KAIMEI

ELECTRONIC CORP.

2025

SUSTAINABILITY REPORT



JAMICON TEAPO RALEC ASJ

CORPORATE HIGHLIGHTS

Sustainable Management | Creating Value | Co-creating the Future

2025

ENVIRONMENTAL HIGHLIGHTS



LOCAL PROCUREMENT RATIO
66%



ENVIRONMENTAL INVESTMENT COST
NT$ 45.64 MILLION



WATER RECYCLING RATE
17.29%



ISO 14001 + ISO 14064-1
KAOHSIUNG I SUZHOU I KUNSHAN I DONGGUAN I MALAYSIA



GREEN REVENUE
NT$ 400.11 MILLION



CARBON FOOTPRINT VERIFICATION
KUNSHAN PLANT

SOCIAL HIGHLIGHTS



CUSTOMER SATISFACTION RATE
97.5%



EMPLOYEE WELFARE EXPENSES
NT$ 35.28 MILLION



RATIO OF FEMALE EXECUTIVES
35.94%



BEST SUPPLIER AWARD



ISO 45001
KAOHSIUNG I SUZHOU I DONGGUAN I MALAYSIA

GOVERNANCE HIGHLIGHTS



Corporate Governance Evaluation
21-35%



Potential Mittelstand Enterprise Award



Shareholder Meeting Attendance Rate
58%



Proportion of Independent Directors
43%



Integrity Training Participation Rate
100%



ISO 27001
TAIPEI I Kaohsiung



Dun & Bradstreet (D&B) Certification

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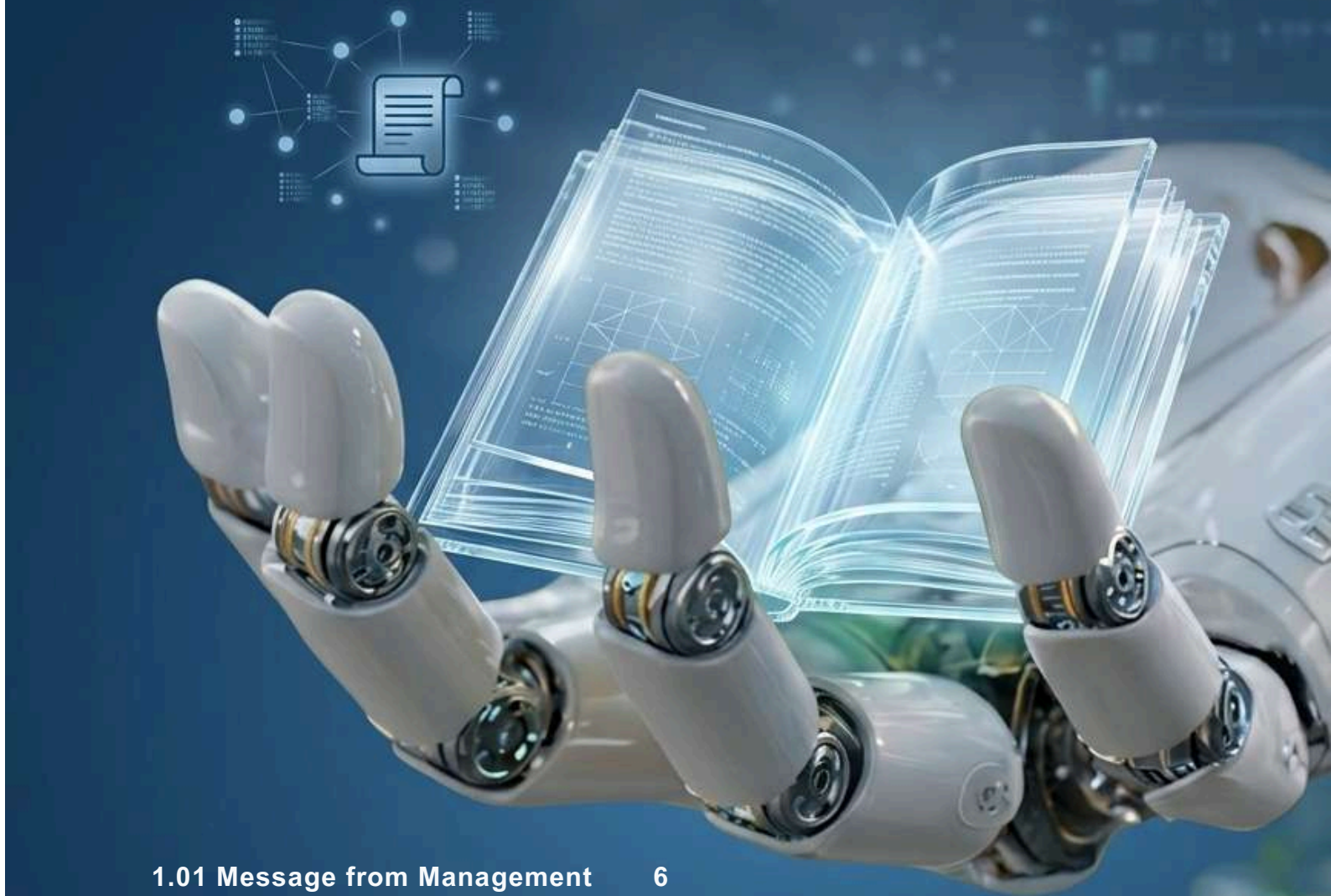
About this report



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1.01 Message from Management



Chairman's Message

Dear shareholders, customers, suppliers, and all stakeholders,

In 2025, after going through inventory destocking, the global electronics industry gradually recovered, but at the same time, it still faced multiple challenges such as geopolitical risks, supply chain restructuring, and macroeconomic fluctuations. In this rapidly changing operating environment, Kaimei Electronic Corp. adhered to its core principles of prudent management, focusing on core business, and continuous innovation. We flexibly seized market opportunities, achieving a total consolidated revenue of NT$5.545 billion, representing a 5.34% growth compared to the previous year. Net profit after tax reached NT$405 million, with earnings per share (EPS) of NT$3.73.

These results demonstrate the company's strong operational resilience and reflect the collective efforts of all colleagues in continuously enhancing product competitiveness, refining operational management, and deepening customer relationships.

Seizing AI and Green Transformation Opportunities to Enhance Corporate Competitiveness

Facing the rapid structural transformation of global industries, Kaimei Electronic Corp. continues to grasp new business opportunities brought by AI High-Performance Computing (HPC) and energy transition. We actively invest in high value-added product development and market positioning and expansion. For AI server applications, we provide high-voltage, long-life capacitors, as well as precision current sensing resistors (CSR) and cooling-related products, successfully entering the AI infrastructure supply chain. In the field of green energy, the company continues to deepen its presence in smart grid, smart meter, and solar energy application markets, gradually expanding the proportion of revenue generated from green products. Looking ahead, we will continue to focus on core technologies and product advantages, deepen the market layout for high-end passive components and cooling solutions, and continuously strengthen the company's international competitiveness through technological innovation, quality improvement, and process optimization, growing together with our global customers.

Continuously Refining Corporate Governance to Solidify the Foundation for sustainable business operations

Good corporate governance is an important cornerstone for sustainable corporate development. The company continues to optimize the composition and diversity policies of the Board of Directors, strengthen the professional capabilities and governance efficiency of the Board, and continuously elevate the quality of corporate governance through Board performance evaluations, risk management, and the continuous refinement of internal control systems.

In addition, the company keeps a close watch on domestic and international sustainability governance trends, aligning with international best practices. We strengthen the Board's oversight function over key issues such as sustainable development, risk management, and talent development, thereby enhancing the company's long-term operational resilience.

Accelerating Low-Carbon Transformation in Response to Climate Change

Facing the global trend toward net-zero emissions, Kaimei Electronic Corp. continues to integrate climate change issues into the company's business strategies and risk management frameworks. We actively respond to the IFRS S1 and IFRS S2 sustainability disclosure standards, gradually improving climate governance and information disclosure systems. We also continuously promote energy savings, carbon reduction, energy management, and low-carbon process improvements to enhance climate resilience and sustainable competitiveness. We believe that environmental sustainability is not only a corporate responsibility but also a crucial opportunity to enhance corporate competitiveness. Moving forward, we will continue to invest resources to steadily advance our low-carbon transformation.

Fulfilling Corporate Responsibility and Building Sustainable Value

The company continuously places high importance on employee care, talent development, human rights protection, and supply chain sustainability management. We are progressively strengthening our human rights due diligence framework and requiring suppliers to comply with international human rights standards and Responsible Business Alliance (RBA) guidelines to jointly build a responsible supply chain.

At the same time, we continue to invest in education, culture, and public welfare activities to fulfill our corporate social responsibility and create more positive value for society. In an era of rapid digital evolution, information security has become a critical cornerstone of sustainable corporate operation. We will continuously strengthen information security governance, risk management, and business continuity mechanisms to safeguard key company information assets and maintain the trust of customers, partners, and shareholders.

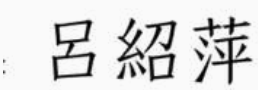
Looking Ahead: Moving Forward with Stability

Looking to the future, industries such as AI, automotive electronics, renewable energy, smart grids, and industrial automation will continue to drive demand growth in the passive components market. Kaimei Electronic Corp. will remain committed to its philosophy of prudent management, focusing on high value-added products, deepening technological innovation, and expanding its global market footprint. We will also continuously enhance corporate governance and sustainability performance, striving toward long-term, stable growth.

Finally, on behalf of the Board of Directors, I would like to express my most sincere gratitude to all shareholders, customers, suppliers, partners, and every colleague at Kaimei. Thanks to your unwavering support and trust along the way, Kaimei Electronic Corp. has been able to maintain continuous growth in a challenging environment.

Moving forward, we will continue to uphold our corporate spirit of "Enthusiasm, Professionalism, and Innovation." Guided by integrity and a pursuit of excellence, we will work hand in hand to build a more resilient, competitive, and sustainable Kaimei Electronic Corp., creating long-term, stable value for our shareholders.

Chairman:Shao-Pin,Ru



Message from the General Manager

Dear Stakeholders,

In 2025, faced with supply chain restructuring, the surge in AI computing power, and the rapid evolution of green energy industries, the management team of Kaimei Electronic Corp. executed with strong determination. We deeply integrated the ESG strategy formulated by the Board of Directors into daily operations and production sites. Not only did we consolidate our market position with stability, but we also delivered a scorecard that balances financial soundness with sustainable development through concrete management actions. Below, I will report our achievements and future plans across three main pillars: Environment, Social, and Operational Governance.

Environmental Management: From Facility Carbon Reduction to Product Lifecycle Optimization

We are deeply aware of the profound impact of climate change on the electronics industry, and we continue to move carbon reduction efforts from GHG inventory assessment to substantive management and low-carbon design at the source:

Greenhouse Gas and Energy Transition: Group Scope 1 and Scope 2 emissions dropped to 44,893.18 metric tons CO_2e, with emission intensity falling from 8.65 to 8.10, representing a 6.44% reduction- exceeding our annual reduction target. Among these efforts, the Suzhou plant and Malaysia plant actively introduced solar power generation, generating a total of 809,000 kWh of renewable energy throughout the year, serving as a key driver for the group's carbon reduction.

Resource Circulation and Green Manufacturing Processes: Waste intensity dropped to 0.22 tons / million NTD revenue. The Kaohsiung and Dongguan plants actively promoted water recycling, with recycled water accounting for 17.29% of total usage for the year. At the same time, we have begun drafting product Life Cycle Assessment (LCA) evaluation processes to optimize green manufacturing and material selection right from the source, reducing the overall environmental impact of our products.

Internal Carbon Pricing (ICP) Implementation and Practical Results: To implement the Board's climate-related financial decisions, we have provisionally set an internal carbon price of NT$300 per metric ton of CO_2e and applied it to capital expenditures and equipment replacement assessments across all plant sites. Taking the Kunshan plant's "Air Compressor Heat Recovery System Upgrade Project" as an example, after incorporating internal carbon pricing into calculations, the annual comprehensive benefit reached NT$1.008 million, with a payback period of only about 2 years. This successful case not only internalizes carbon costs, but also tangibly proves the practical contribution of ICP mechanisms in driving low-carbon transformation at the operational level and enhancing operational efficiency.

Social Responsibility: People-Oriented, Creating Shared Value

Employees and partners are Kaimei's most precious assets; we are committed to creating a safe, inclusive workplace that fosters continuous growth:

Occupational Health and Safety: 4 manufacturing sites passed ISO 45001 certification. The proportion of injured workers dropped to 0.19%, maintaining zero fatal occupational accidents for the entire year. Accumulated occupational health and safety training reached 10,617 hours for the year, continuously strengthening front-line risk identification and protection capabilities.

Diversity, Inclusion, and Talent Development: Female employees accounted for 48.83% of the group, and female managers accounted for 35.94%. We not only enforce equal pay for equal work, but also incorporate "Sustainability Governance" and "Leadership Development" into key training pillars, steadily reinforcing management leadership and successor pipeline courses to build key momentum for the organization's long-term development.

Mutual Success with Customers and Supply Chain: The average customer satisfaction survey score reached 97.5% in 2025. In addition to requiring 100% of key suppliers to sign the "Supplier Code of Conduct," we also conducted follow-up coaching for suppliers who did not meet RBA score standards, ensuring labor rights and environmental standards across the value chain.

Operational Governance: Dual-Brand Synergy, Leading the Supply Chain into the Next Stage of Transformation

On the operational front, we continue to leverage the synergistic effects of our dual brands—JAMICON (Capacitors) and RALEC (Resistors)—to provide customers with a one-stop-shop solution. Looking to the future, we focus on the following high-value topics:

Focusing on High-End Applications and Customer Co-Innovation: Capitalizing on the structural growth of AI servers, automotive electronics, and energy storage/green energy, we not only offer high-voltage-resistant capacitors and precision current sensing resistors (CSR), but also actively engage in co-development with high-end end customers to boost product added value through customized solutions.

Supply Chain Resilience and Co-creating Carbon Reduction: We are well aware that Scope 3 carbon emission management in the supply chain is the greatest challenge for the next stage. To this end, Kaimei has begun establishing a carbon emissions database to gradually promote supply chain carbon inventory and reduction guidance, as well as setting supplier carbon reduction targets and assessment mechanisms. We are not merely "demanders," but "guides and co-creators" facing green trade barriers alongside our suppliers.

Smart Manufacturing and Information Security Protection: We continue to introduce IoT intelligence and automated production to lower human error defect rates. Meanwhile, to fulfill the Board of Directors' requirements for information security reputation, the management team has fully obtained ISO/IEC 27001 Information Security Management System certification. Through multi-layered cyber defense and endpoint detection, we concretely fulfill our data protection commitments to our partners.

Outlook for the Future

In 2026, Kaimei Group will advance its sustainability strategy by:

- Addressing Climate Change: Executing a dual-track strategy of mitigation and adaptation.
- Tying Sustainability to Governance: Aligning with IFRS S1/S2 timelines to integrate climate and supply chain performance into executive evaluations.

Through concrete actions taken every day, we aspire to transform sustainability from words in a report into an irreplaceable core competitive advantage for Kaimei Group.

We sincerely thank all stakeholders for their support and trust. Together, we will move forward with greater determination toward a net-zero and sustainable future.

General Manager: Wen-Liang,Liu



1.02 About the Company

1.02.1 Company Overview (GRI 2-1)

Established in 1978, Kaimei Electronic Corp. ("Kaimei" or "the Company") specializes in the research, development, manufacturing, and global sales of electronic components, including aluminum electrolytic capacitors, resistors, and cooling fans. The Company was listed on the stock exchange in 1998.

Headquartered in Xizhi District, New Taipei City, Kaimei operates across Taiwan, China, and Malaysia, with 16 subsidiaries and more than 2,000 employees. Supported by its technical expertise and global operational network, Kaimei has established a strong presence in the international electronic components market.

Guided by its commitment to innovation, quality, and sustainability, the Company continues to strengthen its competitiveness and create long-term value for customers, shareholders, and society.

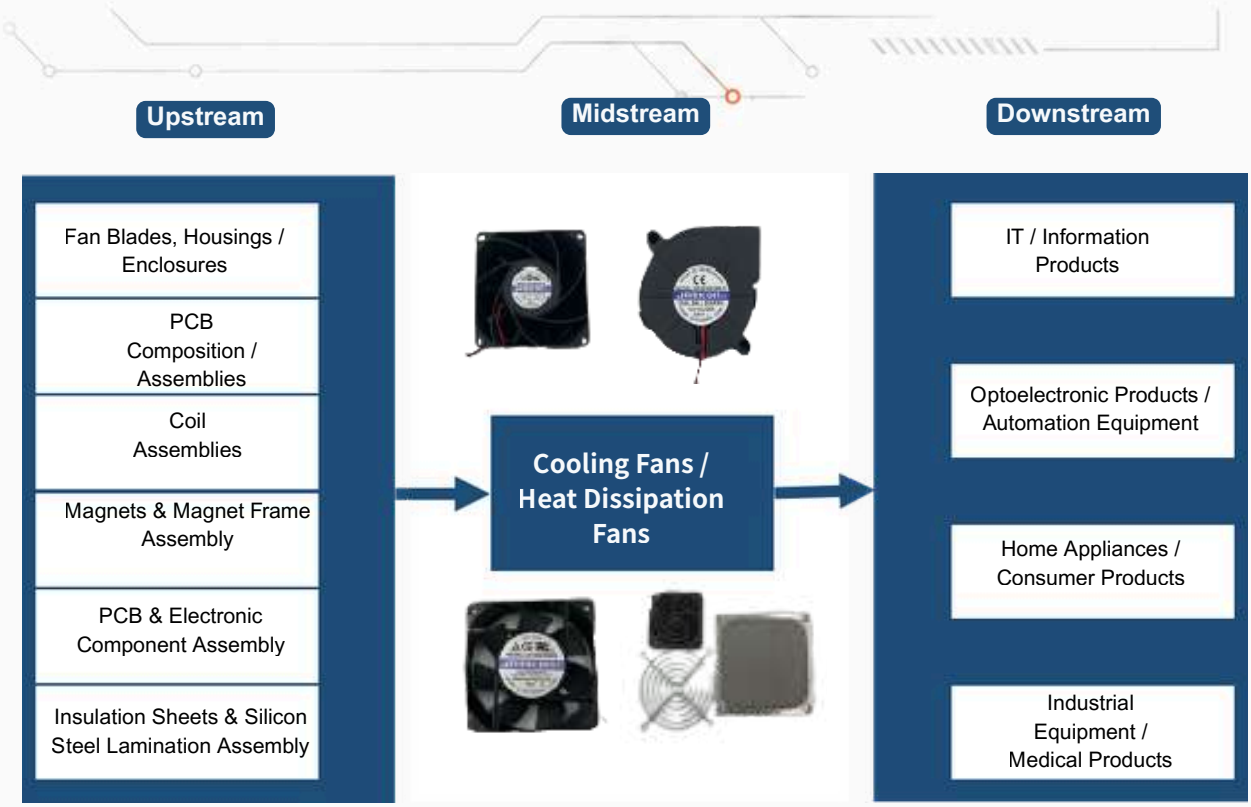
Item	Content
Company Name	Kaimei Electronic Corp.
Date of Incorporation	September 11, 1978
Stock Exchange Listing Date	August 29, 1998
Paid-in Capital	NT$ 1,086,753 thousand
2025 Group Consolidated Revenue	NT$ 5,545,491 thousand
Operational Headquarters	Xizhi District, New Taipei City
2025 Group Headcount	**2,095 employees**
Legal Form	Company Limited by Shares

1.02.2 Activities, Value Chain, and Other Business Relationships (GRI 2-6)

Kaimei Electronic's primary activities encompass the design, R&D, manufacturing, and global sales of passive and mechanical components, including early-stage development and collaboration on customer applications. Its main products include precision resistors, aluminum electrolytic capacitors, and motor fans, meeting customer needs in high-voltage and high-power applications, efficient power management, circuit protection, and thermal management. Headquartered in Xizhi District, New Taipei City, the Company operates through subsidiaries and production sites in Taiwan, eastern and northern China, Singapore, and Malaysia. Its sales and R&D operations offer customers a choice of product origin, a diverse product selection, and integrated services from product selection and prototyping to mass production and delivery.

The Company structures its value chain around three main product lines: aluminum electrolytic capacitors, resistors, and motor fans. Key raw materials include rare metals, precious-metal conductive inks, aluminum foil, electrolytes, substrates, and magnets, which are combined with automated processes and core manufacturing technologies. Kaimei Electronic and its subsidiaries manage compliance with international manufacturing requirements and carry out production, testing, packaging, and industry-specific product certification. Their technical capabilities support advanced passive components for AI infrastructure, industrial control, renewable energy, electric vehicles, and smart grids. The Company's competitively priced products also serve established applications in consumer electronics, home appliances, general industrial equipment, optoelectronics, and wind power. The related value chains are illustrated below.

Regarding other business relationships, Kaimei Electronic draws on its long-standing experience in the passive components industry, the reputation of its own brands, and its international presence to maintain long-term partnerships with major customers. These partnerships include developing product designs and specifications in response to customers' future needs, providing timely technical support through online and offline channels, and adjusting product mix and capacity allocation in line with market demand to enhance service quality and supply continuity.



Motor Fan Industry Value Chain Diagram

Key Focus Areas of the Motor and Fan Supply Chain in 2026:

Upstream Supply Chain Upgrades

Upstream components are advancing toward smart functionality and high efficiency. Fan blades feature new aerodynamic designs, while PCBs integrate smart control signals to support IoT connectivity. Motor driver ICs predominantly adopt brushless DC (BLDC) technology to achieve ultra-quiet and energy-efficient operations. Furthermore, critical materials are engineered with enhanced high-temperature resistance and extended lifespans to fulfill the stringent specifications of AI servers.

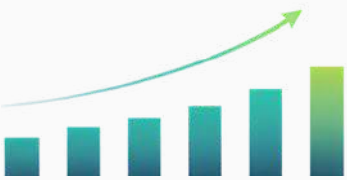
Midstream Manufacturing Technology Evolution

Focusing on high-efficiency thermal management solutions, liquid cooling systems have become a standard baseline configuration to address the surge in AI server power density. Smart controls are integrated to support IoT platforms, offering multi-stage fan speed adjustments. Modular design approaches enhance customization capabilities and strengthen environmental adaptability to meet diverse application demands

Downstream Application Market Transformation

The market is shifting from consumer electronics toward high-value sectors, with AI servers, high-performance computing (HPC), and 5G infrastructure driving primary growth. Emerging momentum is fueled by Industry 4.0 automation, energy storage systems (ESS), and electric vehicle (EV) charging infrastructure, while medical equipment maintains stable demand.

2026 Market Size and Trends



Global cooling fan market reaches **$17.87 billion USD** in 2026

AI supply chain experiences explosive growth

Taiwan possesses global competitiveness in AI server cooling fans, shifting competition from "quantity" to "quality" and "technological barriers." Key trends include:

Hybrid cooling (liquid + air cooling)

Adoption of solid-state cooling technology

Energy saving and carbon reduction become core specifications

Complying with global ESG requirements



Structure Diagram of the Aluminum Electrolytic Capacitor Industry Chain

Aluminum Electrolytic Capacitor Industry Value Chain: 2026 Key Highlights

Upstream Critical Materials

Upstream core materials include formed aluminum foil, lead wires, aluminum cases, sleeves, rubber bungs, electrolytes, and separator paper. In 2026, driven by explosive demand for AI servers and high-performance computing (HPC), materials featuring high voltage resistance, low ESR (Equivalent Series Resistance), and extended operational lifespans have become critical. Japanese and Taiwanese suppliers maintain leadership in high-end formed aluminum foil technology, while electrolytes are advancing toward solid-state and conductive polymer materials to enhance product reliability and environmental resilience.

Midstream Manufacturing Core

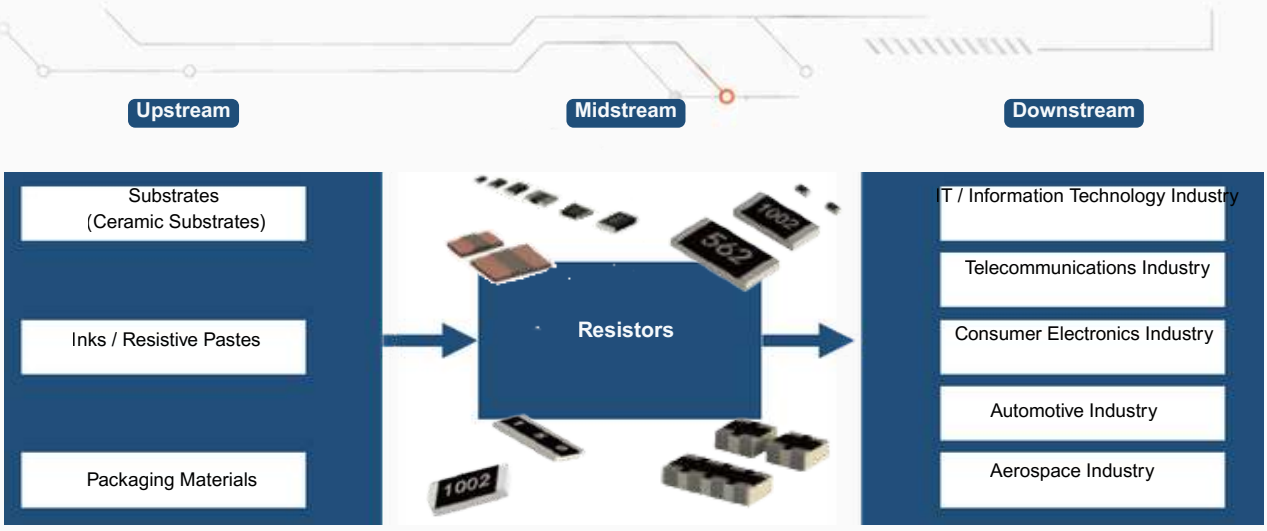
Midstream operations center on aluminum electrolytic capacitors, with technological developments in 2026 focusing on three key vectors: High-Frequency & Low-Impedance Design: Fulfilling the power management requirements of AI servers. Parallel Miniaturization & High Capacitance: Adapting to strict spatial constraints in 5G base stations and industrial equipment. Dual-Track Solid and Liquid Capacitor Development: Increasing the penetration rate of solid-state capacitors in high-temperature, long-lifespan applications.

Downstream Application Transformation

Downstream applications are shifting from traditional consumer electronics toward high-growth sectors: computing products are driven primarily by AI servers and data centers; communications equipment centers on 5G infrastructure; industrial electronics are advancing toward automation and robotics; wind power electronics benefit from steady green energy growth; consumer electronics maintain baseline demand but account for a declining revenue share.

2026 Market Dynamics

AI server power specification upgrades are driving a surge in capacitor demand, increasing content value per server by 2–3x. Higher 5G base station density boosts demand for telecom-grade capacitors, while clean energy and energy storage systems (ESS) serve as emerging growth drivers. The Taiwanese supply chain maintains global competitiveness in high-end aluminum electrolytic capacitors, pivoting from price competition to technology and quality entry barriers.



Resistor Industry Chain Structure Diagram

Resistor Industry Chain 2026 Key Focus:

Upstream Critical Materials

Upstream core materials include substrates (ceramic and glass substrates), conductive inks (silver-palladium and silver pastes), and packaging materials. In 2026, driven by AI servers and 5G high-frequency applications, demand for high-purity ceramic substrates has surged, with Low-Temperature Co-fired Ceramics (LTCC) technology becoming the mainstream standard. Conductive inks are advancing toward silver nanowires and copper-based materials to reduce costs and enhance conductivity. Packaging materials emphasize anti-static and eco-friendly, recyclable characteristics.

Midstream Manufacturing Core

Midstream operations center on chip resistors, thick-film resistors, thin-film resistors, and automotive-grade resistors. Technical development in 2026 focuses on four key directions: Miniaturization: 01005 and 008004 form factors have become the mainstream, meeting the spatial requirements of wearable devices.

High Precision & Low Temperature Coefficient of Resistance (TCR): Fulfilling the precise accuracy demands of AI server power management systems. High Power Density Design: Addressing thermal dissipation challenges in electric vehicles (EVs) and industrial equipment. Automotive Certification: Compliance with AEC-Q200 standards serves as a mandatory entry barrier.

Downstream Application Transformation

Downstream application structures are undergoing significant realignments: IT/Computing: AI servers and high-performance computing (HPC) serve as primary growth drivers, increasing resistor content per unit by 30%. Communications: Focused on 5G base stations and edge computing. Automotive: Serving as the largest growth engine, resistor demand for EVs is 3–5x that of traditional internal combustion engine vehicles, with applications spanning Battery Management Systems (BMS), Advanced Driver Assistance Systems (ADAS), and electronic control units (ECUs). Aerospace: Maintaining steady growth. Consumer Electronics: Account for a declining revenue share, offset by emerging applications in smart wearables.

2026 Market Dynamics

The global resistor market is projected to reach USD 3.82 billion, with automotive-grade resistors delivering the fastest growth (CAGR 8.5%). Upgrades in AI server power architecture (48V systems) are doubling the demand for high-voltage resistors. Taiwanese and Japanese supply chains maintain leadership in high-end thin-film resistor technology, whereas Chinese manufacturers dominate the standard chip resistor market. The overall supply chain is shifting from price competition to establishing technical entry barriers defined by high precision, high reliability, and miniaturization to fulfill the stringent environmental requirements of automotive and industrial applications.

1.03 Report Information

1.03.1 Basis of Preparation (GRI 2-22)

This report is prepared in accordance with the 2021 GRI Standards issued by the Global Reporting Initiative (GRI) as its primary disclosure framework, with reference to the Sustainability Accounting Standards Board (SASB) Standards and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Furthermore, this report complies with the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" and the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" issued by the Taiwan Stock Exchange. It provides a comprehensive presentation of the Company's sustainable management practices and performance while appropriately addressing topics of material interest to stakeholders. For cross-reference tables corresponding to each reporting standard, please refer to the Appendix of this report.

- Completeness: Discloses information with significant impacts on the Company's operations, finances, and sustainable development, covering the primary consolidated entities of the Company.
- Comparability: Uses consistent calculation methodologies and statistical boundaries for both financial and non-financial metrics to facilitate year-over-year comparisons and trend analysis against previous performance.
- Accuracy and Reliability: All data undergoes internal review procedures to ensure the correctness and dependability of the disclosed information.
- Periodicity: This report is prepared and published annually, utilizing a continuous disclosure mechanism to track sustainability performance and fulfill stakeholder expectations.

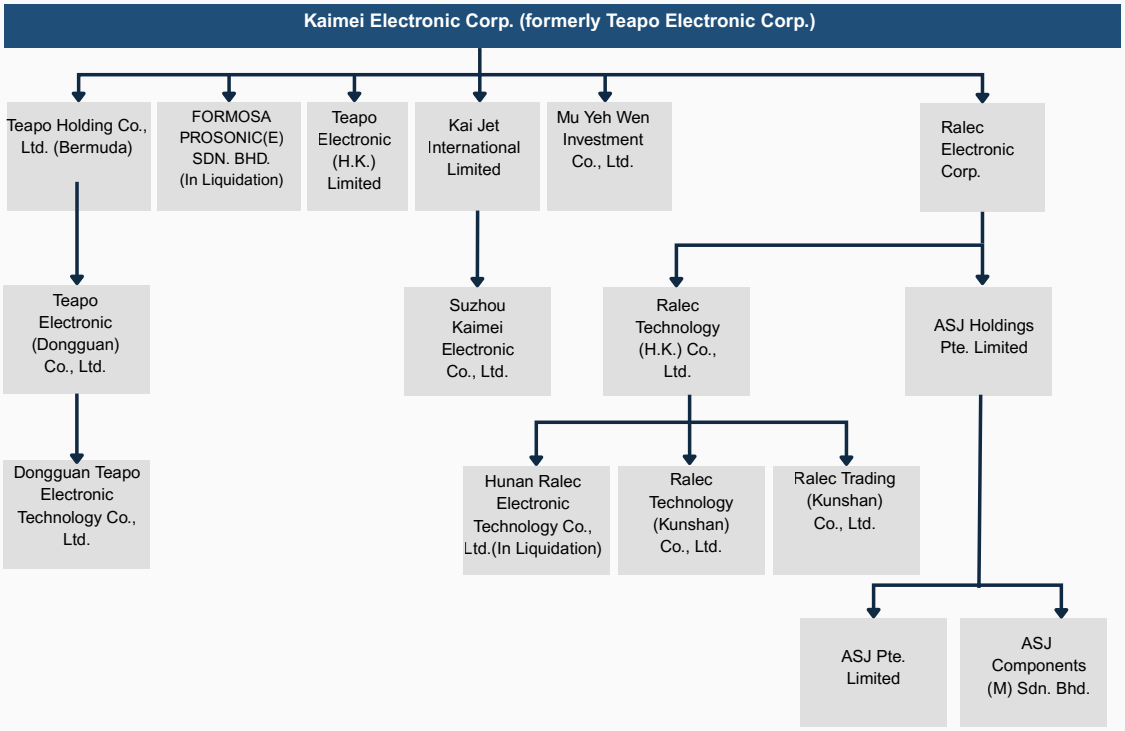
1.03.2 Reporting Period and Frequency (GRI 2-3)

This report covers the period from January 1, 2025, through December 31, 2025. The Sustainability Report is published annually in electronic format on the official company website, supporting paperless initiatives and carbon reduction efforts. The previous report (inaugural edition) was released in August 2025; this edition is released in August 2026, and the next issue is scheduled for publication in August 2027.

1.03.3 Reporting Boundary and Scope (GRI 2-2)

1.03.3.1 Reporting Boundary and Scope

Kaimei Group comprises a total of 17 business entities, among which 6 serve as main operating locations (as illustrated in the diagram below). The remaining 11 entities are excluded from this reporting scope, with the specific rationales for their exclusion listed and explained in the corresponding table.



Included?	Company Name	Reason for Exclusion
Yes	Kaimei Electronic Corp., Teapo Electronic (Dongguan) Co., Ltd., Suzhou Kaimei Electronic Co., Ltd., Ralec Electronic Corp., Ralec Technology (Kunshan) Co., Ltd., ASJ Components (M) Sdn. Bhd.	
No	Teapo Electronic (H.K.) Ltd.	Trading company with no active transactions
No	Teapo Holding Co., Ltd. - Bermuda, Kai Jet International Ltd., Ralec Technology (H.K.) Co., Ltd., ASJ Holdings Pte. Limited	Holding companies
No	Hunan Ralec Electronic Technology Co., Ltd.	Deregistered on 2025/11/04
No	FORMOSA PROSONIC(E) SDN. BHD.	In liquidation
No	Ralec Trading (Kunshan) Co., Ltd.	Trading company; greenhouse gas inventory included in Ralec Technology (Kunshan) Co., Ltd. calculation
No	Mu Yeh Wen Investment Co., Ltd.	Investment company; greenhouse gas inventory included in Kaimei Electronic Corp. calculation
No	Dongguan Teapo Electronic Technology Co., Ltd.	Trading company; greenhouse gas inventory included in Teapo Electronic (Dongguan) Co., Ltd. calculation
No	ASJ Pte. Limited	Trading company; greenhouse gas inventory included in ASJ Components (M) Sdn. Bhd. calculation

1.03.3.2 Report Statistical Data

Financial Data

- Uses consolidated financial reports audited and certified by CPAs.Unless otherwise noted, all figures are denominated in New Taiwan Dollars (NTD).

Environmental Data

- Greenhouse Gas: Uses reports verified in accordance with ISO 14064-3:2018.
- Water Resources & Waste: Each operating location conducts its own inventory using established methodologies.

Others

- Each operating location independently calculates and compiles its data using established methodologies.

1.03.4 Information Restatements (GRI 2-4)

There were no material restatements of information during the reporting year.

1.03.5 External Assurance / Verification Status (GRI 2-5)

This 2025 Sustainability Report did not undergo third-party external assurance.
For the third-party verification status of the Greenhouse Gas Inventory Report, please refer to 6.02.3 External Assurance Status.

1.03.6 Responsible Unit for the Sustainability Report (GRI 2-3)

This report was compiled and data-collected by the Sustainability Promotion Office. Following review by the Sustainable Development Committee, it was submitted to the Board of Directors for approval and publication to ensure the accuracy and completeness of the disclosed information. If you have any opinions, suggestions, or inquiries regarding the content of this report, please feel free to contact us using the following details:

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Email: discipline@jamicon.teapo.com
Contact Person: Kao Chin-Huo (高金火)
Address: 13F., No. 81, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City 221432, Taiwan
Company ESG Website: This report is disclosed in electronic format on the company's official website for all readers to access.

2. Sustainable Management

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2.01 Sustainability Strategy

Since its inception, Kaimei Electronic Corp. has continuously adhered to the management philosophy of "Prudent Management, Strategic Focus, and Long-Term Commitment", specializing in electronic components, including aluminum electrolytic capacitors, resistors, and cooling fans to lay the foundation for long-term operations and sustainable development. Facing industry changes brought about by climate change, geopolitics, supply chain restructuring, and emerging applications such as artificial intelligence, high-performance computing, and automotive electronics, the company closely integrates sustainable development with core business competitiveness. Through technological advancement, process optimization, and operational management upgrades, we enhance corporate resilience and long-term value. In response to external environmental changes and stakeholders' concern for sustainability issues, Kaimei Electronic Corp. established the Sustainable Development Committee, with the Board of Directors responsible for supervising sustainable development directions, strategies, and implementation results. Through cross-departmental promotion mechanisms, sustainability management is gradually integrated into corporate governance and operational decision-making processes. Grounded in sound governance, the company continues to deepen environmental management, talent care, supply chain collaboration, and information transparency as core directions driving sustainable operation.

1. Sound Governance and Operational Resilience

Kaimei Electronic Corp. takes integrity, regulatory compliance, and risk management as its governance core. We continuously strengthen the Board of Directors' oversight function, internal control systems, and cross-departmental collaboration mechanisms, while integrating sustainability topics into corporate governance and operational management frameworks. Facing global market volatility, policy changes, and supply chain uncertainties, the company enhances decision-making efficiency and response capabilities to strengthen overall operational resilience and ensure steady corporate growth.

2. Focus on Core Business Innovation and High-Value Development

With its three major product lines—capacitors, resistors, and cooling fans—as the core, Kaimei Electronic Corp. continuously promotes the development of higher-value-added products, technological upgrades, and application expansion, actively responding to market demands in artificial intelligence, high-performance computing, power management, and automotive electronics. Through equipment updates, automation implementation, and process improvements, the company enhances product quality and production efficiency, solidifying its core competitiveness and market position while supporting long-term development with a sound product portfolio.

3. Promoting Low-Carbon Operations and Environmental Management

Kaimei Electronic Corp. regards environmental protection as a vital pillar of sustainable management, paying continuous attention to issues such as energy usage, greenhouse gas emissions, resource efficiency, and pollution prevention. By introducing energy-saving equipment, optimizing manufacturing processes, and refining environmental and energy management systems, the company gradually reduces the environmental impact of its operational activities. We integrate green manufacturing and environmentally friendly mindsets into daily operations to achieve a development direction that balances growth with environmental responsibility.

4.Promoting Talent Development and Workplace Safety

Kaimei Electronic Corp. views employees as key assets for continuous corporate growth and transformation. We are committed to building a safe, healthy, respectful, and inclusive working environment. The company continuously promotes education and training, professional capability enhancement, and career development mechanisms to strengthen the expertise and innovation capabilities of R&D and manufacturing teams. Through comprehensive occupational health and safety management, we safeguard employees' workplace safety and well-being.

5. Deepening Responsible Supply Chains and Value Chain Collaboration

Kaimei Electronic Corp. values long-term collaborative relationships with suppliers, customers, and partners. Through quality management, supply risk control, and compliance requirements, we promote overall supply chain stability and responsible management. The company continuously incorporates requirements for environmental protection, labor rights, human rights protection, and business ethics into supply chain management, working alongside value chain partners through communication and cooperation mechanisms to jointly elevate overall sustainability performance and strengthen supply chain resilience and competitiveness.

2.02 Mechanism for Promoting Sustainable Development

2.02.1 Governance Structure for Promoting Sustainable Development (GRI 2-9, 2-13) (G-30)

The Board of Directors of Kaimei Electronic Corp. serves as the highest governance body of the company. To strengthen corporate sustainability governance and fulfill sustainable development goals, the Sustainable Development Committee and its organizational charter were officially established on April 29, 2024. As the highest-level dedicated sustainability unit within the company, the Sustainable Development Committee is directly authorized by the Board of Directors, with the Chairman serving as the Committee Convener to oversee planning and drive the company's sustainable development direction and goals.

The Board of Directors is responsible for approving policies and resource allocation, continuously reviewing strategic progress, and urging management team adjustments when necessary to ensure the effective execution of the company's sustainability targets across economic, environmental, and social dimensions.

The Sustainable Development Committee holds regular meetings to track the execution progress and effectiveness of various sustainability strategies and reports regularly to the Board of Directors. Under the Committee, a Sustainable Development Promotion Task Force has been established, consisting of six executive teams:

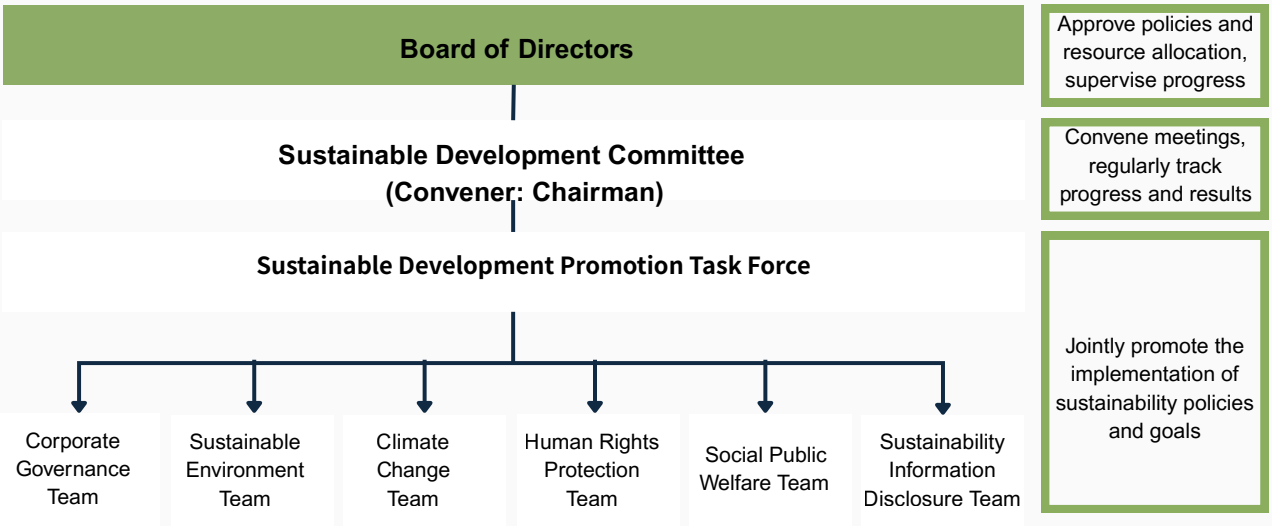
- Corporate Governance Team
- Sustainable Environment Team
- Climate Change Team
- Human Rights Protection Team
- Social Public Welfare Team
- Sustainability Information Disclosure Team

Led by the Chairman and senior executives as team leaders, these groups jointly drive the implementation of corporate sustainability policies and goals, ensuring that sustainability strategies are deeply integrated into all aspects of daily operations

Responsibilities of the Sustainable Development Committee:

The Organizational Charter of the Sustainable Development Committee clearly specifies that under the authorization of the Board of Directors, the Committee shall exercise due care of a good administrator and faithfully fulfill the following duties, reporting outcomes to the Board:

1. Formulate, promote, and strengthen the company's sustainable development policies, annual plans, and strategies.
2. Review, track, and revise the execution status and results of sustainable development initiatives.
3. Supervise sustainability information disclosure matters and review sustainability reports.
4. Oversee the business operations under the company's Sustainable Development Code of Conduct or other sustainability-related work resolved by the Board of Directors.



2.02.2 Operational Status (GRI 2-16) (G-32, G-34)

Kaimei Electronic's Sustainable Development Committee convenes at least once a year. The Committee held the first meeting of its first term on December 16, 2024, to elect the Committee Convener and establish the Sustainability Task Force. Subsequently, on August 13, 2025, the Committee held the first meeting of its second term to elect the second-term Committee Convener and approve Kaimei Electronic's 2024 Sustainability Report, achieving a 100% attendance rate among all members.

The Sustainable Development Committee was established to strengthen corporate sustainability governance, effectively manage impacts across economic, environmental, and social dimensions, continuously enhance sustainability performance, and report ESG implementation results and strategic plans to the Board of Directors. On August 13, 2025, the Committee submitted the 2024 Sustainability Report proposal to the Board of Directors, which was formally approved by board resolution.

The key agenda items and resolutions of the Sustainable Development Committee in 2025 are summarized below:

Date	Session	Agenda Item	Resolution Results
August 13, 2025	First Session of the Second Term	Election of the Convener for the 2nd-Term Sustainable Development Committee : Director S.P. Ru (Chairman) was elected as the Convener.	Approved unanimously as proposed by all attending members.
		The Company's 2024 Sustainability Report	Approved unanimously as proposed and submitted to the Board of Directors for resolution.

2.03 Board of Directors and Functional Committees

2.03.1 Role and Achievements of the Board of Directors in Sustainability Governance

2.03.1.1 Role and Oversight of Sustainability Governance (GRI 2-12, 2-14)

The Board of Directors of Kaimei Electronic serves as the highest governance body, responsible for guiding long-term business strategy and exercising oversight. To uphold corporate governance and strengthen board effectiveness, the Audit Committee, Remuneration Committee , and Sustainable Development Committee have been established under the Board to assist in fulfilling its supervisory duties. Furthermore, on June 16, 2021, at the 15th meeting of the 16th term, the Board resolved to appoint a Corporate Governance Officer to assist directors in executing their duties and to provide necessary documentation.

To ensure the effective implementation of sustainability strategies, In 2024, the Board formally authorized the Chairman to chair the Sustainable Development Committee. Annually, the Sustainable Development Committee evaluates material sustainability topics, formulates sustainability targets and strategies, and reports progress to the Board. The Board continuously reviews strategic progress and prompts executive management to make adjustments when necessary, ensuring that sustainability is tightly integrated with core operations. The Sustainable Development Committee consolidates relevant information for Kaimei Electronic's Sustainability Report and submits it to the Board of Directors for review. The report is published following formal approval by the Board.

2.03.1.2 Performance Evaluation of Sustainability Governance Oversight (GRI 2-18) (G-19)

To enforce corporate governance and enhance board effectiveness, Kaimei Electronic established the Regulations Governing the Performance Evaluation of the Board of Directors, setting performance targets to boost operational efficiency. Annual performance evaluations are conducted at year-end for the Board as a whole, individual board members, and functional committees (including the Audit Committee, Remuneration Committee, and Sustainable Development Committee). Evaluation results are reported to the Board in the first quarter of the following year and disclosed in the company's annual report.

Kaimei Electronic requires an external performance evaluation of the Board by an independent professional institution or an external expert panel at least once every three years. On March 9, 2023, the Taiwan Corporate Governance Association completed an external evaluation, which was submitted to the Board on April 25, 2023. For the full external evaluation report, please refer to pages 23–24 of Kaimei's 2023 Annual Report. The next external evaluation is scheduled for execution in the first quarter of 2026.

For the 2025 fiscal year (covering January 1 to December 31, 2025), the performance evaluation results for the Board of Directors, individual directors, and functional committees are as follows (scored out of a maximum of 5.0):

Excellent

Overall Board of Directors (4.8 points)

- Degree of participation in company operations
- Enhancement of Board decision-making quality
- Composition and structure of the Board of Directors
- Election and continuous education of directors
- Internal control

Excellent

Audit Committee

- Degree of participation in company operations
- Awareness of functional committee duties
- Enhancement of functional committee decision-making quality
- Composition and member selection of functional committee
- Internal control

Excellent

Sustainable Development Committee

- Degree of participation in company operations
- Awareness of functional committee duties
- Enhancement of functional committee decision-making quality
- Composition and member selection of functional committee
- Internal control

Excellent

Individual Board Members (4.87–5 points)

- Alignment with company goals and mission
- Awareness of director duties
- Degree of participation in company operations
- Internal relationship management and communication
- Director expertise and continuous education
- Internal control

Excellent

Remuneration Committee

- Degree of participation in company operations
- Awareness of functional committee duties
- Enhancement of functional committee decision-making quality
- Composition and member selection of functional committee
- Internal control

Regulations Governing Board Performance Evaluation

2.03.1.3 Continuous Development on Sustainability (GRI 2-17) (G-22)

To enhance directors' knowledge of corporate governance, economic, environmental, and social issues, and to strengthen the Board's risk management capabilities, Kaimei Electronic arranges for directors to complete at least six hours of continuing education annually in accordance with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEx Listed Companies, enabling them to navigate the evolving external environment and sustainability challenges. The current Board of Directors of Kaimei Electronic consists of seven directors who actively participate in various professional courses covering corporate governance, sustainability, regulatory compliance, and other specialized topics. In 2025, the total continuing education hours for all board members reached 69 hours, with every director meeting or exceeding the required 6 hours, fully complying with regulatory standards. For detailed information on director training, please refer to page 29 of Kaimei Electronic's 2025 Annual Report.

Kaimei Electronic also arranges for the corporate governance officer to attend courses related to corporate governance and sustainability, demonstrating the company's emphasis on governance excellence. In 2025, the corporate governance officer completed 15 hours of continuing education. For details on these training activities, please refer to page 29 of Kaimei Electronic's 2025 Annual Report.

2.03.2 Board Structure and Operations

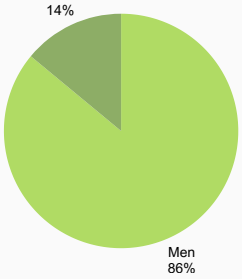
2.03.2.1 Diversity, Expertise, and Independence (GRI 2-9, 405-1) (G-11, G-14)

The current 18th Board of Directors of Kaimei Electronic Corp. was re-elected by shareholder vote on May 23, 2025. Comprising seven directors, the board reflects diverse backgrounds across various professional fields. This includes three independent directors (representing approximately 43%) and one female director (representing approximately 14%). The independence of all independent directors complies with the *regulations governing the appointment of independent directors and compliance matters for public companies.*

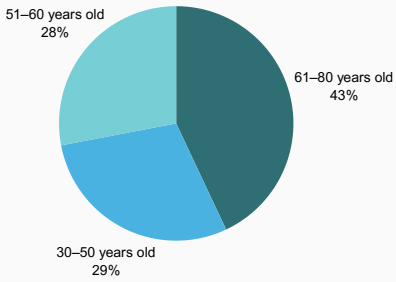
In accordance with its *Corporate Governance Best Practice Principles*, Kaimei Electronic Corp. actively implements its Board Diversity Policy. The Company formulates tailored diversity criteria, encompassing basic attributes such as gender, age, nationality, and cultural background, aligned with its operational requirements, business model, and strategic growth needs. The seven board members complement one another across educational qualifications, areas of expertise, professional backgrounds, and gender composition, successfully achieving the targets set forth in The Company's Board Diversity Policy.

For detailed information on the academic background, professional experience, key competencies, and diversity profiles of the current board members, please refer to the link on The Company's official website.

Board Member Gender Ratio



Board Member Age Distribution



Introduction to Board Members

Director Election Procedures

The current board members are as follows:

Title and Name	Age	Independent Director Tenure	Industry Experience	7 Core Capabilities:
Director Representative Shao-Pin, Ru	61–80 years old	N/A	Electronic components, Semiconductor industry	1. Operational judgment capability 2. Accounting and financial analysis capability 3. Management capability 4. Crisis management capability 5. Industry knowledge capability 6. Leadership capability 7. Decision-making capability
Director Representative Zhong, Zhong	30–50 years old	N/A	Securities & Financial industry, Biotech & Medical industry, Electronic components	
Director Representative and Employee Wen-Liang, Liu	51–60 years old	N/A	Electronic components	
Director Representative Shao-Chiao,Chen	30–50 years old	N/A	Securities & Financial industry, Electronic components	
Independent Director Cheng-Hsien,Tsai	51–60 years old	3–6 years	Biotech & Medical industry	
Independent Director Huo-Sheng, Wu	61–80 years old	3–6 years	Securities & Financial industry	Possesses the seven core competencies listed above, as well as legal expertise
Independent Director Yu-Chang, Lin	61–80 years old	3–6 years	Securities & Financial industry, Telecommunication & Network industry	

2.03.2.2 Operational Status

The Board of Directors of Kaimei Electronic Corp. is committed to establishing performance goals to enhance board operational efficiency. Through annual performance evaluations, a diversified board structure, and the appointment of a Corporate Governance Officer alongside functional committees to support board functions, The Company actively reinforces its board operations and governance mechanisms. Kaimei Electronic Corp.'s Board of Directors meets at least once per quarter. In 2025, the Board convened a total of 5 times, achieving an overall actual attendance rate of 91% among all directors and a 100% attendance rate among independent directors, with 35 key resolutions passed. For detailed board attendance rates and key resolutions, please refer to pages 17, 66, and 67 of Kaimei Electronic's 2025 Annual Report.

To enable directors to fully perform their duties, Kaimei Electronic maintains Directors' and Officers' (D&O) liability insurance, ensuring a reasonable balance of power and responsibility while maximizing value for shareholders.

