal/regulatory requirements during business operations — zero non-conformance/year 0 non-conformities per year** | ● 0 cases |
| **Handling of threat intelligence within 3 days 0 non-conformities per year** | ● 0 cases |
| **Cloud service availability ≥ 99.95%** | ● Achieved 100% |
| **Cybersecurity training and awareness** | ● Announcement for personnel with email accounts and testing for these personnel, with a test rate of 98%. |

### Personal Data Protection Act

**Optimization of management procedures.**

Netronix established the "Personal Data Protection Management Procedure" in 2024 and launched an upgrade operation at the end of 2025 to expand the scope to include customer personal information, enhancing protection standards.

**Implement Training and Development.**

Conduct at least one company-wide Personal Data Protection Act training annually. In 2025, 100% of all colleagues completed the promotion, and the system test records are fully retained for auditing purposes.

**Alignment of evaluation indicators**

In accordance with the corporate governance evaluation requirements, a plan is set to add key explanations related to the Personal Data Protection Act on the Company' s official website by 2026 to enhance transparency in communication with stakeholders.

## Product Information Security

### Identification and Handling of Product Information Security

- To reduce the risk of information system breaches, Netronix 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. Moreover, 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 | | | |
|---|---|---|---|
| **Indicator No.** | **Item** | **2024** | **2025** |
| 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% | 34% |
| | | (b) Not further evaluated | None High Risk Locations |
| 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.
Note 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.

In addition, to align with the global supply chain and enhance corporate credit transparency, Netronix has obtained the D-U-N-S® Number certification (D-U-N-S Number: 65-748-7919), ensuring the Company possesses standardized identity recognition and a foundation of trust in the international business environment.



## 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 providing critical raw materials for the Company, such as printed circuit boards (PCBs), CPUs, batteries, and displays, as well as those offering sole-source materials like plastics and metals or requiring joint mold development, are classified as critical suppliers. In 2025, there will be a total of 284 suppliers, including 59 tier 1 Suppliers.

**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 (raw material suppliers)**
Suppliers ranked by annual procurement value, with the top 80% by total procurement amount classified as tier 1 suppliers.

| 2025 Supplier Impact and Response | |
|---|---|
| **Impact Description** | **Response Strategies** |
| **Information Security Impact**<br>Ransomware impacts the Company' s supplier management operations | Increase the frequency of supplier data backup, and enhance internal access management responsibilities |
| **Impact of Tariffs**<br>The United States imposes different import duties based on the country of origin | Flexibly adjust the production capacity of each factory region and strengthen the resilience of the local supply chain |
| **Geopolitical**<br>Middle East Conflict | Prepare goods in advance and verify other manufacturers |
| Raw Material Cost Increase | Sign long-term contracts, strategically prepare materials in advance |

## 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 with the suppliers, a due diligence process is conducted, followed by a comprehensive evaluation based on quality, cost, R&D abilities, 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 2025, 14 new suppliers were 100% screened through the new supplier standard.

| 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%. | The supplier becomes a qualified supplier for Netronix and is included in regular management. |

# Qualified Supplier Management

## 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 2025, 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) pass rate | 10 |
| Verify Lots Reject Rate (VLRR) Achieved Rate | 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. If the relevant documents are approved by the President, the cooperation will continue. | 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 2025, Netronix reinforced its review of suppliers' post-production batch reject rate and incoming lot reject rate through twice-weekly communication meetings. Except for the lower paint yield rate on the top cover at the initial stage of mass production due to stricter requirements for the appearance of new projects, the defect rates of other key raw materials decreased, preventing rework on production lines and saving man-hours. Additionally, the QA unit conducts monthly written audits of the top three suppliers with the highest ILRR to avoid failing supplier evaluations mid-year and year-end. In 2025, 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 materials) | Every six months | ● In 2025, 59 suppliers were issued the RBA assessment questionnaire, with 59 responses, achieving a 100% response rate.<br>● 100% of suppliers signed the Integrity Commitment. |

Note 1: Only raw material suppliers are audited. Suppliers of production-related miscellaneous items are sourced through wholesalers, so no audits were conducted.
Note 2: The principle for issuing the RBA self-assessment questionnaire is for raw material supplier types with an annual procurement amount exceeding 1 million.

## Aspects and Topics of the RBA Assessment Questionnaire











## Training and Education

| Course Name | Training Method | Participants | Training Completion Rate | |
|---|---|---|---|---|
| | | | 2024 | 2025 |
| Anti-Corruption | Physical Promotion | ● Netronix Cost Control Center employees<br>● Netronix tier 1 suppliers | 100% | 100% |
| Ethical Management | Physical Promotion | ● Netronix tier 1 suppliers | 100% | 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 2025, based on the number of suppliers, local procurement accounted for 85.1% in Taiwan and 97.4% in China; based on procurement proportion, 93% was from Taiwan and 95% from China.

| Region | Total Number of Suppliers | | | | Number of Suppliers Meeting Local Procurement Criteria | | | | Local Procurement Ratio (Number of Suppliers) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year | 2022 | 2023 | 2024 | 2025 | 2022 | 2023 | 2024 | 2025 | 2022 | 2023 | 2024 | 2025 |
| Taiwan | 143 | 136 | 155 | 168 | 129 | 121 | 140 | 143 | 90% | 89% | 83.9% | 85.1% |
| China | - | - | 115 | 116 | - | - | 112 | 113 | - | - | 86.0% | 97.4% |

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 (Nwtx) 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 | | |
|---|---|---|
| **Indicator No.** | **Item** | **Explanation** |
| TC-HW-440a.1 | Description of risk management related to key raw material usage | 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.

Netronix refers to the latest list of certified smelters published by the RMI and conducts Conflict Minerals Due Diligence on all tier 1 suppliers and certain other suppliers. In 2025, due diligence was completed for a total of 87 suppliers, all using the official CMRT version 6.5, confirming a 100% compliance rate for the use of conflict-free minerals. After rigorous review, all products of Netronix are completely free from using conflict minerals, fulfilling its commitment to responsible procurement.



### 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 2025, Netronix requested suppliers to sign the "Declaration of Non-Use of Conflict Minerals in Compliance with Social Responsibility Laws and Regulations." A total of 59 tier 1 suppliers signed, achieving a 100% signing rate.
- The mineral sources used in the Company' s products are 100% from non-conflict mineral areas.

# 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




05

# 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.

ISO

Management System

| | |
|---|---|
| 2008 | ISO 9001 |
| 2014 | ISO 14001 |
| 2016 | IECQ QC 080000 |
| 2022 | ISO 14067<br>ISO 14064-1<br>ISO 45001<br>ISO 27001 |
| 2024 | ISO 50001 |
| 2025 | Product Life Cycle Assessment |




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

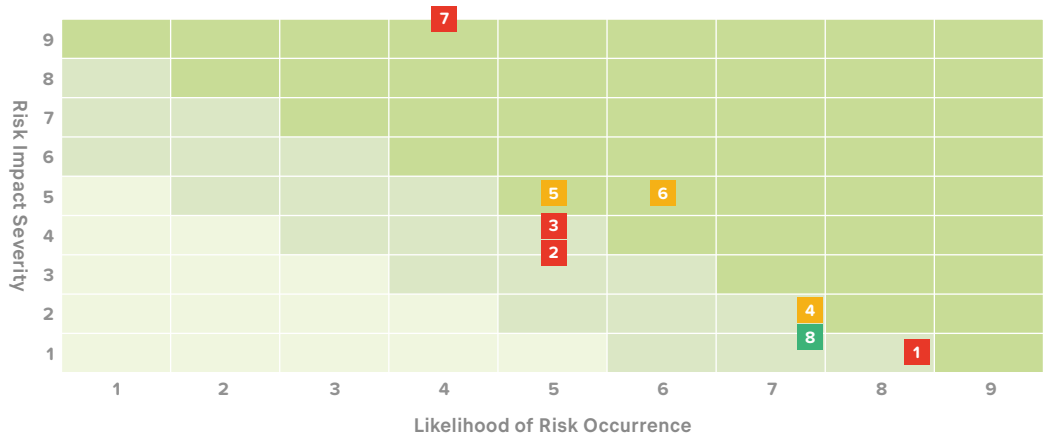
The "Recommendations of the Task Force on Climate-related Financial Disclosures," issued in June 2017, require companies to effectively manage the risks and opportunities associated with climate change through four core elements: "Governance," "Strategy," "Risk Management," and "Indicators and Goals." 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.

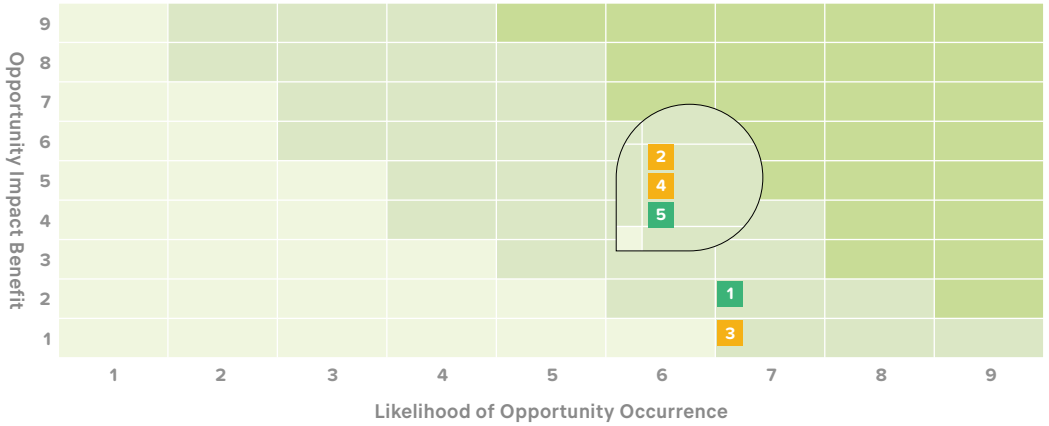
### Risk and Opportunity Assessment

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 chart to the right:




Short-term Risk
Medium-term Risk
Long-term 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)




Short-term Risk
Medium-term Risk
Long-term Risk

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 services
4:Increased market demand for eco-friendly/energy-saving products
5:Low-carbon production

## 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.

## Supervision and Reporting

The significant climate-related risks and opportunities identified in the first year of 2023 will be integrated into the Sustainability Report, which has been 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. 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. In 2025, after evaluating and reviewing climate-related risks and opportunities, it was confirmed that there were no significant changes. Therefore, the results of the climate risk and opportunity identification were consistent with 2024.

| Transition Risk Factors | Risk Description | Financial Impact | Affected Parties | Response Strategies and Plans |
|---|---|---|---|---|
| **Stricter Reporting Requirements and Increased Disclosure Demands** | 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 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 mediumterm \| 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, the Company must conduct carbon footprint verifications (ISO 14067) for certain models. The 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 lead to an increase in 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.<br>● 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.<br>● 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 operations | ● Conduct monthly tests of the generator' s operation.<br>● 2.Perform quarterly maintenance of the UPS system to ensure stability of key data centers and equipment.<br>● 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 | Methods for Realizing Opportunities |
|---|---|---|---|---|
| **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. The 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 demand for products and services leads to increased revenue | Direct operations | ● Purchase relevant equipment<br>● 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 tablets (smartphones/tablets require daily charging, whereas 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.<br>● 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.

Netronix is not in an energy-intensive industry. However, in the course of the global transition toward a low-carbon economy, stricter regulatory policies and rising energy costs may lead to increased 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, certain 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 low-carbon market.

