

SYSGRATION®

2025

Sustainability Report



CONTENTS



About the Report 03

Message from
the Chairman 04

1 Sustainability Management

1.1 About Sysgration	07
1.2 Sustainability Practices	13
1.3 Materiality Analysis	15
1.4 Stakeholder Engagement	21

2 Corporate Governance

2.1 Corporate Governance	28
2.2 Economic Performance	38
2.3 Ethical Corporate Management	39
2.4 Risk Management	42
2.5 Legal Compliance	46
2.6 Information Security and Customer Privacy	47
2.7 Financial Assistance Received from Government	49

3 Products and Customers

3.1 Product Quality and Safety	56
3.2 Low-carbon Green Products	61
3.3 Customer Relationship Management	67

4 Environmental Sustainability

4.1 Response to Climate Change	74
4.2 Greenhouse Gas Emissions	81
4.3 Energy Management	85
4.4 Waste Management	87
4.5 Water Resource Management	89

5 Employee Care

5.1 Employment	96
5.2 Friendly Workplace	99
5.3 Talent Management Communication and Salary Security	105
5.4 Human Rights Protection	108
5.5 Occupational Health and Safety	110

6 Social Co-Prosperity

6.1 Education and Development	129
6.2 Care and Assistance	133
6.3 Environmental Sustainability	138
6.4 Local Community Impact Management	139

7 Sustainable Supply Chain

7.1 Supply Chain ESG Committee	143
7.2 Supply Chain Structure	144
7.3 Sustainable Supply Chain Management	145
7.4 Supplier ESG Management	147
7.5 Supply Chain Sustainability Targets	150
7.6 Supplier Performance Assessment and Communication Engagement	152

Appendix

External Certifications	155
GRI Content Index	156
SASB Sustainability Accounting Standards Correspondence Table	163
Rules Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies — Electronic Components Industry Sustainability Disclosure Indicators	165
Task Force on Climate-Related Financial Disclosures (TCFD) and Index of Climate-related Information of TWSE/TPEX Listed Companies	166
Summary of Assurance Items	173
Certified Public Accountant Limited Assurance Report	174



About the Report

Editorial Principles

Sysgration Ltd. (Stock code: 5309, referred to as “Sysgration”) prepared its 2025 Sustainability Report in accordance with the GRI Standards 2021 version announced by the Global Reporting Initiative (GRI), the “Sustainability Accounting Standards – Electrical & Electronic Equipment” published by the U.S. Sustainability Accounting Standards Board (SASB), the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) published by the Financial Stability Board (FSB), and the “Rules Governing the Preparation and Filing of Sustainability Reports” by TPEX Listed Companies announced by the Taipei Exchange. This report aims to disclose Sysgration’s operational strategies, investments, and performance with respect to sustainable development to its stakeholders.

Report Boundary and Data

This report discloses performance data for the economic, environmental, and social dimensions of the 2025 fiscal year (from January 1 to December 31, 2025). To ensure information completeness and comparability, some performance data retrospectively trace back to the 2024 fiscal year and earlier periods. The boundary ^{Note 1} of this report is Sysgration Ltd., its operational areas include the Taipei Headquarters, Nantou Nankang Plant (hereinafter referred to as the “Nankang Plant”), Leadray Energy Co., Ltd. (hereinafter referred to as “Leadray”), and the Huizhou Plant in Mainland China (Sysgration (Huizhou) Ltd., hereinafter referred to as the “Huizhou Plant”), and Power Tank Energy Ltd. (hereinafter referred to as the “Power Tank”), whose operating locations include the Taipei Headquarters in Taiwan and Zhenjiang Plant in Mainland China (Sysgration (Zhenjiang) Ltd., hereinafter referred to as the “Zhenjiang Plant”). The data and information disclosed in this report were compiled and provided by the relevant departments responsible through information collection and summarization. The collection, measurement, and calculation methods for all disclosed data are primarily based on international regulations or local regulatory requirements. In cases where no corresponding international standards are applicable, industry standards or common industry practices are adopted.

Note 1: Except for financial information, the data boundaries disclosed in this Sustainability Report do not encompass the following subsidiaries included in the consolidated financial statements: Sysgration U.S. Corporation, Sysgration Samoa Corporation, Sysgration International Inc., Sysgration America Corporation, Sysgration Technology Samoa Co., Ltd.

External Guarantee/Assurance

To ensure the accuracy and transparency of Sysgration’s disclosed information, the data and information within this report are managed internally by each responsible department with reference to regulatory standards, with specific information having obtained external certification (please refer to Appendix - External Certifications). The relevant data and information were compiled and prepared by the ESG report editorial team, submitted to the heads of each department for confirmation, and finally reviewed and approved by the Board of Directors. The Company entrusted PwC Taiwan to perform independent external assurance on selected sustainability performance indicators prepared in accordance with the GRI Standards. The assurance was conducted in accordance with Taiwan Standard on Assurance Engagements (TWSAE) 3000, “Assurance Engagements Other than Audits or Reviews of Historical Financial Information,” issued by the Accounting Research and Development Foundation of the R.O.C. The scope of this assurance covers fiscal year 2025 information; information as of December 31, 2024, and prior periods is excluded from the scope of assurance. A statement of assurance was issued by the CPAs: please refer to the Assurance Report in the Appendix for detailed assurance scope and conclusion.

Release Time

Sysgration issues its Sustainability Report annually and discloses it on the Company’s website.

Current Release Date: Release in August 2026.

Next Release Date: Expected release in August 2027.

Contact Us

For any questions regarding this report or any suggestions for Sysgration, please contact us through the following channels.

Address: 6F., No. 1, Sec. 1, Tiding Blvd., Neihu Dist., Taipei City

Telephone: (02) 2790-0088

Fax: (02) 2790-9000

Contact E-mail: esgteam@sysgration.com.

Company Website: <https://www.sysgration.com/en/>

Contact Person/Unit: General Manager’s

Office - ESG Report Editorial Team



Message from the Chairman

Board Responsibility in a Critical Period of Transformation

The world is currently at a critical juncture of structural transformation. Intensifying impacts of climate change, rising geopolitical risks, and the rapid evolution of supply chains and AI technologies are reshaping the competitive landscape across industries while simultaneously testing corporate governance capabilities and strategic decision-making. For Sysgration, sustainability is no longer merely a response to trends or external requirements; it is a core responsibility that the Board of Directors must proactively assume and integrate into long-term strategic decisions.

Building Our Core Business to Strengthen Long-Term Competitiveness

Since its establishment, Sysgration has consistently focused on technological capability, product quality, and innovation, deeply cultivating key applications in automotive electronics, the Internet of Things (IoT), and energy management. In 2025, facing a landscape of concurrent industrial upgrades and market fluctuations, the Company continued to leverage innovative research and development, focusing on key technological deployment in Tire Pressure Monitoring Systems (TPMS) for smart vehicle applications, Industrial PCs (IPC) for industrial edge AI devices, and Battery Backup Units (BBU) for AI data center applications. Sysgration consistently maintains a high level of R&D investment, accounting for approximately 11% of annual revenue, serving as the core foundation supporting our transformation process and technology development. The Board understands that only by staying focused on its core business, continuously pursuing innovation, and deeply integrating sustainability thinking into product and technology development can the Company move forward steadily and strengthen its long-term competitiveness through this period of transformation.

Integrating Sustainability into the Core of Corporate Governance

During the year, the Company continued to strengthen its existing sustainability governance framework. Through the operations of the Sustainable Development Committee, material sustainability issues have been steadily incorporated into governance and decision-making processes, while the Company also integrated risk management mechanisms and climate governance frameworks to systematically identify and respond to climate-related, regulatory, and operational risks. In terms of sustainability governance performance, Sysgration was ranked among the Top 5% of TPEx-listed companies for four consecutive terms from the 9th to 12th Corporate Governance Evaluation. In a highly

uncertain business environment, sustainability is regarded as a governance priority that must be continuously reviewed and managed to ensure all decisions balance corporate resilience with long-term responsibility.

Supply Chain Resilience: Responsibility of the Board

As global sustainability regulations and geopolitical conditions continue to evolve, the Board pays close attention to the structural risks and transformation pressures arising from the supply chain. For Sysgration, the supply chain is no longer just an operational issue of quality and delivery performance; it is a vital cornerstone for corporate sustainability risk management, green low-carbon brand trust, and long-term competitiveness. In 2025, the Company officially launched its sustainable supply chain management project, starting with systematic management based on the international standard ISO 20400 to identify key and high-risk suppliers, gradually establishing a sustainable procurement and supply chain management mechanism. Sysgration's efforts have earned international recognition, winning the Bronze Award for "Asia's Best Supply Chain Reporting" at the 2025 Asia Sustainability Reporting Awards (ASRA). The Board's stance is clear: a truly resilient supply chain is built not through one-sided demands, but through shared understanding, capability building, and long-term cooperative relationships with value chain partners, steadily extending carbon reduction and sustainability responsibilities to the supply side.

Pragmatically Advancing the Net-Zero Transition

Sysgration continues to advance its carbon reduction actions based on the principles of the Science Based Targets initiative (SBTi). Through energy-saving measures, improved energy efficiency, and renewable energy applications, the Company is gradually building the foundation for the Group's greenhouse gas management as an important basis for medium and long-term carbon reduction planning and decision-making. In terms of carbon reduction performance, Sysgration was once again recognized in Commonwealth Magazine's 2025 "Temperature

Rising Index for Pathways” survey as being aligned with the SBTi scientific decarbonization pathway and the 1.5°C target of the Paris Agreement and has been awarded the “1.5°C Label Certificate” Certification. The Board fully understands that the net-zero transformation is not a short-term undertaking, but a long-term commitment requiring a steady pace and a clear management pathway. Therefore, the Company promotes relevant actions in a pragmatic and step-by-step manner and continues to incorporate low-carbon thinking into product design and process optimization, ensuring that environmental responsibility integrates into the process of innovation and value creation.

A Solid Foundation of Talent and Organization

Sysgration firmly believes that the key to long-term corporate development lies in the stability and resilience of its talent and organization. We strictly adhere to fair, transparent, and equitable recruitment and employment practices while fostering a workplace culture that values diversity, inclusion, and gender equality. In 2025, women accounted for 41.1% of total employees, while female senior managers accounted for 25.1%, reflecting the Company’s continued efforts in diversity and inclusion. Furthermore, Sysgration places great importance on employee safety, health, and professional growth. The majority of operating sites have obtained ISO 45001 Occupational Health and Safety Management System certification, and we continue to invest resources to drive talent cultivation and competency development. During the year, approximately NT\$1.83 million was invested in education and training programs, providing more than 12,600 hours training courses to support employees in continuously refining their professional capabilities during transformation and growth. Only upon a stable and trusted organizational foundation can the Company effectively address the challenges of transformation and build sustainable competitiveness.

Responding to Society's Trust with Responsibility

As a corporate citizen, Sysgration responds to societal expectations through a virtuous cycle of giving, continuously investing in talent cultivation, community care, and environmental sustainability, while focusing on the tangible impacts generated by these resources. In 2025, through the integration of internal and external resources, we advanced public welfare projects with long-term value as part of our social engagement initiatives.

During the year, Sysgration continued to partner with the Digital Humanitarian Association to promote the “Digital Community-Based Primary Healthcare for Healthy Aging and Social Inclusion” project, putting into practice the concept of responding to society with responsibility. The Company also introduced the Social Return on Investment (SROI) evaluation mechanism. The assessment results showed that every NT\$1 invested could generate NT\$25.01 in social value, representing an increase of 144% from the previous year. The Board believes that corporate social engagement should not be a mere formality, but should focus on the long-term impact and tangible outcomes for the project’s beneficiaries, allowing corporate resources to generate deeper and more sustainable positive impact while giving back to society.

Cultivating the Future with a Long-Term Perspective

Looking ahead, the Board will continue to address climate change, industrial transformation, and global uncertainties with a long-term perspective. We will further deepen our governance mechanisms, steadily advance our low-carbon and digital transformation strategies, and move forward together with employees, supply chain partners, and all sectors of society to create sustainable progress. We firmly believe that only by truly embedding sustainability into the core of decision-making can Sysgration achieve corporate growth while establishing a resilient and sustainable future for society and generations to come.



Chairman of Sysgration Ltd.
Lee, I-Ren





Chapter Sustainability Management

1.1 About Sysgration

1.2 Sustainability Practices

1.3 Materiality Analysis

1.4 Stakeholder Engagement





1.1 About Sysgration

1.1.1 Company Profile

Sysgration was founded in 1977. For more than 40 years, we have been committed to using advanced technology to provide customers with premium products, including developing high-quality products for IoT, automotive electronics, and energy storage systems. Through technology integration we continue to provide customers with integrated solutions for technology development, design and manufacturing, quality and cost management, and certification acquisition. Sysgration has been listed on the Taipei Exchange (TPEX) since 1996. To date, our production, R&D and operational locations include the Taipei Headquarters, Toufen Plant (Leadray) in Miaoli, Nankang Plant in Nantou, Huizhou Plant in Guangdong and Zhenjiang Plant in Jiangsu, Mainland China. With approximately 650 employees worldwide, Sysgration is a leading manufacturer of automotive tire pressure monitoring systems (TPMS), serving customers across the globe.

Sysgration focuses on the ODM/OEM field, with "Technology, Quality, Innovation" as the Company's core values. Our primary product offerings include automotive tire pressure monitoring systems, automotive electronic products, green energy, energy storage equipment and power supplies. In response to the market's sustainable transformation and the global wave of net-zero emission targets, Sysgration has actively deployed in the fields of IoT, Internet of Vehicles (IoV) and new energy technologies in recent years. Sysgration not only has combined mobile devices, and smart devices with Internet of Vehicles smart network connections but also developed a low-power Bluetooth Tire Pressure Monitoring Signal (TPMS) transmission system and began to develop energy storage system for renewable energy, uninterrupted power supply equipment for clean energy, and electric vehicle batteries to create intelligent and climate-resilient solutions for our customers.

In 2024, Leadray Energy Co., Ltd. joined as a subsidiary of the Group, marking Sysgration's official entry into the renewable energy engineering and power sales market. The manufacturing facility of subsidiary, Leadray Energy, is located in Toufen, Miaoli. Initially a professional manufacturer of LED streets lamps and lighting systems, it subsequently transformed to invest in solar power and energy storage system EPC (Engineering, Procurement, Construction) deployment, possessing full capabilities across energy storage and solar engineering, land integration, project establishment, operations and maintenance (O&M), and power sales services. This forms a complementary vertical integration with Sysgration's original Energy Storage System (ESS) product department at the battery pack assembly (Pack), Power Conversion System (PCS), and full-system level, allowing both

parties to join hands in providing integrated "energy creation, energy storage, and energy conservation" green electricity transition solutions.

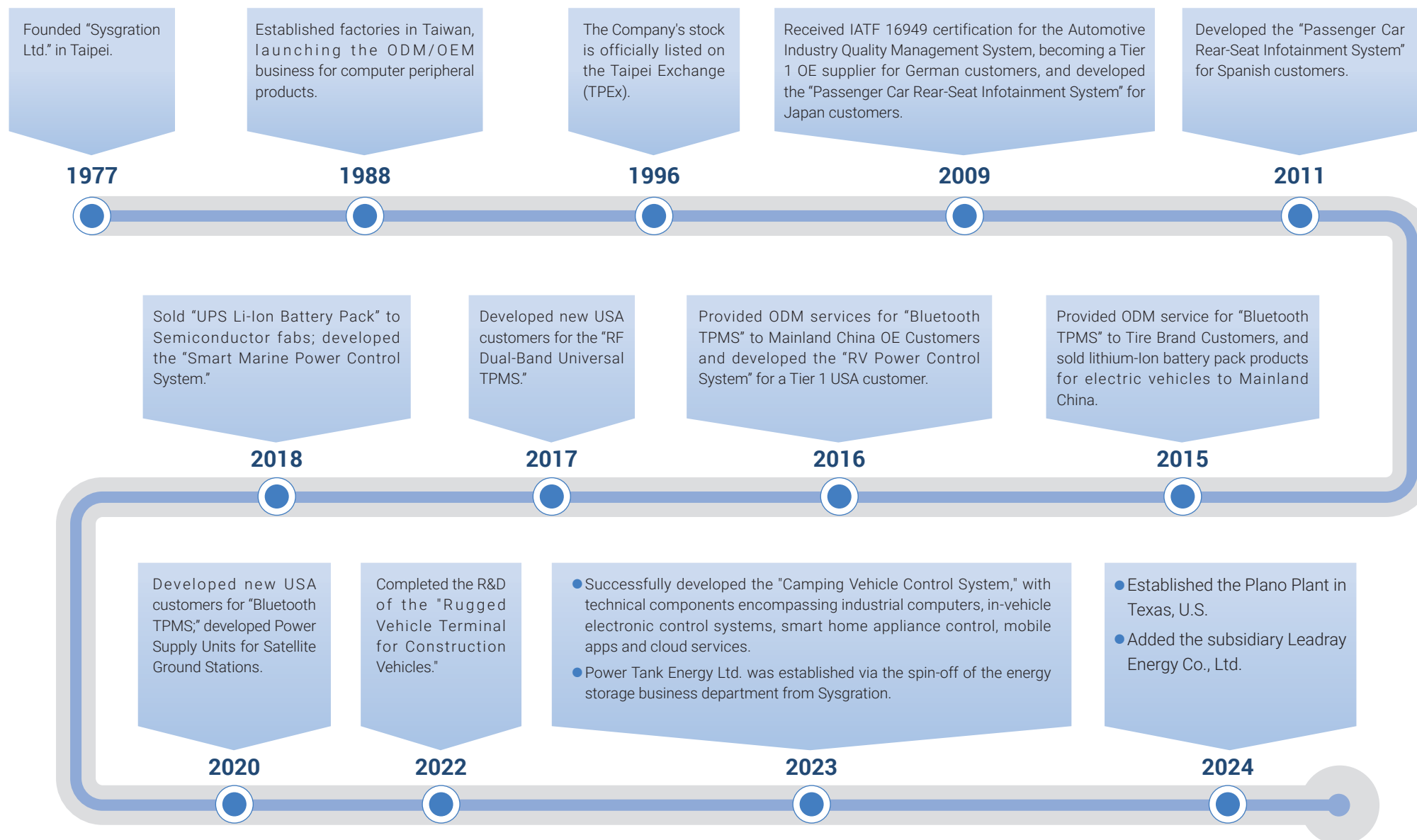
In the same year, the North American headquarters and manufacturing center was established in Plano, Texas, U.S., occupying over six acres with a facility area of 100,000 square feet, located approximately 35 minutes from Dallas Fort Worth Airport. In addition to providing localized technical and business services to customers in the Americas, this facility is equipped with highly automated assembly lines. It manufactures a wide range of products, including Battery Backup Units (BBU) used in AI data centers, automotive tire pressure monitoring systems (TPMS), rugged Industrial PCs (IPC), Unmanned Aerial Vehicles (UAV), Autonomous Mobile Robots (AMR), and industrial integrated augmented reality wearable systems, comprehensively strengthening the local supply chain resilience and ESG strategic layout of the Sysgration Group in the American market.

The new factory's fully automated production lines are expected to gradually enter mass production starting from Q1 2026. In the future, this will significantly shorten lead times, improve North American delivery efficiency, enable localized supply to AI server customers, strengthen local manufacturing capabilities and product development flexibility, reduce cross-border logistics costs, and reinforce Sysgration's competitiveness in the global industrial control and BBU supply chain, laying a solid foundation for medium- to long-term business growth.

Since its establishment, Sysgration has consistently focused on R&D as its core strategy, establishing dedicated R&D departments for each product line. Our teams focus on developing innovative technologies and solutions to respond to market requirements and challenges, efforts have received the recognition of multiple domestic and foreign patents and inventions. By leveraging manufacturing facilities worldwide and combining the professional technologies and advantages of supply chain vendors, we have successfully established strategic cooperative relationships with globally renowned leading enterprises. Sysgration's consolidated operating income in 2025 reached approximately NT\$3.4 billion. Concurrently, we actively advance across the three pillars of environmental, social, and governance (ESG) to create sustainable value for the enterprise, society, and the environment.

Looking into the future, facing the rapid changes and challenges of the domestic and international environment, Sysgration will pay closer attention to the development and sales of new products and the acquisition of patent rights. We will continue to develop innovative technologies in the fields of IoT, Internet of Vehicles, energy storage products and battery energy based on the solid technology foundation, with the aspiration of becoming a world-renowned enterprise.

1.1.2 Sysgration Milestones and Prospects



1.1.3 Sysgration Operation Locations



1.1.4 Product Innovation and Development

To maintain a high market competitiveness, Sysgration actively recruits outstanding R&D talent, continues to invest capital in new product development, and focuses on breakthrough technologies. In recent years, our R&D organization has expanded into the fields of automotive electronics, power management, IoT products, and battery energy storage management. We are committed to driving connectivity across mobile devices, smart devices, and the Internet of Vehicles, developing low-power Bluetooth and Wi-Fi modules. Since its establishment, Sysgration has focused on R&D as its core operational direction. The R&D departments encompass hardware circuitry, software programming, product industrial design, mechanical refinement, reliability testing, and production of test equipment design. We have achieved numerous new product and technological milestones, obtained multiple domestic and foreign patents, and passed many large-scale energy storage safety certifications under both the European and the U.S. standards, consolidating our competitiveness in the industry.

Recently, Sysgration has also actively invested in the R&D and production of "Long-Range Highly Reliable Unmanned Aerial Vehicles (UAVs) Ground Control Station (GCS)", a project that has received strong recognition through government subsidy support. In response to market pain points, the product features a communication system equipped with digital link technology, ensuring that the UAV ground control station retains stable image transmission and precise control capability during beyond-line-of-sight operations. It also incorporates industrial-grade ruggedized design to adapt to operations in extreme outdoor environments. From an ESG perspective, this system effectively supports land monitoring and disaster search-and-rescue operations, helps protect the safety of rescue personnel, and contributes to environmental protection. Through independent R&D, the Company has secured multiple patented technologies, deeply cultivating the local UAV industry chain. Sysgration is committed not only to technological innovation but also to realizing its sustainability vision of corporate and environmental co-prosperity through high-quality green products, robust technology governance, and enhanced public safety effectiveness.



Tire Pressure Monitoring
System



Industrial Tablet PC



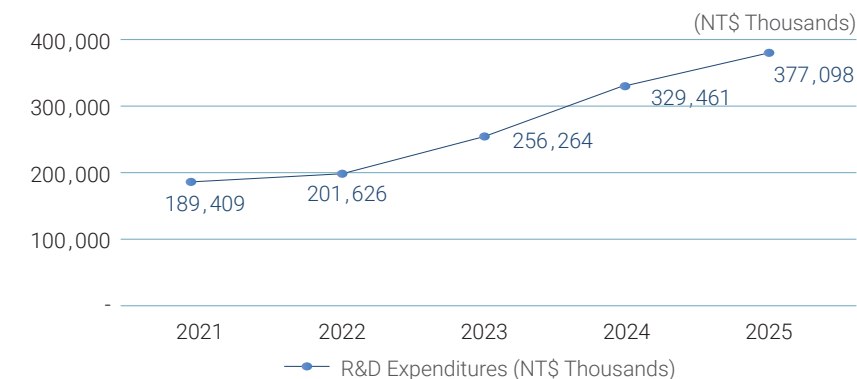
Battery Backup Unit (BBU)



Unmanned Aerial Vehicles
(UAVs) Ground Control Station

In 2025, Sysgration's R&D expenditure reached approximately NT\$380 million, representing an increase of 14.5% from 2024, accounting for 11.1% of total revenue. Our R&D expenditure has continuously increased over the past five years, clearly demonstrating Sysgration's deep commitment to product R&D and innovation.

R&D Expenditures Over the Years



Sysgration is committed to utilizing advanced technologies to provide premium smart application solutions for the Internet of Things, automotive electronics, and energy management. From initial product concept feasibility studies, manufacturing design, and PCBA assembly and testing, to supply chain management and logistics maintenance, we provide customers with integrated solutions covering the full product development lifecycle. This assists in resolving issues early in the development process, ensures the traceability of system assembly and testing, and effectively manages supply chain risks.

In recent years, in addition to the establishment of Power Tank Energy Ltd. as a subsidiary, Leadray Energy Co., Ltd was also established as a subsidiary to actively expand the Company's operating dynamics through professional division of work. This is especially vital as the world enters the competitive arena of digital 5G, where data center demand is expanding rapidly. Therefore, our product R&D direction focuses heavily on industrial battery backup modules and uninterrupted power supply (UPS) required for data centers.

Sysgration provides customers with value-added and customized solutions through leading technology, system architecture expertise, and on-site manufacturing experience, combining the popularization of AI technology to enhance innovative product experiences.

**Industrial Portable and Wearable Systems**

The AI smart headset solution is designed for on-site engineers in petroleum, chemical, gas, and other industrial environments. This solution enables real-time voice and video connectivity with remote experts or management personnel when operating in complex environments such as confined spaces, high altitudes, or hazardous areas. Experts and managers can view the live situation from a first-person perspective, providing remote technical guidance and conducting work inspections to complete tasks safely and efficiently, effectively reducing operational safety risks for enterprises.

Industrial Backup Battery and Energy Storage System

In terms of energy products, the Sysgration Group has expanded its accumulated advantages in high-power management and industrial energy storage technology, extensively rolling out BBUs to cloud data center customers. Concurrently we have extended our experience with EV lithium battery packs to industrial applications such as UPS systems for semiconductor fabs, community energy storage systems, battery systems of high-frequency Switching Mode Rectifier (SMR) power supplies used in 4G and 5G telecommunication base stations, and energy storage voltage-regulation systems for power plants.

Backup Battery for AI Data Center

Given the demanding requirements of AI data centers for backup power batteries, key factors such as energy density, lifespan, safety, cost, and other factors of batteries must be carefully considered. Sysgration has planned concrete work items for the development of backup batteries for AI data centers, including establishing a professional R&D team, defining clear R&D goals, and actively promoting applications. Sysgration will continuously optimize and upgrade products based on market feedback and technological progress. Backup batteries for AI data centers will provide an innovative backup power solution, beneficial for improving the operating efficiency, reliability, and safety of data centers. We expect this product to deliver tangible value to our customers.

Edge AI box

With the constant development of AI and IoT applications, Sysgration has launched the Edge AI Box. Combining high-performance edge computing capabilities with leading connectivity provided by Qualcomm Technologies, it aims to assist Taiwanese enterprises in achieving digital upgrades across diverse scenarios such as smart factories, smart transportation, retail, and healthcare. Moving forward, we will continue to optimize the Edge AI Box product lineup, provide more diversified application solutions, and join hands with enterprises in Taiwan to welcome the wave of intelligence and co-create a better technological future.

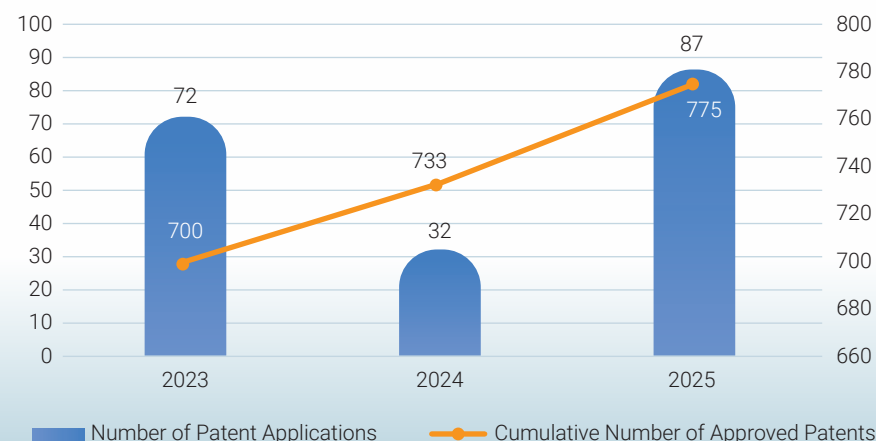
1.1.5 Intellectual Property Management

Sysgration places quality and innovation at the core of its product development initiatives. To maintain advanced technology and distinguish its products from those of competitors, the Company has constructed a comprehensive intellectual property management framework and an R&D roadmap aligned with its corporate operational goals to safeguard its competitive advantages and R&D achievements. The Intellectual property management strategy primarily encompasses patent territory deployment, strategic patent layout, expansion of patent application territories, and patent auditing and inventory optimization. By implementing the execution levels, including patent application and reward system^{Note 1} and intellectual property training^{Note 2}, the Company effectively protects its R&D outcomes and technological leadership. As of the end of 2025, Sysgration has accumulated a total of 775 approved patents worldwide, 34 approved trademarks, and there are currently 184 patents in effect globally.

Note 1: For details regarding the patent reward system and its 2025 results, please refer to the description of the patent reward system in 3.2.2 Product Innovation and Development.

Note 2: In 2025, total employee participation in intellectual property training reached 1,212 person-times.

Total Number of Patents in the Past Three Years





1.1.6 Participation in Public Associations and External Organizations

Sysgration actively participates in local public associations and external organizations spanning industry sectors, R&D technology, and corporate governance. Through the exchange of ideas and sharing experiences facilitated by these associations, we establish mutually beneficial partnerships to foster the common prosperity and development of the industry.

Association Name	Region	Role Identity
Taipei Tech Elite Union	Taiwan	Member
Taiwan Listed Companies Association	Taiwan	Member
Taiwan Institute of Directors	Taiwan	Member
Central Region Listed Company Elite Association	Taiwan	Member
Taiwan M&A and Private Equity Council	Taiwan	Member
The European Chamber of Commerce Taiwan	Taiwan	Member
Huizhou City Taiwanese Investment Association	Mainland China	Director
Huizhou City Electronic Information Industry Association	Mainland China	Member
Shenzhen City Automobile Electronics Industry Association	Mainland China	Director
Huizhou Greater Bay Area Enterprise Confederation	Mainland China	Member

1.1.7 Honors and Recognition

Sysgration honorably ranked in the top 5% of Taipei Exchange listed companies in the 12th "Corporate Governance Evaluation"



Sysgration won the Bronze Award for "Asia's Best Supply Chain Reporting" at the 2025 Asia Sustainability Reporting Awards (ASRA)



Aging-friendly Leadership Award at the "2025 18th TCSA"



Silver Award for the Sustainability Report at the "2025 18th TCSA"



1.2 Sustainability Practices

Sustainable Development Strategy

While having automotive electronics and energy management products as the main scope of business, with revenue accounting for 80% and 14% respectively, Sysgration combines Internet of Vehicles and Internet of Things in recent years to develop system and integration solutions. Over the past decade, the Company has sustained continuous investment in the R&D and manufacturing of green energy products, including renewable energy storage systems, eco-friendly uninterruptible power supply equipment, electric vehicle batteries, energy-efficient tire pressure monitoring system and other products, and actively promoting the application of green energy with the aspiration of accelerating Taiwan's transition toward a sustainable, net-zero society.

Focus Area Governance

Implementing United Nations Sustainable Development Goals



Company Actions and Annual Results

- Sysgration ranked in the Top 5% of TPEX-listed companies in the 2025 Corporate Governance Evaluation and placed within the 21%-40% tier among TWSE/TPEX-listed electronics companies with a market capitalization above NT\$10 billion.
- Independent directors accounted for 43% of all directors, exceeding the statutory standard of one-third for regulated companies.
- In 2025, 100% of Board members signed the "Ethical Corporate Management Documents," and 100% of employees and suppliers signed the "Ethical and Honest, Environmental Protection and Social Responsibility Commitment."
- As a responsible supplier, Sysgration received no complaints regarding violations of customer privacy in 2025, and no incidents of information leakage, theft, or loss of customer data occurred.
- In 2025, the amount of Sysgration's local procurement expenditure was approximately NT\$133 million, accounting for 8.1% of total procurement.
- In 2025, the Company continued to deepen its sustainable supply chain management mechanism by building on the sustainable supply chain project introduced in 2024. The "Sustainable Procurement Standards," "Sustainable Procurement Strategies," and "Supplier ESG Code of Conduct" were implemented and managed in practice, with all suppliers required to sign and comply with the "Sustainable Procurement Standards" and "Supplier ESG Code of Conduct," supporting the supply chain in fulfilling domestic and international sustainability management requirements and helping supplier partners effectively reduce sustainability risks.
- In 2025, all new suppliers and existing suppliers signed the "Supplier Corporate Social Responsibility and Environmental Code of Conduct."
- In 2025, a total of 33 supplier audits were conducted, including 17 desktop audits and 16 on-site audits. All identified findings were fully addressed, achieving a 100% closure rate for corrective actions.
- We organized the first supplier, ESG education and training meeting and invited a total of 120 overseas and domestic suppliers to understand the importance and future prospects of a sustainable supply chain.
- In 2025, Sysgration conducted supplier ESG evaluation assessment, and the response rate reached 100%.