2.03.2.3 Nomination and Selection (GRI 2-10)

In accordance with Article 192-1 of the Company Act, the election of Kaimei Electronic's directors follows a candidate nomination system, under which directors are elected by the Shareholders' Meeting from a slate of candidates, governed by the Company's Procedures for Election of Directors. The criteria for nomination and selection include the candidates' independence, professional background, and relevance to The Company's operational development. Based on candidate qualifications, academic and professional experience, opinions of independent directors, and relevant regulations such as the Corporate Governance Best Practice Principles, The Company proposes a slate of eligible candidates. This process takes into account the board composition requirements for diversity and independence, the ability to manage organizational impacts, and stakeholder feedback. Following review by the Board of Directors, the final slate of candidates is submitted to the Shareholders' Meeting for shareholder vote.

At the 2025 Annual General Meeting, Kaimei Electronic re-elected seven directors for the 18th term of the Board of Directors, including three Independent Directors. For details regarding board member profiles, educational background, and professional experience, please refer to the link on the official company website.

2.03.2.4 Avoidance of Conflicts of Interest (GRI 2-11, 2-15)

Kaimei Electronic has established a comprehensive conflict of interest management mechanism. Clear provisions governing the advance identification, voluntary disclosure, and recusal procedures for conflicts of interest involving directors and executive officers are stipulated in the Corporate Governance Best Practice Principles, Rules of Procedure for Board of Directors' Meetings, Ethical Corporate Management Best Practice Principles, and the charters of each functional committee.

Prior to each Board or committee meeting, proposals are pre-screened to identify any potential conflicts of interest involving directors or their related parties. Relevant personnel are reminded to proactively declare conflicts and evaluate whether recusal is required, serving as a pre-meeting risk control measure.

During meetings, if a director, executive officer, or other attending/observing stakeholder has a direct or indirect personal interest in a proposal, or an interest through an entity they represent or a related party, they must fully explain the material content of such interest during the meeting. If the conflict of interest poses a potential detriment to The Company's interests, the affected director must proactively excuse and recuse themselves from discussions and voting. Furthermore, they may not act as a proxy for other directors to exercise voting rights, thereby ensuring objectivity and impartiality in the decision-making process.

The Company records the names of the directors, the material content of the conflicts of interest, and the recusal details fully in the meeting minutes. Material resolutions and related governance information are disclosed through channels such as the official website, annual report, and sustainability report in compliance with regulations, reinforcing information transparency and protecting stakeholder rights.

Furthermore, the positions of Chairman and General Manager (CEO) are held by different individuals. Through this segregation of duties and procedural controls, potential conflict-of-interest risks among senior executives are mitigated, demonstrating the Company's proactive commitment to ethical governance.

2.03.2.5 Remuneration Policy (GRI 2-19, 2-20, 2-21) (G-31)

Upholding the principles of "Fairness, Incentive, and Competitiveness," Kaimei Electronic continuously optimizes its remuneration management system to ensure that its compensation structure maintains internal equity and external market competitiveness, thereby attracting, motivating, and retaining top talent. The Company's remuneration policy applies to directors, executive officers, and all employees, and is administered in accordance with the *Articles of Incorporation*, the *Remuneration Committee Charter*, and relevant laws and regulations.

1. Director Remuneration Policy

Remuneration for directors is handled in accordance with Article 16 of the Company's Articles of Incorporation, which authorizes the Board of Directors to determine payments based on standard industry peers' levels. Pursuant to Article 27 of the Company's Articles of Incorporation, if the Company generates a profit for the year, no more than 4% of such profit shall be allocated as directors' remuneration. This takes into consideration overall operational performance, future operational risks, and industry development trends, as well as the Board's performance evaluation results, individual performance achievement rates, and contributions to company performance to provide reasonable remuneration. Relevant performance assessments and remuneration fairness are reviewed by the Remuneration Committee and the Board of Directors, and are periodically re-evaluated based on actual operational conditions and relevant laws to balance sustainable management with risk control.

2. Senior Executive Remuneration Policy

Remuneration for the General Manager, Vice General Managers, and executives includes base salary and bonuses. Salaries are set with reference to industry standards as well as job title, rank, academic (work) background, professional capability, and job responsibilities. Bonuses are evaluated based on executive performance criteria, including financial indicators (such as achievement of company revenue, gross profit, and operating margin) and non-financial indicators (such as individual contribution, compliance, and operational risk management within their departments).

After comprehensive evaluation, distribution principles recommended by the Remuneration Committee are approved by the Chairman based on operational performance, submitted to the Remuneration Committee for determination, and presented to the Board of Directors for approval.

3. Remuneration Ratio

In 2025, director remuneration accounted for 8.56% of net income after tax, while remuneration for the General Manager and Vice General Managers accounted for 10.72% of net income after tax. The Remuneration Committee reviews remuneration policies and execution status at least once a year to ensure that the compensation structure aligns with company operational performance, industry trends, and future risks.

	2024	2025
Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees	9.17	11.81
Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees	0.57	1.29

2.03.3 Functional Committee Structure and Operations (GRI 2-9)

To refine the Board of Directors' supervisory function and strengthen management mechanisms, the Board of Directors of Kaimei Electronic Corp. has established functional committees including the Audit Committee, Remuneration Committee, and Sustainable Development Committee. Each functional committee is accountable to the Board of Directors and submits proposed motions for Board resolution. The organizational charters of all committees are approved by Board resolution, clearly defining their scope of authority and responsibilities.

1. Audit Committee: Composed of 3 independent directors.

1. Responsible for supervising the accounting and financial reporting process, the implementation of the internal control system, audit quality, the selection (dismissal) and independence/performance of the certified public accountant (CPA), and fraud prevention.
2. Reviewing financial statements, earnings distribution, internal control systems, loans to others, the engagement (dismissal) or compensation of CPAs, and related matters.

In 2025, the Audit Committee held 4 meetings with an actual attendance rate of 100%. The primary proceedings and operations were as follows:

1st Term, 11th Meeting (2025.03.03)

- 2025 Annual Business Plan
- 2024 Business Report and Financial Statements
- Change of Independent Auditors for Financial Statement Audits
- 2024 Earnings Distribution Proposal
- Statement on the Continuous Effectiveness of the Design and Execution of the Internal Control System (Self-Assessment)
- Amendments to the "Articles of Incorporation"
- Formulation of the Scope of Entry-Level Employees Proposal
- Amendments to the "Sustainable Development Best Practice Principles"
- Appointment Proposal for the Sustainable Development Committee
- Ratification of Director Appointments to Subsidiaries

PASSED

Approved by all attending members

1st Term, 12th Meeting (2025.04.30)

- Q1 2025 Financial Statements
- Amendments to the "Internal Control System"

PASSED

Approved by all attending members

2nd Term, 1st Meeting (2025.08.13)

- Election of Convener for the 2nd Term Audit Committee
- Q2 2025 Financial Statements
- Loan of Funds to Ralec Electronic Corporation
- Ratification of the Disposal of Securities

PASSED

Approved by all attending members

2nd Term, 2nd Meeting (2025.11.12)

- Q3 2025 Financial Statements
- First-Half 2025 Earnings Distribution Proposal
- Amendments to the "General Principles for Pre-Approval Policy on Non-Assurance Services"
- Donation to the "Yageo Foundation" Proposal
- 2025 Internal Audit Execution Plan

PASSED

Approved by all attending members

2. Remuneration Committee: Composed of 3 independent directors.

- Formulating policies, systems, standards, and structures for the performance evaluation and compensation of directors and managers.
- Reviewing annual compensation, bonuses, remuneration, and performance evaluation standards.
- In 2025, the Remuneration Committee held 3 meetings with an actual attendance rate of 100%. The primary proceedings and operations were as follows:

5th Term, 5th Meeting (2025.01.20)

1. 2024 Year-End Bonus Distribution Proposal
2. 2025 Compensation and Remuneration Proposal for Directors and Managers

5th Term, 6th Meeting (2025.03.03)

2024 Remuneration Distribution Proposal for Directors and Employees

6th Term, 1st Meeting (2025.11.12)

Proposal to Promote Yeh Chun-Liang, Senior Assistant Vice President of the Export Department, to Vice President

PASSED • **Unanimously approved by all attending committee members**

PASSED • **Submitted to the Board of Directors and unanimously approved by all attending directors**

3.Sustainable Development Committee:

- Composed of 2 directors and 7 members of senior management, with the Chairman serving as the Convener.
- Responsibilities include overseeing the promotion and enhancement of sustainability policies, formulating annual sustainability goals and strategies, identifying material issues, and preparing the Sustainability Report.
- In 2025, the Sustainable Development Committee held one meeting, with an attendance rate of 100%. The key matters discussed were as follows:

Sustainable Development Committee	Agenda Items	Resolution Results
2nd Term, 1st Meeting (August 13, 2025)	Election of the Convener for the 2nd Term Sustainable Development Committee	Committee members unanimously elected Chairman Shao-Pin, Ru to serve as the Convener of the 2nd Term Sustainable Development Committee.
	Approval of the Company's 2024 Sustainability Report (Chinese Version)	Approved by all attending members.

3. Management of Material Topics

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3.01 Stakeholder Engagement

Kaimei regards stakeholder engagement as an essential component of sound corporate governance and sustainable development. In accordance with the GRI Standards and the AA1000 Stakeholder Engagement Standard (AA1000 SES), the Company identifies its stakeholders based on the five principles of Responsibility, Influence, Dependency, Diverse Perspectives, and Tension, while taking into consideration the Company's operational characteristics and industry practices. Through the Sustainable Development Committee and the Sustainable Development Task Force, six principal stakeholder groups have been identified: shareholders/investors, customers, employees, suppliers, media, and government agencies. To ensure effective communication, the Company has established diversified stakeholder engagement mechanisms and regards maintaining continuous, two-way communication as a key objective, enabling it to understand stakeholder concerns and incorporate them into future management strategies and action plans.

The most recent report on stakeholder engagement was presented to the Board of Directors on November 12, 2025.

Category	Stakeholder	Significance to the Company	Topics of Concern	Responsible Department	Contact
Shareholders / Investors	Shareholders, banks, investors	Safeguard shareholder rights, enhance information transparency, and protect investor interests	Operating performance, ethical management, legal compliance, innovation and R&D, product information	Shareholder Services / Investor Relations	modoki.chen@jamicon.teapo.com
Customers	International and domestic customers	Enhance customer satisfaction, build long-term partnerships, and strengthen market competitiveness	Customer Relationship Management, product quality, legal compliance, customer privacy	Business Department	candice.chen@jamicon.teapo.com
Employees	Local employees and migrant employees	Support talent development and employee care, and strengthen employee cohesion and competitiveness.	Labor-management relations, information security, ethical management, occupational health and safety, employee welfare, talent development, legal compliance	Administration Department	sandy.lin@jamicon.teapo.com
Suppliers	Suppliers, contractors, outsourcing partners, agents	Establish a sustainable supply chain and strengthen quality and risk management	Sustainable supply chain, product quality and risk management, hazardous substance management, green products and services, Supplier Code of Conduct	Procurement Department	candice.chen@jamicon.teapo.com
Media	News media, financial media, industry review platforms	Maintain effective communication with the media, communicate the Company's vision and information, and enhance its brand	Operating performance, compliance with local regulations	Investor Relations	modoki.chen@jamicon.teapo.com
Government Agencies	Competent authorities (e.g., Financial Supervisory Commission, Environmental Protection authorities, National Taxation Bureau, etc.)	Understand regulatory developments, comply with applicable laws and regulations, respond to government requirements, and build mutual trust	Regulatory compliance	Finance Department / Accounting Department	winnie.chen@jamicon.teapo.com modoki.chen@jamicon.teapo.com

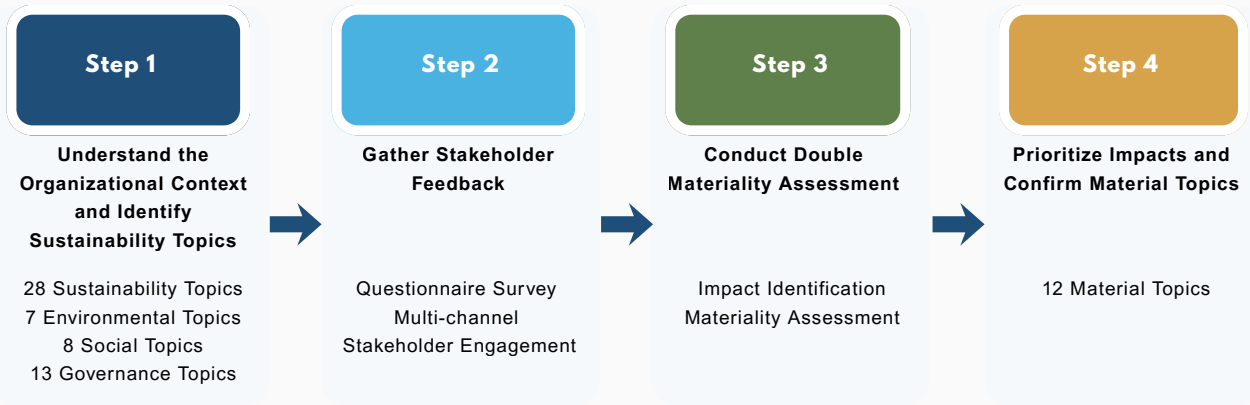
Outcomes of communication with various stakeholders:

Category	Communication Channels & Frequency	2025 Communication Outcomes and Performance	Relevant GRI Standards
Shareholders / Investors	• Shareholders' Meeting / Annually • Institutional Investor Briefing / Annually	• Participated in two institutional investor briefings by invitation • Annual shareholders' meeting attendance rate reached 58% • Cash dividend of NT$1.20 per share, representing a 32% dividend payout ratio • Periodically released updates to ensure high information transparency and keep investors informed of overall operations	GRI 2-29, 2-24, 201-1
Customers	• Tracking customer requirements & product progress (Ad hoc) • Business reviews with major clients (Ad hoc) • Customer satisfaction surveys & improvement initiatives (Ad hoc) • Product specification updates & discussions (Ad hoc)	• Overall customer satisfaction averaged 97.5% • One customer complaint was settled • Product labeling compliance reached 100%; all products comply with ISO 9001, IATF 16949, and ISO 14001 certification requirements • Zero customer privacy complaints or regulatory penalties in 2025	GRI 2-29, 416-2, 417-2, 418-1
Employees	• Onboarding training for new hires (Ad hoc) • Welfare Committee meetings (Quarterly) • Code of Conduct promotion (Ad hoc) • Internal grievance channels (As needed)	• Average training hours: 7.9 hours • 100% completion rate for performance evaluations • Female employees accounted for 48.83% of the workforce, while female supervisors accounted for 35.94% • 4 work-related disabling injuries recorded, representing 0.19% of total workforce	GRI 2-29, 401-2, 404-1, 405-1, 403-9
Suppliers	• Supplier audits and assessments / As needed • Signing of environmental commitment letters by suppliers / Ad hoc • Annual supplier evaluation / Annually	• 50% of Tier-1 suppliers completed ISO 14001 Environmental Management System certification • No reports of supplier violations were received in 2025. No major supply chain disruptions or quality disputes occurred during the year	GRI 2-29, 2-23, 308-1, 414-1
Media	• Press releases (Ad hoc) • Press conferences (Ad hoc) • Media interviews (Ad hoc)	• Regularly disclosed revenue figures and held two investor briefings.	GRI 2-29, 2-12, 417-3
Government Agencies	• Corporate website / Monthly • Market Observation Post System (MOPS) filings (As required) • Participation in regulatory briefings (Ad hoc)	• Participated in over 2 regulatory orientation sessions organized by government authorities • All operating sites completed environmental self-inspections with zero major non-compliance incidents recorded • Management and reporting of energy, water resources, and waste management conducted via regulatory government platforms	GRI 2-27, 201-4, 307-1, 419-1

3.02 Process for Determining Material Topics

In response to evolving international sustainability disclosure trends and to effectively address stakeholders' expectations regarding the Company's operational impacts, Kaimei identifies its material topics based on stakeholder identification results, the AA1000 Stakeholder Engagement Standard (AA1000 SES), and the four principles of Materiality, Inclusivity , Responsiveness, and Impact. In accordance with the GRI Universal Standards 2021, GRI 3: Material Topics, and the principle of Double Materiality, the Sustainable Development Committee evaluates the significance of sustainability impacts on the economy, environment, and human rights, and establishes the Company's short-, medium-, and long-term sustainability objectives based on the assessment results.

The Company's material topic identification process is illustrated below:



1. Identifying the Organization's Sustainability Topics (GRI 3-1)

Kaimei identified its sustainability topics by considering its business characteristics, strategic objectives, operating model, value chain, and stakeholder expectations, while referencing domestic and international sustainability standards, industry initiatives, and applicable regulatory requirements. The Company assessed and consolidated sustainability issues across the economic, environmental, and social dimensions to ensure that the identified topics comprehensively reflect its operational characteristics and future development direction.

Based on the assessment results, a sustainability topic inventory was established as the foundation for the subsequent materiality assessment. Following a comprehensive review in 2025, the Company retained the 28 sustainability topics identified in the previous year, comprising 7 Environmental topics, 8 Social topics, and 13 Governance topics.



2. Gathering Stakeholder Feedback

Based on the list of sustainability topics identified in the preceding step, together with an analysis of internal and external factors affecting its operating environment and the identification of risks, Kaimei surveyed key stakeholders to assess their level of concern regarding sustainability topics. The assessment covered six core stakeholder groups: shareholders/institutional investors, customers, employees, suppliers, media, and government agencies.

Kaimei used the results of its 2024 questionnaire survey as the basis for the assessment. The questionnaire covered the 28 sustainability topics listed above, with 104 responses received and a response rate of 62.28%. Through multiple channels, the Company also engaged with stakeholders on a regular and ad hoc basis to gather their concerns and recommendations regarding each topic. These inputs served as an important basis for topic prioritization and decision-making.

In 2025, the Company did not redistribute the questionnaire to all stakeholder groups. Instead, senior management conducted a more in-depth review and adjusted the material topics primarily with reference to the SASB Standards, to better align them with the sustainability priorities of Kaimei's industry.

3. Double Materiality Assessment (Assessment of Impact Significance)

Based on questionnaire feedback and internal professional judgment, the Sustainable Development Committee convened a cross-functional team and senior management meetings to conduct an assessment from a double materiality perspective.

The Company assessed the impacts of each topic in terms of the likelihood of risks and opportunities. The total risk score and total opportunity score were added to obtain an overall impact score, which served as the basis for the final scoring and ranking of each topic.

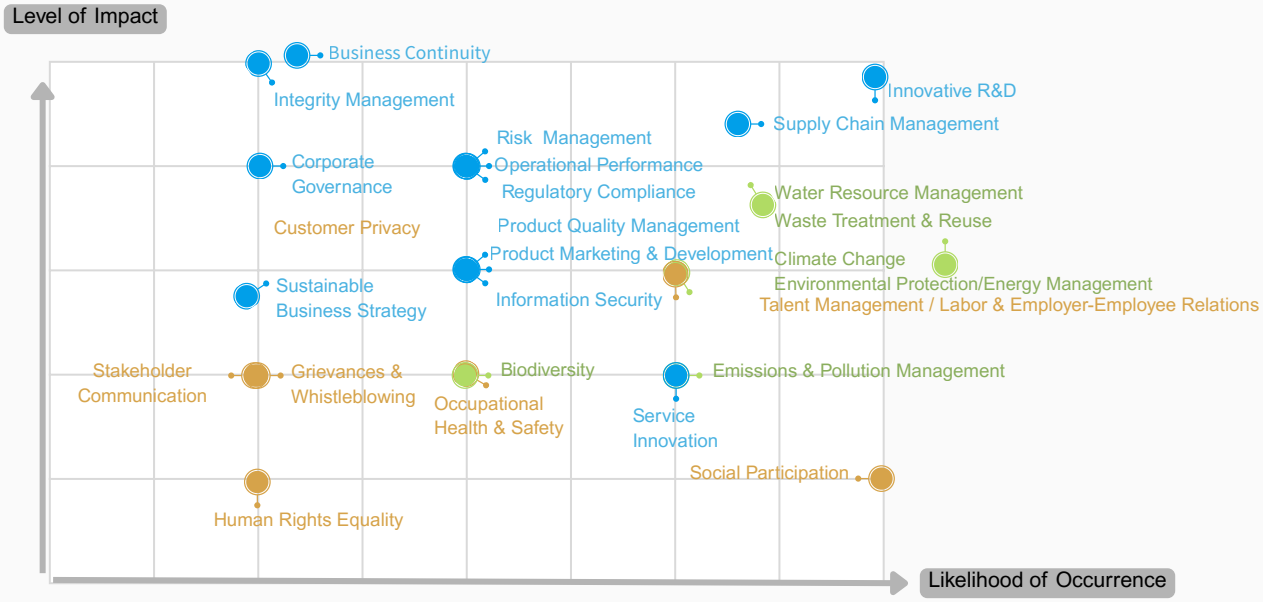
Results of the 2025 Double Materiality Assessment:

No.	Topic Name	Total Risk (1-25)	Total Opportunity (1-25)	Total Score
17	Innovative R&D	**20**	**15**	35
26	Water Resource Management	**12**	**8**	20
13	Information Security	**6**	**12**	18
14	Supply Chain Management	**12**	**6**	18
15	Talent Management	**9**	**6**	15
24	Energy Management	**9**	**6**	15
25	Environmental Protection	**9**	**6**	15
27	Climate Change	**9**	**6**	15
8	Product Quality Management	**6**	**9**	15
12	Product Marketing & Development	**6**	**7.5**	13.5
23	Waste Treatment & Reuse	**7.5**	**6**	13.5
9	Occupational Health and Safety	**4**	**9**	13
10	Labor & Employer-Employee Relations	**9**	**4**	13
1	Regulatory Compliance	**6**	**6**	12

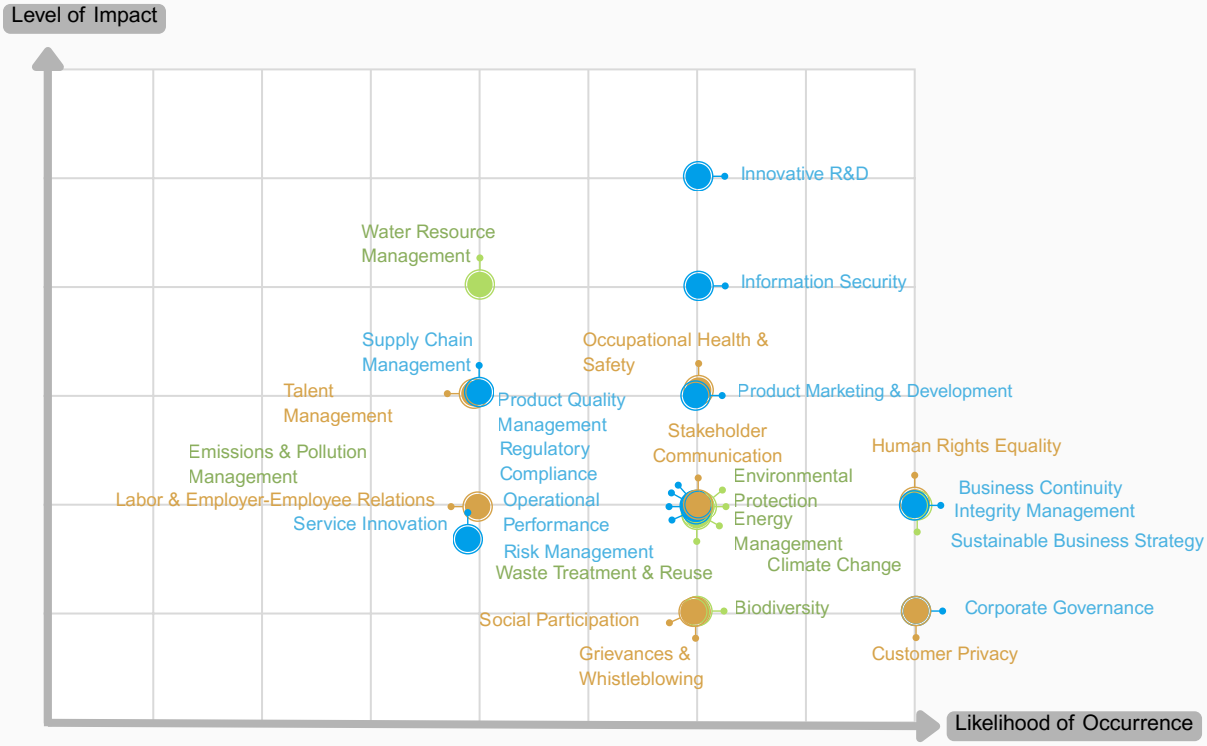
No.	Topic Name	Total Risk (1-25)	Total Opportunity (1-25)	Total Score
2	Risk Management	**6**	**6**	12
6	Operational Performance	**6**	**6**	12
7	Integrity Management	**4**	**8**	12
3	Business Continuity	**3**	**8**	11
4	Sustainable Business Strategy	**3**	**8**	11
18	Service Innovation	**6**	**4**	10
19	Emissions & Pollution Management	**6**	**4**	10
22	Human Rights and Equality	**1**	**8**	9
16	Corporate Governance	**4**	**4**	8
21	Stakeholder Communication	**2**	**6**	8
5	Biodiversity	**4**	**3**	7
11	Customer Privacy	**3**	**4**	7
28	Social Participation	**4**	**3**	7
20	Grievance & Whistleblowing	**2**	**3**	5

Environment (E) Social (S) Governance (G)

Risk Materiality Matrix



Opportunity Materiality Matrix



3.03 List of Material Topics

To manage each material topic, Kaimei has designated lead and supporting departments responsible for implementing related sustainability activities. For the 12 material topics identified, the Company has established short-, medium-, and long-term management objectives and annual performance indicators, with each responsible department overseeing implementation and follow-up. The Company's commitments, action plans, annual performance, and short-, medium-, and long-term targets for these 12 material topics are consolidated in the 2025 Sustainability Report for stakeholder review and oversight. The Company also reviews its material topics and evaluates management effectiveness annually, continuously improving topic management to ensure alignment with market needs and stakeholder concerns, and making necessary adjustments in response to changes.

In view of developments in the industry environment and international standards, Kaimei reassessed its material topics in 2025 and made necessary adjustments compared with 2024. The management practices and performance previously disclosed under "Environmental Protection" and "Emissions and Pollution Management" have been consolidated under "Climate Change" for unified disclosure, with a sharper focus on the substantive impacts of climate risks and carbon reduction management. In addition, "Talent Management" and "Occupational Health and Safety" were added as social topics in 2025 to address the key human capital and workplace safety concerns identified in the SASB Standards for the electronic components industry, and to strengthen management practices and disclosure transparency regarding employee development and occupational health and safety. These adjustments better align the material topic framework with international standards and the Company's operational priorities, supporting continuous improvements in the completeness and effectiveness of sustainability management.

No.	Topic	2024	2025	Reason / Description	GRI Standard	Corresponding Report Section
8	Product Quality Management		●	Aligns with SASB disclosures	GRI 416, 417	4.08 Product and Service Management
9	Occupational Health & Safety		●	Aligns with SASB disclosures	GRI 405	5.02 Occupational Health and Safety
10	Labor & Employer-Employee Relations	●	●		GRI 402	5.01.4 Labor Relations
12	Product Marketing & Development	●		Merged into Product Quality Management	GRI 416, 417	4.08 Product and Service Management
13	Information Security		●	Emerging issue	Voluntary Disclosure	4.06 Information Security
14	Supply Chain Management	●	●		GRI 204, 308, 414	4.09 Supplier Management
15	Talent Management		●	Aligns with SASB disclosures	GRI 404	5.01.6 Talent Cultivation and Development
17	Innovative R&D		●	Aligns with SASB disclosures	Custom Topic	4.08 Product and Service Management
19	Emissions & Pollution Management	●	●	Renamed to Waste Treatment and Reuse	GRI 305	6.05 Waste Management
24	Energy Management	●	●		GRI 102	6.02 Greenhouse Gas Emissions 6.03 Energy Management
25	Environmental Protection	●	●		GRI 306, 307	6.06 Environmental Protection
26	Water Resource Management	●	●		GRI 303	6.04 Water Resource Management
27	Climate Change	●	●		GRI 102	6.01 Climate Change

Communication of Significant Matters (GRI 2-16)

Kaimei Electronic has established criteria for identifying significant matters and regularly reports the results of enterprise risk management to the Board of Directors.

No critical material incidents occurred in 2025. (For the financial industry, the threshold for a material matter is NT$1 million.)

The following sections describe the Company's management approach for each of the 12 Material Topics.

Material Topic	Management Approach	2025 Implementation Performance	2026 Targets
Occupational Health & Safety Social (S)	Regularly conduct fire safety drills and employee health checks; continuously optimize occupational safety and health (OSH) management processes to reduce non-compliance risks and work-related injury losses.	Newly added topic in 2026	• Strengthen OSH training (Taipei, Kunshan) • Group occupational injury rate <0.2% • Regularly conduct fire safety drills and promotion (including employees and non-employees) • Regularly perform health checks (including employees and non-employees) • Zero major fines/losses due to OSH non-compliance • Establish an employee health check tracking mechanism
Labor & Employer-Employee Relations Social (S)	Establish diverse labor-management communication channels, continuously optimize evaluation systems, and enhance employee sense of identity and satisfaction.	Turnover rate: 26.87% (higher than the industry average of 24.4%)	• Maintain turnover rate below the industry average • Continuously increase employee satisfaction by 5% (from 3.5 to 3.6 points) • Establish human rights due diligence procedures • Implement performance evaluation systems, incorporating two-way employee interview mechanisms
Product Quality Management (Merged with Product Marketing & Development) Governance (G)	Regularly hold meetings to review customer complaint cases, establish handling processes, and maintain complete tracking records; incorporate sustainability metrics into customer satisfaction surveys; implement customer privacy protection mechanisms.	• Customer satisfaction survey satisfaction rate reached 94% or above • 1 customer complaint case (quality issue) • 0 penalties related to customer privacy protection	• Customer satisfaction survey coverage rate ≥95% *Customer satisfaction score ≥95 points *Added sustainability feedback (E, S, G) to customer service surveys • Major customer complaint cases <3 • 0 penalties related to customer privacy protection
Information Security Governance (G)	Regularly conduct information security awareness sessions for employees; implement off-site data backups, firewall protection, vulnerability scans, and social engineering drills; execute ISO 27001 certification and surveillance audits for core operational centers.	• Headquarters and Ralec successfully passed the ISO 27001 annual external audit with "Zero Major Non-Conformities" • 0 major info security incidents for the full year • Successfully intercepted 45,000 malicious emails and 5,000 major external attacks; implemented AI MDR to complete endpoint device protection • Completed Group-wide info security awareness training; annual social engineering drill achieved a "phishing defense rate of 98.5%" • Achieved millisecond-level real-time detection (MTTD) via self-built cybersecurity platform joint defense with MDR; successfully blocked a UOF privilege escalation attack in October	• Complete annual ISO 27001 (2024–2026) surveillance audit for Kaimei • Complete annual ISO 27001 (2024–2026) surveillance audit for Kaohsiung • Maintain 0 major info security incidents full year; introduce NDR • Annual social engineering drill: Phishing defense rate reached 98.5% • Achieve millisecond-level real-time detection (MTTD) via self-built cybersecurity platform joint defense with MDR
Supply Chain Management Governance (G)	100% of major suppliers sign the Code of Conduct and undergo risk self-assessments; conduct inventory of high-carbon-emission suppliers; guide suppliers to adopt ESG practices.	• 100% of Class A/B suppliers signed the Code of Conduct • 100% of Class A and B suppliers completed self-assessment and RBA questionnaires. Follow-up analyses were conducted for suppliers scoring below 70	• Class A/B suppliers signing Code of Conduct ≥90% (maintain high coverage) • Launch GHG inventory under ISO 14064-1 (targeting high procurement spend and high carbon emission suppliers) • Guide suppliers to issue ESG reports (at least maintain 1–3 model suppliers) • Class A/B suppliers with ISO 14001 + EHS systems ≥80 suppliers

Material Topic	Management Approach	2025 Implementation Performance	2026 Targets
Talent Management Social (S)	Formulate talent development and career training policies; introduce key training courses; build talent analytics models to identify core talents.	Newly added topic in 2026	• Plan leadership topic courses (Taipei) • Establish 9-box grid talent analysis • Identify core talent list • Establish talent development policy
Innovative R&D Governance (G)	Invest in key technology innovation and core functional R&D; increase the proportion of green process planning and patent applications; incorporate low power consumption and eco-friendly design concepts into the R&D stage.	• Patent count: 3 items • R&D team headcount: 19 people • Green process planning (proportion): 10%	• Patent count: 3–4 items • R&D team headcount: 20–25 people • Green process planning (proportion): 20% • New fan product launch count: 8–10 items • Innovative designs contribute 15–20% of revenue
Energy Management Environment (E)	Establish and promote greenhouse gas (GHG) and energy intensity reduction policies; increase the share of renewable energy usage; plan the implementation of ISO 50001 Energy Management Systems.	• GHG emissions intensity: 1% YoY reduction (base year 2024 at 8.65), actual 2025 result: 8.1 • Renewable energy usage share increased to 5% (Suzhou) • Completed 1 product carbon footprint assessment (Kunshan)	• Plan implementation of ISO 50001 Energy Management System (Dongguan) • GHG emissions intensity: 1% YoY reduction • Group-wide renewable energy usage share reaches 0.5% • Establish GHG reduction management policy
Environmental Protection Environment (E)	Plan and conduct environmental protection education and training courses; gradually establish relevant management policies.	Newly added topic in 2026	• Promote training courses related to natural carbon sinks • Establish biodiversity policy • Establish no-deforestation statement
Waste Treatment & Reuse Environment (E)	Implement waste reduction at the source and Life Cycle Assessments (LCA); drive low-carbon transformation and circular economy.	• Waste intensity: 1% YoY reduction (base year 2024 at 0.23), actual 2025 result: 0.22 • Hazardous waste disposal rate: 100%	• Waste intensity: 1% YoY reduction • Establish policy to promote circular economy and waste management
Climate Change Environment (E)	Establish a climate risk management plan; adopt IFRS S2 guidelines; integrate climate indicators into executive performance evaluations; perform financial sensitivity analysis and internal carbon price planning.	• Established electricity scenario sensitivity analysis • Established internal carbon pricing system (NTD 300 per metric ton)	• Obtain Board approval of the IFRS S2 implementation schedule and complete implementation and reporting as scheduled • Qualitative evaluation of IFRS S2 • Incorporate climate issues into executive performance evaluations • Execute site-wide internal carbon pricing analysis across all plants
Water Resource Management Environment (E)	Establish a water use policy, manage water withdrawal intensity, and increase water recycling and reuse rates.	Water withdrawal intensity (m^3 per NT$ million of revenue): • Annual reduction target: 2% • 2024 baseline: 80.98 • 2025 target: 79.36 • 2025 actual: 86.49	• Water withdrawal intensity (m^3 per NT$ million of revenue): 77.74 • Establish a water use policy. • Develop a water balance diagram.

(Note): For more detailed explanations, please refer to the relevant major topic descriptions in each chapter.

3.04 Management of Material Topics (GRI 3-3)

As companies pursue sustainable operations, material topics may have varying levels of actual or potential impact at different stages of the value chain. To address GRI 3-3, Kaimei Electronic Corp. assessed the impacts of each topic identified as material in 2025 on upstream procurement (suppliers), midstream operations (shareholders, internal operations, and manufacturing), downstream sales (customers), and activities outside its operations (communities and the media). This assessment helps focus management resources and strengthen sustainability resilience and competitiveness across the value chain.

Material Topic	Suppliers	Shareholders	Government	Employees	Customers	Community	Value Chain Impact
Climate Change	▲	●	●	○	○	○	Strengthen carbon reduction management to mitigate climate risks.
Energy Management	○	●	●	●	○	○	Enhance energy efficiency and introduce green power to reduce costs.
Waste Treatment & Reuse	▲	○	●	○		○	Implement waste reduction and recycling to practice circular economy.
Environmental Protection	▲	●	●	○	○	○	Promote ecological protection to safeguard environmental sustainability.
Water Resource Management	▲	○	●	○		○	Enhance water use efficiency to alleviate environmental pressure.
Labor & Employer-Employee Relations		○	○	●		○	Optimize labor-management communication to ensure rights stability.
Talent Management		○		●		○	Systematic training to strengthen expertise and support innovation.
Occupational Health & Safety		○	○	●		○	Improve occupational safety management to ensure employee safety.
Product Marketing & Development	▲	●		○	●	●	Strict quality management to boost market competitiveness.
Supply Chain Management	▲	○	○		○	○	Audit suppliers to mitigate supply chain risks.
Information Security	▲	●	○	●	▲	○	Strengthen cybersecurity defenses to protect customer confidentiality.
Innovative R&D	○	●			▲	○	Invest in key technologies to drive stable revenue.

● Major impacts within the company
○ Minor impacts within the company
▲ Major impacts on value chain partners (suppliers, customers, community, etc.)

4. Governance



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4.01 Economic Performance

4.01.1 Direct Economic Value Generated and Distributed (GRI 201-1)

During the year, the Company generated NTD 5,691,680 thousand in direct economic value, demonstrating robust value-creation capabilities. In terms of value distribution, the Company distributed 95.22% to stakeholders, including operating costs, employees, capital providers, governments, and communities, reflecting its commitment and responsibility to all stakeholder groups. Regarding retained value, 4.78% (NTD 272,124 thousand) was retained within the enterprise to support sustainable operations and future strategic growth.

Economic Value	Items	Amount (NTD Thousand)	Total Amount (NTD Thousand)	%
Direct Economic Value Generated	Operating Revenue	5,545,491	**5,691,680**	**97.43%**
	Interest Income	146,189		**2.57%**
Direct Economic Value Distributed (Note)	Operating Cost	4,435,636	**5,419,556**	**77.93%**
	Operating Expenses	620,427		**10.90%**
	Payments to Providers of Capital (Dividends)	130,410		**2.29%**
	Payments to Government (Income Tax)	233,083		**4.10%**
Direct Economic Value Retained			**272,124**	**4.78%**

(Note) Included in Operating Costs or Operating Expenses: Employee benefits costs and expenses of 1,205,359; Community investments of 217.

4.01.2 Defined Benefit Plan Obligations and Other Retirement Plans (GRI 201-3)



Employees
Pension Scheme / Retirement Benefits System



Defined Contribution (DC) Plan



Defined Benefit (DB) Plan



Financial Assistance Received from Government

4.01.2.1 Defined Contribution Plans (E-16)

The Company complies with relevant local retirement regulations and is committed to safeguarding employee retirement rights to ensure stable financial security after retirement.

For Kaimei Electronic in the Taiwan region, the defined contribution plan is governed by the Labor Pension Act, under which the Company contributes 6% of each employee's monthly wage to an individual labor pension account managed by the Bureau of Labor Insurance. Under this plan, once the consolidated entity contributes the fixed amount to the Bureau of Labor Insurance, it incurs no further legal or constructive obligations to pay additional amounts.

Overseas subsidiaries in Mainland China contribute basic pension insurance premiums on a monthly basis at a specified percentage of total employee wages, in accordance with local government regulations in Mainland China.

Site	2024	2025
Taiwan Region (Contributed to the Bureau of Labor Insurance)	NTD 11,959 thousand	NTD 13,148 thousand
Mainland China Subsidiaries (Paid for basic pension insurance premiums)	NTD 43,153 thousand	NTD 46,817 thousand

4.01.2.2 Defined Benefit Plans

The Company maintains both the old and new pension systems in accordance with the Labor Standards Act and the Labor Pension Act. Under the defined benefit pension plan regulated by the Labor Standards Act, benefit payouts are calculated based on an employee's years of service and average monthly wage for the six months prior to retirement. The Company contributes 2% of total monthly wages for employees with service years retained under the old pension system to a dedicated account at Bank of Taiwan, which is administered by the Supervisory Committee of Workers' Retirement Fund. If the account balance estimated at year-end is insufficient to cover the pension obligations for the following year, the Company will make a one-time lump-sum contribution to cover the shortfall by the end of March of the subsequent year. The relevant defined benefit plan amounts for 2024 and 2025 are detailed in the attached tables within the consolidated balance sheet.

Item	2024.12.31 (NTD'000)	2025.12.31 (NTD'000)
Present value of defined benefit obligations	47,153	$46,901
Fair value of plan assets	(34,094)	(39,864)
Net defined benefit liability (asset)	**13,059**	**$7,037**
Net defined benefit asset	2,853	3,942
Net defined benefit liability	15,912	10,979

4.01.3 Financial Assistance Received from Government (GRI 201-4)

In 2025, government subsidies spanned operations across both sides of the Taiwan Strait, covering a diverse range of items that effectively injected resources into the Company's operations. Among these, the Kunshan plant received eight subsidies, primarily including employment stabilization subsidies, Kunshan comprehensive incentives and subsidies, digital investment incentives and subsidies, as well as maternity subsidies, safety and environmental liability insurance incentives and subsidies, individual income tax withholding service fee refunds, and tax reductions for employing key target populations. Meanwhile, the Kaohsiung plant received two subsidies, namely the "Enterprise Human Resources Uplift Program" and subsidies related to "Work-Life Balance." Detailed itemizations and amounts for each subsidy are presented in the table below.

No.	Location	Subsidized Item	Amount (NTD Thousand)
1	Kunshan Plant	Refund of Individual Income Tax Withholding Commission	14.768
2	Kunshan Plant	Safety Insurance Subsidy and Incentive	37.632
3	Kunshan Plant	Environmental Pollution Liability Insurance (EPLI) Subsidy and Incentive	37.256
4	Kunshan Plant	Maternity Allowance	76.149
5	Kunshan Plant	Employment Stabilization Subsidy Refund	774.977
6	Kunshan Plant	Kunshan Comprehensive Incentive and Subsidy	632.128
7	Kunshan Plant	Digitalization Investment Incentive and Subsidy	545.664
8	Kunshan Plant	Tax Concessions for Recruiting Key Target Groups	0.914
9	Kaohsiung Plant	Enterprise Human Resources Uplift Program	64
10	Kaohsiung Plant	Work-Life Balance	19.9
Total			2,203.39

4.02 Taxation

4.02.1 Tax Strategy (GRI 207-1)

The Company is committed to not utilizing tax havens or low-tax jurisdictions for tax avoidance, and rejects profit shifting through special structures or non-arm's length transactions. In response to global trends, the Company complies with both the letter and spirit of the law in handling all tax matters. The Finance and Accounting Department conducts monthly reviews. If adjustments are required due to changes in regulations where operating sites are located, they are promptly reported to the President and the Chairman of the Board, alongside corresponding response strategies.

4.02.2 Tax Governance, Control, and Risk Management (GRI 207-2)

The Company's routine tax administration and management are executed by the Finance and Accounting Department, with the Chairman of the Board serving as the ultimate authority for tax matters. The Chairman reviews the tax compliance status of each operating site on a monthly basis to fully grasp tax risks and global tax trends. Furthermore, given the specialized nature of taxation, the Company arranges timely training programs to ensure finance personnel possess the necessary tax skills and awareness. The Company also maintains an internal whistleblowing hotline and email mailbox for employees to report illegal or unethical conduct.

4.02.3 Stakeholder Engagement and Management of Concerns Related to Tax (GRI 207-3)

Stakeholder Communication and Management on Tax Issues

The Company actively communicates with stakeholders through multiple channels and responds to international tax initiatives, taking concrete actions to support tax reform and committing to jointly build a fair and sound tax environment.



1.Government Authorities

When encountering ambiguities or grey areas in the application of tax laws and regulations, the Company proactively seeks professional advice from certified public accountants (CPAs) or tax authorities. This ensures full tax compliance and transparency, thereby mitigating tax risks and maintaining the Company's corporate integrity.



2.Investors

The Company's Independent Directors possess professional expertise in accounting and taxation, reviewing tax governance performance quarterly through the Board of Directors. Furthermore, the Company discloses the reasons for changes in its effective tax rate and related tax information to investors via its official website, ensuring information transparency and continuously strengthening communication with investors.

4.03 Business Integrity

4.03.1 Business Integrity Philosophy, Policies, and Code of Conduct

4.03.1.1 Policy Commitments (GRI 2-23)

Adhering to the operational philosophy of integrity, transparency, and responsibility, the Company has established the Ethical Corporate Management Best Practice Principles and the Code of Ethical Conduct, requiring all employees, suppliers, directors, and executive officers to strictly abide by the principles of business integrity in performing their duties. New hires are also required to sign the Operating Procedures and Behavior Guidelines for Ethical Corporate Management.

The Internal Audit Office periodically audits compliance across all departments to ensure that no violations of business ethics, corruption, or bribery occur. Meanwhile, an open and anonymous whistleblower hotline has been established to encourage and protect employees who report internal misconduct.

The Company's Ethical Corporate Management Best Practice Principles were established by the designated personnel and administrative units. Any amendments or repeal require Board approval. As the highest supervisory body for ethical management, the Board exercises its duty of care to prevent unethical conduct and ensure policy implementation. The Internal Audit Office includes compliance with these Principles in its audits and regularly reports the status of corrective actions to the Board.

The following lists the Company's commitments to implementing integrity-related policies and regulations (GRI 2-23):



Code of Ethical Conduct

Operating Procedures and Behavior Guidelines for Ethical Corporate Management

Ethical Corporate Management Best Practice Principles

Corporate Governance Best Practice Principles

Sustainable Development Best Practice Principles

4.03.1.2 Code of Conduct (GRI 2-24)

To implement business integrity policies, the Company has established comprehensive commitment mechanisms and communication channels for stakeholders- including directors, executive officers, employees, and suppliers- ensuring all personnel adhere to integrity values:



Governance Commitment Mechanism

Upon taking office, directors and the Chairman must sign a "Letter of Consent to Serve," committing to loyally execute business operations and fulfill the duty of care of a prudent administrator in accordance with Article 23 of the Company Act, ensuring top management strictly complies with business integrity standards and regulatory frameworks.



Business Partner Management

Business partners, including suppliers, are required to sign integrity commitment documents, and due diligence is performed to screen and select business partners that meet the Company's integrity standards. Concurrently, integrity policies are communicated to business partners through multiple channels, such as email, newsletters, and business meetings.



Information Disclosure & Education/Training

Public Disclosure: The Code of Integrity Conduct and the Whistleblowing System for Violations of Business Integrity Regulations are publicly disclosed on the official company website for access by internal and external stakeholders.
Employee Awareness Training: Education and training on the Code of Integrity Conduct, operating procedures, and behavior guidelines (30 minutes of training duration) are conducted annually, covering active directors, executive officers, and group employees (approx. 500 individuals in total) to deeply embed integrity awareness across the entire organization

4.03.2 Anti-Corruption Mechanisms

4.03.2.1 Operations Assessed for Risks Related to Corruption (GRI 205-1)

Kaimei is committed to maintaining an operational environment of integrity and honesty, periodically assessing corruption risks, and incorporating compliance with the Code of Integrity Conduct into the scope of internal audit checks. The Company reinforces communication and training regarding anti-corruption policies and procedures through multiple channels (GRI 205-2); in 2025, evaluation indicated no material risks of integrity violations or corruption (GRI 205-1).

4.03.2.2 Communication and Training on Anti-Corruption Policies and Procedures (GRI 205-2)

Whistleblower System / Grievance Mechanism

The Company provides independent communication channels, including a dedicated hotline, website, specialized mailbox (discipline@jamicon.teapo.com), and physical suggestion boxes.

When employees suspect violations of business integrity, they may submit anonymous reports via these channels; if there are doubts regarding the Company's business integrity norms, questions may also be raised through these channels. Upon receiving an issue, the designated unit must process it according to standard procedure and periodically report the handling status back to the whistleblower or inquirer. For reported misconduct, an investigation shall be conducted based on the reported details and relevant evidence; if the matter involves directors or executive officers, it must be reported to the Independent Directors.



4.03.2.3 Confirmed Incidents of Corruption and Actions Taken (GRI 205-3)

In 2025, no incidents related to bribery, corruption, money laundering, violations of the Company Act, insider trading, or other breaches of business ethics occurred.

4.03.3 Anti-Competitive Behavior (GRI 206-1)

The Company is dedicated to maintaining a fair and competitive market environment and strictly complies with relevant laws and policies prohibiting anti-competitive practices. In 2025, the Company was not involved in any form of anti-competitive behavior, antitrust violations, or monopolistic practices.

4.04 Communication Channels and Grievance Mechanisms

4.04.1 Processes to Remediate Negative Impacts (GRI 2-25)

To establish an honest and transparent corporate culture and foster sound business operations, the Company has enacted the Regulations Governing the Whistleblowing System, applicable to all subsidiaries. The Company encourages employees and stakeholders to submit reports via dedicated email mailboxes or other channels. Regardless of whether internal employees or external parties are involved, reports of illegal or improper conduct can be filed. To ensure fairness and transparency throughout the investigation process, the Company has established an independent investigation unit and publicly disclosed relevant information on the corporate website to enable external parties to report related matters.

Grievance and Whistleblower Mailbox: discipline@jamicon.teapo.com

Upon receiving any grievance, inquiry, or incident of negative impact, Kaimei Electronic Corp. processes the matter in accordance with established standard operating procedures to ensure proper resolution and mitigate potential impacts (GRI 2-25):

1. **Immediate Acceptance and Investigation:** The competent unit (such as Sales, HR, Information Security, Audit Office, etc.) immediately initiates an investigation procedure upon receiving a grievance case to clarify the facts and root causes.
2. **Corrective and Preventive Measures:** For incidents confirmed through investigation, the Company rapidly takes corrective and preventive actions—including process improvements, equipment upgrades, personnel training, or relevant disciplinary actions—to prevent similar incidents from recurring.
3. **Reporting and Tracking:** Investigation results and handling status are reported back to the complainant or inquirer on a regular basis (under the premise of protecting privacy). The progress and remediation effectiveness of all material incidents are continuously tracked.
4. **Continuous Optimization:** The Company learns from every incident, continuously reviewing and optimizing internal management mechanisms and policies. It closely integrates risk management with internal control procedures to strengthen corporate resilience and regulatory compliance. In 2025, no critical material incidents occurred.



Remediation Process for Negative Impacts

4.04.2 Mechanisms for Seeking Advice and Raising Concerns (GRI 2-26)

Adhering to the principles of openness and transparency, Kaimei Electronic Corp. is committed to establishing diverse, convenient communication channels and sound grievance mechanisms to ensure that the voices of all stakeholders are heard, while promptly responding to and addressing potential or actual negative impact incidents, thereby safeguarding stakeholder rights and maintaining the Company's sustainable operations (GRI 2-26).

Whistleblowing System Management Regulations / Whistleblowing Regulations

Internal

- Periodically convenes labor-management meetings, sets up employee suggestion boxes, department meetings, Welfare Committee meetings, and year-end symposiums to encourage employees to express opinions and discuss relevant topics.
- Provides diverse grievance channels to safeguard employee grievance rights and ensure prompt handling, maintaining harmonious labor relations. In 2025, no labor dispute incidents occurred.
- Regarding human rights and discrimination topics, the Company has established dedicated handling mechanisms. In 2025, no discrimination or sexual harassment grievance cases occurred.

External

- Communicates with suppliers through the supplier management system (including on-site audits and self-assessment questionnaires), ad hoc human rights awareness activities, and ESG training.
- Sets up customer online service hotlines, grievance handling, annual customer satisfaction surveys, and technical/business exchanges to respond to customer needs in real-time throughout the year.
- In 2025, the number of supplier violation whistleblowing cases was 0; no major supply chain disruptions or quality dispute incidents occurred.

4.05 Risk Management

4.05.1 Management Policies

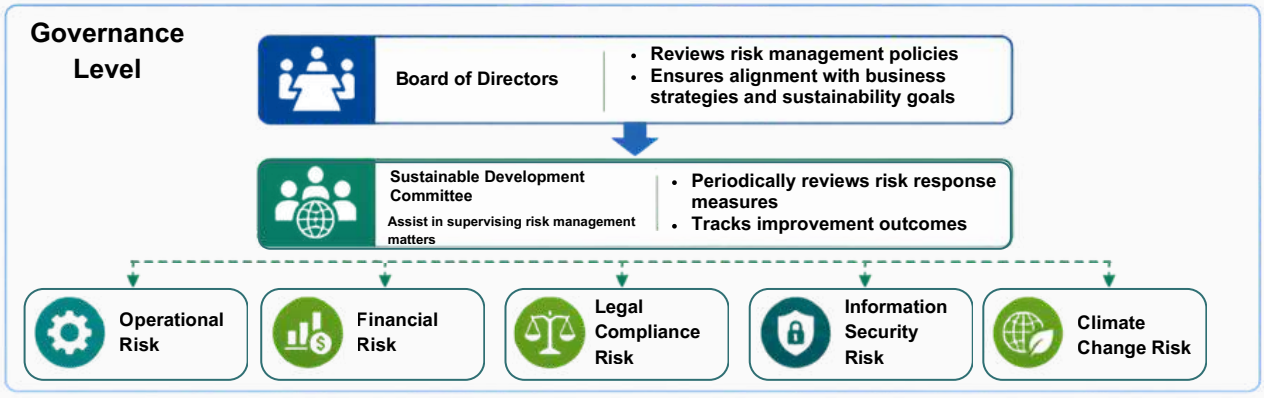
The Company has established a top-down risk management governance framework. The Board of Directors serves as the highest supervisory body, responsible for approving risk management policies and ensuring their alignment with business strategies and sustainability goals. The Sustainable Development Committee under the Board assists in supervising response measures and improvement outcomes regarding operational, financial, legal compliance, information security, and climate change risks.