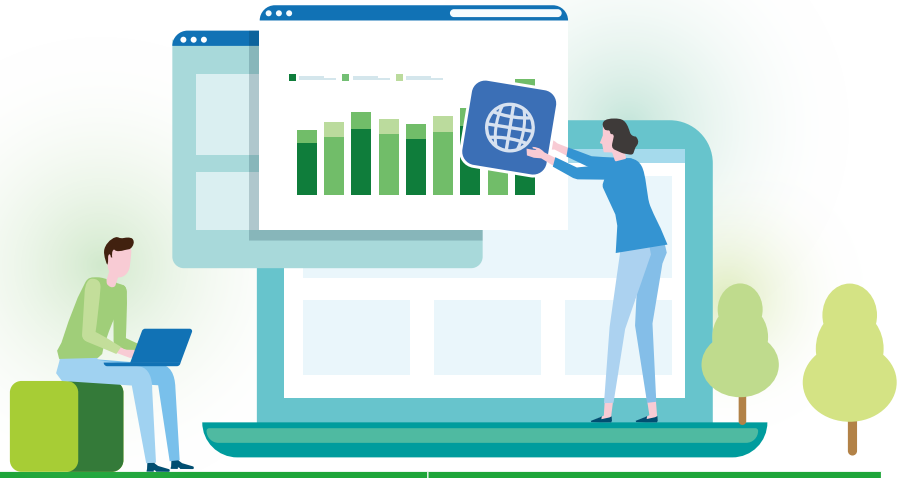
# 5.3 GHG Management

GRI 305-1 GRI 305-2 GRI 305-3 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 2025, the total GHG emissions (Scope I and Scope II) amounted to 1,591.945 metric tons of $CO_2e$. The analysis of emission sources related to energy resource usage indicates that they primarily arise from the consumption of purchased electricity by facilities such as chiller systems, with Scope II purchased electricity accounting for 95.43% of total emissions. Subsequently, Scope I accounts for 4.57%, with the main types of emission sources being fugitive emissions and mobile sources. Based on the analysis of Scope I GHG types, HFCs from refrigerant leakage in air conditioning and refrigeration equipment constituted the majority, followed by $CH_4$, $CO_2$, and $N_2O$, accounting for 67.25%, 16.63%, 15.87%, and 0.25% of total Scope 1 emissions, respectively.



| GHG Emissions (by Scope / Category) (Unit: Metric tons $CO_2$) | | | | | | GHG emissions intensity Scope I and Scope II ($tCO_2e$ / Million Revenue) |
|---|---|---|---|---|---|---|
| Scope | Scope I | Scope II | Scope III | | Total Category 1+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 |
| 2025 | 72.7939 | 1,519.1510 | 0.0210 | 455.5126 | 1,591.945 | 0.186 |

Note 1: The organizational boundary is defined based on the operational control approach. Global Warming Potential (GWP) values follow IPCC AR6 (2021).
Note 2: Scope I fuel and refrigerant emission factors reference the greenhouse gas emission factors announced by the Ministry of Environment on February 5, 2024. The 2025 Scope II electricity emission factor is based on 0.474 $tCO_2e$/MWh published by the Energy Administration, Ministry of Economic Affairs in 2024 (based on 2023 data).
Note 3: The base year for the greenhouse gas inventory is 2021. This year was selected as the baseline year because it features representative data for the organization' s activities and allows for the collection of verifiable data for that period.

# 5.4 Energy Management

GRI 302-1 GRI 302-3

## Energy Consumption Data

In 2025, Netronix' s total energy consumption reached 11,702.76 GJ. The primary energy source was non-renewable electricity purchased from the power utility, which accounted for 99.6% of total consumption. Other energy sources include gasoline for corporate vehicles and diesel fuel for emergency generators.

Energy types are closely associated with their uses and operational activities, and revenue is used as the basis for calculating energy intensity. In 2025, the energy intensity was 1.37 GJ per million in revenue; total electricity consumption reached 3.20496 million kWh, resulting in an electricity intensity of 1.35 GJ per million in revenue, representing an 11.76% reduction compared with 2024.




| Energy Consumption (Raw Data) | Energy Usage Items | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| Non-Renewable Energy | ● Gasoline (L) | - | - | 2,047.63 | 421.63 |
| | ● Diesel (L) | 6,026.00 | 4,802.34 | 3,984.00 | 3,966.55 |
| | ● Non-renewable electricity (kWh) | 3,315,840.00 | 3,234,020.00 | 3,167,640.00 | 3,204,960.00 |
| **Energy Consumption (Converted to Thermal Energy) in GJ** | **Energy Usage Items** | **2022** | **2023** | **2024** | **2025** |
| Non-Renewable Energy | ● Gasoline | - | - | 66.86 | 14.09 |
| | ● Diesel | 211.89 | 168.86 | 140.10 | 150.94 |
| | ● Non-renewable electricity | 11,936.89 | 11,642.34 | 11,403.38 | 11,537.73 |
| | ● Total | 12,148.78 | 11,811.20 | 11,610.34 | 11,702.76 |
| Revenue (Million NT$) | | 6,269.563 | 6,648.322 | 7,410.030 | 8,520.490 |
| Energy Intensity (GJ / million NT$) | | 1.94 | 1.78 | 1.57 | 1.37 |
| Electricity Intensity (GJ / million NT$) | | 1.90 | 1.75 | 1.53 | 1.35 |

Note 1: The conversion factors for various energy sources are referenced from the Ministry of Environment Climate Change Agency' s publication on February 10, 2026, regarding the "2025 heating values for gasoline, diesel, liquefied petroleum gas, and natural gas." The heating values for gasoline and diesel are based on lower heating values divided by 0.95. 1 liter of diesel high heating value = 9,091 kcal, 1 liter of gasoline high heating value = 7,985 kcal. Electricity conversion factor: 1 kWh of purchased electricity = 0.0036 GJ; diesel conversion factor: 1 L diesel = 0.0381 GJ; gasoline conversion factor: 1 L gasoline = 0.0334 GJ.
Note 2: 1 kcal = 4,186 joules = 4.186 KJ
Note 3: The denominator for energy intensity is calculated based on Netronix' s consolidated revenue in million NTD

## 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. Having passed the ISO 50001:2018 Energy Management System certification at the end of 2024, the Company inventoried the energy consumption of all equipment to further plan and establish feasible energy-saving and carbon-reduction targets.

| Routine Energy Management Measures | Maintenance and replacement of lighting equipment | Setting energy-saving schedules in related systems | Improvement of employee behavior | Adoption of eco-labeled equipment |
|---|---|---|---|---|
| Content | ● Lighting equipment: Regular maintenance and cleaning to ensure brightness.<br>● Underground parking lot<br>● Certain areas have been replaced with sensor-activated lighting, effectively saving energy.<br>● The lighting fixtures on the exterior walls around the building were outdated and have been fully upgraded to LED fixtures in December 2025. | ● Air conditioning: Temperature control set at 25° C.<br>● Electrical equipment: Regular maintenance and inspections.<br>● Photocopiers: Set to energy-saving mode; enter power-saving standby immediately after warm-up to reduce unnecessary energy consumption.<br>● Personal computers: Set to energy-saving mode; automatically switch to standby or sleep mode when not in use.<br>● Chiller units: Control the optimal output and return water temperature for chilled water and cooling water (with a temperature differential controlled within 3° C). | ● 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.<br>● Office lighting: Implementing a zone management system, encouraging the habit of turning off lights in designated areas.<br>● Meeting rooms and restrooms: Promoting the habit of turning off lights when not in use. | ● Use eco-labeled refrigerators. |

# 5.5 Water Resource Management

GRI 303-3

## 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 Taiwan, the Total Water Withdrawal in 2025 amounted to 13.31 million liters (ML).

### Water Resource Management Overview

Unit:ML




The water resource statistical boundary for Netronix was expanded to include Nwtx Electronics Yangzhou Co., Ltd., Sable (Xiamen) Electronics, and Sable (Chongqing) Electronics, with a total water withdrawal in 2025 amounting to 15.48 million liters (ML).

| Water Resource Management Overview - Subsidiary | |
|---|---|
| Water withdrawal (Unit: ML) | 2025 |
| Nwtx Electronics Yangzhou Co., Ltd. | 3.27 |
| Sable (Xiamen) Electronic | 6.23 |
| Sable (Chongqing) Electronic | 5.98 |

## 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 household 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 2025, Netronix Taiwan generated a total of 88.55 metric tons of waste.

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. In 2025, Netronix in Taiwan will replace traditional printers with multifunction devices that integrate printing, copying, scanning, and faxing. This will significantly improve operational processes and digital efficiency, reduce toner cartridge and power consumption, and save on cost expenses.

## Waste Data Statistics

### Netronix Taiwan

| Waste Types | | | Disposal Types | | | Weight (Tons) | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | 2022 (and before) | After 2023 | Recycling and Reuse | 2022 | 2023 | 2024 | 2025 |
| | | | Direct Disposal Incineration (including energy recovery) | Direct Disposal Physical treatment | | | | | |
| Non-hazardous | General Household Waste | ● H-0002 (Domestic Waste from Employees) | V | | - | 28.7 | 27.62 | 33.90 | 25.26 |
| | Business Waste | ● D-1801 (General Waste Generated by Business Activities) | V | | - | | | | |
| | | ● D-0299 (Mixed Waste Plastics) | V | | - | 20.44 | 30.94 | 25.14 | 24.80 |
| | | ● D-0799 (Mixed Waste Wood) Note 3 | V | | - | 16.71 | 13.45 | 1.01 | 0 |
| | Recycling and Reuse Waste | ● R-0201 (Waste Plastics) Note 2 | - | | V | 144.00 | 96.00 | 14.26 | 24.08 |
| | | ● R-0701 (Waste Wood) | - | | V | - | 11.84 | 9.41 | 8.43 |
| Hazardous | Reuse Waste | ● E-0221 (Printed Circuit Board Waste Containing Metals and Their Residues) | - | | V | 12.12 | 10.89 | 5.37 | 5.98 |

Note 1: Netronix reported to the Ministry of Environment the total amount of industrial waste, including recyclable waste.
Note 2: Waste plastics primarily consist of tray pans which can be crushed for reuse as raw plastic material. In 2023, the volume was estimated based on truckload tonnage (3.5 tons per truck, collected monthly). Starting from 2024, data is based on actual monthly disposal volume.
Note 3: Recyclable waste R-0701 (Waste Wood), previously reported as D-0799 from 2022 to 2023. Beginning in 2024, waste wood mixtures will be fully categorized as recyclable under R-0701.
Note 4: Non-hazardous waste was originally processed through incineration (including energy recovery). Due to the Hsinchu incineration plant' s renovation during 2023–2025, the waste was alternatively handled by contractors through physical treatment.

| Nwtx Electronics Yangzhou Co., Ltd. Unit: metric tons | | Recycling and Reuse | | | | | | Direct Disposal | |
|---|---|---|---|---|---|---|---|---|---|
| | | Hazardous | | | | Non-hazardous | | Hazardous | |
| | | Reuse as material | | Other recycling operations | | Other recycling operations | | Incineration (including energy recovery) | |
| | | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 |
| General Waste | Waste Cardboard | - | - | - | - | 11.42 | 12.13 | - | - |
| | Waste Plastic Materials | - | - | - | - | 11.07 | 13.55 | - | - |
| Hazardous Waste | Waste Cleaning Agents | - | - | - | - | - | - | 0.06 | 0.27 |
| | Waste PCBs | - | - | 0.56 | 0.46 | - | - | - | - |
| | Waste Activated Carbon | 1.38 | 2.96 | - | - | - | - | - | - |
| | Waste Sludge | - | - | - | - | - | - | 1.98 | 2.87 |
| | Waste Packaging Materials | - | - | - | - | - | - | 0.10 | 0.56 |
| | Waste Hot-Melt Adhesive | - | - | - | - | - | - | 2.07 | 2.82 |

| Sable (Xiamen, Chongqing) 2025 Unit: Metric Tons | | Direct Disposal | | |
|---|---|---|---|---|
| | | Hazardous | | Non-hazardous |
| | | Other Recycling Operations Note 1 | Incineration (excluding energy recovery) Note 2 | Other Disposal Operations Note 2 |
| General Waste | Waste Cardboard | - | - | 11.73 |
| | Waste Plastic Materials | - | - | 0.50 |
| Hazardous Waste | Waste Organic Solution | 1.53 | - | - |
| | Contaminated Waste Plastic Barrel | 0.40 | - | - |
| | Waste Activated Carbon | 2.00 | 0.20 | - |
| | Hazardous Waste | - | 1.47 | - |
| | Waste Packaging Materials | - | 1.27 | - |

Note 1: The data scope belongs to Sable (Xiamen);
Note 2: The data scope belongs to Sable (Chungqing). The waste disposal types mainly focus on direct disposal, with no recycling and reuse.



## 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. The Company has 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.