Focus Area Environment

Implementing United Nations Sustainable Development Goals



Company Actions and Annual Results

- Sysgration's green renewable energy generation reached 3.87 MWh in 2025.
- All factories completed and maintained ISO 14001:2015 Environmental Management System certification.
- Sysgration implemented multiple energy-saving measures in 2025, reducing electricity consumption by 84,492.6 kWh (equivalent to a reduction of 46.66 tonnes CO₂e, or the annual carbon sequestration of approximately 12% of Daan Forest Park).
- In 2024, the Company introduced the GHG Protocol and ISO 14064-1 GHG organizational inventory for the Parent Company, including the subsidiaries in the consolidated financial statements, ahead of the requirements of Taiwan's competent authorities; expanding the verification to Scope 3 emissions in 2025.
- At Commonwealth Magazine's 2nd "Enterprise 1.5°C Forum," Sysgration was recognized as one of the enterprises meeting the 1.5°C temperature control target and was awarded the 1.5°C Certification, as well as the 18th TCSA Corporate Sustainability Report Silver Award.



Focus Area

Product

Implementing United Nations Sustainable
Development Goals

Company Actions and Annual Results

- Sysgration actively expands the application of low-carbon green products and services. In the case of the energy storage system, its application scope covers semiconductor plants, communication base stations, cloud data centers, communities and industrial energy storage, and can assist customers in different categories to more effectively use renewable energy.
- Nankang Plant invested NT\$26.05 million in smart technology automation equipment to produce green energy equipment BBU (Battery Backup Unit). Compared to traditional UPS, BBU products can save 106,779 kWh of electricity each year.
- In 2025, 176.62 kg of second-hand solder paste was recycled, which effectively reduced approximately 28.31 kg of CO₂e emissions, equivalent to the reduction of the carbon absorption of used 1.89 trees per year.
- In 2025, the R&D expenditure of Sysgration was approximately NT\$380 million, representing an increase of 14.5% from 2024, accounting for 11.1% of the total operating income, and the expenditure is actively invested in new product development and key technological breakthroughs.
- All Sysgration Plants have obtained the ISO 9001:2015 Quality Management System Certification and IATF 16949:2016 Automotive Quality Management System Certification; the Nankang Plant and Zhenjiang Plant have obtained IECQ QC080000:2017 Hazardous Substance Process Management System Certification.

Focus Area

Society

Implementing United Nations Sustainable
Development Goals

Company Actions and Annual Results

- Encouraging workplace diversity and equality: in 2025, female employees accounted for 41.1% of the workforce, and female senior supervisors accounted for 25.1%.
- The distribution amount of employee welfare (including year-end performance bonuses and health inspection subsidies) in 2025 reached NT\$49.48 million.
- In 2025, the Company invested approximately NT\$1.83 million in employee education and training, with total training hours reaching 12,600 hours.
- All operating plants (except Leadray) completed ISO 45001:2018 Occupational Health and Safety Management System certification.
- Organized a total of 114.2 hours of Employee Occupational Health and Safety related training, with 1,966 person-times participated.
- Sysgration signed a contract with Pojen General Hospital and Yuanlin Kuo Hospital Dacunkuo Branch for professional doctors and nurses to come to the Company and provide employee health consultation regularly, employees with routine health examinations every year, and ionizing radiation, hearing, and occupational disease special health examination for the personnel engaged in special operations; the total subsidy amount reached NT\$1.79 million.
- In 2025, no human rights violations occurred at the Taipei Headquarters, Nankang Plant, Huizhou Plant, Zhenjiang Plant, Power Tank, and Leadray.
- In 2025, we invested NT\$1.1 million across social participation initiatives: training and development, care and relief, and environmental sustainability.
- Continue to carry out industry-academia collaboration with National Taiwan University and other academic institutions to attract top young talent with innovative thinking and build a stable and competitive talent pipeline.
- Sysgration participated in the "Remote Health Improvement Remote Township Elderly Public Welfare Project" with the Digital Humanitarian Association and utilized the SROI approach to carry out the evaluation of relevant benefits. It is shown that an investment of NT\$1 can create a social value of NT\$25.01.

1.3 Materiality Analysis

1.3.1 Stakeholder Identification

Sysgration identifies stakeholders and discloses material topics with reference to the AA 1000 Stakeholder Engagement Standard (AA 1000 SES), to accurately understand the economic, environmental, and social issues of concern to its stakeholders. After considering the degree of stakeholders' dependency, responsibility, concern, influence, and diverse perspectives toward Sysgration, we have identified eight major stakeholder groups: shareholders/investors, customers, employees, suppliers/contractors, government agencies, media, communities and non-profit organizations, and schools. In addition to gaining an understanding of the sustainability issues that stakeholders care about through the communication process, Sysgration followed the materiality identification process of the GRI Standards 2021 version to confirm Sysgration's Material Topics for 2025.



Shareholders/ Investors

Investors and shareholders are key communication counterparts in the Company's public relations. Their long-term support is a vital source of strength for Sysgration's growth. Enhancing shareholders' goodwill and positive image of the Company contributes to the Company's ability to raise capital and supports the development of overall business activities.



Customers

Customers are the critical factor in ensuring the Company's long-term operational sustainability. We listen to customers' needs, stay ahead of industry trends, and provide professional services. We are committed to building a shared vision with customers and becoming a dependable long-term partner, while simultaneously driving the Company's development, business performance, and scale.



Employee

Employees are the Company's most important asset and a key driver of its continued growth. We are dedicated to creating a challenging and self-fulfilling work environment, providing comprehensive compensation and benefits and a safe, supportive workplace, so that employees can realize their potential and co-create a sustainable future for the enterprise.



Suppliers/ Contractors

Suppliers are the partners who provide Sysgration with essential components and raw materials, and are an integral part of Sysgration's sustainable development. Through ongoing communication, we understand suppliers' concerns and promote the practice of social responsibility, maintaining a relationship of mutual support and cooperation. This not only reduces operational risks but also pursues co-prosperity with upstream and downstream partners.



Government Agencies

Beyond complying with government laws and regulations, Sysgration also proactively aligns with relevant government policies and guidelines. Through two-way communication, Sysgration earns the trust and support of government authorities, promoting the Company's development and stable operations.



Media

The media serves as a bridge between the Company and its stakeholders. Through media and market communications, Sysgration's corporate image and business philosophy are conveyed to the market, enabling stakeholders to obtain accurate information about the Company and creating further business opportunities.



Communities and Non-profit Organizations

The advancement of sustainability initiatives requires the support of local organizations. Sysgration drives social contribution through cooperation with external organizations, practicing sustainable actions and generating positive impact on society.



Schools

Schools are the source of talent for the industry. Through industry-academia collaboration, Sysgration establishes innovative R&D cooperation and academic exchange models, bridging the gap between learning and practice while bringing in outstanding next-generation talent to enhance the Company's market competitiveness and sustainable operation.



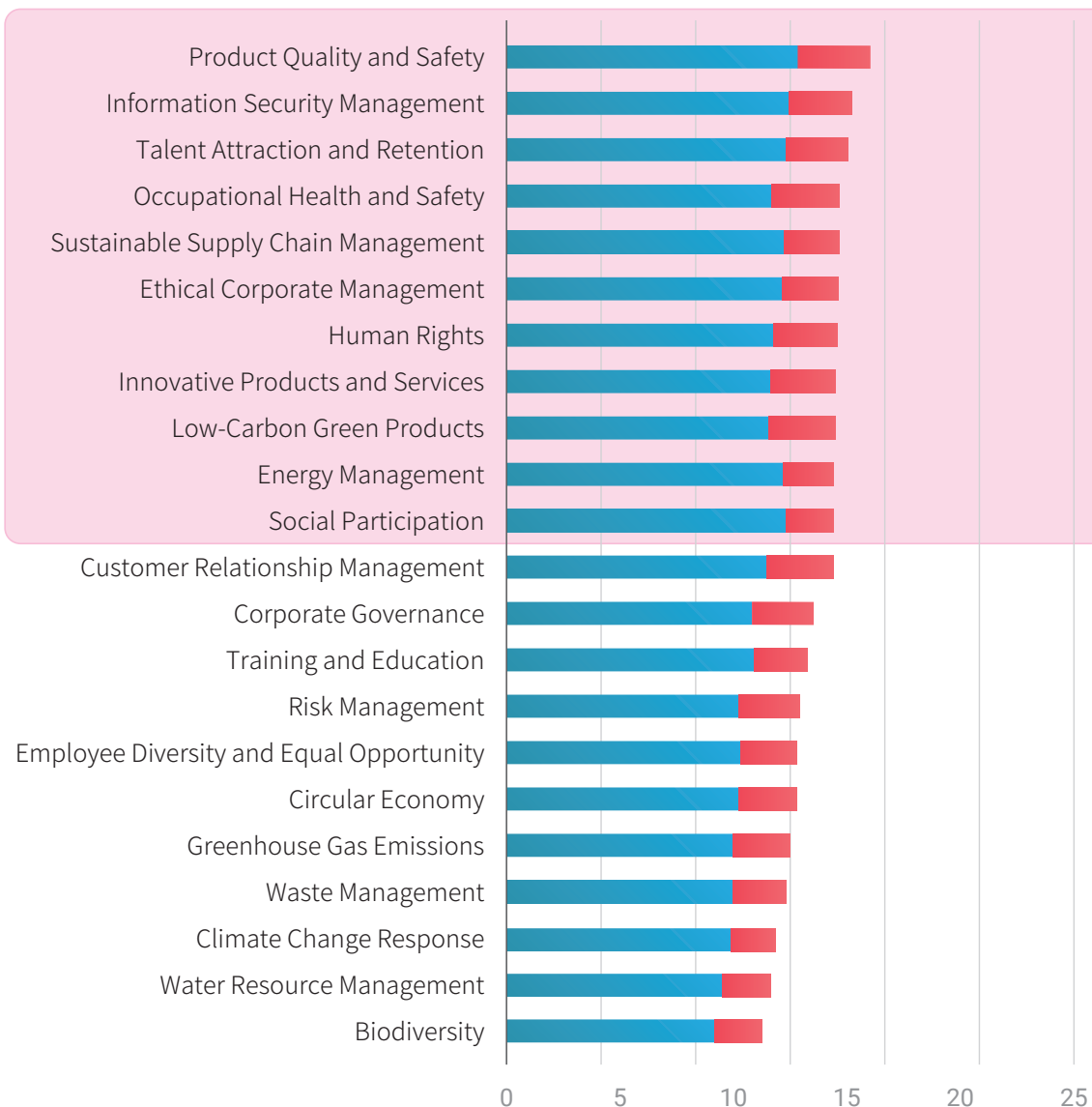
1.3.2 Material Topic Identification and Assessment Process

Sysgration follows the Material Topic Identification process outlined in the GRI Universal Standards 2021 to execute its Material Topic Assessment, analyzing global sustainability trends and gathering sustainability topics of concern to stakeholders. Through internal impact analysis, the significance of each sustainability issue in terms of economic, environmental, and human rights impact is assessed, filtering a preliminary list of Material Topics. Based on these analytical results, the ESG Committee conducts sustainability topic identification through review meetings with senior management and the heads of each ESG responsible unit, structured around four primary pillars: governance, environment, products, and social. Ultimately, 11 Material Topics were confirmed as the priority areas for disclosing management approaches and related performance for this year. We review our Material Topics annually and regularly assess the impacts of each topic to serve as the baseline for sustainable development strategic planning. Concurrently, we transparently disclose both positive and negative impact information regarding these sustainability topics, enabling stakeholders to fully understand the areas of their concern.





2025 Material Topic Results



Remarks: The assessment score is the result of multiplying the probability of occurrence and the level of positive and negative impacts. The top 11 are major material topics for 2025.

Ranked in descending order based on the aggregate results of the positive and negative impact questionnaire scores, one new material topic, "Talent Attraction and Retention" has been added compared to the 2024 report. Consequently, a total of 11 ESG Material Topics have been identified for 2025. Arranged in descending order from the highest to lowest scores, these material topics are: Product Quality and Safety, Information Security Management, Talent Attraction and Retention, Occupational Health and Safety, Sustainable Supply Chain Management, Ethical Corporate Management, Human Rights, Innovative Products and Services, Low-Carbon Green Products, Energy Management, and Social Participation. Other general ESG topics evaluated include: Customer Relationship Management, Corporate Governance, Training and Education, Risk Management, Employee Diversity and Equal Opportunity, Circular Economy, Greenhouse Gas Emissions, Waste Management, Climate Change Response, Water Resource Management, and Biodiversity.



Material Assessment Meeting



1.3.3 Material Topic Management Policy and Scope of Impact

Focus Area	2025 Material Topic	Corresponding GRI Standards	Description of Positive and Negative Impacts	Boundary of Impact					Corresponding Section
				Internal	External				
					Suppliers	Investors	Customers	Society	
Governance	Ethical Corporate Management	GRI 3-3 GRI 205 GRI 206	Description of Positive Impacts: Sysgration provides ethics compliance education and training, alongside communication and training on anti-corruption policies and procedures, in accordance with the "Ethical Corporate Management Best Practice Principles" to ensure the Company's compliance in corporate governance with ethics and integrity. By upholding the principle of ethical corporate management, we establish a positive corporate image and reputation externally, increasing consumer trust in our products and services while attracting investors and business partners. Internally, it ensures that employees experience fair treatment, information transparency, and respect, which in turn enhances job satisfaction and engagement, driving operational efficiency and productivity. Description of Negative Impacts: If an ethical corporate management system is not established, the occurrence of ethical and other negative events will damage the Company's reputation and image. This may, in turn, affect the brand image and result in a loss of trust among consumers and business partners, causing a decrease in sales volume and market share erosion. At the same time, it may expose the Company to potential legal risks and litigation, further damaging its financial position and corporate standing.	●	●	●	●	●	2.3 Ethical Corporate Management
	Sustainable Supply Chain Management	GRI 3-3 GRI 204 GRI 308 GRI 414	Description of Positive Impacts: Sysgration attaches great importance to the management of its sustainable supply chain, as proper management not only mitigates business risks and costs but also enhances the Company's reputation and brand value. Robust supply chain management ensures the sustainability of raw materials, reduces environmental impacts, and fulfills the expectations of investors and consumers regarding sustainable development, thereby elevating the Company's competitiveness. Proper management of a sustainable supply chain delivers multiple positive impacts, including lowering carbon emissions, conserving energy and resources, improving labor conditions, and fostering local community development. Description of Negative Impacts: Improper management within the sustainable supply chain may lead to environmental pollution, social injustice, and human rights violations at supplier sites, thereby damaging the Company's reputation and exposing it to legal and regulatory risks.	●	●		●		7 Sustainable Supply Chain
	Information Security Management	GRI 3-3 GRI 418	Description of Positive Impacts: Establishing a robust information security protection network prevents the leakage of confidential corporate information and customer data, safeguarding customer rights and interests while maintaining long-term customer trust. Description of Negative Impacts: Failure to establish a comprehensive information security protection network may result in the leakage of confidential corporate or customer information. Beyond negatively impacting customers, this exposes the Company to litigation risks and jeopardizes its corporate reputation.	●	●	●	●		2.6 Information Security and Customer Privacy



Focus Area	2025 Material Topic	Corresponding GRI Standards	Description of Positive and Negative Impacts	Boundary of Impact				Corresponding Section	
				Internal	External				
					Suppliers	Investors	Customers		Society
Environment	Energy Management	GRI 3-3 GRI 302	Description of Positive Impacts: Implementing energy management, energy-saving, and carbon-reduction initiatives materially reduces the Company's operational electricity costs and future carbon pricing risks. By increasing the proportion of renewable energy utilization, the Company not only fulfills the expectations of international customers and investors regarding green supply chains and the net-zero transition, but also delivers far-reaching and substantive positive environmental benefits in mitigating global climate change.	●		●	●	●	4.3 Energy Management
			Description of Negative Impacts: Poor execution of energy management and energy-saving programs may directly expose the Company to financial shocks from progressively rising carbon fees. Furthermore, it may damage the Company's image, investment capital inflows, and customer orders if the Company fails to meet stakeholder expectations regarding energy conservation and carbon reduction.						
Society	Occupational Health and Safety	GRI 3-3 GRI 403	Description of Positive Impacts: By establishing a comprehensive occupational health and safety (OHS) management system, the Company not only safeguards employees' health and safety but also enhances operational stability and customer trust in the resilience of the supply chain's OHS practices. Promoting a "proactive safety culture" raises safety awareness among staff and fosters a safe, healthy, energetic, and supportive workplace environment cultivating a robust wellness culture. Description of Negative Impacts: If an employee experiences an occupational injury at work, it can severely disrupt company operations and reduce productivity. The resulting losses may have significant and long-term impacts on the organization, potentially causing serious reputational damage and leading to legal actions or regulatory penalties.	●	●		●		5.5 Occupational Health and Safety
	Human Rights	GRI 3-3 GRI 406 GRI 408 GRI 409	Description of Positive Impacts: Full compliance with local laws and industry regulations guarantees the protection of employees' human rights in the workplace. Providing a dignified, equal, and inclusive work environment enables the Company to secure a stronger reputation and a competitive advantage in talent acquisition. Description of Negative Impacts: Illegal employment of child labor or the utilization of forced or compulsory labor may severely damage the brand image of both the Company and its customers, negatively impacting customer orders and overall corporate reputation.	●	●	●	●	●	5.4 Human Rights Protection
	Social Participation	GRI 3-3 GRI 413	Description of Positive Impacts: By taking the lead in sustaining social participation, community care, and other charitable or public welfare initiatives, the Company not only enhances its corporate image but also aspires to inspire industry peers to join such endeavors, cultivating a positive, virtuous cycle. Description of Negative Impacts: If the Company fails to invest in social participation and community care within its capacity, local communities and disadvantaged groups may be deprived of essential resources for living and development. This can result in gaps regarding information, knowledge, and skills, which may hinder the inclusive growth and sustainable development of society as a whole.	●				●	6 Social Co- prosperity



Focus Area	2025 Material Topic	Corresponding GRI Standards	Description of Positive and Negative Impacts	Boundary of Impact				Corresponding Section
				Internal	External			
					Suppliers	Investors	Customers	
Society	Talent Attraction and Retention	GRI 3-3 GRI 401	Description of Positive Impacts: Providing stable employment opportunities and a market-competitive compensation framework strengthens employee education, training, and career development. This elevates employees' professional capabilities and employment competitiveness, successfully reducing employee turnover rates. Description of Negative Impacts: Failure to provide competitive employee benefits and diverse training programs to enhance employee skills increases the risk of talent loss, ultimately hindering the Company's innovation momentum and R&D capabilities.	●				5.1 Employment 5.2 Friendly Workplace
	Product Quality and Safety	GRI 3-3 GRI 416	Description of Positive Impacts: Sysgration is committed to product quality, customer health, safety, and information protection. Risk assessment and management mechanisms are incorporated throughout the entire product lifecycle, in compliance with relevant regulations, standards, and customer requirements under the ISO 9001 management system, thereby reducing product safety risks, enhancing customer trust, and creating positive value for both the environment and customers. Description of Negative Impacts: Failure to adequately control quality during design, manufacturing, or delivery stages may result in products failing to meet regulatory requirements or customer specifications. This increases rework, product recall, and remediation costs, while negatively impacting customer orders and the Company's reputation.	●	●	●	●	3.1 Product Quality and Safety
Product	Low-Carbon Green Products	GRI 3-3 GRI 302	Description of Positive Impacts: To support the global transition toward net-zero emissions, Sysgration adopts a low-carbon product development strategy founded on “Green Design and Green Manufacturing principles”. Considering tightening environmental and energy regulations, shifts in energy systems, and evolving policy requirements, the Company pursues practical energy-efficiency and carbon-reduction measures. Sysgration also actively develops green business opportunities, including energy storage technologies, enabling customers to reduce their product carbon footprints and align with future international low-carbon market competition trends. Description of Negative Impacts: Under current global sustainability trends, failure to invest in the R&D of low-carbon green products may reduce competitiveness in the low-carbon product market, leading to a reduction in new market opportunities or the loss of existing markets, while causing negative environmental impacts.	●	●	●	●	3.2 Low-carbon Green Product
	Innovative Products and Services	GRI 3-3	Description of Positive Impacts: Sysgration actively invests in the R&D of innovative products and services, focusing on the development and mass production of high-value-added product lines, and enhancing the Company's competitiveness in emerging markets such as smart manufacturing, data centers, and smart logistics. Introducing innovative products to the market optimizes the revenue mix, strengthens brand image, expands international market reach, and drives industry upgrades, thereby supporting the Company's long-term growth momentum. Description of Negative Impacts: In the early stages of new product development and introduction, substantial resources and R&D expenses are required. In the short term, this may lead to an increase in expense ratios and put pressure on profitability due to limited revenue generation. Furthermore, if a new product fails to pass market validation or certification, it increases the risk of R&D failure and resource waste, ultimately affecting the Company's financial performance.	●	●	●	●	1.1 About Sysgration 3.2 Low-carbon Green Products



1.4 Stakeholder Engagement

Responding to the needs of stakeholders is one of the key factors for a company to achieve sustainable operations. Under the principle of integrity, Sysgration is committed to pursuing both sustainable development and profitability, placing high value on various Environmental, Social, and Governance (ESG) issues. We evaluate and understand the reasonable expectations of stakeholders and important issues of concern through proper communication with stakeholders, and we incorporate these issues into consideration for the reference of establishing the Company's future management policies and operating strategies. Furthermore, beyond assisting the Company in planning short-, medium- and long-term strategies, this process further creates sustainable value for our stakeholders. We have established a dedicated Stakeholder Section on our official website (<https://www.sysgration.com/en/2021-10-22-07-39-10-en/shareholder-services-en>) to serve as a primary communication channel. All inquiries and opinions from stakeholders are handled and responded to by dedicated personnel, and we welcome constructive recommendations from all parties. The topics of concern for each stakeholder group and the corresponding communication channels are summarized below.

2025 Stakeholder Engagement and Communication Results

Stakeholder	Concerned Issues	Forms of Communication and Frequency in 2025	Responses and Actions of Engagement Channels in 2025	The Company's Response
 Shareholders and Investors	- Corporate governance - Risk management - Economic performance	- Shareholders' Meeting (annually) - Investor Conferences (quarterly) - Operating income release (monthly) - Market Observation Post System (real-time) - Company website (real-time) - Sustainability Report	- Held 1 general shareholders' meeting. - Held 3 sessions of investor conferences. - Regularly disclosed the Company's financial and business information on the Market Observation Post System and Company website. - Set up spokespersons and deputy spokespersons to respond to investor inquiries in a timely manner. - Published the 2024 Chinese and English ESG Report on the Market Observation Post System and Company website. - Contact person: Acting Spokesperson Dai Yi-Ying Tel.: (02) 2790-0088 e-mail: sys5309@sysgration.com	- Continuously improve operational performance. - Continue to communicate with investors at investor conferences regarding business growth strategies and profitability prospects.
 Customers	- Customer privacy and information security - Innovation and R&D - Product quality and safety - Sustainable development	- Customer review meeting (as needed) - Customer satisfaction survey (annually) - Company website (as needed) - Customer Supplier Conference (as needed)	- Annual important customer satisfaction survey. - Updated the latest products on the Company website. - Participated in important customer technology forums for reporting technology research and development results. - Participated in the customer-supplier conference. - Met requirements and audits of our clients regarding products, environment, as well as labor rights, coordinated to prevent related risks, and promised to continuously improve the ESG practices. - Contact person: Tel.: (02) 2790-0088 e-mail: sales@sysgration.com	- Provide real-time design, engineering, and customization services to assist customers in rapidly acquiring complete and up-to-date information. - Expand automated production lines to increase the stability of product yield, output, and quality. - Continuous R&D investment to strengthen the protection and enforcement of product patents. - Enhance the investments and management in information security software and hardware infrastructure, ensuring that customer privacy and proprietary information are rigorously protected.



Stakeholder	Concerned Issues	Forms of Communication and Frequency in 2025	Responses and Actions of Engagement Channels in 2025	The Company's Response
 Employee	- Friendly workplace - Occupational health and safety - Employee training and development	- Labor-management meeting (quarterly) - Employee welfare committee meeting (as needed) - Education and training (as needed) - Departmental communication and work meetings (as needed) - Internal information announcement (as needed) - Employee complaint hotline (real-time) - Occupational safety and health committee meeting (quarterly)	- Held 4 sessions of labor-management meetings. 5 sessions of regular employee welfare committee meetings held. - Organized education and training courses, covering ESG, intellectual property, and other topics. - Held 50 weekly management meetings to understand the Company's business operation updates and enhance communication efficiency. 0 calls from employee complaint hotline calls. - Held 4 sessions of occupational safety and health committee meeting. - Contact person: Tel.: (02) 2790-0088 ext. 1830 e-mail: opinion@sysgration.com	- Strengthen internal communication channels to enable employees to understand the Company's development prospects. - Organize health and safety training courses and provide regular health and medical information to create a friendly workplace environment. - Implement regular equipment maintenance and fire safety inspections.
 Suppliers/Contractors	- Risk management - Economic performance - Quality management	- Supplier audits (as needed) - Request of supplier code of conduct (annually) - Request of non-conflict minerals declaration (as needed) - Supplier conference (annually)	- Held 1 supplier conference to communicate the Company's operational strategy and ESG targets with suppliers. - Conducted on-site audits of 16 suppliers. 100% of new suppliers signed the Conflict-Free Minerals Statement. - Contact person: Tel.: (02) 2790-0088 ext. 2020 e-mail: scm@sysgration.com	- Enhance environmental, occupational health, and safety standards across the supply chain, and publicly commend outstanding suppliers. - Plan digital courses and require cooperating with suppliers to complete the online "Supplier Code of Conduct Regulation Course" training annually.
 Government Agencies	- Ethical corporate management - Regulatory compliance - Corporate governance	- Reply to requests from government agencies with official correspondence (immediately) - Update information on the Company website and TWSE Market Observation Post System (monthly) - Accept government agency performance evaluation (annually) - Participate in government agency-related activities (as needed)	- Provided relevant reports regularly in accordance with the government's regulatory requirements. - Contact person: Tel.: (02) 2790-0088 ext. 1854 e-mail: sys5309@sysgration.com	- In the 2025 Corporate Governance Evaluation, Sysgration honorably ranked in the top 5% among TPEx-listed companies, and within the 21%–40% range among TWSE/TPEx-listed electronics companies with a market capitalization exceeding NT\$10 billion. - Continue to strengthen information disclosure, aiming to sustain our benchmark position within the Top 5% ranking of the Corporate Governance Evaluation.

Stakeholder	Concerned Issues	Forms of Communication and Frequency in 2025	Responses and Actions of Engagement Channels in 2025	The Company's Response
 Media	- Economic performance - Innovation and R&D - Customer relationship management	- Investor conferences (as needed) - Meetings with institutional investors (real-time) - Press releases (real-time) - Media interviews (as needed)	- Held 3 investor conferences. - Meetings with institutional investors from time to time. - Published 12 press releases and had 3 media interviews. - Contact person: Acting Spokesperson Dai Yi-Ying Tel.: (02) 2790-0088 e-mail: sys5309@sysgration.com	- Continuously drive operational performance. - Maintain active communication with investors during investor conferences regarding business growth strategies and profitability prospects.
 Communities and Nonprofit Organizations	- Care for the disadvantaged - Community services	- Donations (as needed) - Social services (as needed)	- Donated NT\$150,000 to the Guardian Angel Cancer Care Association. - Donated NT\$200,000 to the Digital Humanitarian Association's for remote healthcare and elderly welfare programs in rural areas. - Donated approximately NT\$130,000 to different foundations. - Contact person: Tel.: (02) 2790-0088 ext. 1830 e-mail: hr@sysgration.com	Through funding, supplies, and services, public welfare projects are carried out with a focus on caring for the underprivileged and promoting diversified education. Resources are continuously invested with the aim of narrowing the urban-rural gap and improving the economic conditions of disadvantaged groups.
 Schools	- Green products - Circular economy - Industry-academia collaborations	- Industry-academia collaboration project and progress meeting (as needed) - Industry-academia collaboration results presentation conference (annually)	- Gave a talk on AI products and future industry development at Sanmin Junior High School, helping students connect with industry needs and laying the foundation for talent cultivation. - Contact person: Tel.: (02) 2790-0088 e-mail: hr@sysgration.com	Engage in industry-academia collaborations spanning technological experimentation and R&D partnerships to continuously advance energy management initiatives and proactively address the challenges of climate change.

2

Chapter Corporate Governance

- 2.1 Corporate Governance
- 2.2 Economic Performance
- 2.3 Ethical Corporate Management
- 2.4 Risk Management
- 2.5 Legal Compliance
- 2.6 Information Security and Customer Privacy
- 2.7 Financial Assistance Received from Government



Sustainability Performance Highlights and Corresponding SDGs

SDG 8 Decent Work and Economic Growth

- Sysgration ranked in the top 5% among TPEX-listed companies in the 2025 Corporate Governance Evaluation, and within the 21%–**40%** range among TWSE/TPEX-listed electronics companies with a market capitalization exceeding NT\$10 billion.
- Independent directors accounted for **43%** of all directors, exceeding the statutory standard of **one-third** for regulated companies.

SDG 16 Peace, Justice and Strong Institutions

- In 2025, **100%** of Board members completed the signing of the “Ethical Corporate Management Documents,” and **100%** of employees and suppliers completed the signing of the “Commitment to Integrity, Environmental Protection, and Social Responsibility.”

SDG 17 Partnerships for the Goals

- As a responsible supplier, Sysgration received no complaints regarding violations of customer privacy in 2025, and no incidents of information leakage, theft or loss of customer data occurred.

SUSTAINABLE DEVELOPMENT GOALS

8 DECENT WORK AND
ECONOMIC GROWTH16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS17 PARTNERSHIPS
FOR THE GOALS

Management Approach of Material Topics Ethical Corporate Management

GRI Indicators

GRI 3-3、GRI 2-23、GRI 2-25、GRI 2-26、GRI 205-2、GRI 205-3、GRI 206-1

Targets

Short Term (2026-2027):

- Continue to require 100% of all employees and new suppliers to sign the "Commitment to Integrity, Environmental Protection, and Social Responsibility."
- Continue to require all board members to achieve 100% completion of the "Declaration of No Violation of the Code of Ethical Conduct."
- Maintain zero instances of supplier violations of ethical conduct.

Medium and Long Term (2028-2031):

Conduct internal control audits on corruption risk at operating sites; include the newly established U.S. operating location in the corruption risk assessment.

Description of Impact

Description of Positive Impacts:

Sysgration provides ethics compliance education and training, as well as communication and training on anti-corruption policies and procedures according to the "Ethical Corporate Management Best Practice Principles" to ensure the Company's compliance in corporate governance with ethics and integrity. By upholding the principle of ethical corporate management in business operations, we can establish a positive corporate image and reputation externally, thereby increasing consumer trust in our products and services, as well as attracting investors and business partners. Internally, it fosters a sense of fairness, transparency, and respect among employees, which in turn enhances job satisfaction and engagement, ultimately improving work efficiency and productivity.

Description of Negative Impacts:

If an ethical corporate management system is not established, ethical and other negative events will harm the Company's reputation and image. This may, in turn, affect brand image and result in a loss of trust among consumers and business partners, causing a decrease in sales volume and a loss of market. At the same time, there may also be the risk of potential legal proceedings that further damage the financial position and reputation of the Company.

Policies and Commitments

Sysgration clearly stipulates the "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," "Management Operation Procedures for Prevention of Insider Trading," and other standards, which the Company's Board of Directors, senior executives, employees, and cooperative suppliers are required to follow in order to establish a corporate culture of integrity management and a model of good business practices.

Responsible Unit

Human Resources
Department

Grievance Mechanism

Establish and announce the internal independent whistleblowing mailbox:

- Suppliers: scm@sysgration.com
- Employees: opinion@sysgration.com
- Customers: sales@sysgration.com

Action Plans

Positive Impact Management:

- Promote the ethical corporate management philosophy of corporate culture in the new employee orientation. Employees and suppliers are required to sign the "Integrity Commitment" to declare their commitments to ethical and disciplinary requirements.