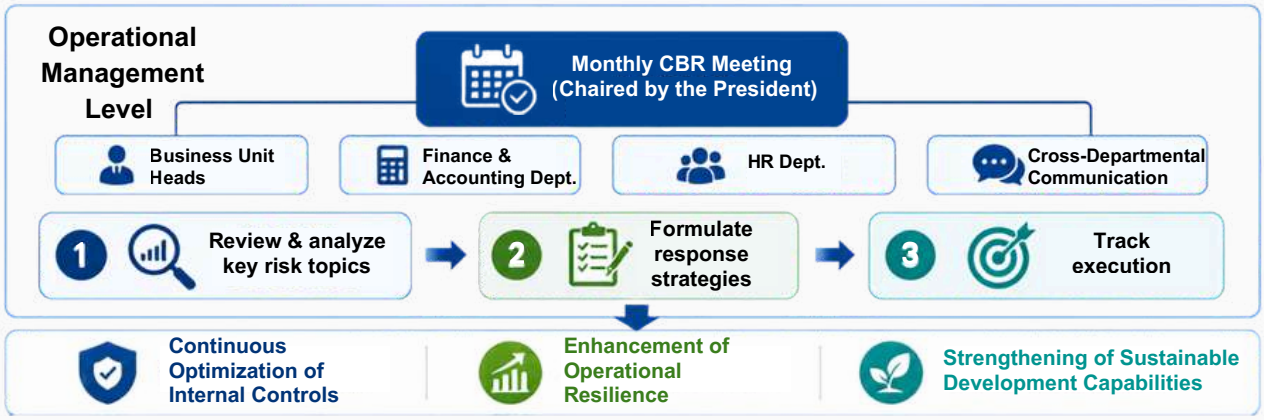
At the operational management level, the President convenes monthly CBR (Company Business Review) meetings, sales meetings, production technology meetings, and production-sales alignment meetings with business unit heads and functional units such as Finance and HR. These meetings review and analyze major risk issues, formulate response strategies, and track execution outcomes. Through cross-departmental communication and periodic review mechanisms, the Company continuously optimizes internal controls, enhancing operational resilience and sustainable development capabilities.

4.05.2 Risk Management Organizational Structure

The Company has established a top-down risk management organizational framework. The Board of Directors serves as the highest supervisory body, responsible for reviewing risk management policies and ensuring their alignment with business strategies and sustainability goals. The Sustainable Development Committee under the Board assists in supervising risk management affairs, regularly reviewing response measures and improvement outcomes concerning operational, financial, legal compliance, information security, and climate change risks.

At the operational management level, the President convenes monthly CBR (Company Business Review) meetings, sales meetings, production technology meetings, and production-sales alignment meetings with business unit heads and functional units such as Finance and Accounting and HR to review and analyze key risk issues, formulate response strategies, and track execution outcomes. Through cross-departmental communication and periodic review mechanisms, the Company continuously optimizes internal controls, enhancing operational resilience and sustainable development capabilities.





4.05.3 Risk Management Process

The Company's risk management mechanism encompasses management processes such as risk identification, analysis, evaluation, response, monitoring, and reporting. Adhering to the "Risk Management Best Practice Principles for TWSE/TPEx Listed Companies," the Company has built a comprehensive risk governance structure. Targeting various risk sources potentially faced during operations, the Company establishes corresponding management measures and response strategies. It employs a quantitative evaluation approach using "Probability of Occurrence × Degree of Impact" within a risk matrix to classify risks, effectively identifying major risk items as a foundation for subsequent risk management and improvement actions.



4.05.3.1 Risk Identification

Operating and functional units continuously monitor changes in the internal and external environments, operational activities, and ESG issues based on corporate strategic objectives. Utilizing tools such as process analysis and scenario analysis, units comprehensively identify potential risk events that could impact the achievement of corporate goals and incorporate them into strategic decision-making considerations, ensuring the comprehensiveness and forward-looking nature of the risk management system.

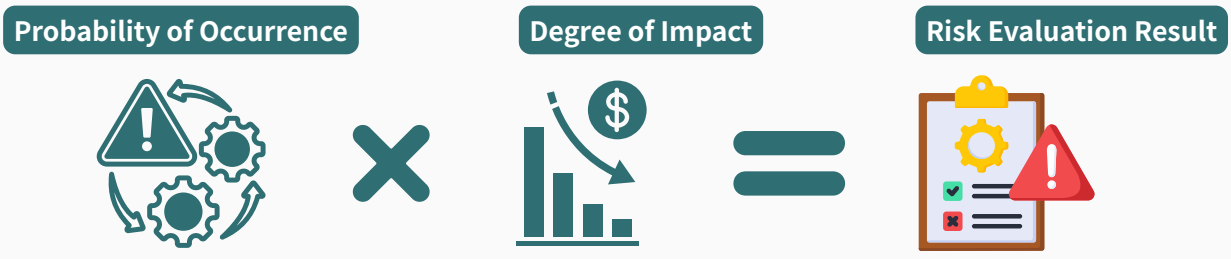
4.05.3.2 Risk Analysis

For identified risk events, the Company analyzes their probability of occurrence and degree of impact, taking into account existing control measures, historical experience, and peer cases. The Company categorizes risks into eight major areas (Operations and Market, Technology and R&D, Finance, Legal and Information Security, Environment and Climate, Human Capital and Governance, Supply Chain, and Emerging Risks) and incorporates them into a risk management matrix as the foundation for calculating risk values.

4.05.3.3 Risk Evaluation

Based on risk analysis results, risks are evaluated against the approved risk appetite (risk tolerance). Each risk factor is assessed using the quantitative principle of "Probability of Occurrence × Impact Severity" (scale of 1–10) to calculate the risk value. This serves to define key material risks, establish management priorities, and allocate resources. Following evaluation, the three risk positions below fall within the high probability and high impact severity zone, representing the current key risks requiring primary focus:

1. Raw Material Supply and Price Risk
2. Market Cyclicality / Demand Fluctuation Risk
3. Price Competition and Gross Margin Compression Risk



4.05.3.4 Risk Response / Mitigation Strategies

For major risks identified through evaluation, each responsible unit considers corporate strategic objectives, risk appetite, and available resources to formulate concrete risk response plans (such as avoidance, retention, reduction, or sharing). This ensures that relevant personnel fully understand and execute these plans, achieving an optimal balance between realizing business goals and cost-effectiveness in risk response solutions.

Risk Level	Risk Category	Risk Item Name	Response Strategies
	**Operational and Market Risk**	**Raw Material Supply and Price Risk**	**Diversified Supplier Management:** Maintain three or more suppliers for key materials, all ranked among the top 10 in market share, while continuously developing new suppliers to enhance bargaining power. **Procurement Strategy Optimization:** Maintain cost advantages through annual price negotiations, centralized ordering (volume-tied pricing), and leveraging payment terms in negotiations. **Inventory Buffer Adjustment:** Moderately increase inventory levels for common materials to cope with market volatility.
	**Operational and Market Risk**	**Market Cyclicality / Demand Fluctuation Risk**	**Product and Customer Diversification:** Continuously develop different product categories (e.g., thin-film resistors, server fans) and expand customers across various industries to diversify the impact of single-market business cycles. **Production Schedule Smoothing:** If significant off-peak seasonality occurs, continue production for common materials to minimize drastic fluctuations in factory utilization rates.
	**Financial and Financial Market Risk**	**Price Competition and Gross Margin Compression Risk**	**Optimize Sales Mix (Increase High-Margin Ratio):** Increase sales proportions for specialty products (targeting a 60% share of specialty products in 2026) and high-value application sectors (automotive/industrial/AI) to balance the impact of price declines in standard products and gross margin compression. **Internal Cost Improvement:** Factories continuously perform cost optimization, including material design optimization and rational expense reductions.

High Risk

4.05.3.5 Risk Monitoring and Review

Establish monitoring mechanisms and early warning thresholds for Key Risk Indicators (KRIs). The responsible units regularly track the probability of risk occurrence, degree of impact, and execution of response plans, reviewing control effectiveness during monthly CBR (Company Business Review) meetings. Corporate governance units and the risk management task force consolidate monitoring results, immediately activating contingency mechanisms for abnormal situations or changes in risk levels to ensure that risk management processes and strategies continue to operate effectively.

4.06 Information Security (Material Topic)

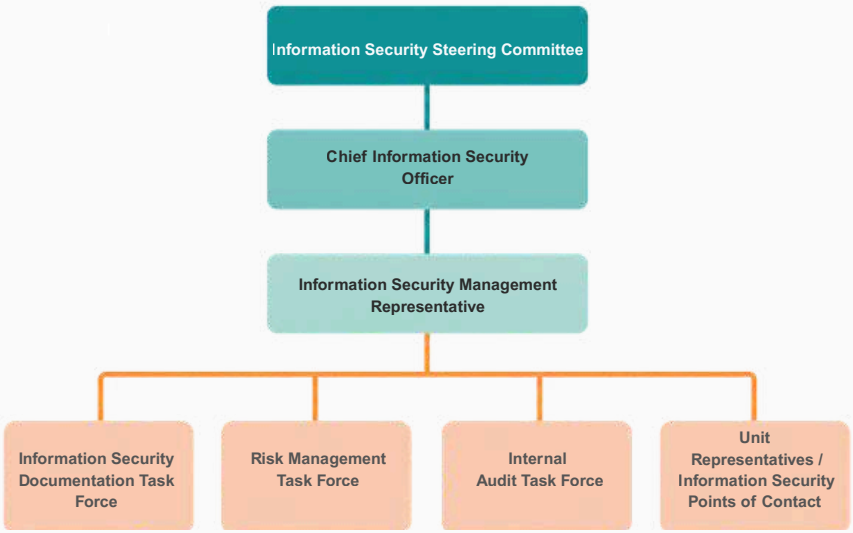
GOVERNANCE

1. Organizational Structure and Executive Commitment

Kaimei has established an Information Security Steering Committee, chaired by the President, who personally convenes and presides over information security management review meetings, demonstrating senior management's commitment to information security. In 2022, the Committee established the position of Chief Information Security Officer (CISO), held by a Vice President who also serves as Secretary-General, overseeing information security matters, crisis response, and audit remediation. To ensure full alignment between information security governance and corporate governance, the Corporate Governance Officer serves as an observer, providing an independent oversight mechanism. Committee members include the highest-ranking executives of each function, including the Vice President of Finance, heads of Human Resources, Research and Development, and Legal, and the Directors/General Managers of each business group. Cross-departmental collaboration ensures that information security policies are fully aligned with corporate operational objectives.

2. Dedicated Execution Organization and Division of Labor

To effectively implement information security management, the Committee has appointed an Information Security Management Representative and established five functional groups: Unit Information Security Representatives (points of contact), the Internal Audit Team, the Information Security Documentation Team, the Risk Management Team, and the Information Security Implementation Team covering Taiwan plants and overseas subsidiaries. Clearly defined responsibilities support routine risk assessments, asset management, internal audits, and information security incident reporting, ensuring that information security protection mechanisms follow the continuous improvement principles of the PDCA (Plan–Do–Check–Act) cycle.



3. Meeting Mechanism and Board Oversight

The Committee meets every six months to review and approve information security guidelines and policies, and to review information security performance and the annual audit plan. An annual Board reporting mechanism has also been established to regularly report information security management performance and strategic direction, ensuring alignment between information security management and corporate operational objectives. The latest report was presented to the Board on November 12, 2025, strengthening the Board's oversight and management of company operations.

STRATEGY

Strategy 1: Group-wide Information Security Governance and Alignment with International Standards

- Aligning with International Standards: Fully comply with ISO/IEC 27001:2022, adhering to the bottom line of "zero major information security incidents."
- Expanding Group Coverage: Using the headquarters and Ralec Electronic Corp. as benchmarks, certification and audit scope will be expanded across the entire Group in 2026, fully satisfying regulatory bodies' and investors' requirements for robust information security.

Strategy 2: Focusing on Core Assets and Operational Resilience

- Targeting Critical Domains: Precisely protect core operational lifelines, placing ERP systems, network infrastructure, and data centers under the highest level of control.
- Ensuring Uninterrupted Operations: Ensure the availability and continuity of critical business systems through rigorous Statements of Applicability (SoA) and management of support activities.

Strategy 3: Building Forward-looking Technologies and Defense-in-Depth Protection

- Implementing Zero Trust Architecture: Break through traditional perimeter defense models to fully implement Zero Trust principles, ensuring secure access.
- AI-Driven Proactive Defense: Construct a multi-layered defense network covering "Devices–Network–Personnel," combining AI MDR (Endpoint) and NDR (Network) technologies to achieve real-time threat detection and automated response.

RISK MANAGEMENT

Risk Category	Risk Description
Regulatory Compliance Risk	cybersecurity and personal data protection regulations across countries are increasingly stringent. Insufficient understanding of regulations at overseas sites may lead to inadequate implementation, resulting in penalties or litigation.
Trade Secret Leakage Risk	Confidential files transmitted without encryption or a lack of guidelines for employee use of AI tools may result in the leakage of core technical assets.
Operational Resilience Risk	Inadequate remote work infrastructure or a lack of standardized BCP drills may cause operational disruptions when facing natural disasters or epidemics.
Emerging Attack Risk	Advanced Persistent Threats (APT) and ransomware attacks continue to evolve; traditional defense mechanisms may be insufficient to cope with AI-driven emerging threats.

Opportunity Category	Opportunity Description
Competitive Advantage Transformation	Through ISO 27001 standardization and extension to overseas plants, transform information security compliance into a competitive advantage for securing orders and satisfying customer supply chain requirements.
ESG Rating Enhancement	Establish consistent, verifiable information security standards to help boost ESG ratings and gain the trust of international clients who prioritize risk management.
Operational Resilience Reinforcement	Strengthen endpoint and network defenses to support business continuity and digital transformation under hybrid/remote work environments.
InfoSec Governance Culture	The Board of Directors and executive management regularly review information security performance to build a top-down information security governance culture, making cybersecurity a core topic of sustainable operations.

INDICATORS & TARGETS

2025 Target	2025 Performance	2026 Target	2027-2030 Target	2031-2040 Target
Information Security Audit and Compliance Metrics	Both Kaimei Headquarters and Ralec Electronic Corp. successfully passed the ISO 27001 annual external surveillance audit with "zero major non-conformities."	Complete the ISO 27001 annual surveillance audit (2024–2026) for the Kaohsiung Plant.	Supply chain joint defense and full Zero Trust adoption.	AI-driven proactive defense.
Information Security Incident and Vulnerability Management Metrics	Achieved "0 major information security incidents" for the full year. Successfully intercepted 45,000 malicious emails and 5,000 major external network attacks, while completing endpoint device protection through the deployment of AI MDR.	Full year "0 major information security incidents"; deploy NDR.	Full year "0 major information security incidents."	Operational resilience and next-generation defense.
Information Security Training and Social Engineering Metrics	Completed Group-wide information security awareness training, achieving a "98.5% defense rate" in the annual social engineering drill.	Same as left	Same as left	Same as left
MTTD / MTTR Incident Response Metrics	Achieved millisecond-level real-time detection (MTTD) by leveraging an in-house security platform and MDR joint defense, successfully thwarting a UOF elevation of privilege attack by hackers in October.	Maintain	Maintain	Maintain

4.06.1 Annual Execution Results

In 2025, Kaimei Electronic Corp. comprehensively strengthened digital security and trade secret protection targeting employees' daily operations and emerging AI tool usage scenarios:

01 Information Security Compliance Enhancement
- Explicitly prohibited the use of other individuals' accounts and passwords, unauthorized portable storage devices, cloud storage, or third-party messaging platforms (including Generative AI tools) to store or transmit confidential company information.
- Prohibited the input of trade secrets or customer data into unapproved public platforms.

02 Information Transmission and Device Management
- Promoted confidential file encryption and identity authentication mechanisms.
- Strengthened employee vigilance regarding unknown emails, links, and software downloads, while establishing a real-time notification mechanism.
- Regulated the use of mobile devices, remote connections, and visitor equipment, disabling unauthorized sharing, Bluetooth, or hotspot features.

03 Remote Work Environment Optimization
- Optimized VPN and remote connection environments.
- Implemented intranet/extranet segmented management and access privilege controls.
- Enforced usage guidelines for AI, cloud, and collaborative tools to ensure the principles of "no external leakage of trade secrets and no input of sensitive information."

04 Education, Training, and Awareness Promotion
- Completed annual information security education and awareness training in March 2025, with department representatives participating (accumulating a total of 80 training hours).
- Concurrently promoted awareness on the intranet to enhance information security consciousness across all employees.

4.06.2 Customer Privacy Protection (GRI 418-1)

Kaimei Electronic Corp. attaches great importance to customer privacy rights, regarding customer data protection as a critical component of business integrity. Our customer privacy policies and compliance standards mandate prioritizing customer privacy protection and establishing an execution mechanism for Non-Disclosure Agreements (NDAs). We strictly comply with local regulations in operating locations as well as international standards such as the General Data Protection Regulation (GDPR), ensuring that the collection, processing, and utilization of all customer data meet the highest standards.



Data protection measures

All customer data is kept strictly confidential, with a commitment against secondary use to prevent any form of data misuse or leakage. The Company has implemented the ISO 27001 Information Security Management System (ISMS) to provide comprehensive technical and managerial safeguards for customer data.



Zero Privacy Complaints and Sanction Records

In 2025, Kaimei Electronic Corp. recorded zero complaints or sanctioned incidents from external parties or regulatory bodies regarding customer privacy, demonstrating the Company's high commitment to customer privacy protection.

4.07 Participation in Industry Associations

Participation in Business-Related Associations and Organizations (GRI 2-28)

Operating Site	Association / Organization	Membership Status	Position Held by the Company
Kaohsiung Plant	Taiwan Technology Industrial Park Electrical and Electronic Manufacturers' Association	Yes	
Kaohsiung Plant	Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)	Yes	
Kaohsiung Plant	Kaohsiung Nanzih Technology Industrial Park Occupational Safety and Health Promotion Association	Yes	Secretariat
Malaysia Plant	Federation of Malaysia Manufacturers (FMM)	Yes	
Kunshan Plant	Taiwanese Enterprise Electrical & Mechanical / Safe Production and Environmental Protection Association	Yes	
Suzhou Plant	Xiangcheng Taiwanese Enterprise Association	Yes	
Dongguan Plant	China Electronic Components Association (CECA)	Yes	

4.08 Product and Service Management (Material Topic)

GOVERNANCE

The Board of Directors of Kaimei Electronic Corp. supervises R&D directions and resource allocation by reviewing annual operational plans and major investment proposals. R&D management has been fully incorporated into the Company's risk management and internal control systems, integrated with quality management systems (ISO 9001, IATF 16949) and environmental and energy management systems to mitigate risks related to technical failure, market volatility, product compliance, and intellectual property. Key mechanisms regarding intellectual property and cybersecurity protection are outlined below:

IP Deployment and Management: Manage patents and technical documents in accordance with regulations and customer requirements, progressively align with the Taiwan Intellectual Property Management System (TIPS), and regularly review the strategic positioning of key technologies to overcome patent barriers for green and energy-saving products.

R&D Information Security Safeguards: Continuously refine information security and access control mechanisms throughout the R&D process to ensure core technical asset security and reduce the risk of critical data leakage.

STRATEGY



Market and Technology Positioning: Driven by market demand and customer needs, focusing on the development and improvement of core products and key technologies.

Quality and Compliance First: R&D decisions prioritize product quality, safety, and regulatory compliance.

Competitive Advantage Creation: R&D activities balance cost efficiency and product reliability to enhance overall market competitiveness.

Sustainable Green Transformation: Introduce energy-saving, carbon-reduction, and environmentally friendly designs (Eco-design) to reduce product and process environmental impacts while creating green revenue.

IP Value Maximization: Actively deploy core patents and green technologies to build technological barriers, enhancing product competitiveness and potential licensing value.

Sustainable Operations Vision: Support stable corporate operations and long-term sustainable operations through institutionalized and forward-looking R&D management.

Product Category	R&D Focus
Aluminum Electrolytic Capacitors	High capacitance, fast charge/discharge, temperature resistance (high/low), vibration resistance, high ripple current resistance, long lifespan, and miniaturization.
Motor Fan Products	High airflow, low noise, high air pressure, low current (low power consumption).
Resistors	Anti-sulfuration, low TCR, high power, lead-free high voltage, high power surge resistance, enhanced voltage endurance design, automotive-grade quality reliability, high voltage, thin-film resistors, and metal film/metal foil product development.

RISK MANAGEMENT

CORE RISKS

1. **Green Compliance and Patent Barriers:** Stringent global zero-carbon/recycling regulations and green patent barriers increase market access difficulty and compliance costs.
2. **Technology Iteration and Market Volatility:** Slower-than-expected R&D progress for new technologies (e.g., high-efficiency motors) or shifts in market demand weaken product competitiveness.
3. **Cross-Domain Talent Shortages and IP Leakage:** Lack of cross-domain R&D talent in areas like "carbon footprint accounting," combined with risks of core technology leakage.

CORE OPPORTUNITIES

1. **Smart Green Product Leadership:** Introduce BLDC technology to develop "smart predictive maintenance motors" and "100% recyclable products" to capture high-end market share.
2. **Green IP Value Maximization:** Introduce TIPS and build a "green IP portfolio," transforming technological advantages into patent barriers and intangible assets.
3. **Innovative Performance and Talent Empowerment:** Link energy-saving R&D with employee performance, initiate "green talent cultivation," and build cross-domain innovation teams.

(Taking Cooling Fans as an Example)	2025 Target	2025 Performance	2026 Target	2027–2030 Target	2031–2040 Target
Number of Patents	3	3	3–4	15–20 (4-year total)	30–40 (10-year total)
R&D Team Headcount	19	19	20–25	25–30	30–75
Proportion of Green Processes	10%	10%	20%	≥30%	≥50%
Number of New Product Launches			8–10	8–10	8–10
Revenue Share of Innovative Products			15–20%	30–35%	15–20%

4.08.1 Intellectual Property Management Plan

The Company has developed an intellectual property strategy aligned with its operational objectives. Through strategic patent portfolio planning, tactical patent development, expanded patent filings, and benefit management, the Company protects its technological leadership and strengthens its competitive advantage. A comprehensive patent review and reward system encourages employee innovation and improves the quality of patent applications. The Company also maintains close communication with domestic and overseas patent authorities to obtain high-quality patent protection. As of 2025, the Company held 26 valid patents, comprising 2 Taiwan invention patents, 10 foreign invention patents, and 14 utility model patents. During the year, 16 new patent applications were filed, comprising 2 Taiwan invention patents and 14 foreign utility model patents. Relevant employees also receive intellectual property information on an ad hoc basis to strengthen their awareness.

To protect trade secrets, the Company comprehensively manages important technical documents and confidential information through personnel controls, system management, and the signing of non-disclosure agreements (NDAs) and technical specifications (PCN), effectively preventing the leakage of core technologies. No major intellectual property infringement litigation or disputes occurred during the year.



4.08.2 Patents

For invention patents with high technological value, the Company plans its patent filings by country based on market importance, primarily focusing on Taiwan and China. The Company rapidly establishes a technology protection network through invention patents and continues to expand its invention patent portfolio to safeguard the long-term competitive advantages of its core technologies.

Type	Taiwan: Invention	Taiwan: Utility Model	Foreign: Invention	Foreign : Utility Model	Total
Granted	2	0	10	14	26
Pending	2	0	0	14	16

4.08.3 R&D Investment

- Over the past three years, the advanced R&D department has invested more than NT$10 million in new high-precision testing instruments to enhance simulation capabilities for fan blade geometry and airflow and static pressure performance comparisons. Improved 3D electronic circuit design enables more precise matching between electronic sensing components and magnetic mechanical components, strengthening design effectiveness in reducing motor energy consumption.
- When selecting the primary plastic materials for fan motors, the Company considers reliability and structural resilience under extreme environmental conditions while actively incorporating materials with strong environmental performance, low carbon content, and environmentally friendly compositions. Although these materials substantially increase costs, their greater customer acceptance compared with competing products creates opportunities for gradual revenue growth over the long term.
- R&D expenditure as a percentage of revenue:

Unit: NTD Thousands	2023	2024	2025
R&D Expenditure	58,356	48,517	54,411
Revenue	4,810,823	5,263,968	5,545,491
R&D Intensity (%)	1.21%	0.92%	0.98%

4.08.4 Customer Health and Safety

Kaimei Electronic Corp. regards customer health and safety as a core corporate responsibility. In accordance with ISO 9001, IATF 16949 automotive quality management systems, and relevant regulatory requirements, the Company has established a product safety management mechanism to ensure that the entire product lifecycle—from design, procurement, and production to delivery—complies with stringent automotive-grade health and safety standards.

Quality Policy

Provide Quality Products and Services that Satisfy Customers

Environmental and Occupational Health & Safety Policy

- **Regulatory Compliance:** Comply with applicable environmental, safety, and health laws and regulations of governments, international standards, customer requirements, and other applicable demands.
- **Hazard Prevention:** Establish environmental, safety, and health target management programs; implement measures to eliminate hazards and mitigate risks.
- **Training and Communication:** Provide environmental, safety, and health training, consultation, and participation to stakeholders; enhance awareness of environmental safety and health; reduce the occurrence of occupational injuries and illnesses; and provide safe and healthy working conditions.
- **Continuous Improvement:** Adhere to environmental, safety, and health management systems; voluntarily conduct greenhouse gas inventory accounting, control, and reduction; commit to energy and resource conservation to lower negative environmental impacts; and periodically conduct audits/reviews to continuously improve performance.

Product Safety Design and Testing

- All products undergo electrical safety testing, environmental reliability testing, and material safety evaluations prior to shipment.
- Obtained international certifications including CE, UL, and BSMI, ensuring compliance with target market regulatory requirements.
- Established stringent quality inspection standards for core products such as solid capacitors and conductive polymer capacitors.

Chemical Substance & Material Management

- Fully compliant with EU RoHS and REACH regulations, prohibiting the use of hazardous chemical substances.
- Require suppliers to sign the "Environmental Protection Agreement" and provide Material Safety Data Sheets (MSDS).
- Established a conflict mineral investigation mechanism to ensure raw material sourcing adheres to sustainability standards.

Risk Management and Customer Feedback

- Established customer complaint handling procedures to ensure timely tracking and improvement of problematic products.
- Created a product recall mechanism to immediately initiate contingency measures upon discovering potential risk events.
- Handled 1 customer feedback case relating to product quality during the year, achieving a 100% completion rate for improvement actions.

Employee Training

- Taking the Fan Division as an example, product safety training was conducted for R&D, Quality Assurance, and Production personnel; 4 employees participated this year.Training content covered electrical safety regulations, chemical substance management, and quality inspection standards.

4.08.5 Marketing and Labeling (GRI 416-1, 416-2, 417-1)

As a leading global supplier of passive components, Kaimei Electronic Corp. upholds business integrity as a core principle. Our marketing and labeling management aims to ensure the authenticity and transparency of all product technical information while strictly complying with international trade and environmental regulations to safeguard customer rights and fair market competition.

I. Product Labeling and Technical Communication

1. Compliance Labeling: All capacitor products shipped from our plants have their product model, electrical specifications, production batch number, origin, and environmental protection marks (such as compliance with RoHS and REACH directives) clearly and accurately labeled on the product body, ensuring accurate identification, traceability, and usage by customers within supply chain management.
2. Datasheet Review: Product technical datasheets serve as the most critical technical communication documents. Prior to publication or updates, test data must undergo rigorous review and verification by R&D and QA units to ensure accuracy and completeness, strictly preventing exaggeration or misleading statements.

II. Marketing Activities and Ethical Business Operations

1. Standardized Review: All external promotional and technical materials used in marketing activities (such as participation in international electronics exhibitions, official website disclosures, and technical catalog releases) must undergo internal standardized reviews to ensure compliance with intellectual property regulations.
2. Ethical Promotion: Require all sales and marketing personnel to comply with the "Code of Conduct for Business Integrity." False advertising, malicious disparagement of competitors, or actions violating fair trade laws are strictly prohibited during commercial promotion and contract signing processes.

III. 2025 Performance

In 2025, the Company recorded no violations involving product information or labeling, incurred no regulatory penalties or major customer complaints arising from non-compliant labeling, and had no violations involving misleading marketing or unfair competition.

4.08.6 Customer Relationship Management

4.08.6.1 Customer Tiering

The Company's customer tiering system accurately categorizes customer profiles to deliver differentiated services. The definitions and corresponding revenue thresholds for each tier are shown in the table on the right.

Kaimei Group Customer Tiering—Sales Criteria
(Calculated by Monthly Sales Amount in NTD Ten Thousands)

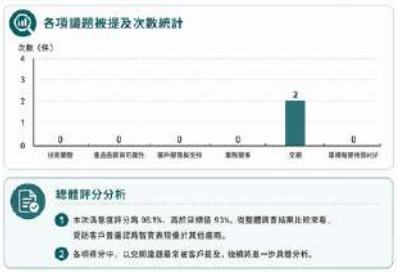
Product Line	Class A	Class B	Class C	Class D
Capacitors	>300	200–300	50–200	<50
Resistors	>500	300–500	100–300	<100
Motor Fans	>100	50–100	10–50	<10

4.08.6.2 Customer Satisfaction Survey

In 2025, the Company conducted an in-depth customer satisfaction survey across its three core product lines and key plant sites. Overall performance exceeded annual targets across all categories, demonstrating superior product quality and strong customer loyalty:

- Motor Fan Product Line: Achieved an average score of 4.4 points across 10 core indicators (out of 5.0). Customers exhibited high retention and stickiness, with 100% of respondents expressing strong willingness to recommend and repurchase, highlighting an irreplaceable competitive edge in the market.
- Capacitor Product Line: Attained an overall satisfaction rate of 98.1%, significantly surpassing the annual target of 93%, with customer evaluations consistently outperforming industry peers. Addressing the "delivery schedule" issue highlighted in the survey, the Company has launched targeted supply chain analysis and optimization initiatives.
- Resistor Product Line (Ralec): Reached a combined satisfaction rate of 98.87% ("Satisfied" + "Very Satisfied"). The proportion of "Very Satisfied" ratings significantly exceeded industry peers, with zero negative evaluations across all completed questionnaires, reflecting an exceptionally high level of customer trust.



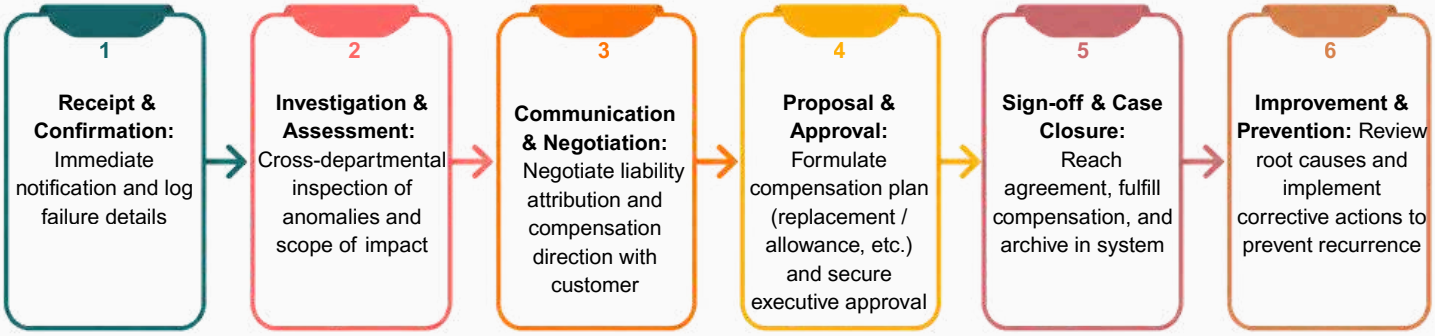




4.08.6.3 Customer Complaint Issues and Handling Mechanism

In 2025, one customer complaint arose due to quality concerns, and the parties reached an agreement through product compensation.

Standardized Operating Procedure (SOP): Established a 6-step closed-loop management mechanism to ensure fairness, compliance, and continuous improvement:



4.09 Supplier Management (Material Topic) (E-16)

4.09.0 Material Topic

GOVERNANCE

Kaimei Electronic Corp. incorporates supply chain sustainability management into its corporate governance framework. The President holds ultimate oversight responsibility, while the Procurement Department and the Sustainability Task Force collaborate cross-functionally for execution. The Company aggregates supplier ESG performance annually and reports it to executive management as a basis for decision-making and risk control. To ensure supply chain sustainability resilience and compliance, key management mechanisms are as follows:



Code of Conduct Compliance: Require suppliers to sign the "Supplier Code of Conduct," explicitly defining standards for business ethics, labor rights, occupational health and safety, environmental protection, and information security.



Risk Tiering and Audits: New suppliers must pass an initial ESG assessment and are managed based on risk tiering. Annual audits are conducted for high-risk suppliers; depending on the severity of non-compliance, violators are required to make improvements within a set deadline, or face suspension or termination of cooperation.

Supplier Code of Conduct

STRATEGY

Kaimei Electronic Corp. systematically incorporates ESG factors into procurement decision-making, joining hands with suppliers to build a resilient and sustainably competitive value chain (GRI 2-6, 2-23). Core strategies and quantitative targets are as follows:



Five Major Policies and ESG Procurement

Focus on green procurement, occupational health and safety, labor human rights, quality elevation, and supply chain optimization. List ESG criteria as key evaluation metrics, prioritizing suppliers certified with ISO 9001/14001/45001, RBA certification, or those providing low-carbon and recycled materials.



Annual KPIs and Compliance Management

Target to achieve at least 90% of suppliers signing the "Supplier Code of Conduct" and complying with ISO 9001/14001 as well as product regulatory requirements such as RoHS/REACH, ensuring fundamental compliance and overall compliance standards.



Supplier Empowerment and Low-Carbon Transformation

Promote carbon reduction and energy-saving consulting projects, encouraging suppliers to disclose sustainability information. Target to achieve at least 50% of suppliers disclosing carbon emission data to strengthen value chain carbon management transparency.



Medium- to Long-Term Goals and Continuous Improvement

- Within 5 Years: Build a standardized "Supplier ESG Scoring and Management System."
- Within 10 Years: Drive at least 80% of suppliers to meet the minimum ESG baseline set by Kaimei (covering environmental protection, social responsibility, and governance transparency) to achieve complete supply chain sustainable transformation.
- Continuous Improvement Mechanism: Regularly review and revise supply chain ESG management policies, dynamically adjusting them according to international standards, regulatory requirements, and industry trends to ensure the forward-looking nature and effectiveness of the management system.

RISK MANAGEMENT

CORE RISKS

1. Geopolitical and Supply Resilience Risks: Supply of critical raw materials is highly concentrated among a small number of suppliers or specific regions, making it vulnerable to geopolitical conflicts, tariff barriers, and logistics disruptions, directly threatening production lead times and operational stability.
2. Green Compliance and Carbon Border Risks: Suppliers have not fully implemented ESG and carbon accounting. Facing the dual pressures of international carbon taxes, carbon tariffs (e.g., CBAM), and increasingly stringent environmental, human rights, and information security regulations, the Company faces risks of rising procurement costs and lost international orders.
3. Supplier Governance and Integrity Risks: Deficiencies in certain suppliers' quality management systems or integrity governance mechanisms may trigger product defects, compliance disputes, or fraud incidents, leading to customer complaints and fines while damaging brand reputation.

CORE OPPORTUNITIES

1. Green Supply Chain and Order Competitiveness: By promoting the Supplier Code of Conduct and increasing ISO 14001 coverage, we build a low-carbon supply chain that meets international expectations—strengthening order competitiveness while enhancing corporate ESG ratings and brand image.
2. Localization Strategy and Cost Efficiency Optimization: Actively driving the localization and volume production of alternative sources for critical raw materials (e.g., aluminum foil, separator paper, cover tape) effectively reduces procurement costs, shortens lead times, and substantively improves supply chain self-reliance and resilience.
3. Value Chain Co-Creation and High-End Market Expansion: Transitioning from transactional procurement toward "strategic co-creation," collaborating with key suppliers to develop low-carbon materials, circular designs, and process optimizations to unlock high-value-added innovative solutions and capture market opportunities in high-end applications.

INDICATORS & TARGETS

2025 Target	2025 Performance	Metric	2026 Target	2030 Target	2040 Target
100% of Class A and B suppliers sign the Code of Conduct	Achieved	Code of Conduct signing rate	≥90% (maintain high coverage)	≥95%	≥98%
100% of Class A and B suppliers complete the assessment	Achieved	Completion of self-assessment questionnaires and RBA questionnaires, with follow-up analysis for scores below 70			
		Percentage of suppliers disclosing carbon inventory information	Begin carbon inventories for suppliers with high procurement spending and high carbon	≥50% of Class A suppliers disclose carbon inventory reports	≥80% of Class A suppliers disclose carbon inventory reports
		Number of suppliers included in the ESG management system	Assist 3 suppliers in issuing ESG reports	≥10 suppliers issue ESG reports, collectively accounting for ≥40% of annual procurement	The top 50 suppliers, or suppliers accounting for ≥80% of annual procurement spending, issue ESG reports
		Number of suppliers with ISO 14001 certification and an EHS management system	≥80 Class A and B suppliers	≥120 Class A and B suppliers	≥95% of Class A and B suppliers have an environmental management system

4.09.1 Kaimei's Supply Chain (GRI 2-6)

Kaimei Electronic Corp.'s supply chain encompasses upstream and downstream industries including electronic materials, metal parts, packaging materials, and equipment services. Through collaborative operations, we connect value-chain activities spanning materials, manufacturing, and customer applications. The supply chain structure and focus of collaboration are as follows:

Upstream Suppliers

Scope: Includes suppliers of metallic materials such as copper foil/aluminum foil, chemical materials such as separator paper/resin, as well as packaging materials and consumables.

Objective: Ensure stable quality and technical specifications of key materials, and support product packaging and shipping requirements.

Equipment and Service Suppliers

Scope: Includes machinery equipment and component suppliers.

Objective: Build production lines, optimize manufacturing processes, and maintain equipment to sustain capacity and process reliability.

Downstream Customers

Scope: Covers brand customers and system assemblers across electronic products, telecommunications equipment, and industrial applications.

4.09.2 Supplier Tiering

To optimize supplier management efficiency, Kaimei Electronic Corp.'s supplier tiering mechanism was refined starting in 2026, transitioning from historically segmenting by "procurement spend" to granular management across four major categories based on "procurement item attributes":

- 2025 (Spend & Materiality-Oriented):
  - Tier 1 Suppliers (Primary Management Focus): Those providing primary materials, or with annual procurement spend reaching thresholds (NTD 1 million in Taiwan; RMB 1 million overseas).
  - Tier 2 Suppliers: Remaining suppliers, gradually incorporated into evaluation and management scopes.
- From 2026 Onward (Item Attribute-Oriented):
  - Category A: Primary Raw Materials.
  - Category B: Packaging Auxiliary Materials and Major Production Consumables.
  - Category C: General Manufacturing Equipment and Operating Spare Parts.
  - Category D: Other Services (e.g., maintenance, testing, and calibration).
- Core Management Focus: Category A and Category B suppliers are identified as high-priority focuses for sustainability management due to long-term partnerships and high-frequency transactions.

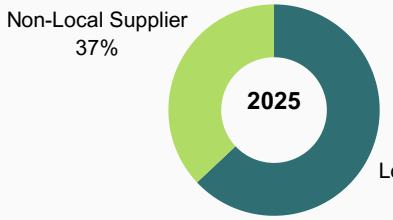
Supplier Count Statistics

Category	2023	2024	2025
Category A: Raw Materials	77	74	75
Category B: Packaging & Materials	25	25	29
Category C: Equipment	51	45	47
Total	153	144	151

4.09.3 Local Procurement (GRI 204-1)

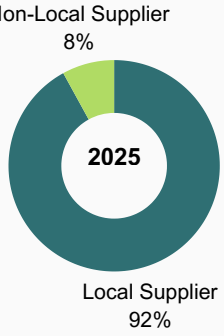
Kaimei Electronic Corp. attaches great importance to localized supply chain development, defining suppliers within the country/region of operation as "local suppliers." Based on geographic location, they are further divided into "intra-district local" and "extra-district local" to serve as a reference for procurement strategies and supplier management. Provided that quality, delivery lead times, technical capabilities, and cost efficiency are fully satisfied, the Company prioritizes evaluating local suppliers to enhance supply chain resilience and support local economic development.

Raw Materials



Raw material procurement is primarily sourced from local suppliers, accounting for approximately 61%–65% of total spend. Among them, extra-district local suppliers account for a relatively high proportion, reaching 48% in 2025, mainly considering suppliers' technical capabilities, product quality, and production capacity requirements.

Consumables & Packaging Materials



Procurement of consumables and packaging materials is dominated by intra-district local suppliers. From 2023 to 2025, intra-district procurement accounted for 64%, 61%, and 65% respectively, helping shorten delivery lead times, reduce transportation costs, and enhance supply efficiency.

Parts and Equipment Procurement



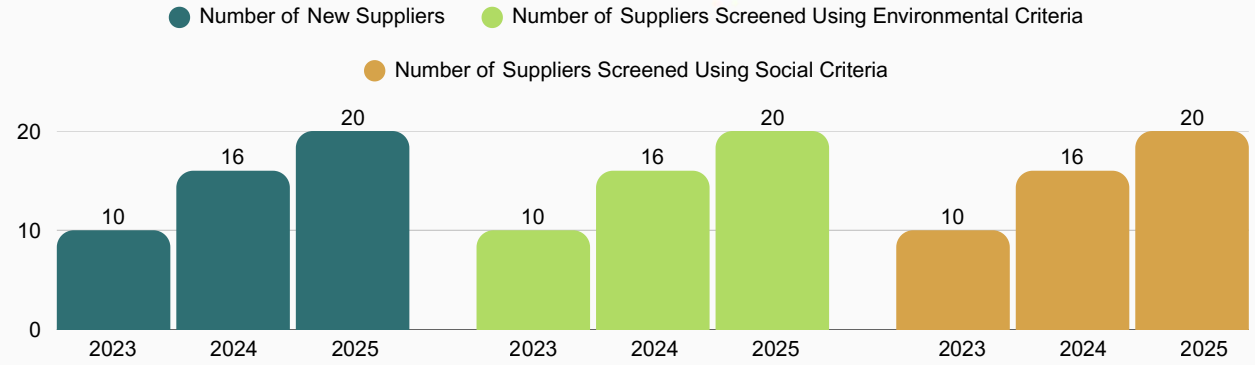
The Company continues to promote local sourcing of parts and equipment, deepening cooperation with local suppliers, which accounted for 100% of procurement in 2023. Procurement from suppliers within the local district accounted for 83% in 2024 and 51% in 2025, helping improve equipment maintenance efficiency and supply flexibility.

4.09.4 Screening New Suppliers Using Environmental Standards (GRI 308-1)

Kaimei Electronic Corp. integrates environmental and social responsibility requirements into its selection mechanism for new suppliers, evaluating their sustainability management capabilities and regulatory compliance during the onboarding phase to mitigate supply chain risks and practice responsible procurement management.

In addition to signing the "Supplier Code of Conduct Commitment Letter," new suppliers are required to provide relevant information regarding environmental and social responsibility. The scope covers environmental management, energy and resource utilization, pollution prevention and control, occupational health and safety, labor human rights, prohibition of child labor and forced labor, anti-discrimination, and business integrity. For suppliers of critical raw materials, packaging materials, and equipment, the Company further audits their sustainability management systems and regulatory compliance status, serving as an important basis for supplier qualification assessment.

From 2023 to 2025, Kaimei Electronic Corp. added 10, 16, and 20 new suppliers, respectively. All were onboarded into the supplier management system only after completing environmental and social standards evaluations, achieving a 100% screening ratio using environmental and social criteria. This reflects the Company's ongoing commitment to integrating sustainability requirements into supply chain management, partnering with suppliers to jointly elevate environmental protection and social responsibility performance.



4.09.5 Supplier Whistleblowing Channels and Reporting Process

Kaimei Electronic Corp. requires all suppliers to strictly adhere to the principles of business integrity in their commercial dealings with the Company. If any misconduct—such as private bribery, kickbacks, improper gains, conflicts of interest, or unauthorized subcontracting—is discovered, suppliers must immediately submit a report via the whistleblowing channels established by the Company to maintain a fair and impartial collaborative environment.

Whistleblowing Channels

Audit Office Whistleblowing Mailbox: long.lin@jamicon.teapo.com

Independent Whistleblowing Mailbox: discipline@jamicon.teapo.com

Whistleblowing Process

Reporting Misconduct: When suppliers or related personnel discover misconduct, they may submit an anonymous or named report via the whistleblowing email channels.

Investigation & Protection: Upon receiving a report, the Company's Audit Office conducts an investigation according to procedure, ensuring the protection of the whistleblower's rights and information confidentiality.

Follow-up Handling: Investigation results are processed in accordance with regulations, including requiring suppliers to implement improvements, taking disciplinary measures, or terminating cooperation.

Monitoring & Culture: The Company continuously monitors supplier conduct, prevents the recurrence of improper behaviors, and reinforces an ethical corporate culture.

This process aims to establish a transparent and fair supplier management environment, safeguard the rights and interests of both the Company and its suppliers, and foster sustainable partnership relations.

4.09.6 Supplier Due Diligence

Kaimei Electronic Corp. integrates supplier due diligence into its supply chain management mechanism. Through environmental and social standard compliance questionnaires and supporting documentation, the Company regularly evaluates suppliers' management capabilities and regulatory compliance across environmental management, labor rights, occupational health and safety, and business ethics. These evaluations serve as a critical basis for risk identification, supplier management, and procurement decision-making.

In 2025, a total of 142 suppliers were included in the evaluation scope. Questionnaires were distributed to 105 suppliers, achieving a coverage rate of 74%; 98 suppliers actually responded, yielding a response rate of 93%, demonstrating high cooperation among suppliers regarding sustainability management issues.
Based on the evaluation results, 91 suppliers completed risk categorization under the Environmental Dimension, comprising 71 low-risk, 19 medium-risk, and 1 high-risk supplier. Under the Social Dimension, 21 suppliers were categorized as low-risk, 62 as medium-risk, and 8 as high-risk.

Compared to 2023, the number of high-risk suppliers in the environmental dimension decreased from 14 to 1, and in the social dimension from 23 to 8, indicating gradual effectiveness in supply chain risk management.
For medium- and high-risk suppliers, Kaimei Electronic Corp. requires the submission of corrective action plans. These plans include strengthening environmental management and occupational health and safety systems, improving human rights and labor management measures, and supplementing relevant compliance documentation, with ongoing tracking of improvement progress. In 2025, 14 suppliers completed environmental improvements, and 9 suppliers completed social improvements. Through continuous evaluation and improvement mechanisms, potential supply chain risks are effectively reduced, enhancing overall sustainability management performance.

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4.09.6.1 Existing Supplier Assessment Process

4.09.6.1.1 Code of Conduct Signing

To implement responsible supply chain management, Kaimei Electronic Corp. requires suppliers to sign the "Supplier Ethical Commitment Letter," committing to comply with requirements concerning business integrity, anti-corruption, labor and human rights, occupational health and safety, and environmental protection, serving as an essential foundation for mutual collaboration. From 2023 to 2025, the number of suppliers signing the commitment letter increased from 75 to 145, with the signing rate rising from 49% to 96%, showing continuous improvement in supplier recognition of and compliance with sustainability management requirements. In 2025, the signing rates for raw material, packaging material, and equipment suppliers reached 92%, 100%, and 100%, respectively, covering the vast majority of primary suppliers. Moving forward, Kaimei Electronic Corp. will continue driving suppliers to sign the Code of Conduct commitment letter and integrate relevant requirements into supplier management and evaluation mechanisms to jointly enhance supply chain governance integrity and sustainable development performance.

Number of Suppliers Signing the Ethical Commitment Letter

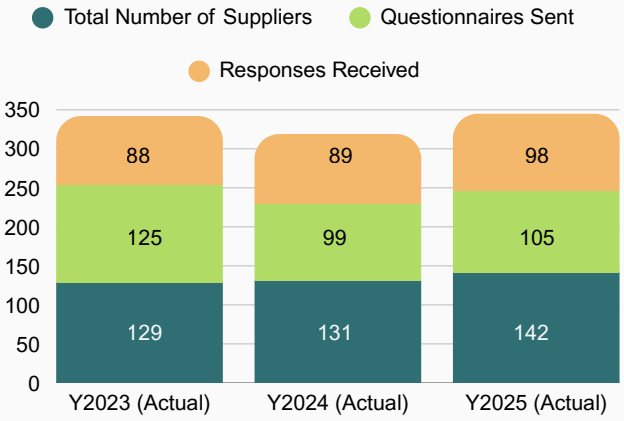
Category	2023	2024	2025
Category A: Raw Materials	58	62	69
Category B: Packaging Materials	14	19	29
Category C: Equipment	3	45	47
Total	75	126	145

Ethical Commitment Letter Signing Rate

Category	2023	2024	2025
Category A: Raw Materials	75%	84%	92%
Category B: Packaging Materials	56%	76%	100%
Category C: Equipment	6%	100%	100%
Total	49%	88%	96%

4.09.6.1.2 Supplier Assessment Form

Kaimei Electronic Corp. annually evaluates suppliers' sustainability management performance using environmental and social compliance questionnaires. In 2025, 142 suppliers were included in the evaluation scope, achieving a questionnaire coverage rate of 74% and a response rate of 93%. Although the coverage rate declined slightly due to scope adjustments under risk-tiered management, supplier response willingness continued to rise, reflecting their growing emphasis on environmental and social responsibility topics.



	Y2023 (Actual)	Y2024 (Actual)	Y2025 (Actual)
Coverage Rate	**97%**	**76%**	**74%**
Response Rate	**70%**	**90%**	**93%**



4.09.6.2 Assessment Results

To implement the Company's ESG practices and avoid or eliminate negative impacts across occupational health and safety, labor human rights, and privacy protection in the supply chain, the Company has established management rules such as the "Supplier Code of Conduct." These rules serve as essential criteria for procurement evaluation, comparison, and contract awarding.

The Company annually distributes questionnaires to suppliers and categorizes them into risk tiers based on supplier attributes and risk profiles to facilitate targeted capability-building and corrective guidance. In 2025, the Company worked with 142 suppliers, of which 105 (74%) underwent assessment. One supplier scored below 70 points, for whom an audit was conducted along with corrective guidance for improvement.

4.09.6.2.1 Supplier Risk Assessment

In 2025, 91 suppliers completed risk categorization. Under the Environmental Dimension, suppliers categorized as low-risk, medium-risk, and high-risk numbered 71, 19, and 1, respectively; the count of high-risk suppliers decreased from 14 in 2023 to 1 in 2025. Under the Social Dimension, suppliers categorized as low-risk, medium-risk, and high-risk numbered 21, 62, and 8, respectively; the count of high-risk suppliers decreased from 23 in 2023 to 8 in 2025. The numbers of high-risk suppliers decreased by approximately 93% and 65% in the environmental and social dimensions, respectively, compared with 2023. The Company will continue to leverage corrective tracking and capability-building mechanisms to mitigate supply chain sustainability risks and elevate overall supplier management capabilities.

Supplier Risk Categorization (Environmental)			
Year	**2023**	**2024**	**2025**
Statistical Metric	**Number of Suppliers**	**Number of Suppliers**	**Number of Suppliers**
Low Risk	54	58	71
Medium Risk	21	27	19
High Risk	14	5	1
Total	**89**	**90**	**91**
Number of Suppliers with Completed Improvements	0	4	14
Improvement Rate	0%	4%	15%
Number of Suppliers with Terminated Contracts	0	0	0
Contract Termination Rate	0%	0%	0%

Definition of Criteria Standards

- Low Risk: Certified with ISO 14001, established EHS system
- Medium Risk: Uncertified, but has an established system
- High Risk: Uncertified, no system in place

Description of Remediation/Action Process:
Initiated requirements in 2024 and expanded the scope in 2025 due to ESG integration, strengthening requirements for EHS compliance and the use of environmentally friendly materials.

Supplier Risk Categorization (Social)			
Year	**2023**	**2024**	**2025**
Statistical Metric	**Number of Suppliers**	**Number of Suppliers**	**Number of Suppliers**
Low Risk	10	15	21
Medium Risk	56	62	62
High Risk	23	13	8
Total	**89**	**90**	**91**
Number of Suppliers with Completed Improvements	0	5	9
Improvement Rate	0%	6%	10%
Number of Suppliers with Terminated Contracts	0	0	0
Contract Termination Rate	0%	0%	0%

Definition of Criteria Standards

- Low Risk: Certified with ISO 45001, established RBA system
- Medium Risk: Uncertified, but has an established system
- High Risk: Uncertified, no system in place

Description of Remediation/Action Process:
Initiated requirements in 2024 and expanded the scope in 2025 due to ESG integration, strengthening survey requirements regarding RBA compliance.

4.09.7 Conflict Minerals

Kaimei Electronic Corp. commits to non-use of conflict minerals originating from conflict-affected and high-risk areas (CAHRAs). The Company requires suppliers to comply with the Responsible Business Alliance (RBA) Code of Conduct and relevant guidelines of the Responsible Minerals Initiative (RMI) to ensure that supplied products do not contain conflict minerals, such as Gold (Au), Tantalum (Ta), Tungsten (W), Tin (Sn), and Cobalt (Co), sourced from the Democratic Republic of the Congo (DRC) and its adjoining covered countries/areas.

Pursuant to procurement management procedures, the Company drives responsible mineral management by requiring relevant suppliers to submit annual responsible mineral due diligence declaration files to confirm the legitimacy, traceability, and supply chain transparency of mineral sources. These include:

- CMRT (Conflict Minerals Reporting Template): Investigates the sourcing of 3TG minerals, including Tin (Sn), Tantalum (Ta), Tungsten (W), and Gold (Au).
- EMRT (Extended Minerals Reporting Template): Investigates the sourcing of extended minerals, including Cobalt (Co), Mica, Copper (Cu), Natural Graphite, Lithium (Li), and Nickel (Ni).
- AMRT (Additional Minerals Reporting Template): Investigates the sourcing of other customer-specified minerals, including Aluminum (Al), Zinc (Zn), Manganese (Mn), and Iron (Fe).