IEC QUALITY ASSESSMENT SYSTEM (IECQ)
IECQ Certificate of Conformity
Hazardous Substance Process Management
TUVNORD

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 100% 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 |
|---|---|
| Manufacturing Stage | **Visual inspection**: Cleaning completed PCBA and tooling. |
| Environmental Considerations / Impacts | ● Empty alcohol barrels after use<br>● Health impact and cost to employees |
| Impact Categories | ● Waste<br>● Employee health |
| Reduction Measures | ● Relax PCBA appearance inspection to reduce alcohol use.<br>● Clean immediately to reduce volume required<br>● Clean tooling with dry wiping first, alcohol only when necessary |
| Control / Mitigation | ● Centralized handling of empty barrels and recycling by contractors<br>● Improved employee health and reduced costs |
| 2024 Reduction Results | ● Alcohol procurement decreased by 36.5% in 2024 compared with 2023. |
| 2025 Reduction Results | ● Alcohol procurement decreased by 13.3% in 2025 compared with 2024. |

# 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



06

# 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.

**Social Responsibility Policy**

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




## Human Rights Management

| Management Item | Actions |
|---|---|
| Forced Labor | ● Continuously optimizing the leave and attendance management system.<br>● Promoting a culture of reasonable working hours. |
| Sexual Harassment and Management of Illegal Infringement | ● A reporting mechanism for sexual harassment incidents has been established:<br>／ Policy or Procedure: "Sexual Harassment Grievance Procedure"<br>／ Communication/Complaint Channels: Employees can call the Senior Manager of the Administration Department (extension 6500).<br>／ Handling Procedure: If a complaint is filed, the Sexual Harassment Handling Committee conducts a thorough investigation and interviews.<br>／ In 2025, no sexual harassment complaints were reported. |
| Maternity Protection | ● In accordance with the "Gender Equality in Employment Act" and the "Regulations on Subsidy and Standards for Establishing Breastfeeding (Breast Milk Collection) Rooms, Childcare Facilities and Measures," 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 | ● Complies with minimum age requirements stipulated by labor laws and regulations in all operating locations; 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 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). According to Appendix 7.5 Workforce Diversity Data, the current workforce nationality distribution at Netronix indicates that the majority ethnicity is Asian.

| Disclosure Topic \| Employee Diversity and Inclusion | | |
|---|---|---|
| **Indicator No.** | **Item** | **Explanation** |
| TC-HW-330a.1 | Percentage of gender and race/ethnicity<br>1. Executive management<br>2. Non-executive management<br>3. Technical employees<br>4. All other employees | ● 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). According to Appendix 7.5 Workforce Diversity Data, the current workforce nationality distribution at Netronix indicates that the majority ethnicity is Asian.<br>● Please refer to Appendix 7.5 Workforce Diversity Data. |

# 6.2 Talent Recruitment and Retention

## Recruitment and Employment

Netronix actively recruits professionals from various fields through multiple channels such as campus recruiting, online recruitment platforms, public employment service offices, employment agencies, and employee referrals. It is expected to participate in the recruitment events at Minghsin University of Science and Technology' s campus and the local employment service center in March 2026, aiming to attract outstanding new graduates and local talent. Simultaneously planning to establish new social communities in 2026, with the aim of enhancing the Company' s brand exposure and thereby strengthening its appeal in the talent market. The recruitment 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.

In addition, 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:

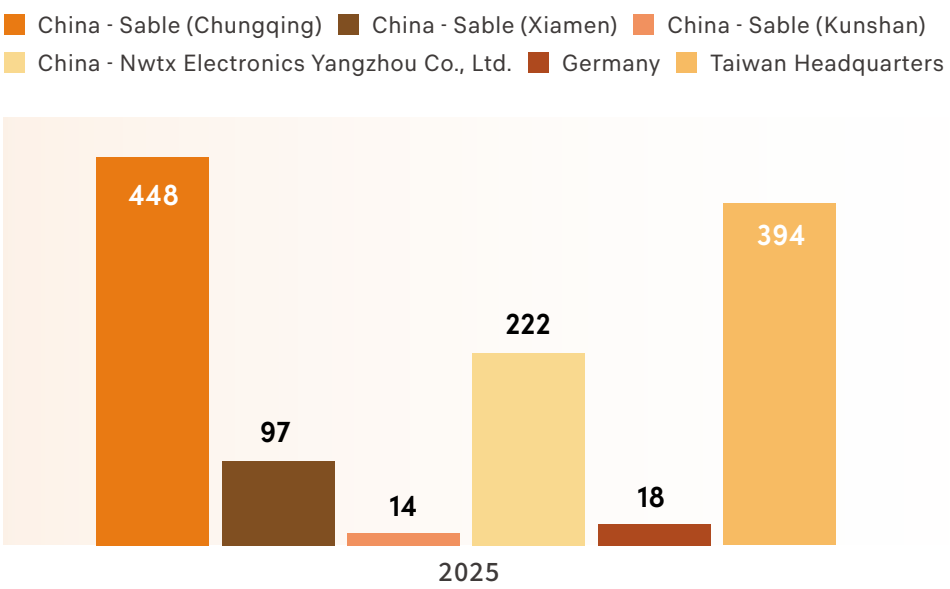
| | | |
|---|---|---|
| Recruitment, employment, job transfer, compensation and benefits, performance management, and resignation policies and related procedures | Regulations for prevention, correction, complaint and punishment of sexual harassment in the workplace | Occupational safety and health policy |

| | | | |
|---|---|---|---|
| Guidelines for the prevention of unlawful infringement in the performance of duties | Regulations of the maternity health protection at the workplace | Methods for communication and cooperation between employer and employees | Labor-management meeting implementation procedures |

## Workforce Profile

In 2025, Netronix actively strengthened the group' s sustainable governance and expanded the reporting boundary of human capital data to newly include five subsidiaries: Nwtx Electronics Yangzhou Co., Ltd. in Mainland China, Sable (Xiamen) Electronic, Sable (Chongqing) Electronic, Sable (Kunshan) Electronic, and Germany' s Longshine Technologie. As of the end of 2025, the number of employees at each location is as follows: Sable (Chongqing) Electronic - 448 employees, Sable (Xiamen) Electronic - 97 employees, Sable (Kunshan) Electronic - 14 employees, Nwtx Electronics Yangzhou Co., Ltd. in Mainland China - 222 employees, Germany' s Longshine Technologie - 18 employees, and 394 employees in Taiwan. Although the current strategy analysis of human resources is still centered at the Taiwan headquarters, starting from 2025, this report has comprehensively compiled and disclosed information on overseas subsidiaries through multiple dimensions, including operating sites, positions and gender, as well as positions and age. This fully demonstrates the breadth of human capital disclosure and the transparency of information disclosure of Netronix.

### Total Employees by Operating Site Over the Years



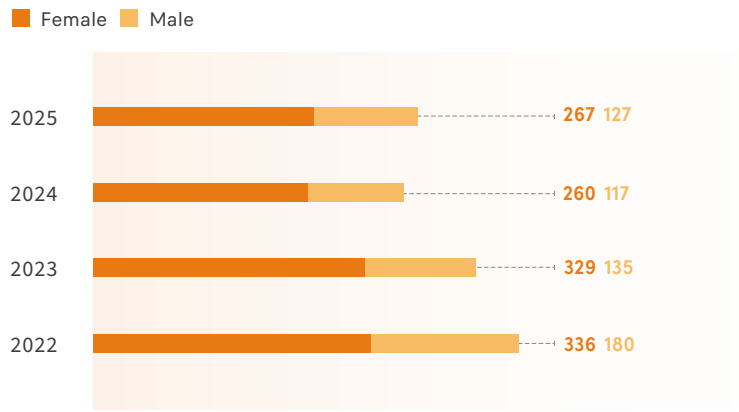
In 2025, Netronix Taiwan (Hsinchu Headquarters) employed 394 persons, all of whom are full-time permanent employees with no temporary workers or workers without guaranteed working hours; 6 non-employees work onsite, including dispatched production line workers, security personnel, and cleaning staff.

By gender: 127 male employees (32.23%) and 267 female employees (67.77%). By age group: 61 employees aged 30 or below (15.48%), 256 aged 31–50 (64.97%), and 77 aged 51 and above (19.54%). 85.71% of senior management employees are residents of the local area (Hsinchu, Taiwan).

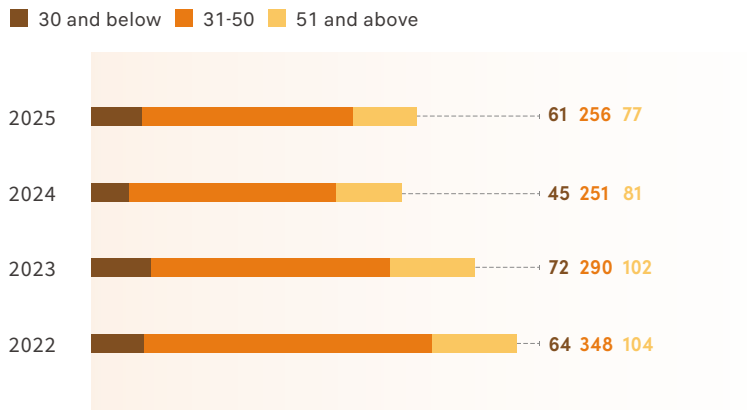
Netronix plans to introduce a brand new personnel management system in 2026 to promote the digital transformation of human resource management. The system integrates modules such as Regulatory Compliance, compensation, attendance, and turnover rate analysis, aiming to enhance operational efficiency through automated management. In doing so, it implements digital governance and strengthens the protection of employees' rights.

Netronix supports the employment of persons with disabilities. By the end of 2025, the Company employed a total of four colleagues with disabilities: two with moderate disabilities and two with mild disabilities, working in the departments of R&D, manufacturing, and materials. The hiring has met the required quota. In the future, the Company will continue to actively conduct job evaluations internally to increase more employment opportunities for people with disabilities.

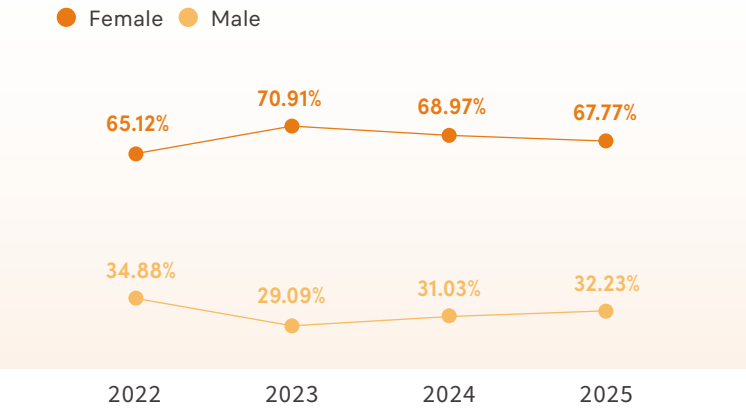
### Total Employees by Gender Over the Years



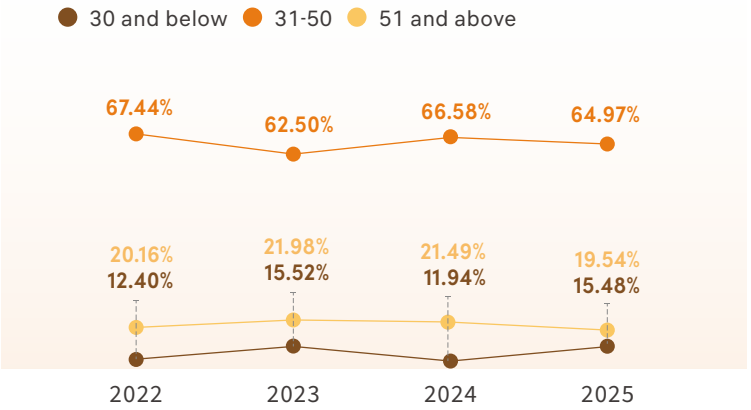

### Total Employees by Age Group Over the Years




### Employee Gender Ratio Over the Years

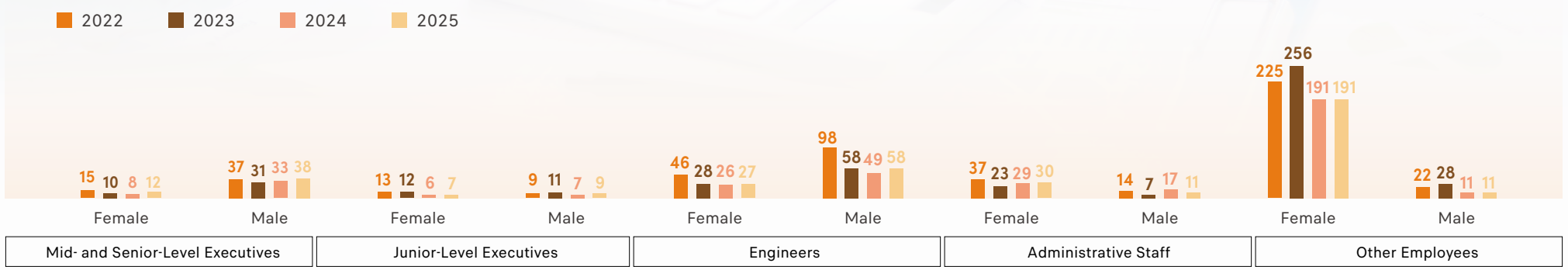



### Employee Age Distribution Ratio Over the Years





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

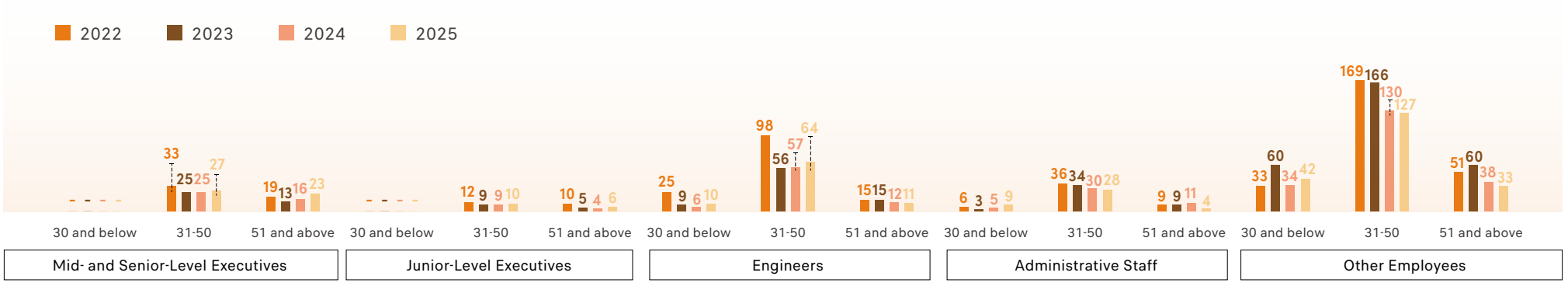



Note: Mid- and senior-level executives refer to positions at the deputy manager level and above; junior-level executives include section chiefs, directors, and foreman; engineers refer to engineers and project managers; administrative staff include assistants, administrators, specialists, and clerks;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