Negative Impact Management:

- Establish the "Operation Procedures for Prevention of Insider Trading" and include morality and ethics in the quarterly performance appraisal items.
- Conduct corruption risk assessments at business locations.

Effectiveness Assessment

- In 2025, 100% of employees signed the "Commitment to Integrity, Environmental Protection, and Social Responsibility."
- Regular assessments confirmed that no suppliers violated integrity records in 2025.
- In 2025, the members of the Board strictly abided by the principle of ethical corporate management, and all of them signed the "Declaration of No Violation of the Code of Ethical Conduct."
- Ethics compliance was incorporated into employee performance reviews, with four evaluations held in 2025.
- In 2025, two emails were sent to Directors and managers to promote "Relevant laws and regulations of changes in insiders' equity and other matters of notice."
- The "Management Operation Procedures for Prevention of Insider Trading" of the Company specified that Directors may not trade the stocks of the Company during the lock-up period of 30 days before the announcement of annual financial statements or 15 days before the quarterly financial statements. Before the financial statements were announced, the Company reminded all Directors not to trade during the lock-up period via e-mail notification. No Director traded during the lock-up period in 2025.

Management Approach of Material Topics Information Security Management

GRI Indicators

GRI 3-3、GRI 418-1

Targets

Short Term (2026-2027):

- Complete the re-assessment of ISO/IEC 27001:2022 International Information Security Management System and maintain TISAX certification as a foundation for optimizing the information security governance framework and its implementation.
- Strengthen execution of existing information security management measures and internal audit mechanisms to ensure all controls continuously meet standards and operate effectively.

Medium and Long Term (2028-2031):

- Build existing TISAX certification, continue to optimize information security protection management plans and deepen governance enforcement, including risk assessment and management, the development and implementation of information security strategies and guidelines.
- Establish a cross-departmental information security governance collaboration mechanism to fully integrate security requirements into operational processes, while continuously maintaining compliance with TISAX and ISO/IEC 27001.
- Regarding long-term goals, we will refine the dynamic information security governance mechanism to address evolving external security threats and technological trends, and ensure the effectiveness of our information security policies and processes through regular review and improvement.

Description of Impact

Description of Positive Impacts:

Establish a robust information security protection network to prevent the leakage of confidential company information and customer data, thereby safeguarding customer rights, interests and trust.

Description of Negative Impacts:

If the Company fails to establish a complete information security protection network, it will result in the leakage of confidential information or customer information from the Company, which will affect customers and may lead to legal action, harming the Company's reputation.

Policies and Commitments

Sysgration places great importance on information security management and customer privacy, actively establishes and maintains a reliable and secure information operating environment. Based on the three principles of information security "Confidentiality, Integrity, and Availability," we have formulated the "Information Security Policy" and "Regulations for Management Information System (MIS) Operation Management" and established a mechanism for monitoring and controlling the Company's cyber properties. The Company also continues to promote four key information security management strategies: Network Information Security Management, Information Access Control, Information Emergency Recovery Response Mechanism, Educational Announcement and Examination.

Action Plans

Positive Impact Management:

- Continuously publicize key information security topics to enhance employees' awareness of information security.
- Promote the information security policy, specifications and regulations, information security awareness, and phishing prevention pages monthly via e-mail.

Negative Impact Management:

- Regularly review whether the Emergency Recovery Response Mechanism requires revision.
- Conduct system recovery drills annually.
- Implement off-site data backup.
- Perform vulnerability scanning and analysis.

Responsible Unit

Chairman and GM's Office, ESG Committee, Intellectual Property and Legal Affairs Departments, Information Security Committee.

Grievance Mechanism

Complaint tel.: (886)-2-27900088
Complaint e-mail: tpemis@sysgration.com

Effectiveness Assessment

- Organized 5 sessions of information security training and education.
- Promoted the information security policy, specifications and regulations, information security awareness, and phishing prevention pages monthly via e-mail for a total of 12 times.
- 2 disaster recovery backup drills were conducted.
- Sysgration encountered 10 system intrusion incidents in 2025, all of which were effectively blocked.
- The external intrusion threat effective blocking defense rate was 100%.
- Office equipment and host systems effectively prevented 4,980 virus threats.

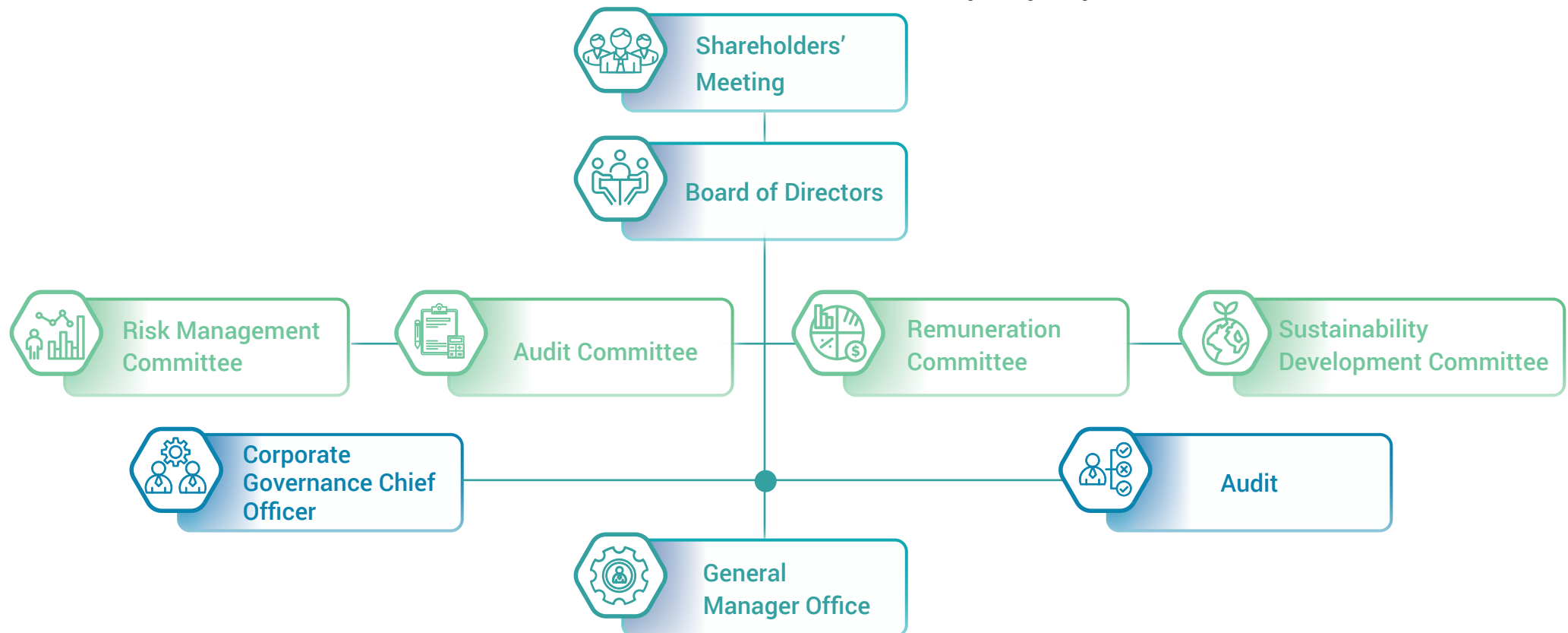


2.1 Corporate Governance

Sysgration deems "Integrity, Enthusiasm, Commitment, and Innovation" the core values of the enterprise, and integrates these values into all business activities. In addition to maximizing corporate profitability, Sysgration actively fulfills its corporate social responsibility, develops innovative low-carbon sustainable products, and strives to achieve net-zero transformation. The success of an enterprise depends not only on economic benefits but also on the care and support for corporate governance, environmental protection, product innovation and quality, employee welfare, consumer rights and interests, supplier cooperation, and community development. Therefore, Sysgration continues to advance multiple sustainable development strategies aimed at achieving long-term stable business growth while generating positive impacts on society and the environment.

2.1.1 Corporate Governance Structure

The Board is the main decision-making level to promote corporate governance. To implement corporate governance strategies, strengthen overall operations and Board functions, and enhance information transparency, Sysgration has established the Remuneration Committee, Audit Committee, Risk Management Committee, and Sustainability Development Committee under the Board of Directors. These committees exercise their authority with a high degree of self-discipline and prudence to strengthen oversight and management functions. The General Manager's Office serves as the part-time corporate governance unit at Sysgration, assisted by the Corporate Governance Officer and the Internal Audit Unit, which are jointly responsible for formulating and implementing corporate governance plans, fulfilling the functions of the Board and its functional committees, and safeguarding the rights and interests of stakeholders.





Board of Directors



- Sysgration's Board currently consists of 7 Directors, including 3 Independent Directors, all of whom possess business management expertise in commerce, finance and accounting, or company operations, and account for 43% of all board seats.
- The Board exercises its authority in accordance with laws, the Company's Articles of Incorporation, and the Resolutions of the Shareholders' Meeting, to create the best interests for shareholders in the principle of integrity and supervise the Company's compliance with relevant laws and regulations, and immediate disclosure of important information.
- Led by the Chairman, the Board meets at least once per quarter. In 2025, Board meetings were held 12 times, with an average director attendance rate of 97.6%.
- In order to implement corporate governance and improve the functions of the Board of Directors as well as all functional committees, the "Rules for Performance Evaluation of Board of Directors" of Sysgration stipulates that the internal performance assessment of the Board of Directors and functional committees should be performed at least once a year. In 2025, the comprehensive results of internal self-evaluations for the Board, individual directors, and all functional committees were rated as excellent or above and have been reported to the Board. Additionally, an evaluation by an external professional independent institution or expert team is required at least once every three years. The most recent external performance evaluation was conducted in 2025, and the Board's overall performance was assessed as good. Sysgration will continue to strengthen corporate governance effectiveness based on the results of both internal and external evaluations.

Remuneration Committee



- The Remuneration Committee currently consists of 3 independent directors, who with a professional and impartial position, assess the remuneration policies and mechanisms for the Company's directors and executive officers and submit recommendations to the Board of Directors for reference in decision-making, and conduct annual internal performance evaluations of the Committee.
- Key responsibilities include: regularly reviewing the policies, mechanisms, standards and structures for performance assessment and remuneration of directors and executive officers; regularly assessing and determining the remuneration of directors and executive officers; regularly assessing the achievement of performance targets by directors and executive officers; determining the content and amount of their individual remuneration.
- The Remuneration Committee meets at least twice per year. In 2025, the meetings were held 5 times, with an average attendance rate of Directors reaching 100%.

Audit Committee



- The Audit Committee currently consists of 3 independent directors, with the main duties of fulfilling their supervisory responsibilities, evaluating economic performance, resolving important matters, and conducting the internal performance assessment of the Audit Committee on a regular basis every year.
- The Internal Audit Executive attends every meeting of the Audit Committee and the Board of Directors to report on audit findings and progress of improvements on irregularities during the reporting period, and reviews internal regulations with appropriate revisions to continuously optimize operational processes.
- At the completion stage of the annual audit or semi-annual audit, the certified public accountants provide written audit content or report to the Audit Committee on key findings, internal control deficiencies and other major communication issues, enabling the Audit Committee to understand the Company's operational results.
- Audit Committee meetings are convened at least once every quarter. In 2025, Audit Committee meetings were held 10 times, with an average attendance rate of 100%. Communication and interaction between the Audit Committee, the Internal Audit Executive, and the accountants were positive.

Risk Management Committee



- Sysgration established the Risk Management Committee in August 2023 to implement risk management mechanisms.
- The Risk Management Committee currently consists of 2 independent directors and 1 director. Its main duties are to review the risk management policy, the adequacy of the risk management framework, material risk management strategies, and the management reports for material risk issues, and to supervise the improvement systems and regularly report to the Board regarding the implementation status of risk management.
- The Risk Management Committee meetings are convened at least once a year and may be convened at any time as needed. In 2025, the meeting was held once, with an average attendance rate of Directors reaching 100%.

Sustainability Development Committee



- Sysgration established the Sustainability Development Committee in May 2025 to assist the Board of Directors in continuously advancing the Company's environmental, social, and corporate governance (ESG) practices with the goal of achieving sustainable operations.
- The Sustainability Development Committee is composed of 4 members, including 1 director. Members possess professional knowledge and competencies in corporate sustainability, including practical experience in risk management, economics and regulation, supply chain and environmental management.
- The Sustainability Development Committee meetings are convened at least once per year and may be convened at any time as needed. In 2025, the meetings were held twice, with an average member attendance rate of 87.5%.



2.1.2 Board Operations

Code of Practice on Corporate Governance

Sysgration has established its "Corporate Governance Best Practice Principles" to formulate and actively implement a board diversity policy. The nomination and selection of board members strictly adhere to the Company's Articles of Incorporation, utilizing a candidate nomination system. In addition to evaluating each candidate's academic background, professional experience, and qualifications, the Company strictly complies with the "Corporate Governance Best Practice Principles" and the "Rules for Election of Directors" to guarantee both the diversity and independence of the Board of Directors.



Board Nomination and Selection Process

The election of Sysgration's directors (including independent directors) utilizes the candidate nomination system stipulated in Article 192-1 of the Company Act, conducted via a cumulative voting system with registered ballots. Independent and non-independent directors are elected concurrently, with seats allocated and calculated separately; candidates who receive the highest number of votes representing voting rights are elected respectively. For relevant documentation, please refer to [Procedures for Election of Directors](#).

Board Independence

Sysgration's Board of Directors consists of seven directors, including three independent directors, which account for 43% of the totals. The Board's primary responsibility is to supervise the Company's compliance with laws, financial transparency, timely disclosure of important information, and to make objective and independent judgments on the Company's financial status and its business. Therefore, the independence of directors has been ensured during election, including but not limited to no more than two directors with spouse or family relationship within the second degree of kinship, also does not have the circumstances specified in Article 26-3, Items 3 and 4 of the Securities and Exchange Act.

Name/Eligibility	Professional Qualifications and Experience	Independence Status
Lee, I-Ren	Chairman, Sysgration Ltd. (2003-) Chairman, Winmate Inc. (2003-2017) Chairman, Hipro Electronics Co. Ltd. (1990-2002)	- Chairman Lee, I-Ren is an employee of the Company and serves as the Director of Affiliate Enterprise. - The number of shares of the Company owned by himself and his spouse or in the name of others account for 9.75% of the total shares issued and ranked among the top ten shareholders.
Hsieh, Tung-Fu	General Manager, Sysgration Ltd. (2013-) Vice President, Altek Corp. (2010-2012) Vice President, Lite-On Technology Corp. (1999-2010)	- Director Hsieh, Tung-Fu is an employee of the Company and serves as the Director of Affiliate Enterprise. - Personal shareholding accounts for 0.39% of total issued shares.
Lee, Cheng-Han	Vice President, Sysgration Ltd. (2013-) Assistant Manager in Product Marketing, Etasis Electronics Co., Ltd. (2010-2013)	- Director Lee, Cheng-Han is an employee of the Company and serves as the Director of Affiliate Enterprise. - Personal shareholding accounts for 0.33% of total issued shares.
Dai, Feng-Yi	Chairman, Godex International Co., Ltd. (1994-)	Director Dai, Feng-Yi personal shareholding accounts for 0.26% of total issued shares.
Lin, Kuan-Chao	Managing Partner, PKF Taiwan (2001-) Certified Public Accountant (CPA) License of Taipei City (1980-)	None of the conditions specified in Article 3, Paragraph 1, Subparagraphs 1 to 9 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," in compliance with all independence rules.
He, Ju-Hsiang	Special Assistant to the Chairman of Taiwan Life Insurance Co., Ltd. (2000-2016) Deputy General Manager, Loan Department, Bank of America (1989-1994) Internal Audit Manager, BNP Paribas (1984-1989)	
Wei, Che-Chen	COO, H&D Asset Management Co. (2016-) Special Committee Member, Taiwan Life Insurance Co., Ltd. (2011-2015) Chairman, Taiwan Life Ins. Securities Investment Trust Co. Ltd. (2009-2011)	



Recusal of Directors due to conflicts of interest

To prevent conflicts of interest and protect investor interests, Sysgration has established corresponding provisions in the ["Convention Rules for Meetings of Board of Directors"](#) and the ["Corporate Governance Best Practice Principles."](#) These provisions require the Board to exercise a high degree of self-discipline: if any agenda item involves a director's personal interests that may jeopardize the company's interests, that director must recuse themselves, abstaining from both the discussion and the vote, and shall not exercise voting rights as a proxy for other directors. In addition, directors should maintain self-discipline and abstain from providing improper mutual support.

Board Diversity

To achieve corporate governance goals, Sysgration's Board of Directors as a whole should possess diverse competencies, including operational judgment, accounting and financial analysis, business management, crisis handling, industry expertise, global market perspective, leadership, decision-making ability, knowledge and ability of risk management, and corporate governance experience. The current Board members already bring diverse professional backgrounds. However, to adapt to evolving development needs and a rapidly changing environment, the Company will continue to review the diverse composition of the Board. During director re-elections, the Company will further enhance board diversity with the goal of adding at least one female director. In addition, Sysgration plans to recruit directors with expertise and experience in environmental sustainability, occupational health and safety, and labor human rights, to strengthen the supervision and guidance of the Company in response to international sustainable development trends.

Job Title	Chairman	Director	Director	Director	Independent Director	Independent Director	Independent Director
Name	Lee, I-Ren	Hsieh, Tung-Fu	Lee, Cheng-Han	Dai, Feng-Yi	Lin, Kuan-Chao	Wei, Che-Chen	He, Ju-Hsiang
Gender	Male	Male	Male	Male	Male	Male	Male
Age	61-70	51-60	41-50	61-70	71-80	61-70	71-80
Employee of the Company	●	●	●				
Length of Tenure as Independent Director					7-9	7-9	4-6
Education and Work Background							
Accounting/Finance/Operation	●				●	●	●
Electronics/Electric Machinery/Technology	●	●	●	●			
International Marketing	●	●	●	●			
Securities/Finance						●	●
Accountant					●		
Professional and Industrial Experience							
Operation Judgment	●	●	●	●	●	●	●
Accounting and Financial Analysis	●				●	●	●
Business Management	●	●	●	●	●	●	●
Crisis Handling	●	●	●	●	●	●	●
Industry Expertise	●	●	●	●			
Global Market Perspective	●	●	●	●			
Leadership	●	●	●	●	●	●	●
Decision-making	●	●	●	●	●	●	●
Risk Management	●	●	●	●	●	●	●
Corporate Governance	●	●	●	●	●	●	●
Environmental Management	●	●	●	●	●	●	●



Succession Plan of the Board and Senior Management Members

The selection and development of management successors are critical to the sustainable operations of the Company. The succession plan aims to ensure that the Company can continuously evolve with the times and meet the human capital demands of sustainable operations. When planning succession, Sysgration emphasizes that in addition to exceptional execution capabilities, the values and personality traits of the successors shall strictly align with the Company's expectations, especially integrity and innovation. High-potential employees are rotated across different businesses and regions to test their adaptability and management skills.

The Company currently has a total of 7 Directors (including 3 Independent Directors), all of whom possess expertise in business, finance, accounting, or other fields relevant to the Company's operations. 3 of the Directors are also the senior management of the Company. The future composition of the Board and the backgrounds of its members will continue along with the current structure. In terms of succession planning, the Group currently has numerous senior management professionals who are deepening their industry and management experience through job rotation, supplemented by a range of internal and external training programs. Therefore, the Company has a sufficient talent pool for the succession of future Directors.

As for the Independent Directors, the laws require them to have work experience in business, legal affairs, finance, accounting or other fields related to the Company's business. There is no shortage of such professionals in Taiwan; therefore, the Company plans that the succession plan of Independent Directors shall be from the academic sector and industry sector.

The selection and development of management successors are closely tied to sustainable corporate operation. The succession plan is designed to keep pace with the evolution of business operations and to fulfill the human capital demands of sustainable management. In formulating such plans, in addition to exceptional execution capabilities the Company pays special attention to ensuring that candidates' values and personality traits align with corporate expectations, particularly integrity and innovation. High-potential employees continue to be tested on their adaptability and management skills through rotations across different businesses and regions.

Succession training for senior management focuses on developing well-rounded business management capabilities, professional competencies, and individual development plans. Training schedules are tailored based on individual job requirements and learning progress. Through training in professional skills and comprehensive coursework, trainees are

equipped to integrate and apply their knowledge, thereby developing strategic decision-making and judgment capabilities.

In 2025, Sysgration arranged a total of 239 hours of diverse training courses for potential future management successors, covering topics including sustainable operations, corporate governance, greenhouse gas management, business management, quality management, legal affairs, intellectual property rights, insider share ownership and insider trading regulations, trade secrets, information security, the Responsible Business Alliance (RBA) Code of Conduct, and health management.



Board Performance Evaluation

To strengthen corporate governance functions and enhance Board effectiveness, Sysgration has established the "Rules for Performance Evaluation of Board of Directors" for The Board of Directors, individual directors, and functional committees each undergo one performance evaluation per year, using methods that include internal self-evaluation by the Board, self-evaluation by individual directors, internal self-evaluation by functional committees, and evaluations by external professional organizations, experts, or other appropriate means. Through various evaluation indicators, the Company understands the degree of approval of directors to the Board of Directors and functional committees' operation. The evaluation items are shown on the table below. The results of the 2025 performance assessment have been submitted to the Board of Directors to serve as a reference for the Company's continuous improvement.



Rules for Performance
Evaluation of Board of
Directors



Board of Directors Performance Evaluation



Individual Director Performance Evaluation



Functional Committee Performance Evaluation

Five major evaluation indicators, covering a total of **40** items:

- Degree of participation in company operations.
- Enhancing the quality of Board of Directors decision-making.
- Board of Directors composition and structure.
- Election of directors and continuing advanced studies.
- Internal control

Six major evaluation indicators, covering a total of **23** items:

- Understanding of company goals and mission.
- Awareness of director's responsibilities.
- Degree of participation in company operations.
- Internal relationship management and communication.
- Director professionalism and continuing education.
- Internal control.

In the five major evaluation indicators, the Audit Committee self-evaluation covers **22** items, the Remuneration Committee self-evaluation covers **20** items, and the Risk Management Committee self-evaluation covers **26** items^{Note}.

- Degree of participation in company operations.
- Awareness of the Committee's responsibilities.
- Enhancing the quality of committee decision-making.
- Committee composition and member selection.
- Internal control.

Note: On February 26, 2024, the Board of Directors approved revisions to the Performance Evaluation Guidelines, formally incorporating the Sustainability Committee within the scope of functional committees. The Company plans to further revise the Performance Evaluation Guidelines in 2026 to include the Sustainability Committee as an evaluation subject, with the first internal performance evaluation scheduled to commence in January 2027, followed by the first external performance evaluation to be conducted from 2028 onwards.

In 2025, the self-evaluation results of the Board of Directors, individual directors, and all functional committees were rated as outstanding. An external board performance evaluation was also commissioned by DALEE Financial Consulting Co., Ltd. during the year, with a result of "good." Overall, the governance organization has fully performed its functions with excellent operational outcomes.

Board Compensation

The committee shall faithfully fulfill the following duties with the due care of a good administrator, and submit recommendations to the Board of Directors for discussion:

- 1 Establish and regularly review the policies, systems, standards and structures for performance assessment and remuneration of Directors and executive officers.
- 2 Regularly evaluate and determine the remuneration of directors and executive officers.
- 3 Regularly evaluate the achievement of performance goals of the Company's directors and executive officers; and determine the content and amount of their individual remuneration.

Sysgration has established its director remuneration policy, payment standards, and amounts in accordance with its Articles of Incorporation. Directors' remuneration comprises business execution expenses, such as attendance fees, special allowances, such as travel allowances, special expense subsidies, and other stipends. Directors who also serve as employees receive additional remuneration, including salaries, functional allowances, bonuses, special allowances, and other related payments. Retirement and severance payments are accounted for as provisions rather than actual disbursements.

(Unit: NT\$ Thousands)

Name	Director's Compensation ^(Note 1)	Compensation Received by Directors Who Were Also Employees ^(Note 1)		Total Amount
	Remuneration	Salary and Bonus	Retirement Pension	
Lee, I-Ren	208	7,767	0	7,975
Hsieh, Tung-Fu	208	6,677	108	6,993
Lee, Cheng-Han	60	3,913	108	4,081
Dai, Feng-Yi	600	0	0	600
Lin, Kuan-Chao	600	0	0	600
He, Ju-Hsiang	600	0	0	600
Wei, Che-Chen	600	0	0	600

Note 1: The compensation of individual Directors is based on all subsidiaries' statistics listed in the Company's financial statements.



Collective Knowledge of the Highest Governance Body

To strengthen corporate governance practices, Sysgration actively encourages directors to participate in advanced studies, and discloses the status of advanced studies in the Corporate Governance area of the Market Observation Post System (MOPS). In 2025, 100% of Sysgration's board members met the required continuing education hours for TWSE/TPEX-listed companies.

Job Title	Name	Advanced Study Course	Total Hours
Director	Lee, I-Ren	- Key Factors in Industrial Holdings and Group Operations - Best Practices in the Era of Collaborative Governance: IoT Cybersecurity Starts with All of Us	6 hours
Director	Hsieh, Tung-Fu	- Everything is Connected; Everything Can Be Hacked - Corporate Governance and Sustainability Governance: Trends in Sustainable Development and Governance	6 hours
Director	Lee, Cheng-Han	- Practical Operations of Board Functional Committees - Global Trends Analysis: Risks and Opportunities	6 hours
Director	Dai, Feng-Yi	- Corporate Governance and Securities Regulations: An Inspector's Perspective on Corporate Governance Risks - A New Perspective on Corporate Governance in 2026: Embracing Change	6 hours
Independent Director	He, Ju-Hsiang	- A Global Perspective on Corporate Sustainability: From Vision 2050 to Action 2025 - Trends and Risk Management in Digital Technology and Artificial Intelligence	6 hours
Independent Director	Lin, Kuan-Chao	- The Starting Point of Sustainability Data: Greenhouse Gas Inventories and Data Quality - The Anti-Money Laundering Act from the Perspective of Judicial Practice	9 hours
Independent Director	Wei, Che-Chen	- Corporate Governance and Securities Regulations: Understanding Regulatory Oversight for Directors and Senior Executives of Listed Companies - International Trends and Best Practices in Ethical Business Conduct and Senior Executive Accountability Systems	6 hours

2.1.3 Remuneration Policy

Regarding its remuneration policy, Sysgration follows the provisions set forth in its Articles of Incorporation. If the Company generates profit in a given fiscal year, up to 3% may be allocated as directors' remuneration. However, if the Company has accumulated losses, such profits must first be retained to offset the losses. Directors' remuneration is determined based on their level of involvement in Company operations and the value of their contributions. Performance is evaluated annually with reference to the "Rules for Performance Evaluation of Board of Directors," which comprehensively considers evaluation items including alignment of the Company's goals and missions, awareness of the duties of a director, participation in the operation of the Company, management of internal relationships and communication, the director's professionalism and continuing education, and internal control. Following resolutions by the Remuneration Committee and Board of Directors in 2025, director remuneration of NT\$4,000,000 was appropriated, representing 2.98% of the estimated ratio of current-period profit.

Linkage Between Senior Executive Remuneration and Sustainability Performance

The Company's President and senior executives at the level of Vice President and above are responsible for managing Company affairs in accordance with the business strategies and key decisions set by the Board of Directors. Their appointment and dismissal are subject to Board resolutions. Executive's remuneration includes fixed salary and variable bonuses. Fixed salaries are determined according to the executive's position level, experience, professional competence, years of service, and industry standards. Variable compensation such as performance bonuses, employee stock options, and annual salary adjustments is linked to performance indicators, including financial metrics, management targets, sustainability performance indicators, and other relevant considerations. All performance evaluations and the reasonableness of compensation are reviewed and approved by the Remuneration Committee and the Board of Directors. The remuneration system is reviewed periodically considering the Company's actual operating conditions and relevant regulations to ensure a balance between sustainable operations and risk management.



Performance indicators for senior executives include:

Performance Category

Financial indicators

Percentage

60 %

Include turnover, profit targets, cash conversion cycle, inventory turnover, strategic targets based on the functions, and other operation-related indicators.

Performance Category

Management indicators

Percentage

20 %

Include communication abilities, decision-making and execution abilities, ability to cultivate subordinates, and other evaluation items.

Performance Category

**Sustainability performance
indicators**

Percentage

20 %

Include the corporate governance evaluation and Sustainability Report evaluation (5%), im-plementation of ethical corporate management (5%), implementation of GHG inventory (5%), and the implementation of the improvement in the sustainable supply chain (5%).

The Company conducts a comprehensive quarterly performance evaluation of senior executives based on the achievement rates of various key performance indicators (KPIs). Their direct supervisors assess their performance scores and determine whether the executives meet the originally set KPIs. Additionally, the evaluation considers each executive's contribution to the Company's overall operations and the profit proportion of their respective business units (BUs). Performance ratings are classified into six levels: A+, A, B, C, D, and E. These ratings serve as the basis for determining bonuses, employee stock option rights, and annual salary adjustments. Recommendations from the Remuneration Committee are submitted to the Board of Directors for approval before implementation.

Annual Total Remuneration Ratio

The ratio of the annual total compensation of the highest paid individual in the organization to the median annual total compensation of other employees in the organization (excluding the highest paid individual).

2024 **13.81 %** 2025 **13.14 %**

The ratio of the percentage increase in annual total compensation of the highest paid individual in the organization to the median of the average annual percentage increase in total compensation of the other employees in the organization (excluding the highest paid individual).

2024 **3.03 %** 2025 **-5 %**

2.1.4 Corporate Governance Organization Operation

Set Up a Dedicated Officer for Corporate Governance

- By resolution of the Board of Directors on May 11, 2021, Ms. Tsai Hsiu-Mei, the Chief Financial Officer, was appointed as the Chief Corporate Governance Officer, serving as the highest-ranking executive responsible for corporate governance matters. Her primary duties include coordinating and overseeing the preparation of minutes for the shareholders' meetings and board meetings, assisting directors with their appointments and ongoing training, providing directors with the information needed to perform their duties and helping ensure their compliance with laws and regulations, as well as other matters stipulated in the Company's articles of incorporation or contracts.
- In 2025, the Chief Corporate Governance Officer legally handled 12 board meetings and the 2025 Annual General Shareholders' Meeting in accordance with applicable regulations, amended and revised the Company's "Articles of Incorporation," established the Risk Management Committee, and formulated the "Risk Management Committee Organizational Regulations" and the "Regulations Governing Financial and Business Transactions Between Related Parties." These actions enhanced the Company's governance strength. The Officer also provided continuing education programs, assisting 7 directors in completing a total of 45 training hours in 2025. Each director's training hours complied with the requirements of the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEX Listed Companies." Furthermore, the Officer also provided directors with the information required to perform their duties and assisted with legal compliance. In 2025, Sysgration's corporate governance operations were fully conducted in accordance with applicable laws and regulations, with no violations reported.
- To enhance corporate governance procedures and the capabilities of the Chief Corporate Governance Officer, she completed 12 hours of continuing education in 2025. This curriculum covered common deficiencies in financial report reviews, practical analysis of key internal control regulations, statutory requirements and compliance practices for corporate financial reporting, and case analyses of common deficiencies in financial reporting and internal control systems.



Internal Audit Unit

- Sysgration complies with laws and regulations by establishing an internal control system and dedicated Internal Audit Unit. Operating with an independent, objective, and impartial stance, the unit reports directly to the Board of Directors. By evaluating the internal control system, the unit assesses the effectiveness and compliance of current policies and procedures and their impact on operational activities, ensuring the ongoing effective implementation of the internal control system and assisting management in fulfilling its management responsibilities.
- The Internal Audit Unit formulates an annual internal control audit plan based on risk assessment results, which is submitted for approval by the Audit Committee and the Board of Directors. Monthly audit items are conducted, and audit reports are prepared and submitted to the General Manager and Chairman, with copies provided to all independent directors. Each quarter, the Head of Audit attends Audit Committee and Board meetings to report on the execution of internal audit operations. To implement the Company's self-monitoring mechanism and respond promptly to changes in the environment, the Internal Audit Unit is responsible each year for supervising all internal departments and subsidiaries in conducting self-assessments and reviews those assessment reports on behalf of internal audit. This process provides the Board of Directors and the General Manager with the basis for evaluating the effectiveness of the overall internal control system and serves as the primary foundation for issuing Internal Control System Statement.
- In addition to meeting the qualifications for internal auditors as stipulated by the Financial Supervisory Commission (FSC), the appointment, dismissal, evaluation, and compensation of internal audit personnel at Sysgration are handled in accordance with the Company's "Personnel Employment Procedures," "Compensation Procedures," "Performance Evaluation Management Regulations," and the "Employee Handbook." All related matters follow the Company's approval process, with the audit supervisor submitting reports for the Chairman's approval. Performance evaluations are conducted at least quarterly, in accordance with the "Performance Evaluation Management Regulations." Furthermore, the appointment or dismissal of the internal audit supervisor must be approved by both the Audit Committee and the Board of Directors, as stipulated in the Company's "Audit Committee Charter" and "Regulations Governing Procedure for Board of Directors Meetings."