In addition to requiring suppliers to sign relevant commitment documents, Kaimei Electronic Corp. cross-references survey results against the Conformant Smelter list published by the Responsible Minerals Initiative (RMI) to verify whether the smelters used in its supply chain comply with responsible mineral management requirements. For suppliers that fail to meet specifications or cannot provide complete information, the Company requires remediation within a specified timeframe and will suspend cooperation when necessary.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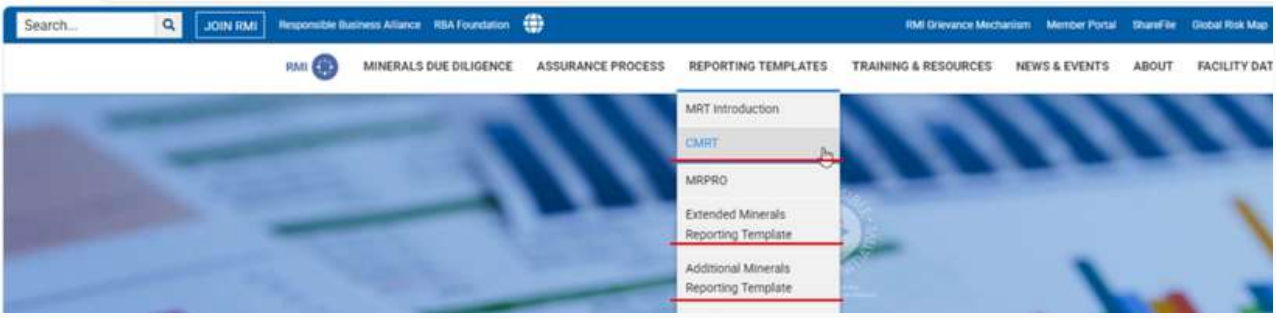
In 2025, a total of 50 potential responsible mineral suppliers completed due diligence, achieving a compliance rate of 100%, with no mineral sources identified as originating from conflict-affected or high-risk areas. Moving forward, Kaimei Electronic Corp. will continue to strengthen responsible mineral management through supplier surveys, document reviews, and smelter list verification mechanisms, thereby mitigating supply chain risks related to human rights, regulatory compliance, and corporate reputation.



4.09.8 Supplier Convention

Kaimei Electronic Corp. regards supplier conventions as a key communication platform for driving supply chain sustainability. Currently, environmental management, social responsibility, business ethics, and supply chain sustainability requirements are primarily communicated to suppliers through questionnaires, written notices, and daily engagement, with relevant information collected to serve as the basis for supplier evaluation and improvement. As of 2025, the Company has not yet hosted a centralized supplier convention; however, ESG management requirements have been progressively integrated into supplier management mechanisms.

Moving forward, the Company plans to organize supplier conventions tailored to supplier structure and material sustainability topics—focusing on carbon reduction, energy management, responsible minerals, human rights management, and information security—to enhance supplier awareness and execution of sustainability requirements. Simultaneously, Kaimei Electronic Corp. will gradually establish management indicators, such as supplier attendance counts, procurement spend coverage rates, and topic communication effectiveness, to continuously improve supply chain communication and sustainability performance.

4.09.9 Procurement Personnel Training

To strengthen sustainable procurement and supply chain management capabilities, Kaimei Electronic Corp. regularly schedules procurement personnel to participate in ESG-related training, enhancing their professional expertise in responsible sourcing, supplier management, and supply chain risk identification, while embedding sustainability principles into daily procurement decision-making and management workflows.

In 2025, 3 procurement personnel participated in courses related to sustainable supply chains. The training covered ESG trends, supply chain management, supplier assessments, and due diligence. Through this training, procurement personnel are equipped to track international sustainability trends and internal supply chain requirements, applying this expertise to new supplier selection, supplier assessments, and risk management operations. Moving forward, Kaimei Electronic Corp. will continue to advance sustainability capability building for procurement teams, strengthening expertise in responsible sourcing and supply chain risk management to elevate overall supply chain sustainability performance.

4.10 Internal Controls and Internal Audit

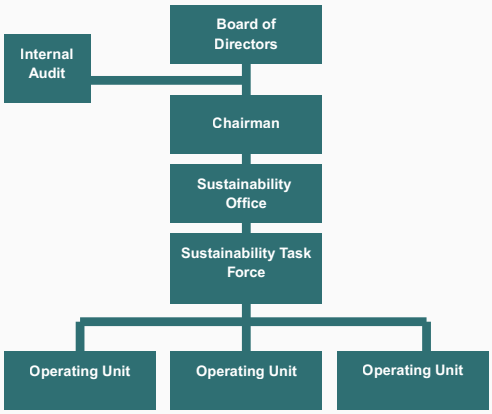
4.10.1 Internal Control Self-Assessment Mechanism

In accordance with statutory regulations, the Company has established an internal control system covering both financial and non-financial information. Starting in 2025, "Sustainability Information Management" has been formally incorporated into the internal control scope to align with IFRS Sustainability Disclosure Standards. The core mechanisms are as follows:

1. Comprehensive Compliance: Internal control regulations encompass all entities, subsidiaries, and employees to ensure that all operations and information management fulfill regulatory requirements.
2. Process Standardization: Standardized control workflows have been established spanning from sustainability data collection and preparation to review and final disclosure.
3. Audit Oversight: The sustainability information management process has been integrated into the annual internal audit plan to safeguard the reliability and transparency of disclosed data.

4.10.2 Internal Audit Organization

The primary purpose of internal audit is to assist the Board of Directors and management in evaluating and reviewing deficiencies in the internal control system, measuring operational effectiveness and efficiency, and providing timely improvement recommendations to ensure the sustained and effective implementation of the internal control system, thereby promoting sound corporate operations. Kaimei Electronic Corp. maintains a dedicated internal audit unit directly subordinate to the Board of Directors, ensuring organizational independence and objectivity. The appointment and dismissal of the chief auditor are resolved by the Board of Directors in accordance with the "Corporate Governance Best Practice Principles." The appointment, dismissal, evaluation, and remuneration of internal audit personnel are submitted to the Board of Directors or submitted by the chief auditor to the Chairman for approval.



4.10.3 Internal Audit Operating Mechanism

The objective of internal audit is to assist the Board of Directors in ensuring the effectiveness of the internal control system (covering financial and sustainability information) to meet the requirements of IFRS Sustainability Standards. Its operational mechanism includes:

- Audit Scope & Plan: Covers operational and sustainability processes across Kaimei Electronic Corp. and its subsidiaries, formulating the annual audit plan based on risk assessment results.
- Deficiency Tracking & Remediation: Continuously tracks identified internal control deficiencies and irregularities to ensure the full implementation of corrective action plans.
- Internal Control Effectiveness Evaluation: Combines self-assessment reports from each unit with audit results as the primary basis for the Board of Directors to evaluate overall internal control effectiveness and issue internal control statements.

4.10.4 Internal Audit Focus and Audit Results

Sample audits of various operational procedures during the audit period indicated general compliance with relevant laws, regulations, and operational specifications, with no major deficiencies identified.

Audit Item	Audit Key Points
Public disclosure of sustainability information is properly approved and complies with relevant laws and regulations.	Completed regulatory reporting on the Market Observation Post System (MOPS) on August 28, 2025.
Climate-related information is disclosed in a dedicated chapter.	Disclosed climate-related information in a dedicated chapter (Pages 74–87), complying with regulatory authority mandates.
Third-party assurance complies with regulations and is explicitly stated in the report.	Completed ISO 14064-1 GHG inventory across 5 plant sites; Kaohsiung plant completed third-party verification.
The sustainability report was reviewed by the Sustainable Development Committee and submitted to the Board of Directors for approval.	Reviewed by the Sustainable Development Committee and approved by the Board of Directors on August 13, 2025.
Regulatory filing was completed within the prescribed timeframe and published on the corporate website.	Completed regulatory filing on August 28, 2025 (ahead of the August 31, 2025 deadline).

4.10.5 Audit Reporting

Audit reports are submitted to the Board of Directors and management level. Quarterly reporting is made to the Chairman and Independent Directors, and improvement plans for material deficiencies are included in the Board meeting agendas for ongoing tracking. (GRI 2-18)

5. Social

5.01 Human Resource Development 66
5.02 Occupational Health and Safety 90
5.03 Community Engagement 97



5.01 Human Resource Development

5.01.1 Human Rights Policy and Commitments

5.01.1.1 Human Rights Policy and Commitments (GRI 2-23, GRI 2-24, GRI 408-1, GRI 409-1) (ESG S-1)

1. Human Rights Commitment (S-1)

Kaimei Group strictly complies with labor and human rights laws and regulations applicable to all operating locations. The Group supports and adheres to internationally recognized human rights conventions, including the Universal Declaration of Human Rights, the United Nations Global Compact, the International Labour Organization (ILO) Conventions, and the Responsible Business Alliance (RBA) Code of Conduct, and has formulated and published its official Human Rights Policy accordingly.

Human rights related policies

2. Scope of Application (GRI 2-24)

This policy applies to all management, employees, subsidiaries/affiliates, suppliers, contractors, and partners (including clients and local communities), seeking to eliminate all forms of human rights violations.

3. Responsible Unit & Governance

Regarding human rights governance structure, the Board of Directors holds ultimate oversight responsibility, supervising execution through existing corporate governance and sustainability management mechanisms. While the Company has not established a dedicated Human Rights Committee at present, human rights-related matters are coordinated by the Human Resources unit, covering employee relations, workplace health and safety, equality, and diversity. HR advances human rights protection measures in accordance with relevant regulations and internal company policies, reporting to executive management and the Board of Directors as needed to continuously enhance governance efficacy in human rights protection and risk management.

4. Human Rights Due Diligence (ESG S-2)

4a. Due Diligence Framework & Basis

When conducting human rights due diligence, the Company refers to relevant international conventions, declarations, standards, and guidelines to align with global trends and stakeholder expectations and to ensure that its human rights management practices are consistent with international best practices. Key international standards and frameworks referenced for this due diligence process include:

- International Human Rights Standards (including the UN Guiding Principles on Business and Human Rights (UNGPs))
- International Labour Organization (ILO) Conventions
- OECD Guidelines for Multinational Enterprises

4b. Scope of Human Rights Due Diligence

Kaimei Electronic identified and assessed key stakeholders based on the five dimensions of the AA1000 Stakeholder Engagement Standard (AA1000 SES)—Dependency, Responsibility, Tension, Diverse perspectives, and Influence—to determine stakeholder materiality to the Company. Following internal evaluations of human rights impacts across the operational value chain, the target stakeholder groups selected for this human rights due diligence comprise employees, Tier-1 suppliers and contractors, local community residents, and clients.

4c. Human Rights Topic List and Identification

Topic List	Employees	Suppliers	Topic List	Employees	Suppliers
Occupational Health and Safety	*	*	Freedom of Association and Collective Bargaining	*	*
Prohibition of Forced Labor	*	*	Prevention of Workplace Bullying and Harassment	*	*
Prohibition of Child Labor and Protection of Young Workers	*	*	Personal Data Security and Privacy Protection	*	*
Reasonable Working Hours and Protection of Working Conditions	*	*	Communication Channels and Grievance Mechanisms	*	*
Fair Compensation and Equal Pay for Equal Work	*	*	Protection of Minority Group Rights		
Anti-Discrimination and Diversity & Inclusion	*	*	Right to Adequate Housing and Environment		
Maternity Health (Pregnancy, Lactation) Protection and Family-Friendly Policies	*	*	Human Trafficking	*	*

4d Human Rights Due Diligence Process

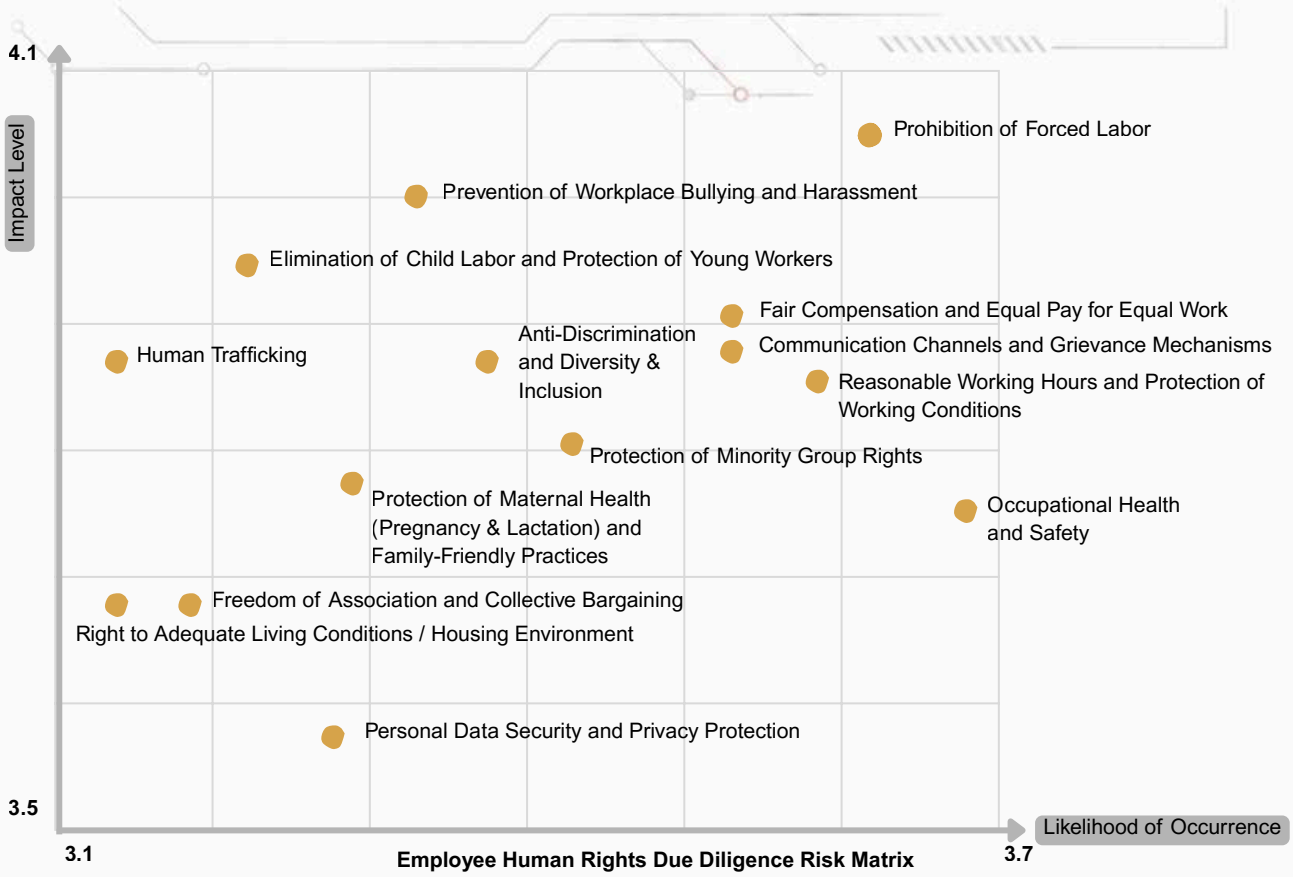
Kaimei Electronic Corp. conducts its human rights due diligence process in accordance with the OECD Due Diligence Guidance for Responsible Business Conduct, while also referencing the UN Guiding Principles on Business and Human Rights. The implementation steps are shown in the flowchart below: Due Diligence Process Flowchart (Source: OECD Due Diligence Guidance for Responsible Business Conduct).



4e. Human Rights Due Diligence Risk Matrix, Communication Platforms, Mitigation and Remediation Measures (GRI 2-25)

Employees

To fulfill corporate human rights commitments and strengthen employee rights protection, the Company recently conducted a human rights due diligence questionnaire for 28 employees in the Taiwan region to comprehensively evaluate potential risks and impact severity across 14 core human rights topics. Survey results show that the top three key topics of greatest concern to employees are: "Fair Compensation and Equal Pay for Equal Work," "Reasonable Working Hours and Protection of Working Conditions," and "Personal Data Security and Privacy Protection."



To address employees' concerns and reduce human rights risks, the Company has initiated the first phase of remedial measures for the three high-impact issues identified above. The specific action plans are as follows:

Impact Issue	Fair Compensation and Equal Pay for Equal Work
Risk Identification	Questionnaire results indicate that this is the human rights issue of highest concern to employees, reflecting high expectations regarding compensation transparency and fairness.
Remedial Measures	1. Establish a Compensation Equity Analysis Mechanism: Led by the Human Resources Department, cross-analyses on compensation will be conducted across dimensions such as gender, job grade, and seniority to identify potential pay gaps. The first compensation equity analysis report will be completed by 2027 Q1. 2. Optimize the Compensation Grievance Process: Review confidential grievance operational procedures, explicitly define timelines for receiving, investigating, and responding to compensation disputes, ensure employees can voice compensation concerns through secure channels, and have an independent team conduct impartial reviews.
Expected Results	Complete a gender pay gap analysis by the end of 2026, ensure the variance ratio remains within a reasonable range, and establish a routine compensation equity review mechanism.

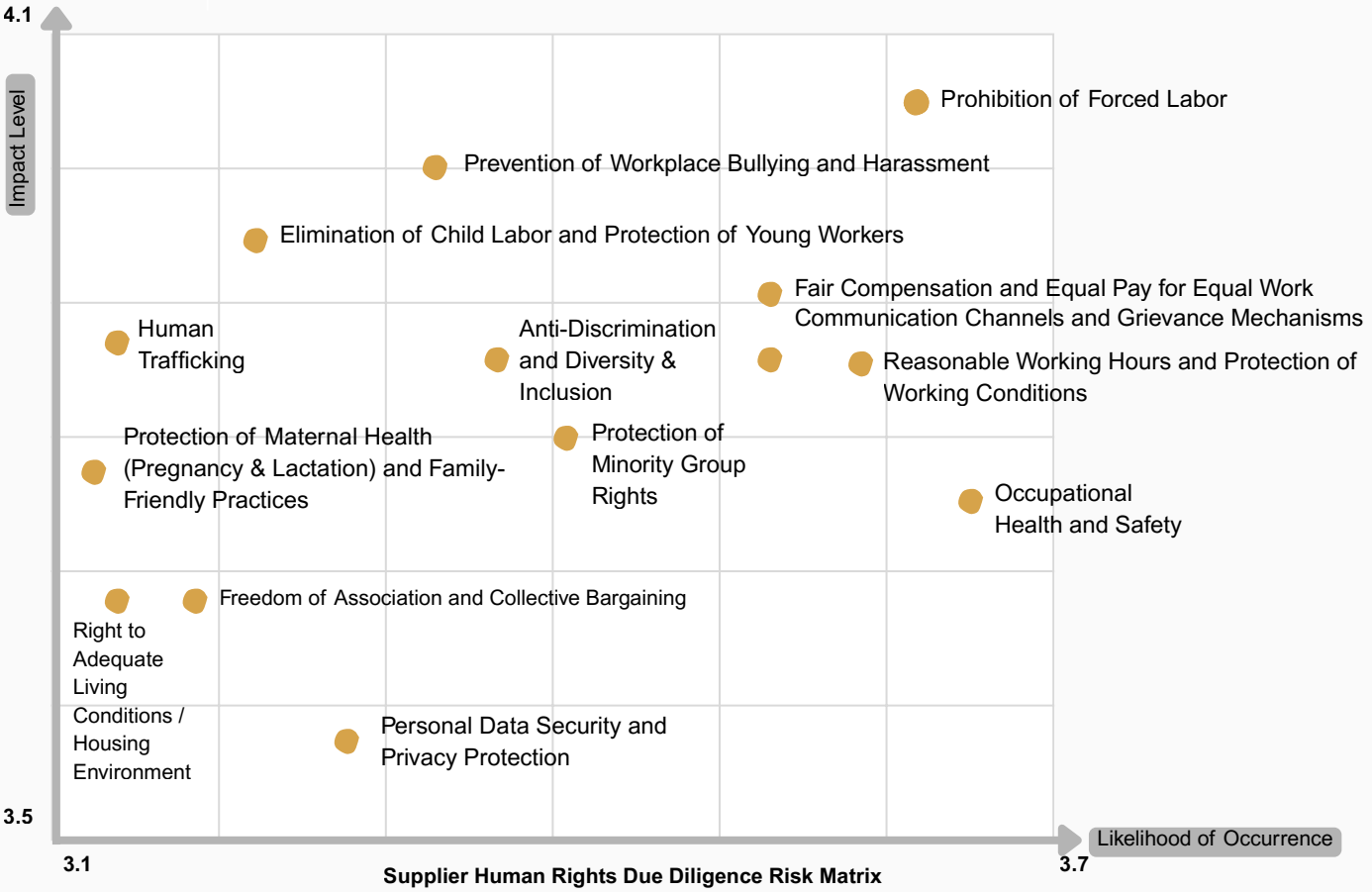
Impact Issue	Reasonable Working Hours and Protection of Working Conditions
Risk Identification	Senior management generally expressed concern about working hour management and working conditions, indicating that the company needs to strengthen measures to prevent overwork and support work-life balance.
Remedial Measures	1. Establish a Working Hour Early Warning Mechanism: Add an overtime early warning function to the existing attendance tracking system. When an employee's monthly overtime hours approach the statutory limit of 36 hours, the system will automatically notify supervisors and the Human Resources Department to provide support and adjust workload allocation. 2. Conduct Special Improvement Projects for High-Working-Hour Departments: Identify departments with higher average monthly overtime hours, and have the HR department collaborate with unit managers to conduct interviews and workload analyses.
Expected Results	Reduce the number of employees exceeding 36 monthly overtime hours to zero by the end of 2026, and establish a monthly tracking mechanism for working hour management.

Impact Issue	Personal Data Security and Privacy Protection
Risk Identification	Against the backdrop of digital transformation, the protection of employee personal data has become a critical human rights issue, requiring the strengthening of information security management and privacy protection measures.
Remedial Measures	1. Update Personal Data Protection Policy and Consent Form: Revise employee personal data protection policies in accordance with the latest regulatory requirements, update the content of personal data consent forms signed upon onboarding, and explicitly inform employees of the purpose and scope of personal data usage. 2. Strengthen Access Permission Management for Personal Data: Review employee personal data access permissions across all systems, implement the principle of least privilege, and establish a periodic permission review mechanism to prevent unauthorized personal data access.
Expected Results	Complete the personal data inventory report and policy update before the end of 2026, and achieve the goal of zero personal data security incidents.

Suppliers

To practice sustainable supply chain management and ensure partner compliance with human rights standards, the company recently conducted a human rights due diligence questionnaire for key suppliers to comprehensively evaluate their current human rights risk management status.

A total of 11 questionnaires were distributed and all 11 were collected, representing a 100% response rate. Survey results indicate that the top 3 key issues requiring priority attention on the supplier side are: "Prohibition of Forced Labor," "Occupational Health and Safety," and "Reasonable Working Hours and Protection of Working Conditions."



Supplier Human Rights Due Diligence Risk Matrix

To assist suppliers in enhancing human rights management performance and reducing supply chain risks, the Company has planned the first-phase remediation and guidance measures for the aforementioned three high-impact topics, with specific action plans as follows:

Material Impact Topic	Prohibition of Forced Labor
Risk Identification	Survey results show this topic is the top priority in supplier management, reflecting potential forced labor risks in the supply chain (e.g., withholding documents, restricting personal freedom, unreasonable debt bondage) that require strict prevention.
Remedial Measures	Establish supply chain grievance and reporting channels: Set up an anonymous reporting mechanism on the procurement platform or supplier portal, allowing supplier employees or stakeholders to report forced labor incidents, and establish a rapid investigation and handling process.
Targeted Outcomes	Achieve a 100% Supplier Code of Conduct (CoC) signing rate by Q1 2027, and complete the first round of screening and auditing for high-risk suppliers by Q3.

To ensure full implementation of human rights commitments, KAIMEI Electronic Corp. established the Regulations Governing the Whistleblowing System, explicitly setting up dedicated reporting hotlines and email addresses. Records of report receipt, investigations, and investigation outcomes must be retained for five years and may be stored electronically. The principles of protecting the identity of whistleblowers and maintaining the confidentiality of report contents are strictly observed, and anonymous whistleblowing is permitted to protect whistleblowers from improper treatment due to reporting. For whistleblowing reports verified as true, the Company's relevant departments are tasked with reviewing internal control systems and operational procedures, proposing improvement measures to prevent similar behavior from recurring. Corresponding mitigation and remediation measures have been proposed to address potential human rights issues affecting employees. No human rights violations occurred in 2025.

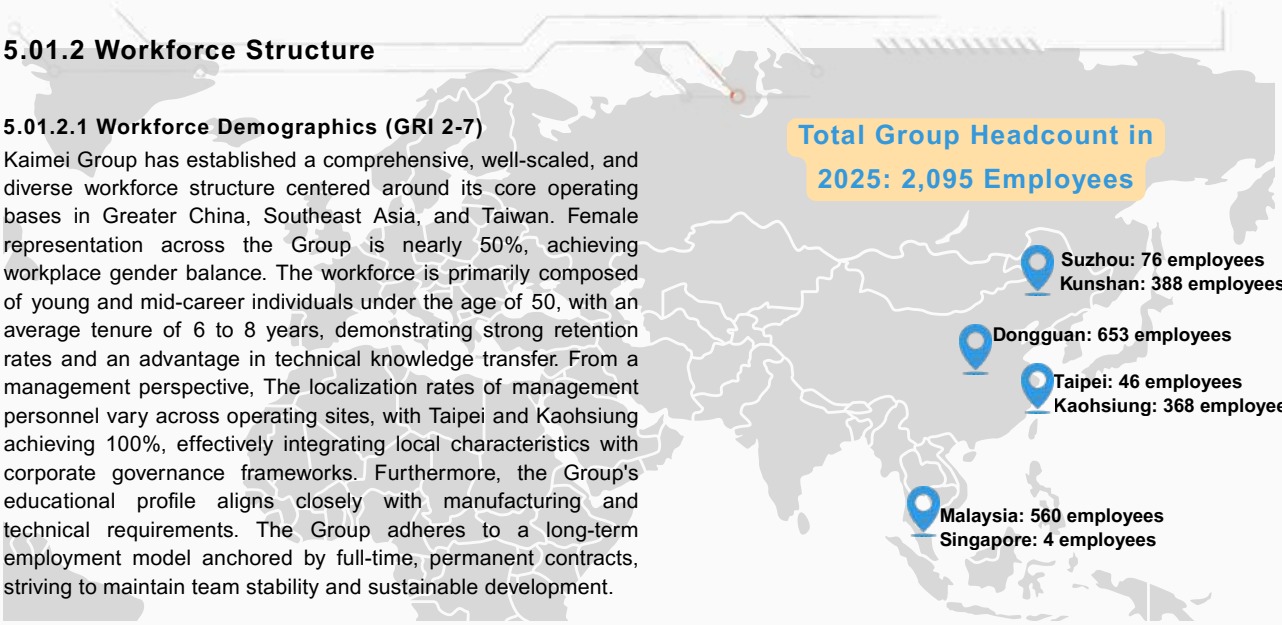
Material Impact Topic	Occupational Health and Safety
Risk Identification	Occupational health and safety is a fundamental requirement for supplier operations ; if a major industrial accident occurs, it directly impacts supply chain stability and the Company's reputation.
Remedial Measures	Require suppliers to report occupational health and safety performance and management policies: Request suppliers to provide occupational injury statistics for the previous year, such as frequency rate (FR) and severity rate (SR), together with their occupational health and safety management policies, for evaluation purposes. Incorporate occupational health and safety performance into procurement evaluation criteria: Revise supplier evaluation procedures to include occupational health and safety management as a key assessment criterion. Suppliers that experience major occupational accidents and fail to implement corrective actions will have new order allocations suspended.
Targeted Outcomes	Complete an inventory of all suppliers' industrial safety performance by the end of 2026, and ensure 100% of high-risk suppliers receive guidance.

Material Impact Topic	Reasonable Working Hours and Protection of Working Conditions
Risk Identification	When suppliers require employees to work excessive overtime to meet delivery schedules , it not only violates labor laws but may also generate overwork and occupational safety risks, affecting product quality and delivery stability.
Remedial Measures	Incorporate reasonable working hours into supplier audits: Add working hour compliance checks to annual supplier evaluations; for suppliers with continuous excessive overtime, require them to submit manpower replenishment or process improvement plans.
Targeted Outcomes	Complete order process optimization evaluation by 2026 Q4, and ensure the working hour compliance rate of major suppliers reaches 95% or higher.

5.01.2 Workforce Structure

5.01.2.1 Workforce Demographics (GRI 2-7)

Kaimei Group has established a comprehensive, well-scaled, and diverse workforce structure centered around its core operating bases in Greater China, Southeast Asia, and Taiwan. Female representation across the Group is nearly 50%, achieving workplace gender balance. The workforce is primarily composed of young and mid-career individuals under the age of 50, with an average tenure of 6 to 8 years, demonstrating strong retention rates and an advantage in technical knowledge transfer. From a management perspective, The localization rates of management personnel vary across operating sites, with Taipei and Kaohsiung achieving 100%, effectively integrating local characteristics with corporate governance frameworks. Furthermore, the Group's educational profile aligns closely with manufacturing and technical requirements. The Group adheres to a long-term employment model anchored by full-time, permanent contracts, striving to maintain team stability and sustainable development.



TAIPEI HEAD OFFICE

1 Total Workforce & Gender Diversity

- Headcount: The Taipei location employs a total of 46 personnel, including 20 males (43.48%) and 26 females (56.52%).
- Gender Representation: The proportion of female employees exceeds that of male employees, reflecting the Company's commitment to cultivating a gender-diverse and equitable workplace environment.

2 Employment Type & Job Stability

- Full-Time Ratio: The vast majority of employees are full-time staff (45 employees, representing 97.8%), with only 1 part-time employee.
- Contract Security: Among all 46 employees, 45 hold permanent (indefinite-term) contracts and 1 holds a fixed-term contract (project consultant), providing employees with high job stability and career security.

3 Management Structure & Localized Operations

- Gender Diversity in Management: The management tier comprises 18 personnel, with 9 male and 9 female managers (each representing 19.57% of total site headcount), demonstrating high female participation in leadership and a strong commitment to gender equity.
- Local Talent Development: The proportion of managers recruited locally (Taipei) reaches 100%, fulfilling talent localization strategies and deep-rooted local operations.

4 Age & Educational Attainment Breakdown

- Age Structure: Mid-career professionals aged 31–50 serve as the primary workforce core (28 employees, accounting for 60.87%), possessing rich experience and solid execution capabilities; senior employees aged 51 and above account for 30.43%.
- Professional Qualifications: Educational attainment is predominantly College/Bachelor's degrees (34 employees, accounting for 73.91%), along with 9 employees holding advanced degrees (Master's or Ph.D., accounting for 19.57%), ensuring the team maintains robust technical expertise and management capabilities.

KAOHSIUNG PLANT

1 Total Workforce & Gender Diversity



- Workforce Count: The Kaohsiung site employs a total of 368 personnel, comprising 158 males (42.93%) and 210 females (57.07%).
- Gender Representation: Female representation is significantly higher than male, demonstrating the Company's commitment to cultivating a gender-diverse and inclusive workplace environment, breaking traditional manufacturing gender structures, and promoting workplace equality.

2 Employment Type & Job Stability



- Full-Time Ratio: All employees are full-time staff (368 employees, 100%), with zero part-time personnel, ensuring workers enjoy comprehensive labor rights and benefit safeguards.
- Contract Security: All 368 employees hold permanent (indefinite-term) contracts (100%), providing high job stability and occupational security, which supports talent retention and long-term development.

3 Management Structure & Localized Operations



- Management Composition: The management team consists of 31 personnel, including 23 male managers (6.25% of total site headcount) and 8 female managers (2.17% of total site headcount). Female managers account for 25.8% of total management positions, highlighting the Company's emphasis on gender diversity in leadership roles.
- Local Talent Cultivation: The proportion of managers recruited locally reaches 100% (all 23 male and 8 female managers are local talent), fulfilling talent localization strategies, deepening local operations, driving local employment and economic development, and strengthening community ties.

4 Age & Educational Attainment Breakdown



- Age Structure: Employees aged 31–50 form the largest group (216, 58.70%). Those aged 30 and below account for 24.19% (89), while those aged 51 and above account for 17.12% (63).
- Professional Qualifications: Most employees have a high school or vocational education (180, 48.91%) or a college or bachelor's degree (144, 39.13%). Fourteen employees (3.80%) hold a master's or doctoral degree.

KUNSHAN PLANT

1 Total Workforce & Gender Diversity



- Workforce Count: The Kunshan site employs a total of 388 personnel, comprising 169 males (43.56%) and 219 females (56.44%).
- Gender Representation: The proportion of female employees exceeds that of male employees, reflecting the Company's commitment to cultivating a gender-diverse and inclusive workplace environment and challenging traditional male-dominated stereotypes in manufacturing.

2 Employment Type & Job Stability



- Full-Time Ratio: All employees are full-time staff (388 employees, 100%), with zero part-time personnel, ensuring workers enjoy comprehensive labor rights and benefit safeguards.
- Contract Security: All 388 employees hold permanent (indefinite-term) contracts (100%), providing high job stability and occupational security, supporting talent retention.

3 Management Structure & Localized Operations



- Gender Diversity in Management: The management tier comprises 8 personnel, with 4 male and 4 female managers (each representing 1.03% of total site headcount; female managers account for 50% of management positions), demonstrating the implementation of gender equality across leadership.
- Local Talent Cultivation: The proportion of local recruitment among female managers reaches 75% (3 managers), while local male managers stand at 0%. Overall, the Company is progressively driving management localization, achieving notable results in local female leadership development.

4 Age & Educational Attainment Breakdown



- Age Structure: Mid-career professionals aged 31–50 serve as the primary core (292 employees, accounting for 75.26%), possessing rich experience and solid execution capabilities; young employees under 30 account for 20.36% (79 employees), reflecting team vitality and knowledge transfer.
- Professional Qualifications: Educational attainment is predominantly High School / Vocational High School (251 employees, accounting for 64.69%) and Associate / Bachelor's degrees (93 employees, accounting for 23.97%), aligning with shop-floor operations and frontline management needs in manufacturing, ensuring the team possesses sufficient practical technical skills and execution capacity.

DONGGUAN PLANT

1 Total Workforce & Gender Diversity



- Workforce Count: The Dongguan site employs a total of 653 personnel, comprising 331 males (50.69%) and 322 females (49.31%).
- Gender Representation: The male-to-female ratio is near 1:1, reflecting the Company's commitment to cultivating a highly gender-balanced and inclusive workplace environment, breaking traditional manufacturing gender structures.

2 Employment Type & Job Stability



- Full-Time Ratio: All employees are full-time staff (653 employees, 100%), with zero part-time personnel, ensuring workers enjoy comprehensive labor rights and benefit safeguards.
- Contract Security: All 653 employees hold permanent (indefinite-term) contracts (100%), providing high job stability and occupational security, supporting talent retention and long-term development.

3 Management Structure & Localized Operations



- Management Composition: The management team consists of 95 personnel, including 62 male managers (9.49% of total site headcount) and 33 female managers (5.05% of total site headcount). Female managers account for approximately 34.7% of total management positions, highlighting the Company's emphasis on gender diversity in leadership roles.
- Management Model: The proportion of local management recruitment is currently 0%, indicating that management positions are predominantly filled by headquarters-dispatched personnel to ensure consistency in technical standards, corporate culture, and policy execution. The Company plans to evaluate strategies to progressively increase management localization in the future.

4 Age & Educational Attainment Breakdown



- Age Structure: Mid-career professionals aged 31–50 serve as the primary workforce core (471 employees, accounting for 72.13%), possessing extensive manufacturing experience and solid execution capabilities; young employees under 30 account for 19.14% (125 employees), reflecting team vitality and knowledge transfer.
- Professional Qualifications: Educational attainment is predominantly Junior High School or below (329 employees, accounting for 50.38%) and High School / Vocational High School (234 employees, accounting for 35.83%), aligning with shop-floor operations and frontline management needs in manufacturing, ensuring the team possesses sufficient practical technical skills and execution capacity.

SUZHOU PLANT

1 Total Workforce & Gender Diversity



- Workforce Count: The Suzhou site employs a total of 76 personnel, comprising 27 males (35.53%) and 49 females (64.47%).
- Gender Representation: Female representation is significantly higher than male, demonstrating the Company's commitment to cultivating a gender-diverse and inclusive workplace environment, providing excellent employment opportunities for women.

2 Employment Type & Job Stability



- Full-Time Ratio: All employees are full-time staff (76 employees, 100%), with zero part-time personnel, ensuring workers enjoy comprehensive labor rights and benefit safeguards.
- Contract Security: All 76 employees hold permanent (indefinite-term) contracts (100%), providing high job stability and occupational security, supporting talent retention and long-term development.

3 Management Structure & Localized Operations



- Management Composition: The management tier comprises 15 personnel, with 9 male and 6 female managers. Female managers account for 40% of total management positions, demonstrating the Company's emphasis on gender diversity in leadership roles.
- Local Talent Cultivation: The proportion of managers recruited locally is exceptionally high, with local male managers reaching 88.89% (8 managers) and local female managers reaching 83.33% (5 managers). Overall, this demonstrates the success of the Company's deep-rooted local operations and active cultivation of local managerial talent.

4 Age & Educational Attainment Breakdown



- Age Structure: Mid-career professionals aged 31–50 serve as the primary core (59 employees, accounting for 77.63%), possessing extensive manufacturing experience and solid execution capabilities; young employees under 30 account for 15.79% (12 employees), injecting vitality into the team
- Professional Qualifications: Educational attainment is predominantly Junior High School or below (35 employees, accounting for 46.05%) and High School / Vocational High School (25 employees, accounting for 32.89%), meeting shop-floor operational and frontline management needs in manufacturing, ensuring the team possesses sufficient practical technical skills and execution capacity.

MALAYSIA PLANT

1 Total Workforce & Gender Diversity

- Workforce Count: The Southeast Asia region (Malaysia and Singapore) has a total of 564 employees, comprising 366 males (64.9%) and 198 females (35.1%).
- Gender Representation: The higher proportion of male employees aligns with the industry characteristics of manufacturing operations and large-scale operating sites. The Company remains committed to fostering a gender-friendly, diverse, and inclusive workplace environment.

2 Employment Type & Job Stability

- Full-Time Ratio: The majority of employees are full-time personnel (535 employees, accounting for 94.9%), ensuring workers enjoy comprehensive labor rights and welfare/benefit safeguards.
- Contract Security: Providing employees with high job stability and occupational security, which supports talent retention and long-term career development.

3 Management Structure & Localized Operations

- Gender Equality in Senior Leadership: The regional senior management team totals 6 personnel, with 3 males and 3 females. Female senior executives account for 50%, demonstrating the Company's thorough implementation of gender equality across senior leadership roles.
- Local Talent Cultivation: Local senior management totals 5 personnel (3 in Malaysia and 2 in Singapore), achieving a localization rate of 83.3%. This reflects the Company's active cultivation of local managerial talent, deep engagement in the Southeast Asian market, and contribution to local employment and economic development.
- Middle Management Diversity: Middle management in Malaysia totals 18 personnel, with 6 females (33.3%), continuously driving female leadership development.

4 Age & Educational Attainment Breakdown

- Age Structure: Employees aged 30 and below form the largest group (281, 49.8%), followed by those aged 31–50 (252, 44.7%) and those aged 51 and above (31, 5.5%). This mix supports team vitality, operational experience, and knowledge transfer.
- Professional Qualifications: Most employees have a high school or vocational education (244, 43.3%) or a bachelor's degree (136, 24.1%). Six employees hold a master's or doctoral degree, contributing technical and management expertise.

5.01.2.2 Proportion of Senior Management Hired from the Local Community (GRI 202-2)

In 2025, Kaimei Electronic achieved 100% senior management localization across its Taiwan operations (Taipei Headquarters and Kaohsiung Plant). Regarding overseas footprint, the Suzhou Plant demonstrated outstanding local talent cultivation results (with a localization rate exceeding 80%). Conversely, the Dongguan Plant and Malaysia Plant exhibited a relatively high reliance on expatriate executives (localization rate below 25%). Moving forward, the Company is committed to advancing management localization policies to increase the proportion of local residents serving in executive roles, thereby deepening community connections and fulfilling its ESG commitments to diversity and inclusion.

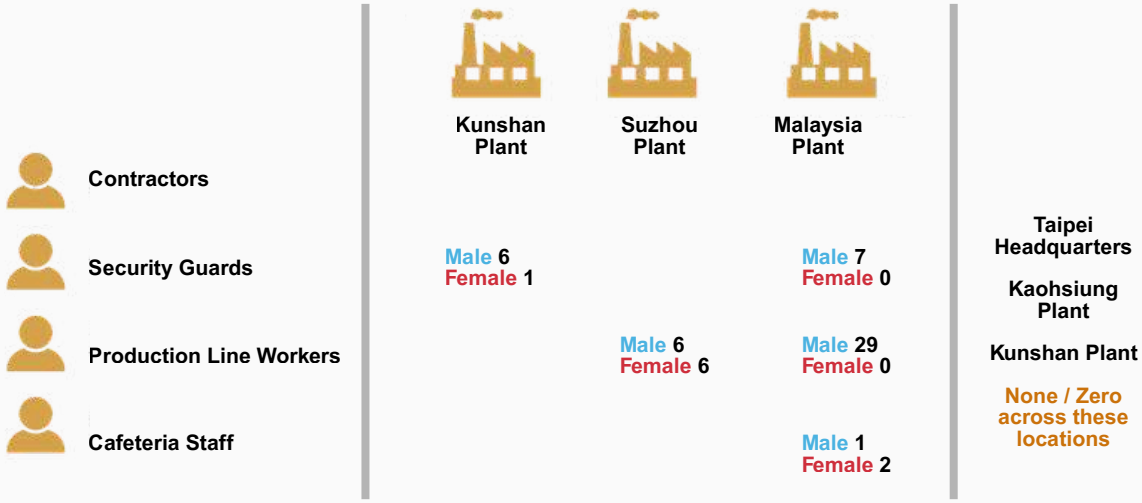
Location / Gender	Taipei Office		Kaohsiung Plant		Kunshan Plant		Dongguan Plant		Suzhou Plant		Malaysia Plant	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Number of Supervisors	9	9	23	8	4	4	62	33	9	6	16	9
Supervisors Hired Locally	9	9	23	8	0	3	0	0	8	5	1	2
Percentage of Supervisors Hired Locally	100%	100%	100%	100%	0%	75%	0%	0%	88.89%	83.33%	6.25%	22.22%

5.01.3 Workforce Diversity, Equity, and Inclusion (GRI 202-1, 202-2, 401-1, 405-1, 406-1)

5.01.3.1 Non-Employee Structure (GRI 2-8)

Kaimei Group has a total of 59 non-employee personnel, primarily distributed across sites in Kunshan, Suzhou, and Malaysia. These include contractors, security guards, production line support, and cafeteria staff. Production line support personnel make up the largest group with 41 people (35 males, 6 females), located mainly at the Suzhou plant and Malaysia site. Security personnel account for 14 people (13 males, 1 female) across the Kunshan and Malaysia sites. Additionally, the Malaysia plant has 3 outsourced cafeteria staff (1 male, 2 females), and the Kunshan plant has 1 female contractor.

Overall, the Group's non-employee workforce totals 49 males and 10 females, with females accounting for approximately 16.9%. For non-employee workers, the company includes them all within the scope of the occupational health and safety management system and relevant human rights protection measures. This ensures that their working environment and safety protection are as comprehensive as those for regular employees, fulfilling our sustainability commitment to supply chain and contractor management.



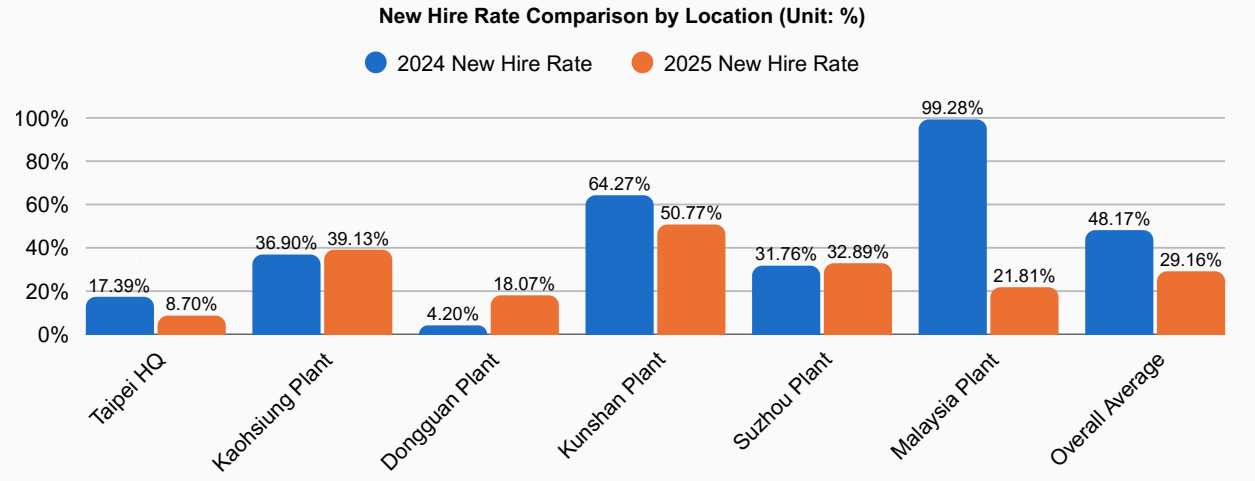
5.01.3.2 New Hires and Turnover

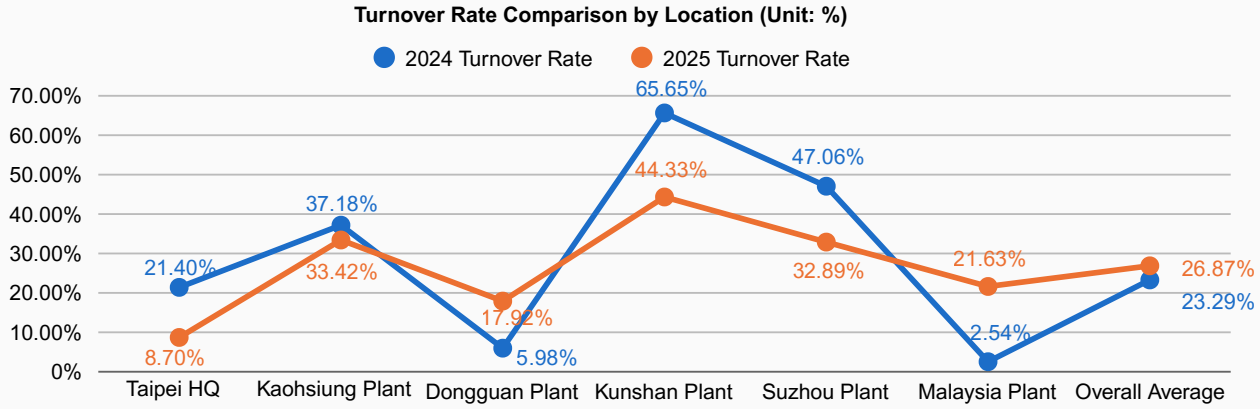
New Hires, Employee Turnover (GRI 401-1, GRI 405-1) (ESG S-23)
In 2024, the company's overall new hire rate was 48.17% and the turnover rate was 23.29%, while in 2025 these figures were 29.16% and 26.87%, respectively; the new hire rate decreased by approximately 19 percentage points, while the turnover rate increased by approximately 3.6 percentage points.

Data for the Dongguan plant in 2024 covers only the fourth quarter (the start of the reporting period), with a new hire rate of 4.20% and a turnover rate of 5.98% for that year. If roughly annualized based on Q4 levels (new hires ~17%, turnover ~24%), these rates are largely comparable to the full-year 2025 figures of 18.07% and 17.92%.

The main reason for the drop in the overall new hire rate was the completion of mass production ramp-up at the Malaysia plant and the return of recruitment to normal levels (99.28% → 21.81%); the rise in the overall average turnover rate was mainly due to a wave of turnover upon contract completion/post-ramp-up period at the Malaysia plant (2.54% → 21.63%).

After excluding the Dongguan plant scope factor, turnover rates across the remaining four locations showed substantive improvement: Kunshan plant (-21.3 percentage points), Suzhou plant (-14.2 percentage points), Taipei Headquarters (-12.7 percentage points), and Kaohsiung plant (-3.8 percentage points), indicating that the company's overall employee retention performance is trending positively.





New Employee Analysis

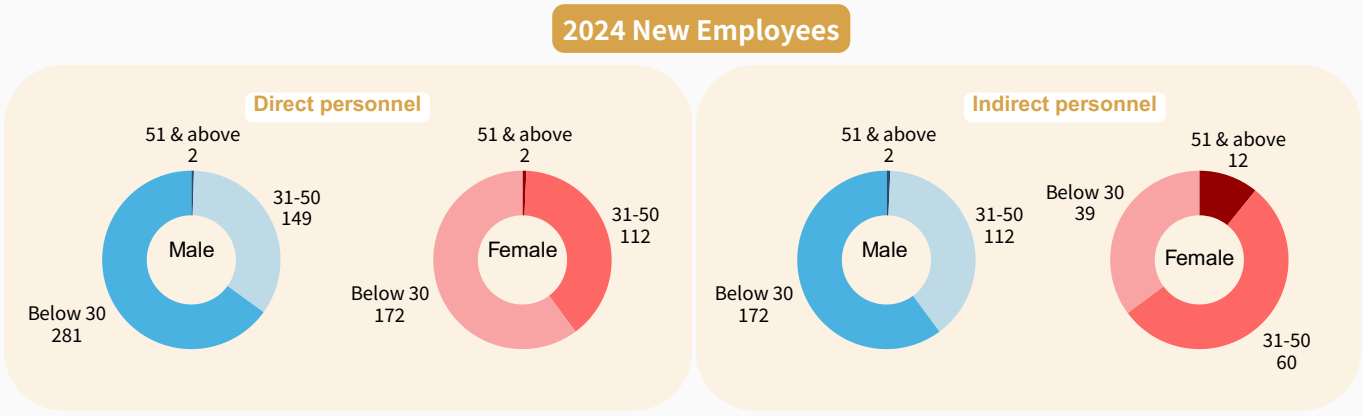
As of the end of 2025, Kaimei's overall new hire rate was 29.16%, a decrease of 19.01 percentage points compared to 48.17% in 2024. This indicates that following the large-scale talent replenishment in the previous year, workforce allocation has gradually stabilized, and recruitment strategies have shifted from expansion to precision hiring and talent structure optimization to meet the operational development needs of each location.

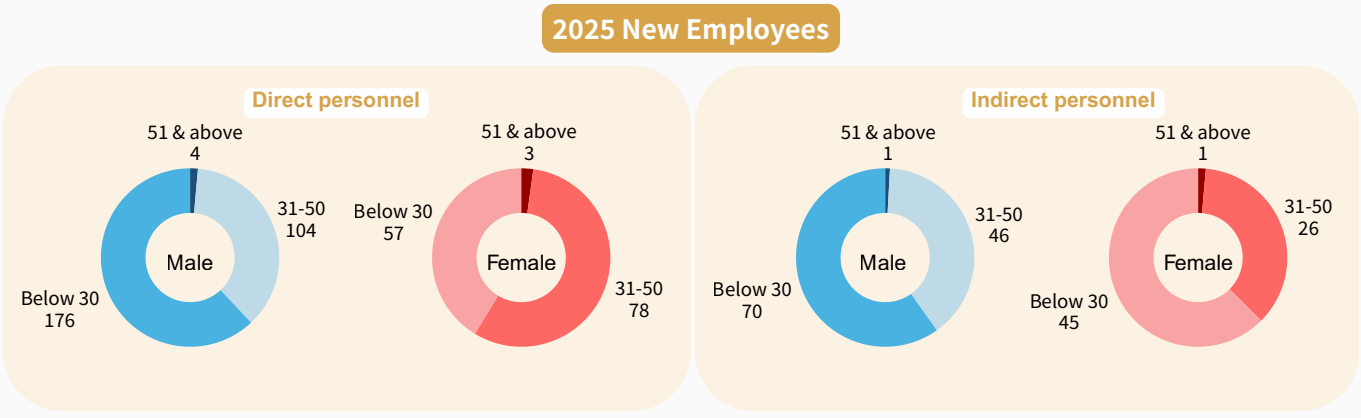
Observing new hire rates by site, the Kaohsiung plant increased from 36.90% to 39.13%, and the Suzhou plant slightly increased from 31.76% to 32.89%, demonstrating steady recruitment in response to operational demands. The Kunshan plant decreased from 64.27% to 50.77%, and the Malaysia plant dropped from 99.28% to 21.81%, mainly reflecting the normalization of recruitment demand in 2025 after completing major workforce additions in the prior period. Because the Dongguan plant's 2024 statistics only covered Q4 data, its full-year 2025 new hire rate of 18.07% is not fully comparable to the previous period's baseline, though it shows a steady hiring trend overall.

From the composition analysis of new employees, the under-30 age group remained the primary target for recruitment in both 2024 and 2025, maintaining a stable age structure. This reflects the company's continuous effort to attract young talent through campus recruitment, industry-academia collaboration, and diverse channels, while balancing workforce allocation across age groups to execute a diverse and inclusive talent policy.