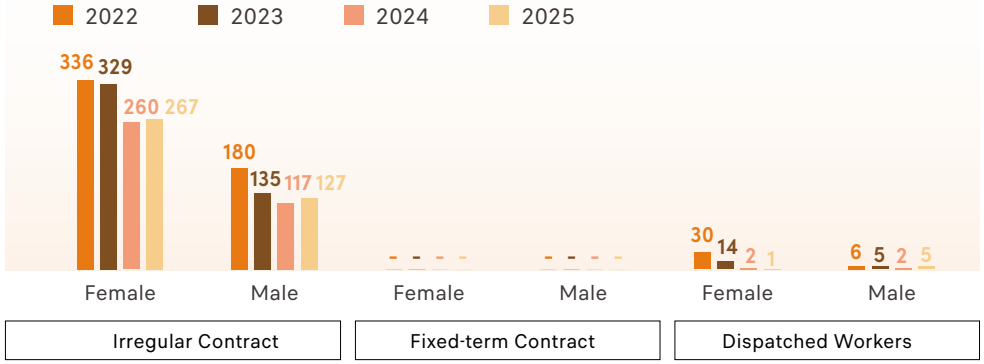
## Non-Employee Workers - Taiwan

| Number of Participants | Job Types | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| Production Line Workers | ● Manufacturing (assembly, packaging, testing) | 36 | 15 | 4 | 1 |
| Security/Guards | ● Company personnel security and control | 2 | 2 | 2 | 2 |
| Cleaning Staff | ● Company environment maintenance and cleaning | 2 | 2 | 3 | 3 |

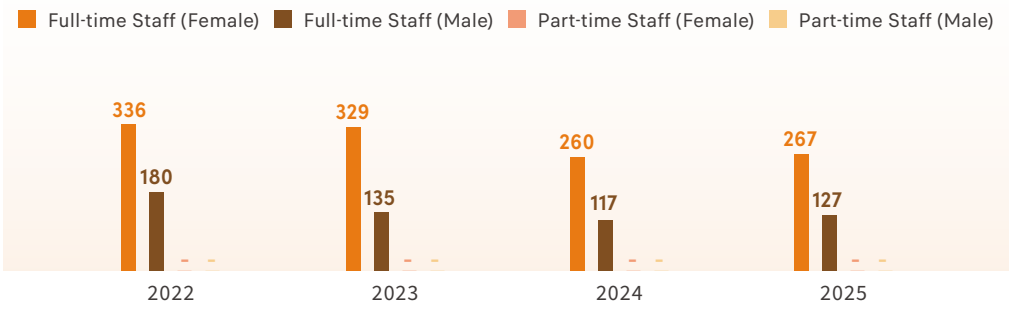
### Total Number of Employees by Job Category and Age Over the Years




### Number of employees by contract type over the years

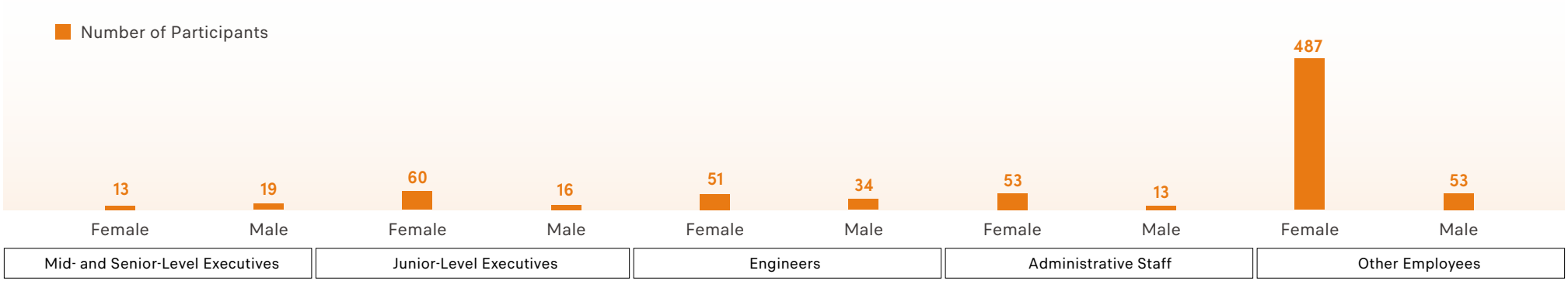



### Number of employees by employment type over the years

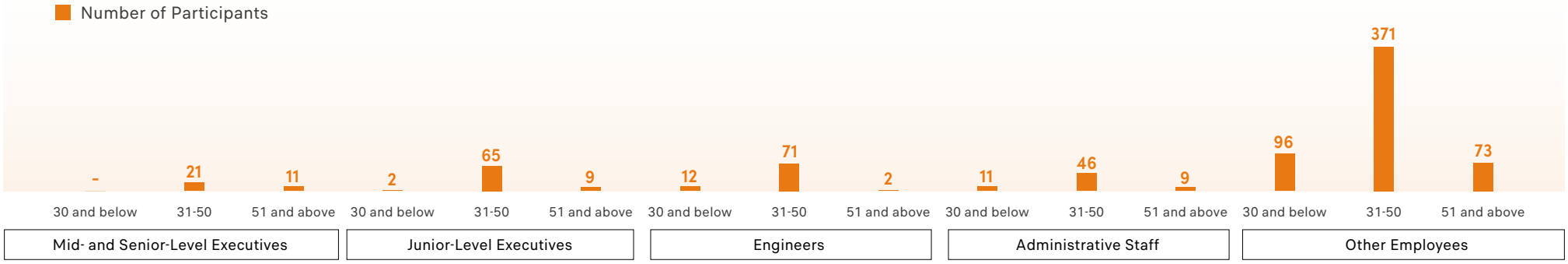


## [Netronix subsidiary: Nwtx Electronics Yangzhou Co., Ltd.]

### Employees at Year-End by Job Position and Gender in the Subsidiary




### Employees at Year-End by Job Position and Age in the Subsidiary




Note: The scope of subsidiary statistics includes Nwtx Electronics Yangzhou Co., Ltd. in Mainland China, Sable (Xiamen), Sable (Chongqing), Sable (Kunshan), and Germany' s Longshine.

## Workforce Turnover

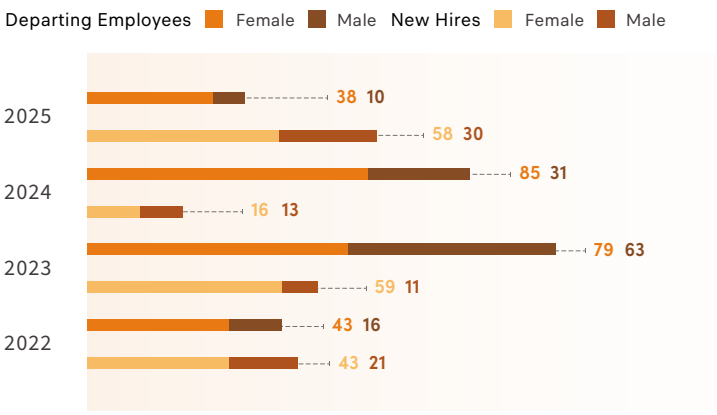
In 2025, Netronix hired a total of 88 new employees, with an annual hiring rate of 22%. Among them, 58 were female (21.72%), and 30 were male (23.62%); 27 employees were aged 30 and below (44.26%), 57 were aged 31–50 (22.27%), and 4 were aged 51 and above (5.19%).

In 2025, a total of 48 persons voluntarily resigned, with an annual turnover rate of 12.1%. Among them, 38 were female (14.23%) and 10 were male (7.87%); 35 employees aged 30 and below (57.38%), 8 aged 31–50 (3.13%), and 5 aged 51 and above (6.49%). Compared to the 2024 turnover rate of 30.76%, the 2025 turnover rate decreased by approximately 19 percentage points, a reduction of over 60%.

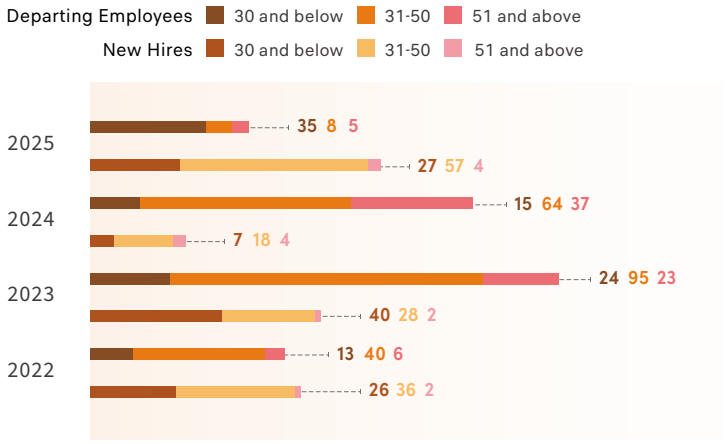
Note 1: Hiring rate = number of new hires in the category during the year ÷ total number of employees in the category at the end of the year

Note 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

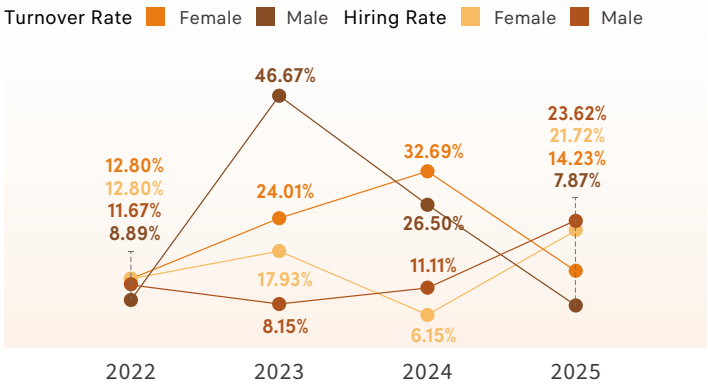
### Statistics on New Hires and Departing Employees by Gender Over the Years