In 2025, the Internal Audit Unit formulated and executed its audit plan. The audit resulted in improvement recommendations regarding equipment procurement; the responsible unit subsequently established and implemented a corrective action plan, which has since been successfully completed.

ESG Committee

Sysgration has established the "Sustainable Development Best Practice Principles" and is committed to integrating corporate sustainability into the Company's business operations. An ESG Project Organization has been established to serve as the responsible body for promoting and coordinating sustainability initiatives, with General Manager Mr. Hsieh Tung-Fu serving as convener. Working groups are organized around relevant issues and meetings are held every two months to review and track the progress of short-, medium-, and long-term ESG goals. These working groups are organized according to key issues and strategic policy directions.

Each task force of the ESG Committee consists of a task force leader and several members. Currently, there are a total of about 60 members. In 2025, a total of 16 meetings were held, with a combined 323 person-times. The ESG Committee reports and discusses material sustainable issues with the Board at least once a year, including: identifying stakeholder concerns, formulating corresponding action plans, establishing and revising goals and policies for sustainable operations, assessing risk identification and management, monitoring information security management status, ensuring ethical corporate management, and reviewing intellectual property management.



Sustainable Development
Best Practice Principles

Sysgration ESG Committee Structure and Policy Direction





Board Oversight of Sustainability Development

Sysgration recognizes the importance of sustainable operations and manages and reports on related matters in a transparent and responsible manner. The following details regarding oversight activities in 2025 demonstrate the Company's commitment to sustainable development:

Supervisory Item	Action Description	Frequency/Time
Report of the project organization for the promotion of sustainability	Report annual sustainability progress to the Board of Directors.	Once a year
Sustainability report preparation and publication	Prepared in accordance with GRI, SASB standards, and the TCFD framework, and reviewed by an external assurance institution.	Publish annually
Report by the management team	Regularly report to the Board on significant sustainability topics including strategic development, risk management, information security, and intellectual property management.	Quarterly and as needed
Occupational health and safety measures	Partner with medical institutions to provide employees with health checkups and specialized health examinations.	Annually
Audit quality and performance evaluation	Assess audit quality and the independence and competence of the Certified Public Accountants (CPAs).	Once a year
Ethical corporate management and risk management for legal affairs	The management team reports on ethical management, legal risk management, and stakeholder communications.	Once a year
Discussion of sustainable development goals and policy	Establish and revise sustainability related goals and policies, and identify stakeholder concerns.	At least once a year

2.2 Economic Performance

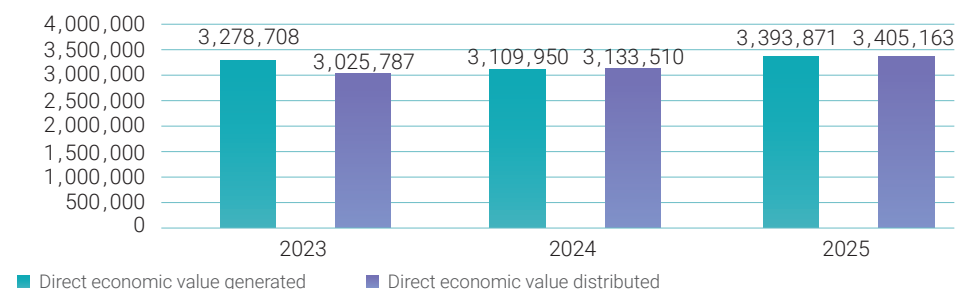
Sysgration implements corporate governance business strategies by holding annual institutional investor conferences and annual general shareholders' meetings, regularly updating financial and business information on the Market Observation Post System and the Company's website. Through transparent information disclosure, shareholders and investors can grasp the Company's operating conditions promptly.

In 2025, Sysgration's revenue distribution across its top three geographic markets was the Americas at 40.46%, Asia at 31.88%, and Taiwan at 21.23%. By product category, automotive electronics accounted for 79.88% of total revenue (NT\$2,710,891 thousand), energy management products accounted for 14.35% (NT\$487,077 thousand), and other products made up 5.77% (NT\$195,903 thousand). The fiscal year's revenue demonstrated steady growth, driven primarily by the stabilization of interest rates, exchange rate fluctuations, and inflationary pressures. Sysgration will continue to pursue diversified product development and expand market share, with expectations of stronger growth momentum going forward, creating maximum value for all stakeholders.

(Unit: NT\$ Thousands)

Item	2023	2024	2025
Direct economic value generated	3,278,708	3,109,950	3,393,871
Operating revenue	3,278,708	3,109,950	3,393,871
Direct economic value distributed	3,025,787	3,133,510	3,405,163
Operating costs	2,467,840	2,358,120	2,595,390
Employee salary and benefits	543,415	623,340	693,480
Payments to investors	13,125	152,060	116,293
Net income tax paid	1,407	1,814	20,092

The Company's Direct Economic Value Generated and Distributed Over the Years





2.3 Ethical Corporate Management

2.3.1 Ethical Corporate Management and Commitment

Sysgration is founded on the principles of integrity, responsibility, and honesty in business operations. The Company has established regulations such as the "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," "Management Operation Procedures for Prevention of Insider Trading," which are required to be followed by the Board of Directors, senior management, group employees, and cooperating suppliers. These rules clearly prohibit engaging in any dishonest business activities, aiming to foster a culture of integrity and good business practices. Internally, the Human Resources Department serves as the coordinating unit for Sysgration's ethical management, responsible for promoting and overseeing the Company's ethical management policies and preventing dishonest behavior. The Internal Audit Unit supervises and audits the implementation of ethical principles across all operational departments. All business activities are conducted strictly in accordance with the law, and material information is disclosed transparently as required. Furthermore, directors must recuse themselves from voting on any Board resolution that presents a potential conflict of interest.

In 2025, corruption risk assessments were conducted across 100% of operating sites, and no significant corruption risks were identified.

Sysgration communicates its commitment to ethical management internally through multiple channels, including requiring all employees and suppliers to annually sign the "Commitment to Integrity, Environmental Protection, and Social Responsibility." The Company regularly evaluates suppliers for any violations of integrity records. Sysgration's directors are also required to sign a "Declaration of No Violation of the Code of Ethical Conduct." Ethical corporate management principles are incorporated into employee training and included as a criterion in employee performance evaluations. Sysgration prohibits suppliers and employees from offering or accepting any bribes or improper benefits, directly or indirectly, to secure transactions or fulfill contracts, or to gain personal benefits for employees or their related parties.

In 2025, a total of 301 suppliers completed signing ethical management documents, of which 17 were newly added suppliers in 2025, achieving a 100% signing rate. All Sysgration board members upheld ethical management principles and completed 100% signing of the Statement of "Declaration of No Violation of the Code of Ethical Conduct" in 2025. Employees and suppliers also completed 100% signing of the "Commitment to Integrity, Environmental Protection, and Social Responsibility." Additionally, the Management Operation Procedures for Prevention of Insider Trading stipulate that directors may not trade Company shares during the 30-day blackout period prior to the announcement of annual financial reports or the 15-day blackout period prior to quarterly financial report announcements. Directors are notified in advance via email, and no directors conducted trades during any blackout period in 2025.



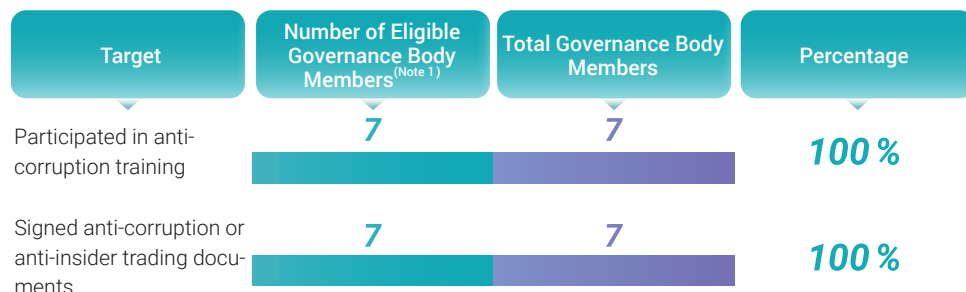
2.3.2 Implementation of Ethical Corporate Management

Ethical Corporate Management Report Channels

Item	Target	Content	Communication Frequency
Email Awareness Campaigns	The directors, executive officers, and shareholders hold more than 5% of the total shares of the Company.	- Upon the appointment of new directors or managers, the "Insider Equity Promotion Handbook" will be sent by email on the onboarding day. The insider should inform the newly appointed executive officers of related laws and decrees that the insiders should abide by and notify the stock agency on the same day to report the relevant information of the newly appointed insider. - Publish the document "Common Patterns of Reporting Insider Shareholding Changes in Violating the Securities and Exchange Act" by email to urge insiders to manage shareholding changes in accordance with the law.	As needed
Internal Training Programs	Employees	- The 2025 training curriculum encompassed trade secrets, personal data privacy protection, and regulatory compliance awareness. - A total of 8.5 hours of related training were conducted in 2025, reaching a cumulative attendance of 1,212 person-times.	As needed
Performance Evaluations	Employees	Ethical compliance and conduct are integrated into employee performance evaluations on a quarterly basis.	4 times/year
Integrity Commitment	Employees, Suppliers, and Directors	All employees and new business suppliers are required to sign the "Commitment to Integrity, Environmental Protection, and Social Responsibility" every year. In 2025, signing was completed by 100% of all relevant parties.	1 time/year

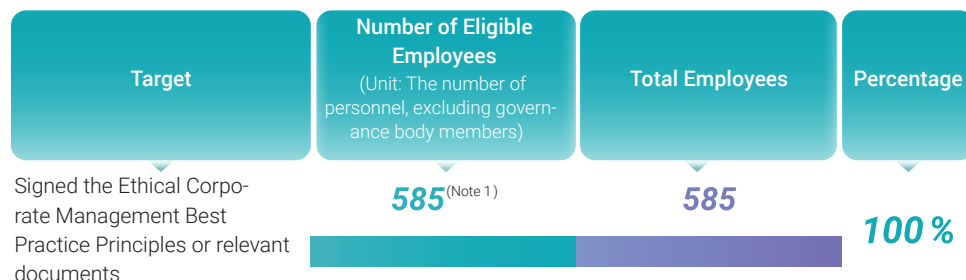


Total number and percentage of members of the governance body who have been communicated with regarding the Company's anti-corruption policies and procedures:



*Note 1: Governance bodies include the Board of Directors, management committees, or other non-incorporated organizational units.

Total number and percentage of employees to whom the Company's anti-corruption policies and procedures have been communicated:



*Note 1: The number of personnel covers Taipei Headquarters (222), Nankang Plant (149), Power Tank Taipei (52), Huizhou Plant (94), and Zhenjiang Plant (68).

To ensure that all employees, management, and Directors of Sysgration fully understand the Company's commitment, policies, and preventive measures regarding the Company's Ethical Corporate Management, Sysgration conducted a total of 8.5 hours of ethics and integrity training in 2025, with 1,212 person-times attended. These training sessions reinforced employees' understanding and awareness of ethical business conduct. In 2025, the completion rate for ethics and integrity training among all directors, managers, and employees reached 100%, reflecting Sysgration's strong emphasis on ethical corporate management.

2025 Ethical Corporate Management Training: Course Content, Hours, and Attendance

Date	Course Content	Hours	Number of trainees
2025/02/20	Legal Compliance Advocacy: Intellectual Property Rights, Trade Secrets & Personal Data Protection	0.5 Hours	14 Number of trainees (Offline+Online)
Subsequent New Hire Training (Full E-learning)	Legal Compliance Advocacy: Intellectual Property Rights, Trade Secrets & Personal Data Protection	0.5 Hours	83 Number of trainees (Online)
2025/10/17	Patent Basics and Practical Training Course	3 Hours	266 Number of trainees (Offline+Online)
2025/10/21	Protection and Advocacy of Intellectual Property Rights	2 Hours	297 Number of trainees (Online)
2025/10/23	Protection and Advocacy of Trade Secrets	1 Hours	319 Number of trainees (Online)
2025/10/30	Protection and Advocacy of Intellectual Property Rights, Trade Secrets & Personal Data Privacy	1.5 Hours	233 Number of trainees (Online)

On March 14, 2025, Sysgration held a Strategic Partner Supplier Conference attended by representatives from 50 suppliers, totaling 184 attendees. The Chairman and General Manager presented Sysgration's corporate governance and ESG targets to suppliers, recognized and awarded suppliers with outstanding ESG performance. A sustainability consultant was also invited to provide training to supplier partners, explaining Sysgration's sustainable supply chain management strategies and requiring suppliers to align their ESG participation and code of conduct with Sysgration's values, with detailed guidance and training provided. Looking ahead, Sysgration views the Supplier Conference as a long-term communication platform and has planned to hold it again in 2026, ensuring that supply chain partners are equipped with sufficient resilience and responsiveness when facing global carbon pricing and emissions reduction regulations.



I Business Ethics Due Diligence Investigation Procedures

Target

Due Diligence Investigation Procedures



Customers

According to Credit Review Operation Procedures:

- If the sales target is a new customer and the transaction requires a credit line, the sales department must complete the relevant customer credit information form and submit it to the credit approval department for review.
- After carefully assessing the customer's credit status, the Credit Unit sets the customer's line of credit, and fills in the "Customer Credit Information Card" and "Line of Credit Score Form" for approval in accordance with the approval authority.
- To ensure the security of accounts receivable during sales, in addition to following standard sales procedures, customers requiring credit terms must undergo a credit assessment and obtain credit approval prior to the transaction. Sales personnel may proceed with quotations, negotiation, deliveries, and other sales-related activities within the approved credit limit when accepting orders.
- If the customer's line of credit needs to be changed, it can be re-assessed according to this procedure, fill in the "Line of Credit Score Form" and provide a new line of credit.
- The Customer Credit Information Card must be revised or reviewed at least once per year and may be revised at any time under special circumstances.

Target

Due Diligence Investigation Procedures



Suppliers and Contractors

According to Credit Review Operation Procedures:

- Establish the "Manufacturer Management Evaluation Operation Instructions" and require suppliers to sign the "Suppliers' Corporate Social and Environmental Responsibility Code of Conduct" and the "Supplier Corporate Social and Environmental Responsibility Code of Conduct" and "Commitment to Integrity, Environmental Protection, and Social Responsibility."
- Suppliers are required to jointly commit to and promote ESG issues including environmental protection, occupational health and safety, labor and human rights, and ethical management in fulfillment of corporate social responsibility.
- The Company evaluates suppliers through regular interactions and periodic assessments. If a supplier violates corporate social responsibility principles or causes significant environmental or social impact, the Company will immediately terminate the business relationship.
- If a complaint is received, the Company will conduct investigation, verification, and resolution process while keeping the identity of the complainant confidential.

2.3.3 Whistleblowing and Prevention System

Sysgration has established independent whistleblowing channels managed by assigned responsible personnel, enabling employees, customers, suppliers, shareholders, investors, and other stakeholders to report illegal activities or violations of ethics under the Ethical Corporate Management Best Practice Principles. The whistleblowing and complaint channels are as follows:

Grievance channel



Shareholders, Investors

Hotline

(02) 2790-0088

Mailbox

sys5309@sysgration.com



Suppliers

Hotline

(02) 2790-0088 #2020

Mailbox

scm@sysgration.com



Customers^{Note}

Hotline

(02) 2790-0088

Mailbox

sales@sysgration.com



Employee

Hotline

(02) 2790-0088 #1830

Mailbox

opinion@sysgration.com

Others

Suggestion Box

Suggestion Box is set up on the Employee Website (EIP)

Physical Employee Suggestion Box is set up in each operating area

*Note: Sysgration's products relate to the electronics, automotive, and energy storage device industries. All products are subject to strict international standards and regulations; accordingly, all product marketing and labeling comply with applicable laws and international standards. Product liability insurance has also been purchased for certain Company products to protect consumer rights. For any product-related inquiries, please contact the Company by phone or email. A dedicated representative will be assigned to understand, coordinate, and appropriately address the matter.



The Company's whistleblowing system has established relevant operational procedures and confidentiality mechanisms that expressly require the receiving unit not to disclose the identity of the whistleblower or the reported information to protect stakeholders, ensuring the effective operation of the complaint system and protecting whistleblowers from personal harm or discriminatory treatment in their working conditions as a result of their reports. To protect the legal rights of Company employees and encourage them to voice their opinions, Sysgration established the "Management Regulations for Employee Opinions and Complaints" in 2022. These procedures stipulate that after the managing person of Human Resources Department accepts the complaints, the "Employee Opinion and Complaint Form" should be forwarded to the relevant department executives for handling within 3 working days, and the unit must reply to the Human Resources Department within 7 working days. If no response is possible within the time limit, or if the matter remains unresolved, the HR Department escalates it to the General Manager. Where a complaint constitutes a major case, the handling period may be extended to 10 working days.

All whistleblowing content is subject to strict confidentiality management. Investigators handling whistleblower cases must keep both the whistleblower's identity and the reported matter strictly confidential. If it becomes necessary to disclose the whistleblower's identity, prior consent from the whistleblower must be obtained to prevent retaliation. During the handling of a complaint, the affected party may request to be accompanied by a trusted colleague during inquiries or may invite relevant personnel to participate in the investigation. The Company may also request that the respondent temporarily suspend the exercise of managerial authority or cooperate with the investigation.

All records of received reports, the investigation process, and investigation results must be retained in written or electronic form for five years, with proper custody and confidentiality maintained. If a lawsuit related to the case arises before the retention period expires, the relevant materials must be preserved until the conclusion of the legal proceedings. Anyone found to have made false accusations, engaged in deception, insulted others, or deliberately disrupted proceedings will be subject to disciplinary action under the Company's applicable regulations. Where a reported case is verified to be true and leads to significant contributions or economic benefits, the whistleblower may be rewarded appropriately based on the reward policies of the relevant region.

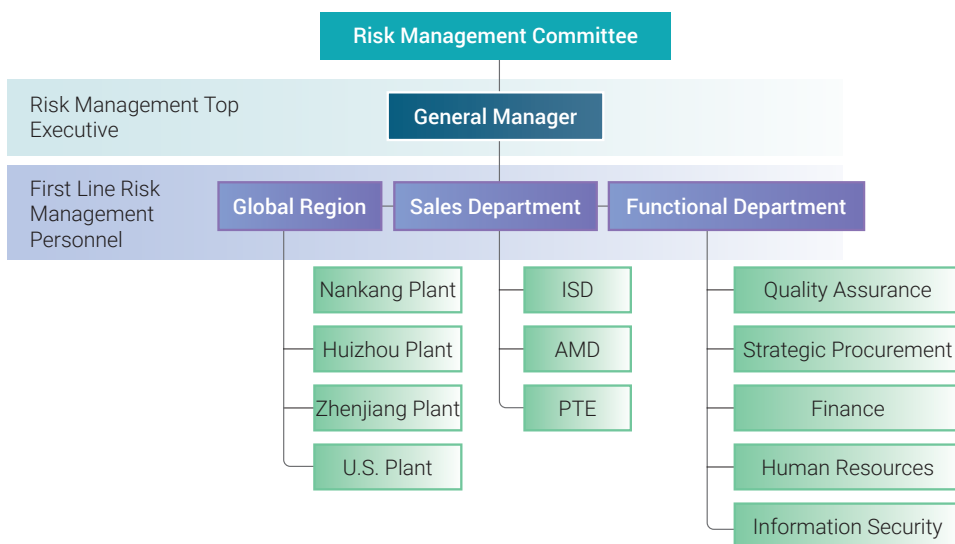
If a whistleblower case involves a director or senior executive, or if a serious violation is suspected that may result in significant damage to the Company, the matter will be reported in writing to the Chairman of the Board. If the case is verified and deemed serious, it will be handled in accordance with applicable laws and Company regulations and disclosed on the Market Observation Post System.

	2023	2024	2025	Status Description
Confirmed Incidents of Corruption	0	0	0	No corruption incidents have occurred at Sysgration over the past three years.
Number of Reports Generated through the Reporting Process	0	0	0	Over the past three years, there have been no violations of ethical management, no significant deficiencies, and no incidents involving fraud, insider trading, anti-competitive behavior, anti-trust and monopoly, or market manipulation. There have also been no improper political contributions, improper charitable donations, sponsorships in violation of the code of conduct, or cases reported through internal or external whistleblower procedures involving violations of business ethics (0 cases).

2.4 Risk Management

2.4.1 Risk Management Organization

To proactively implement risk management mechanisms and ensure the Company's sustainable operations, Sysgration established the Risk Management Committee in 2023 as the highest-level risk management and decision-making body. The General Manager serves as the highest-level risk management officer, while heads of business units, functional departments, and regional heads serve as frontline risk management personnel responsible for ensuring the timely and accurate transmission of risk information, ensuring the effective implementation of risk management requirements within their respective units, and recommending response plans for various types of risks. For different types of risks, the General Manager forms ad hoc response teams according to the nature of the event and assigns responsible supervisors to lead the response efforts. The Audit Department is responsible for reviewing the effectiveness of risk management implementation as part of internal control. Sysgration actively promotes the implementation of an operational risk management framework by holding regular executive management meetings to review related issues and reporting to the Board of Directors annually. The report includes the company's risk landscape, key risk management areas, risk assessments and response measures, risk control strategies, and the overall status of risk management execution.



2.4.2 Risk Management Policy

Risk Management Policy

Sysgration adopts the "Risk Management Policy" approved by the Board of Directors as its overarching guiding principle for risk management. In accordance with the principle of materiality, the Company integrates environmental, social, and corporate governance (ESG) risks into its business management strategies. Through the systematic identification, assessment, monitoring, and control of potential threats, Sysgration precisely defines the scope of its operational risks, constructs an integrated risk management framework, and fosters a risk-management oriented business model.



Sysgration actively implements risk prevention and loss control and incorporates risk management measures into daily internal control operations. Each business unit needs to conduct regular self-inspection and participate in educational training, then for the senior executives to evaluate the effects, so that risks can be effectively controlled within an acceptable range. Through establishing the risk indicator and risk event reporting mechanism, Sysgration collects and organizes various business information, integrates

possible risks, identifies major risks, and regularly reports the risk monitoring situation to the risk management executive. In response to man-made, natural disasters or other major incidents, the Company has established "Emergency Response Plans" related management procedures and regulations, aiming at fires, floods, typhoons, earthquakes, chemical leakage and other disasters, to formulate preventive measures, rescue precautions and notification procedures, which clearly regulate the duties of all personnel in the Company, and provide for all Units to comply, so as to contain disasters and avoid affecting normal operation of the Company.

2025 Training on Enhanced Risk Control: Course Content, Hours, and Attendance

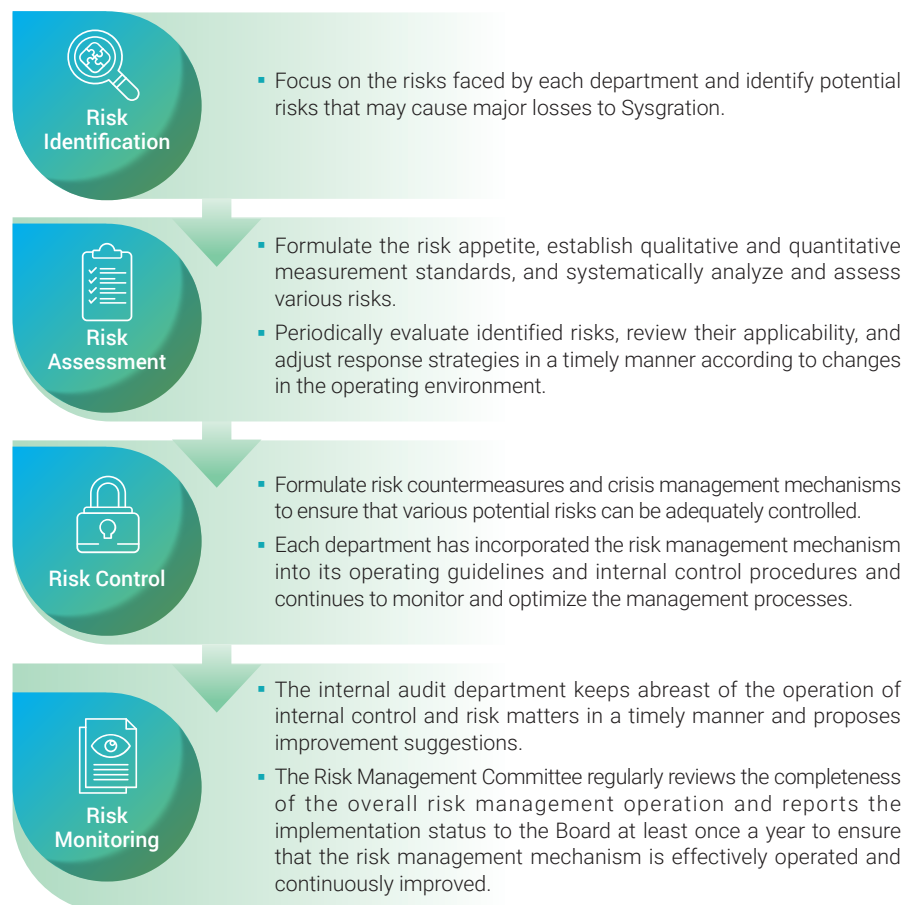
Date	Content	Hours	Number of trainees
2025/02/20	Intellectual Property Rights, Trade Secrets & Personal Data Protection	0.5 Hours	14 Number of trainees (Offline+Online)
Subsequent New Hire Training (Full E-learning)	Intellectual Property Rights, Trade Secrets & Personal Data Protection	0.5 Hours	83 Number of trainees (Online)
2025/04/17	VDA 6.3:2023 Process Auditor Training	6 Hours	29 Number of trainees
2025/04/22	VDA 6.3:2023 Process Auditor Training	6 Hours	29 Number of trainees
2025/05/21	VDA 6.1:2016 Management System Audit - Mass Production Auditor Training	12 Hours	14 Number of trainees
2025/05/29	VDA 6.1:2016 Management System Audit - Mass Production Auditor Training	12 Hours	14 Number of trainees
2025/08/15	PFMEA 5th Edition: Process Potential Failure Mode and Effects Analysis Training	8 Hours	16 Number of trainees
2025/08/29	RBA Internal Auditor Training (RBA 8.0)	6 Hours	9 Number of trainees
2025/09/10	IATF 16949:2016 Internal Auditor Training	8 Hours	36 Number of trainees
2025/10/03	IATF 16949:2016 Internal Auditor Training	8 Hours	33 Number of trainees
2025/10/17	Patent Basics and Practical Applications Training Course	3 Hours	266 Number of trainees (Offline+Online)
2025/10/21	Protection and Advocacy of Intellectual Property Rights	2 Hours	297 Number of trainees (Online)
2025/10/23	Protection and Advocacy of Trade Secrets	1 Hours	319 Number of trainees (Online)
2025/10/30	Protection and Advocacy of Intellectual Property Rights, Trade Secrets & Personal Data Protection	1.5 Hours	233 Number of trainees (Online)
2025/11/07	IECQ QC080000 Internal Auditor Training	8 Hours	37 Number of trainees



2.4.3 Risk Management Procedures

To improve the risk management function, the Company's risk management clearly grasp the scope of operational risks through risk identification, risk assessments, risk measurement, risk monitoring, communication, and other management procedures, and appropriate measures were adopted to duly ensure management-related operational risks so as to effectively allocate limited resources to the management work of relevant operational risks.

Risk Management Procedures



Sysgration has established operational risk indicators and an operational risk event reporting mechanism to consolidate business information, conduct independent analysis of results and trends, and regularly report operational risk monitoring status to senior management, with efforts to develop measures to address potential sources of risk. The following risk factors have been identified, primarily including business risks, financial risks, operational risks, environmental risks, significant regulatory and legislative risks, and emerging risks:

Business Risk

Assess the risks of market, supply chain, intellectual property and information security caused by the factors of domestic and foreign political, economic, and legal supervision and management requirements as well as the domestic and foreign technological and industrial changes and reflect assessment results to the relevant operational decision-making body.

Financial Risk

Comprehensively consider financial risks arising from various economic aspects, including risks that may arise from the Company's financial assets or liabilities due to changes in interest rates, exchange rates, stock prices and inflation, asset liquidity risks, customers' ability to pay and credit history, accounting policies, and investee business management. Formulate the Company's fund safety stock based on the liquidity of assets to ensure the ability to allocate funds for emergencies and establish a hedging mechanism to effectively control the level of risk impact.

Operational Risk

To address risks associated with internal control processes, human factors, information systems, and other management operations, as well as risks arising from external events, the company has established and adheres to relevant management procedures to create a safe working environment.

Environmental Risk

In response to the government's strengthening of climate governance and tightening of regulations on greenhouse gas emissions, energy management, and environmental impact assessment requirements, the Company conducts risk identification and analysis in the areas of policy, regulations, products, and physical operations, based on adaptation and mitigation principles, and formulates and implements corresponding strategies and action plans.

Regulatory and Legislative Risks

The Company continuously evaluates its potential exposure to legal and regulatory updates, assessing their impact on business operations to formulate proactive countermeasures.



Emerging Risks

Carbon Border Adjustment Mechanism (CBAM) risk:

1. **Increased Export Cost Pressures:** Facing increased export costs for products due to CBAM, as the Company will be required to pay additional carbon costs.
2. **Loss of market share:** The rising price of products may cause the Company to lose its market share.
3. **Supply chain restructuring:** CBAM prompts the Company to re-evaluate its supply chain structures and seek suppliers with lower carbon emissions to reduce the impact of CBAM.

Response measures to address the risks posed by CBAM:

1. **Reduce carbon emissions:** Reduce the carbon emissions of products by enhancing production efficiency, improving production technology, and using green energy so as to reduce the impact of CBAM.
2. **Market diversification:** Reduce reliance on a single market to reduce the impact of CBAM on its business.
3. **Advance preparation:** Understand and assess the impact of CBAM on the Company's business in advance, formulate countermeasures, and prepare before the implementation of CBAM.
4. **Compliance enhancement:** Strengthen the understanding of relevant laws, regulations, and policies and ensure that products meet corresponding carbon emission requirements to reduce possible risks of fines or litigation.

Geopolitical risk:

1. **Restricted market access:** The Company is affected by increased tariffs, import restrictions, and export control due to political factors, resulting in business obstruction or the inability to enter certain markets.
2. **Supply chain disruptions:** A geopolitical trade war may lead to supply chain disruption, such as the closure or restriction of the import of certain raw materials, products or components, resulting in production obstruction.
3. **Asset impairment and currency risks:** Trade wars caused by geopolitics may lead to currency depreciation and stock market fluctuations, which may cause the Company's asset value to decline, thereby affecting profitability.
4. **Labor disruptions:** Trade wars caused by geopolitics may lead to strikes and demonstrations, affecting production and business operations.
5. **Legal and compliance risks:** Trade wars caused by geopolitics may lead to changes in legal and compliance requirements. It is necessary to make timely adjustments to comply with the latest regulations; otherwise, there may be risks of fines and litigation.

Response measures to address the risks posed by geopolitics:

1. Evaluate the Company's market entry status in relevant markets, actively participate in the formulation and communication of relevant trade policies, and explore diverse markets to reduce the reliance on a single market.
2. Evaluate the Company's supply chain and diversify its supplier sources to reduce the reliance on a single region or country. At the same time, establish close cooperation with suppliers and prepare backup supply plans in advance.
3. Evaluate the Company's asset structure and reduce financial risks through hedging instruments and investment diversification. Meanwhile, strengthen financial management and fund monitoring to maintain a favorable financial position.
4. Maintain healthy communication with the laborers to build harmonious labor-management relationships. Meanwhile, formulate a contingency plan to have emergency measures in response to strikes and demonstrations.
5. The Company pays close attention to the changes in relevant regulations, timely adjusts the business model and compliance process, and strengthens internal compliance training to ensure legal compliance of operations.