Regarding gender distribution, in 2025, new male hires totaled 401 (284 direct labor, 117 indirect labor) and female hires totaled 210 (138 direct labor, 72 indirect labor). Compared to 2024 (575 male, 397 female), although the total number of new hires decreased, the talent recruitment strategy continues to support joint male and female participation in organizational development. Among them, direct labor is predominantly under 30 years old, while indirect labor primarily recruits experienced professionals aged 31 to 50, balancing foundational technical training with professional talent acquisition to support long-term operations.

Overall, the decline in the 2025 new hire rate primarily reflects the transition from rapid organizational expansion to a phase of stable development, rather than a weakening of talent attraction. Moving forward, Kaimei will continue to align with operational needs across locations, using comprehensive recruitment, training, career development, and retention systems to help new employees integrate quickly, enhance professional capabilities and work efficiency, continuously strengthen talent competitiveness, and lay a solid foundation for sustainable corporate growth.





Employee Turnover Analysis

As of the end of 2025, Kaimei had a total of 563 departed employees, with an overall turnover rate of 26.87%, representing an increase of approximately 3.6 percentage points compared to 23.29% in 2024. This was mainly due to certain overseas sites entering a workforce adjustment and turnover phase following large-scale recruitment in the previous year, as well as turnover during new employee adaptation periods. Overall, the company continues to enhance employee cohesion and organizational stability through compensation and benefits, education and training, career development, and retention measures.
Analyzing by operating location, with the exception of the Malaysia plant, turnover rates across all other sites improved compared to 2024. Specifically:

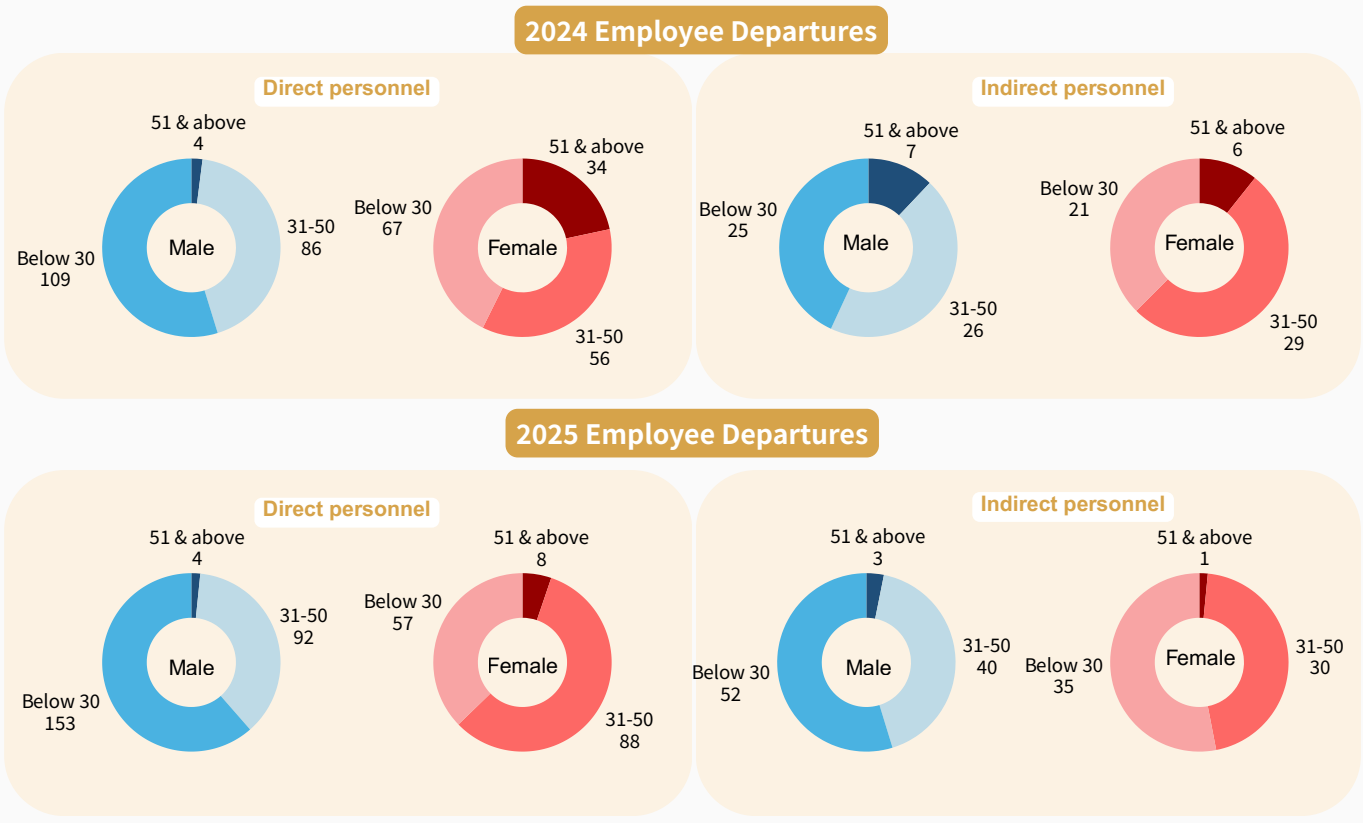
- Kunshan Plant: Decreased from 65.65% to 44.33%
- Suzhou Plant: Decreased from 47.06% to 32.89%
- Kaohsiung Plant: Decreased from 37.18% to 33.42%
- Taipei Headquarters: Decreased from 21.40% to 17.92%
-

This demonstrates that retention measures at each location are gradually showing results. Meanwhile, the turnover rate at the Malaysia plant increased from 2.54% to 21.63% as a large number of new hires recruited in the prior year entered their adaptation and turnover period, leading to an overall increase in the total turnover rate compared to 2024.

From the age structure analysis of departed employees, turnover in 2025 was still concentrated in the under-30 and 31-to-50 age groups, while employees aged 51 and above maintained a lower proportion. Among them, male direct labor under 30 years old who departed increased from 109 to 153 people, remaining the group with the highest number of departures, which reflects relatively higher mobility among young talent. In the 31-to-50 age group, both male and female direct labor saw increases, indicating ongoing organizational optimization and talent adjustments. The low number of departures among employees aged 51 and above reflects relatively stable retention among senior staff.

Regarding gender distribution, in 2025, departed employees included 344 males and 219 females, with males accounting for approximately 61.1% of total turnover and females accounting for approximately 38.9%. The increase in male departures was primarily concentrated in direct production staff, while female departures remained generally stable. This indicates that the turnover structure aligns with the company's manufacturing site staffing and recruitment composition, showing no significant differences driven by gender.

Overall, although the 2025 turnover rate rose slightly compared to the previous year, it mainly reflects normal workforce turnover at overseas sites and mobility during new employee adaptation periods, rather than a failure of the overall talent retention mechanism. Moving forward, Kaimei will continue to strengthen talent retention and organizational cohesion through new employee care, leadership development for managers, education and training, career development, and employee care systems to mitigate the risk of losing key talent and continuously enhance corporate operational resilience and sustainable competitiveness.



5.01.3.3 Employee Diversity (GRI 405-1) (ESG S-20)

1. Workplace Diversity Statement

Kaimei Electronic Corp. is committed to providing employees with a dignified, safe, and non-discriminatory working environment. We uphold diversity in hiring and ensure fairness in compensation and promotion opportunities, guaranteeing that employees are not subjected to discrimination based on race, gender, sexual orientation, religion, age, political affiliation, place of origin, disability, or any other status protected by law. All Group operating sites conduct recruitment and hiring in compliance with local regulations and the corporate Code of Conduct. In 2025, no fines or major grievances regarding diversity and equality issues occurred, demonstrating that workplace diversity policies have been fully integrated into daily human resource management and operational practices.

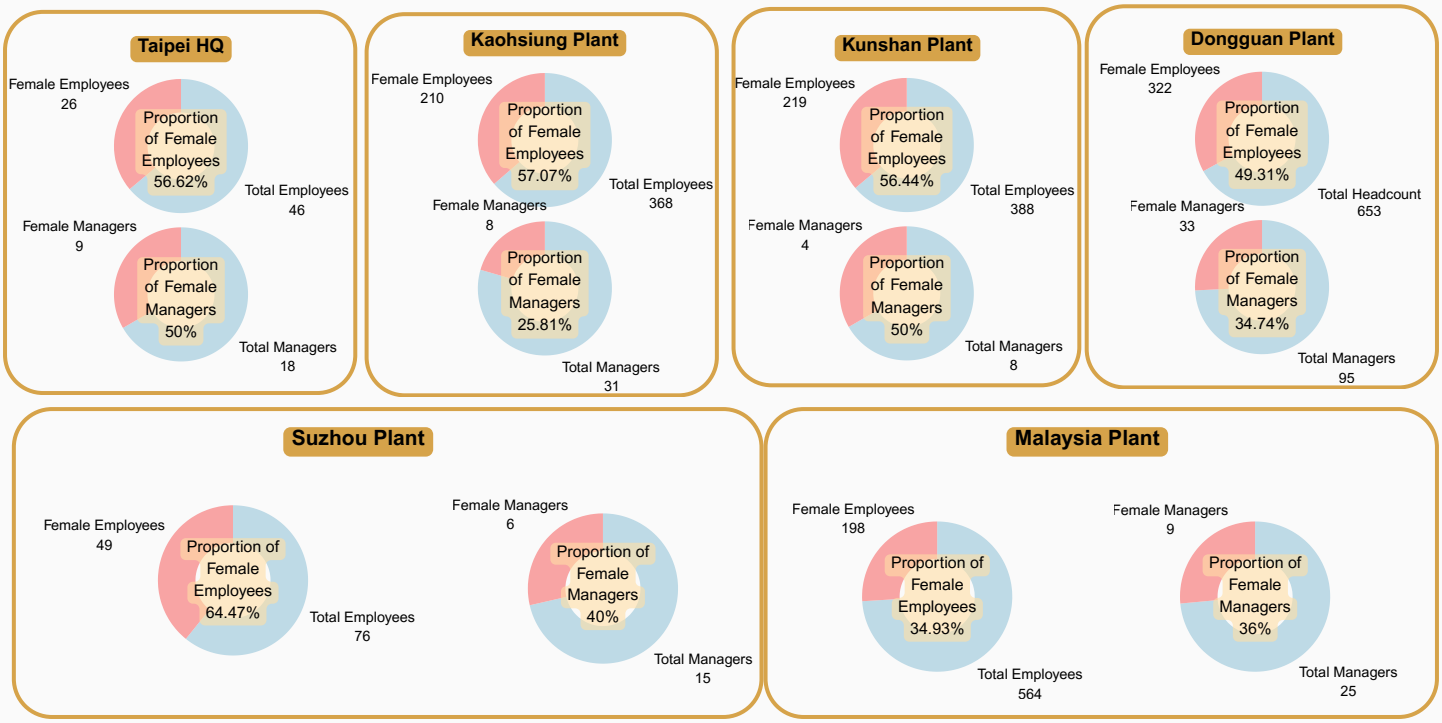
2. Diverse Workplace

In 2025, employees within the Group's designated diversity workforce categories totaled 197 males and 161 females. The overall gender distribution remains balanced, reflecting the effective implementation of diversity hiring policies across the organizational structure. This workforce includes a minority of employees with disabilities and Indigenous employees, as well as a significant number of foreign national employees across various sites (primarily at the Malaysia plant). This demonstrates the company's proactive recruitment of diverse ethnic groups and backgrounds in its cross-border operations, supporting local operational capacity and fostering a multicultural workplace.

	Hiring Persons with Disabilities	Expatriates / Expat Assignments	Indigenous People	Foreign Employees	Total
Group Consolidated	M 1 F 3	M 2 F 0	M 1 F 1	M 193 F 157	M 197 F 161
Taipei					
Kaohsiung	M 1 F 3		M 1 F 1	M 27 F 60	M 29 F 64
Kunshan				M 3 F 0	M 3 F 0
Dongguan					
Suzhou					
Malaysia		M 2 F 0		M 163 F 97	M 165 F 97

3. Female Employee and Management Ratios

In 2025, the total number of Group employees was 2,095, of which 1,024 were female, representing an overall female ratio of approximately 48.83% and indicating a balanced gender structure. The proportion of female employees across most operating sites averaged around 50%, with Suzhou, Kaohsiung, and Kunshan having slightly higher female representation, while the Malaysia plant was predominantly male. At the management level, the Group had a total of 192 managers, including 69 women, bringing the proportion of female managers to 35.94%. This demonstrates a solid foundation of female participation in managerial roles. Certain sites, such as Taipei and Kunshan, achieved a female management ratio of 50%, progressively reflecting a gender-balanced leadership structure.



5.01.4 Employee Rights and Benefits (GRI 401-2, GRI 401-3, GRI 405-2)

5.01.4.0 Labor-Management Relations (Material Topic)

GOVERNANCE

Management Roles and Division of Responsibilities
The General Manager is responsible for approving overall human resource strategies. The HR Department acts as the executive lead, while cross-departmental managers are responsible for workforce planning, key talent cultivation, and performance management within their respective business units. The HR Department regularly consolidates risk indicators across all operating sites—such as "shortages of specialized talent, high turnover rates, and lack of backup for key positions"—and formulates corrective action plans with implementation timelines.

Policy and Institutional Framework
The Company has established regulations including the Human Resources Management Regulations, Compensation and Incentive System, Employee Training and Development Regulations, and Employee Grievance and Communication Mechanism to ensure that recruitment, employment, performance evaluation, and reward processes are fair and comply with labor regulations and human rights principles. In addition to legally establishing Labor-Management Committee meetings, labor and management regularly collect employee feedback through executive forums, employee suggestion boxes, and survey questionnaires, with management actively responding and implementing improvements.

STRATEGY

- Ensure Stable Supply of Key Workforce: Secure sufficient and qualified workforce across all operating sites through diversified recruitment and local hiring strategies.
- Strengthen Retention and Career Development: Enhance employee retention intent through competitive compensation and benefits, continuous education and training, and structured promotion systems.
- Establish Effective Labor-Management Communication: Address labor issues proactively through feedback and grievance channels to maintain stable workplace relations.
- Promote a Diverse and Inclusive Workplace: Implement diversity and inclusion (D&I) policies to foster cross-site and cross-cultural collaboration while enhancing corporate employer brand image.

RISK MANAGEMENT

Kaimei Electronic has established labor-management risk management mechanisms. The Human Resources Department, in coordination with site managers, regularly reviews labor shortages, turnover rates, and labor-management topics to identify real and potential risks as well as related opportunities. These insights are integrated into annual HR and sustainability management plans, serving as a critical basis for adjusting recruitment and retention policies, workplace diversity measures, and employee relations management.

Category	Item / Topic	Description
Risk	Shortage of Specialized Talent and High Turnover	Talent gaps in key technologies and overseas operating sites, combined with high turnover in specific job categories, impact production capacity and delivery schedules, increasing recruitment and training costs.
Risk	Lack of Backup for Key Positions	Senior personnel hold critical operational functions; a lack of backup personnel and succession planning poses risks to business operations and internal controls.
Risk	Tight Talent Supply	Industry upgrading and declining birthrates heighten competition for talent; if recruitment and retention are insufficient, future workforce shortages could widen.
Risk	Evolving Labor Standards and Rising Employee Expectations	Inadequate or delayed policy adjustments may trigger labor disputes, regulatory penalties, and compliance risks during customer audits.
Opportunity	Talent Attraction and Retention	Strengthen retention and accumulate core technical capabilities through diversified recruitment, competitive compensation, and clear career development pathways.
Opportunity	Diverse and Inclusive Workplace	Drive diverse hiring and supportive workplace policies to enhance cross-regional collaboration and innovation, boosting recognition from international customers and investors.

INDICATORS & TARGETS

2025 Target	2025 Actual	Target Achieved?	2026 Target	2027–2030 Targets	2031–2040 Targets
Keep the turnover rate below the industry average	Turnover rate: 26.87%, above the industry average of 24.4%	Not achieved	Keep the turnover rate below the industry average	Keep the turnover rate below the industry average	Keep the turnover rate below the industry average
New: Achieve an employee satisfaction score of 3.5		Current Status	Continuously improve employee satisfaction (from 3.5 to 3.6)	Increase employee satisfaction by 5% each year	Increase employee satisfaction by 5% each year
New: Establish a human rights due diligence process		Current Status	Establish a human rights due diligence process	Continue tracking the results of human rights due diligence	Continue tracking the results of human rights due diligence
New: Establish a performance evaluation system		Current Status	Implement the performance evaluation system and incorporate it into a two-way employee feedback mechanism	Implement the performance evaluation system and incorporate it into a two-way employee feedback mechanism	Implement the performance evaluation system and incorporate it into a two-way employee feedback mechanism

5.01.4.1 Employee Welfare and Benefits System

1. Employee Leave Policy (ESG S-16)

To safeguard employees' physical and mental health, the Company has established family-friendly leave policies that exceed statutory requirements. In addition to guaranteeing that employees can exercise all leave rights pursuant to labor laws and regulations, family care leave and flexible working hours are implemented across all Company manufacturing sites, enabling flexible scheduling for staff. Employees are encouraged to apply for the aforementioned leave options according to their actual needs.

2. Family-Friendly and Marriage/Childcare Workplace Environment (ESG S-17)

Kaimei Group is committed to creating a family-friendly workplace environment that supports marriage, childbearing, and family care, providing diverse benefit measures to assist employees in balancing work and family responsibilities. The Group provides contracted childcare facility services at its Taipei and Kaohsiung operating locations to support employees with childcare needs. Each site also provides comprehensive benefit measures tailored to local regulations and employee requirements, including group life insurance, health insurance, marriage and birth gifts, maternity/paternity subsidies, employee health checkups, employee dormitories, vaccination administration, home-leave airfare subsidies for management, and employee club subsidies.

In 2025, a total of 442 employees in Taiwan (Taipei + Kaohsiung) benefited from family-friendly marriage/childcare and family care workplace environments and measures, with a total investment reaching NT$ 2,864 thousand. Group-wide expenditure reached NT$ 35,285 thousand, demonstrating the Group's strong emphasis on and commitment to employee well-being.





3. **Linking Operating Performance to Employee Compensation (ESG S-18)**
If the Company records a profit for the fiscal year (defined as pre-tax profit before deducting employee and director remuneration), it shall allocate no less than 0.2% of such profit to employee remuneration and no more than 4% to director remuneration. Of the amount allocated to employee remuneration, no less than 0.2% shall be distributed to non-managerial employees. The proposed distribution of employee and director remuneration shall be reported to the shareholders' meeting. If the Company has accumulated losses, it shall first reserve an amount to cover those losses.

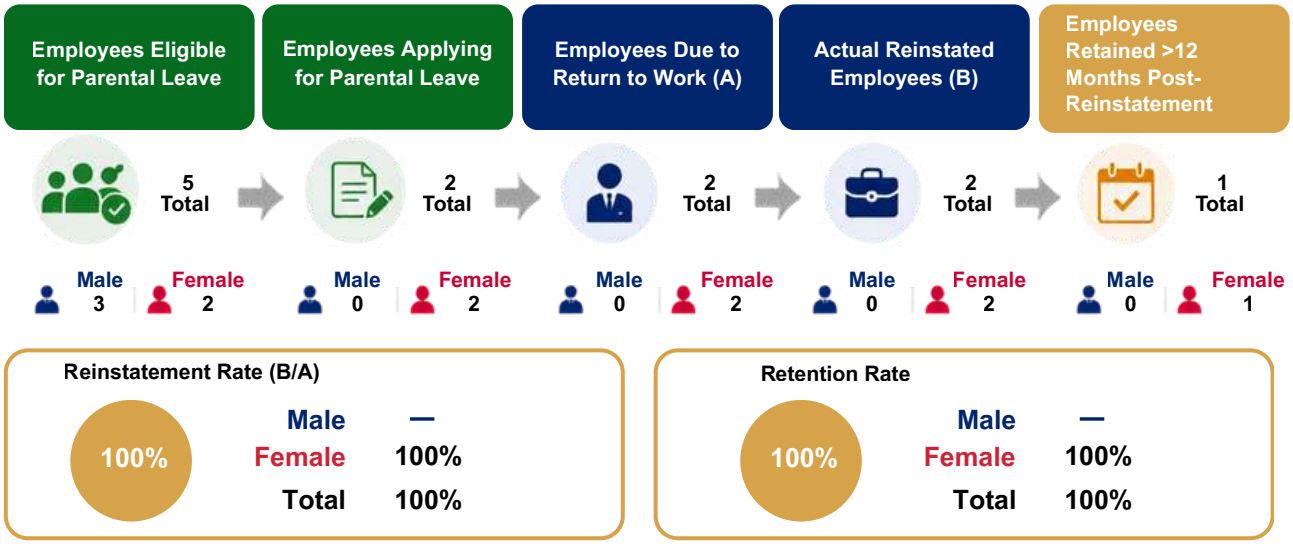
Example of Compensation for Non-Managerial Employees: The Company uses 5% of its pre-tax net profit as the basis for salary increases for non-managerial employees, taking into account their length of service and annual performance evaluations. In addition, under the Articles of Incorporation, employee remuneration of no less than 1% of the Company's profit for the fiscal year is distributed to non-managerial employees. In 2025, the Board of Directors approved the allocation of 2% of the Company's 2024 profit as remuneration for non-managerial employees and used 5% of that profit as the basis for their salary increases.

5.01.4.4 Parental Leave

Parental Leave Reinstatement and Retention Rates (GRI 401-3)
The Company respects employees' needs to balance work and family care responsibilities, providing parental leave without pay and related leave schemes in accordance with applicable laws. Details regarding parental leave applications, reinstatements, and retention for FY 2025 are as follows:

Parental Leave Execution Status (FY 2025)

(Statistical Period: 2025/1/1 – 2025/12/31)



Note: Taiwan's parental leave regulations do not apply to the Company's operations in China (Dongguan, Suzhou, and Kunshan plants), which are governed by their respective local laws.

Note: Reinstatement Rate = Actual Number Returning (B) ÷ Number Due to Return (A);

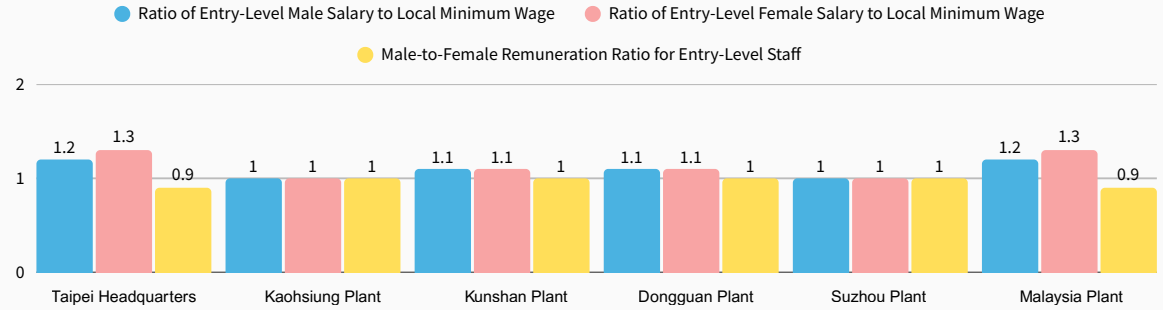
Note: Retention Rate = Number of Employees Who Remained Employed for More Than 12 Months After Returning from Parental Leave ÷ Number of Employees Who Were Expected to Return from Parental Leave in the Previous Year and Actually Returned.

As each site had only zero or one applicant during the reporting year, data are presented in aggregate to protect individual privacy. Figures for individual sites are therefore not disclosed.

5.01.4.5 Ratio of Entry-Level Salary (GRI 202-1)

1. Comparison with local minimum wages: The ratio of entry-level male employees' wages to the local minimum wage ranged from 1.0 to 1.2 across all sites. For entry-level female employees, the ratio ranged from 1.0 to 1.3.

2. Gender pay equity: The ratio of entry-level male to female employees' wages was 1.0 at the Kaohsiung, Kunshan, Dongguan, Suzhou, indicating equal pay at the entry level.The ratio at the Taipei office and Malaysia sites was 0.9, indicating that female employees' entry-level wages were slightly higher than those of male employees.



Compensation Structure Analysis
With the exception of the Kaohsiung Plant serving as the baseline (1.0), entry-level salaries for both male and female employees across all other operating sites (Taipei HQ, Suzhou, Kunshan, Dongguan, and Malaysia plants) exceed local average wage levels. Among these, operating locations in Mainland China (Suzhou, Kunshan, Dongguan) exhibit the strongest compensation competitiveness, with entry-level salaries ranging from 1.9 to 3.3 times the local average wage.

Regarding the gender pay structure, distinct regional characteristics are observed:
- Mainland China Sites: Entry-level male salaries are higher than female salaries, with male-to-female salary ratios ranging between 1.14 and 1.31 (with the Suzhou Plant exhibiting the widest variance).
- Taipei HQ & Malaysia Plant: Demonstrate greater gender pay equity, with female entry-level salaries slightly exceeding those of male employees (ratios of 0.91 and 0.97, respectively).
- Kaohsiung Plant: Achieves complete gender pay parity (ratio of 1.00).

Overall, the Company offers compensation packages superior to local average wages across all overseas and cross-strait operating locations. However, in terms of gender pay structure, operations in Taiwan and Malaysia demonstrate higher equity compared to those in Mainland China.

3.Gender pay ratio across management levels

Category \ Fiscal Year	2023 Average Remuneration	2024 Average Remuneration	2025 Remuneration
Gender	Male | Female	Male | Female	Male | Female
Mid-to-Senior Management	1.00 | 0.89	1.00 | 1.25	1.00 | 1.32

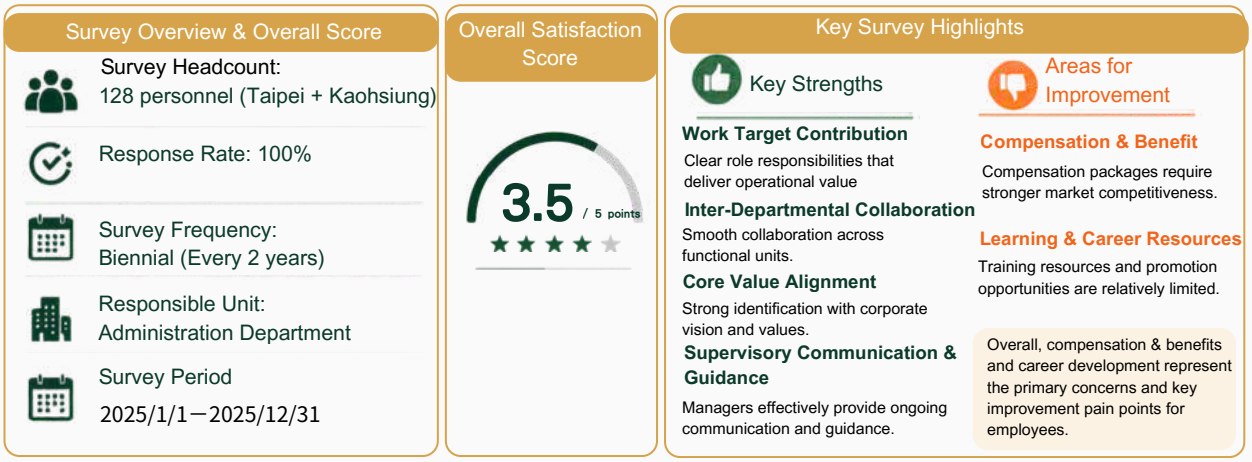
Overall, over this three-year period, the gender remuneration ratio for mid-to-senior management shifted from lagging by 11% (0.89) to leading by 32% (1.32). This reflects Kaimei Electronic's proactive implementation of gender equality policies and structural compensation adjustments, ensuring that the performance and contributions of female personnel in mid-to-senior management positions receive fuller recognition and equitable reward.

5.01.4.6 Employee Satisfaction Survey Mechanism (ESG S-22)

In May 2025, the Company conducted an employee opinion survey. The detailed parameters and results are as follows:

- Target Audience: All Employees
- Survey Topic: Employee Satisfaction Survey
- Core Themes: Compensation, Working Environment, Leadership, Career Development, Corporate Culture, and Sustainable Operations
- Surveyed Headcount: 128 (Taipei + Kaohsiung)
- Response Rate: 100%
- Responsible Unit: Administration Department
- Survey Frequency: Biennial (Once every 2 years)
- Survey Period: 2025/1/1 – 2025/12/31
- Overall Satisfaction Score: 3.5 points (Scale: 0 to 5)

Survey Results:
Key strengths were concentrated in Work Target Contribution (highest score), Inter-Departmental Collaboration, Core Value Alignment, and Supervisory Communication, showing a positive foundation in leadership support and interpersonal atmosphere. Conversely, areas for improvement centered on Compensation & Benefits as well as Learning & Career Resources. Employees generally reported that compensation fell below expectations and that promotion channels and training opportunities were limited, subsequently impacting long-term retention intent and organizational identity.





5.01.5 Labor-Management Communication and Collective Bargaining (GRI 2-30)

Labor-Management Communication Mechanisms

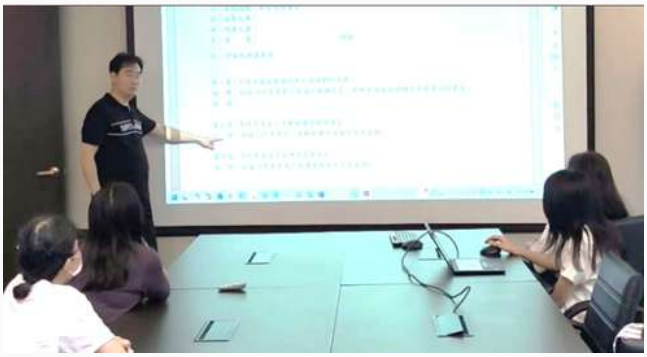
Kaimei Electronic Corp. has established sound labor-management communication channels across all operating locations. Taipei Headquarters, the Kaohsiung Plant, and the Malaysia Plant utilize labor-management committees, while the Dongguan Plant, Suzhou Plant, and Kunshan Plant operate under a dual-track mechanism featuring labor unions or labor-management committees. Labor-management communication mechanisms have been established across 100% of the Group's operating locations.

Labor-Management Agreements and Employee Rights

The Company attaches great importance to formal and informal communication channels between management and employees, establishing two-way communication mechanisms through labor-management committees or union negotiations. Compensation, bonuses, benefits, and training policies are structured around performance-based incentives and career development planning. In addition, flexible working hours and leave policies are in place to support employees in achieving work-life balance.

Welfare Measures

An Employee Welfare Committee has been established in accordance with law to manage holiday gifts, life-event allowances (marriages, births, and funerals), emergency relief assistance, employee birthday celebrations, and travel or social events. Furthermore, comprehensive employee protection is provided through health checkups, on-the-job continuing education, and group insurance.



Taipei Headquarters Welfare Committee Meeting



5.01.6 Talent Cultivation and Development (GRI 404-1, GRI 404-2, GRI 404-3)

5.01.6.0 Material Topic

GOVERNANCE

To address the challenges of industrial upgrading and the twin transition (digital and green transformation), Kaimei Electronic Corp. incorporates talent development into its core governance mechanism. At the Kaohsiung Plant, management oversees and implements systematic talent policies, focusing on four key dimensions: deepening technical manufacturing processes, cultivating cross-disciplinary digital and green talent, expanding international perspectives, and strengthening industry-academia collaboration—driving next-generation operational upgrades through solid organizational governance and workforce resilience.

STRATEGY

With the core talent training objectives of "supporting multi-site operations, strengthening key technical and managerial capabilities, and enhancing employee career development," training courses are tailored according to the characteristics of direct (production line) and indirect (non-production line) roles across operating sites. Annual training plans and training-hour targets are established, allocating higher training hours for managers to strengthen leadership and cross-regional collaboration capabilities, while ensuring baseline training hours for non-managerial personnel across all plants to support quality and safety management.

RISK MANAGEMENT

- Risk Dimension: To address talent shortages in key technical roles and overseas sites, high-turnover job categories, and management succession challenges, training is utilized as a vital tool to mitigate human resource risks. Through management cadre training and technical skill rotation, the impact of single-person departures or competency gaps on business operations is minimized.
- Opportunity Dimension: Systematic training is deployed to enhance employee career development and professional competencies. Integrating cross-site courses with diverse topics (e.g., sustainability, quality, lean production) improves employee retention intent and overall organizational competitiveness.
- Management Mechanism: The Human Resources Department consolidates annual training needs and training-hour results across all plant locations, regularly reviewing average training hours for managers and non-managers, course participation rates, and alignment with operational requirements. Inventory results are fed back into the subsequent year's training plans and human resource development strategies, forming a closed-loop management system of "Risk Identification → Training Planning → Outcome Review → Continuous Improvement."

INDICATORS & TARGETS

2026 Target (Newly Added Topic)	2027–2030 Targets	2031–2040 Targets
Develop a leadership training program (Taipei)	Establish a leadership assessment mechanism for managers	Achieve an internal promotion rate of at least 70% for managers
Establish a nine-box talent assessment framework and identify core talent.	Develop Individual Development Plans (IDPs) for high-potential talent and achieve a core talent retention rate of at least 70%.	Achieve a retention rate of at least 80% for core talent
Establish an employee career development framework	Establish a cross-site and cross-department job rotation system	Establish a succession planning system

5.01.6.1 Group Education and Training (GRI 404-1) (ESG S-21)

Group Education and Training

In 2025, Kaimei Electronic Group invested a total of 82,255 training hours, serving 10,457 attendees (person-times), with an average of 7.9 hours per employee. Based on the operational characteristics and job requirements of each operating site, the Group drives differentiated talent cultivation to continuously enhance professional skills, managerial capabilities, and organizational resilience—building a competitive and sustainable talent team.

(Statistical Period: January 2025 – December 2025)



Training Features Across Sites

Each operating location adopts a differentiated training strategy based on product processes, job attributes, and operational needs.

- Taipei Headquarters: Average training hours reached 21.1 hours, focusing on administrative management, R&D, and professional competency cultivation.
- Dongguan Plant: Average training hours reached 45.0 hours, primarily investing in production line skills, safety & health, and process improvement education.
- Kaohsiung Plant & Dongguan Non-Production Line Staff: Average training hours reached 23.9 hours, continuously strengthening professional technology and management capabilities.
- Malaysia Plant: Average training hours ranged from 12.8 to 13.1 hours, focusing on local talent cultivation and production skill enhancement.
- Kunshan & Suzhou Plants: Basic technology and competency development courses are planned according to operational needs, gradually enhancing overall workforce quality. Each location establishes a consistent quality culture and operational capability through continuous education and training.

Management vs. General Employee Training

The Group attaches great importance to competency development across different job levels:

- Management Training: Centers core competencies around leadership management, cross-departmental collaboration, and business decision-making.
- General Employee Training: Focuses on professional skills, quality management, occupational safety, environmental protection, and operational efficiency enhancement.

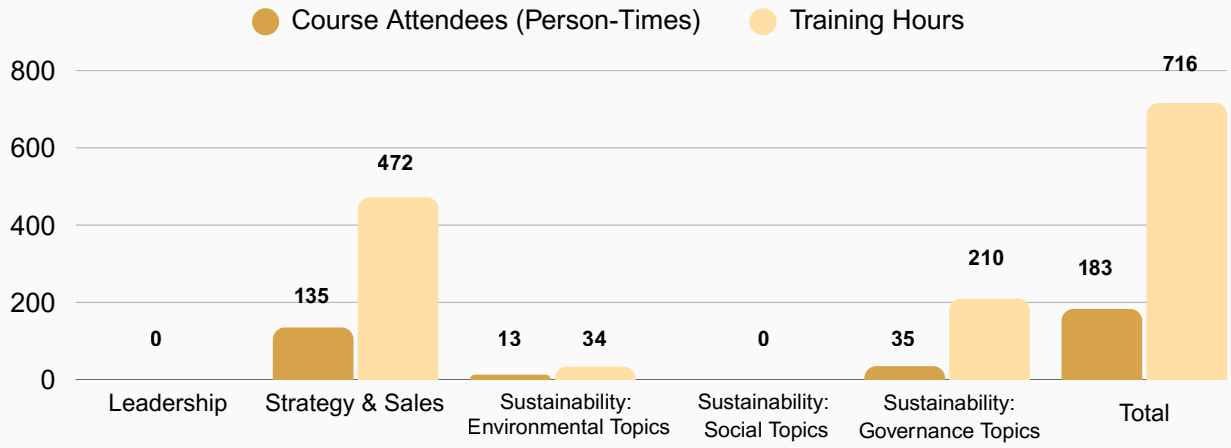
Through systematic training, the Group continuously strengthens talent competitiveness and organizational development.

Gender Training Opportunities

The Group provides fair and diverse learning resources. In 2025, the average training hours were 8.7 hours for males and 7.2 hours for females. Each operating site arranges education and training according to actual job requirements, ensuring employees of different genders receive appropriate learning and development opportunities, while continuously creating a friendly working environment that fosters professional growth and career development.

Training-Related Expenditures

Sustainability-related training expenses at the Taipei headquarters totaled NT$806 thousand. Courses on sales, strategy, and other topics were also offered. As leadership training was relatively limited, the Company will assess managers' needs in 2026 and arrange relevant courses, as shown in the table below. Total training expenses at the Kaohsiung plant were NT$274 thousand, with a focus on environmental, health, and safety topics. Training expenses at other overseas sites are expected to be fully compiled in 2026.





ESG Report Preparation Coaching Course



First aid personnel and emergency response training



Carbon management keynote speech scheduled for the annual budget conference

5.01.6.2 Performance Reviews and Promotions (GRI 404-3)

In FY 2025, operating sites across the Group conducted employee performance evaluations in accordance with the established performance appraisal system. Taking the Taipei and Kaohsiung sites as examples, a total of 46 employees at the Taipei site underwent performance reviews, comprising 28 managerial personnel (61%) and 18 non-managerial personnel (39%). At the Kaohsiung site, 373 employees participated in performance reviews, including 36 managerial personnel (10%) and 337 non-managerial personnel (90%). The appraisal completion rate reached 100%. Overall, the Group's performance appraisal system covers all employee categories and genders, ensuring the fairness and comprehensiveness of the evaluation mechanism.

Taipei Headquarters						
Employee Category	**Male (Count)**	**Male (%)**	**Female (Count)**	**Female (%)**	**Total (Count)**	**Total (%)**
Managerial	11	24%	17	37%	28	61%
Non-Managerial	9	20%	9	20%	18	39%
Total	**20**	**43.50%**	**26**	**56.50%**	**46**	**100%**

Kaohsiung Plant						
Employee Category	**Male (Count)**	**Male (%)**	**Female (Count)**	**Female (%)**	**Total (Count)**	**Total (%)**
Managerial	28	8%	8	2%	36	10%
Non-Managerial	135	36%	202	54%	337	90%
Total	**163**	**44%**	**210**	**56%**	**373**	**100%**

During the year, a total of 112 employees across Group operating sites received promotions. Promotion scopes spanned from technicians to vice presidents, covering various functional departments including R&D, Manufacturing, Quality Assurance (QA), Domestic Sales, Overseas Sales, Marketing, Materials, Plant Engineering/Facilities, Administration, Testing & Packaging, and Equipment. The Group is committed to establishing a fair and transparent performance appraisal and career development mechanism. Through well-defined promotion pathways, employees are encouraged to continuously grow and strengthen the organizational talent pool, supporting the Group's long-term strategic objectives.

Operating Location	Promoted Employees (Count)	Job Levels Covered	Departments Covered
Taipei Site / HQ	3	Deputy Manager – Vice President	Sales, Overseas Sales, Production, Marketing, R&D, Materials Management, Plant Engineering, Manufacturing, Quality Assurance (QA), Administration, Testing & Packaging, Equipment Engineering
Kaohsiung Plant	23	Technician – Vice President	
Kunshan Plant	83	Technician – Deputy Manager	
Dongguan Plant	2	Engineer, Deputy Manager	
Suzhou Plant	1	Technician	
Total	**112**		

5.02 Occupational Health and Safety

5.02.1 Occupational Health and Safety Management System

5.02.1.1 Implementation of ISO 45001 (GRI 403-1)

Kaimei Group has established and operates an occupational health and safety management system across its major operating sites. Kaohsiung, Dongguan, Suzhou, and Malaysia plants have obtained ISO 45001 certification, while other sites manage occupational health and safety in accordance with applicable regulations and internal management procedures. In accordance with relevant regulations and international standards, the Group provides safe and healthy working conditions for employees, non-employee workers, suppliers, contractors, and other workplace personnel. At ISO 45001-certified sites, internal audits are conducted using the Plan-Do-Check-Act (PDCA) cycle prior to external audits each year to review system performance and on-site implementation, continuously improving management practices toward the goal of zero accidents.

Operating Site	If ISO 45001 Certified
Taipei	Non-main manufacturing site
Kaohsiung Plant	Yes
Kunshan Plant	No current plan for acquisition
Dongguan Plant	Yes
Suzhou Plant	Yes
Malaysia Plant	Yes

Operating Site	Scope and Personnel Covered	Audit Execution
Suzhou Plant	Covers: • Employees: 75 persons (86%) • Non-employee workers: 12 persons (14%) • Suppliers & contractors: 0 persons (0%)	Internal Audit: 100% External Audit: 100%

5.02.2 Hazard Identification, Risk Assessment, and Incident Investigation (GRI 403-2)

5.02.2.1Current Implementation Status

Region / Site	Occupational Health & Safety (OHS)	Fire Safety
Kunshan	• QA-WA-K056 System for Hazard Identification, Risk Assessment, and Control Determination • Annual routine risk assessments • Annual engagement of third-party organizations to conduct workplace occupational hazard testing • Test results publicly posted in employee notice areas	• Completion of annual safety risk reports at the beginning of each year • Regular company-wide training on safety risk identification and control • Categorized and segregated chemical storage, with inventory controls and regular inspections
Suzhou	• Safety Risk Identification and Tiered Control System • Occupational Health Management System • Incident Management System • Report occupational hazard factors annually through the Jiangsu Province Industrial Enterprise Work Safety Risk Reporting System.	

5.02.2.2 Risk and Opportunity Analysis

Taking Kaohsiung Plant as an Example

Risk Category	Risk Description	Response Measures / Countermeasures
External Environmental Risk	Increase in neighboring factories leading to elevated commuting traffic accident risks.	Implement occupational safety and health training; reinforce defensive driving concepts.
Operational Risk	Occupational hazards related to chemical handling and new equipment deployment.	Strengthen operational training and risk control during the initial rollout of new equipment and processes.
Psychosocial Risk	Insufficient measures for preventing workplace unlawful infringement (violence and harassment) and associated psychological stress risks.	Improve cross-departmental communication mechanisms to prevent conflicts and inappropriate verbal incidents.

Opportunity Category	Existing Strengths	Future Development Opportunities
Management Foundation	Multiple safety improvement plans already established.	Continuously reduce occupational injury incidence rates through systematic improvement programs.
	Clear occupational safety and health targets established, facilitating institutionalized management.	Deepen institutionalized management through training expansion and framework enhancements.
Organizational Culture	A culture of continuous improvement is established, facilitating safety initiatives.	Integrate energy conservation and waste reduction with safety improvements to enhance overall operational efficiency.

5.02.2.3 Short-, Medium- and Long-Term Improvement Goals

Short-Term Targets

1. Strengthen Traffic Safety Management
- Implement defensive driving education and training
- Promote commuting traffic safety

Reduce traffic accident risks

2. Risk Management for New Equipment / Processes
- Establish Standard Operating Procedures (SOPs) for new equipment deployment
- Strengthen initial operational training and supervision

Reduce operational risks

3. Workplace Violence & Harassment Prevention
- Establish cross-departmental communication mechanisms
- Conduct training on preventing workplace unlawful infringement

Prevent workplace conflict incidents

Medium-Term Targets

4. Systematic Safety Improvements
- Execute established safety improvement plans
- Build risk assessment and control mechanisms

Lower occupational injury incidence rates

5. Deepening Institutionalized Management
- Refine occupational health and safety management systems
- Strengthen the education and training framework

Enhance institutional management efficiency

Long-Term Targets

- **Integrating Sustainable Development**
  - Combine energy conservation and waste reduction initiatives with safety measures
  - Drive continuous improvement of safety culture

Enhance overall operational efficiency



Targets

Traffic Safety	Operational Safety	Mental Health	Overall Safety	Education & Training
Commuting Traffic Accidents: **0 cases/year**	Completion Rate of Risk Assessment for New Equipment Introduction: **100%**	Workplace Unlawful Infringement Complaint Cases: **0 cases/year**	Occupational Incident Rate: **Continuous reduction**	Completion Rate of Safety & Health Education Training: **100%**
Implement defensive driving training and promote commuting traffic safety	Establish SOPs for new equipment introduction; strengthen initial operation training and supervision	Establish cross-departmental communication mechanisms Conduct training on preventing workplace unlawful infringement		

5.02.3 Occupational Health Services (GRI 403-3)

To further ensure the quality of occupational health services, the Company tracks and evaluates service effectiveness through multiple key metrics, including periodic statistics on employee health status, compliance monitoring of risk control measures, and employee satisfaction surveys—ensuring that every employee receives continuous health protection at work. Furthermore, the Company encourages employees to actively participate in health service programs, helping them raise health awareness and proactively engage in health-related activities through regular health seminars, psychological counseling, and stress management courses. Through these comprehensive measures, the Company is committed to creating a safe, healthy, and vibrant working environment.

5.02.4 Worker Participation, Consultation, and Communication on Occupational Health and Safety (GRI 403-4)

Taking Kunshan and Suzhou Plants as Examples

		Committee	Labor Representative		Execution rate
Kunshan Plant	Occupational Health and Safety Management Committee Held periodically	16 members	2 members	12.5%	100%
Suzhou Plant	Occupational Health Steering Group Once per year	8 members	1 member	12.5%	100%

1. Organizational Composition Principles

- Joint Governance: Committees are composed jointly of occupational health and safety (OHS) specialists, relevant department heads, and worker representatives.
- Employee Representation: Ensures that non-managerial (entry-level) employees' voices are integrated directly into OHS decision-making processes.

2. Consultation and Communication Channels

Regular meetings:
The Suzhou factory holds regular occupational health-related meetings every year to study and develop occupational hazard prevention plans and programs.

Opinion Collection:
The company formulates an annual occupational hazard prevention and control work plan and monitors its implementation, actively soliciting employee opinions on the company's occupational health work.

Suggestions for Handling:
Promptly address and resolve reasonable suggestions and opinions raised by employees.

✅ Two-way communication mechanism: Establish channels for bottom-up feedback and top-down policy communication.
✅ Labor representative participation: Ensure labor representatives participate in decision-making in each plant area committee.
✅ Continuous improvement cycle: Regularly review occupational safety and health measures and incorporate employee feedback.
✅ Immediate response mechanism: Address employee safety and health suggestions and concerns promptly and track the effectiveness of improvements.

3.Fire Safety Management & Regulatory Compliance

Kunshan Plant: Established the Environmental Safety and Work Safety Committee and promulgated standard operating procedures QA-WA-K048 Occupational Health Management System and QA-WA-K049 Occupational Health Management Measures, systematically managing and executing all occupational health and safety affairs in full compliance with regulations.

5.02.5 Worker Training on Occupational Health and Safety (GRI 403-5)

In accordance with its annual education and training plans, Kaimei Group structures safety and health courses for new hires, periodic awareness campaigns for existing staff, and specialized training for high-risk or specific operations. Training effectiveness is evaluated based on course sessions, total attendees (person-times), and total training hours. In 2025, occupational health and safety (OHS) training reached a cumulative total of 10,617 training hours across 4,458 attendees (person-times), averaging approximately 2.38 hours per person. Moving forward, the Group aims to expand training coverage across the organization and contractor personnel, adjusting course depth and content according to the risk profile of each site to enhance risk identification and self-protection capabilities for both employees and non-employee workers.

Taipei Headquarters:

4 participant-times | 4 hours | 1 hour/ person

Regularly participate in and conduct fire drills and safety briefings in accordance with park regulations, explaining key points such as fire reporting procedures, evacuation routes, and emergency assembly points to employees. This strengthens employees' ability to respond to emergencies, protecting their physical and mental health and workplace safety, and aligning with the spirit of UN Sustainable Development Goal 8 "Decent Work and Economic Growth" and SDG 3 "Good Health and Well-being".

Kaohsiung Plant

828 participant-times | 3112 hours | 3.76 hours per participation

Dongguan factory:

2099 participant-times | 3950 hours | 1.88 hours per participation

Kunshan Plant

808 participant-times | 1321 hours | 1.63 hours per participation

Fire drills: Two fire drills and evacuation drills are conducted annually (total 637 participant-times; 1 hour each). All employees participate in evacuation drills, including demonstrations and hands-on practice on the use of fire extinguishers and fire hoses, improving their organizational and handling capabilities for fire fighting, enhancing their understanding of the company's fire prevention regulations and fire escape routes, and improving their self-rescue abilities. Occupational safety and health basic knowledge training: (total 171 participant-times ; 4 hours each time)

Suzhou Plant

665 participant-times | 2105 hours | 3.17 hours per participation

- Full-scale drills: Annual evacuation drills and basic fire-fighting training are held every November (including new and existing employees).
- ERT Management: Emergency response teams are established; safety and environmental specialists and special operations personnel receive regular training; certification compliance is 100%.
- Basic Training: All employees participate in fire risk assessment, fire-fighting practice, and escape drills.
- Group Training: Fire safety specialists receive regular professional training.
- High-Risk Drills: Regular/irregular emergency response drills are conducted for personnel performing high-risk operations.

Malaysia Plant

58 participant-times | 129 hours | 2.22 hours per participation

- SIMPOSIUM PENGURUSAN ALAM SEKITAR (Environmental Management Symposium)
- SAFETY & HEALTH TRAINING (SHO) (Safety and Health Officer Training)
- BAG FILTER TRAINING
- FORKLIFT TRAINING
- EMERGENCY RESPONSE TEAM 2025
- CePETSQ RELATED TRAINING (Certified Environmental Professional in Effluent Treatment Systems Training)
- RADIATION PROTECTION OFFICER
- FLAME ATOMIC ABSORPTION SPECTROSCOPY

Worker Training Photos for Occupational Health and Safety



5.02.6 Worker Health Promotion (GRI 403-6)

Taking the Kaohsiung Plant as an example: The company is committed to reducing high-risk personnel health hazards. Through three main pillars, workers are encouraged to actively participate in their own health management, while comprehensive workplace health services and thorough health examinations are provided.

Graded Management of Health Examinations

Employee Need-Oriented Health Promotion Courses

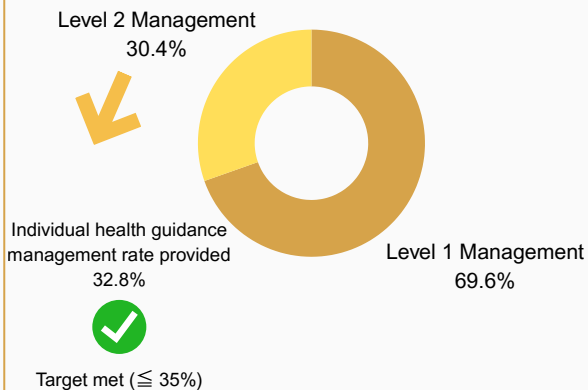
Workplace Health Care and Occupational Medical Care

In 2025, the completion rate for special operation health examinations reached 100%. Based on the exam results, strict graded follow-up management is implemented alongside ergonomic hazard prevention to ensure employees work in a safe environment

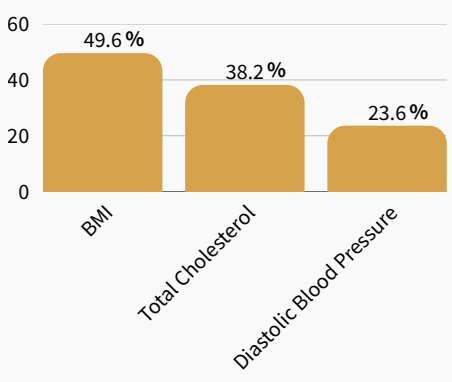
1 **Ergonomic Hazard Prevention**：Musculoskeletal disorder surveys are executed regularly. In 2025, a total of 2 abnormal questionnaire results were identified; both have been fully incorporated into health management with assistance provided. There were zero confirmed cases of musculoskeletal injuries across the plant.

2 **Special Operation Health Examinations**

Total personnel examined: 125 people.



3 **Health Exam Data Analysis — Abnormality Rates Across All Personnel**



These data points serve as an important reference for planning subsequent health promotion courses.