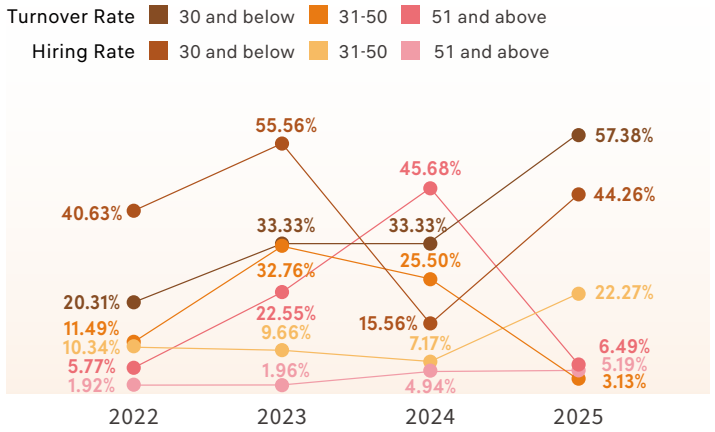

### Statistics on New Hires and Departing Employees by Age Over the Years




### Statistics on Hiring and Turnover Rates by Gender Over the Years




### Statistics on Hiring and Turnover Rates by Age Over the Years



# 6.3 Talent Development

GRI 404-1 GRI 404-3

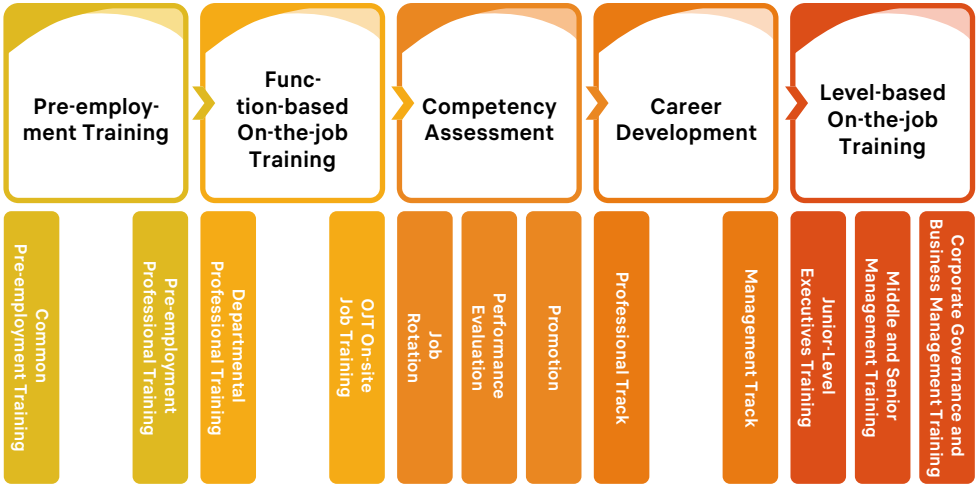
## Talent Development Blueprint

From the moment employees join Netronix, they receive pre-employment 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.

We have 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.

In 2025, we enhanced the training content for new employees, emphasizing the management philosophy and internal regulations to help new staff quickly understand and adapt to the Company and their roles, fostering a sense of identity and security.

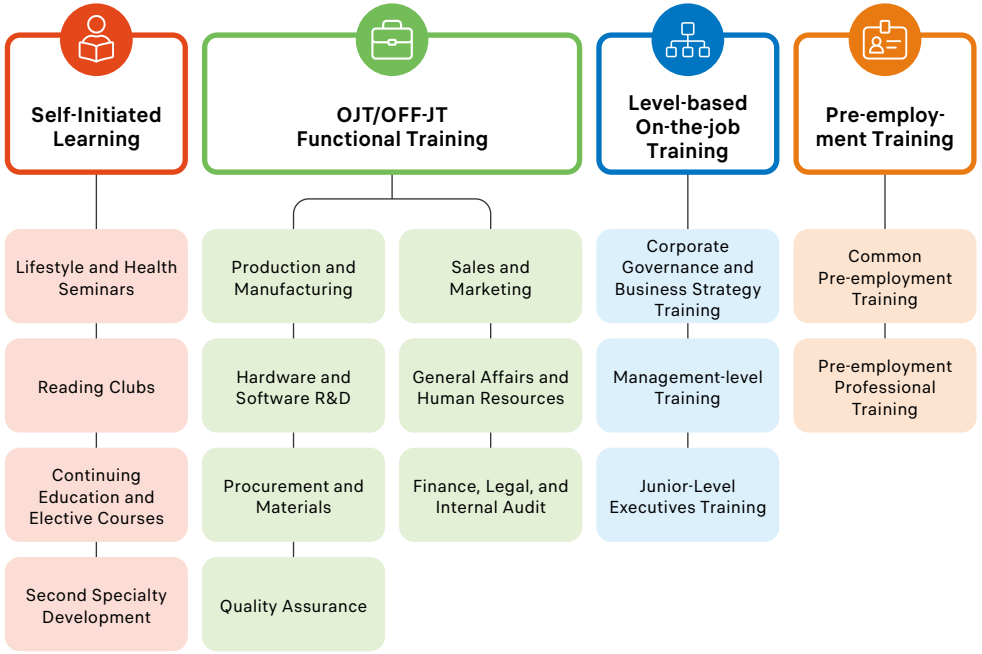
### Netronix | Talent Development Roadmap




## Training and Development System

To secure strong human capital, Netronix has established a comprehensive talent training system. From the formulation of training policies, system establishment, training needs analysis, drafting and implementation of training programs to review and improvement, it is extremely comprehensive and has significantly contributed to the Company' s long-term talent acquisition and development. It also provides a favorable learning and growth environment, actively shaping the Company as a learning-oriented organization, fostering employees' self-learning and proactive experience-sharing spirit to promote mutual growth between the Company and employees, creating a win-win strategy.

### Netronix | Training and Development System



## 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"

In 2025, Netronix will incorporate "Integrity and Pragmatism" into the Core Competencies item, closely linking it with the annual Performance Evaluation to serve as the evaluation criteria for core competencies. It is expected that the Management Philosophy of "Integrity in Conduct, Pragmatism in Action" will be concretely implemented in daily behavior and performance management to ensure that employees' performance aligns with the Company' s core values.



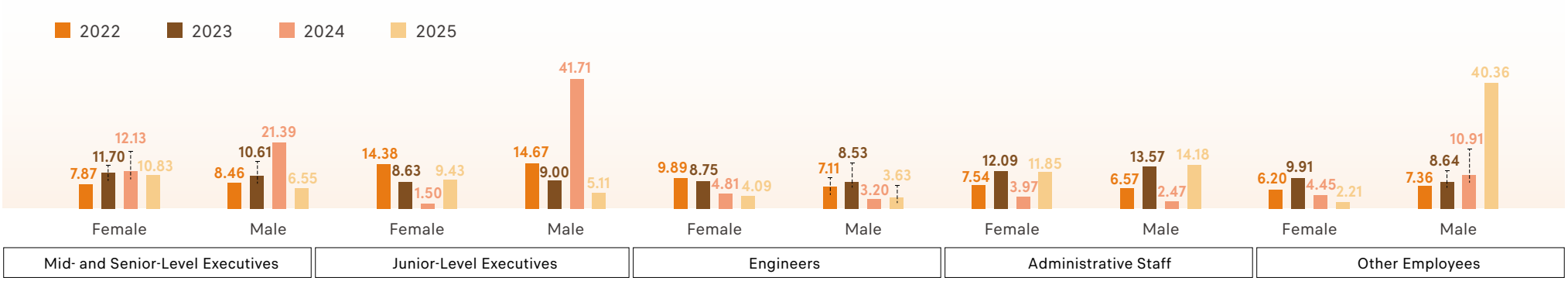

## Training and Education

In 2025, Netronix' s total training hours amounted to 2,190.5 hours, with an average of 5.55 training hours per employee. The total training investment was NT$115,670.

| Internal / External Training | Employee category | Training type |
|---|---|---|
| Internal training | New employee training | Basic training courses |
| | Professional training for current employees [Note] | Fire safety training |
| | | Civil defense training |
| | | Information security courses |
| | | ISO training courses |
| | | Risk management courses (Trade Secrets included in 2025) |
| | | Occupational safety and health courses |
| | | Quality management courses |
| | | Management competency courses |
| | | Health Seminar (added in 2025) |
| External training | Professional training for current employees [Note] | Chemical management courses |
| | | First aid courses |
| | | Occupational safety and health management courses |
| | | ESG courses |
| | | Corporate governance courses |

Note: Professional training provided to employees in specific job roles.

### Average Training Hours Over the Years (by Job Category and Gender)




Note: In 2024, junior-level executives (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. In 2025, because the training hours for other employees of both genders were equivalent, gender analysis shows that due to the multiple differences in the number of male and female participants, the training hours for male employees appear higher.

The current effectiveness of training and development at Netronix when assessed using the Kirkpatrick Model, has reached Level 2: Learning. Most training programs currently include a test at the end, and employees can only obtain the relevant certification after passing the test. Future efforts will focus on improving the evaluation mechanism, advancing towards Level 3: Behavior in order to further track the effectiveness of employees applying what they learned in training to their work environment.

## 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. In 2025, Netronix' s employee performance evaluation coverage rate was 100% (excluding foreign migrant workers and employees with less than three months of service).

### Performance Evaluation Process

| STEP 01 | STEP 02 | STEP 03 | STEP 04 | STEP 05 | STEP 06 |
|---|---|---|---|---|---|
| Setting Goals | Notification of Performance Evaluation | Employee Self-Assessment | Communication and Evaluation between Direct Supervisor and Employee on Goal Execution and Development Plans | Consolidation of Evaluation Grades by Department | Use of Evaluation Results as a Basis for Salary Adjustment, Bonuses, and Promotions |

# 6.4 Compensation and Benefits

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

## Employee Benefits

| Types of Benefits | Item |
|---|---|
| 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 |
| Insurance category* | ● Employee Group Insurance (Cancer Insurance added in 2025) |
| | ● Overseas Business Travel Accident Insurance (added in 2025) |
| Insurance category* | ● Health Checkup (once every two years) |
| Leisure | ● Employee Travel Subsidy (Domestic, International) |
| | ● Family Day (as needed) |
| Systems | ● Employee Patent Proposal Bonus<br>● Employee Referral Bonus |
| Facilities | ● Employee meal subsidy (new items added in 2025)* |
| | ● Vending Machine (added in 2025)* |
| | ● Nursing Room |
| Leave/Vacation | ● Two-Day Weekend |
| | ● Paid Leave/Annual Leave |
| | ● Paternity Leave |
| | ● Family Care Leave |
| | ● Menstrual Leave for Female Employees |

Note: *Indicates items superior to regulations

## Employee Compensation

Netronix does not differentiate based on employees' gender, age, religion, race, nationality, or political stance. Employee compensation is determined based on individual professional abilities, education, seniority, and work experience, and it exceeds general industry levels; all base salaries comply with statutory minimum wage requirements.

To enhance market competitiveness and attract and retain talent, the average salary adjustment for all employees in 2025 is 5%. However, the ratio of average monthly salary and median employee salary by gender in Taiwan at Netronix 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 | | Netronix | | | | Nwtx Electronics Yangzhou Co., Ltd. |
|---|---|---|---|---|---|---|
| | | 2022 | 2023 | 2024 | 2025 | 2025 |
| Minimum Wage Ratio | Ratio | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Base Monthly Salary Average | Senior Managers (Male/Female) | 1.31 | 1.11 | 1.26 | 1.16 | - |
| | All Managers (excluding Senior Managers) (Male/Female) | 1.19 | 1.03 | 1.19 | 1.16 | 1.81 |
| | Non-management Staff (Male/Female) | 1.52 | 1.42 | 1.56 | 1.68 | 1.25 |
| | Full-time Employee Average Monthly Salary (Male/Female) | 1.80 | 1.81 | 2.03 | 1.98 | 1.48 |
| | Median Employee Monthly Salary (Male/Female) | 1.81 | 1.75 | 2.12 | 2.04 | 1.23 |
| Base Monthly Salary + Annual Bonus Average | Senior Management Annual Salary with Bonus (Male/Female) | 0.87 | 1.28 | 1.37 | 1.01 | - |
| | All Managers (excluding senior management) Annual Salary with Bonus (Male/Female) | 1.05 | 1.21 | 1.09 | 1.26 | 1.79 |
| | Non-management Staff Annual Salary with Bonus (Male/Female) | 1.17 | 1.31 | 1.16 | 1.34 | 1.23 |
| | Average Bonus for Full-time Employees (Male/Female) | 2.60 | 3.36 | 3.90 | 3.52 | 1.58 |
| | Median Employee Bonus Amount (Male/Female) | 2.52 | 2.54 | 2.91 | 2.58 | 1.61 |

Note: Future planning to gradually disclose gender pay information of other subsidiaries.

| Item | 2024 | 2025 | Two-year difference |
|---|---|---|---|
| Number of full-time employees not holding managerial positions | 416 | 373 | -43 |
| Average annual salary for full-time employees not holding managerial positions (NT$ thousands) | 717 | 830 | 113 |
| Median annual salary for full-time employees not holding managerial positions (NT$ thousands) | 580 | 677 | 97 |

Note: Netronix historical 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 Parental Leave Without Pay 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 2025, in Taiwan, the number of employees applying for parental leave was 7 (Female) with an application rate of 53.85%, and the reinstatement rate after the leave period was 75%.

| Item | | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| Number of Employees on Parental Leave (Female) | Number of Employees Eligible for Parental Leave (A) | 5 | 8 | 5 | 13 |
| | Number of Employees Applying for Parental Leave (B) | 5 | 7 | 2 | 7 |
| | Expected Number of Employees Returning from Parental Leave (C) | 5 | 5 | 1 | 4 |
| | Actual Number of Employees Returning (D) | 4 | 5 | 1 | 3 |
| | Number of Employees Remaining Employed 12 Months After Returning (E) | 2 | 3 | 1 | 1 |
| | Parental Leave Application Rate (B)/(A) | 100.00% | 87.50% | 40.00% | 53.85% |
| | Return-to-work Rate After Leave (D)/(C) | 80.00% | 100.00% | 100.00% | 75.00% |
| | Retention Rate One Year After Return (E)/Previous Year (D) | 50.00% | 75.00% | 20.00% | 100.00% |
| Number of Employees on Parental Leave (Male) | Number of Employees Eligible for Parental Leave (A) | 1 | 2 | 3 | 6 |
| | Number of Employees Applying for Parental Leave (B) | - | - | - | 1 |
| | Expected Number of Employees Returning from Parental Leave (C) | - | - | - | - |
| | Actual Number of Employees Returning (D) | - | - | - | 1 |
| | Number of Employees Remaining Employed 12 Months After Returning (E) | - | - | - | - |
| | Parental Leave Application Rate (B)/(A) | 0.00% | 0.00% | 0.00% | 16.67% |
| | 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 2025 / 1 / 1~2025 / 12 / 31.
Note 2: "-" means no applications for the year.