2.4.4 Risk Identification Results and Key Issues

Following identification, measurement, and assessment by the risk management organization, the three primary risk categories facing Sysgration in 2025 are environmental risks, social risks, and corporate governance risks. Annual management status has been reported to the Board of Directors.

Risk Results Identified by the Company in 2025 and Response

Identified Risk Category	Risk Description	Response Measures
Environmental Risk	Occupational Safety	1. Provide a safe and healthy working environment for employees. 2. Reduce the frequency and severity of employee disability injuries. 3. Zero accidents in industrial safety and active prevention of occupational diseases.
	Waste Management	Continue to promote waste reduction at source and waste recycling and reuse.
	Climate Change	Continue to promote greenhouse gas reduction measures.
	Energy Management	Develop green energy products and continue to improve energy conservation performance.
Social Risk	Talent Development	Plan for the talent development of the organization to achieve sustainable operations.
	Human Rights	1. Assist employees in maintaining physical and mental health and work-life balance. 2. With diverse and smooth employee feedback channels, Sysgration continues to care for employees and create a harmonious labor-management relationship.
Corporate Governance Risk	Business Morality	Ethical Management Education and Training.
	Supplier Sustainability Management	Supplier Sustainability Management Evaluation.
	Customer Service	Continue to provide more competitive products.
	Regulatory Compliance	Continue to concrete laws, decrees and regulations into Company policies or measures, and set up related education and training courses to promote awareness.



2.5 Legal Compliance

Sysgration complies with the local laws and regulations at each of its operating locations, conducting periodic inventories of regulatory requirements to assist the Company in establishing risk control measures and defining operational requirements. Laws and regulations are continuously internalized into Company policies or operating procedures and communicated to employees through relevant training programs. In 2025, all operating plants obtained certifications for ISO 14001:2015 Environmental Management System, ISO 45001:2018 Occupational Health and Safety Management System, ISO 9001:2015 Quality Management System, and IATF 16949:2016 Automotive Quality Management System. The Nankang Plant and Zhenjiang Plant also obtained IECQ QC 080000:2017 Hazardous Substance Process Management System certification. These certifications not only ensure the Company's compliance with regulations on corporate governance, environmental protection, labor and human rights, and occupational health and safety, but also provide employees with a safe and healthy working environment. To promote sustainable development and balance economic, social, and environmental sustainability, Sysgration has established its "Sustainable Development Best Practice Principles" in accordance with applicable laws and regulations, its Articles of Incorporation, contractual agreements with Taipei Exchange (TPEX), and relevant standards, while considering domestic and international ESG development trends and the Company's overall operational activities. The Company faithfully adheres to the content of these guidelines in its actual operations. In 2025, Sysgration did not incur any violations of laws or regulations relating to corporate governance, economic and social matters, or the environment, and was not involved in any litigation related to anti-competitive behavior, anti-trust, or monopoly regulations.

2025 Regulatory Educational Training

Course Name	Course Objectives	Target Trainee	Training Method	Number of Trainees
Ethical Corporate Management and Corporate Governance	In order to implement the corporate culture and sound development of Ethical Corporate Management, and actively prevent unethical behavior, establish a reference framework for good business operations for the trainees to understand the direction and policies of the Company's Ethical Corporate Management.	All employees	Online and offline	773
Sustainable Management ESG and Corporate Governance	- In addition to the goal of profitability for business operations, ESG sustainable investment will be the key to assessing the corporate sustainable existence and continuous growth. - In response to the wave of ESG, the Company should appropriately plan the organizational structure of the Board of Directors and all Committees, and construct a blueprint for sustainable development, so as to improve the effectiveness of corporate governance.	Managers	Offline	133
Know of Corporate Trade Secrets/ Management and Protection of Corporate Trade Secrets	- Establish trainees' understanding of trade secrets, non-competition management system and legal concepts. - Understand the prevention and treatment of corporate trade secret infringement. - Personal Data Protection Act Protection Promotion and Management Practices.	All employees	Online	374
Matters Require Attention for Changes in Equity within the Company	Conduct relevant education and publicity for executive officers and employees, including "Management Operation Procedures for Prevention of Insider Trading," the "Insider Trading Quick Guide" Promotion Handbook published by the Taiwan Stock Exchange, and related laws and decrees.	Directors and Managers	E-mail	_Note 1

Note 1: The Company reminded all Directors and managers via e-mail before the publication of financial statements that they shall not engage in any transaction during the lock-up period.

2.6 Information Security and Customer Privacy

2.6.1 Information Security Targets

Sysgration places great importance on customer privacy and information security management, actively establishes and maintains a reliable and safe information operating environment to ensure the safety protection of Company data, system equipment and network. As such, the Company established its information security targets i.e., ensuring the confidentiality, integrity, availability, and compliance of the management business of the core system (the information system within the verification scope of ISO 27001 and relevant management activities) and defined and measured the quantitative indicators of information security performance based on different levels and functions to ensure the system implementation status and whether the following information security targets are achieved:

Confidentiality

The Company shall prevent any sensitive information from leaking on the Internet.



Integrity

The accuracy and integrity of the Company's sensitive data (e.g., insurance information and personal information) shall be ensured.



Compliance

The Company shall comply with the laws and regulations of each country (e.g., Personal Data Protection Act, Trade Secrets Act, and laws related to intellectual property rights) to protect the rights and interests of the Company and third parties.



Availability

Ensure that the Company's important data is backed up and the system is not interrupted.



2.6.2 Information Security Management Measures

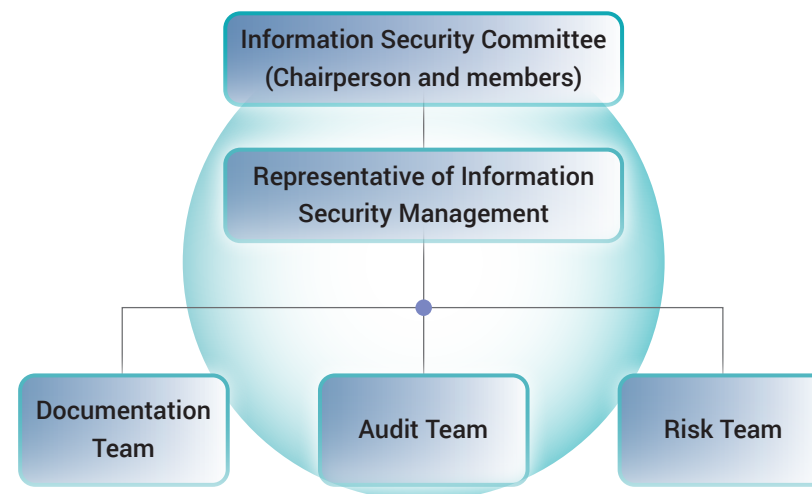
To strengthen information security management and ensure the safety of data, systems and networks, Sysgration has established the Information Security Committee, chaired by General Manager Mr. Hsieh Tung-Fu as the Convener. The Information Department is responsible for coordinating and implementing information security policies, promoting information security concepts, improving employee information security awareness, collecting and improving the technology, products or procedures of the performance and effectiveness of the Company's Information Security Management System, and report to the Board of directors at least once a year.

To improve information security management, Sysgration continues to expand its information security personnel and invest in information security protection infrastructure. The Company currently has six dedicated information security personnel. In 2025, a total of approximately NT\$27.79 million was invested to strengthen information security control mechanisms as follows:

- 1 A third-party threat detection and response service was introduced to monitor networks and endpoint devices around the clock, enabling real-time detection and blocking of potential threats.
- 2 A synchronized backup system was added. The Recovery Time Objective (RTO) for critical system services is 4 hours, and the Recovery Point Objective (RPO) is 5 minutes.

In addition, to ensure the effective operation of the information security management system, Sysgration has clearly defined the organizational structure and responsibilities of the Information Security Committee to effectively promote and oversee all management, implementation, and audit activities.

Information Security Organizational Chart





The implementation of the information security management system is based on the Plan, Do, Check, and Action (PDCA) cycle, which is implemented in a circular manner and maintains the effectiveness and continuity of information security through a gradual and progressive approach. First, at least one annual review is conducted, considering the current status of laws and regulations, technological changes, stakeholder expectations, business activities, internal management, and resources, with information security practices continuously refined to remain current. Second, revisions are made based on review results and take effect upon announcement by the General Manager. Finally, following the formulation or revision of the information security policy, stakeholders such as employees, suppliers, customers, or external auditors are notified through appropriate means (e.g., email, website announcement, or printed documents), and ongoing effectiveness is monitored. In 2025, Sysgration successfully passed TISAX and ISO/IEC 27001 certifications.



Information Security Policy

Based on the four principles of information security, "Confidentiality, Integrity, Availability, and Compliance," Sysgration has formulated the "Information Security Policy" and "Regulations for Management Information System (MIS) Operation Management" and established a mechanism for monitoring and controlling the Company's cyber properties. The strategy of promoting information security management by Sysgration is divided into four aspects: Network Information Security Management, Information Access Control, Information Emergency Recovery Response Mechanism, Educational Announcement and Examination.



Information Security Incident Reporting, Handling Procedures, and Response Measures

Level A Incident (Serious)

- 1. Immediate actions upon level determination:** Initial notification by the Risk Team → Information Security Management Representative (brief incident description, affected systems and scope, preliminary measures taken, whether the incident is continuing to spread).
- 2. If not resolved within 15 minutes (If the risk team determines that the issue cannot be resolved within this timeframe, it will be escalated directly to this stage):**
 - Risk Team → Report progress and provide response recommendations to the Information Security Management Representative;
 - Information Security Management Representative → Convene a response meeting with the Risk Team and relevant system owners to assess whether the Business Continuity Plan should be activated;
 - Information Security Management Representative → Notify the Information Security Management Committee (incident summary, preliminary analysis, and response measures).
- 3. If not resolved within 2 hours (If the risk team determines that the issue cannot be resolved within this timeframe, it will be escalated directly to this stage):**
 - Information Security Management Representative → Submit a progress and impact analysis report to the Information Security Management Committee;
 - Information Security Management Committee assesses whether: notification should be sent to affected customers, a report should be submitted to the competent authority in accordance with regulatory requirements or execute a Material Information Disclosure.
- 4. After incident resolution:** The system owner completes the "FIS-10 Information Security Notification and Corrective Action Form," the Risk Team conducts incident analysis, and Information Security Management Representative reviews.

Level B/C Incident (Moderate / Minor)

- 1. Immediate actions upon level determination:** The system owner and the Risk Team begin incident handling.
- 2. If not resolved within 1 hour:** The system owner or the Risk Team reports to the Direct supervisor of the system owner.
- 3. If not resolved within 2 hours:** The system owner or the Risk Team reports → to the direct supervisor → Information Security Management Representative.
- 4. If not resolved within 4 hours:**
 - The system owner or the Risk Team reports → Direct supervisor → Information Security Management Representative;
 - The Information Security Management Representative provides a verbal report to the Information Security Committee.
- 5. After incident resolution:**
 - The Information Security Management Representative decides whether the system owner needs to complete the "FIS-10 Information Security Notification and Corrective Action Form,"
 - Subsequent corrective measures are handled in accordance with "PIS-79 Information Security Corrective Action Management Procedures."

Specific Information Security Management Measures

Network Information Security Control

- Deploy and maintain enterprise firewalls.
- Conduct regular computer antivirus and malware scanning.
- Software installation and download permission control.
- Conduct periodic reviews of network services for network anomalies.
- Employees can only use legal software provided by the Company.



Information Access Control

- Configure data access permissions strictly aligned with employees' job functions.
- Computer equipment is maintained by designated personnel.
- Employees have individual accounts and passwords.
- Immediate cancellation of the employees' permission on the day of leaving the job.
- The original computer equipment used by personnel who changed job duties is taken back and managed by the Information Department.



Information Emergency Recovery Response Mechanism

- Practice system recovers regularly every year.
- Implement off-site data backup.
- Regularly check whether the emergency recovery response mechanism requires revisiting.



Educational Announcement and Examination

- Publicize the key points of information security at any time to enhance employees' awareness of information security.
- Regularly review the integrity of information security.



Information Security Protection Effectiveness

In 2025, Sysgration encountered 10 system intrusion incidents, all of which were effectively blocked. The effective blocking defense rate for external intrusion threats was **100 %**. Office equipment and host systems effectively prevented **4,980** virus threats.

In 2025, Sysgration reported the annual implementation status of Information Security Management in the Board of Directors Meeting, including the establishment of automatic backup and audit management of outgoing emails, the introduction of cloud operation environment, control of mobile storage devices, network behavior records, real-time communication records and other measures, as well as the host automatic backup and anti-virus system updates for part of the operating locations. In the future, Sysgration will continue to build independent backup network segments for all operating locations to automatically backup and restore the host data of each service, as well as promote file encryption, server vulnerability scanning, and off-site backup projects. We constantly improve information security management with a rigorous attitude to strengthen the Company's information security protection. To enhance employees' information security awareness and reduce the Company's cyber security risks, the Company regularly conducts and advocates information security education courses, continues to improve and maintain the Company's information security defense mechanism, and strengthens the implementation of information security through education and training. In 2025, Sysgration held information security training (including online courses) with a total of 369 participants, and continued to promote information security policies, regulations, awareness, and anti-phishing content via monthly email, providing safer and more reliable services. In 2025, Sysgration received no complaints regarding violations of customer privacy, and no incidents of information leakage, theft, or loss of customer data occurred.

2.7 Financial Assistance Received from Government

The table below shows the operating sites, types, and amounts of financial assistance received from government bodies by Sysgration in 2025:

Taiwan

Business location: Sysgration Taipei Headquarters
Type of Subsidy: Subsidy
The Ministry of Economic Affairs Industrial Upgrading Innovation Platform Guidance Program, totaling **NT\$ 6,000,000**.

Mainland China

Business location: Huizhou Plant
Type of Subsidy: Subsidy
Government subsidies for specialized, sophisticated, distinctive, and innovative enterprises, as well as incentive grants for technology enterprise cultivation and introduction of **RMB 300,000**.

Business location: Zhenjiang Plant
Type of Subsidy: Subsidy
Employment stabilization subsidy of **RMB 30,000**.

3

Chapter Products and Customers

3.1 Product Quality and Safety

3.2 Low-carbon Green Products

3.3 Customer Relationship Management



Sustainability Performance Highlights and Corresponding SDGs

SDG 7 Affordable and Clean Energy

- Sysgration actively expand the application of **low-carbon green products** and services. In the case of the energy storage system, its application scope covers semiconductor plants, communication base stations, cloud data centers, and communities. Industrial energy storage, assisting various types of customers in utilizing renewable energy more efficiently.
- Nankang Plant invested **NT\$26.05 million** in smart technology automation equipment to produce green energy equipment BBU (Battery Backup Unit). Compared to traditional UPS, BBU products can save **106,779 kWh** of electricity annually.

SDG 8 Decent Work and Economic Growth

- In 2025, Sysgration's R&D expenditure was **NT\$380 million**, representing a **14.5%** increase from 2024 and accounting for **11.1%** of total revenue, reflecting the Company's active commitment to new product development and breakthroughs in key technologies.

SDG 12 Responsible Consumption and Production

- All Sysgration Plants have obtained the Quality Management System **ISO9001:2015** and **IATF 16949:2016** Automotive Quality Management System certifications. Furthermore, the Nankang Plant and Zhenjiang Plant obtained **IECQ QC080000:2017** Hazardous Substance Process Management System certification.
- In 2025, the Company successfully recycled **176.62 kg** of second-hand solder paste, which effectively reducing approximately **28.31 kg** CO₂e emissions, which is equivalent to the annual carbon sequestration of approximately **1.89** mature trees.

SUSTAINABLE DEVELOPMENT GOALS

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION8 DECENT WORK AND
ECONOMIC GROWTH7 AFFORDABLE AND
CLEAN ENERGY



Management Approach of Material Topics Product Quality and Safety

GRI Indicators

GRI 3-3、GRI 416-1、GRI 416-2

Targets

Short Term (2026-2027):

- Regularly obtain and maintain certifications related to product and service quality, customer health, and safety to ensure that Standard Operating Procedures (SOPs) are effectively implemented throughout the design, manufacturing, and delivery processes.
- Enhance employees' awareness and engagement regarding product quality and customer health and safety issues, striving for 100% of employee participation in relevant training while consistently maintaining an overall training coverage rate above 95%.
- Increase investment in research and development, targeting an annual growth of at least 8% in R&D expenditure to support the development of high-quality, high-value-added new products.
- Increase the overall production automation coverage by more than 10% annually. Through process standardization, automated control of critical processes, and real-time monitoring mechanisms, the Company aims to reduce variations arising from manual operations, improve production stability and consistency, lower defect rates, and enhance product safety and delivery reliability.
- Comply with quality-related certification and management standards and ensure zero incidents of non-compliance with laws and regulations concerning product and service quality, as well as customer health, and safety.

Medium and Long Term (2028-2031):

- Deepen the implementation of the PDCA (Plan-Do-Check-Act) cycle for quality and customer health and safety management by conducting annual quality improvement initiatives and performance evaluations, and successfully completing and passing at least two internal and external audits each year to ensure the effective operation of continuous improvement mechanisms.
- Align the quality management system of the U.S. plant with automotive supply chain standards, aiming to successfully obtain IATF 16949 certification over the medium to long term to strengthen the consistency of global manufacturing sites and automotive product quality management capabilities.
- Maintain an overall customer satisfaction rate above 90% regarding product and service quality, serving as a key performance indicator of the effectiveness of customer health and safety management.
- Build a highly skilled and stable quality and safety management team to continuously elevate internal expertise, ensuring that at least 95% of relevant personnel continue to participate in advanced professional training related to quality and customer health and safety.

Description of Impact

Description of Positive Impacts:

Sysgration places great importance on product quality, customer health, safety, and data protection. The Company has implemented risk assessment and management mechanisms throughout the entire product lifecycle to ensure compliance with relevant regulations, standards, customer requirements, and operates in accordance with the ISO 9001 quality management system, thereby reducing product safety risks, enhancing customer trust, and creating positive value for both the environment and customers.

Description of Negative Impacts:

If product quality is not properly controlled during design, manufacturing, or delivery, products may fail to comply with regulations or customer requirements, thereby increasing rework, recall, and improvement costs and negatively affecting customer orders and the Company's reputation.

Policies and Commitments

- Following ISO 9001 and IATF 16949 management standards, Sysgration optimizes design verification, risk assessment, and mass production introduction processes. The Company has established a comprehensive governance framework for product quality, customer health and safety, and incorporates risk-oriented management into product development and life cycle management to ensure compliance with applicable regulations, industry standards, and customer specifications.
- The Company commits that all products will complete requirement confirmation, design verification, testing, and regulatory compliance review prior to full-scale mass production to guarantee product safety and consistent quality.

Responsible Unit

- Design: The Design Verification Department is responsible for the promotion, implementation, and review of product design verification.
- Production: The Quality Assurance Department is responsible for the promotion, implementation, and review of incoming materials/production quality policies.
- After-Sales: The Sales Department is responsible for the promotion, implementation and review of after-sales quality and after-sales service.



Grievance Mechanism

Customer Contact: sales@sysgration.com

Action Plans

Positive Impact Management:

- In accordance with the requirements of ISO 9001 and IATF 16949, Sysgration continuously optimizes its Quality Management Manual and management processes. Through annual internal and external audits and management reviews, the Company enhances the maturity of its quality management system and product quality performance.
- By obtaining IECQ QC 080000:2017 certification, the Company has strengthened hazardous substance management to ensure compliance with customer health and safety requirements and minimize potential health risks.
- The Taipei Headquarters and Nankang Plant have obtained TISAX AL2 certification. Sysgration continues to promote quality, safety, and information security education and training to mitigate risks, enhance customer trust, and deepen supply chain collaboration.
- In 2025, Sysgration completed the establishment of its U.S. plant and introduced automated production lines for Battery Backup Units (BBU) and TPMS Replacement products. Through process standardization, automated process control, and real-time quality monitoring, the Company has improved process stability and product consistency. In addition, Sysgration plans to align the quality management system of its U.S. facility with IATF 16949 requirements to further strengthen consistency and competitiveness across its global manufacturing footprint.

Negative Impact Management:

- Sysgration has established a comprehensive product quality and customer health and safety risk assessment mechanism to identify and mitigate risks throughout the design, manufacturing, and delivery stages. By integrating the V-Model development approach, the PDCA management cycle, automated equipment, and digitalized manufacturing processes, the Company reduces the likelihood of quality deviations and safety incidents while strengthening employees' risk awareness and self-management capabilities through education and training.
- Through the adoption of automated equipment, digitalized manufacturing processes, and regular training programs, Sysgration enhances the traceability of critical processes, minimizes variations arising from manual operations, and strengthens employees' risk awareness and self-management capabilities.
- In the event of product quality issues or customer health and safety incidents, the Company immediately initiates non-conformance handling, impact assessments, root cause analyses, and Corrective and Preventive Action (CAPA) mechanisms to prevent recurrence.
- Sysgration dynamically revises Standard Operating Procedures (SOPs), design specifications, and process control parameters. When necessary, the Company proactively communicates with customers to ensure transparency and timely responses, thereby minimizing adverse impacts and maintaining customer trust.

Effectiveness Assessment

- Senior management quality meetings are convened regularly to review product quality and customer health and safety issues, confirming annual objectives, strategies, and implementation progress.
- Internal and external audits are conducted annually to evaluate the effectiveness of management systems and ensure strict compliance with applicable regulations, standards, and customer requirements.
- Customer satisfaction surveys are conducted to collect feedback on product quality and safety. The Company also regularly monitors the implementation of management measures, SOPs, and cross-site quality performance indicators.
- Through process optimization, the introduction of automated equipment, and strengthened quality management practices, Sysgration achieved a 15% year-over-year (YoY) increase in its product yield rate. Furthermore, training coverage reached 95%, and zero incidents of non-compliance with laws and regulations related to product quality and customer health and safety occurred throughout the entire year.



Management Approach of Material Topics Low-Carbon Green Products

GRI Indicators

GRI 3-3、GRI 302-5

Targets

Short Term (2026-2027):

- Achieve a target energy storage installation capacity of 100 MWh by 2026, aiming for a 20% annual growth rate thereafter.
- Reduce energy consumption in production line processes by 5% annually and lower carbon emission intensity by 1.5% annually, thereby reducing product carbon footprints.

Medium and Long-Term (2028-2031):

- Reduce carbon emission intensity within production line processes by 6% annually.
- Reduce carbon emissions from production line processes by 4.5% annually.
- Ensure that low-carbon green products account for more than 50% of total annual revenue.

Description of Impact

Description of Positive Impacts:

Sysgration's low-carbon green products adhere to a development strategy centered on "Green Manufacturing and Green Design" in response to the global net-zero transition. Energy and environmental laws and regulations are becoming more stringent, and the energy structure continues to change. Sysgration cooperates with government policies to pragmatically promote energy conservation and carbon reduction. The Company is dedicated to advancing green business sectors, such as energy storage systems, to assist customers in reducing their product carbon footprints and aligning with the competitive trends of the future international market for low-carbon products.

Description of Negative Impacts:

Under current sustainability trend, the failure to invest in the R&D of low-carbon green products would diminish the Company's competitiveness in the low-carbon market. This could result in a reduction of new market opportunities or a total loss of market share, while also causing adverse environmental impacts.

Policies and Commitments

- Adopt environmentally friendly electronic raw materials and high-efficiency manufacturing technologies to reduce energy and resource intensity.
- Invest in the research, development, and application of energy storage systems and photovoltaic-related products.

Responsible Unit

- Product Design: Handled by the R&D Department.
- Green Product Management: Managed by the Green Product Department

Grievance Mechanism

sales@sysgration.com

Action Plans

Positive Impact Management:

- Allocate dedicated research and development funds explicitly toward low-carbon green products.
- Research and develop low-carbon energy-saving products to optimize energy efficiency during the product use phase.
- Promote low-carbon green production and the use of renewable energy in manufacturing facilities to decrease overall product carbon footprints.
- Implement comprehensive initiatives aimed at packaging reduction, enhancing recyclability, and minimizing environmental pollution.
- Collaborate with suppliers to promote green supply chain management and strengthen the principles of low-carbon and circular economy principles into raw materials and product components.

Effectiveness Assessment

- Production environment monitoring: Monitor energy and resource consumption within manufacturing processes on a quarterly basis, evaluating the real-time environmental impacts of the production line.
- Product performance testing: Conduct regular performance testing on Tire Pressure Monitoring System (TPMS) products to guarantee strict compliance with energy-saving and low-carbon standards.
- Customer satisfaction surveys: Execute quarterly customer satisfaction surveys to collect strategic feedback regarding the quality, safety, and performance of low-carbon green products, utilizing these insights for continuous product refinement and optimization.



Management Approach of Material Topics Innovative Products and Services

GRI Indicators

GRI 3-3

Targets

Short Term (2026-2027):

- Increase the investment in new product R&D by at least 8% per year and continue to maintain the R&D expenses at 10% or more of total revenue.
- Achieve a 90% verification rate for new products, such as AI PCs, Unmanned Aerial Vehicles (UAVs), and Industrial Battery Backup Units (BBUs), and successfully transition them to mass production.
- Increase the revenue contribution of new products to 30% or more, gradually reducing dependency on any single product line.

Medium and Long Term (2028-2031):

- Elevate the revenue share of innovative products to over 50%, transforming them into the Company's primary growth engine.
- Actively secure international market certifications and continuously expand presence in key markets across the U.S., Europe, and Asia.
- Establish a comprehensive AI smart manufacturing and energy storage solution ecosystem to become an innovation leader in the industry.

Description of Impact

Description of Positive Impacts:

By focusing on the development and mass production of diversified, high-value-added product lines and actively investing in the R&D of innovative products and services, Sysgration enhances its competitiveness in emerging markets such as smart manufacturing, data centers, and smart logistics. The market introduction of innovative products helps improve revenue structure, strengthen brand image, expand into international markets, and drive industry upgrading, thereby supporting the Company's long-term growth momentum.

Description of Negative Impacts:

initial stage of new product development and introduction, significant resources and R&D expenses are required, and in the short term, costs may rise, and profitability may come under pressure before revenue is scaled up. In addition, if new products fail to pass market validation or certification smoothly, the risks of R&D failure and resource waste will increase, affecting the Company's financial performance.

Policies and Commitments

- Sysgration actively invests in the development of innovative products, continually increasing the proportion of R&D expenditures to reinforce its technological leadership in fields such as AI, Industrial PCs (IPCs), Unmanned Aerial Vehicles (UAVs), and energy storage.
- The Company keeps pace with international regulations and market trends to meet emerging product safety and certification requirements from global markets and customers.

Responsible Unit

- Product design and R&D: Handled by the R&D Department.
- Quality assurance and mass production: Managed by the Quality Assurance Department.
- Market promotion and customer services: Managed by the Sales Department.

Grievance mechanism

sales@sysgration.com

Action Plans

Positive Impact Management:

- Establish cross-departmental innovation project teams to drive integrated management from product design and verification to mass production.
- Formulate risk assessment and early-warning mechanisms for new product development to dynamically adjust R&D strategies in a timely manner.
- Strengthen quality control and market verification during the New Product Introduction (NPI) phase to mitigate R&D failure risks.

Negative Impact Management:

- Periodically examine the execution effectiveness of innovative projects to optimize resource allocation and workflow management.

Effectiveness Assessment

- Hold regular senior management meetings for innovative products to examine the target achievement status and strategic adjustments.
- Track the verification rate of new products, progress of mass production, and effectiveness of market introduction.
- Regularly conduct customer satisfaction surveys to collect strategic market feedback innovative products.
- Quantify key performance indicators, such as new product revenue shares and R&D investment growth rates, to serve as an objective basis for performance evaluation.



3.1 Product Quality and Safety

3.1.1 Product Quality and Safety

Ensuring stable product quality is essential to meet customer expectations and sustain long-term business development. Sysgration follows quality management standards such as ISO 9001:2015 and IATF 16949:2016, formulates its quality manual accordingly, and is committed to establishing a comprehensive quality management system to ensure DQA (Design Quality Assurance), VQA (Vendor Quality Assurance), MQA (Manufacturing Quality Assurance), and SQA (Service Quality Assurance). The Company regularly reviews and revises related content, holds internal and external quality audit management review meetings every year, and reports the results to the General Manager. In order to complete design and production on schedule, Sysgration continuously strengthens manufacturing technology and quality control to meet customer demand for high-quality products, applying the PDCA principle to the five major production factors of personnel, equipment, materials, methods, and environment, and striving to achieve the high-quality goal of zero defects.

Certification Obtained by Sysgration

Item	Certification	Nankang Plant	Huizhou Plant	Zhenjiang Plant	Toufen Plant
Quality Management	ISO 9001:2015 Quality Management System	○	○	○	○
	IATF 16949:2016 Automotive Quality Management System	○	○		
	IECQ QC080000:2017 Hazardous Substance Process Management System	○		○	
Functional Safety	ISO 26262:2018 Functional Safety Management System – FSMS and Production Process for Auto-motive	○	○		
Environmental Management	ISO 14001:2015 Environmental Management Systems	○	○	○	○
	ANSI/ESD S20 20-2021 Protection of Electrical and Electronic Parts	○	○		
Information Security	ISO/IEC 27001:2022 Information Security Management Systems (2025.03)	○			
	TISAX AL2 Information Security Assessment	○			

In 2025, Sysgration established a comprehensive product quality management framework, with senior management setting the direction for quality governance and a dedicated quality management unit coordinating planning and execution. This ensures that product quality, along with customer health and safety requirements, is effectively implemented at every stage of the product lifecycle.

At the governance level, the executive management team reviews quality- and safety-related strategies, annual objectives, and implementation performance through regular quality management meetings, while providing cross-departmental coordination and resource support. At the management system level, Sysgration adheres to automotive supply chain quality management standards, such as ISO 9001 and IATF 16949, establishing unified quality management systems and Standard Operating Procedures (SOPs) that serve as a common operational baseline across all manufacturing sites and business units.

During the product design and development phase, the Company utilizes the V-Model development process, embedding customer needs, regulatory compliance, and quality requirements into front-end design planning. This structured development lifecycle and project management framework clearly defines development phases and expected deliverables. Through rigorous design verification and validation activities, quality and safety risks are proactively identified and mitigated prior to mass production. This design management process is also integrated with the PDCA cycle to serve as a foundation for continuous improvement and strategic knowledge feedback.

During the manufacturing and mass production stage, quality assurance and manufacturing-related units at each plant jointly implement process control and quality monitoring. In 2025, the Company completed the establishment of its U.S. plant and introduced automated production line equipment for BBU and TPMS Replacement products. Through process standardization, automated control of critical processes, and real-time quality monitoring, Sysgration minimizes variations arising from manual operations, elevates production stability and consistency, and ensures the seamless reproducibility of quality management frameworks across all global plants.

Furthermore, Sysgration regularly reviews the effectiveness of its quality management system through internal and external audits, customer satisfaction surveys, and performance tracking mechanisms. The insight gathered is systematically fed back into the design, manufacturing, and management processes, creating a closed loop cycle for continuous quality improvement. Through this multi-level, cross-departmental, and systematic quality management architecture, the Company continuously strengthens its capabilities in product quality and customer safety, successfully meeting the stringent stability and reliability requirements of the global automotive supply chain.

List of Certifications



<https://www.sysgration.com/en/certification/nankang>

Product Quality Management and Highlights

Digital quality monitoring mechanisms have been fully implemented across the five major manufacturing processes. Through real-time data collection and abnormality alerts, quality control is shifted upstream to the production stage, enhancing real-time responsiveness and preventive capabilities.



In the SMT process, AOI (Automated Optical Inspection) serves as the primary inspection method, complemented by the introduction of AXI (Automated X-ray Inspection) for non-destructive testing of BGAs components and hidden solder joints, strengthening control over soldering quality and long-term product reliability.



Automated production lines, including BBU and TPMS Replacement lines, have implemented comprehensive process quality data collection and monitoring systems to reduce variability caused by manual operations and improve production stability and consistency.