To enhance employee health knowledge and physical fitness, the company encourages workers to participate in the planning and execution of health promotion activities. We understand employee needs through questionnaire surveys and customize courses accordingly:

- Demand-Oriented Planning: The survey shows that the activity employees most hope to have is "Exercise, Independent Strength Training (29.4%)"; the main health concerns are "Musculoskeletal Pain (38.6%)" and "Overweight (20.1%)".
- Diverse Course Implementation: In 2025, a total of 6 health promotion courses were planned, covering aspects such as strength training, dietary control, gender balance, and psychological stress relief: All-Round Aerobic Strength (16 people), Interactive Boxing (12 people), Small Resistance Mat Strength & Mind-Body Relaxation (15 people), Understanding Dietary Codes: Weight Loss Can Be Simple (28 people), Work-Gender Balance (21 people), Talk Out a Good Mood: Stress Relief & Decompression Techniques (26 people)

- Participation Results:

2025 Health Promotion Activities Total Participants

118 personnel

Overall Participation Rate

33%

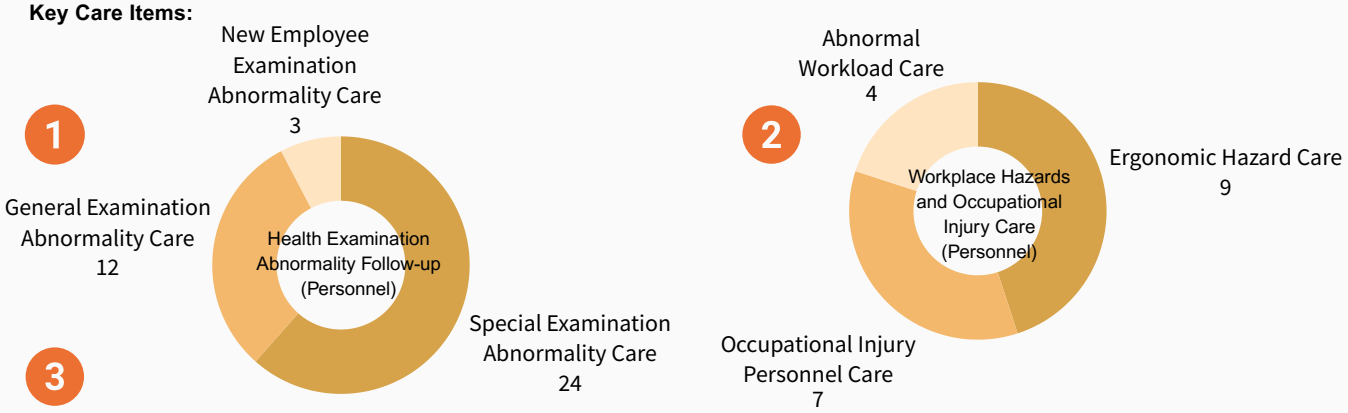
Exceeded KPI Target (≧ 30%)

Course Satisfaction: All courses achieved satisfaction levels of "Good" or "Very Good"

The company has established a comprehensive employee health care mechanism. The Environmental Safety and Health Unit, in collaboration with occupational medicine specialists, provides health guidance forms, interviews, and occupational medical consultations, while conducting monitoring and return-to-work assistance for specific targets:

2025 Health Care Overview:
The total number of cared individuals for the entire year was 72 people, with total care instances reaching 76 person-times. The cared individual ratio was 20%, and the cared person-times ratio was 21%, both successfully meeting targets (KPI target ≧ 20%)。

Key Care Items:



Return-to-Work and Maternal Health

- Return-to-Work Care: 15 person-times (9 cases closed / 2 under continuous follow-up)
- Maternal Protection Care: 0 person-times (No applications this fiscal year)

Health Promotion Key Performance Indicators (KPI) Summary

Management Indicator	2025 KPI Target	2025 Actual Performance	Status
Special Health Examination Completion Rate	100%	100% (125 persons)	Target Met
Special Health Exam Level 2 Management Rate	≦35%	32.8% (38 persons)	Target Met
Health Promotion Activity Participation Rate	≧ 30%	33% (118 person-times)	Target Met
Health Care Consultation Ratio	≧ 20%	21% (76 person-times)	Target Met

5.02.7 Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships (GRI 403-7)

Taking Suzhou Plant as an Example: The Company regards contractors as essential working partners. To ensure contractor safety, Kaimei Suzhou strictly enforces hazard disclosure and supervision in accordance with relevant occupational safety and health (OHS) regulations. Furthermore, it actively drives management mechanisms—including incorporating safety specifications into legal contracts, conducting pre-entry hazard communication briefings, and providing on-site safety supervision and training—to strengthen contractor safety and health management. Additionally, unannounced safety inspections are conducted periodically, with identified non-conformities reported to contracting departments or project owners to prompt corrective safety actions.

5.02.8 Workers Covered by an Occupational Health and Safety Management System (GRI 403-8)

In accordance with the Occupational Safety and Health Act, Kaimei Electronic has established and implemented an OHS management system to provide safe and healthy working conditions, comply with OHS regulations and requirements, eliminate hazards, minimize OHS risks, and foster worker consultation and participation. OHS personnel at all operating locations manage operations according to the ISO 45001 standard, and the management system covers all primary manufacturing sites.
Taking Kunshan Plant as an Example: Under the ISO 45001 standard, the implemented OHS management system covers all employees as well as non-employee workers (such as contractors and suppliers) performing tasks across operating sites, excluding contractors in one-off or short-term business relationships.
Taking Suzhou Plant as an Example: The Company has enacted EHS Audit Management Regulations, which apply to all activities, products, or services within the scope of the EHS management system (including fire safety management). Annual internal audits are regularly conducted by cross-auditing teams formed among primary organizational units. External professional organizations—such as ISO 45001 system certification bodies and accredited fire safety equipment inspection agencies—are engaged for auditing and guidance to identify and rectify operational blind spots in fire safety management. The scope covers all plant areas and all workers (employees, contractors, and visitors), with a total workplace coverage rate of 100% for direct employees.

5.02.9 Work-Related Injuries and Work-Related Ill Health (GRI 403-9) (GRI 403-10)

Through hazard identification and risk assessment, Kaimei Group identifies potential occupational ill-health risks across its operating sites, including repetitive operational tasks, noise exposure, and chemical exposure. To effectively mitigate occupational ill health, the Company implements targeted control measures and offers multi-layered protection for employees exposed to higher hazard risks for extended periods—such as providing disposable earplugs for staff in high-noise environments. In FY 2025, there were 0 cases of occupational ill health.

Regarding occupational injury management, the number of injured employees and their proportion of total workforce were 6 (0.3%) in FY 2024 and 4 (0.19%) in FY 2025, occurring primarily across manufacturing bases in Kaohsiung, Kunshan, Dongguan, Suzhou, and Malaysia. Zero work-related fatalities occurred in either year. Through incident investigation and root-cause analysis, the Company reviews operational procedures and equipment safeguarding measures, while strengthening pre-entry screening, hazard disclosure, and on-site supervision for high-risk processes and contractor operations to reduce accident recurrence.
In terms of fire safety, taking the Kunshan Plant as an example: fire incidents are logged in the fire control room duty logbook. The Safety Committee convenes to evaluate root causes, incident chronologies, and emergency responses, formulating corrective action plans to prevent recurrence. In FY 2025, there were 0 fire incidents and 0 casualties, representing 0% of the total workforce.

Metric \ Fiscal Year	2024		2025	
Count / Days / Year	Injuries / Disability Count	Days Lost	Injuries / Disability Count	Days Lost
Total Work-Related Injuries / Days Lost	6	341	4	237
Total Headcount (Employees)	2,012	—	2,095	—
Injury Rate (% of Total Employees)	0.30%	—	0.19%	—

5.03 Community Engagement

5.03.1 Infrastructure Investments and Services Supported (GRI 203-1)

Operating Location	Project / Initiative	Amount (NT$ Thousand)	Support Category	Beneficiary	Expected Impact
Taipei HQ	Promotion of Educational, Arts, and Cultural Activities	4,000	Cash Donation	Yageo Educational Foundation	Serves as a key platform for promoting international arts and cultural exchanges.
Kaohsiung Plant	Adoption of Air Quality Purification Zones	0	In-Kind Support	Local Residents of Kaohsiung City	Improves regional air quality and enhances the living environment for community residents.
Kaohsiung Plant	Financial Support to Nanyang Elementary School	30	Cash Donation	Teachers and Students of Nanyang Elementary School	Supports basic education development and promotes equitable distribution of educational resources.
Kaohsiung Plant	Financial Support to Yuanzhong Elementary School	30	Pro Bono Support	Teachers and Students of Yuanzhong Elementary School	Supports basic education development and cultivates future talent.
Kaohsiung Plant	Procurement of Mid-Autumn Festival Gift Sets from Sheltered Workshops	157	Commercial Procurement	Sheltered Workshops of Kaohsiung City Government	Creates job opportunities and supports economic independence for disadvantaged groups.
Total		**4,217**			

Right Image: Sponsoring Artist Tehching Hsieh's First Comprehensive Retrospective Exhibition in the United States



Exhibition Period: October 4, 2025 to October 2027

Sponsorship Details: The Foundation, in collaboration with Taiwan's Ministry of Culture and the Hong Foundation, provided resources to support Dia Art Foundation in presenting Tehching Hsieh's six core Life Works.

Activity Type	Global Exhibition Plan	
Exhibition Title	**Partner Institution**	**Location**
Gerhard Richter Exhibition	Fondation Louis Vuitton	Paris, France
David Hockney 25 Exhibition	Fondation Louis Vuitton	Paris, France
Yayoi Kusama Exhibition	Fondation Beyeler	Riehen, Switzerland
Francis Bacon: Human Presence	Fondation Pierre Gianadda / National Portrait Gallery	London, UK / Switzerland
Yoshitomo Nara Exhibition	Guggenheim Museum Bilbao	Bilbao, Spain

Kaohsiung Plant Operations & Community Investment

The Kaohsiung plant serves as Kaimei Electronic's main operational hub in Taiwan. Its business activities directly and indirectly impact the local community. To give back to the local community, the plant creates positive indirect economic impacts through infrastructure support and public welfare services. In 2025, the Kaohsiung plant's community investment totaled approximately NT$217 thousand, covering support across the following sustainability dimensions:

- Environmental Dimension: Regional air quality improvement
- Social Dimension: Support for basic educational resources, employment and economic self-reliance for vulnerable groups
- Economic Dimension: Creation of local indirect economic impact.

5.03.2 Significant Indirect Economic Impacts (GRI 203-2)

Through infrastructure investment, community procurement, and sponsorship of arts and culture, the company generates significant positive indirect economic impacts on the operating locations and the broader society. The main investment projects and impacts in 2025 are as follows:



Taipei Headquarters: Holiday gift presentation with the assistance of the local borough chief to support vulnerable community households

1. Cultural Arts and Educational Promotion (Major Impact Project)

Investment: NT$4,000 thousand

Location: Taipei Headquarters

- Indirect Economic Impact: Not only promotes arts and cultural education, but also fosters international cultural exchanges, enhances Taiwan's artistic visibility, generates indirect economic benefits for cultural and creative industries, and enriches the cultural capital of the community and society.

2. Local Education and Infrastructure Support

Investment: NT$60 thousand

Location: Kaohsiung Plant (including donations to Nanyang Elementary School and Yuanzhong Elementary School)

- Indirect Economic Impact: Promotes balanced development of local educational resources, cultivates future talent, and elevates the long-term human capital quality of the community.

3. Social Inclusion and Economic Self-Reliance for Disadvantaged Groups

Investment: NT$157 thousand

Location: Kaohsiung Plant (sheltered workshop procurement)

- Indirect Economic Impact: Directly creates employment opportunities and income for individuals with disabilities, supports economic self-reliance for vulnerable groups, reduces the burden on social welfare, and promotes social inclusion.

4.Environmental Improvement and Public Health

Investment: Adoption of Air Quality Purification Zone (In-kind support)

Location: Kaohsiung Plant

- Indirect Economic Impact: Improves regional air quality, enhances residents' living environments and health levels, indirectly lowers community medical costs, and improves living quality.

5.03.3 Alignment with UN Sustainable Development Goals (SDGs)

SDG 4 Quality Education

Supports the development of basic education institutions (Nanyang/Yuanzhong Elementary Schools), and promotes arts and cultural education through sponsoring international art exhibitions and educational projects.

SDG 8 Decent Work and Economic Growth

Supports employment and economic independence for individuals with disabilities by procuring products from sheltered workshops, creating local indirect economic impacts.

SDG 10 Reduced Inequalities

Focuses on the needs of disadvantaged groups (sheltered workshops) to promote distributive justice for resources.

SDG 11 Sustainable Cities and Communities

Improves community environmental quality (Air Quality Purification Zones), and enhances urban cultural vitality and international visibility through arts and cultural activities.



Kaohsiung Plant Social Welfare Initiatives: Procurement of Mid-Autumn Festival gifts from groups supporting individuals with disabilities, and adoption of air quality purification zones at Yuanzhong Elementary School and Houjhong Elementary School.



Kaohsiung Plant Social Welfare Initiatives: Procurement from sheltered workshops, adoption of air quality purification zones, and campus greening support at Nanyang Elementary School.

5.03.4 Operations with Local Community Engagement, Impact Assessments, and Development Programs (GRI 413-1)

The Company attaches great importance to co-existence and mutual prosperity with local communities, establishing systematic community relations management mechanisms across all operating locations. Specific measures include:

1. Community Communication and Engagement Mechanisms

- Establishing Regular Dialogue Platforms: Maintain close communication with neighboring borough chiefs and community offices, proactively addressing and assisting with the living needs of marginal/vulnerable households and local residents.
- Industrial Park Level Collaboration: Actively participate in industrial park management committees to discuss topics such as workplace environmental safety (the Taipei HQ Management Committee was the first in Taiwan to obtain Hazardous-Free Park Management certification) and operational guidelines, ensuring harmonious co-existence between plant operations and surrounding environments.

2. Impact Assessment

- Annual Review: Regularly evaluate potential environmental and social impacts of plant operations on surrounding communities each year.
- Assessment Results: Based on annual reviews, the Company's operations exerted no significant negative impacts on local communities in FY 2025.

3. Grievance Redress and Feedback

- Grievance Record: Zero community grievance or complaint cases were received in FY 2025.
- Rapid Response Commitment: Established a rapid response mechanism for community concerns, committing to providing concrete responses to inquiries or suggestions within 3 business days.

4. Community Participation and Local Co-Prosperity

- Local Hiring: Prioritize hiring local residents to create job opportunities and boost local economic development.
- Local Procurement: Prioritize procuring products and services from local suppliers to drive regional industrial circulation.

5.03.5 Operations with Significant Actual and Potential Negative Impacts on Local Communities (GRI 413-2)

Following rigorous evaluation, the Company's current operational activities have caused no significant actual or potential negative impacts on local communities, and no major related grievance cases were received in FY 2025. For future operational adjustments or new site additions that may significantly impact communities, the Company commits to strictly adhering to legal requirements in conducting risk assessments and management (e.g., Environmental Impact Assessments, EIA), upholding the principle of information transparency, and disclosing relevant information in a timely manner to safeguard community rights and interests.

6. Environmental



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6.01 Climate Change (Material Topic)

6.01.0 Climate Change Material Topic

6.01.0.1 Governance

IFRS S2 Climate-related Disclosures	Company Response Measures
A. Governance body's role in governing climate-related risks and opportunities	The Board of Directors serves as the highest governance body for responding to climate change, under which the "Sustainable Development Committee " has been established. Chaired by the Chairman of the Board, the Committee convenes regularly every year, where the Chairman reports on performance regarding ESG and climate change-related issues, and evaluates progress toward achieving sustainability goals.
B. Management's role in governing climate-related risks and opportunities	Under the Sustainable Development Committee , the Company has established a Sustainability Task Force, with joint participation from heads of relevant business units. Its scope covers climate risk impact analysis and assessment across water and energy conservation, occupational safety and health, environmental protection, and transition and development, and it is responsible for driving risk management. Its primary focus is on executing sustainability initiatives related to climate change. The task force meets regularly to plan action plans based on strategic objectives set by governance bodies, conduct cross-departmental coordination, execute and track progress, review the implementation of key performance indicators (KPIs), and propose adjustments based on outcomes, supported by external consultant coaching and training throughout the process.

6.01.0.2 Strategy

6.01.0.2.1 Strategy-A. Climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects

Risk / Opportunity	Short-Term	Medium-Term	Long-Term
Transition Risk	Carbon fee levy, changes in customer behavior, increased regulatory compliance costs	Changes in customer behavior, supply chain decarbonization requirements, green technology investment costs	Changes in customer behavior, Carbon Border Adjustment Mechanism (CBAM), product portfolio transition
Physical Risk	Extreme weather events; high temperatures affecting manufacturing process stability; climate change causing raw material supply chain instability	Extreme weather events; water shortages impacting operations; increased risk of raw material price volatility	Extreme weather events; long-term climate change impacting supply chain resilience; difficulty in procuring key raw materials
Market Opportunity	Renewable energy deployment, energy efficiency enhancement, low-carbon product development	Renewable energy deployment, smart manufacturing implementation, green product market expansion	Renewable energy deployment, circular economy models, establishing climate-resilient operational frameworks

6.01.0.2.2 Strategy-B. Information on Current and Anticipated Effects of Climate-Related Risks and Opportunities on the Entity's Business Model and Value Chain

Ref. ID	Risk / Opportunity Category	Risk / Opportunity Description	Impact on Business Model - Current	Impact on Business Model - Anticipated	Impact on Value Chain - Current	Impact on Value Chain - Anticipated
R1	Transition Risk - Policy & Legal	Carbon fees and greenhouse gas (GHG) regulations	Increased operating costs; requires investment in GHG accounting/inventory, carbon reduction, and compliance costs.	Rising costs for green power and carbon fees, declining gross margins, increased capital expenditures (CapEx), and higher financing costs.	Suppliers pass on costs, leading to increased procurement costs.	Escalating decarbonization pressure across the supply chain; facing higher compliance and audit pressure.
R2	Transition Risk - Market	Customer sustainability and decarbonization requirements	Revenue reduction, declining gross margins, requiring greater investment in carbon reduction costs.	Potential loss of orders or pressure for price reductions if targets are not met.	Difficulty in achieving net-zero targets, resulting in lost international orders.	Brand image damage; facing mounting customer pressure for carbon reduction.
R3	Physical Risk	Raw material price volatility	Increased production costs, declining gross margins, heightened inventory management pressure.	Declining gross margins, heightened inventory management pressure.	Suppliers pass on costs.	Supply chain costs increase; heightened price negotiation pressure.
R4	Physical Risk	Extreme weather events	Operational disruptions at facilities, equipment damage, supply chain disruptions.	Revenue loss, asset write-offs, increased repair and insurance expenses, increased capital expenditure (CapEx).	Risk of supply chain disruption.	Increased supply chain disruption risk; requiring adjustments to production capacity and supply chain footprint.
R5	Physical Risk	Water resource shortages	Rising water procurement costs, operational disruptions, constrained production capacity.	Loss of orders, constrained production capacity.	Unstable supply chain delivery.	Constrained supplier capacity, delayed delivery schedules.
R6	Physical Risk	Long-term climate change	Increased capital expenditure (CapEx), elevated long-term operational risk.	Elevated long-term operational risk.	Reduced supply chain resilience.	Increased risk of supplier operational disruptions.
O1	Opportunity - Market Growth	Surge in demand for energy storage systems (ESS)	Revenue growth, increased market share.	Revenue growth, increased market share.	Increased demand across the supply chain.	Supplier capacity expansion requirements.
O2	Opportunity - Carbon Footprint Verification	Obtaining product carbon footprint (PCF) certifications	Expanding into international markets, enhancing brand competitiveness.	Expanding into international markets, enhancing brand competitiveness.	Demand for supplier carbon emissions data disclosure.	Higher decarbonization requirements across the supply chain.
O3	Opportunity - Innovative Decarbonization Technologies	Decarbonization measures including smart factories, rooftop solar PV, and LED lighting	Energy conservation and carbon reduction yield long-term cost advantages, enhancing order acquisition competitiveness and ESG ratings.	Elevates ESG ratings, continuously expands installed capacity, and serves as a green manufacturing marketing highlight to secure international orders.	Improved supply chain energy efficiency, satisfying green supply chain requirements of major international clients.	Demand for supplier decarbonization technologies.

6.01.0.2.3 Strategy-C. Information on the Effects of Climate-Related Risks and Opportunities on the Entity's Strategy and Decision-Making

Ref. ID	Risk / Opportunity Category	Risk / Opportunity Description	Changes to Business Model and Resource Allocation - Current	Changes to Business Model and Resource Allocation - Anticipated
R1	Transition Risk - Policy & Legal	Carbon fees and greenhouse gas (GHG) regulations	Allocate resources to perform GHG inventories and set a 1% carbon intensity reduction target.	Strengthen the GHG management system, including allocating resources to cover product carbon footprints (PCF) and comprehensive GHG management.
R2	Transition Risk - Market	Customer sustainability and carbon reduction requirements	Obtain product carbon footprints in response to customer requirements.	Continuously implement internal carbon pricing (ICP) and focus capital expenditures (CapEx) on low-carbon transition equipment.
R3	Physical Risk	Raw material price volatility	Track inventory levels, develop alternative supply sources, increase stock levels to enhance procurement flexibility, and monitor usage volumes.	Establish a supplier carbon emissions database, promote supply chain GHG inventories and carbon reduction guidance, and formulate supplier carbon reduction targets and evaluation mechanisms.
R4	Physical Risk	Extreme weather events	Enhance plant disaster prevention resilience, establish emergency response plans, and strengthen overall protective capabilities.	Increase capital expenditures (CapEx) to reinforce facility infrastructure, establish regular review and drill mechanisms, and require key operational sites to continuously complete climate risk identification and disaster prevention plans.
R5	Physical Risk	Water resource shortages	Procure water tankers and increase water recycling and recirculation rates.	Continuously increase the ratio of water recycling and reuse, raise water recycling rates based on the specific water usage characteristics of each plant, and support management targets for year-over-year improvement in water intensity.
R6	Physical Risk	Long-term climate change	Increase capital expenditures (CapEx) to strengthen plant facilities, and complete GHG inventories along with third-party external verification.	In response to rising long-term operational risks, establish regular review and drill mechanisms to enhance Kaimei Group's operational resilience and long-term competitiveness under climate change.
O1	Opportunity - Market Growth	Surge in demand for energy storage systems (ESS)	Expand green product lines and invest in key component R&D to capitalize on carbon neutrality business opportunities.	Continuously focus on niche markets such as AI, electric vehicles (EVs), charging piles, and energy storage systems to create operational growth momentum for the company.
O2	Opportunity - Carbon Footprint Verification	Obtaining product carbon footprints	Promote product carbon footprint (PCF) certifications and strengthen supply chain carbon management.	Continuously refine and expand Scope 3 categories.
O3	Opportunity - Innovative Decarbonization Technologies	Decarbonization measures including smart factories, rooftop solar PV, and LED lighting	Continuously invest in energy-efficient equipment and renewable energy to increase the share of green electricity usage. The Suzhou plant has adopted solar power generation via a leasing model, and the Malaysia plant has initiated the construction of self-owned solar power facilities.	Plan to purchase green power or expand solar panel installations, continuously scaling up installed capacity in the future based on local regulations and site conditions.

6.01.0.2.4 Strategy-D. Effects of Sustainable Economic Activities and Climate-Related Risks and Opportunities on the Entity's Current and Anticipated Financial Position, Financial Performance, and Cash Flows

D.1 Sustainability Management Approach and Strategy for Economic Activities

Kaimei Electronic Corp. recognizes that high-reliability electronic passive components serve as the foundation for driving global energy transition and net-zero carbon emissions. The Company deeply integrates sustainability into its product R&D and market strategies, dedicating itself to providing high-voltage, long-lifespan aluminum electrolytic capacitors and precision resistors specifically engineered for "solar / photovoltaic (PV) / green energy" and "smart grids (smart meters)." By enabling the stable operation of green infrastructure, we assist end-user markets in enhancing energy efficiency, thereby creating significant dual positive value—both environmental and economic.

D.2 Identification of Core Sustainable Economic Activities

In alignment with the spirit of the "Taiwan Sustainable Finance Taxonomy" and international sustainability taxonomies,the Company has identified the following economic activities that make a substantial contribution to "climate change mitigation" and the "transition to a circular economy":

	Dimensions	
	Product Dimension (Green Enabling Products)	Operational Dimension (Green Manufacturing)
Economic Activities	Provides high-voltage resistance and high-ripple current capacitors and resistors required for EV charging piles/stations, ensuring system stability and safety during high-current power conversion while reducing energy conversion losses.	Energy Conservation Improvements in Production Processes (e.g., optimization of capacitor foil formation processes, variable-frequency drive implementation for air compressor systems).
	Provides capacitors and resistors with long lifespans and high temperature stability to support precise metering and energy management in smart grids, promoting energy efficiency optimization at the end-user side.	On-site water recycling and reuse (e.g., wastewater treatment and recycling from the formation process) and circular waste management. On-site renewable energy (solar PV) installation.

D.3 Compliance Verification with Sustainability Taxonomy Criteria

The Company confirms that the sustainable economic activities disclosed above simultaneously satisfy the following sustainability compliance checks:

- Do No Significant Harm (DNSH) Principle: When manufacturing capacitors and resistors, the Company strictly complies with environmental protection regulations. Products fully comply with RoHS and REACH standards to ensure they are free of hazardous substances. Wastewater generated during the chemical formation process of electrolytic capacitors is treated via advanced systems to meet compliance standards prior to discharge or recycling/reuse. Waste materials (such as aluminum foil scrap and scrap metal) are handled by qualified recycling contractors, ensuring no significant harm is caused to water resources, pollution prevention and control, or the circular economy.

- Minimum Safeguards (MS): In executing all economic activities, the Company strictly adheres to the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights (UNGP). All major manufacturing facilities producing resistors and capacitors (Kaohsiung, Suzhou, Dongguan, and Malaysia plants) have obtained Occupational Health and Safety Management System certification (ISO 45001) and enforce a Supplier Code of Conduct to safeguard employee rights and labor standards.

D.4 Effects of Strategies for Managing Climate-Related Risks and Opportunities to Align with Sustainable Economic Activities on Current and Anticipated Financial Position, Financial Performance, and Cash Flows

To align with sustainable economic activities and manage climate-related risks and opportunities, the anticipated short-, medium-, and long-term impacts of these strategies on financial performance and cash flows are detailed as follows:

Financial Indicator	Green Revenue	
Sustainable Economic Activity Category	(1)Solar / Photovoltaic / Green Energy	(2)Passive Components for Smart Meter Applications
Corresponding Sustainable Taxonomy Activity	Solar Power Generation Infrastructure / Climate Change Mitigation	Smart Grid and Energy Management Systems
Description of Activity & Contribution	Sales of high-reliability capacitors for solar / photovoltaic systems, supporting green energy and solar power infrastructure.	Sales of long-life, high-stability capacitors specifically designed for smart meters, supporting accurate metering and energy efficiency management.
Applicable Production Line	Resistor Products	Capacitor Products
2025 Amount	NT$16,071 thousand	NT$384,043 thousand
Short-Term (2026–2027)	Revenue growth driven by increasing global solar installations and demand for energy storage systems.	Revenue growth driven by global smart grid deployment and smart meter replacement demand.
Medium-Term (2028–2029)	After obtaining product carbon footprint certification for solar-related products and introducing low-carbon manufacturing processes, the Company expects to maintain existing orders and meet international customers' green procurement standards.	After obtaining product carbon footprint certification for smart meter products and introducing low-carbon manufacturing processes, the Company expects to maintain existing orders and meet international customers' green procurement standards.
Long-Term (2030 and Beyond)	With comprehensive smart energy management and mature supply chain carbon management, the Company aims to become a key passive component supplier to the solar energy industry.	With comprehensive smart energy management and mature supply chain carbon management, the Company aims to become a key component supplier to the smart grid industry.
Financial Indicator	**Green OpEx / Operational Expenditure**	**Green CapEx / Capital Expenditure**
Sustainable Economic Activity Category	Carbon Management and ESG Compliance	Process Energy Efficiency, Water Recycling & Reuse / Renewable Energy
Corresponding Sustainable Taxonomy Activity	Enabling Economic Activities	Energy Efficiency in Manufacturing / Water Resource Management
Description of Activity & Contribution	Conducting relevant verification, compliance management, and climate risk governance to meet the Group's GHG inventory requirements and international ESG initiatives.	Upgrading process equipment efficiency, optimizing compressed air systems, implementing energy-saving facilities, promoting green transportation, adopting renewable energy, and improving employee welfare-related energy efficiency. (Note)
Applicable Production Lines	Resistor, Capacitor, and Motor Fan Products	Resistor, Capacitor, and Motor Fan Products
2025 Amount	NT$1,244 thousand	NT$15,000 thousand
Short-Term (2026–2027)	NT$1,076 thousand	NT$79,000 thousand
Medium-Term (2028–2029)	Expand supply chain carbon management.	NT$79,000 thousand
Long-Term (2030 and Beyond)	Further mature supply chain carbon management and fully integrate climate risk management with the energy management system.	NT$26,000 thousand

(Note) Specific Categories and Items Included:

- Process Equipment Energy Efficiency Upgrades: Burn-in / aging equipment, industrial ovens, stitching & winding machines, and integrated assembly machines.
- Air Compressor System Optimization: Variable-frequency drives (VFD) for air compressors and waste heat recovery systems.
- Green Transportation: Fleet electrification (transitioning from internal combustion engine vehicles to electric vehicles).
- Employee Welfare Energy Conservation: Dormitory heat pump systems.
- Energy-Saving Facilities: Solar-powered streetlights, cooling towers, and capacitor banks.
- Renewable Energy: Solar PV power generation system at the Malaysia plant.

6.01.0.2.5 Strategy-E. Climate-Related Scenario Analysis and Assessment for Climate Resilience

6.01.0.2.5.1 Methodological Basis

The Company references the IPCC AR6 Shared Socioeconomic Pathways (SSP) framework, combining operational and financial data to establish three representative climate scenarios for evaluating financial impacts on operating costs:

- S1 "Accelerated Net Zero" (1.5–2°C): Assumes strict decarbonization measures are adopted globally. In the short-to-medium term, rising carbon prices and green power costs will increase decarbonization investments and compress gross margins.
- S2 "Delayed / Current Policies" (2–3°C): Assumes deferred decarbonization actions. Short-term financial pressure remains relatively moderate; however, the medium-to-long term faces concentrated transition costs as well as risks to order volumes and cost of capital driven by heightened demands from customers and financial institutions.
- S3 "High Emissions / Stagnation" (>3°C): Assumes insufficient climate action. Although short-term carbon costs are lower, extreme weather and water resource risks are significantly magnified, potentially causing operational disruptions alongside substantial increases in repair and insurance expenses, bringing higher capital expenditures (CapEx) and asset impairment risks.
- The results of the aforementioned scenario analysis have been incorporated into the Company's capital budgeting and risk management decision-making to maintain financial resilience under different warming pathways and safeguard long-term shareholder value.

6.01.0.2.5.2 Electricity Scenario Sensitivity Analysis

1. Scope of Analysis

Kaimei Electronic Corp. operates six primary operational sites globally, including the Taiwan Headquarters, Taiwan Kaohsiung Plant, China Dongguan Plant, Suzhou Plant, Kunshan Plant, and the overseas Malaysia Plant. Based on preliminary assessments:

- China Operational Sites: Benefiting from local electricity tariff policies, electricity rates at the Dongguan plant decline by approximately 8% annually, the Suzhou plant by approximately 5% annually, and electricity rates at the Kunshan plant have decreased by approximately 6% in recent years. Under the premise of stable annual production growth, electricity costs at China sites face no major threats in the short term, resulting in an assessment of "No Negative Impact."
- Overseas Malaysia Plant: Capacity expansion offsets the growth rate of electricity tariffs, resulting in an assessment of no negative impact.
- Taiwan Region: Electricity tariffs in Taiwan have increased by an average of 15% over the past three years, outstripping order growth rates. Adopting a conservative approach, this analysis focuses on the Taiwan Kaohsiung Plant to conduct scenario analysis and financial impact assessments for electricity tariff hikes.

2. Key Assumptions and Parameter Settings

- Baseline Status: Using 2025 as the baseline evaluation year, the current electricity tariff is NT$ 4.52 per kWh, and electricity expenses account for approximately 10.29% of profit before tax (PBT).
- Electricity Policy Scenario Assumptions: Based on Taiwan's power market structure and prevailing policy trends, this analysis takes 2025 as the common starting point to set differentiated Compound Annual Growth Rates (CAGR) for electricity tariffs under different future climate scenarios:
- S2 "Delayed / Current Policies" (2–3°C): Sets annual electricity tariff growth at approximately 15%, reflecting the certainty of structural cost increases driven by fuel cost adjustments, grid resilience investments, and future carbon fee pass-throughs.
- S1 "Accelerated Net Zero" (1.5–2°C): Sets annual electricity tariff growth at approximately 20%. In addition to baseline structural costs, this scenario incorporates the additional impact of higher carbon fee pass-throughs resulting from strict decarbonization policies, alongside the compounding effect of green power premiums driven by surging market demand.
- Time Horizon: Evaluates financial impacts across two time horizons: short-term (2027) and medium-term (2030).

3. Scenario Analysis Results

Using 2025 as the baseline evaluation year (with electricity expenses currently accounting for approximately 10.29% of profit before tax), this analysis sets compound annual growth rates (CAGR) for electricity tariffs at 15% and 20% under the S2 "Current Policies" and S1 "Accelerated Net Zero" climate scenarios, respectively, to evaluate financial impacts on the Group's cost structure:

- Short-Term (~2027): Under the S2 scenario, electricity expenses account for 13.61% of profit before tax, compared to 14.82% under the S1 scenario—a difference of 1.21 percentage points, indicating that the impact of rising electricity costs remains manageable in the short-to-medium term.
- Medium-Term (~2030): Under the S2 scenario, electricity expenses as a proportion of profit before tax rise to 21.73%, while reaching 26.88% under the S1 scenario—widening the gap to 5.15 percentage points, reflecting a progressive increase in cost pressure under accelerated net-zero policies.

4. Risk Mitigation Strategies and Response Measures

In response to the risk of rising electricity tariffs faced by the Kaohsiung Plant, Kaimei Electronic Corp. has formulated a systematic equipment investment plan aimed at reducing electricity costs through enhanced energy efficiency. This plan is expected to effectively mitigate the impact of electricity price hikes on operating costs while aligning with the Company's sustainability objectives. The specific investment projects are shown in the table on the right:

Investment Project	Implementation Year	Estimated Annual Electricity Savings (%)
100 HP Air Compressors	2026	26%
Chillers	2026	34%
Cooling Towers	2026	6%

6.01.0.3 Risk Management

The Company has established clear processes and organizational mechanisms for monitoring climate-related risks as follows:

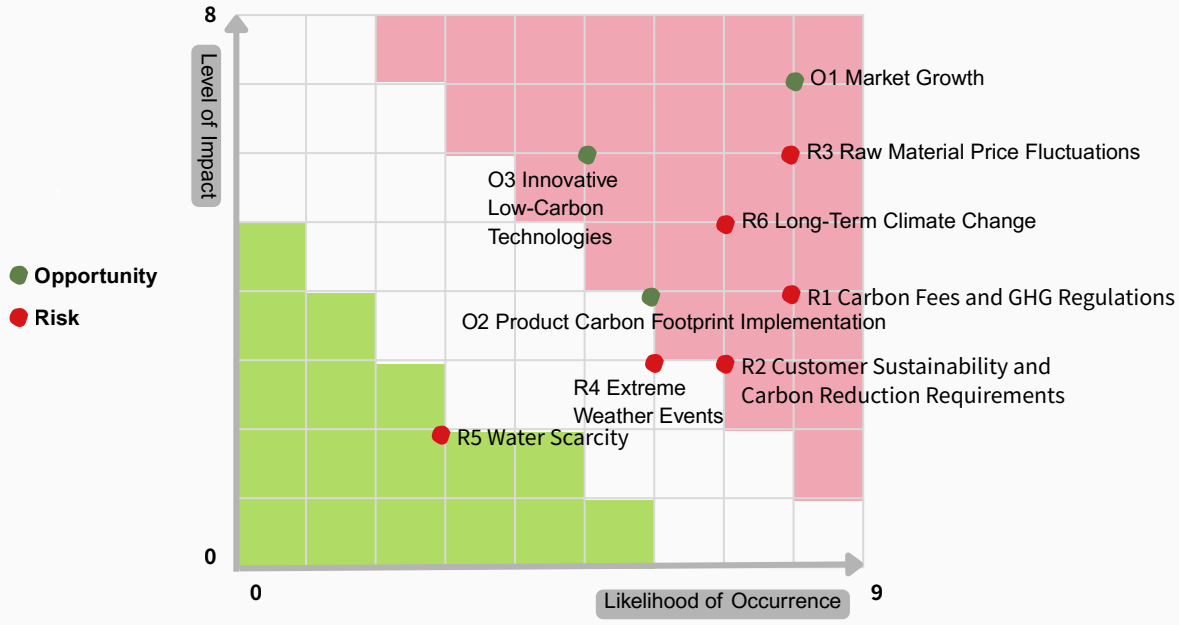
1. **Risk Monitoring Process:** Based on the risk topics and management responsibilities divided across functional units, risk control statuses are regularly reported to heads of relevant departments and organizations to serve as a basis for continuous monitoring and adjustment.

2. **Risk Control Reporting:** The Risk Management Committee aggregates key risks and the implementation status of control measures, reporting regularly to the Board of Directors to ensure risk management strategies receive oversight and support from top governance levels.

3. **Monitoring Mechanism:** Dedicated risk management units and monitoring mechanisms are established for different climate risk topics to ensure relevant management measures are fully executed, while continuously reviewing their effectiveness and necessary adjustments. Through regular evaluation and reporting mechanisms, the Company strengthens oversight and management of climate-related risks.

The Company has established qualitative and quantitative evaluation criteria for climate change-related risks and opportunities based on their nature, likelihood of occurrence, and potential level of impact. Through risk matrix analysis for identification and management, "Likelihood" (scale of 1–10) and "Level of Impact" (scale of 1–10) are used as dimensions for matrix analysis to effectively manage climate-related issues.

Climate Change Risk and Opportunity Matrix



In terms of risk identification, the analysis results indicate that "Raw Material Price Volatility" (R3) is listed as the primary significant risk of concern, followed by "Long-Term Climate Change" (R6), "Carbon Fees and GHG Regulations" (R1), and "Customer Sustainability and Carbon Reduction Requirements" (R2), which fall into medium-to-high risk topics; whereas "Extreme Weather Events" (R4) and "Water Resource Shortages" (R5) represent relatively lower risks.
In terms of capitalizing on opportunities, "Market Growth" (O1) possesses both high likelihood of occurrence and high impact benefits, making it the development opportunity with the greatest potential. Additionally, the Company actively evaluates "Innovative Decarbonization Technologies" (O3) and "Product Carbon Footprint Implementation" (O2) to gain a competitive advantage in the low-carbon transition.

6.01.0.4 Metrics and Targets

6.01.0.4.1 Information Relevant to Cross-Industry Metric Categories (Climate-Related Metrics) — (1) Greenhouse Gas Climate-Related Metrics

The Company's greenhouse gas (GHG) emissions are calculated in accordance with ISO 14064-1 standards and methodologies, referencing the "GHG Emission Factors" announced by the Ministry of Environment or local regulations at respective operating sites. The operational control approach is applied to account for emissions from joint ventures and associates. The Company selected this measurement approach because it accurately reflects the Company's control over actual operations and ensures that GHG emissions data comprehensively and consistently present the Company's true operational impact, enabling report users to fully understand performance related to climate-related risks and opportunities. For the Company's 2025 Scope 1, Scope 2, and Scope 3 GHG emissions, please refer to Section 6.02.1 Greenhouse Gas Emissions.

6.01.0.4.2 Information Relevant to Cross-Industry Metric Categories (Climate-Related Metrics) — (2) Remuneration

In 2025, Kaimei Electronic Corp. initiated the evaluation and planning of a mechanism linking climate-related performance to remuneration. Currently, in alignment with its strategic sustainability direction, the Company is formulating appropriate methods to link climate targets with performance metrics. This mechanism is expected to be submitted to the Sustainable Development Committee for review in 2026. Based on performance management and incentive systems for senior executives and managers across all levels, the Company will progressively strengthen the linkage between remuneration mechanisms, low-carbon transition strategies, and medium-to-long-term climate targets to enhance organizational accountability and momentum in driving climate action.

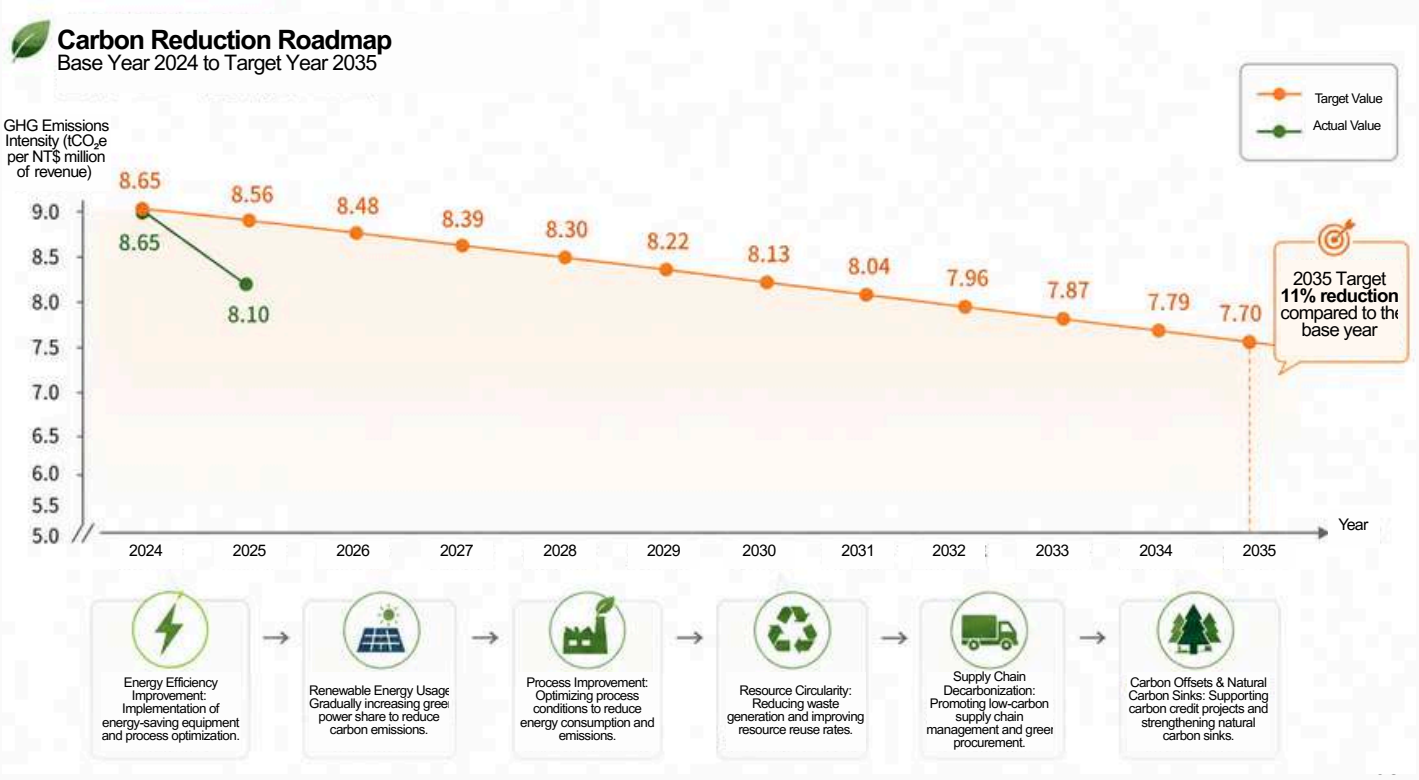
6.01.0.4.3 Information on Climate-Related Risk or Opportunity Targets Set (Climate-Related Targets)

Although the Company is not classified as a major GHG emitter, it remains aligned with Taiwan's 2050 Net-Zero Emissions Roadmap and relevant carbon reduction policies, establishing a continuous reduction in emissions intensity as its primary climate target. Taking 2024 as the base year, the Company targets an average annual reduction of at least 1% in Scope 1 and Scope 2 GHG emissions intensity between 2025 and 2035.

The Company will conduct rolling reviews and adjustments of its medium-to-long-term targets based on national carbon reduction goals and industrial technology developments.

6.01.0.5 Decarbonization Pathway

- Strategic Core: The Company uses GHG emissions intensity per NT$ million of revenue as its core management metric and is committed to decoupling business growth from carbon emissions, with a progressive annual reduction target of 1%.
- Decarbonization Pathway: Taking 2024 as the base year (intensity of 8.65), the Company has mapped out a long-term decarbonization trajectory, projecting a reduction in intensity to 7.70 by 2035, achieving a cumulative reduction of 11%.
- Initial Results: Through process energy efficiency optimization and energy management, the actual GHG emissions intensity in 2025 reached 8.10, significantly outperforming that year's target value (8.56) and demonstrating strong initial decarbonization momentum and execution effectiveness.



6.01.2 Internal Carbon Pricing (E-12)

6.01.2.1 Carbon Pricing

To drive low-carbon investments and enhance carbon reduction incentives, Kaimei Group officially introduced an internal carbon pricing (ICP) mechanism in 2025 upon approval by the Sustainable Development Committee . The initial internal carbon price is set at NT$ 300 per metric ton of CO_2e (subject to rolling adjustments based on external carbon prices and abatement costs).

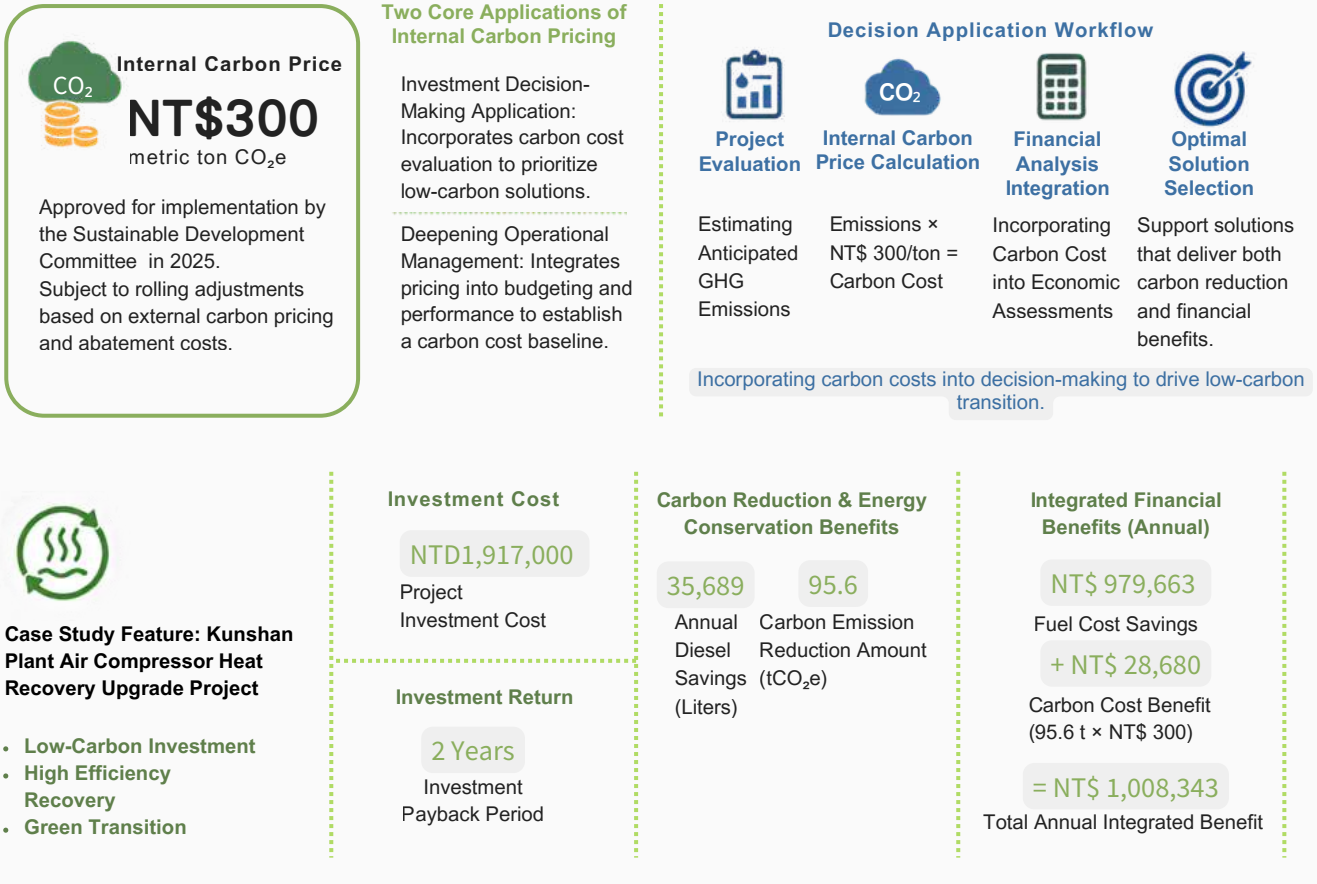
- Investment Decision-Making Application: When evaluating equipment replacement, capacity expansion, and energy conservation projects, projected greenhouse gas (GHG) emissions multiplied by the internal carbon price are integrated into economic benefit analyses to prioritize solutions that deliver dual carbon reduction and financial benefits.
- Deepening Operational Management: Future plans involve aligning with GHG inventories to progressively integrate internal carbon pricing into annual budgeting and performance reviews across business units, establishing carbon cost as a shared baseline for business decision-making.

6.01.2.2 Case Study

To concretely implement the internal carbon pricing mechanism, the Kunshan Plant executed an air compressor heat recovery equipment upgrade project, demonstrating win-win environmental and economic outcomes from low-carbon investments:

- Carbon Reduction & Energy Conservation Benefits: Project investment costs were approximately NT$ 1,917,000, with projected annual diesel savings of 35,689 liters and an estimated carbon reduction of approximately 95.6 metric tons CO_2e
- Integrated Financial Benefits: Annual fuel cost savings amounted to approximately NT$ 979,663. Adding the internal carbon cost benefit (NT$ 300/metric ton), total annual integrated financial benefits reached NT$ 1,008,343.
- Payback Period: The project's carbon payback period (CPP) is approximately two years, substantively validating the tangible contribution of the internal carbon pricing mechanism toward driving operational efficiency and low-carbon transition.

KAIMEI Group Internal Carbon Pricing Mechanism
Driving Low-Carbon Investment Through Carbon Costs to Achieve a Win-Win for the Environment and the Economy



6.02 Greenhouse Gas Emissions (Material Topic)

6.02.0 Greenhouse Gas Emissions Material Topic

GOVERNANCE

Please refer to Section 6.01 Climate Change, **6.01.0.1 Governance.**

STRATEGY

Kaimei Electronic Corp. has set a short-term reduction target of "reduce GHG emissions intensity by 1% annually" as the foundation for its subsequent medium-to-long-term decarbonization pathway. To achieve this goal, the Company implements measures such as enhancing energy efficiency, optimizing equipment and manufacturing processes, managing electricity consumption, installing solar panels at the Malaysia plant, and procuring renewable energy (including green power), thereby effectively reducing emissions intensity per unit of output. Simultaneously, the Company continuously reviews reduction performance and progress toward target achievement across all operational sites to serve as a concrete basis for adjusting decarbonization strategies and investment priorities.

RISK MANAGEMENT

CORE RISKS OF GREENHOUSE GAS EMISSIONS

1. Carbon Pricing and Regulatory Compliance Cost Risk
2. The gradual implementation of domestic and international carbon pricing mechanisms (such as Taiwan's carbon fee and the EU's CBAM carbon tariff) will directly increase operating costs and export trade barriers if effective decarbonization is not achieved.
3. Decarbonization Technology and Target Achievement Risk
4. Electronic manufacturing processes (such as aluminum foil processing and capacitor assembly) are energy-intensive stages. If energy-saving technology upgrades or renewable energy (green power) procurement fall short, the Company faces compliance risks of failing to meet Science Based Targets initiative (SBTi) climate goals.
5. Green Supply Chain and Order Loss Risk
6. Major international clients increasingly demand suppliers to provide Product Carbon Footprint (PCF) and Scope 3 reduction data. Insufficient transparency in GHG management risks the loss of green procurement orders.

CORE OPPORTUNITIES OF GREENHOUSE GAS EMISSIONS

1. Energy Cost Optimization and Operational Efficiency Enhancement
2. Optimizing process energy conservation, introducing high-efficiency equipment, and expanding the proportion of renewable energy usage (such as solar power and green electricity) will substantially lower long-term electricity expenses and future carbon fee burdens.
3. Low-Carbon Products and Green Market Expansion
4. Completing ISO 14067 product carbon footprint verification for major product lines—combined with the competitive edge of energy-saving products such as low-impedance capacitors and IE5 ultra-premium efficiency motors—satisfies client green supply chain requirements to capture high-end orders.
5. ESG Ratings and Brand Value Premium
6. Actively conducting GHG inventories and committing to reduction targets elevates international ESG ratings, attracts sustainability-focused investors, and strengthens the brand image as a "green component supplier."

METRICS & TARGETS

2025 Target	2025 Actual	Target Met?	2026 Target	2027–2030 Target	2031–2040 Target
Reduce GHG emissions intensity by 1% annually, using 2024 (8.65) as the base year; 2025 target: 8.56	8.1	Achieved	Reduce GHG emissions intensity by 1% annually		
Increase renewable energy usage ratio to 5% (Suzhou); install solar panels (Malaysia)	Suzhou: 5%; Malaysia: solar panels installed	Achieved	Group-wide renewable energy usage ratio reaches 0.5%	Group-wide renewable energy usage ratio reaches 0.5%	Group-wide renewable energy usage ratio reaches 1%
Complete product carbon footprint assessments	Completed for 1 product (Kunshan)	Achieved	Complete carbon footprint assessments for at least 10 products		

6.02.1 Greenhouse Gas Emissions

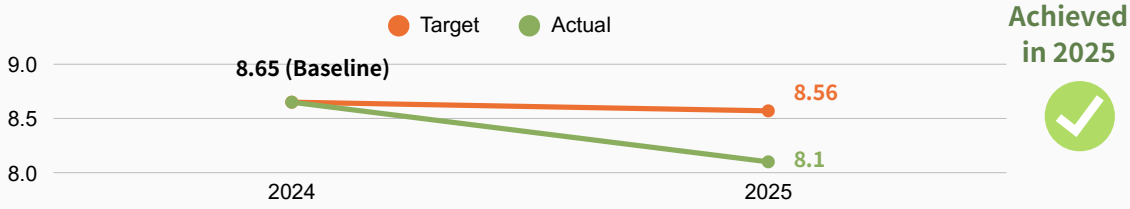
The Company recognizes the impacts of climate change on the global environment and its business operations and continues to strengthen its greenhouse gas (GHG) inventory practices in accordance with international standards. In 2025, the Group's total GHG emissions from Scopes 1, 2, and 3 amounted to 84,015.21 metric tons CO_2e.