# 6.5 Employee Relations

## Employee Communication

| Employee Communication Mechanism | Frequency | Members | Communication Content |
|---|---|---|---|
| Labor-Management Meetings | Quarterly | Labor representative<br>Management representative | Communicating and coordinating labor-management relations, promoting labor-management cooperation, and planning employee welfare. |
| Suggestion Box | Open 24 / 7 for feedback and suggestions | All employees | Providing employees with a platform for feedback on work quality, raising concerns, or filing complaints. |
| Welfare Committee Meetings | Quarterly | Welfare Committee of each unit | Discussing and communicating employee welfare matters. |
| Occupational Safety and Health Committee Meetings | Quarterly | Labor representative<br>Operations Supervisor<br>Engineering and Technical Personnel | 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. 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 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**

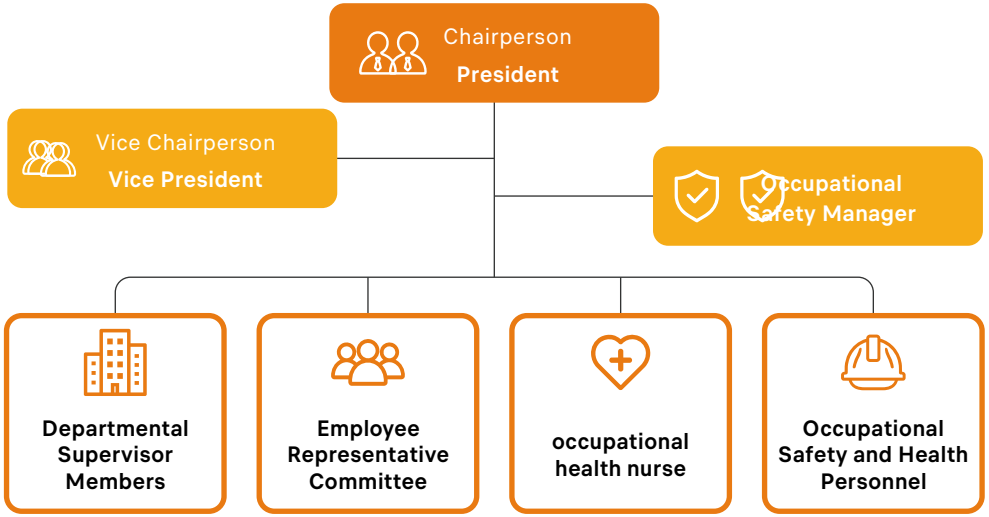
| 2025 | Number of People Covered by the Management System | | Total Number in the Organization | | Percentage | |
|---|---|---|---|---|---|---|
| | Employees | Non-employees | Employees | Non-employees | Employees | Non-employees |
| Not Audited | 0 | 0 | 0 | 0 | 0 | 0 |
| Internally Audited | 394 | 6 | 394 | 6 | 100% | 100% |
| Audited or Verified by External Organization | 394 | 6 | 394 | 6 | 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 2025) 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




### Occupational Safety and Health Targets

| Targets for 2025 | Implementation Status | Short-term Targets (1 - 2 years) |
|---|---|---|
| Zero Workplace Accidents | Zero Workplace Accidents | Zero Workplace Accidents |
| Enhance safety training and development. | Conduct training and development on topics such as electrical safety awareness, chemical hazards, and heat-related hazards. | Emergency response training, hazard identification and risk assessment education and training |
| Establish a safe working environment | Extension cord replacement, environmental cleaning and disinfection, strengthening on-site traffic safety (paving damaged asphalt roads) | Continue to expand environmental cleanup and organization projects: Regular monitoring and supervision of traffic routes for the in-plant fire station and substation (preventing the accumulation of debris and ensuring clear pathways)<br>Improvement of waterproofing works in the production line testing area.<br>Improvements to the heat hazard in the IT Department' s server room. |

## 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 2025, 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 2025 was low risk (score 1) and mild risk (score 2). However, the Company conducted seven high-risk operations in 2025 (such as hot work and lifting operations). All high-risk operations within the plant required completion of an application process prior to work, 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 changes occur in the sustainability issues of concern to stakeholders
- For planned changes (permanent or temporary), risk and opportunity assessments should be conducted before implementation

## Prevention and Improvement

| Type | Item |
|---|---|
| Hazard Prevention | ● Provision of Personal Protective Equipment (PPE): Goggles, special protective gloves, anti-static gear. |
| | ● Warehouse Management: Stacking height does not exceed 170 cm, all designed with safety racks, forklift operators all have valid licenses, and fire extinguishers are installed. |
| | ● X-ray Management: Monthly self-inspection of radiation operations is conducted, and X-ray operators are awarded certificates for completing 18 hours of radiation protection training and must undergo 3 hours of retraining annually. |
| | ● Replacement of extension cords (added in 2025): 786 units of 110V; 202 units of 220V, completing the comprehensive electric shock safety protection for the entire plant. |
| | ● Traffic Safety within the Premises (added in 2025):<br>/ Resurfacing of internal factory roads with asphalt to improve damaged surfaces and enhance the safety of employees commuting by motorcycles.<br>/ Improve nighttime lighting on internal factory roads to enhance the driving safety of cars and motorcycles. |
| | ● Supervision and Management of Space for Fire Station and Substation (added in 2025): Safety inspection, issuance of environmental and safety anomaly reports to improve important fire pump room and substation entrances, and removal of obstructions. |
| | ● Establish trilingual evacuation maps (Philippines, Indonesia, Vietnam) (added in 2025) |
| Environmental Safety Improvement | ● The lighting for the Electronic warehouse and storage has been changed to panel lights:<br>/ In 2025, the third-floor passenger elevator will be changed to panel lights, resulting in increased illumination compared to traditional lighting.<br>/ Traditional lighting fixtures on each floor will be progressively replaced with panel lights. |
| | ● Environmental Cleaning and Disinfection (added in 2025):<br>/ Implementation of 1 disinfection operation for the outer perimeter of the factory.<br>/ Implement 1 disinfection operation for the public areas and production line rest areas within the factory to enhance environmental safety and health. |
| Health Checkup | ● Regular Health Examinations: Special health examinations for ionizing radiation; one operations supervisor underwent a special health check for ionizing radiation in 2025, with no abnormalities detected (Level 1 Management). |

## Hazard Identification and Risk Assessment Process



## 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 jointly assist in identifying potential occupational safety and health hazards. Annually, they conduct "Prevention of Workplace Violence and Unlawful Infringement" hazard identification and risk assessment, and implement the "Maternal Health Protection Program" for pregnant employees, those within one year postpartum, and breastfeeding employees. Through the annual employee health checkup, employees are required to fill out relevant labor health protection questionnaires, including those on "Abnormal Workload" and "Ergonomic Hazards." The on-site nurse arranges further health care and follow-up for high-risk cases, while the on-site physician evaluates any health impacts caused by the work environment or work patterns. Based on the implementation results of various programs in 2025, no major abnormal events occurred.

| Program | 2024 Evaluation & Improvement Results |
|---|---|
|  Maternal Health Protection | In the 2025 Year, the Maternal Health Protection Management documented a total of 4 cases, including 2 employees who returned to work within a year after childbirth and 2 employees who were pregnant (including 1 who had already resigned).<br>After assessing the work environment, operational hazards, and the individual health impacts on employees, all were classified as Level 1 management. There were no adverse effects on the health of the mother, fetus, or infant. Health guidance and education promotion were completed by the labor health service physician and on-site nurse, achieving a 100% success rate. |
|  Abnormal Workload Management | For employees at medium to high risk due to abnormal workload, a total of 8 individuals were arranged to receive follow-up care and health education guidance from the labor health service physician. The on-site nurse continued to monitor their physical and mental health, treatment and re-examination status, and workload.<br>Encourage employees to participate in company Lifestyle and Health Seminars to cultivate habits of regular exercise, balanced diet, and routine lifestyle to enhance their personal health. |
|  Ergonomic Hazard Prevention | In the 2025 Year, no confirmed disease cases were reported. For those colleagues who reported muscle soreness and discomfort, health education guidance was arranged with the labor health service physician.<br>The company continuously promotes stretch exercises and physical activity-related health education through bulletin boards to help reduce discomfort among employees. |
|  Prevention of Workplace Violence and Unlawful Infringement | Each year, hazard identification and risk assessment for the prevention of workplace violence and unlawful infringement are conducted by each department. The results did not reveal any severe injuries with medium or high risk, nor did any incidents of workplace violence or unlawful infringement occur.<br>Regularly, through workplace environmental inspection checklists for the prevention of workplace violence and unlawful infringement, job suitability, and workplace design, the current status is reviewed and the need for additional or improved measures is assessed. Suggestion boxes and other grievance and consultation channels continue to be provided for use. |

# 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 2025, no fatalities or severe occupational accidents occurred among all the workers (employees and non-employees). The total number of recordable occupational accidents was 0 cases, with 0 cases of disabling injuries, resulting in 0 lost days due to disabling injuries. In 2025, Netronix did not experience any employee health or safety incidents, nor were there any penalties imposed by the Regulatory Authorities for violations of relevant regulations.



| Item | Employee Occupational Injury Statistics | | | | Non-employee Occupational Injury Statistics | | | |
|---|---|---|---|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 | 2022 | 2023 | 2024 | 2025 |
| Total working hours throughout the year | 953,128 | 900,576 | 832,752 | 769,656 | 122,720 | 54,496 | 20,784 | 10,800 |
| 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.

Note 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.

Note 3: The calculation of these indicators excludes transportation-related injury incidents:
Occupational injury fatality rate = (Number of occupational injury fatalities × $10^6$) ÷ Total working hours throughout the year
Serious occupational injury rate = (Number of serious occupational injuries [excluding fatal occupational injuries] × $10^6$) ÷ Total working hours throughout the year
Recordable occupational injury rate = (Number of recordable occupational injuries × $10^6$) ÷ Total working hours throughout the year
Disabling Injury Frequency Rate (FR) = (Number of occupational injuries × $10^6$) ÷ Total working hours throughout the year (rounded to two decimal places)
Disabling Injury Severity Rate (SR) = (Lost days × $10^6$) ÷ Total working hours throughout the year (rounded to the nearest whole number)
Frequency-Severity Indicator (FSI) = $\sqrt{}$ (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 | Training Completion Rate | Hours | Sessions | Number of Participants |
|---|---|---|---|---|---|
| New employee Training and Education | Occupational health and safety education for new employees | 100% | 6 | 31 | 53 |
| Current employees Training and Education | Hazard identification and risk assessment On-the-job training | 100% | 3 | 2 | 36 |
| | Environmental considerations and hazard risk assessment operations training | 100% | 3 | 1 | 18 |
| | General occupational health and safety education(including traffic safety awareness) | 100% | 3 | 2 | 48 |
| | General occupational health and safety education - Supervisors | 100% | 3 | 1 | 18 |
| | High temperature operations training | 100% | 3 | 1 | 5 |
| | Hazard identification and risk assessment education on workplace violence prevention | 100% | 3 | 1 | 18 |
| | Contractor hazard notification training | 100% | 6 | 16 | 106 |
| | 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 |
| | Emergency Response (2025 Topics Heimlich Maneuver) | 100% | 1 | 1 | 30 |

## Health Promotion Activities

Netronix regularly selects two health education topics each month to promote among all employees through bulletin boards, and irregularly holds health seminars and health promotion activities. Additionally, every two years, a health checkup is conducted for all employees, while employees engaged in particularly hazardous operations receive special health checkups annually. Through these health management measures, the Company provides comprehensive health support to employees, continuously promoting their health and well-being.