Quality inspection data are integrated with product serial numbers, batch information, and process parameters, enhancing product traceability and supporting the quality and functional safety requirements of IATF 16949 and ISO 26262 for automotive products.

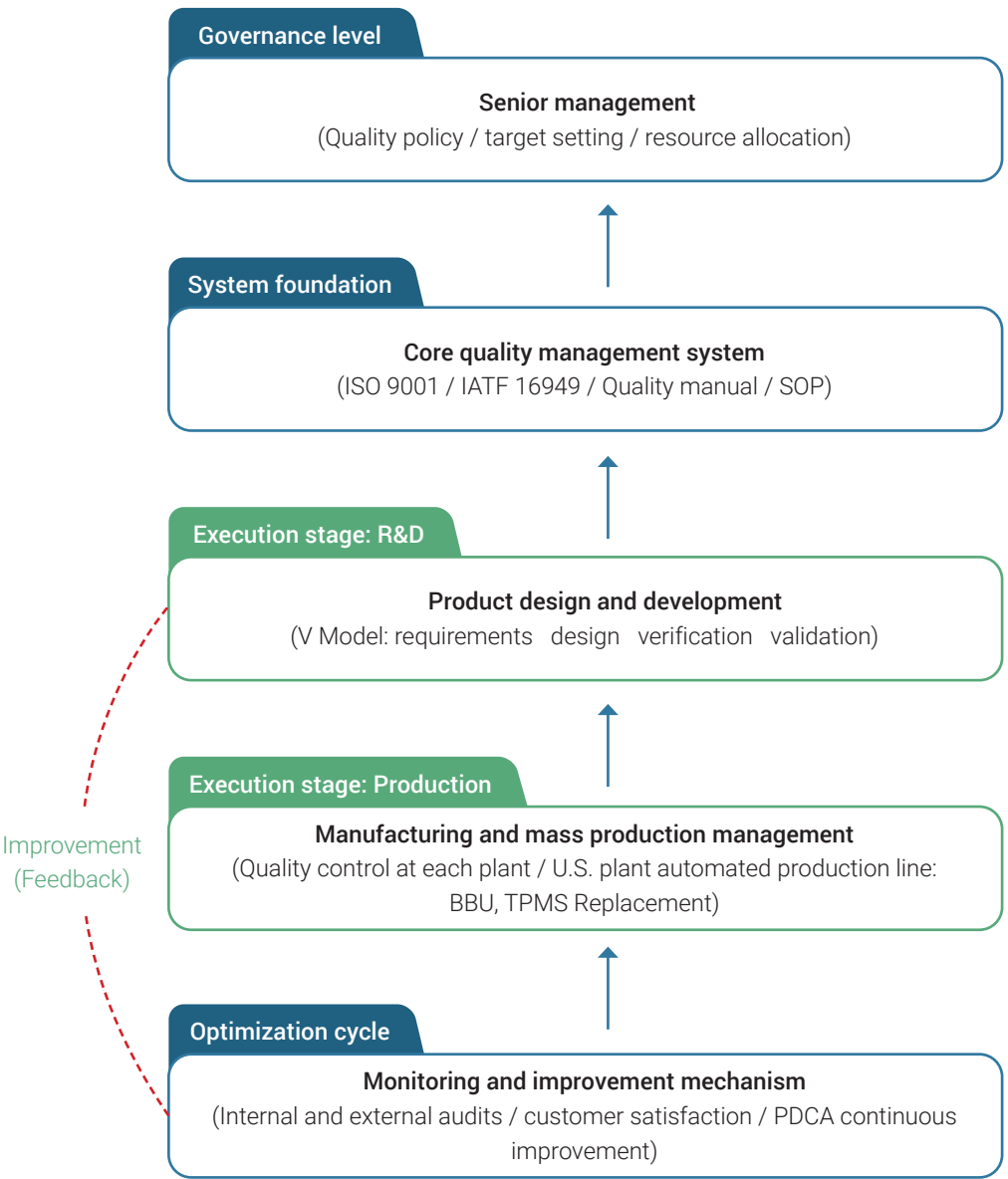


Through digital quality data analytics and the PDCA cycle management mechanism, the Company continuously drives process optimization and quality improvement while strengthening cross-site quality management capabilities.



Sysgration is committed to ensuring the high quality and reliability of its electronic products. Quality planning and control begin at the source of manufacturing materials to prevent low yields in downstream production processes. Starting from the incoming material stage, Electrostatic Discharge (ESD) controls are implemented throughout all manufacturing processes. The Company has successfully obtained ANSI/ESD S20.20 certification, which establishes electrostatic protection measures and operational requirements for electronic components, products, and equipment during manufacturing. These measures effectively control the generation and discharge of static electricity, thereby enhancing product quality, reliability, and overall stability.

Sysgration 2025 Product Quality Management Framework





Sysgration has deployed Enterprise Resource Planning (ERP) and Manufacturing Execution Systems (MES) across all global plants to standardize management processes, improve system integration, and achieve product quality traceability. The production lines drive quality excellence through the following pillars:



1 Incoming Quality Control (IQC)

- A digitalized incoming inspection mechanism has been established for critical raw materials and components, including electronic components, battery modules, and sensors.
- Inspection results are recorded in real time within the Quality Management System (QMS) and linked to suppliers, production batches, and product models to ensure full traceability of incoming material quality.
- Any non-conformance inspection data is immediately reported to the relevant departments, providing a basis for supplier quality management and continuous improvement initiatives.



2 Monitoring of Critical Manufacturing Process Parameters

- In-Process Quality Control (IPQC): Digitalized process monitoring has been implemented at critical manufacturing stations to enable real-time measurement and recording of key parameters, including voltage, current, temperature, and pressure.
- When process parameters deviate from predefined specifications, the system immediately issues alerts and initiates corrective actions in accordance with established procedures, thereby mitigating the risk of process-related quality issues.
- This mechanism is widely deployed across the automated production lines for BBU and TPMS Replacement products, successfully enhancing production stability and consistency.



3 Automated Optical Inspection (AOI), Automated X-ray Inspection (AXI), and Functional Testing

- Automated Optical Inspection (AOI) serves as the primary inspection mechanism within the SMT process, performing real-time verification of solder joint quality, component placement, and assembly integrity, thereby reducing the risk of surface-level defects escaping detection.
- To further enhance quality control, Automated X-ray Inspection (AXI) has been deployed on SMT production lines to conduct non-destructive internal inspections of critical soldering areas, including BGA packages, hidden solder joints, and other locations not visible to the naked eye. This strengthens control over soldering quality and product reliability at a deeper structural level.
- AOI and AXI inspection data are automatically captured and uploaded to the Quality Management System (QMS) in real time. The data is linked to product serial numbers, production batches, and process parameters, enhancing traceability and supporting the rigorous process monitoring and quality evidence requirements of IATF 16949 and ISO 26262 Functional Safety.
- Functional Testing is performed during the final production stage to verify that finished products meet all design specifications and safety requirements. Together, AOI, AXI, and Functional Testing establish a multi-layer quality assurance mechanism covering external appearance, internal structure, and functional performance.



4 Final Quality Control and Outgoing Quality Control (FQC/ OQC)

- Prior to shipment, finished products undergo inspection through a digitalized final inspection system to ensure that product specifications, functionality, and quality status meet all requirements before release.
- Shipment quality records are integrated with customer, order, and batch information, ensuring complete traceability of product quality data throughout the supply chain.
- In the event of any quality issue, Corrective and Preventive Actions (CAPA) are initiated in accordance with established procedures to minimize the risk of defective products reaching the market.



5 Quality Data Integration and Non-Conformance Analysis

- Quality inspection data from all manufacturing processes is consolidated into a centralized quality database, providing a reliable foundation for quality analysis and management decision-making.
- Through trend analysis and root-cause traceability of anomalies, the system supports continuous improvement based on the PDCA cycle (Plan-Do-Check-Act) while meeting the stringent functional safety documentation requirements of ISO 26262.
- The Quality Management team regularly reviews and analyzes quality data to identify opportunities for process improvement, equipment optimization, and design enhancement.

In 2025, Sysgration accelerated production line automation and standardization, completed the establishment of its U.S. plant, and deployed automated manufacturing lines for BBU (Battery Backup Unit) and TPMS Replacement products used in data center architectures. Through process standardization, automatic control of critical processes, and real-time quality monitoring systems, the Company effectively reduced variations arising from manual operations while improving production stability and manufacturing consistency across all plants. Within the SMT and assembly processes, Sysgration also introduced AOI and AXI inspection equipment, integrating them with functional testing and final inspection procedures to establish a multi-layered and systematic automated quality inspection mechanism supporting the high-reliability manufacturing needs of automotive products, data center equipment, and smart system products.

In addition, the Company's existing and future planned smart products and services focus on enhancing user convenience, optimizing management efficiency, and strengthening customer experiences. By integrating digital technologies, data analytics, and intelligent applications, Sysgration aims to develop product and service models that align closely with evolving market demands. Currently, the Company is deploying a comprehensive range of smart products and will continue to enhance product functionality and integration capabilities in line with industry trends and customer needs, thereby driving overall service quality and market competitiveness. Core product descriptions are detailed below:

Industrial-Grade Battery Backup Unit (BBU)

Primarily applied in Data Center server rack-level power backup architectures, providing high reliability, rapid switching, and stable power support to ensure continuous and stable operation of critical information infrastructure during power anomalies.

Automotive Tire Pressure Monitoring System (TPMS Replacement)

Compliant with automotive quality and functional safety requirements, providing real-time tire pressure monitoring to enhance driving safety.

Unmanned Aerial Vehicle (UAV)

Applied in industrial inspection, environmental monitoring, and specialized operation scenarios, featuring stable flight control and real-time data transmission capabilities.

Ground Control Tablet for Unmanned Aerial Vehicle (UAV)

Serves as a mission control and video display platform for UAVs, improving operational efficiency and mission reliability to satisfy long-duration and high-reliability application requirements.

Edge AI Box

Provides real-time AI inference and data processing capabilities for applications such as image analysis, equipment monitoring, and intelligent decision-making, effectively reducing cloud latency and improving edge resilience.

3.1.2 Hazardous Substance Process Management

Sysgration adheres to the IECQ QC080000 standard and has established the "Hazardous Substance Risk Classification and Sampling Inspection Procedures." Developed with reference to the latest international laws, regulations and trends— including RoHS, REACH, WEEE directives— these procedures govern the sampling, inspection, and testing of raw materials and finished products. Concurrently, Sysgration requires all suppliers to sign a "Commitment to Substance of Very High Concern (SVHC) and Hazardous Substance-Free Compliance." The Company utilizes the PDCA cycle to rigorously manage prohibited and restricted substances within raw materials and manufacturing processes, protecting consumer health and safety from hazardous substance exposure and related risks.

To enhance environmental substance detection capability, Sysgration plans to introduce XRF (X-ray Fluorescence Spectrometer) instruments to ensure that every stage from incoming materials through the process to finished products meets hazardous substance-free requirements, including incoming materials, manufacturing processes, and finished products. We are committed to constantly improving the eco-friendly materials of our products to ensure that all products comply with global standards and customers for environmental protection standards and further strengthen our commitment to responsible production and quality control.

Factory Hazardous Substance Process Management System
 IECQ QC 080000 : 2017
 Certification

Nankang Plant
Expiry: April 10, 2026

Zhenjiang Plant
Expiry: January 30, 2026



Plan

- Identify and classify which raw materials are prohibited or restricted substances.
- Establish management plans and goals for prohibited and restricted substances.
- Each unit determines the goals and processes every six months and establishes a quarterly plan to achieve the goals.



2025 Implementation:

- The Restricted Substance List (RSL) was updated 3 times (covering RoHS, REACH, PFAS (Per- and Polyfluoroalkyl Substances), with PFAS controls primarily focused on product packaging materials.
- Updated supplier material specification documents in accordance with the latest regulatory updates and formally notified all 35 key suppliers.
- A new mechanism for comparing high-risk substances (such as those on the REACH SVHC list) has been added to enhance the efficiency of document review.

Do

- Secure formal declarations from suppliers, specifically the "Declaration of Non-Use of Prohibited and Restricted Substances."
- Organize professional education and training for both internal personnel and external supply chain partners.
- Review the implementation roadmap once every six months, with the Company's designated responsible unit collecting and analyzing operational data.



2025 Implementation:

- Processed 368 applications for new material reviews, achieving a 95% qualification approval rate.
- Conducted 290 random sampling tests for restricted substances in incoming materials, achieving a 100% compliance rate.
- Successfully achieved 100% implementation of dedicated material composition control fields within the Enterprise Resource Planning (ERP) and Product Lifecycle Management (PLM) systems.
- Successfully conducted 1 comprehensive training seminar for key suppliers, reaching 69 participants.

Act

- Improvement and prevention of Audit Non-Conformities.
- Act according to the audit results, provide improvement process and update the plan.



2025 Implementation:

- Required 12 suppliers with documentation non-conformities to submit formal 8D problem-solving reports; all cases were successfully verified and closed.
- Updated internal management guidelines once in accordance with market conditions and latest regulations (REACH SVHC 2025 version).
- Tracked improvements to audit deficiency items; improvement completion rate reached 100%.

Check

- Audit substance origins and establish clear product model applicability (component-to-model mapping).
- Conduct regular sampling inspections of raw materials and finished goods alongside rigorous supplier site audits.
- Execute periodic verification and maintenance of the IECQ QC080000:2017 Hazardous Substance Process Management System certification.
- Compare the actual results with the expected results every six months, and the Company's unit responsible determines whether further improvement is required.



2025 Implementation:

- Completed hazardous substance compliance audits for 16 key suppliers, achieving a 100% passing rate.
- Tracked and recorded 0 incidents of restricted substance anomalies in incoming materials throughout the entire year.
- Established centralized monthly material intake reports to perform dynamic data-driven trend analyses.



3.2 Low-carbon Green Products

3.2.1 Green Product Design

Sysgration started with automotive electronics and has in recent years integrated the Internet of Vehicles (IoV) and the Internet of Things (IoT) to develop systems and integrated solutions, launching diverse products and services. To demonstrate our determination toward environmental friendliness, we have continuously invested in the R&D and manufacturing of green products for nearly a decade, focusing primarily on energy storage systems and battery module products. Sysgration implements green design based on the principles of environmental protection, actively responding and contributing to energy-saving, carbon-reduction, and green-energy priorities through continuous breakthroughs and advancements in innovative R&D.

The main product lines of Sysgration use the latest semiconductor chips and introduce System on a Chip (SoC) design to integrate several chips with different functions into one, thereby reducing material volume and cost, improving production efficiency, reducing power consumption and increasing computing speed, leading the development and design of the next generation of tire pressure monitoring, energy storage and automotive electronics toward the direction of energy saving and environmental protection. Regarding the product application, we provide leading product architecture design in the industry, easy to integrate and compatible with various software APPs while satisfying the use scenario requirements of different customers, reducing the use of redundant electronic products. While improving product functions, we increase energy and raw material use efficiency, demonstrating the professionalism and competitiveness of Sysgration, which allows our products to be continuously favored by customers.

Green Design Thinking Across the Product Life Cycle

	Practices	2025 Performance
 Raw Materials Stage	1.Reduce use of chemical: agents: Traditional rubber surface treatment often requires the use of large amounts of solvents or strong acids and alkalis. Plasma activation is a physical method that significantly reduces the use and emission of hazardous chemicals, thereby reducing pollution to air and water resources.	- Introduced the plasma activation process to replace traditional high-pollution chemical treatments, effectively reducing volatile organic compound (VOCs) and wastewater emissions to implement green processes. - Optimized rubber surface treatment processes through plasma activation technology to improve energy efficiency and reduce carbon footprint. - Enhanced rubber product durability through plasma treatment to reduce material loss and replacement frequency, promoting a circular economy.
	2. Reduce energy consumption and carbon emissions: Modern plasma systems can precisely control energy output and consume less energy compared to heat treatment, which helps reduce carbon emissions and achieve net-zero emissions goals.	
 Manufacturing Stage	3. Improve product lifespan and reduce resource waste: Surface modification can increase the adhesion between rubber and other materials, improve product durability, and thus extend service life and reduce the frequency of maintenance and replacement.	
	1.Reduce energy consumption and resource waste: Traditional manual testing processes are time-consuming and may lead to repeated work. Automation can improve efficiency, reduce equipment idle time, and decrease the frequency of re-testing, thereby reducing the waste of energy and test samples.	
	2. Reduce carbon footprint and testing resource consumption: Automated systems have scheduling and data recording functions that prevent redundant testing and operational errors, thereby reducing carbon emissions and consumable usage during the production process.	- Introduced an automated 4G LTE testing system to effectively shorten the test cycle and reduce unnecessary power consumption and material loss, realizing green manufacturing. - Through intelligent test scheduling and resource optimization, the automated system helped the Company reduce carbon emissions and testing-related consumables by 20%.



Distribution and Sales Stage

Use Stage

Waste Disposal Stage

Practices

1.Reduce packaging material waste and carbon footprint:

Automated packaging can precisely control the usage and cutting size of shrink films to reduce material waste, improve packaging consistency, and lower the overall carbon footprint.

2.Support recyclable packaging material applications:

Through standardized and automated packaging processes, it is easier to use eco-friendly heat shrink films (such as recyclable or bio-based materials), strengthening the overall environmental attributes of products.

3.Improve energy use efficiency:

New automated heat shrink packaging equipment features energy-saving heating control systems that reduce electricity and heat waste while maintaining packaging quality.

- Design energy-saving products with higher performance and low power consumption to promote energy conservation and resource conservation.
- Incorporate thinking about extending product life into R&D, such as through designs allowing easy disassembly and recycling, so that consumers are not forced to replace the entire product when they wish to upgrade components during the use stage.

- Provide recycling and disposal services, such as establishing recycling networks, providing recycling instructions, and designating collection points.
- Reduce the environmental impact of products, such as handling hazardous substances during the product disposal process and reducing the negative environmental impacts of hazardous waste substances.

2025 Performance

- Introduced an automated heat shrink film packaging process, effectively reducing packaging material usage by 5% and the packaging defect rate by 10%, thereby reducing waste and carbon emissions.
- Alongside the upgrade of automated packaging equipment, the Company introduced recyclable heat shrink film materials to actively support plastic reduction and circular economy strategies.
- Deployed energy-saving automated heat shrink equipment, reducing packaging energy consumption by approximately 15% and supporting factory energy-saving and low-carbon transformation goals.
- Featured products such as AR smart glasses utilize Qualcomm 6490 chips and a low-power mode to reduce electricity consumption by 25%.
- Implemented smart power management, reducing standby power consumption by 30%.
- In 2025, a total of 176.62 kg of waste solder paste was recycled, effectively reducing approximately 28.31 kg of CO₂e emissions, which is equivalent to reducing the annual carbon sequestration of approximately 1.89 mature trees. This initiative not only reduces the risk of soil and water pollution from heavy metals such as tin and lead, but also avoids toxic gases generated by incineration or landfilling. Through recycling and reuse, resources are saved, and the Company's commitment to environmental sustainability and fulfilling its green manufacturing responsibilities.

Green Energy and Energy-Saving Equipment Investment

In 2025, Sysgration invested NT\$26.05 million in smart automation equipment at the Nankang Plant in Nantou, Taiwan, to produce Battery Backup Unit (BBU) green energy equipment, replacing traditional lead-acid battery UPS systems that are unfriendly to the environment. The BBU products manufactured through this investment feature long battery life, high efficiency, compact size, and environmental friendliness. Furthermore, the power conversion utilizes a DC-to-DC architecture, which minimizes power loss and delivers distinct energy-saving advantages. Under identical product specifications, it saves an average of approximately 8% of electricity compared to traditional lead-acid battery UPS systems. By replacing traditional UPS systems, the Company's BBU products generate annual electricity savings of 106,779 kWh. This new investment not only enhances the production efficiency and yield rate of smart manufacturing (in response to SDG 9), but also accelerates the market adoption of high-efficiency BBU products. Through high-efficiency lithium battery technology replacing traditional highly polluting lead-acid batteries, the Company helps customers reduce power conversion losses, and is expected to deliver energy savings and carbon reduction benefits that will grow exponentially across the entire industry chain, substantively deepening the sustainability value of SDG 7 (Affordable and Clean Energy).



Sysgration Low-Carbon Green Products

Energy Storage System



With the rapid development of renewable energy technologies, the power market's demand for energy storage systems is growing rapidly. The large-scale development of solar energy, electric vehicles, and new energy sectors relies heavily on the support of energy storage technology. Sysgration's energy storage system products and solutions are applicable across numerous fields, such as residential, industrial, commercial, medical, and transportation sectors, and are widely used in renewable energy systems like solar and wind power to improve grid stability.

Tire Pressure Monitoring Systems



Sysgration's Bluetooth Tire Pressure Monitoring System (TPMS) stands out for being compact, lightweight, and durable, with a service life 50 to 100% longer than traditional wireless tire pressure sensors. Its stable, and real-time wireless transmission technology eliminates internal vehicle wiring and reduces energy consumption. By monitoring tire pressure in real time, it ensures driving safety and maintains optimal vehicle operating conditions, effectively reducing increased engine fuel consumption and carbon emissions caused by underinflated tires while extending tire service life. Tire pressure monitors accounted for 40% of 2025 revenue.

Rugged Vehicle Computer



Rugged vehicle computers are applied in different types of environments and industrial vehicles equipment, these systems require high computing capabilities to operate under strict industrial conditions. When installed in construction or agricultural vehicles, they function normally under extreme vibration, severe temperature fluctuations, and direct sunlight exposure. Sysgration adopts the new generation NXP i.MX8 design, which significantly elevates computing performance while reducing product power consumption by up to 30%.

Rugged Industrial Tablet Computer



Rugged Industrial tablet computers focus on durability and stability, able to withstand the most demanding operating environments, serving as core platforms for data capture, processing, and transmission. Sysgration utilizes the new generation Qualcomm 6490 platform, which drastically improves computing efficiency, reduces product power consumption by 30%, and expands connection coverage by 80%. The entire product line can be customized for to meet specific business needs, including manufacturing, warehousing, military defense, electronic flight bags (EFB) for aviation operations, field services, transportation, and emergency services (police, fire, and rescue).

Rugged Head-mount Device



Sysgration RealWear Rugged Head-mount Device can be used in hazardous environments. We regard safety as the first consideration, designed for hands-free operation via voice commands only, it replaces PDAs to achieve a lightweight form factor that saves both power and manufacturing materials. Equipped with a first-person view video camera and an environmental noise-canceling microphone, it enables technical experts to provide precise remote instructions to onsite operators, thereby reducing personnel travel distances and associated carbon footprints.

LED Smart Streetlights

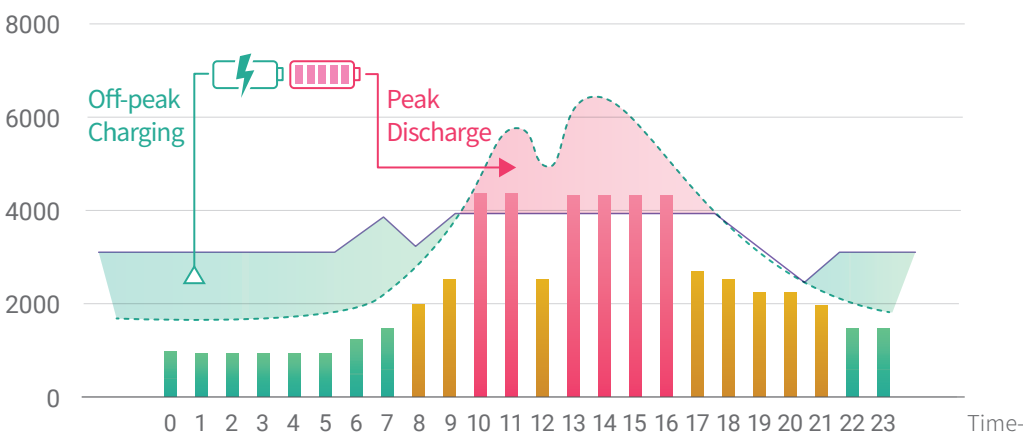


This is a public lighting system using high-efficiency LEDs as the light source, adopting wireless transmission intelligent control technology. It features automatic dimming, remote monitoring, and active fault alerting, significantly saving electricity (with energy savings exceeding 20%) while reducing long-term maintenance costs.

Energy Storage System Technology

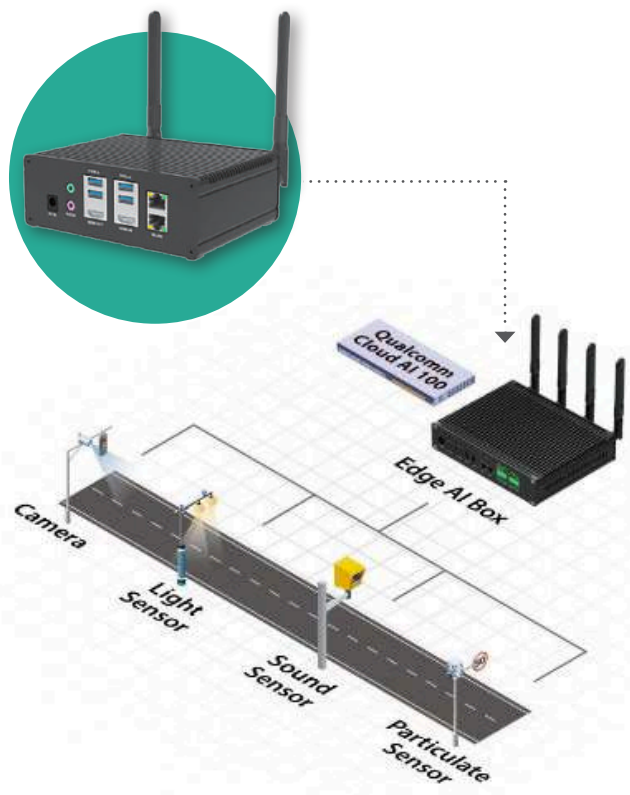
With the renewable energy business opportunities brought by the net-zero wave, Sysgration's core products "Energy Storage System (ESS)" and "Battery Pack" can help renewable energy power generation operators improve energy efficiency. Because solar and wind power generation fluctuate based on meteorological changes, they often cannot provide a stable power supply that matches grid load demands. Utilizing battery energy storage systems allows operators to store electricity during low grid-load periods and discharge energy during high-load periods, this regulates power consumption frequency to achieve an effective "peak shaving and valley filling" outcome, mitigating intermittent power supply issues and elevating terminal energy efficiency.

Furthermore, battery cell imbalances can lead to overcharging or over-discharging within a single cell of an energy storage enclosure. In addition to safety concerns, this also shortens battery life. To address this, Sysgration has launched a series of detection and testing solutions that can simulate the charging and discharging behavior of an energy storage cabinet during frequency regulation compensation for the grid, detect the voltage change of the battery cell during the frequency modulation process, and identify the quality defects of the energy storage cabinet assembly, avoid the state of overcharge or over-discharge of battery cells, thereby prolong the cycle life of the energy storage cabinet and reduce the waste of equipment resources.



AI Box

The AI Box is a high-performance, scalable solution designed for AI applications requiring high traffic volume and low latency, including machine vision, industrial automation, and smart city technology. Traditional AI servers maintain relatively high-power consumption even under low-load conditions, while the AI Box can reduce energy consumption through intelligent power management. After testing, the AI Box is able to reduce the power consumption by approximately 40% to 50% compared to traditional AI servers under a low-load state.

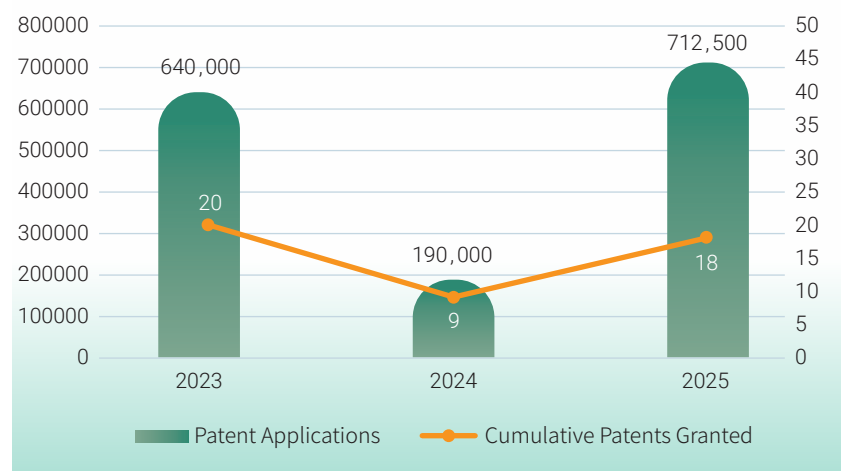




3.2.2 Innovative Product R&D and Patent Incentive Mechanism

To accelerate the innovative R&D of low-carbon green products, Sysgration has implemented a patent reward mechanism to encourage employees to actively participate in technological innovation and R&D. The Company established the "Regulations for Patent Application and Rewards" to provide timely incentives to applicants and those who have received patents. Concurrently, a systematic intellectual property management framework has been deployed, supported by a committee review system that evaluates patent application quality and market positioning to guarantee high-quality patent protection for the Company. 18 patent applications and grants were finalized, with incentive bonuses totaling NT\$ 712,500 awarded to employees.

Patent Award Issuance Cases in the Past Three Years



Regarding external technology innovation policies, Sysgration has strengthened strategic collaborations with startups and university research institutions to execute low-carbon technology transfers and joint R&D initiatives, driving the shared benefits of green innovation. Furthermore, the Company actively participates in industry-academic collaborative R&D programs, establishing strong connections with industry associations and technology standardization organizations to contribute directly to the formulation of future technological innovation standards.

3.2.3 Product Exhibition Participation Record

Sysgration's Participation in Domestic and International Exhibitions

2023	2024	2025
- Computex Taipei - Energy Taiwan and Net-Zero Taiwan	- Computex Taipei - Energy Taiwan	- Energy Taiwan and Net Zero Taiwan - Computex Taipei - Taipei Aerospace & Defense Technology Exhibition - Taiwan Expo USA



Energy Taiwan



Computex Taipei



Taipei Aerospace & Defense Technology Exhibition



Taiwan Expo USA

3.2.4 Future Outlook for Low-Carbon Green Products

As the impacts of climate change intensify, sustainable development has become an important issue closely related to the public. Nowadays, consumers focus more on purchasing sustainable and low-carbon green products when purchasing consumer products. Combined with increasingly stringent international carbon reduction requirements and environmental regulations, and the promotion of circular economy development using recycled materials, the shift of consumer products toward low-carbon transformation and resource circular utilization has become an inevitable trend.

The low-carbon green product portfolio offered by Sysgration, comprising energy management systems, battery management systems, automotive components, and smart wearables, not only unlock new commercial opportunities and strengthens sales performance but also effectively mitigates energy consumption costs. This satisfies environmental requirements and creates a win-win scenario for both clients and the external environment. Moving forward, we will continue to pioneer new products that adopt eco-friendly electronic materials and brand-new designs, maximizing product energy efficiency to sharpen our industrial competitiveness in green manufacturing processes. We remain dedicated to providing high-reliability, premium-quality, and low-carbon products and services to ensure the long-term sustainability goals of our portfolio are fully met.

Upcoming Low-Carbon Green Products and Services Planned by Sysgration

Energy Storage System	Among the four major application product lines, including lithium batteries and energy storage systems , the BBU and SMR standard batteries are widely used in the data center industry, which serve as the main pillars, followed by high-rate application lithium battery modules for UPS systems. These all utilize self-developed products and OEM manufacturing, further integrating with ecosystem partners to incorporate Power Conversion Systems (PCS), Electronic Manufacturing Services (EMS), construction, and system integration into a team with one-stop service capabilities. Meanwhile, high energy storage efficiency can effectively extend the service life of batteries and implement environmental friendliness.	Tire Pressure Monitoring Systems	Tire Pressure Monitoring System (TPMS) developed by Sysgration in the future is expected to reduce waste by 30 % during the production process and reduce energy consumption by 50 % compared to currently existing products.
In-Vehicle Computer	The computational power of Qualcomm’s 6490 AI allows the AI Box to achieve optimal performance, realizing real-time smart computing, and effectively reducing energy consumption. Through high-efficiency and low-power design, it reduces operating costs and carbon footprints, helping enterprises realize energy conservation, carbon reduction, and green product concepts.	LED Street Lights	Replacing traditional street lights with LED street lights saves more than half of electricity consumption through high luminous efficacy; being environmentally friendly and mercury-free, it will not cause environmental pollution. Its long service life is 3 to 6 times that of traditional lighting fixtures, significantly reducing maintenance and replacement costs. It can also be combined with intelligent control to achieve smart management, proactively lowering brightness during specific time periods to save energy.