Within its own operational boundary, the Company continued to implement energy conservation and carbon reduction measures. In 2025, Scope 1 direct emissions were 738.30 metric tons CO_2e, representing a 4.6% decrease from the previous year. Scope 2 energy indirect emissions were 44,161.48 metric tons CO_2e, also showing a slight decrease from 44,774.32 metric tons CO_2e in 2024. These results reflect initial progress in managing emissions from internal processes and purchased electricity.
In addition, Scope 3 other indirect emissions were 39,115.43 metric tons CO_2e in 2025, representing a significant 174.0% increase from the previous year. This increase was mainly attributable to the Company's further expansion of its value chain emissions inventory boundary in 2025, enabling a more transparent and comprehensive assessment of the Group's overall carbon impact.
To scientifically track carbon reduction performance, the Group uses 2024 as the base year and has established an emissions intensity reduction target covering Scope 1 and Scope 2 emissions. The actual emissions intensity in 2025 was 8.10, outperforming the annual target of 8.56. During the same period, the Group's consolidated operating revenue increased by 5.3%. Despite this financial growth, emissions intensity declined, indicating an emerging positive trend of decoupling economic growth from carbon emissions and demonstrating improved resource efficiency.

2025 Scope 1+2+3 Total = 84,015.21

	Scope 1 Emissions (Direct)	Scope 2 Emissions (Energy Indirect)	Scope 3 Emissions (Other Indirect)	Scope 1-3 Emissions Total	Group operating revenue (million NTD)
2024	774.20	44,774.32	14,288.73	59,837.24	5,263.97
2025	**738.30**	**44,161.48**	**39,115.43**	**84,015.21**	5,545.49
	-4.6%	**-1.4%**	**+174.0%**	**+40.4%**	**+5.3%**

Emissions Intensity (Scopes 1 and 2) (Metric tons of CO_2e / Million NTD Revenue)



Note: 1. Emissions are calculated using the market-based approach. 2. 2024 is the base year for this indicator. 3.Emissions intensity is calculated by dividing the Group's combined Scope 1 and Scope 2 emissions by consolidated revenue in NT$ million.

6.02.3 External Verification Status

In accordance with the ISO 14064-1 standard, Kaimei Electronic Corp. is progressively advancing greenhouse gas (GHG) accounting and verification procedures. Operating sites—including the Dongguan Plant, Suzhou Plant, Kunshan Plant, Kaohsiung Plant, and Malaysia Plant—have completed GHG accounting and obtained third-party verification reports to ensure the completeness and reliability of emissions disclosures.

Note: All verifications were conducted in accordance with ISO 14064-3.

Operational Site	Scopes 1 & 2	Scope 3	Certificate No.	Inventory Standard	Level of Assurance	Verification Body
Taipei Head Office	Self-inventoried	Primarily employee commuting and business travel	—	ISO 14064-1:2018	—	—
Kaohsiung Plant	Inventory report verified	Primarily raw materials, employee commuting, business travel, and upstream/downstream transportation	GHG-263686200	ISO 14064-1:2018	Reasonable Assurance (Categories 1 & 2) Limited Assurance (Categories 3–6)	TÜV NORD Taiwan Co., Ltd.
Dongguan Plant	Inventory report verified	Primarily raw materials, employee commuting, business travel, and upstream/downstream transportation	19826GHGE00008R0M	ISO 14064-1:2018	Reasonable Assurance	Beijing Xinjiyuan Certification Co., Ltd.
Suzhou Plant	Inventory report verified	Primarily raw materials, employee commuting, business travel, and upstream/downstream transportation	15/WITGHG2026041	ISO 14064-1:2018	Reasonable Assurance	Hangzhou Wantai Certification Co., Ltd.
Kunshan Plant	Inventory report verified	Primarily raw materials, employee commuting, business travel, and upstream/downstream transportation	19826GHGB00002R0M	ISO 14064-1:2018	Reasonable Assurance	Beijing Xinjiyuan Certification Co., Ltd.
Malaysia Plant	Inventory report verified	Primarily raw materials, employee commuting, business travel, and upstream/downstream transportation	GHG-ISO 14064(1)-260018	ISO 14064-1:2018	Limited Assurance	MY CO2 Certification Sdn. Bhd.

6.03 Energy Management

6.03.0 Material Topic

GOVERNANCE

Kaimei Electronic Corp. identifies energy management and greenhouse gas (GHG) emissions as material sustainability topics, with the Board of Directors holding ultimate oversight responsibility. Through the Sustainable Development Committee , the Board oversees relevant policies, targets, and implementation progress.

The Sustainable Development Committee reviews energy and decarbonization strategies, annual inventory and verification results, and energy-efficiency investment plans at least once a year. It submits decisions on material topics (such as internal carbon pricing, scenario analysis results, and medium-to-long-term carbon reduction targets) to the Board of Directors for approval.
Senior management is responsible for integrating operational sites and business units to formulate energy management and decarbonization pathways, regularly consolidating relevant outcomes to serve as references for performance evaluations and operational decision-making.

STRATEGY

Kaimei Electronic Corp. adopts "reducing energy intensity and emissions intensity, and increasing the proportion of green electricity and low-carbon products" as its core strategy, incorporating energy efficiency enhancement and emissions management into operational and capital allocation considerations.

The Company plans to phase out high-energy-consuming equipment in stages, optimize production lines (Dongguan plant) and HVAC systems, and implement smart monitoring and energy conservation management. It aims to reduce reliance on high-carbon power through renewable energy adoption and green electricity procurement. Meanwhile, using 2024 as the base year, Kaimei Electronic Corp. projects a 1% annual reduction in overall operational emissions intensity through 2030 compared to the base year. In response to customer requirements, the Company has selected specific high-emission production lines to adopt Science Based Targets initiative (SBTi) frameworks and relevant technical pathways, supporting its medium-to-long-term net-zero vision.

RISK MANAGEMENT

In terms of energy and greenhouse gases, Kaimei Electronic Corp. incorporates carbon fees/taxes, electricity price volatility, increased power demand driven by extreme weather, and customer decarbonization demands into its enterprise risk management (ERM) process, conducting regular risk identification and evaluation

At least once a year, the Company inventories energy usage and emissions across all operational sites, combining climate scenario analysis to assess the impact of future carbon price and electricity rate fluctuations on operating costs and gross margins. It prioritizes management items using a "Likelihood × Level of Impact" matrix.
For high-risk items (e.g., CBAM, carbon fees, and major client decarbonization requirements), Kaimei Electronic Corp. implements concrete management measures. These include strengthening energy conservation projects (Dongguan plant), installing on-site solar panels (Malaysia plant), establishing internal carbon pricing and a shadow carbon price as bases for investment evaluation, and enhancing power backup and equipment resilience. The effectiveness of risk control is reported regularly to the Sustainable Development Committee and the Board of Directors.

To strengthen energy and greenhouse gas management, Kaimei Electronic Corp. has established the following key metrics and phased targets, reviewing progress at least once a year and making rolling adjustments:

2025 Target	2025 Actual	2026 Target	2027–2030 Target	2031–2040 Target
Implement ISO 50001 (Dongguan and Kaohsiung plants)	Under planning	Implement ISO 50001 (Dongguan plant)	Implement ISO 50001 (Malaysia, Kaohsiung, and Kunshan plants)	
Reduce energy intensity by 1% annually	Not Achieved	Reduce by 1% annually	Reduce by 1% annually	Reduce by 1% annually
Promote energy-efficiency retrofits and smart monitoring systems (Kaohsiung and Dongguan plants)	Kaohsiung: Achieved; Dongguan: Achieved	Continuously upgrade energy-saving equipment and management systems	Continuously upgrade energy-saving equipment and management systems	Implement smart energy management and advance toward net-zero carbon emissions

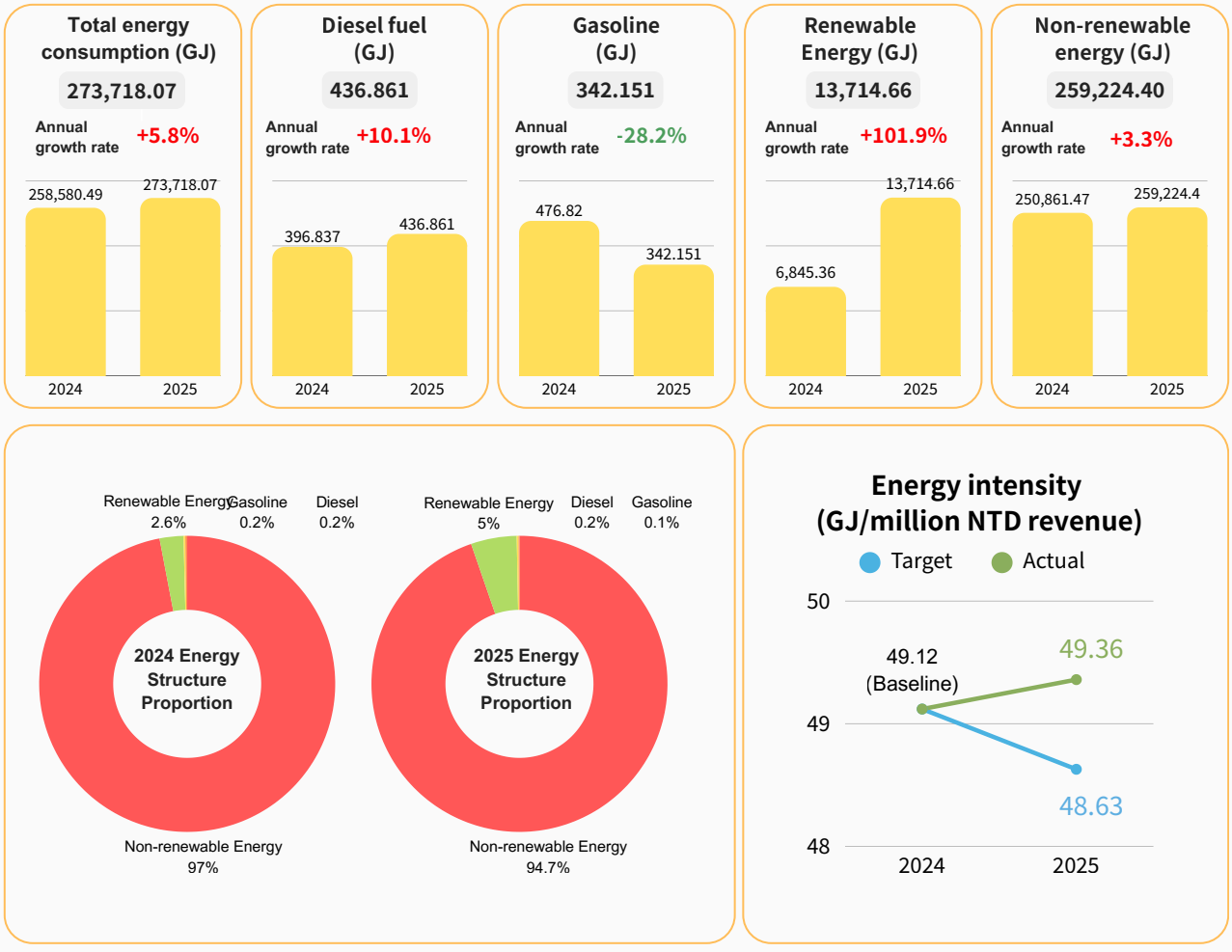
Through the integration of governance, strategy, risk management, and metrics and targets described above, Kaimei Electronic Corp. will embed energy and greenhouse gas issues into daily operations and medium-to-long-term planning, progressively reducing carbon emission and energy cost exposures while capturing market opportunities arising from the low-carbon transition.

6.03.1 Energy Consumption Status

Group Energy Performance and Revenue-Based Energy Intensity Analysis

Kaimei Group is committed to improving energy efficiency and tracking the relationship between business growth and energy consumption. In 2025, the Group consumed 273,718.07 GJ of energy, up 5.85% (15,137.58 GJ) from 258,580.49 GJ in 2024. This increase accompanied the Group's operational expansion: consolidated revenue rose by approximately 5%, from NT$5,263.97 million to NT$5,545.49 million.
The Group assesses its energy performance using a revenue-based indicator. Energy intensity was 49.36 GJ per NT$ million of revenue in 2025, compared with 49.12 GJ in 2024, representing a slight increase of 0.49%. Energy consumption therefore grew broadly in line with revenue, while energy intensity remained relatively stable.

Group Energy Information Overview (Units: GJ and %)



6.04 Water Resources Management

6.04.0 Material Topic: Water Resources Management

GOVERNANCE

(Please refer to Section 6.06.0 Material Topic: Environmental Protection)

STRATEGY

(Please refer to the Environmental Protection section)

RISK MANAGEMENT

- Physical Risks: Changes in precipitation patterns, droughts, or water quality degradation leading to insufficient industrial water supply; extreme high temperatures driving up demand for cooling water and electricity.
- Transition Risks: Tightening of water-related regulations, elevated standards for water abstraction and effluent discharge, adjustments to wastewater treatment tariffs, and rising customer expectations regarding supply chain water footprint and risk management.
- Risk Assessment: Risk evaluations are conducted across short-term (1–3 years), medium-term (3–5 years), and long-term (5+ years) time horizons, assessing dimensions such as likelihood, operational impact, financial impact, and risk preparedness. A risk matrix is utilized to identify high-priority water resource risks.

Metric	2024 Baseline	2025 Target	2025 Actual	Target Met?
Water Withdrawal Intensity (m^3 / NT$ million of revenue), annual reduction target: 2%	80.98	79.36	86.49	Not Achieved

Metric / Action Plan	2026 Target	2027–2030 Target	2031–2040 Target
Water Withdrawal Intensity (m^3 / NT$ million of revenue), annual reduction target: 2%	77.74	2% annual reduction	2% annual reduction
Management Policy	Establish a water management policy and establish a water balance diagram	• Complete a Water Risk Assessment Report • Complete a Supplier Water Risk Assessment Report • Achieve a Process Water Recycling Rate of ≥20%	Process water recycling rate ≥30%

6.04.1 Water Treatment Process

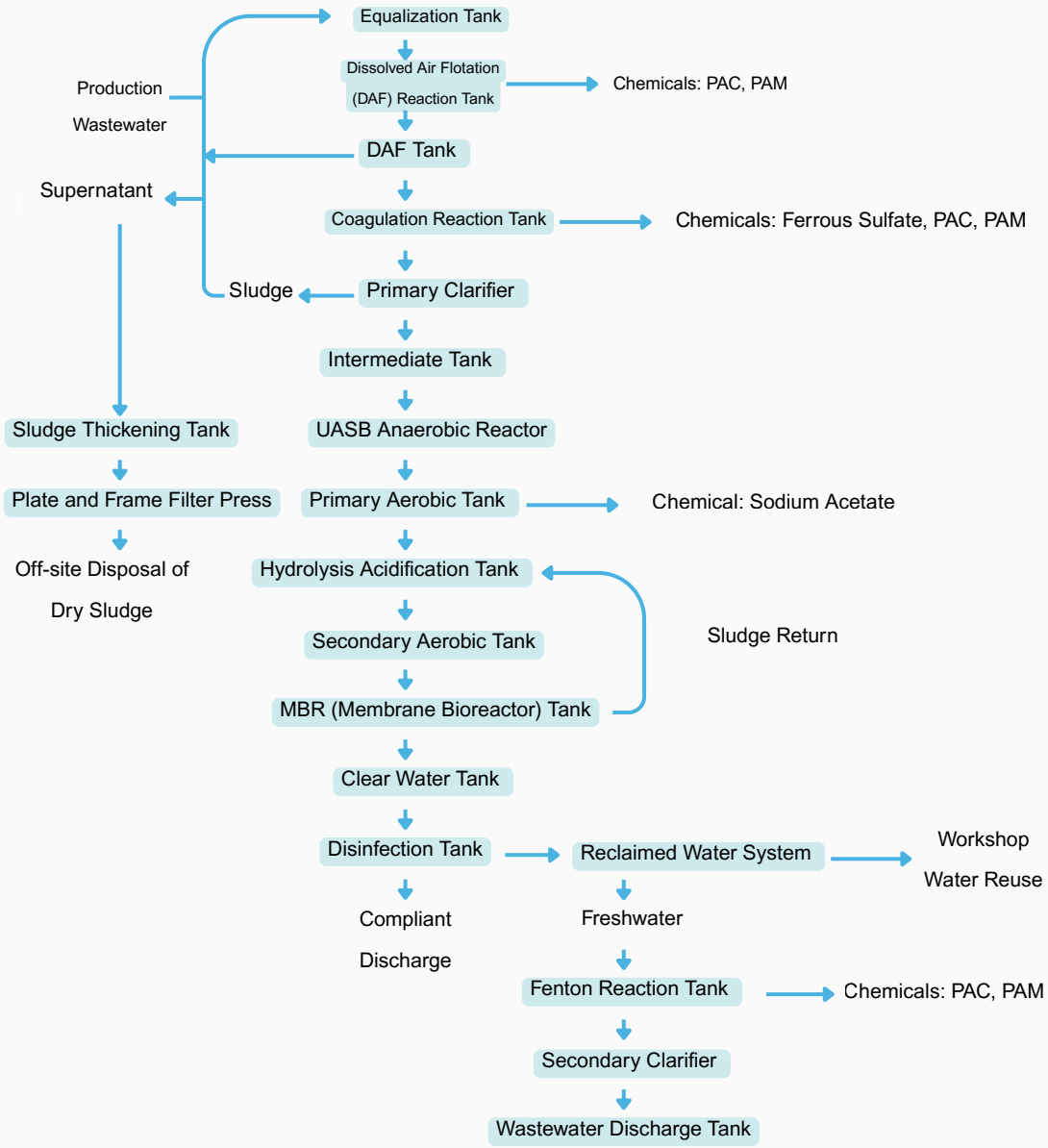
Kaimei Electronic Corp. structures its water resource management around four core pillars: Water Withdrawal, Water Consumption, Water Recycling, and Water Discharge. Municipal water serves as the primary source of water withdrawal across all manufacturing sites, which is segregated to supply process water and domestic water based on operational requirements. Process water is utilized for cleaning, immersion, forming (anodizing), electroplating, equipment cooling, and testing operations, while domestic water supports employee living facilities and public amenities.

Industrial wastewater undergoes on-site treatment and, depending on water quality conditions, is recycled and reused in production processes or cooling systems to increase the water recycling ratio and minimize raw water withdrawal. Unrecycled industrial wastewater and domestic sewage are fully treated in compliance with local regulatory standards before being discharged into designated legal receiving water bodies or municipal sewer networks, continuously mitigating operational impacts on the aquatic environment.



Suzhou Plant Wastewater Treatment Facility Room

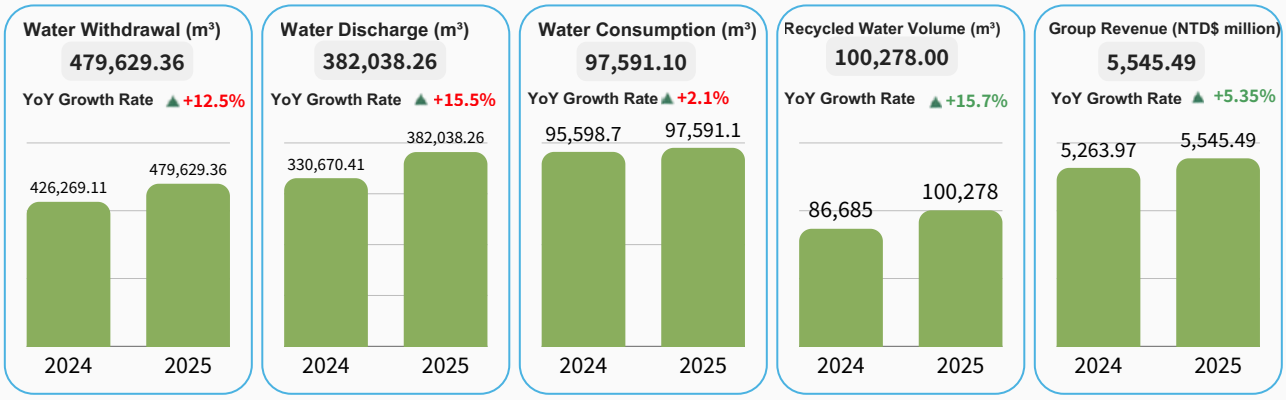
Dongguan Plant Wastewater Treatment Flowchart

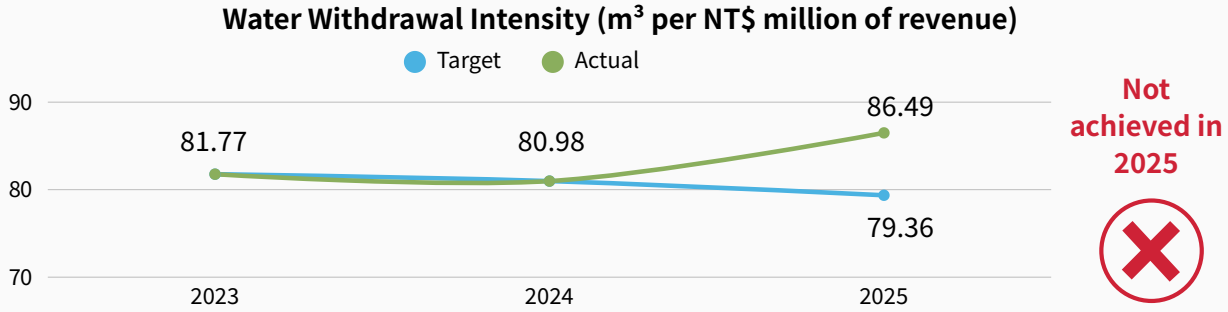


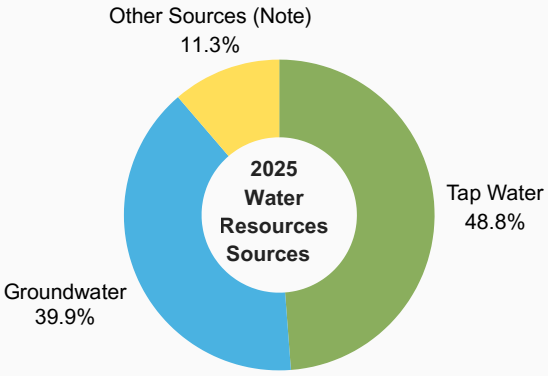
6.04.2 Water Withdrawal, Intensity, and Recycling

Kaimei Electronic is committed to using water resources efficiently and managing process discharges. In 2025, consolidated revenue grew from NT$5,263.97 million to NT$5,545.49 million, an increase of 5.35%. As operations and production capacity expanded, the Group's total water withdrawal reached 479,629.36 m³, up 12.52% from the previous year. Water withdrawal intensity also increased from 80.98 to 86.49 m³ per NT$ million of revenue.

Year		2023	2024	2025
Group Total	Water withdrawal (m³)	393,399.18	426,269.11	479,629.36
	Water discharge (m³)	280,014.28	330,670.41	382,038.26
	Water consumption (m³)	113,384.90	95,598.70	97,591.10
	Water recycled (m³)	45,472.00	86,685.00	100,278.00
	Consolidated revenue (NT$ million)	4,810.82	5,263.97	5,545.49
Water Withdrawal Intensity (m³/NT$ million)	Target	81.77	80.98	79.36
	Actual	81.77	80.98	86.49
	Target status	—	Base year	Not achieved

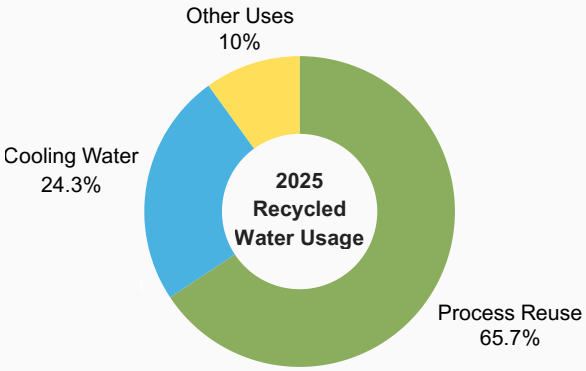


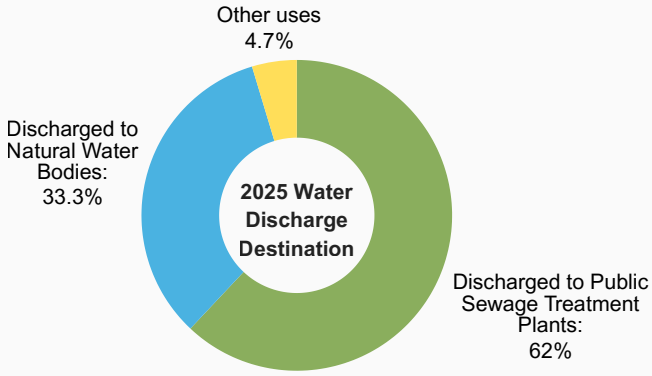




Note: Other sources include rainwater, recycled water, etc.

KAIMEI Electronic Corp. is committed to the efficient utilization of water resources and process discharge management. In FY2025, the Group's total water withdrawal was 479,629.36 m^3,total water discharge was 382,038.26 m^3, and total water consumption was controlled at 97,591.10m^3, with overall water flow strictly adhering to mass balance principles. Regarding water sources, tap water (48.8%) and groundwater (39.9%) were the main sources; for discharge destinations, the Group strictly complied with effluent discharge standards, with up to 62.0% of wastewater properly discharged to public sewage treatment plants, and 33.3% was discharged into natural water bodies, while 4.7% had other discharge destinations. Discharges were monitored for compliance to minimize impacts on the surrounding environment.





Mitigating reliance on primary water resources is a core strategy of the Company. In FY2025, we achieved significant results in our water recycling system, reaching a total annual recycled water volume of 100,278.00m^3, representing a significant growth of 15.7% compared to FY2024.

Notably, through equipment optimization and the introduction of water purification technologies, as much as 65.7% (65,875.00m^3) of recycled water was directly reused in manufacturing processes ("Process Reuse"), followed by "Cooling Water" (24.3%). This achievement not only demonstrates the strength of our in-plant water circulation engineering, but also substantially reduces primary water resource demand per unit of process output.

Using 2024 as the base year, the Company set water withdrawal intensity management targets to dynamically evaluate water resource efficiency:

Water Withdrawal Intensity (m^3 / NT$ million revenue): The actual value for 2025 was 86.49, failing to meet the annual target (79.36). Although annual revenue grew by 5.3%, total water withdrawal increased by a larger margin (12.5%), causing the metric to rise.

Faced with these challenges, the Company will not slow its water conservation efforts. In response to the simultaneous increase in both absolute water withdrawal and discharge volumes in 2025, the Company will fully launch "Facility-Level Water Conservation Diagnostic and Improvement Initiatives" in the coming year to conduct deep inventories of water efficiency across all equipment and pipelines while continuing to expand water recycling system construction, aiming to achieve an optimal balance between operational growth and environmental resource protection.

6.04.3 Scientific Management Approach and Assessment Methodology

Water resources represent an indispensable strategic asset in electronic component manufacturing. In response to the increasing frequency of extreme droughts and floods induced by global climate change, Kaimei Electronic Corp. adopts a data-driven and resilience-oriented management approach, elevating water resource management from mere efficiency improvement to a strategic imperative focused on operational resilience.

To ensure global production stability, Kaimei Electronic Corp. implemented the Aqueduct Water Risk Atlas assessment model developed by the World Resources Institute (WRI) to perform in-depth physical risk identification across six core global sites. Beyond monitoring traditional Water Stress, we further incorporate Water Depletion, Riverine Flood, and Coastal Flood as quantitative evaluation parameters, constructing a comprehensive climate risk profile.



Enhance Site Flood Resilience: Prioritize investments in flood control, drainage system upgrades, and facility resilience based on water risk assessment results to mitigate extreme weather impacts.



Implement Business Continuity Management (BCM): Integrate water risks into Business Continuity Planning (BCP), establishing cross-site backup, production dispatching, and emergency response mechanisms.



Improve Water Resource Resilience: Drive water conservation, wastewater recycling and reuse, and alternative water source management to reduce water supply exposure.

Site / Facility	Water Stress	Water Depletion	Riverine Flood	Coastal Flood
Taipei Head Office	Low – Medium	Low	Low – Medium	**Medium – High**
Dongguan Plant	Low	Low	**Medium – High**	**Medium – High**
Suzhou Plant	**Extremely High**	Low – Medium	**High**	Low
Kaohsiung Plant	Low – Medium	Low	Low – Medium	**Medium – High**
Kunshan Plant	**Extremely High**	Low – Medium	**High**	Low
Malaysia Plant	Low	Low	Low – Medium	Low – Medium

Below is the WRI water risk assessment conducted for the six operational sites:

Taipei Head Office

A water stress and flood vulnerability analysis was conducted for the area encompassing the Taipei Head Office. The assessment results indicate that the primary climate risk for this site is Coastal Flood induced by extreme weather events, whereas the risk regarding water scarcity remains low.

WATER STRESS：LOW - MEDIUM

- Analysis: The office is situated in the Greater Taipei metropolitan area, supported by a well-developed municipal water supply and dispatch system. As a non-manufacturing corporate administrative and R&D unit, water usage is primarily restricted to general domestic consumption. Overall regional water competition and supply-demand pressures remain at a low-to-medium level, rendering the risk of operational disruption due to water shortages extremely low.

WATER DEPLETION：LOW

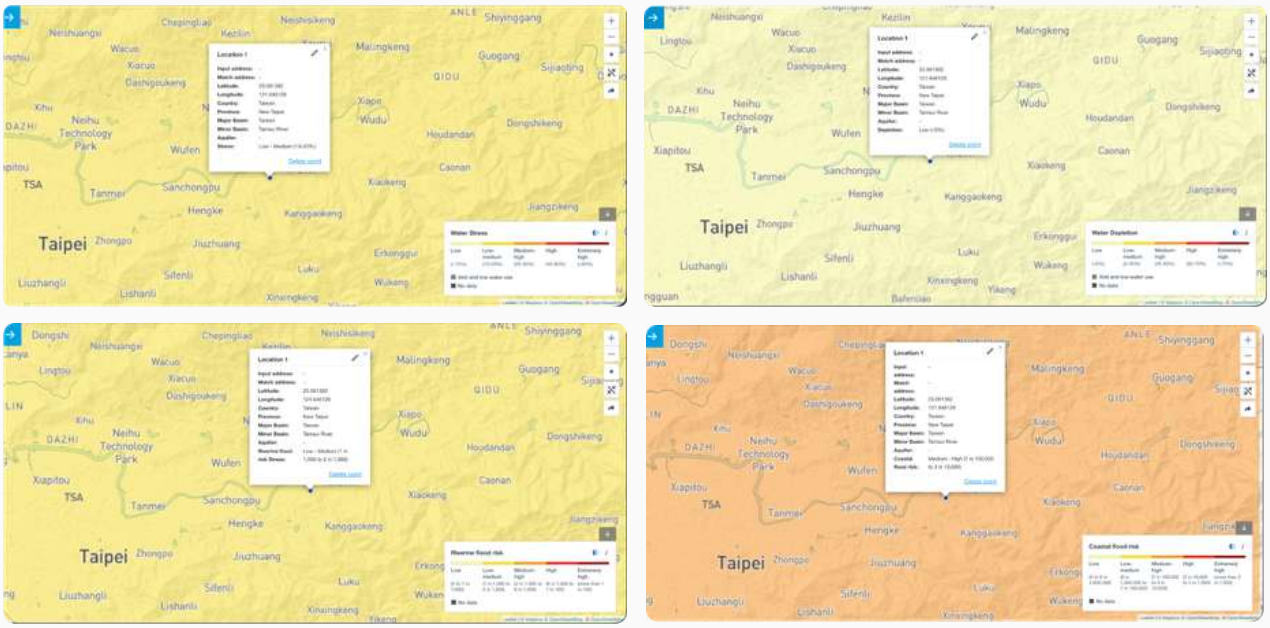
- Analysis: Development in this area consists mostly of modern commercial office buildings, which rely predominantly on municipal water supplies with minimal groundwater extraction. This demonstrates that the Greater Taipei region maintains adequate water conservation and catchment capacity, resulting in a low probability of interruptions to daily office operations or sanitary water usage during dry seasons.

RIVERINE FLOOD RISK: LOW - MEDIUM

- Analysis: Although the office is located near the Tamsui River and Keelung River basins, it benefits from comprehensive, large-scale regional hydraulic flood control engineering (such as the Yuanshanzi Flood Diversion Works and high-grade levees), exhibiting strong flood resilience. In the face of extreme weather events, the probability of direct, catastrophic flooding at the office caused by river overflow remains controlled within a low range.

COASTAL FLOOD RISK: MEDIUM - HIGH

- Analysis: Because the rivers in this area exhibit tidal characteristics, compounding scenarios involving accelerated climate change, sea level rise, or extreme typhoon storm surges increase the likelihood of seawater backflow upstream along river channels. This could trigger urban waterlogging and indirectly impact transportation networks and essential power infrastructure, representing a potential coastal flood threat in this area that cannot be overlooked.



WRI Water Risk Maps for Taipei Head Office

Dongguan Plant WRI Water Risk Assessment Analysis

WATER STRESS： LOW

- Analysis: The facility is located in the East River (Dongjiang) basin of Guangdong Province, where the overall water supply-demand balance is favorable, with total water withdrawal and consumption accounting for less than 10% of total available water. As an electronic component manufacturing plant, although the Dongguan Plant has routine water demands for industrial processes and cooling systems, local water competition pressure remains minimal. The water supply network is stable, rendering the risk of production downtime due to water shortages extremely low.

WATER DEPLETION： LOW

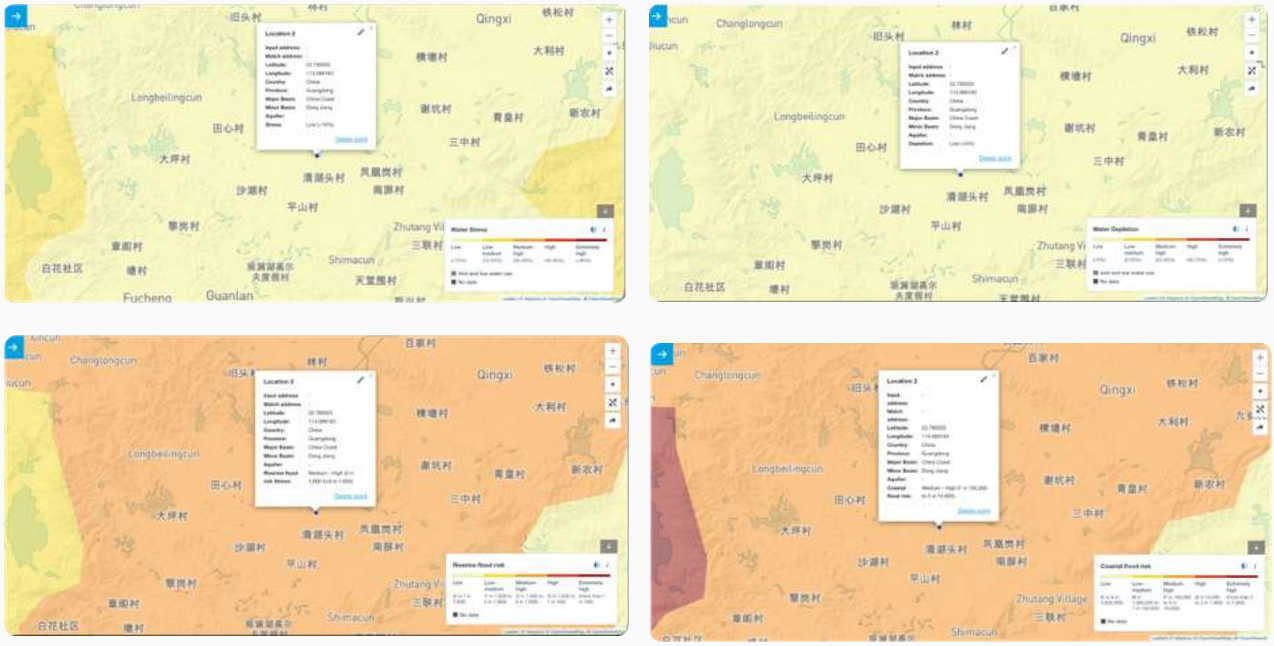
- Analysis: The long-term depletion rate of available freshwater in this region is extremely low (less than 5%). This metric demonstrates that the current industrial water withdrawal at the Dongguan Plant aligns well with the local water resources' natural recharge rate, exerting minimal impact on regional aquifers and ecological balance, thus posing no long-term operational threat from water depletion.

RIVERINE FLOOD RISK: MEDIUM - HIGH

- Analysis: Based on geographic location and watershed characteristics, the probability of the area surrounding the Dongguan Plant being impacted by riverine flooding ranges between 0.2% and 0.6% (1-in-500 to 1-in-167 year return period), categorizing it as medium-high risk. In the face of short-duration, high-intensity rainfall events caused by extreme weather, there is a heightened probability of surrounding rivers overflowing, leading to facility inundation and equipment damage. Consequently, this risk is designated as a priority physical risk requiring protective resource allocation within the corporate climate change adaptation plan.

COASTAL FLOOD RISK: MEDIUM - HIGH

- Analysis: Influenced by its geographic position along the South China coast, the annual probability of coastal flooding in this area ranges between 0.007% and 0.03%. Under compound scenarios of intensified extreme weather, sea-level rise, and severe typhoon storm surges, the facility faces a non-negligible threat from coastal inundation. Such extreme weather events not only directly endanger physical assets but also represent a critical climate risk capable of disrupting regional supply chain and logistics transportation networks.



Dongguan Plant WRI Water Risk Maps

Suzhou Plant WRI Water Risk Assessment Analysis

WATER STRESS: EXTREMELY HIGH

- Analysis: The facility is located in the Lake Taihu basin of Jiangsu Province, where the ratio of annual total water withdrawal to total available water exceeds 80%, exposing the site to extremely high water competition pressure. This objective metric reflects a dense concentration of surrounding industrial and domestic water demand, placing daily facility water intake under severe supply-demand strain. Consequently, high-efficiency, water-saving processes and water recycling systems must be mandatorily deployed to ensure stable production line operations under extreme drought conditions.

WATER DEPLETION: LOW - MEDIUM

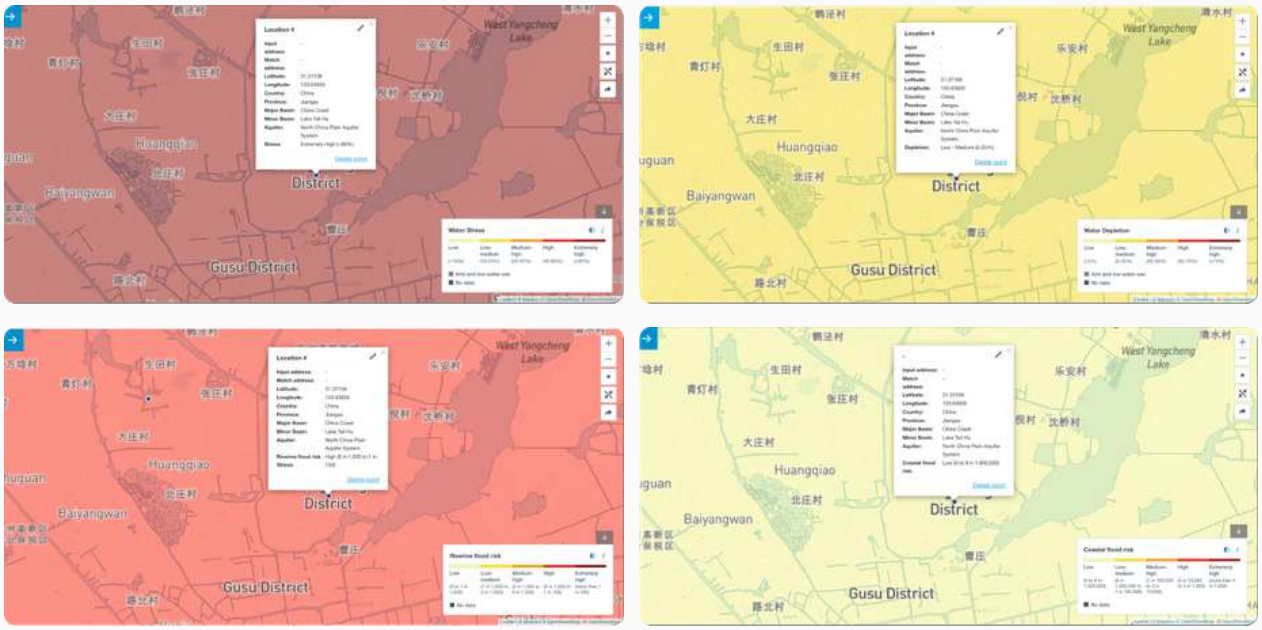
- Analysis: The long-term depletion rate of available freshwater in this region ranges between 5% and 25%, categorizing the risk rating as low-to-medium. This indicates that despite intense local competition for water withdrawal (extremely high water stress), the natural recharge and retention mechanisms of the regional hydrological system continue to maintain a foundational balance. By continuously optimizing energy and water consumption efficiency per unit of output, the facility effectively controls additional impacts on overall local water depletion.

RIVERINE FLOOD RISK: HIGH

- Analysis: Situated within the water-dense Yangtze River Delta and surrounding Lake Taihu basin, the facility faces an annual probability of riverine flooding between 0.6% and 1.0% (1-in-167 to 1-in-100 year return period). In the face of extreme heavy precipitation events associated with climate change, river overflow poses a significant threat of direct facility inundation and damage to production equipment. Consequently, this factor has been identified as the highest-priority physical risk requiring immediate resource allocation within the facility's climate change adaptation plan.

COASTAL FLOOD RISK: LOW

- Analysis: Benefiting from its inland geographic location, the annual probability of coastal flooding in this area is classified as low risk. Objective data confirms that the facility's physical assets and infrastructure are shielded from seawater backflow threats driven by sea-level rise or extreme typhoon storm surges. This ensures that the facility's climate defense resources can be fully concentrated on addressing inland riverine flood protection.



Suzhou Plant WRI Water Risk Maps

Kaohsiung Plant WRI Water Risk Assessment Analysis

WATER STRESS：LOW - MEDIUM

- Analysis: Located in Kaohsiung City, the facility benefits from the public water supply system in southern Taiwan and water resource dispatch mechanisms among surrounding industrial parks. Consequently, the water supply for daily production and operations remains in a stable and controllable state.

WATER DEPLETION: LOW

- Analysis: The long-term depletion rate of available water resources in this region is extremely low. This metric demonstrates that the Kaohsiung Plant's overall water consumption is well-balanced with local water catchment and recharge capacities. Operational impacts on surrounding aquifers and natural ecosystems remain negligible, posing no threat of long-term operational disruption due to water depletion.

RIVERINE FLOOD RISK：LOW - MEDIUM

- Analysis: Based on regional hydrological and topographical conditions, the probability of the facility being impacted by riverine flooding is relatively low. This objective data reflects that the area surrounding the Kaohsiung Plant is equipped with comprehensive regional flood control infrastructure and drainage systems, rendering the risk of direct physical asset damage caused by heavy rainfall-induced river overflows extremely minimal.

COASTAL FLOOD RISK：MEDIUM - HIGH

- Analysis: Influenced by its geographic proximity to the coastline, the probability of coastal flooding at this site is rated as medium-high risk. In light of escalating climate change and long-term sea-level rise, scenarios involving severe typhoons accompanied by storm surges pose a potential threat to physical assets and surrounding logistics networks that cannot be overlooked. Consequently, coastal flood defense has been designated as a priority risk control item within the facility's climate change adaptation plan.



Kaohsiung Plant WRI Water Risk Maps

Kunshan Plant WRI Water Risk Assessment Analysis

WATER STRESS: EXTREMELY HIGH

- Analysis: According to WRI data, the facility is located in the Lake Taihu basin in Jiangsu Province, where the ratio of annual total water withdrawal to total available water exceeds 80%, posing extremely high water stress. This objective data reflects a dense concentration of electronics manufacturing and population in the greater Kunshan area, resulting in massive overall regional water demand. The facility must continuously implement high-standard process water recycling systems and water conservation management mechanisms to ensure operational resilience and stability during periods of regional water supply tightness.

WATER DEPLETION: LOW - MEDIUM

- Analysis: The long-term depletion rate of available water in this region ranges between 5% and 25%, with the system rating it as low-to-medium risk. Data indicates that despite fierce competition for water withdrawal, natural replenishment in the local hydrological environment maintains a baseline balance. The facility's current total volume control and water reuse measures effectively manage additional depletion of local aquifers and surrounding ecosystems.

RIVERINE FLOOD RISK: HIGH

- Analysis: Located in the water-network-dense Yangtze River Delta and Lake Taihu basin, the facility faces an annual probability of riverine flooding between 0.6% and 1.0%. In the face of short-duration, high-intensity rainfall brought by extreme weather events, threats of river overflow causing facility inundation and disrupting production line operations clearly exist. This item has been designated as a key flood prevention focus requiring priority allocation of physical protection resources within the Kunshan Plant's climate change adaptation plan.

COASTAL FLOOD RISK: LOW

Analysis: Benefiting from the geographic protection of its inland location, the annual probability of coastal flooding occurring in this area is less than 0.0009% (less than 9 per million), falling under low risk. Data confirms that the facility's physical assets are protected from seawater backflow threats caused by sea-level rise or extreme typhoon storm surges, ensuring that the facility's climate defense engineering and capital can focus entirely on addressing inland riverine flood protection.



Kunshan Plant WRI Water Risk Maps

Malaysia Plant WRI Water Risk Assessment Analysis

WATER STRESS：LOW

- Analysis: The facility is located in Johor, Malaysia, where the ratio of annual total water withdrawal to total available water is less than 10%, categorizing it as low risk. This reflects abundant local tropical hydrological conditions and an exceptionally favorable water supply-demand dynamic. The water supply for daily production and cooling systems at the plant remains fully secured, posing minimal operational stress from water scarcity or competition over water resources.

WATER DEPLETION：LOW

- Analysis: The long-term depletion rate of available water resources in this region is extremely low. This objective data confirms that local abundant rainfall and natural water recharge capacity far exceed industrial and domestic consumption. The facility's current water usage exerts negligible depletion on local aquifers and natural ecosystems, demonstrating excellent long-term water resource sustainability.

RIVERINE FLOOD RISK：LOW - MEDIUM

- Analysis: Based on local hydrological and topographical conditions, the probability of the facility being impacted by riverine flooding ranges between 0.1% and 0.2% (1-in-1,000 to 1-in-500 year return period), with the system rating it as low-to-medium risk. In response to heavy rainfall brought by Southeast Asia's tropical monsoon climate, the facility possesses foundational drainage and flood resilience infrastructure. Consequently, the physical risk of river overflow directly causing large-scale flooding or operational disruption remains within a relatively controllable and safe range.

COASTAL FLOOD RISK：LOW - MEDIUM

- Analysis: The annual probability of coastal flooding in this area ranges between 0.0009% and 0.007% (9 per million to 7 per 100,000), classifying it under low-to-medium risk. Although the Malay Peninsula is surrounded by sea, the geographical location of the facility provides an effective buffer against direct impacts from extreme sea-level rise or severe cyclone storm surges. The threat of seawater inundation causing damage to physical assets remains low, requiring no excessive or urgent allocation of protective capital expenditures to this risk item.



Malaysia Plant WRI Water Risk Maps

SUPPLY CHAIN WRI WATER RISK ASSESSMENT ANALYSIS

Summary Analysis of Water Risk for Kaimei Electronic Corp.'s Top Three Suppliers

Suppliers A and B (Identical Risk Profiles)

- **Core Risk:** Simultaneously face "Extremely High" water stress and "High" riverine flood risk.
- **Analysis:** Under extreme climate conditions, these two suppliers are vulnerable to dual operational disruptions: water scarcity during dry seasons and flooding during rainy seasons. Because their risk profiles are identical, they cannot serve as effective cross-regional backup capacity for each other, representing the highest risk hotspot in supply chain water resource management.

Supplier C (Single Significant Risk)

- **Core Risk:** Exhibits "High" risk solely in riverine flooding.
- **Analysis:** Its water stress and water depletion indicators both remain within safe thresholds (Low – Medium / Low), ensuring exceptionally high overall water supply stability. This supplier can singularly and concentratedly dedicate its climate adaptation resources to site-level flood control and disaster mitigation engineering.

Adaptation Strategies for Key Suppliers Facing Extremely High Water Stress

- **Enhance Process Water Recycling Rates:** Require suppliers to introduce reclaimed water recycling systems for high water-consuming processes, treating wastewater via reverse osmosis (RO) or ultrafiltration (UF) technologies before routing it back into production lines, targeting a process water recycling rate of at least 70%.
- **Establish Baseline Safe Water Storage and Strategic Reserves:** Require Suppliers A and B to audit the minimum daily water consumption necessary to sustain baseline line operations (preventing downtime) and construct additional safety storage tanks on-site to hold a strategic operational water reserve for at least 3 to 5 days.
- **Implement Supply Chain Water Security Audits:** Drawing on CDP Water Security Questionnaire metrics, incorporate key indicators—such as "adoption of water risk assessment tools," "setting water conservation targets," and "establishment of water emergency response plans"—into key KPIs for annual preferred supplier evaluations.

Facility/Supplier	Water Stress	Water Depletion	Riverine Flood	Coastal Flood
Supplier A	Extremely High	Low-Medium	High	Low
Supplier B	Extremely High	Low-Medium	High	Low
Supplier C	Low-Medium	Low	High	Low

6.05 Waste Management

6.05.0 Waste Management Material Topic

GOVERNANCE

Please refer to the Environmental Protection chapter.

STRATEGY

Please refer to the Environmental Protection chapter.

RISK MANAGEMENT

CORE RISK

1. Rising Compliance Costs: Increasingly stringent regulations on hazardous waste disposal and shrinking landfill capacities drive up handling costs and regulatory compliance risks.
2. Resource Waste and Efficiency Loss: Ineffective recycling of process scrap (such as aluminum scrap) increases raw material waste and disposal expenses.
3. Customer Zero-Waste Thresholds: Heightened requirements for "Zero Waste to Landfill" by international clients mean insufficient recycling rates could impact the acquisition of green orders.

CORE OPPORTUNITIES

1. Lower Operational Costs and Create Circular Revenues: Increasing the waste recycling and valorization rate reduces waste hauling and disposal costs while converting recyclable materials (such as scrap metal and plastics) into recycled feedstock revenues.
2. Meet International Clients' Green Procurement Criteria: Complying with major international corporations' requirements for supply chain "circular economy" and "waste reduction" helps secure existing orders and capture high-value green business opportunities.
3. Enhance ESG Ratings and Intangible Brand Assets: Strong waste management and resource circularity performance effectively boosts corporate ESG ratings, strengthening the brand image of "green manufacturing" and investor confidence.

METRICS & TARGETS

Category	2025 Target	2025 Actual	Achieved	2026 Target	2027–2030 Target	2031–2040 Target
Waste Management	Annual 1% reduction in waste intensity (based on a 2024 baseline of 0.23)	Target: 0.225 Actual: 0.224	Achieved	Annual 1% reduction in waste intensity	Annual 1% reduction in waste intensity	Annual 1% reduction in waste intensity
Waste Management	100% hazardous waste disposal rate	Hazardous waste disposal rate: 100%	Achieved	Establish circular economy and waste policies	Complete waste source sorting and inventory	Zero waste-to-landfill rate reaching 100%; waste valorization/recycling rate ≥ 20%

6.05.1 Waste Generation Status

Non-Hazardous Waste Includes:

- (1) General Industrial Waste: Waste wood is treated by incineration. Waste chemical barrels / bottles / cans undergo crushing, sorting, and filtration before being incinerated; waste metal scrap is sold for value-added recycling; industrial packaging waste paper and industrial waste plastics are collected and processed via paid recycling; waste resistors are incinerated to extract precious metals.
- (2) General Domestic Waste: General packaging materials, paper, and food waste are treated via recycling and landfill disposal.

Hazardous Waste Includes:

- (1) Hazardous Industrial Waste: Waste organic solvents, waste oil, and waste ink are collected and processed via paid recycling.
- (2) Hazardous Domestic Waste: Waste batteries and waste fluorescent tubes are processed via recycling.