In addition to the lifestyle and health seminars, the Company also promotes a healthy lifestyle through various internal communication channels, encouraging employees to adopt a balanced diet, increase physical activity, and reduce sedentary time. At the same time, the Company consistently offers healthy meal options in the employees' lunch boxes to assist them in making healthy choices in their daily diet. Through health education and the creation of a friendly workplace environment, it is hoped to gradually reduce the percentage of high-risk groups for metabolic syndrome, enhance the overall health level of employees, and establish a sustainable workplace that supports the physical and mental well-being of employees.

**Health Seminar 1**

### Stay away from metabolic syndrome.

- According to the results of the 2024 health checkup for employees, the percentage of employees classified as high-risk for metabolic syndrome and those already meeting the diagnostic criteria for metabolic syndrome reached 77.7%. The main reasons are closely related to unhealthy lifestyle behaviors such as unbalanced dietary habits, lack of regular exercise, and sedentary work patterns. In addition to potentially increasing the risk of chronic diseases such as cardiovascular disease and diabetes, metabolic syndrome may also affect employees' long-term health and work performance.
- Based on the health management philosophy of "prevention is better than cure," the Company proactively plans and promotes health promotion measures related to the prevention and management of metabolic syndrome. In 2025, we will conduct a seminar on metabolic syndrome, inviting professional speakers to provide an in-depth explanation of the causes, risk factors, and daily self-health management of metabolic syndrome. This will help employees build correct health knowledge and risk awareness, enhancing their self-health management Abilities.

## 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.

**Health Seminar 2**

### The Sandwich Generation - Coping for the Middle-aged

- To assist employees in enhancing family relationships and improving mental health and stress adaptation abilities, the Company has collaborated with the Hsinchu County Family Education Center to hold a seminar on the topic "The Sandwich Generation - Coping for the Middle-aged." This seminar aims to help middle-aged employees deal with workplace and family role pressures, learn emotional adjustment and resource utilization, and promote work-life balance.

# 6.7 Social Impact

Since 2017, Netronix has been actively involved in public welfare initiatives through the digital reading project "eRead 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.

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



# 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 Reporting Scope
7.8 Climate-related Information for Listed Companies
7.9 External Assurance Statement



07

# 7.1 GRI Content Index

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

## Universal Standard Disclosure Index

| 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 | 7 | |
| 2-2 | Entities included in the organization' s sustainability reporting | About This Report | 5 | |
| 2-3 | Reporting period, frequency and contact point | About This Report | 5 | |
| 2-4 | Restatement of information | — | | None Restatements of information in 2025 |
| 2-5 | External assurance | About This Report | 5 | |
| | | 7.9 External Assurance Statement | 99 | |
| **Activities and workers** | | | | |
| 2-6 | Activities, value chain and other business relationships | 1.3 Operational Highlights | 13 | |
| | | 4.5 Supply Chain Management | 49 | No significant changes in Netronix' s supply chain in 2025. |
| 2-7 | Employees | 6.2 Talent Recruitment and Retention | 70 | |
| 2-8 | Non-Employee Workers | 6.2 Talent Recruitment and Retention | 70 | |
| **Governance** | | | | |
| 2-9 | Governance structure and composition | 4.1 Corporate Governance | 39 | ESG functional committee has not yet been established. |
| 2-10 | Nomination and selection of the highest governance body | 4.1 Corporate Governance | 39 | |
| 2-11 | Chair of the highest governance body | 4.1 Corporate Governance | 39 | |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | 4.1 Corporate Governance | 39 | |
| | | About This Report | 5 | |
| | | 2.1 Stakeholder Engagement and Communication | 17 | |
| 2-13 | Delegation of responsibility for managing impacts | 2.3 Management Approaches to Material Issues | 25 | |
| 2-14 | Role of the highest governance body in sustainability reporting | 2.2 Materiality Identification and Analysis | 19 | |
| | | About This Report | 5 | |
| 2-15 | Conflict of Interest | 4.1 Corporate Governance | 39 | |
| 2-16 | Communication of critical concerns | 4.1 Corporate Governance | 39 | |
| 2-17 | Collective knowledge of the highest governance body | 4.1 Corporate Governance | 39 | |
| 2-18 | Evaluation of the performance of the highest governance body | 4.1 Corporate Governance | 39 | |
| 2-19 | Remuneration policies | 4.1 Corporate Governance | 39 | Future compensation mechanisms are planned to include a link to contributions to ESG management. |
| 2-20 | Process to determine remuneration | 4.1 Corporate Governance | 39 | |
| 2-21 | Annual total compensation ratio | 4.1 Corporate Governance | 39 | |
| **Strategy, policies and practices** | | | | |
| 2-22 | Statement on sustainable development strategy | Message from the Management | 3 | |
| 2-23 | Policy commitments (responsible business conduct, respecting human rights) | 1.1 Company Overview | 7 | |
| | | 4.3 Ethical Management | 44 | |
| | | 6.1 Human Rights Management | 69 | |
| | | 4.5 Supply Chain Management | 49 | |

| Indicators | Disclosure Items | Corresponding Section of the Report | Page | Explanation/Reason for Omission |
|---|---|---|---|---|
| 2-24 | Embedding policy commitments | 4.1 Corporate Governance | 39 | |
| | | 4.5 Supply Chain Management | 49 | |
| 2-25 | Processes to remediate negative impacts | 4.3 Ethical Management | 44 | |
| | | 6.1 Human Rights Management | 69 | |
| 2-26 | Mechanisms for seeking advice and raising concerns | 4.3 Ethical Management | 44 | |
| 2-27 | Regulatory compliance | 4.1 Corporate Governance | 39 | |
| 2-28 | Membership associations | 1.1 Company Overview | 7 | |
| **Stakeholder Engagement** | | | | |
| 2-29 | Approach to stakeholder engagement | 2.1 Stakeholder Engagement and Communication | 17 | |
| 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 | 19 | |
| 3-2 | List of material topics | 2.2 Materiality Identification and Analysis | 19 | |
| **Material Topic 1: Human Capital Development (including Talent Attraction and Retention)** | | | | |
| 3-3 | Management of material topics | 2.3 Management Approaches to Material Issues | 25 | |
| 401-1 | New employee hires and employee turnover | 6.2 Talent Recruitment and Retention | 70 | |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | 6.4 Compensation and Benefits | 79 | |
| 401-3 | Parental leave | 6.4 Compensation and Benefits | 79 | |
| 405-1 | Diversity of governance bodies and employees | 6.2 Talent Recruitment and Retention | 70 | |
| | | 4.1 Corporate Governance | 39 | |
| 405-2 | Ratio of basic salary and remuneration of women to men | 6.4 Compensation and Benefits | 79 | |
| **Material Topic 2: Innovation Management (Custom Topic)** | | | | |
| 3-3 | Management of material topics | 2.3 Management Approaches to Material Issues | 25 | |
| — | Self-defined topic: Use of Recyclable Materials | 3.1 Innovation Management | 29 | |
| **Material Topic 3: Product Responsibility** | | | | |
| 3-3 | Management of material topics | 2.3 Management Approaches to Material Issues | 25 | |
| 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | 4.1 Corporate Governance | 39 | No such incidents occurred in 2025. |
| **Material Topic 4: Information Security (Custom Topic)** | | | | |
| 3-3 | Management of material topics | 2.3 Management Approaches to Material Issues | 25 | |
| — | Self-defined topic: Information Security Incidents | 4.4 Information Security | 45 | |
| **Material Topic 5: Climate Strategy** | | | | |
| 3-3 | Management of material topics | 2.3 Management Approaches to Material Issues | 25 | |
| 305-1 | Direct (Scope 1) GHG emissions | 5.3 GHG Management | 61 | |
| 305-2 | Energy indirect (Scope 2) GHG emissions | 5.3 GHG Management | 61 | |
| 305-3 | Other indirect (Scope 3) GHG emissions | 5.3 GHG Management | 61 | |
| | | 7.4 GHG Inventory and Assurance | 94 | |
| 305-4 | GHG emissions intensity | 5.3 GHG Management | 61 | |
| **Material Topic 6: Sustainable Supply Chain** | | | | |
| 3-3 | Management of material topics | 2.3 Management Approaches to Material Issues | 25 | |
| 204-1 | Proportion of spending on local suppliers | 4.5 Supply Chain Management | 49 | |

# 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 | 13 | |
| **GRI 202: Market Presence 2016** | | | | |
| 202-2 | Percentage of hiring local residents as senior management. | 6.2 Talent Recruitment and Retention | 70 | |
| **GRI 300: Environmental** | | | | |
| **GRI 302: Energy 2016** | | | | |
| 302-1 | Energy consumption within the organization | 5.4 Energy Management | 62 | |
| 302-3 | Energy intensity | 5.4 Energy Management | 62 | |
| **GRI 303: Water and Effluents 2018** | | | | |
| 303-3 | Water withdrawal | 5.5 Water Resource Management | 64 | |
| **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 Safety and Health Management System | 6.6 Occupational Safety and Health | 81 | |
| 403-2 | Hazard identification, risk assessment, and incident investigation | 6.6 Occupational Safety and Health | 81 | |
| 403-3 | Occupational Health Services | 6.6 Occupational Safety and Health | 81 | |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | 6.6 Occupational Safety and Health | 81 | |
| 403-5 | Worker training on occupational health and safety | 6.6 Occupational Safety and Health | 81 | |
| 403-6 | Promotion of worker health | 6.6 Occupational Safety and Health | 81 | |
| 403-7 | Prevention and mitigation of occupational safety and health impacts directly associated with business relationships. | 6.6 Occupational Safety and Health | 81 | |
| 403-8 | Workers covered by an occupational health and safety management system | 6.6 Occupational Safety and Health | 81 | |
| 403-9 | Occupational Injuries and Diseases | 6.6 Occupational Safety and Health | 81 | |
| **GRI 404: Training and Education 2016** | | | | |
| 404-1 | Average hours of training per year per employee | 6.3 Talent Development | 76 | |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | 6.3 Talent Development | 76 | |

# 7.2 SASB Disclosure Index

| | |
|---|---|
| Industry Type | Technology & Communications |
| Industry Name | Hardware |
| Version | December 2023 |

## Hardware Industry Disclosure Indicators

| Topics | Accounting Indicator Content | Indicator No. | 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 Inclusivity | Percentage of (1) gender and (2) diversity group representation for:<br>(1) Executive management<br>(2) Non-executive management<br>(3) Technical employees<br>(4) All other employees | TC-HW-330a.1 | 7.5 Workforce Diversity Data |
| Product Lifecycle Management | 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.<br>● 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 | Not applicable |
| | Percentage of eligible products, by revenue, certified to an energy efficiency certification | TC-HW-410a.3 | Not applicable |
| | Weight of end-of-life products and e-waste recovered, percentage recycled | TC-HW-410a.4 | Not applicable |
| Supply Chain Management | Percentage of tier 1 suppliers passing the RBA VAP or equivalent audits, by<br>(a) All tier 1 supplier facilities<br>(b) High-risk tier 1 supplier facilities | TC-HW-430a.1 | 4.5 Supply Chain Management |
| | Tier 1 Suppliers<br>(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 | Indicator No. | 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<br>No renewable energy used. | 62 |
| 2 | Total water withdrawal and total water consumption (in thousand cubic meters) | Quantitative | 5.5 Water Resource Management | 64 |
| 3 | Weight of hazardous waste produced (in metric tons) and recycling percentage (%) | Quantitative | 5.6 Waste Management | 65 |
| 4 | Description of occupational injury categories, number (quantity), and rates | Quantitative | 6.6 Occupational Safety and Health | 81 |
| 5 | Disclosure of product lifecycle management, including the weight of discarded products and electronic waste (in metric tons) and recycling percentage (%) Note 1 | Quantitative | Not applicable | |
| 6 | Description of risk management related to key material usage | Qualitative | 4.5 Supply Chain Management | 49 |
| 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 | 10 |

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

# 7.4 GHG Inventory and Assurance

The information on greenhouse gas emission in this report by Netronix is inventoried in accordance with ISO 14064-1. The operational boundary includes Scope I (Category 1), Scope II (Category 2), and Scope III (Categories 3 and 4). For details on the organizational boundary and scope of assurance, please refer to the "Organizational Boundary Description."