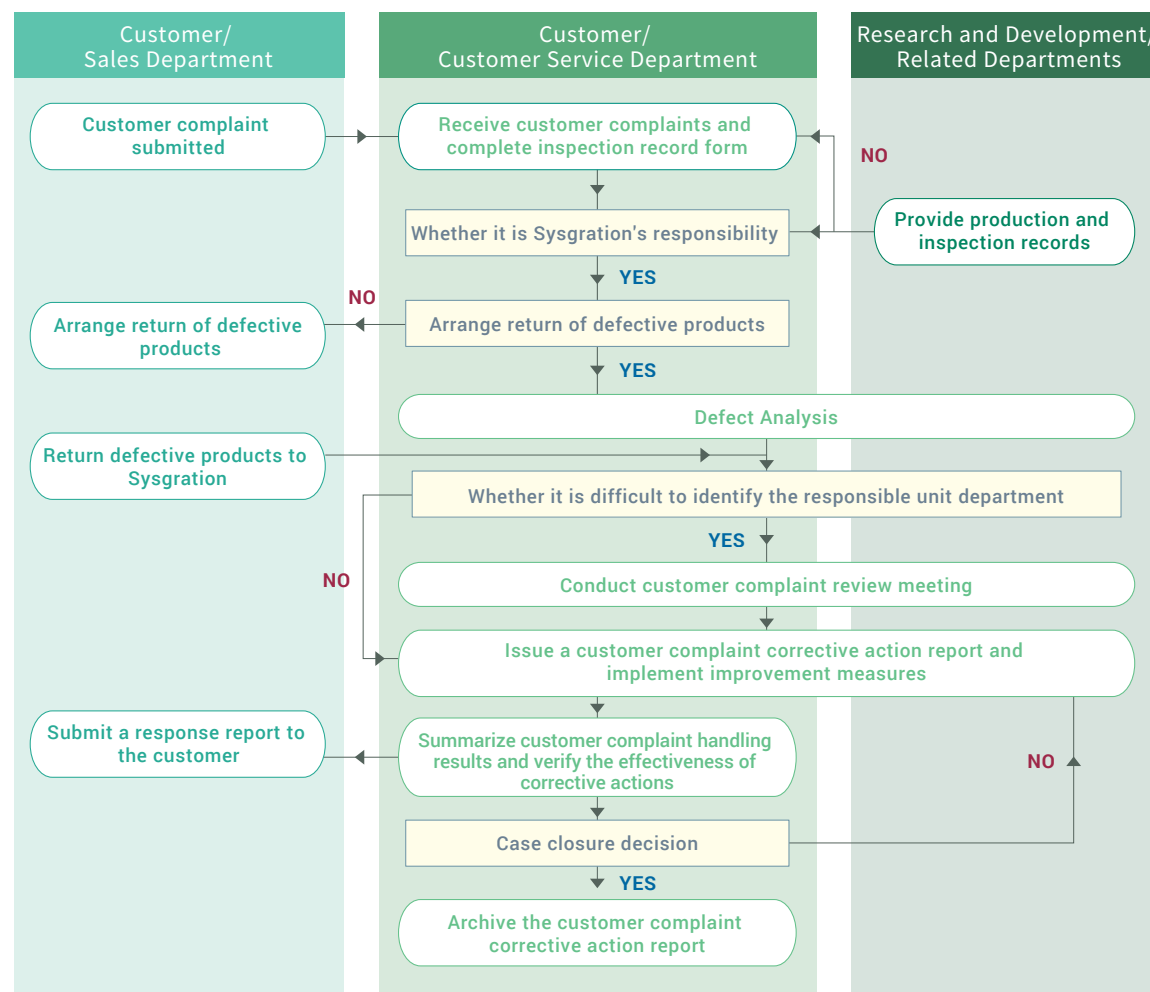
3.3 Customer Relationship Management

3.3.1 Customer Communication

Sysgration is committed to developing key technologies, continuously providing customers with the highest quality products and integrated solutions to create maximum value for them. We actively seek and take customers' opinions from time to time to understand their satisfaction and requirements across various business aspects, efficiently responding to and resolving issues to provide the highest quality service. Based on the formulated "Communication Management Procedures," the Company explicitly outlines the communication and feedback procedures and operational standards for different internal departments interacting with external stakeholders. It clearly defines how each unit responds to internal quality communication, customer interaction, and communication with other stakeholders, ensuring good communication throughout the supply chain and with customers.

To provide customers with timely consultation services, Sysgration categorizes consultation cases through a customer complaint functional matrix and organizational chart and provides dedicated contact windows to understand their needs. For internal management, procedures such as customer complaint handling processes and correspondence management guidelines have been established to effectively resolve issues, provide the best service to customers, and protect their rights and interests. When a customer complaint arises, the sales department consolidates relevant product and service information, the R&D engineering department analyzes possible causes and proposes countermeasures, and finally, the Product Manager (PM) integrates internal and external resources to implement the solution. The quality management department conducts post-event reviews and improvements for specific customer issues or needs, while continuously tracking the effectiveness of subsequent improvements.

Customer Complaint Handling Process



To provide customers with greater value-added services, Sysgration proactively and deeply understands customer needs and pain points based on original products and services through regular meeting discussions, visits, interactions, and surveys. We communicate and engage with customers through multiple channels to achieve the goal of customer satisfaction. For any comments or suggestions regarding Sysgration's products or services, customers can provide feedback via the email address sales@sysgration.com in the "Stakeholder Area" on the Company's website, and dedicated personnel will be assigned to handle and follow up on the service.

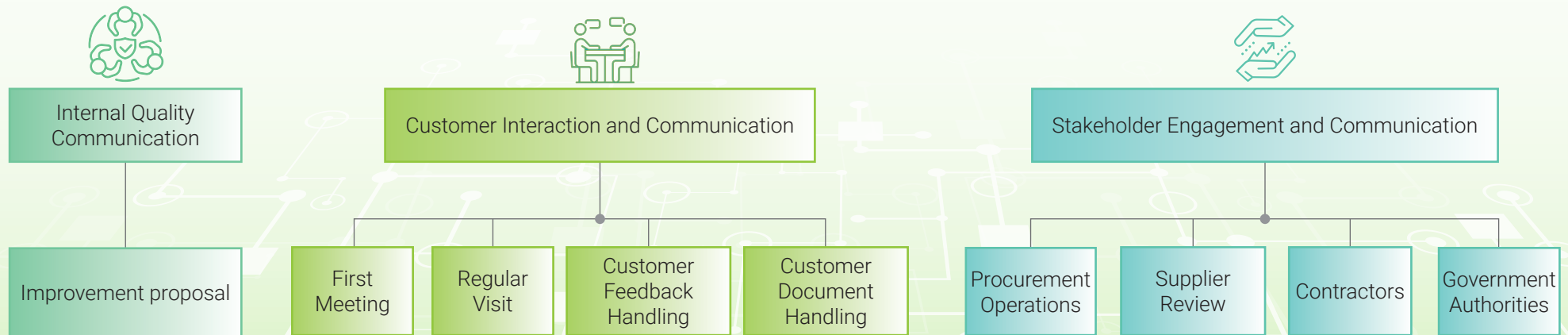


Customer Communication Channels



Note: Number of Communications in 2025

Communication Management Procedures





3.3.2 Customer Satisfaction

Meeting customer needs and fulfilling customer expectations are key objectives of Sysgration. The Company has established the "Customer Feedback Procedure Guidelines" to provide customers with clear feedback channels and ensure timely responses to customer opinions and concerns. We hold regular annual customer satisfaction surveys, and each satisfaction indicator is reviewed at management review meetings every six months. If customer satisfaction falls below 80, the Company's Quality Assurance Department will consolidate customer needs to develop improvement countermeasures, which the Sales Department reports back to the customer, while conducting follow-up tracking to serve as reference data for the Company's short- and long-term business plans.

Customer Satisfaction Survey Operations

Survey Items	Feedback Process
- Sales Service Quality - Execution of Daily Customer Related Business Affairs - Research and Development Capability - Professional Technical Field - Shipment Schedule Arrangement - Shipping Product Quality and Restricted Substances Status - Customer Complaint Response Efficiency and Corrective Preventive Measures Procedures - Comprehensive Evaluation	Send out the customer satisfaction survey -> Customer satisfaction survey collection and analysis -> Formulate improvement measures if the score is lower than 80 -> Feedback to customers and track results -> Conduct management review.

Automotive Electronic Business Department

Customer Satisfaction Survey Mechanism

Establish a Quarterly Customer Satisfaction Survey Mechanism

Conduct NPS (Net Promoter Score) and CSAT (Customer Satisfaction Score) surveys on a quarterly basis through online questionnaires to collect customer feedback. Customers with satisfaction scores below 80% are identified as priority improvement targets, and appropriate improvement actions are implemented accordingly.

Enhance After-Sales Support Efficiency

Strengthen customer service and technical support systems to ensure all technical issues are responded to within 24 hours and establish a FAQ database to reduce the proportion of repeated customer inquiries.

Internet of Things Business Department

Customer Satisfaction Survey Mechanism

Establish a Quarterly Customer Satisfaction Survey Mechanism

Conduct regular NPS (Net Promoter Score) and CSAT (Customer Satisfaction Score) surveys each quarter, collecting customer feedback through online questionnaires. Survey results will be statistically analyzed and graded, with customers with satisfaction below 80% marked as "key tracking targets," initiating improvement plans to enhance overall customer experience and loyalty.

Strengthen After-Sales Technical Support Efficiency

Response time optimization: Strengthen the dedicated customer service and technical support team to ensure all technical issues raised by customers are initially responded to within 24 hours with continuous follow-up until resolved.

FAQ database establishment: Consolidate frequently asked questions and establish an easily searchable FAQ knowledge base platform to reduce the proportion of repeated customer inquiries and improve self-service resolution rates.

System integration and tracking: Introduce a Ticketing System to record problem handling processes and response quality, facilitating subsequent data analysis and process optimization.

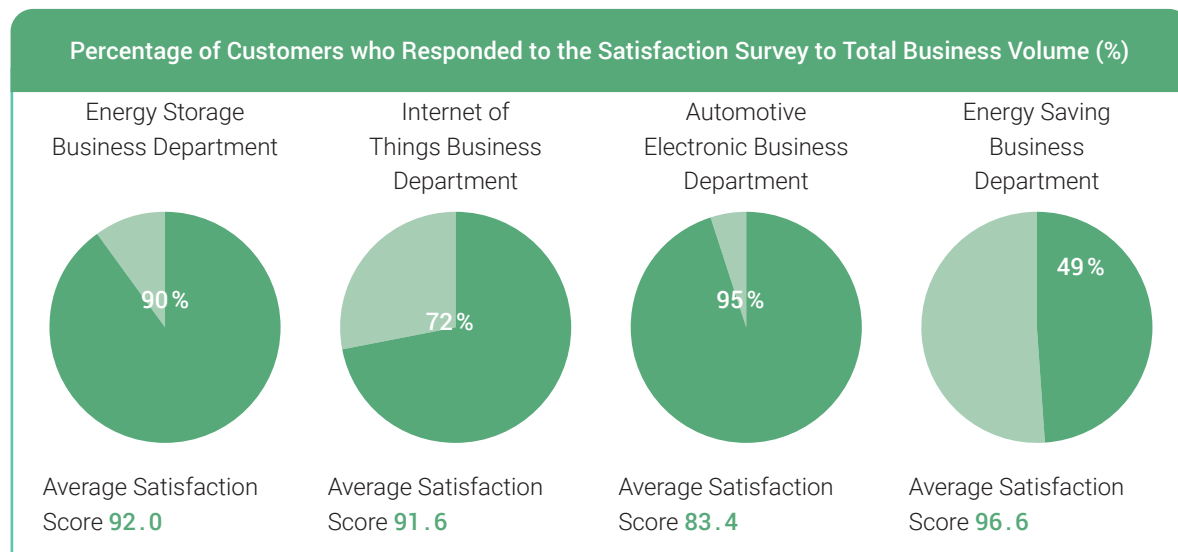
Energy Storage Business Department**Customer Satisfaction Survey Mechanism****Establish a Quarterly Customer Satisfaction Survey Mechanism**

NPS (net promoter score) and CSAT (customer satisfaction score) surveys are conducted quarterly. Collect and integrate customer feedback through online questionnaires and prioritize customers with satisfaction scores below 80% as key targets for improvement.

Improve After-Sales Technical Support Efficiency

Optimize the response time: Strengthened the dedicated customer service and technical support teams to ensure that all customers' technical issues are responded to within 24 hours and continuously tracked until the problems are solved and maintain records to serve as a basis for future adjustments.

The table below summarizes the 2025 Customer Satisfaction Survey results for each department of Sysgration.



Sysgration will continue to stay close to customer requirements in the future, working collaboratively with customers through advanced management policies, including customer-driven work integration processes, optimized customer handling processes, and platforms that facilitate communication and innovation capacity.

Advanced Management Policy for Sustaining Customer Relationships**Customer Driven Strategy**

Integrate and connect industry workflows, peers, mobile data service providers, among other different operators, to provide customer value that meets rapidly changing needs.

**Platform Strategy**

Provide appropriate platforms for relevant developers and customers to establish and create more exchanges to improve product quality.

**Streamlined Experience**

Simplify internal company processes through greater digitalization, enabling customers to easily conduct their business and optimize user experience.



4

Chapter Environmental Sustainability

4.1 Response to Climate Change

4.2 Greenhouse Gas Emissions

4.3 Energy Management

4.4 Waste Management

4.5 Water Resource Management



Sustainability Performance Highlights and Corresponding SDGs

SDG 7 Affordable and Clean Energy

- In 2025, Sysgration's renewable energy generation reached **3.87 MWh**.

SDG 12 Responsible Consumption and Production

- All operating plants have obtained ISO 14001:2015 Environmental Management System Certification.

SDG 13 Climate Action

- In 2025, Sysgration achieved electricity savings of approximately **84,492.6 kWh** through various energy conservation initiatives, corresponding to a reduction of 46.66 tonnes CO₂e emissions. This is equivalent to approximately 0.12 times the annual carbon absorption capacity of Da'an Forest Park.
- In 2024, ahead of the Taiwan regulatory authority's sustainability roadmap requirements for GHG inventory, Sysgration adopted the ISO 14064-1 standard and the GHG Protocol frameworks across the Parent Company and its consolidated subsidiaries, conducting Scope 1 and Scope 2 organizational GHG inventories, and expanded to include Scope 3 inventory in 2025.
- Sysgration's environmental sustainability efforts have been recognized by external professional rating bodies. At the second "Corporate 1.5°C Forum" hosted by CommonWealth Magazine, the Company was listed as one of the enterprises meeting the 1.5°C temperature control target and was awarded the **"1.5°C Label Certificate"** certification. The Company also received the **Silver Award at the 18th TCSA Corporate Sustainability Report Awards**.

SUSTAINABLE DEVELOPMENT GOALS



Management Approach of Material Topics Energy Management

GRI Indicators GRI 3-3 、 GRI 302-1 、 GRI 302-3 、 GRI 302-4 、 GRI 302-5

Targets Short to Medium Term (2026 -2030): - Using 2024 as the baseline year, achieve an annual reduction of 4.5% in actual scope 1 and scope 2 carbon emissions. - Using 2024 as the baseline year, achieve a 25% cumulative reduction in carbon emissions by 2030.		Long Term (2031 -2050): Using 2024 as the baseline year, achieve net-zero carbon emissions by 2050.	
Description of Impact Description of Positive Impacts: The implementation of robust energy management practices and decarbonization initiatives can significantly lower operational electricity costs while reducing exposure to future carbon pricing risks. Furthermore, increasing the proportion of renewable energy consumption not only aligns with the net-zero transition expectations of global customers and investors, but also generates lasting and tangible environmental benefits through its contribution to climate change mitigation. Description of Negative Impacts: If energy management and energy-saving programs are not effectively implemented, the Company may directly face the financial impact of rising carbon fees and may also fail to meet stakeholder expectations for energy conservation and carbon reduction, thereby affecting the Company's green reputation, access to investment capital levels, and customer order volume.		Action Plans Positive Impact Management: - Improve production process yield, reduce rework ratios, and decrease energy consumption. - Evaluate the installation of solar photovoltaic systems. Negative Impact Management: - Conduct performance assessments of major energy-consuming equipment at manufacturing sites (such as air-conditioning systems and air compressors) and progressively replace aging equipment with high-efficiency or variable-frequency models. Preventive maintenance programs are also implemented to eliminate unnecessary energy consumption and improve operational efficiency.	
Policies and Commitments Sysgration continues to strengthen its greenhouse gas and energy management framework across the Group's operations. Through its policies, the Company is committed to improving energy efficiency and minimizing the impacts of significant emission sources. The Company is committed to aligning with the Science Based Targets initiative (SBTi) and embedding climate risk management into its business operations. Through the implementation of energy-saving initiatives across manufacturing sites and the strategic deployment of renewable energy resources, the Company is actively advancing toward its targets of reducing carbon emissions by 25% by 2030 and achieving net-zero emissions by 2050.		Responsible Unit Environmental Sustainability Team Grievance Mechanism greenteam@sysgration.com Effectiveness Assessment - The Administration Department reviews electricity consumption on a monthly basis based on the results of routine inspections of electrical equipment. - The Company has implemented an ISO 14064-1 organizational greenhouse gas inventory and the GHG Protocol frameworks. The GHG management team conducts quarterly reviews of electricity usage, sets energy conservation targets, and drives the implementation of energy-efficiency improvement measures.	



4.1 Response to Climate Change

In response to the impacts and challenges posed by climate change, governments and organizations around the world have launched various initiatives and actions. At the beginning of 2025, the five-year cycle for updating Nationally Determined Contributions (NDCs) under the Paris Agreement entered a new phase. Governments worldwide have begun submitting their updated NDCs (NDC 3.0) and strengthening their climate commitments to reverse the increasingly severe climate situation. In Taiwan, in addition to the planned announcement of its 2035 emissions reduction target, the government has also further enhanced its original 2030 reduction target.

Sysgration recognizes the importance of climate risk management and actively establishes the Group's countermeasures in response to climate change. Following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the Company addresses climate issues from the dimensions of governance, strategy, risk management, and metrics and targets. We integrate these key climate risks and opportunities into the Group's overall operational risk framework, planning and proposing concrete management measures to address climate risks and opportunities, thereby striving to achieve the goal of sustainable corporate operations.

4.1.1 Governance

To effectively manage climate-related risks and opportunities, Sysgration has established an ESG-TCFD Committee, chaired by the General Manager. Under the Committee, an ESG-TCFD Working Group has been formed, comprising three dedicated TCFD teams which are the Policy and Regulatory Team, the Market Research Team, and the Physical Risk Assessment Team. These teams were formed to identify, assess, and manage climate change-related risks and opportunities.

Each year, the ESG-TCFD Committee presents the results of risk and opportunity identification and assessment at senior management meetings chaired by the General Manager, along with proposed response strategies. Material climate-related risks and opportunities, together with corresponding mitigation and adaptation strategies, are regularly reported to the Board of Directors. This enables the Board to exercise full oversight and review material climate-related issues, determine relevant response and management policies, and rigorously monitor their implementation status.

Board of Directors



Oversee and review material climate-related risks and opportunities and determine response and management policies.



ESG - TCFD Committee Senior Executive Meeting



Chairperson: General Manager
Members: TCFD Committee Team Leaders

Review and approve the development of mitigation measures.



ESG - TCFD Committee



TCFD Execution Working Groups:
Policy & Legal Group, Market Research Group, Physical Risk Assessment Team

Identify, evaluate, and manage climate-related risks and opportunities.



4.1.2 Strategy

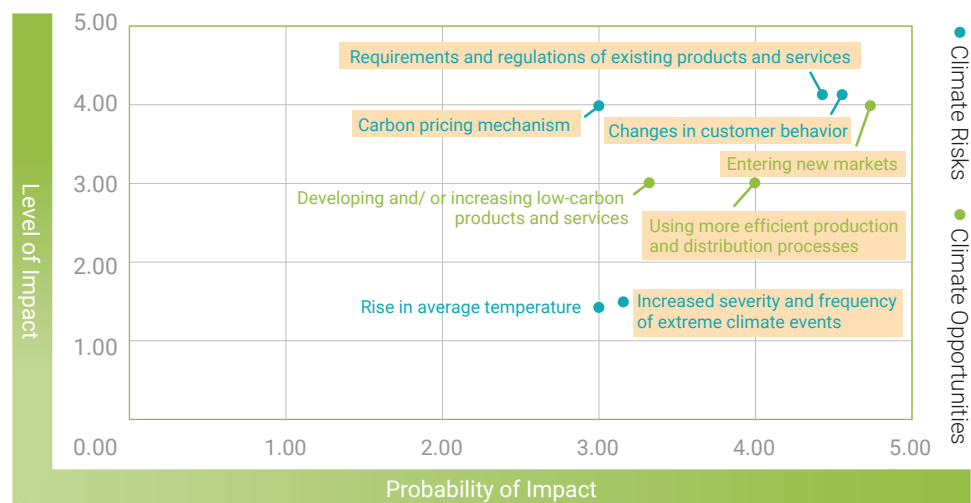
In order to execute our commitment to climate risk management, Sysgration comprehensively introduced the climate-related risk and opportunity identification mechanism, established the Climate Risks and Opportunities Matrix according to the possible impact period of short-, mid-, and long-term climate change, the affected operation factories, the probability of risk occurrence and the degree of impact on operations and through analysis and evaluation to fully inventory, assess and present the impact of various climate risk and opportunity issues on the Company's operations.

- Conduct a comprehensive inventory and assessment of climate-related risks and opportunities and their impacts on the Company's operation.
- Implement a climate-related risk and opportunity identification framework.
- Assess and identify climate-related risks and opportunities in accordance with the Company's operational conditions and industry characteristics.



- Develop appropriate control measures and action plans in response to the assessed impacts of climate-related risks and opportunities on the Company.

Climate Risks and Opportunities Matrix



Ranking	Climate-related risk topics	
1	R5	Changes in customer behavior
2	R4	Requirements and regulations of existing products and services
3	R3	Carbon pricing mechanism
4	R1	Increased severity and frequency of extreme climate events
5	R2	Rise in average temperature

Major

Ranking	Climate-related risk topics	
1	O1	Entering new markets
2	O2	Using more efficient production and distribution processes
3	O3	Developing and/or increasing low-carbon products and services

Major



Climate Risk and Opportunity Identification Results

	Risk and Opportunity Category	Issue Definition	Description of Impact on the Company	Impact Timeframe	Affected Plant	Response Strategy
Physical Risks	Acute Risks	Increased Severity and Frequency of Extreme Weather Events.	In recent years, the frequency and intensity of extreme climate events (such as typhoons and heavy rainfall) have increased, potentially impacting Company operations in multiple ways, including disruptions to transportation and port operations causing delays in raw material delivery timelines and supply chain lead times. Concurrently, these events can cause localized power outages and direct physical damage to manufacture facilities (such as flooding or water leakage) leading to sudden production interruptions. Furthermore, extreme weather events present direct and indirect threats to employee safety and occupational health, ultimately compromising overall operational stability.	Long Term (over 5 years)	Nankang Plant, Zhenjiang Plant, Huizhou Plant, Toufen Plant	1. Monitor climate information; strengthen plant and equipment inspection and disaster prevention preparations before typhoon or rainy seasons; formulate emergency response measures and hold fire drills. 2. Reduce the risk of raw material shortages and supply disruptions through multi-source supply strategies, increasing safety stock of raw materials, and advance procurement before typhoon season. 3. Maintain strong relationships with suppliers, logistics providers, and freight forwarders to ensure timely visibility into supply and shipment status and communicate updates. 4. When abnormal weather conditions persist for an extended period, evaluate alternative transportation methods or accelerate shipments (e.g., selecting faster shipping schedules) to avoid delivery delays. 5. When necessary, communicate with customers to adjust or postpone delivery dates to minimize the impact of risks on order fulfillment. 6. Purchase typhoon and flood insurance, property insurance, and accident insurance to reduce operational and personnel risks caused by extreme climate events.
	Long Term Risks	Rising Average Temperatures.	Continued increases in average temperature will lead to higher electricity consumption by air conditioning and cooling systems at plants, raising energy costs. High-temperature environments will also increase suppliers' electricity and cooling costs, which will be reflected in raw material procurement prices. Furthermore, prolonged high temperatures may affect employee health and work safety, thereby impacting overall operational stability.	Long Term (over 5 years)	Nankang Plant, Zhenjiang Plant, Huizhou Plant, Toufen Plant	1. Reduce energy consumption by controlling air-conditioning system operating temperatures (approximately 25 – 26 °C), turning off non-essential equipment, and continuously promoting energy-saving practices. 2. Progressively replace lighting with high-efficiency LED equipment and introduce energy-saving variable-frequency equipment to improve the overall energy efficiency of plants. 3. To prevent unexpected operational disruptions caused by power shortages, conduct production and procurement planning, build up inventory in advance, and establish safety stock to reduce supply instability risks. 4. Strengthen green procurement and supplier qualification management, promote electricity management among suppliers, and progressively build a green logistics system. 5. Purchase natural disaster insurance to mitigate related losses.



	Risk and Opportunity Category	Issue Definition	Description of Impact on the Company	Impact Timeframe	Affected Plant	Response Strategy
Transition Risks	Policy and Legal Risks	Carbon Pricing Mechanism.	Taiwan introduced a carbon fee framework in 2025 (to be declared and paid in 2026). Although the Company is not among the initial phase of regulated entities, it continues to closely monitor regulatory changes and updates. Concurrently, China's carbon emission trading market was launched in 2021, initially covering the power sector. The Company continues to closely monitor policies and covered industries, as future carbon emissions exceeding controlled levels will require additional purchases or carbon fee payments.	Medium Term (3-5 Years)	Company-wide	1. Establish a dedicated team responsible for driving the achievement of carbon reduction and carbon neutrality targets. 2. Implement a GHG inventory and establish science-based emissions reduction targets in accordance with the GHG protocol methodology. 3. Plan to install smart meters in different areas of each manufacturing plant to monitor electricity consumption data, identify energy-intensive equipment, and support the implementation of energy-saving initiatives. 4. Continuously monitor carbon trading market policies in Mainland China and carbon fee regulations in Taiwan and conduct annual carbon inventories. This enables timely adjustments to the Company's carbon reduction strategies and action plans in response to evolving government policies.
		Regulatory Requirements for Existing Products and Services.	Sysgration's core business domains encompass automotive electronics and industrial energy products, which are primarily applied across IoT, vehicle connectivity solutions, and energy management solutions. As domestic and international regulations governing these electronic product lines become increasingly stringent (e.g., CBAM), the Company may need to execute extensive product optimization or secure third-party certifications may be required, leading to an escalation in operational expenditures and regulatory compliance fees.	Short Term (0-3 Years)	Company-wide	1. Establish a GHG Inventory Committee, Sustainability Report Committee, and CBAM Task Force responsible for inventory, disclosure, and regulatory compliance. 2. Build organizational capabilities in regulatory compliance, carbon accounting, data governance, and cross-functional collaboration (including R&D, Quality Assurance, IT, and Procurement), while strengthening employee awareness through regular knowledge sharing and training programs. 3. Introduce a sustainable supply chain approach, shifting from price-focused approach to one that emphasizes carbon performance and regulatory compliance. Energy efficiency and compliance considerations will be prioritized in new equipment purchases. 4. Prioritize energy-efficient LED streetlights certified with energy-saving labels to increase the proportion of revenue generated from low-carbon products. 5. Track tender specifications and competitors' energy-efficiency certifications and use the findings to guide the development of smart lighting products. Monitor the proportion of tenders requiring Energy Conservation Labels and CNS 15233 compliance. 6. In preparation for Taiwan's CBAM-related regulations, establish a reporting mechanism and integrate supplier data management systems while strengthening internal awareness and communication.
	Market Risks	Changes in Customer Behavior.	To reduce downstream environmental impacts, numerous global customers have altered their product manufacturing and design requirements as follows: ■ Replacing lead-acid batteries with lithium batteries to reduce maintenance costs and minimize the environmental impacts associated with lead-acid disposal. ■ Tire manufacturers have expressed the need to integrate fleet management systems with tire pressure sensors to effectively reduce tire wear in customer fleets. International automakers and OEM manufacturers have expanded supply chain requirements, making ESG and carbon reduction mandatory procurement thresholds — companies that do not meet the standards cannot become suppliers, and carbon-neutral products will be required in the future. ■ In response to the low-carbon transition, BBU has introduced new materials (low-carbon plastics, flame-retardant materials) alongside high-efficiency battery technology.	Short Term (0-3 Years)	Company-wide	1. Improve high-efficiency product design (reducing losses), such as BLE Bluetooth Low Energy tire pressure sensors with a proprietary intelligent signal push-control design architecture, enabling the sensor to maintain the same functional operation while saving more than 30% of power, achieving dual improvement in product performance and battery life. 2. Without compromising product structural integrity, collaborate with customers to evaluate the use of environmentally friendly materials for plastic components. For packaging materials, reduce environmental impacts through the digitization of product manuals, increased use of recycled paper, and reduced ink consumption in printing. 3. Standardize circuit modules and packaging designs to achieve 100% commonality, thereby reducing material changeovers, production line reconfiguration, and packaging waste associated with different module configurations. 4. Develop diversified product solutions to meet the needs of tire manufacturers, including collaborating with suppliers to develop self-powered Tire Pressure Monitoring Systems (TPMS). 5. Work closely with chip suppliers to enhance product functionality. 6. Strengthen environmental and toxic substance controls in line with customer requirements. 7. Collaborate with fleet management service providers and truck manufacturers to integrate systems and facilitate cost-effective deployment for customers.



	Risk and Opportunity Category	Issue Definition	Description of Impact on the Company	Impact Timeframe	Affected Plant	Response Strategy
Opportunities	Market Opportunities	Entering New Markets.	- Driven by carbon reduction and net-zero trends and regulations, the electric vehicle and energy storage markets are growing rapidly. Taiwan's energy storage installation target will increase from 1.5 GW in 2025 to 5.5 GW in 2030, a compound annual growth rate of approximately 29.7%. - As the global automotive market accelerates its transition toward electric vehicles, tire pressure monitoring systems (TPMS) have become a critical EV component, helping maintain optimal tire pressure, reduce rolling resistance, and improve energy efficiency and driving range. Consequently, the Group projects that revenues generated from its IoT, connected vehicle, energy storage system (ESS), and battery energy applications will experience sustained, robust growth over the coming years.	Short Term (0-3 Years)	Company-wide	1. Continue expanding business opportunities with major OE automotive manufacturers in Europe and North America 2. Pursue integrated deployment across the energy storage value chain to create synergies and attract capital, technology partners, and strategic investors. 3. Establish a plant in the United States to attract more European and American Customers and secure local orders. It will also shorten transportation distances and delivery times to key customers, thereby reducing transportation-related carbon emissions. 4. Spin off the ESS business unit to establish Power Tank Energy Ltd., expanding market opportunities for energy storage system deployment. 5. Conduct ongoing analyses of market, customer, regional, social, policy, regulatory, and climate-related trends to stay informed of changes in the business environment. This enables proactive planning, increased investment in research and development, and accelerated product innovation.
		Use More Efficient Production and Distribution Processes.	Increase production efficiency and yield by expanding the use of automated manufacturing and testing processes to reduce rework rates. In addition, leverage big data analytics to identify the root causes of yield losses and implement corrective and preventive actions.	Short Term (0-3 Years)	Nankang Plant, Zhenjiang Plant, Huizhou Plant, Tufen Plant	1. Increase capacity and improve automation equipment. 2. Strengthen the completeness of production data collection and big data analytics capabilities. 3. Implement employee education and training programs.
		Develop and/or expand low-carbon products and services.	Climate issues are driving products toward high-efficiency, low-energy, and low-carbon design. The Company improves product performance through material reduction, structural optimization, and CAE simulation (Computer-Aided Engineering analysis), and introduces low-carbon materials and high-efficiency processes to reduce product life cycle carbon emissions. - Promote Bluetooth Low Energy tire pressure monitoring systems (TPMS) and provide low-carbon TPMS solutions that comply with automotive industry supply chain data and sustainability standards. - Develop distributed energy storage systems (using lithium iron phosphate batteries compatible with solar and charging pile applications) and introduce CNS 15233 (Building Energy Management System Standard) smart control interfaces to help customers reduce energy consumption during the use-stage and expand the low-carbon solutions market.	Short Term (0-3 Years)	Company-wide	1. Strengthen the selection and application of energy-efficient components. Through diversified technology development and automated positioning system design, reduce installation time and material usage for end customers, thereby improving product efficiency and lowering carbon emissions. 2. Promote the energy-saving benefits of high-lumen-efficiency LED streetlights to existing customers, while continuously tracking adoption intentions from key customers such as the Freeway Bureau for high-specification energy-efficient lighting products. 3. Through marketing tools, translate CNS 15233 weatherability tests (such as 50°C endurance tests) and high-efficacy energy label product features into 'total cost of ownership reduction' and 'carbon emission reduction' data that customers can understand. 4. Integrate smart control interfaces compliant with CNS 15233 standards to participate in smart city energy management system tenders, transitioning from standalone hardware sales to providing integrated low-carbon and smart lighting solutions. 5. Regularly review the results of energy-saving product R&D and their share of revenue to assess the contribution of low-carbon products to the company's operations and market competitiveness.