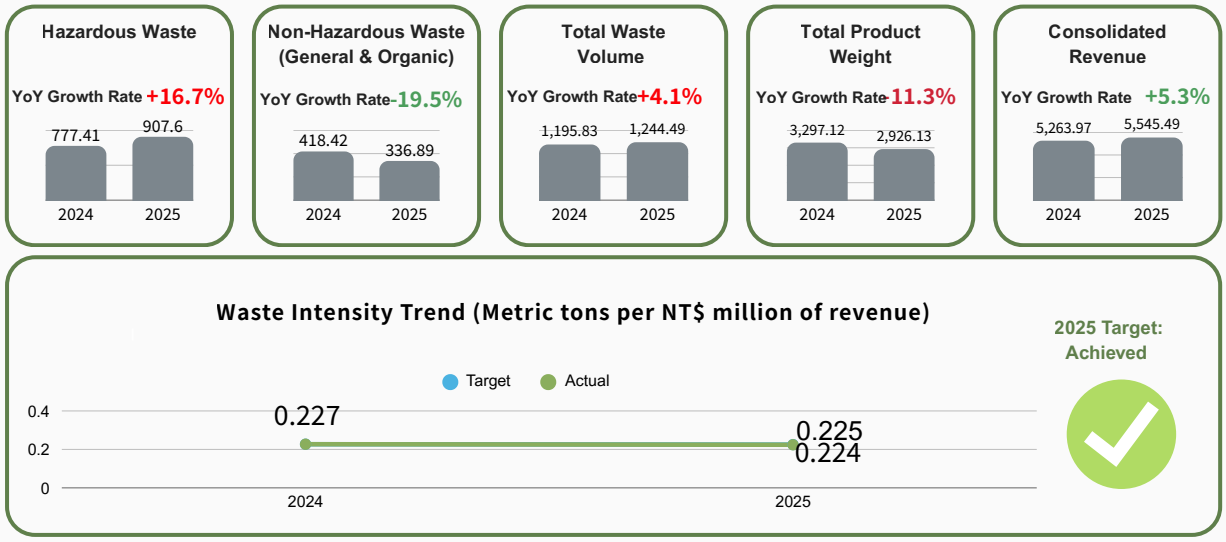
Disposal Process and Qualifications: All items collected through paid recycling by the company are handled by qualified recycling vendors. These vendors possess the facilities, technology, processes, production capacity, and sound management systems required to reuse and dispose of general industrial waste and hazardous chemicals. Operating within their valid qualification periods, they maintain matching pollution prevention facilities and emergency accident response measures. Disposal is conducted using physical methods (including compaction, crushing, sorting, sedimentation, air flotation, centrifugation, filtration, and distillation) or physicochemical methods (incineration, pyrolysis, and solidification).

The company is committed to implementing resource circulation and pollution prevention. In the 2025 fiscal year, the Group's total waste generation reached 1,244.49 metric tons. Regarding the structural breakdown of waste categories, non-hazardous waste (including general and organic waste) amounted to 336.89 metric tons, showing a stable downward trend over the past two years and demonstrating initial success in general waste reduction measures across daily operations.

On the other hand, hazardous waste generation reached 907.60 metric tons in 2025. In response to the increasing trend in hazardous waste volume, the Group has designated it as a key tracking item for annual environmental management; moving forward, raw material usage efficiency in upstream processes will be thoroughly audited to control waste generation from the source. All waste is entrusted to legally qualified removal and disposal agencies for proper handling, ensuring zero illegal dumping or environmental pollution incidents.

To promote the optimization of resource usage efficiency, the company set 2024 as the base year and established a dynamic management target to reduce "Waste Intensity" by 1% annually. In 2025, the actual waste intensity (metric tons / million NTD revenue) was 0.224, successfully falling below the annual target of 0.225 and achieving the established goal. This performance reflects the company's ability to effectively control waste output per unit of revenue while pursuing revenue growth, demonstrating a positive link between financial and environmental performance indicators.

Waste Volume Trends (Metric Tons)



Years		2023	2024	2025
Location	Item	(Tons)	(Tons)	(Tons)
Group Total	Hazardous Waste	659.68	777.41	907.6
	Non-Hazardous Waste (General, Organic)	433.12	418.42	336.89
	Total Waste Volume	1,092.80	1,195.83	1,244.49
Group Consolidated Revenue NTD Millions		4,810.82	5,263.97	5,545.49
Intensity	Target (Annual 1% Decrease)	0.23	0.227	0.225
Intensity	Actual	0.23	0.227	0.224
Target Met			Base Year	Achieved

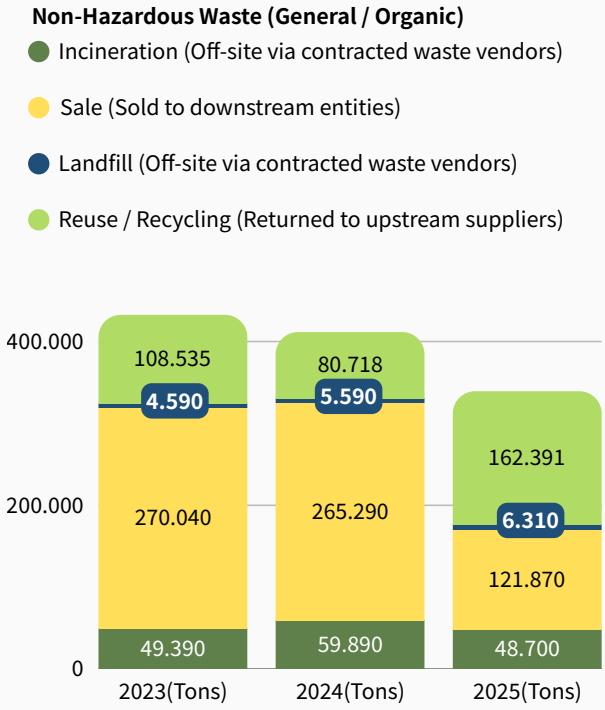
6.05.2 Waste Treatment and Disposal Status

Kaimei Electronic Corp. is committed to promoting waste recycling and reduction in its manufacturing processes. By strictly controlling the final disposal pathways of waste, the Company seeks to maximize the value of resource reuse while minimizing the proportion of end-of-pipe disposal methods, such as incineration and landfill, that impose direct environmental burdens. Based on the Group's consolidated waste data from 2023 to 2025, the specific waste management performance is analyzed as follows:

Non-Hazardous Waste Disposal: Transitioning Structural Disposal Toward High-Level Recycling

The disposal flow of non-hazardous waste showed a positive structural shift in 2025, indicating that management strategy has moved from simple scrap selling to substantive recycling with greater circular benefits:

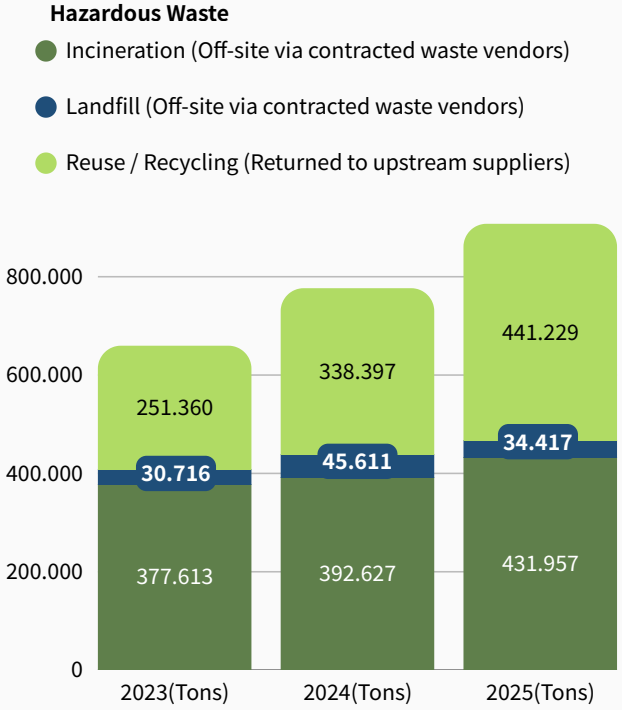
- 1. Doubling of Reuse/Recycling Volume: The disposal volume for "Reuse/Recycling (Returned to Upstream)" jumped from 80.718 metric tons in 2024 to 162.391 metric tons in 2025; simultaneously, the volume for "Sale (Sold to Downstream)" dropped from 265.29 metric tons to 121.87 metric tons. This inverse structural shift demonstrates that the Group has successfully directed non-hazardous waste into a more sustainable upstream recycling system.
- 2. Substantial Reduction in Incineration Volume: The "Incineration" disposal volume for non-hazardous waste substantially decreased to 48.7 metric tons in 2025 (lower than 59.89 metric tons in 2024 and 49.39 metric tons in 2023). Although the landfill volume slightly rose to 6.31 metric tons, overall end-of-life destruction volumes for non-hazardous waste were effectively suppressed.



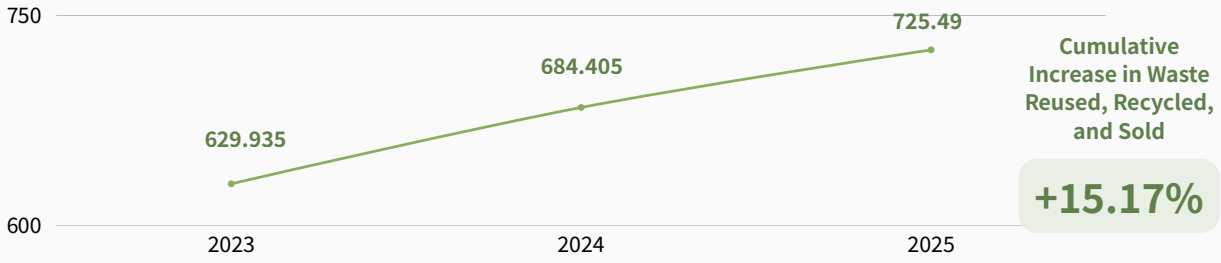
Hazardous Waste Disposal: Resource Recycling Capacity Surges, Landfill Volume Drops Significantly

For hazardous waste with higher environmental impact risks, the Group demonstrated excellent disposal technology and management optimization capabilities:

- 1. Multi-Fold Growth in Recycling and Reuse Volume: The treatment volume of hazardous waste designated for "Reuse/Recycling (Returned to Upstream)" surged continuously across three years—growing from 251.36 metric tons in 2023 to 338.397 metric tons in 2024, and reaching 441.229 metric tons in 2025. This data confirms a breakthrough in the Group's hazardous waste resource recovery engineering, successfully reintroducing large amounts of waste materials back into the supply chain.
- 2. Effective Control of Final Landfill Disposal: While the resource recovery proportion increased significantly, the final "Landfill" disposal volume successfully reversed downward in 2025, decreasing from 45.611 metric tons in 2024 to 34.417 metric tons. Additionally, outsourced incineration stood at 431.957 metric tons, with growth effectively controlled within overall output scale limits.



Total Waste Reused, Recycled, and Sold by Kaimei Group Over the Past Three Years



6.06 Environmental Protection (E-13)

6.06.0 Material Topic: Environmental Protection

6.06.0.1 Governance

Kaimei Electronic Corp. coordinates Group-wide environmental and water resource issues through its Sustainable Development Committee , reporting climate and water resource management strategies, risks, and performance to the Board of Directors at least once a year. The Taipei Head Office relies on the Science Park administration for centralized domestic water and domestic waste treatment, while incorporating water conservation concepts into its daily operational culture through educational campaigns and recycling systems.

Environmental Management System (E-13): All manufacturing facilities of Kaimei Electronic Corp. have achieved ISO 14001 certification.

- Dongguan Plant: Valid until 2026/11/12
- Suzhou Plant: Valid until 2027/03/04
- Kunshan Plant: Valid until 2027/12/26
- Kaohsiung Plant I: Valid until 2027/08/25
- Kaohsiung Plant II: Valid until 2027/03/04
- Malaysia Plant: Valid until 2027/06/16

6.06.0.2 Strategy

- **Drive Circular Economy and Source Reduction:** Implement the waste hierarchy principle of "In-Plant Reuse > Recycling & Valorization > Final Disposal," optimize process design, elevate resource recycling rates, and minimize waste generation.
- **Enhance Pollution Control and Compliance Management:** Establish classified pollution management and real-time monitoring systems (such as online VOC monitoring) to ensure 100% regulatory compliance for wastewater, air emissions, and waste discharges, while continuously maintaining the ISO 14001 Environmental Management System.
- **Deepen Green Supply Chain and Product Lifecycle Management:** Require raw materials to comply with international environmental regulations such as RoHS and REACH, promote green procurement, and progressively introduce Life Cycle Assessments (LCA) to reduce environmental impacts throughout the product lifecycle.
- **Elevate Environmental Investment and Resource Efficiency:** Continuously allocate environmental protection budgets and invest in energy-efficient equipment, water recycling systems, and pollution control facilities to enhance overall resource efficiency and advance toward net-zero sustainability.

6.06.0.3 Risk Management

CORE ENVIRONMENTAL RISK

- **Environmental Compliance and Operational Disruption Risks:** Increasingly stringent environmental regulations (governing wastewater, air emissions, and waste) mean that inadequate management could expose the Company to heavy fines, mandated operational shutdowns, or litigation risks.
- **Resource Scarcity and Cost Escalation Risks:** Water scarcity and process raw material waste directly increase water utility fees, procurement expenses, and waste hauling and disposal costs, thereby eroding product price competitiveness.
- **Green Supply Chain Thresholds and Order Loss Risks:** Heightened environmental performance requirements from international clients (e.g., water footprinting, waste reduction) create a risk of losing green procurement orders if targets are not met.

CORE ENVIRONMENTAL OPPORTUNITIES

- **Resource Circularity and Operational Cost Optimization:** Driving water recycling and waste valorization effectively lowers water utility bills, raw material procurement costs, and waste hauling and disposal expenses, thereby improving profitability.
- **Consolidate Green Orders and Market Competitiveness:** Meeting major international clients' stringent requirements for supply chain environmental management and circular economy ensures stable order volumes and expands reach into high-end markets.
- **Elevate ESG Ratings and Intangible Brand Assets:** Demonstrating concrete performance in environmental protection and sustainable resource management boosts corporate ESG ratings, strengthening the brand image of a "green manufacturer" and reinforcing investor confidence.

6.06.0.4 Metrics and Targets

2026 Targets

- Promote training courses related to natural carbon sinks
- Support or participate in at least 1 external natural carbon sink / afforestation project
- Incorporate natural carbon sinks into supply chain management

2027-2030 Targets

- Establish a Biodiversity Policy
- Complete facility site nature-related risk and opportunity assessments using the LEAP approach
- Promote eco-friendly micro-renovations across facility sites
- Incorporate natural carbon sinks into supply chain management

2031-2040 Targets

- Establish Deforestation-Free Declaration
- Require 100% of Class A suppliers to sign Deforestation-Free Declarations
- Require Class A and B suppliers to sign Deforestation-Free Declarations



6.06.1 Environmental Expenditures

Region	Facility / Site	Thousand NTD	Major Expenditure Items
Taiwan	Kaohsiung Plant	11,119	Water pollution control, waste treatment, and air pollution control
China	Kunshan Plant	5,004	Water pollution prevention, air pollution control, and waste management/disposal
China	Suzhou Plant	267	Hazardous waste treatment and wastewater treatment
China	Dongguan Plant	8,550	Hazardous waste transfer and disposal, water treatment, air pollution control, and environmental monitoring operations
Malaysia	Malaysia Plant	20,702	Wastewater treatment, air pollution control, and general environmental compliance
Total		**45,642**	

6.06.2 Environmental Dependencies and Impacts Analysis

6.06.2.1 Environmental Dependency Analysis

Kaimei Electronic Corp.'s operational activities are highly dependent on natural resources such as water, energy supplies, and raw materials. Water used at primary facilities is supplied by municipal water systems, while energy relies on local power utilities.

The share of renewable energy remained low in 2025, but is being progressively increased primarily through solar power generation systems at the Malaysia plant and Renewable Energy Certificates (RECs). Key raw materials include copper, aluminum, and petrochemical-derived materials. Certain facility sites are located in areas of medium water stress, and extreme weather events may impact supply chain stability and business continuity.

👉 For detailed data, please refer to: 6.04 Water Resource Management, 6.03 Energy Management, and 4.09 Supply Chain Management.

6.06.2.2 Environmental Impact Analysis

The Group's significant environmental impacts are primarily associated with greenhouse gas emissions (Scopes 1, 2, and 3) and energy consumption, followed by water use, waste generation, and air pollutant emissions. Scope 2 emissions account for the largest share of total greenhouse gas emissions and are mainly attributable to purchased electricity. The Company's major manufacturing sites have completed Scope 1 and Scope 2 greenhouse gas inventories, as well as relevant Scope 3 inventories, and have obtained third-party verification. In addition, the Company has completed product carbon footprint verification for one product and continues to reduce its environmental impacts through process energy efficiency improvements and the adoption of renewable energy.

👉 For detailed data, please refer to: 6.02 Greenhouse Gas Emissions, 6.03 Energy Management, and 6.05 Waste Management.

6.06.2.3 Risk and Opportunity Assessment

Kaimei Electronic Corp. has progressively adopted the TCFD framework and IFRS S2 standards to conduct systematic assessments and financial impact analyses regarding physical risks (extreme weather events, long-term climate pattern shifts) and transition risks (carbon pricing, green supply chain requirements) brought by climate change, as well as opportunities in green markets and resource efficiency.

👉 For the complete risk and opportunity assessment, please refer to 6.01 Climate Change.

6.06.2.4 Mitigation Measures and Management Strategies

The Group drives concrete mitigation measures through an Internal Carbon Pricing (ICP) mechanism, with a planned cumulative investment of approximately NTD 199 million from 2025 to 2030 dedicated to executing multiple energy conservation and carbon reduction projects. These include: Variable Frequency Drive (VFD) retrofits and heat recovery systems for air compressors at the Dongguan, Kunshan, and Kaohsiung plants; chiller and cooling tower upgrades; installation of a solar power generation system at the Malaysia plant; process equipment energy efficiency enhancements (stitching/winding dust collection equipment, integrated assembly machinery); green transport transition (fleet electrification by replacing internal combustion engine vehicles with electric vehicles); and facility lighting energy efficiency retrofits. The estimated electricity savings benefit ranges from 10% to 25%.

👉 For details on the governance structure and transition strategies, please refer to 6.01.0 Material Topic: Climate Change; for detailed project investment breakdowns, please refer to 6.01.0.2.4 Strategy-D.

6.07 Biodiversity (E-14)

6.07.1 Commitment

Biodiversity conservation contributes to climate change mitigation and adaptation, holding positive significance for global agricultural development, food security, public health, and sustainable economic development. Referencing the spirit of the UN Convention on Biological Diversity, the company formulates this commitment: to adhere to biodiversity protection principles, operate in compliance with laws, avoid damaging key habitats and endangered species, promote risk management, nature conservation, and supply chain collaboration, and jointly safeguard the ecological environment while striving toward no net loss and sustainable development goals. The aim is to achieve the objectives of biodiversity conservation, sustainable utilization of biodiversity, and fair and equitable sharing of benefits arising from the utilization of genetic resources, while implementing UN Sustainable Development Goals (SDGs) 6, 12, 13, 14, 15, and 17.



Ensure that operational activities comply with applicable international conventions as well as national and local biodiversity-related laws and regulations.



Prevent operational activities from causing damage to threatened and protected species and their habitats.



Refrain from development or construction in legally established protected areas or other areas of high biodiversity value.



Actively support conservation and restoration efforts in protected areas and other key biodiversity areas.



Do not acquire land located in High Conservation Value (HCV) areas or critical habitats.



Do not procure or use raw materials and products derived from threatened or endangered species.



Do not knowingly procure from suppliers involved in biodiversity loss or illegal logging.



Support biodiversity conservation initiatives and advocacy efforts.



Explore investment opportunities in natural carbon sinks and carbon sequestration solutions, including afforestation/reforestation, as well as forest, soil, and marine ecosystems.



Utilize appropriate and credible tools to identify, assess, and manage biodiversity-related dependencies, impacts, risks, and opportunities.



Respect the rights of Indigenous Peoples to Free, Prior, and Informed Consent (FPIC).



Encourage suppliers to adopt and support these commitments to jointly protect biodiversity.

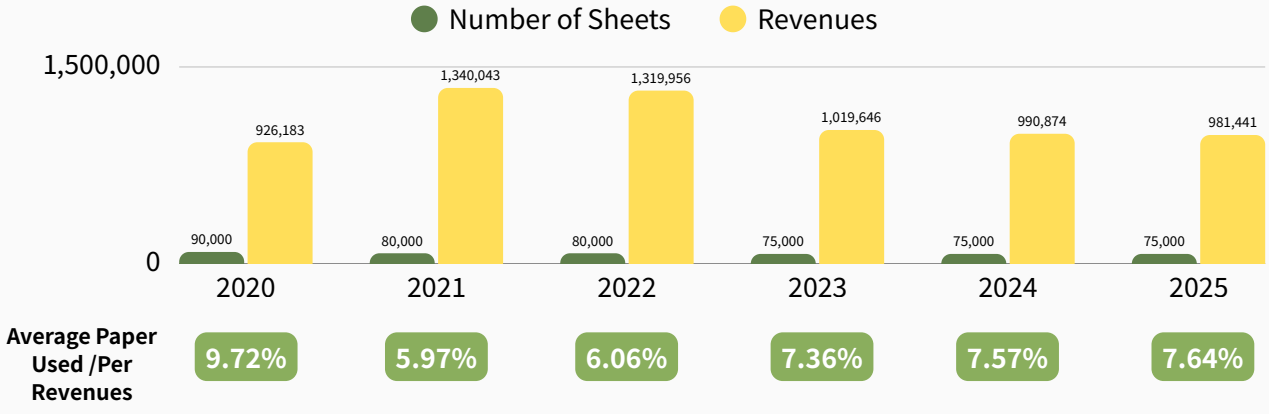
6.07.2 Actions

To concretely implement the aforementioned biodiversity commitments, the company has progressively promoted the following measures in 2025–2026:

Education and Training Plan Establish biodiversity and climate-related training courses. Proposed participants include internal employees, suppliers, and community residents, with the goal of enhancing stakeholders' awareness and motivation to act on conservation and sustainability topics.

Digital Transformation Continuously promote process digitalization, including e-billing and online applications. Taking usage at the Taipei Headquarters as an example:

- Significant Paper Reduction Results: Paper usage decreased from 90,000 sheets in 2020 to 75,000 sheets during 2023–2025, a reduction of 16.7%.
- Successful Digitalization Strategy: Despite revenue fluctuations, paper usage remained at a lower level, demonstrating the effectiveness of process digitalization.
- Continuous Improvement Commitment: The company regards greenhouse gas management and environmental protection as core to its sustainability strategy.



7. Appendix

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7.01 GRI Content Index

7.01.1 GRI 1

Item	Content
Statement of use	Kaimei Electronic Corp. has reported in accordance with the GRI Standards for the period January 1, 2025 to December 31, 2025
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

7.01.2GRI 2

GRI Standard / Disclosure	Disclosure Item	Corresponding Chapter in Report	Page Number
GRI 2-1	Organizational details	1.02.1 Company Overview	10
GRI 2-2	Entities included in the organization's sustainability reporting	1.03.3 Reporting Boundary and Scope	14
GRI 2-3	Reporting period, frequency and contact point	1.03.2 Reporting Period and Frequency 1.03.6 Responsible Unit for the Sustainability Report	14, 16
GRI 2-4	Restatements of information	1.03.4 Restatement of Information	16
GRI 2-5	External assurance	1.03.5 External Assurance / Verification Status	16
GRI 2-6	Activities, value chain and other business relationships	1.02.2 Activities, Value Chain, and Other Business Relationships 4.09.1 Kaimei's Supply Chain	10 57
GRI 2-7	Employees	5.01.2.1 Employee Structure	71
GRI 2-8	Workers who are not employees	5.01.3.1 Non-Employee Structure	75
GRI 2-9	Governance structure and composition	2.02.1 Governance Framework for Promoting Sustainable Development 2.03.2.1 Composition and Diversity 2.03.3 Structure and Operation of Functional Committees	19, 22, 24
GRI 2-10	Nomination and selection of the highest governance body	2.03.2.3 Nomination and Appointment	23
GRI 2-11	Chair of the highest governance body	2.03.2.4 Recusal for Conflicts of Interest	23
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	2.03.1.1 Role and Oversight of Sustainability Governance	21

Disclosure	Disclosure Item	Corresponding Chapter in Report	Page Number
GRI 2-13	Delegation of responsibility for managing impacts	2.02.1 Governance Framework for Promoting Sustainable Development	19
GRI 2-14	Role of the highest governance body in sustainability reporting	2.03.1.1 Role and Oversight of Sustainability Governance	21
GRI 2-15	Conflicts of interest	2.03.2.4 Recusal for Conflicts of Interest	23
GRI 2-16	Communication of critical concerns	2.02.2 Operational Status	20
GRI 2-17	Collective knowledge of the highest governance body	2.03.1.3 Continuous Training on Sustainable Development	22
GRI 2-18	Evaluation of the performance of the highest governance body	2.03.1.2 Performance Evaluation of Sustainability Management Oversight	21
GRI 2-19	Remuneration policies	2.03.2.5 Remuneration Policy	23
GRI 2-20	Process to determine remuneration	2.03.2.5 Remuneration Policy	23
GRI 2-21	Annual total compensation ratio	2.03.2.5 Remuneration Policy	23
GRI 2-22	Statement on sustainable development strategy	2.01.1 Sustainable Development Strategy	18
GRI 2-23	Policy commitments	2.01.1 Sustainable Development Strategy 3.01 Stakeholder Engagement 4.03.1 Integrity Management Philosophy, Policy, and Code of Conduct 4.09 Supplier Management 5.01.1.1 Human Rights Policy and Commitments	19, 27, 41, 55, 66
GRI 2-24	Embedding policy commitments	2.01. Sustainable Development Strategy 3.01 Stakeholder Engagement 4.03.1.2 Code of Conduct 4.09 Supplier Management 5.01.1.1 Human Rights Policy and Commitments	18, 27, 42, 55, 66
GRI 2-25	Processes to remediate negative impacts	2.01.1 Sustainable Development Strategy 4.04.1 Processes to Remediate Negative Impacts 5.01.1.1 Human Rights Policy and Commitments	18, 43, 66
GRI 2-26	Mechanisms for seeking advice and raising concerns	4.04.2 Mechanisms for Seeking Advice and Raising Concerns	43
GRI 2-27	Compliance with laws and regulations	3.01 Stakeholder Engagement	27
GRI 2-28	Membership associations	4.07 Participation in Industry Associations	50
GRI 2-29	Approach to stakeholder engagement	3.01 Stakeholder Engagement	27
GRI 2-30	Collective bargaining agreements	5.01.5 Collective Bargaining Agreements	85

7.01.3 GRI 3 Material Topics 2021

GRI Standard	Disclosure Item	Corresponding Chapter in Report	Page Number
Material Topics	**GRI 3: Material Topics 2021**		
GRI 3-1	Process to determine material topics	3.02 Process to Determine Material Topics	29
GRI 3-2	List of material topics	3.03 List of Material Topics	33
GRI 3-3	Management of material topics	3.04 Management of Material Topics	36

7.02 Material Topics Index

Key Theme: Product Quality

GRI Standard	Disclosure Item	Corresponding Chapter in Report	Page Number
Custom Indicator	Customer Satisfaction	4.08.6.2 Customer Satisfaction Questionnaire	54
GRI 416-1	Assessment of the health and safety impacts of product and service categories	4.08.5 Marketing and Labeling	53
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	4.08.5 Marketing and Labeling	53
GRI 417-1	Requirements for product and service information and labeling	4.08.5 Marketing and Labeling	53
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	No non-compliance incidents	
GRI 417-3	Incidents of non-compliance concerning marketing communications	No non-compliance incidents	

Material Topic: No.9

GRI Standard	Disclosure Item	Corresponding Chapter in Report	Page Number
Material Topic	Occupational Health and Safety		
GRI 403-1	Occupational health and safety management system	5.02.1.1 Implementation of ISO 45001	90
GRI 403-2	Hazard identification, risk assessment, and incident investigation	5.02.2 Hazard Identification, Risk Assessment, and Incident Investigation	90
GRI 403-3	Occupational health services	5.02.3 Occupational Health Services	92
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	5.02.4 Worker Participation, Consultation, and Communication on Occupational Health and Safety	92
GRI 403-5	Worker training on occupational health and safety	5.02.5 Worker Training on Occupational Health and Safety	92
GRI 403-6	Promotion of worker health	5.02.6 Promotion of Worker Health	94
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.02.7 Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	96
GRI 403-8	Workers covered by an occupational health and safety management system	5.02.8 Workers Covered by an Occupational Health and Safety Management System	96
GRI 403-9	Work-related injuries	5.02.9 Work-Related Injuries and Ill Health	96
GRI 403-10	Work-related ill health	5.02.9 Work-Related Injuries and Ill Health	96

Material Topic: No.10

GRI Standard	Disclosure Item	Corresponding Chapter in Report	Page Number
Material Topic	Employment / Labor-Management Relations		
GRI 401-1	New employee hires and employee turnover	5.01.3.2 New Hires and Turnover	76
GRI 401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	5.01.4 Employee Rights and Benefits	80
GRI 401-3	Parental leave	5.01.4 Employee Rights and Benefits 5.01.4.4 Parental Leave _ Parental Leave Return to Work and Retention Rates	80, 82
GRI 405-1	Diversity of governance bodies and employees	5.01.3 Employee Diversity, Inclusion, and Equality 5.01.3.2 New Hires and Turnover 5.01.3.3 Employee Diversity	75, 76, 79
GRI 405-2	Ratio of basic salary and remuneration of women to men	5.01.4 Employee Rights and Benefits	80

Material Topic: No.13

GRI Standard / Indicator	Disclosure Item	Corresponding Chapter in Report	Page Number
Material Topic	Information Security and Personal Data Protection		
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No such incidents	

Material Topic: No.14

GRI Standard / Indicator	Disclosure Item	Corresponding Chapter in Report	Page Number
Material Topic	Sustainable Supply Chain Management		
GRI 204-1	Proportion of spending on local suppliers	4.09.3 Local Procurement	58
GRI 308-1	New suppliers that were screened using environmental criteria	4.09.4 Screening New Suppliers Using Environmental and Social Criteria	59
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	4.09.6.2.1 Supplier Risk Assessment	61
GRI 414-1	New suppliers that were screened using social criteria	4.09.4 Screening New Suppliers Using Environmental and Social Criteria	59
GRI 414-2	Negative social impacts in the supply chain and actions taken	4.09.6.2.1 Supplier Risk Assessment	61

Material Topic: No.15

GRI Standard / Indicator	Disclosure Item	Corresponding Chapter in Report	Page Number
Material Topic	Talent Management		
GRI 404-1	Average hours of training per year per employee	5.01.6 Talent Cultivation and Development	86
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	5.01.6 Talent Cultivation and Development 5.01.6.2 Performance Evaluation and Promotion	86, 89
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	5.01.6 Talent Cultivation and Development	86, 89

Material Topic: No.17

GRI Standard / Indicator	Disclosure Item	Corresponding Chapter in Report	Page Number
Custom Topic	Product Strategy and R&D Innovation		
Custom Indicator	Green Process Planning	4.08.0.4 Targets and Goals	52

Material Topic: No.23

GRI Standard / Indicator	Disclosure Item	Corresponding Chapter in Report	Page Number
Material Topic	Waste Management		
GRI 306-1	Waste generation and significant waste-related impacts	6.05.0 Material Topics	128
GRI 306-2	Management of significant waste-related impacts	6.05.0 Material Topics	128
GRI 306-3	Waste generated	6.05.1 Waste Generation	129
GRI 306-4	Waste diverted from disposal	6.05.2 Waste Treatment	131
GRI 306-5	Waste directed to disposal	6.05.2 Waste Treatment	131

Material Topic: No.24

GRI Standard / Indicator	Disclosure Item	Corresponding Chapter in Report	Page Number
Material Topic	Greenhouse Gas and Energy Management		
GRI 302-1	Energy consumption within the organization	6.03.1 Energy Consumption Status	116
GRI 302-2	Energy consumption outside of the organization	None	
GRI 302-3	Energy intensity	6.03.1 Energy Consumption Status	116
GRI 302-4	Reduction of energy consumption	6.03.1 Energy Consumption Status	116
GRI 305-1	Direct (Scope 1) GHG emissions	6.02.1 Greenhouse Gas Emissions	113
GRI 305-2	Energy indirect (Scope 2) GHG emissions	6.02.1 Greenhouse Gas Emissions	113
GRI 305-3	Other indirect (Scope 3) GHG emissions	6.02.1 Greenhouse Gas Emissions	113
GRI 305-4	GHG emissions intensity	6.02.1 Greenhouse Gas Emissions	113
GRI 305-5	Reduction of GHG emissions	6.02.1 Greenhouse Gas Emissions	113
GRI 305-6	Emissions of ozone-depleting substances (ODS)	None	

Material Topic: No.25

GRI Standard / Indicator	Disclosure Item	Corresponding Chapter in Report	Page Number
Custom Topic	Environmental Protection		
Custom Indicator	Environmental Protection Costs	6.06.1 Environmental Protection Costs	133
Custom Indicator	Paper Consumption Reduction	6.07.2 Actions	135

Material Topic: No.26

GRI Standard / Indicator	Disclosure Item	Corresponding Chapter in Report	Page Number
Material Topic	Water Resources Management		
GRI 303-1	Interactions with water as a shared resource	6.04.3 Scientific Management Approach and Assessment Methodology	121
GRI 303-2	Management of discharge-related impacts	6.04.1 Water Treatment Process 6.04.2 Water Withdrawal, Intensity, and Recycled Water Status	118, 119
GRI 303-3	Water withdrawal	6.04.2 Water Withdrawal, Intensity, and Recycling Status	119
GRI 303-4	Water discharge	6.04.2 Water Withdrawal, Intensity, and Recycling Status	119
GRI 303-5	Water consumption	6.04.2 Water Withdrawal, Intensity, and Recycling Status	119

Material Topic: No.27

GRI Standard / Indicator	Disclosure Item	Corresponding Chapter in Report	Page Number
Material Topic	Climate Change Strategy		
GRI 102-1	Climate Change Mitigation Transition Plan	Using "GHG Intensity" as the core indicator, target an annual reduction of at least 1%. Concrete actions include: replacing high-energy-consuming equipment (air compressors, chillers), process optimization, and increasing renewable energy ratio via self-built or leased solar panels (Suzhou and Malaysia plants). Internal carbon pricing (NT$300/ton) is implemented for low-carbon investment decision-making. Corresponding Chapters: • 6.01.0.5 Carbon Reduction Pathway • 6.01.1 Internal Carbon Pricing • 6.02.0.2 Strategy (GHG Emissions Material Topic)	109, 110, 111
GRI 102-2	Climate Change Adaptation Plan	Address physical risks (extreme weather, water scarcity, electricity price hikes) by establishing adaptation and disaster prevention plans. Adopt the WRI Water Risk Assessment Model; reinforce flood control facilities and process water recycling systems for high-risk plants (Suzhou, Kunshan). Plan energy-saving investment plans for high electricity price/extreme climate risks to lower operational cost impacts and enhance plant resilience. Corresponding Chapters: • 6.01.0.2.3 Strategy-C. Climate-Related Risk & Opportunity Impact on Business Strategy and Decision-Making • 6.01.0.2.5.2 Electricity Scenario Sensitivity Analysis • 6.04.3 Scientific Management Approach and Assessment Methodology	103, 106, 121
GRI 102-3	Just Transition	Not Applicable	

7.03 SASB

SASB Topic	SASB Code	Metric	Implementation Status	Corresponding Chapter	Page Number
GHG Emissions	TC-SC-110a.1	Scope 1 emissions (tCO2e)	738.3 tCO2e	6.02.1 Greenhouse Gas Inventory	113
		Perfluorinated compound emissions (tCO2e)	None		
	TC-SC-110a.2	Description of emission reduction strategy and targets	1% annual reduction in intensity	6.02.0.4 Metrics and Targets	112
Energy Management	TC-SC-130a.1	Total energy consumption (GJ)	273,718.07 GJ	6.03.1 Energy Usage	116
		Grid electricity percentage (%)	94.70%	6.03.1 Energy Usage	116
		Renewable energy percentage (%)	5.01%	6.03.1 Energy Usage	116
Water Management	TC-SC-140a.1	Water withdrawal (m^3)	479,629.36 m^3	6.04.2 Water Usage	119
		Total water consumption (m^3)	97,591.10 m^3	6.04.2 Water Usage	119
		Percentage in high water stress areas (%)	33% (Suzhou and Kunshan face potential water stress)	6.04.3 Scientific Management Approach and Assessment Methodology	121
Waste Management	TC-SC-150a.1	Total amount of hazardous waste generated during manufacturing, recycled percentage (%)	Weight of hazardous waste: 907.6 metric tons Recycled percentage: 48.61%	6.05.1 Waste Generation 6.05.2 Waste Treatment	129 131
Employee Health and Safety	TC-SC-320a.1	Description of measures to assess, monitor, and reduce employee exposure to health hazards	The Company has implemented an ISO 45001 occupational health and safety management system and regularly conducts hazard identification, workplace monitoring, and health examinations. In 2025, employees received 10,617 hours of occupational health and safety training. The occupational injury rate was 0.19%, with no work-related fatalities. The Company continues to reduce employee health risks.	5.02.5 Worker Training on Occupational Health and Safety 5.02.9 Work-Related Injuries and Ill Health	92 96
	TC-SC-320a.2	Total amount of significant fines or sanction losses resulting from occupational health and safety non-compliance	No such incidents		

SASB Topic	SASB Code	Metric	Implementation Status	Corresponding Chapter	Page Number
Global Talent Recruitment & Management	**TC-SC-330a.1**	Foreign employee ratio (%)	Total group employees: 2,095; Foreign employees (male & female): 350, accounting for 16.71%	5.01.3.3 Employee Diversity	79
Global Talent Recruitment & Management	**TC-SC-330a.2**	Management female ratio (%)	Total group management staff: 192; Female managers: 69, accounting for 35.94%	5.01.3.3 Employee Diversity	79
Product Design & Lifecycle Management	**TC-SC-410a.1**	Disclosures related to products meeting IEC 62474 declarable substance requirements	All company products fully comply with RoHS and REACH regulations, and IECQ QC 080000 certification has been obtained. By requiring suppliers to comply with halogen-free restrictions, material reporting information transparency is ensured, and lead-free processes are introduced to fulfill international environmental requirements.	Please refer to the 2025 Annual Shareholders' Meeting Report: Operations Overview	
Product Design & Lifecycle Management	**TC-SC-410a.2**	Description of product lifecycle environmental impact management and new application product design	Lifecycle management: Complies with RoHS/REACH regulations, introduced lead-free processes, and planned LCA process optimization and recycling. Emerging product design: Developed high-capacity, ripple-current-resistant capacitors and precision CSR resistors for AI; developed high-protection, energy-saving fans and surge-resistant capacitors for green energy storage.	Please refer to the 2025 Annual Shareholders' Meeting Report: Operations Overview	
Materials Sourcing Management	**TC-SC-440a.1**	Description of critical materials risk management measures	The company maintains 2 or more suppliers for key materials and disperses procurement across countries to mitigate risk. Higher inventory is maintained for materials with high supply-shortage risk to prevent disruptions, and deep cooperation with key suppliers is conducted to ensure quality and price stability. Overall, there is no concentrated supply risk, and the supply chain possesses high resilience.	Please refer to the 2025 Annual Shareholders' Meeting Report: Operations Overview	
IP Protection & Anti-Competitive Behavior	**TC-SC-520a.1**	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations, description of related events	No such incidents		

7.04 Industry-Specific Sustainability Disclosure Indicators

No.	Indicator	Type	Implementation Status	Unit	Corresponding Chapter	Page Number
1	Total energy consumption, percentage of purchased electricity, and renewable energy usage rate	Quantitative	Total energy consumption: 273,718.07 GJ Percentage of purchased electricity: 94.70% Renewable energy usage rate: 5.01%	Gigajoule (GJ), Percentage (%)	6.03.1 Energy Usage	116
2	Total water withdrawal and total water consumption	Quantitative	Total water withdrawal: 479.629 thousand m^3 Total water consumption: 97.591thousand m^3	Thousand cubic meters (1000 m^3)	6.04.2 Water Withdrawal, Intensity, and Recycling Status	119
3	Weight of hazardous waste generated and recycling percentage	Quantitative	Weight of hazardous waste: 907.60 metric tons Recycling percentage: 48.61%	Metric ton (t), Percentage (%)	6.05.1 Waste Generation	129
4	Description of occupational injury categories, number of people, and rate	Quantitative	Occupational injury categories: Number of people: 4 Rate: 0.19%	Rate (%), Quantity	5.02.9 Work-Related Injuries and Ill Health	96
5	Product lifecycle management disclosures: weight of e-waste and waste products recycled, and recycling/reuse rate percentage	Quantitative	Kaimei Electronic incorporates product lifecycle management into its product R&D and environmental management strategies, introducing energy-saving, low-energy consumption, and eco-friendly design principles during the product design phase, and gradually planning Life Cycle Assessment (LCA) to reduce full lifecycle environmental impacts. Simultaneously, it implements waste source reduction and circular economy management to continuously enhance resource efficiency. Total waste weight: 1,244.49 tons Weight recycled + sold: 725.49 tons Recycling / circular rate: 58.30%			
6	Description of risk management related to the use of critical raw materials	Qualitative	Kaimei identifies risks related to key raw material concentration, price volatility, geopolitical factors, and transportation disruptions. To mitigate supply disruption and cost risks, the Company maintains at least three suppliers for key materials, develops alternative materials, promotes local sourcing of aluminum foil and electrolytic paper, adjusts safety stock levels, and strengthens procurement negotiations.			
7	Amount of monetary losses resulting from legal proceedings related to anti-competitive behavior regulations	Quantitative	No such incidents			
8	Major product output by product category	Quantitative	Includes: Resistors, Capacitors, Motor Fans Dongguan Plant: 2,226.06 metric tons Suzhou Plant: 361 metric tons Kaohsiung Plant: 87.02 metric tons Kunshan Plant: 41.05 metric tons Malaysia Plant: 211 metric tons	Varies by product type	6.02.1 Greenhouse Gas Inventory 6.03.1 Energy Usage	113, 116

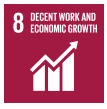
7.05 Climate-Related Disclosures

Item	Content	Corresponding Chapter / Page
1	Describe the oversight and governance of climate-related risks and opportunities by the Board of Directors and management.	Please refer to the 2025 Annual Shareholders' Meeting Report, pp. 54–61
2	Describe how identified climate risks and opportunities affect the business, strategy, and financials (short-, medium-, and long-term) of the enterprise.	Please refer to the 2025 Annual Shareholders' Meeting Report, pp. 54–61
3	Describe the financial impacts of extreme weather events and transition actions.	Please refer to the 2025 Annual Shareholders' Meeting Report, pp. 54–61
4	Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management framework.	Please refer to the 2025 Annual Shareholders' Meeting Report, pp. 54–61
5	If scenario analysis is used to assess resilience against climate change risks, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts used.	Please refer to the 2025 Annual Shareholders' Meeting Report, pp. 54–61
6	If there is a transition plan to manage climate-related risks, describe the contents of the plan, as well as metrics and targets used to identify and manage physical and transition risks.	Please refer to the 2025 Annual Shareholders' Meeting Report, pp. 54–61
7	If internal carbon pricing is used as a planning tool, describe the basis for setting the price.	Please refer to the 2025 Annual Shareholders' Meeting Report, pp. 54–61
8	If climate-related targets are set, describe the activities covered, GHG emission scope, target timeline, and annual progress updates; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve targets, describe the source and quantity of offset carbon credits or RECs.	Please refer to the 2025 Annual Shareholders' Meeting Report, pp. 54–61
9-1-1	GHG inventory information for the company for the past two fiscal years.	Please refer to the 2025 Annual Shareholders' Meeting Report, pp. 54–61
9-1-2	GHG assurance information for the company for the past two fiscal years.	Please refer to the 2025 Annual Shareholders' Meeting Report, pp. 54–61
9-2-2	GHG reduction targets, strategies, and concrete action plans.	Please refer to the 2025 Annual Shareholders' Meeting Report, pp. 54–61

7.06 TCFD

Guiding Principle	Description	Corresponding Chapter	Page Number
Board's oversight of climate-related risks and opportunities.	The Board of Directors serves as the highest governance body for climate change, under which the "Sustainable Development Committee" chaired by the Chairman is established. The committee coordinates climate risk management and reports relevant strategies, risks, opportunities, and performance to the Board at least once a year for review to ensure effective oversight.	6.01.0.1 Governance	101
Management's role in assessing and managing climate-related risks and opportunities.	Under the Sustainable Development Committee, a Sustainable Implementation Team composed of heads from various business units is established to conduct climate risk impact analysis and assessment. The team holds regular meetings to plan action plans based on Board decisions and goals, coordinate across departments, track execution progress, review KPIs, and propose adjustments based on outcomes.	6.01.0.1 Governance	101
Identify short-, medium-, and long-term climate-related risks and opportunities.	Short-term risks: Carbon fee collection, increased compliance costs, and extreme weather impacts on manufacturing processes; Opportunities: Building renewable energy and developing low-carbon products. Medium-term risks: Water resource shortages and raw material price fluctuations. Long-term risks: CBAM, supply chain carbon reduction mandates, and impacts on operational resilience; Opportunities: Introducing smart manufacturing, circular economy, and expanding green markets.	6.01.0.2.1 Strategy-A	101
Impact of climate-related risks and opportunities on business, strategy, and financial planning.	Climate risks expose operations to carbon fee costs and rising compliance costs; opportunities lie in expanding green markets like energy storage and smart grids. Strategically, resource allocation shifts toward low-carbon transition and supply chain carbon reduction management; financially, short-term capital expenditures increase, while mid-to-long-term energy savings and green revenue advantages create cost benefits.	6.01.0.2.2–6.01.0.2.4 Strategy	102, 103, 104
Resilience of strategy, considering different climate-related scenarios (including a 2°C or lower scenario).	The Company used the IPCC framework to assess the financial impact of rising electricity prices under three scenarios: “Accelerated Net Zero” (1.5–2°C), “Delayed Policy Action” (2–3°C), and “High Emissions” (>3°C). It has planned investments in air compressors and chillers to improve energy efficiency, strengthen operational resilience, and ease cost pressures.	6.01.0.2.5 Strategy-E	106
Organization's processes for identifying and assessing climate-related risks.	Functional units regularly identify climate risks based on their duties, covering operational, financial, and legal aspects. Risk assessments establish qualitative and quantitative criteria based on risk nature and use a risk matrix (frequency and impact level each rated 1–10 points) to perform analysis and prioritization.	6.01.0.3 Risk Management	108
Process for managing climate-related risks.	For identified risks, each unit formulates mitigation or control measures and executes them. Control and management status is reported regularly to the governing unit as a basis for adjustments. Ultimately, the Sustainable Development Committee compiles key risks and execution status, reporting regularly to the Board of Directors to ensure high-level oversight.	6.01.0.3 Risk Management	108
How processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Climate risks are integrated into the enterprise's overall risk management framework, requiring each unit to evaluate them concurrently during the annual risk review and operational plan formulation. The climate risk list is incorporated into overall risk monitoring, with effectiveness reviewed via internal control and audit mechanisms to form closed-loop management.	Please refer to the 2025 Annual Shareholders' Meeting Report, pp. 55–56	
Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Use "Probability of Occurrence" and "Degree of Impact" as evaluation dimensions for the risk matrix. Set "GHG Emission Intensity" (annual reduction of 1%) and "Internal Carbon Pricing" (NT$300/ton CO2e) as key metrics to quantitatively evaluate climate risks and opportunities.	6.01.0.3 Risk Management 6.01.0.4 Metrics and Targets	108, 109
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and related risks.	In 2025, Scope 1 and Scope 2 emissions totaled 44,899.78 tons, and Scope 3 totaled 39,115 tons. Related risks include rising carbon pricing and compliance costs, compliance risks from failing to meet carbon reduction technologies, and the risk of losing green orders due to undisclosed Scope 3 data.	6.02.1 Greenhouse Gas Inventory 6.02.0.3 Risk Management	113, 111
Targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Using 2024 as the base year, set a target to reduce Scope 1 and Scope 2 GHG emission intensity by at least 1% annually. Concrete implementation performance includes: (1) 100% completion of ISO 14064-1 inventory across major operating sites; (2) replacement of high-energy-consuming equipment and process optimization; (3) initiation of solar power plans (leased for Suzhou plant, self-built for Malaysia plant); (4) implementation of internal carbon pricing (NT$300/ton CO2e); (5) evaluation of financial impacts across three climate scenarios based on IPCC framework and planning contingency solutions.	6.01.0.4.3 Climate-Related Targets 6.01.0.5 Carbon Reduction Pathway	109, 109

7.07 SDGs Comparison Table

	SDG Target	Concrete Action / Performance	Corresponding Chapter
	**SDG 3 Good Health and Well-Being**	4 plant sites obtained ISO 45001 certification; annual occupational safety training reached 10,617 hours; injury rate was 0.19%; zero major occupational accidents during the year; continuously conducts health examinations, fire drills, and hazard identification.	5.02 Occupational Safety and Health
	**SDG 4 Quality Education**	Conducted a total of 82,255 hours of education and training throughout the year; continuously promoted professional skills, leadership, sustainability governance, and occupational safety courses; established a comprehensive talent cultivation system; a total of 112 employees were promoted in 2025, continuously strengthening talent development and organizational	5.01 Talent Development
	**SDG 5 Gender Equality**	Female employees account for 48.83%; female managers account for 35.94%; 1 female director on the Board of Directors; implements equal pay for equal work and diversity & inclusion policies.	5.01 Employee Diversity
	**SDG 6 Clean Water and Sanitation**	Kaohsiung and Dongguan plants actively promoted water recycling; annual recycled water accounted for 17.29%; various plants promoted water-saving equipment and recycled water systems.	6.04 Water Resources Management
	**SDG 7 Affordable and Clean Energy**	Introduced solar energy at the Suzhou and Malaysia plants; annual renewable energy generation reached 809,000 kWh; introduced energy-saving equipment and energy management, and initiated ISO 50001 planning.	6.03 Energy Management
	**SDG 8 Decent Work and Economic Growth**	In 2025, revenue reached NT$5.545 billion, direct economic value generated was NT$5.692 billion, and employee benefits expenses totaled NT$1.205 billion. The Company maintained a supportive workplace and parental leave system, with labor-management communication mechanisms established across all operating locations.	4.01 Economic Performance 5.01 Human Resources Development
	**SDG 9 Industry, Innovation and Infrastructure**	Focused on AI servers, high-efficiency heat dissipation, high-voltage capacitors, and CSR resistors; accumulated 26 valid patents; 2025 R&D investment reached NT$54.41 million; introduced green design and Eco-design.	4.08 Product and Service Management
	**SDG 10 Reduced Inequalities**	Established human rights policies, Human Rights Due Diligence (HRDD), anti-discrimination, and diversity & inclusion systems; applicable to employees, suppliers, and contractors.	5.01 Human Rights Policy
	**SDG 12 Responsible Consumption and Production**	96% of suppliers completed signing the Supplier Code of Conduct Commitment Letter; 100% of new suppliers completed environmental and social screening; 50 conflict minerals surveys achieved 100% compliance; fully compliant with RoHS and REACH.	4.09 Supplier Management 4.08 Product Management
	**SDG 13 Climate Action**	The Board of Directors adopted IFRS S1 and S2; the Company established an internal carbon price of NT$300 per tCO_2e, reduced emissions intensity by 6.44%, and completed product carbon footprint verification for one product. Reported Scope 1 and Scope 2 emissions totaled 44,899.78 tCO_2e.	6.01 Climate Change; 6.02 Greenhouse Gas Emissions; 6.01.2 Internal Carbon Pricing
	**SDG 16 Peace, Justice and Strong Institutions**	Established the Sustainable Development Committee; achieved 100% education and training in ethical management; ISO 27001 certified; 0 major information security incidents; implemented anti-corruption policies, whistleblower systems, and Board oversight mechanisms.	2.02 Sustainability Governance 4.03 Ethical Management 4.06 Information Security
	**SDG 17 Partnerships for the Goals**	Established a supplier ESG management system; promoted RBA, ISO 14001, and ESG coaching; built a supplier ESG rating system; continuously collaborated with government, clients, suppliers, and communities to drive sustainability.	4.09 Supplier Management 5.03 Community Engagement

7.08 Group ISO Related Certifications Summary

Standard / Certification	Taipei Headquarters	Kaohsiung Plant	Suzhou Plant	Dongguan Plant	Kunshan Plant	Malaysia Plant
ISO 14001	None	V	V	V	V	V
ISO 14064-1	Self-Inventory	Third-Party Verification	Third-Party Verification	Third-Party Verification	Third-Party Verification	Third-Party Verification
ISO 45001	None	V	V	V	None	V
IATF 16949	None	V	V	V	V	V
ISO 17025	None	None	None	V	None	None
ISO 27001	V	V	None	None	None	None
QC 080000	None	None	None	V	V	None
ISO 9001	None	V	V	V	V	V

7.09 GHG Assurance Certificate


温室气体核查陈述

北京新纪源认证有限公司


温室气体核查陈述附录

北京新纪源认证有限公司


TÜVNORD

OPINION

Greenhouse Gases Verification Opinion
ISO 14064-1:2018

BALEC ELECTRONIC CORP


ISO14064-1

萬泰認證

温室气体排放核查声明

苏州凯美电子有限公司


温室气体核查陈述

北京新纪源认证有限公司


温室气体核查陈述附录

北京新纪源认证有限公司


GHG VERIFICATION STATEMENT

ASJ COMPONENTS (M) SDN. BHD

ISO 14064-1:2018

The GHG emissions are described as below:

GHG emissions categorization		Description	GHG emission (tonnes of CO_2e per year)
Direct Emissions/ Category 1		Occur from GHG sources inside organizational boundaries and that are owned or controlled by the organization.	218.9809
Energy Indirect Emissions	Category 2	Indirect GHG emissions from imported energy	6,880.8684
Indirect Emissions	Category 3	Indirect GHG emissions from transportation	327.1788
	Category 4	Indirect GHG emissions from products used by an organization	3,437.4952
	Category 5	Indirect GHG emissions associated with the use of products from the organization	Undisclosed
	Category 6	Other sources	Undisclosed
Direct Emissions and Indirect Emissions			10,864.523

The GHG emissions categorization are based on Annex B of ISO14064-1:2018.
Intended User of Verification Opinion: Organizations use for their own reference.