## Greenhouse Gas Emissions (Scope I and Scope II)

| Emission Scope | Total emissions for 2025($tCO_2e$) | Assurance institution | Explanation |
|---|---|---|---|
| **Scope I** | 72.7939 | BSI Group (Singapore) Pte. Ltd. Taiwan Branch | BSI conducted a reasonable assurance level verification on the Scope I and Scope II greenhouse gas emissions of Netronix, and a limited assurance level verification on Scope III. The organizational boundary is set according to the operational control method, covering a total of one operating location. For details of each location, please refer to the table below for the organizational boundary description. |
| **Scope II** | 1,519.1510 | | |
| **Emission intensity (Scope 1 and Scope 2) ($tCO_2e$ / Million Revenue)** | 0.186 | | |

Note: 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.

## Organizational Boundary Description

| Operating Site | Description | Inventory | Assurance | Exclusion |
|---|---|---|---|---|
| **Netronix Inc.** | Taiwan Headquarters | V | V | |
| **Ntx Electronics Yangzhou Co., Ltd.** | China | | | |
| **Longshine Technologie GmbH** | Germany | | | |
| **Sable (Chongqing) Electronic Co., Ltd.** | China | | | |
| **Sable (Xiamen) Electronic Co., Ltd.** | China | | | |
| **Sable (Kunshan) Electronic Co., Ltd.** | China | | | |

| Exclusion Scope | Explanation |
|---|---|
| **Investment Holding Companies** | Easylink Technology Limited, MEDIA CHAMPION CORPORATION, Northlink Technology Corporation (no physical operating locations) |

Note: In the above table, only Netronix has conducted a greenhouse gas inventory. Other than the exclusion of investment holding companies, not all consolidated financial entities are yet covered.

## Greenhouse Gas Emissions (Scope 3)

| Scope III | 2025 | | |
|---|---|---|---|
| Emission Scope | Total emissions ($tCO_2e$) | Assurance institution | Explanation |
| **Scope 3 — Total** | **0.0210** | BSI | For more information on the AUP engagement, please see the verification statement. |
| 3-1 Upstream transportation and distribution | 0.0210 | | |
| **Scope 4 — Total** | **455.5126** | | |
| 4-1 Purchased goods and services | 455.5126 | | |
| 4-3 Wastewater/waste generated in operations | | | |

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

# 7.5 Workforce Diversity Data

| Gender | Executive management | | | Percentage | | | Non-executive management | | | Percentage | | | Manufacturing Employees | | | Percentage | | | All other employees | | | Percentage | | | Total Employees | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 |
| Female | 2 | 1 | 1 | 29% | 12.5% | 11.1% | 13 | 13 | 13 | 28.89% | 29% | 31% | 5 | 5 | 6 | 17.24% | 17% | 15% | 309 | 241 | 247 | 80.68% | 82% | 82% | 329 | 260 | 267 |
| Male | 5 | 7 | 8 | 71% | 87.5% | 88.9% | 32 | 32 | 29 | 71.11% | 71% | 69% | 24 | 25 | 35 | 82.76% | 83% | 85% | 74 | 53 | 55 | 19.32% | 18% | 18% | 135 | 117 | 127 |
| Subtotal | 7 | 8 | 9 | - | - | - | 45 | 45 | 42 | - | - | - | 29 | 30 | 41 | - | - | - | 383 | 294 | 302 | - | - | - | - | - | - |
| | | | | | | | | | | | | | | | | | | | | | | | | TOTAL | 464 | 377 | 394 |

| Nationality | Executive management | | | Percentage | | | Non-executive management | | | Percentage | | | Manufacturing Employees | | | Percentage | | | All other employees | | | Percentage | | | Total Employees | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 |
| Taiwan | 7 | 8 | 9 | 100% | 100% | 100% | 45 | 45 | 42 | 100.00% | 100% | 100% | 29 | 30 | 41 | 100% | 100% | 100% | 246 | 186 | 188 | 64.23% | 63% | 62.25% | 327 | 269 | 280 |
| Philippines | 0 | 0 | 0 | 0% | 0% | 0% | 0 | 0 | 0 | 0% | 0% | 0% | 0 | 0 | 0 | 0% | 0% | 0% | 120 | 99 | 93 | 31.33% | 34% | 30.79% | 120 | 99 | 93 |
| Indonesia | 0 | 0 | 0 | 0% | 0% | 0% | 0 | 0 | 0 | 0% | 0% | 0% | 0 | 0 | 0 | 0% | 0% | 0% | 17 | 9 | 6 | 4.44% | 3% | 1.99% | 17 | 9 | 6 |
| Vietnam | 0 | 0 | 0 | 0% | 0% | 0% | 0 | 0 | 0 | 0% | 0% | 0% | 0 | 0 | 0 | 0% | 0% | 0% | 0 | 0 | 15 | 0% | 0% | 4.97% | 0 | 0 | 15 |
| Subtotal | 7 | 8 | 9 | 1 | 1 | 1 | 45 | 45 | 42 | 1 | 1 | 1 | 29 | 30 | 41 | 1 | 1 | 0 | 383 | 294 | 302 | 1 | 1 | 1 | 464 | 377 | 394 |
| | | | | | | | | | | | | | | | | | | | | | | | | TOTAL | 464 | 377 | 394 |

Note 1: Executive management includes senior executives at the director level and above; Non-executive management refers to mid- and junior-level executives below the director level (excluding directors).
Note 2: Manufacturing employees are defined as those engaged in high-technology or high-skilled work, typically classified under computing, mathematics, architecture, and engineering occupations.
Note 3: A diverse group may be defined based on aspects such as race, ethnicity, disability status, region of origin, migrant status, indigenous background, Age, socio-economic background, religious beliefs, sexual orientation, or gender identity. This report presents the diversity of groups using nationality, showcasing the diversity of employees other than those of Taiwanese nationality.

# 7.6 Overview of Implemented Management Systems

| Scope: Netronix Taiwan Headquarters | Initial Certification Date | Certificate Validity Date |
|---|---|---|
| ISO 9001:2015 | 2008 / 5 /29 | 2029 / 5 / 18 |
| ISO 14001:2015 | 2014 / 4 / 14 | 2029 / 4 / 13 |
| ISO 45001:2018 | 2022 / 4 / 20 | 2028 / 4 / 19 |
| ISO 50001:2018 | November 28, 2024 | November 27, 2026 |
| 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 |
| Product Life Cycle Assessment | February 24, 2025 | February 23, 2027 |

Please refer to the Netronix official website

# 7.7 Reporting Scope

| Entities under consolidated financial reporting Operating Locations | | Taiwan | China | | | | Europe |
|---|---|---|---|---|---|---|---|
| | | Hsinchu | Yangzhou | Xiamen | Chongqing | Kunshan | Germany |
| Parent Company | Netronix Inc. | ● | | | | | |
| Associates | Ntx Electronics Yangzhou Co., Ltd. | | ● | | | | |
| | Longshine Technologie GmbH | | | | | | ● |
| | Sable (Chongqing) Electronic Co., Ltd. | | | | ● | | |
| | Sable (Xiamen) Electronic Co., Ltd. | | | ● | | | |
| | Sable (Kunshan) Electronic Co., Ltd. | | | | | ● | |
| **Governance** | | | | | | | |
| Financial Performance | | ● | ● | ● | ● | ● | ● |
| Ethical Management | | ● | | | | | |
| Information Security | | ● | | | | | |
| Quality Management | | ● | ● | | | | |
| Supply Chain Management | | ● | ● | | | | |
| **Environment** | | | | | | | |
| Environmental Management | | ● | | | | | |
| Climate Management and GHG Emissions | | ● | | | | | |
| Energy Management | | ● | | | | | |
| Water Resource Management | | ● | ● | ● | ● | | |
| Waste Management | | ● | ● | ● | ● | | |
| Chemical Substance Management | | ● | | | | | |
| **Social** | | | | | | | |
| Number of employees | | ● | ● | ● | ● | ● | ● |
| Training and Education | | ● | | | | | |
| 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.

# 7.8 Climate-related Information for Listed Companies

| Assessment Item Structure | Suggested Disclosure Items | Corresponding Sections | Page |
|---|---|---|---|
| Governance | Describes the oversight of the Board of Directors on climate-related risks and opportunities. | 5.2 Climate Strategy | 57 |
| | Describes the responsibilities of the management in evaluating and managing climate-related risks and opportunities. | 5.2 Climate Strategy | 57 |
| Strategy | Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the organization (short, medium, and long term). | 5.2 Climate Strategy | 57 |
| | | 3.1 Innovation Management | 29 |
| | Describe the financial impacts of extreme climate events and transformational actions. | 5.2 Climate Strategy | 57 |
| Risk Management | Describe how the process of identifying, assessing, and managing climate risk is integrated into the overall risk management system. | 5.2 Climate Strategy | 57 |
| Indicators and Goals | If scenario analysis is used to assess the resilience to climate change risk, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts. | 5.2 Climate Strategy | 57 |
| | If there is a transition plan for managing climate-related risks, describe the content of the plan and the metrics and objectives used to identify and manage physical and transition risks. | 5.2 Climate Strategy | 57 |
| | If internal carbon pricing is used as a planning tool, the basis for price setting should be stated. | 5.2 Climate Strategy | 57 |
| | If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress of achievement should be described; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon reduction credits or the quantity of renewable energy certificates (RECs) offset should be described. | 5.2 Climate Strategy | 57 |
| | GHG inventory and assurance situation, along with emission reduction targets, strategies, and specific action plans. | 5.2 Climate Strategy | 57 |

Note: In accordance with the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies

# 7.9 External Assurance Statement

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By Royal Charter

## 獨立保證意見聲明書

### 振曜科技股份有限公司 2025 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 2025 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 2025 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，英國標準協會並不負有或承擔任何有關法律或其他之責任。

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侷限在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，將由振曜科技一併回覆。

#### 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. 本查證作業範疇與振曜科技股份有限公司 2025 年永續報告書揭露之報告範疇一致。
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 當責性原則(2018)的本質和程度，不包括對於報告書揭露的資訊/數據之可信賴度的查證。
3. 依照 AA1000 保證標準 v3 的第 1 應用 類型評估適用 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

我們總結振曜科技股份有限公司 2025 年永續報告書內容，對於振曜科技之相關運作與績效則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抽樣之測試，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被正確無誤地呈現。報告書所揭露之永續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。我們認為就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依據 GRI 永續性報導準則和 SASB 準則係屬公允的。

#### 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相關於振曜科技政策進行訪談，以確認本報告書中聲明書的合適性;
— 與管理者討論有關利害關係人參與的方式，然而，我們並無直接接觸外部利害關係人;
— 訪談 7 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;
— 審查報告書中所作宣告的支持性證據;
— 針對公司報告書及其相關 AA1000 當責性原則(2018)中有關包容性、重大性、回應性及衝擊性原則之流程管理進行審查;
— 對組織使用 SASB 準則的指標或目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 當責性原則(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**

2025 年報告書反映出振曜科技已持續尋求利害關係人的參與，並建立重大永續主題，以發展及達成對永續具有責任且策略性的回應。報告書中已公正地報告與揭露環境、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的期待與看法之回應。振曜科技已發展相關道德政策，作為提供進一步回應利害關係人的機會，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**

振曜科技已鑑別並以平衡和有效之量測及揭露方式公正展現其衝擊。振曜科技已經建立監督、量測、評估和管理衝擊之流程，從而在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**

振曜科技提供有關依循GRI永續性報導準則2021之自我宣告，並對每個涵蓋其行業準則和具相關性的GRI主題準則之重大主題，其揭露項目依循全部報導要求的相關資料。基於審查的結果，我們確認報告書中參照GRI永續性報導準則之永續發展相關揭露項目已被報告、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的永續性主題。

**SASB 準則**

振曜科技提供有關依循 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 準則之永續揭露主題、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。本查證團隊係由具專業背景，且接受過如 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，具有稽核員資格之成員組成。本保證係依據 BSI 公平交易準則執行。

For and on behalf of BSI:

Joe Hsieh, Managing Director Northeast Asia, APAC Assurance

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...making excellence a habit.™

Statement No: SRA-TW-836735
2026-06-26

Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.

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Creating a Sustainable Future