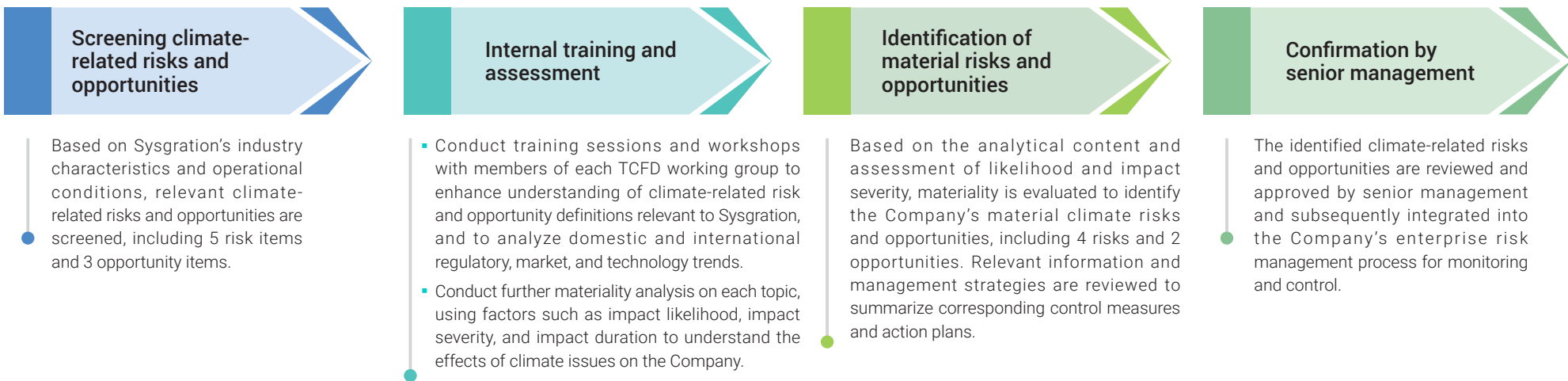


Financial Impact Assessment of Major Climate Risks and Opportunities

Risk and Opportunity Category		Issue Definition	Assessment Scope	Climate Scenario	Impact Assessment Timing	Financial Impact Assessment Result
Physical Risks	Increased Severity and Frequency of Extreme Climate Events.		Company-wide	Under the SSP 5-8.5 scenario in the IPCC AR6 report, extreme climate conditions will disrupt logistics, damage facilities, and increase employee health risks, severely affecting production and operational stability.	Mid-century (2050) End of century (2100)	Extreme weather events may lead to a decline in operating revenue and an increase in operating costs, affecting overall operational stability: - Mid-century (2050): financial impact accounts for approximately 0.17 % of revenue. - End of century (2100): financial impact accounts for approximately 0.29 % of revenue.
Transition Risks	Policy and Regulatory Risks.	Carbon Pricing Mechanism.		In response to Taiwan's 2026 carbon fee system and the development of China's carbon trading market, rising system energy costs are increasing the pressure for decarbonization and net-zero emissions. The Company has adopted GHG Protocol inventory boundaries and is promoting energy conservation through smart energy-saving and energy management systems, reducing carbon emissions and the financial impact of carbon pricing mechanisms, while positioning early to seize market opportunities and address the financial impact brought by policy.	Medium-term (2030) Long-term (2035)	The financial impact of carbon fees or carbon trading costs paid by operating facilities to comply with local greenhouse gas emissions policies: - Medium-term (2030): (1) BAU scenario: financial impact accounts for 0.26 % of revenue. (2) Net-Zero scenario: financial impact accounts for 0.07 % of revenue. - Long-term (2035): (1) BAU scenario: financial impact accounts for 0.47 % of revenue. (2) Net-Zero scenario: financial impact accounts for 0.11 % of revenue.
		Regulatory Requirements for Existing Products and Services.		In response to evolving regulatory requirements for existing products and services, including the CBAM regulation and various national policies, standards, laws, as well as increasing compliance, certification, and tariff costs for imported products, the Company is strengthening its chemical substance management, low carbon design, and lifecycle management practices. These efforts increase operating costs and R&D complexity, which may have a financial impact on the business.		As domestic and international regulations become stricter (e.g., CBAM may require product optimization or third-party certification), operating costs or expenses will increase: - Medium-term (2030): financial impact accounts for approximately 0.06 % of revenue. - Long-term (2035): financial impact accounts for approximately 0.06 % of revenue.
	Market Risk.	Changes in Customer Behavior.		Changes in customer preferences require products to incorporate environmentally friendly materials, sustainable design, and low carbon practices throughout the supply chain. These requirements may increase R&D costs and extend development timelines, resulting in potential financial impacts on the Company.		Changes in customer preferences require products to incorporate environmentally friendly materials, sustainable design, and low carbon practices throughout the supply chain. These requirements may increase R&D costs and extend development timelines, resulting in potential financial impacts on the company. In response to changes in customer energy-efficiency requirements for product processes or design, and customer demands for a low-carbon transition, the company is actively adopting low-carbon materials and technologies, resulting in a decline in operating revenue and an increase in operating expenditure: - Medium-term (2030): financial impact accounts for 37.33% of revenue. - Long-term (2035): financial impact accounts for approximately 31.63% of revenue.
Opportunity	Market	Risk and Opportunity Category.		Growth scenarios based on the company's expansion into new markets, including TPMS, Bluetooth tire pressure monitoring systems, connected vehicles, energy storage, and battery energy-related products.		Benefits from developing low-carbon, energy-efficient new products or technologies to enter new markets: - Medium-term (2030): expected to increase benefits by NT\$6.6 billion. - Long-term (2035): expected to increase benefits by NT\$5.4 billion.

🌱 4.1.3 Risk Management

Climate Change-Related Risk and Opportunity Identification Process



🌱 4.1.4 Indicators and Targets

Climate Indicators and Goals Implementation Status

Indicator Item	Low-carbon and Green Products	Greenhouse Gas Management	System Management
Targets	Using 2022 as the baseline year, the Group aims to increase its global energy storage installed capacity by 5 times by 2030.	GHG emissions are based on 2024 as the baseline year: 1. Short- to medium-term: - Reduce actual Scope 1 and Scope 2 emissions by 4.5% annually. - Aiming for a 25% cumulative carbon reduction by 2030. 2. Long-term: Achieve net-zero greenhouse gas emissions by 2050.	Electricity management is calculated using 2024 as the baseline year, targeting a 20% reduction in electricity-related emissions intensity by 2030.
Current Status of Implementation	Over the years, Sysgration has dedicated itself to using advanced technologies to produce and develop battery modules, providing solutions for electric vehicles, backup systems, and energy management. The Company supplies Uninterruptible Power Supply (UPS) systems to leading manufacturers in Taiwan and has produced more than 2,000 sets of electric vehicle battery modules. Its cumulative production of energy storage products has exceeded 500 MWh compared to the 200-MWh milestone achieved in 2022.	In 2025, the Group's total Scope 1 and Scope 2 GHG emissions combined were 3,041.14 tonnes CO ₂ e, representing an increase of 18.99% compared to 2024 fiscal year.	In 2025, the Group's Scope 2 carbon emission intensity was 0.79 tonnes CO ₂ e per NT\$ million revenues, an increase of 3.31% compared to 2024.



4.2 Greenhouse Gas Emissions

4.2.1 Greenhouse Gas Emissions

As COP30 United Nations Climate Change Conference continues to thrive on the global climate governance agenda, nations are further deepening their commitments to energy transitions, greenhouse gas reduction, and net-zero emissions, prompting enterprises to play an increasingly critical role in low-carbon transformation. Globally, in addition to continued focus on the implementation of net-zero targets, there is also increasing emphasis on improving carbon inventory transparency and strengthening value chain carbon reduction responsibilities.

To establish a GHG inventory management mechanism for the parent company and its consolidated subsidiaries, Sysgration adheres to both international and national standards, including the GHG Protocol and Taiwan's Ministry of Environment Greenhouse Gas Emissions Inventory Operating Guidelines. We have been conducting regular annual Scope 1 (direct GHG emissions) and Scope 2 (energy indirect GHG emissions) inventories at each plant since 2024. Furthermore, starting from 2025, Sysgration has progressively expanded its inventory scope to include various categories of Scope 3 (other indirect GHG emissions), enabling the continuous tracking and verification of the implementation effectiveness of its carbon reduction initiatives.

Sysgration's substantive actions toward carbon reduction received prominent external validation in 2025. At the 2nd "Corporate 1.5°C Forum" hosted by Common Wealth Magazine, Sysgration was recognized as one of the companies aligned with the 1.5°C global warming control target and was officially awarded the 1.5°C Label Certificate, demonstrating solid institutional endorsement of the Company's sustainability performance.

Direct Emissions and Energy Indirect Emissions (Scope 1 and Scope 2)

Sysgration's combined Scope 1 and Scope 2 GHG emissions are primarily driven by Scope 2 (purchased electricity), which has consistently accounted for more than 85% of total annual emissions over the past three years. In 2025, Sysgration's total consolidated Scope 1 (direct GHG emissions) and Scope 2 (energy indirect GHG emissions) emissions were 3,041.14 tonnes CO₂e (location-based), representing an increase of 18.99% compared to the 2024 baseline year. This increase was primarily driven by the addition of Leadray Energy Co., Ltd. as a consolidated subsidiary in 2024. The Group will continuously drive its GHG inventory tracking and implement rigorous carbon reduction measures across all operating locations.

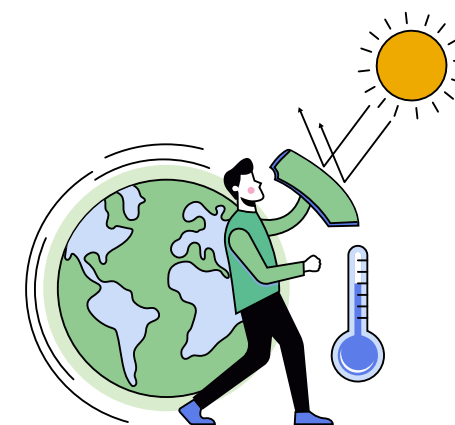
Sysgration's Scope 1 and Scope 2 GHG Emissions Statistics for the Past Three Years

Greenhouse Gas Emissions	2023	2024	2025
Scope 1 ^(Note 1) (Unit: tCO ₂ e)	26.11	206.80	376.54
Scope 2 ^(Note 2) (Unit: tCO ₂ e)	2,590.18	2,348.97	2,664.62
Total Emissions (location-based) (Unit: tCO ₂ e)	2,616.29	2,555.77	3,041.14
Emission Intensity ^(Note 3) (Unit: tCO ₂ e/ NT\$ million of revenue)	0.79	0.76	0.79

Note 1: GHG emissions are calculated using the operational control approach. Calculation method: activity data × emission factor × GWP value (emission factor values sourced from the Ministry of Environment's GHG Emission Factor Management Table; GWP values are cited from the IPCC Sixth Assessment Report (2022)). Greenhouse gases covered include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride.

Note 2: The 2025 Scope 2 carbon emission factors for Taiwan's purchased electricity is calculated using the Bureau of Energy's announced 2025 electricity carbon emission factors: 0.466 kg CO₂e/kWh for relevant operating plants, 0.471 kg CO₂e/kWh for dormitory electricity, and 0.467 kg CO₂e/kWh for other estimated electricity. Purchased electricity emission factors for Huizhou and Zhenjiang are calculated using the 2023 provincial average power CO₂ emission factors, using Guangdong's factor (0.4419 kg CO₂e/kWh) and Jiangsu's factor (0.5827 kg CO₂e/kWh), respectively.

Note 3: Emission intensity = Scope 2 carbon emissions / Sysgration's NT\$ million revenues.





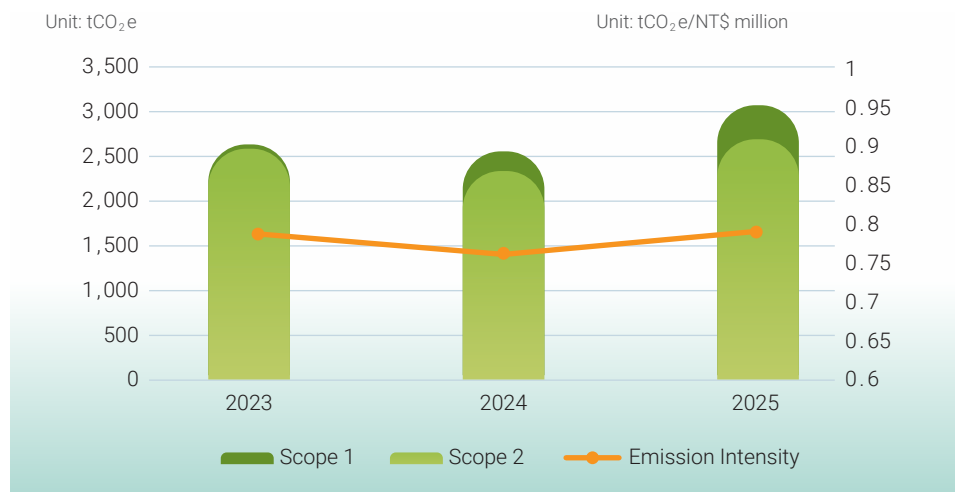
Sysgration – Scope 1 and Scope 2 GHG Emissions by Site

GHG Emissions	TPE	NKS	ZJS	HZS	PTE	LEADRAY
Scope 1 ^(Note 1) (Unit: tCO ₂ e)	74.79	86.24	19.55	36.49	16.45	143.02
Scope 2 ^(Note 2) (Unit: tCO ₂ e)	261.34	1,311.97	200.60	728.80	30.29	131.62
Total Emissions (Location-based) (Unit: tCO ₂ e)	336.13	1,398.21	220.15	765.29	46.74	274.64
	3,041.14					

Note 1: GHG emissions are calculated using the operational control approach. Calculation method: activity data × emission factor × GWP value (emission factor values sourced from the Ministry of Environment's GHG Emission Factor Management Table; GWP values sourced from the IPCC Sixth Assessment Report (2022)). Greenhouse gases covered include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride.

Note 2: The 2025 Scope 2 carbon emission factor for Taiwan's purchased electricity is calculated using the Bureau of Energy's announced 2025 electricity carbon emission factors: 0.466 kg CO₂e/kWh for relevant operating plants, 0.471 kg CO₂e/kWh for dormitory electricity, and 0.467 kg CO₂e/kWh for other estimated electricity. The purchased electricity emission factors for Huizhou and Zhenjiang are based on the 2023 provincial average power CO₂ emission factors, using Guangdong's factor (0.4419 kg CO₂e/kWh) and Jiangsu's factor (0.5827 kg CO₂e/kWh), respectively.

Sysgration's Scope 1 and Scope 2 Emission Intensity



Other Indirect Emissions (Scope 3)

Starting from 2025, the Company has initiated the process of calculating Scope 3 (other indirect GHG emissions) across the 15 categories in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Standard methodology. In 2025, we successfully completed the inventory for three Scope 3 categories: Category 1 (Purchased Goods and Services), Category 6 (Business Travel), and Category 7 (Employee Commuting). Going forward, we will continue to inventory the remaining categories of Scope 3 emissions. Through a more comprehensive and systematic greenhouse gas inventory, we aim to precisely identify the categories and activities with more carbon-intensive emissions across the value chain, providing a key basis for advancing our carbon reduction actions and climate transition strategy.



Item	Carbon Emissions (tonnes CO ₂ e)
C1 Purchased Goods and Services	11,951.57
C2 Capital Goods	-
C3 Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	-
C4 Upstream Transportation and Distribution	-
C5 Waste Generated in Operations	-
C6 Business Travel	268.03
C7 Employee Commuting	440.82
C8 Upstream Leased Assets	-
C9 Downstream Transportation and Distribution	-
C10 Processing of Sold Products	-
C11 Use of Sold Products	-
C12 End-of-Life Treatment of Sold Products	-
C13 Downstream Leased Assets	-
C14 Franchises	-
C15 Investments	-
Total Carbon Emissions of Scope 3	12,660.42

Note 1: The emission boundary includes Sysgration Taipei Headquarters, Sysgration Nankang Plant, Sysgration Zhenjiang Plant, Sysgration Huizhou Plant, Power Tank Energy, and Leadray.

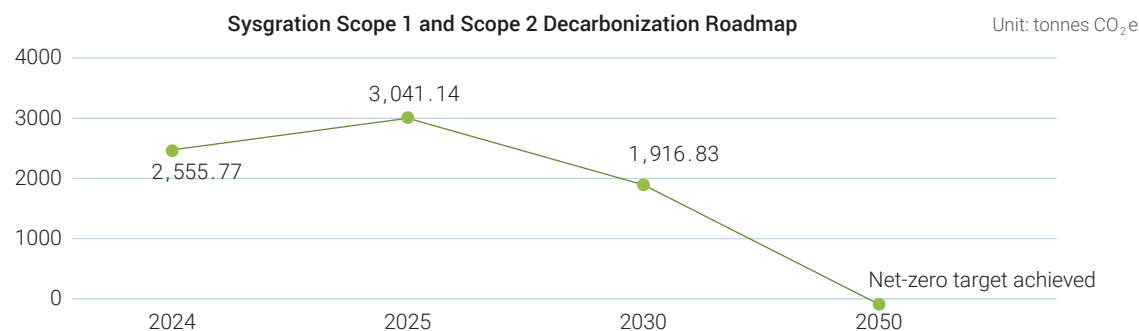
Note 2: GHG emission factor values are sourced from the Ministry of Environment's GHG Emission Factor Management Table; GWP values sourced from the IPCC Sixth Assessment Report (2022). Greenhouse gases covered include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride.

4.2.2 GHG Inventory and Management

Sysgration follows the GHG Protocol for greenhouse gas (GHG) inventory, adopting the operational control approach to define its organizational boundary. It conducts GHG inventories across its headquarters and each manufacturing site to ensure effective monitoring of emissions. The reporting boundary includes the Taipei Headquarters, Nankang Plant, Zhenjiang Plant, Huizhou Plant, Power Tank Energy, and Leadray. The inventory framework covers Scope 1 (direct emissions), Scope 2 (energy indirect emissions), and Scope 3 (other indirect emissions, partially covered).

In accordance with the GHG Protocol requirements, the Company has established a GHG emission inventory. By conducting regular annual inventories, we are progressively building a comprehensive statistics and carbon accounting system to serve as the baseline for energy conservation and carbon reduction. Actively responding to government policy trends, the Group formulates annual energy conservation and emission reduction measures. Using 2024 as the baseline year, the Group targets a 25% cumulative reduction in GHG emissions by 2030 and pledges to achieve net-zero carbon emissions by 2050.

Sysgration Decarbonization Roadmap



Scope 3 Education and Training Kick-off Meeting



Scope 3 Category 6 (Business Travel) Data Collection Form Briefing



Sysgration has launched various GHG reduction measures, including promoting a paperless office, prioritizing the procurement of green products and sustainable raw materials, advocating for employees to bring their own utensils and use low-carbon green transportation, progressively reducing GHG emissions.

Greenhouse Gas Reduction

Reduction Items

Reduction Items

1. Gradually implement electronic approval systems to reduce paper use and reuse single-sided printed recycled paper for secondary printing to further minimize paper consumption.
2. Promote small-area packaging printing to reduce complexity in paper recycling, while prioritizing green and low-carbon products for raw materials and equipment procurement.
3. Continue to encourage employees to bring their own reusable tableware and avoid the use of disposable utensils.
4. Continue to promote shared transportation or public transit for business travel, and when taxis are necessary, prioritize hybrid or fully electric vehicles.



Scope 3 Reduction

To implement supply chain environmental management and low-carbon transformation goals, the Company is progressively promoting supplier GHG inventories, third-party verification, and emission reduction commitments, and planning annual management targets and implementation progress. By continuously increasing the proportion of supplier participation and management depth, the aim is to strengthen supply chain carbon management capabilities, and jointly reduce environmental impacts with suppliers, steadily advancing toward sustainable development goals.

Targets Item	2025	2026	2027	2028	2029	2030
Proportion of Suppliers Conducting GHG Inventory	Require key suppliers to conduct internal carbon inventories in accordance with ISO 14064-1 / GHG Protocol standards.	More than 60 % of key suppliers	More than 80 % of key suppliers	More than 50 % of secondary suppliers	More than 60 % of secondary suppliers	More than 100 % of secondary suppliers
Proportion of Supplier GHG Inventories with Third-Party Verification	10% of key high-electricity consuming suppliers obtain ISO 14064-1 certification.	20 %	30 %	40 %	50 %	60 %
Proportion of Suppliers Committing to GHG Emission Reductions	Suppliers commit to a GHG emission reduction of 4.5 % (using 2024 as a base year).	9 %	13.5 %	18 %	22.5 %	27 %

4.3 Energy Management

4.3.1 Energy Consumption

Sysgration's energy consumption includes purchased electricity, diesel, and gasoline, with purchased electricity being the largest source. Electricity is mainly used for factory component assembly production and air-conditioning systems, while gasoline is primarily used for company vehicles and diesel for forklift operations. In 2025, total energy consumption was 23,527.80 GJ, an increase of approximately 23.25% compared to 19,088.91 GJ in 2024. In Taiwan, the Nankang Plant accounted for a relatively high share of electricity use, representing 63.17% of total electricity consumption in Taiwan. In mainland China, electricity consumption increased due to higher shipment volume at the Huizhou Plant, accounting for 79.39% of electricity use in the region. The company's energy intensity in 2025 was 6.93 GJ per NT\$ million revenues, compared with 6.14 GJ per NT\$ million revenues in 2024, representing an increase of approximately 12.87%. In addition, the newly acquired Leadray Energy subsidiary recorded total energy consumption of 2,471.79 GJ in 2025.

Sysgration Energy Consumption Statistics for the Past Three Years

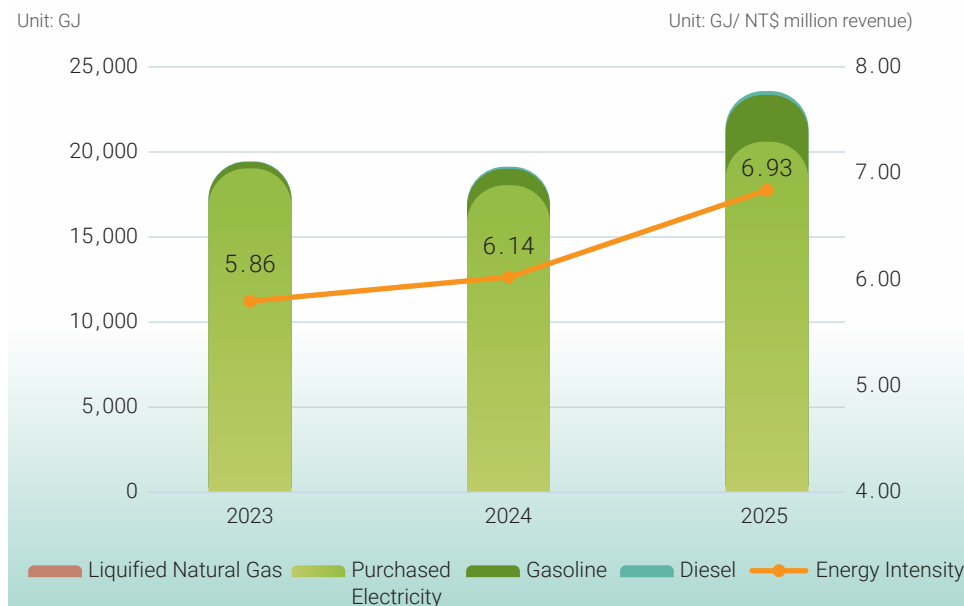
Category	Item ^(Note 1)	2023	2024	2025
Input	Liquified Natural Gas (GJ) ^(Note 2)	-	-	6.93
	Purchased Electricity (GJ)	18,880.09	18,014.78	20,586.00
	Gasoline (GJ)	357.52	977.67	2,667.08
	Diesel (GJ)	3.46	96.46	267.78
	Total Energy Consumption (GJ)	19,241.07	19,088.91	23,527.80
Output	Renewable Energy Sold (GJ)	15.05	14.57	13.94
Energy Intensity (GJ/ NT\$ million revenue) ^(Note 3)		5.86	6.14	6.93

Note 1: Unit calorific value sources: Taiwan plants use the calorific value standards published by the Ministry of Environment's Climate and Energy Administration; Mainland China plants use calorific value data from the "Guidelines for Calculating and Reporting Greenhouse Gas Emissions."

Note 2: GJ = gigajoules

Note 3: Energy Intensity: total energy consumption input (GJ) / NT\$ million revenues. For the China plants, the calculation is based on the calorific values specified in the Requirements of the Greenhouse Gas Emissions Accounting and Reporting – Part 24: Electronic Equipment Manufacturing Enterprises.

Sysgration Energy Consumption and Intensity



4.3.2 Energy Management

Sysgration has established energy conservation targets. Using 2024 as the baseline year, the Company plans to reduce its electricity intensity by at least 20% by 2030. As of the end of the 2025 fiscal year, a reduction of 15.64% has been achieved. This year, the Leadray Energy subsidiary was newly added, expanding the overall operational scope; however, with continuous optimization of energy management and use efficiency, Sysgration's overall electricity intensity shows a declining trend. This demonstrates that the Company has been able to improve energy efficiency and resource management effectiveness even while expanding its business scale, indicating that energy-saving measures have already achieved preliminary results. We will therefore continue to advance various energy-saving improvement initiatives to reduce the negative environmental impact of our operating activities. Sysgration actively promotes energy management actions at its operating sites, as summarized in the table below. We aim to start by establishing a comprehensive energy management system, and progressively improve energy use efficiency at each operating site.



Energy Management

Energy Conservation Items

Implementation Measures

1. Replace existing equipment with high-efficiency, energy-saving alternatives, such as LED lighting and inverter air-conditioning units.
2. Optimize lighting controls in workshop common areas by changing from full-area to partial-area operation.
3. Reduce unnecessary idle operation of high-energy-consuming equipment on production lines and in laboratories.
4. Replace refrigeration and air-conditioning equipment using high-GWP refrigerants (e.g., R-23 trifluoromethane) with equipment using low-GWP refrigerants (e.g., R-32 difluoromethane).
5. Replace high fuel-consumption company vehicles with hybrid or fully electric vehicles.
6. Introduce high-efficiency, energy-saving chilled water systems.
7. Maintain air-conditioning temperature settings at 26 °C.
8. Continue promoting energy-saving practices, including turning off lights and air-conditioning when not in use.

Replacement of Conventional Lighting Features

To promote energy conservation and carbon reduction, Sysgration implemented multiple improvements to its lighting systems in 2025, including replacing conventional lighting fixtures with energy-efficient LED lights. Compared with traditional lighting, LEDs consume less electricity, generate less heat than fluorescent lamps, and have a longer service life, helping reduce both energy consumption and maintenance costs. In 2025, a total of 280 lighting fixtures were replaced, resulting in estimated electricity savings of approximately 22,302.72 kWh.

Lighting Energy Efficiency Optimization

The Company introduced individual remote-controlled lighting switches in office areas to encourage employees to turn off lights when leaving their workspaces, with estimated daily electricity savings of approximately 3,000 W. In workshop common areas, lighting control was changed from full-area operation to half-area operation, allowing lighting usage to be adjusted based on actual demand. This measure reduced lighting energy consumption and improved electricity efficiency, generating estimated annual electricity savings of approximately 6,649.08 kWh.

Replacement of High-Efficiency, Low-Power Equipment

To reduce energy consumption, outdated high-energy-consuming equipment was replaced with more energy-efficient alternatives. In 2025, three pieces of aging equipment were retired and upgraded with new equipment. The improved performance and lower electricity consumption of the new equipment help reduce energy waste, enhance operational stability, and improve overall energy efficiency. These upgrades are estimated to save approximately 55,504.8 kWh of electricity annually.

4.3.3 Renewable Energy Use

In alignment with the Paris Agreement, major global enterprises worldwide are responding to national government net-zero carbon or carbon neutrality policy requirements, promoting low-carbon transformation, and building climate resilience. Among these, the issue and importance of renewable energy are receiving more attention. Sysgration invested in renewable energy installations many years ago; the Nankang Plant in Nantou County, Taiwan has had a PV power generation system for over 10 years, selling the electricity generated from solar power back to Taipower to generate revenue.

Sysgration's Solar Power Sold to Taiwan Power Company

Year	Solar Energy	
	Renewable Generation (MWh)	Electricity Sale Revenue (NT\$)
2023	4.18	33,860
2024	4.05	32,694
2025	3.87	31,168

Nankang
Plant



Nankang Plant PV System

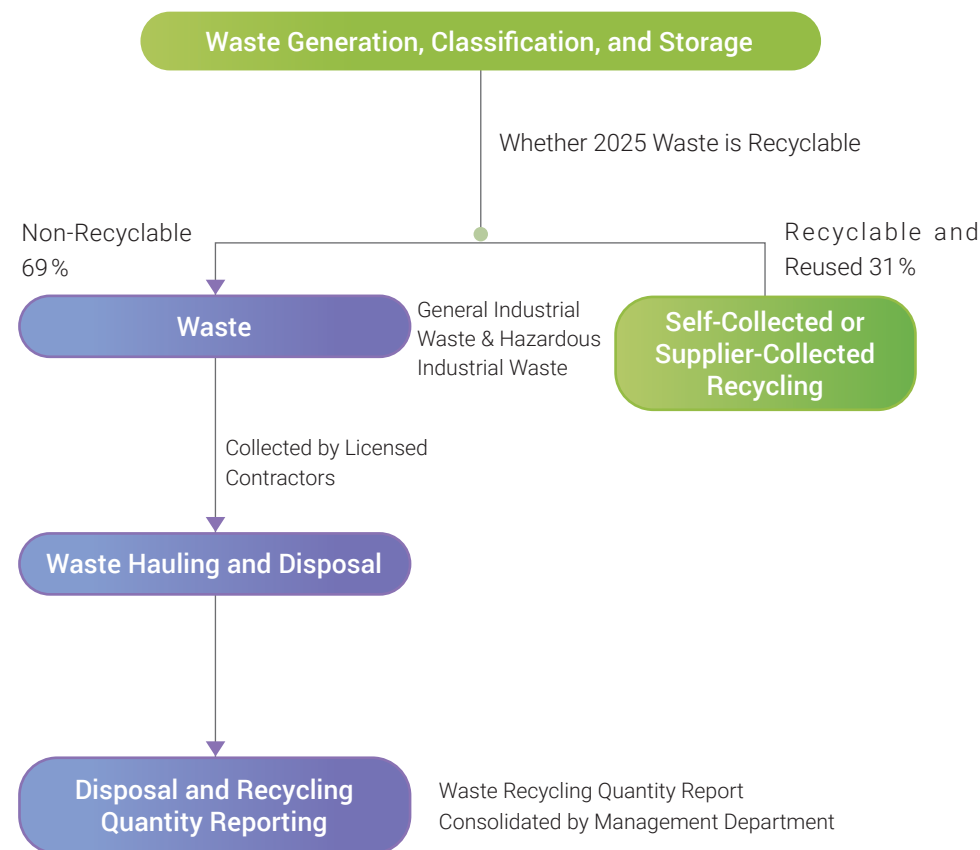
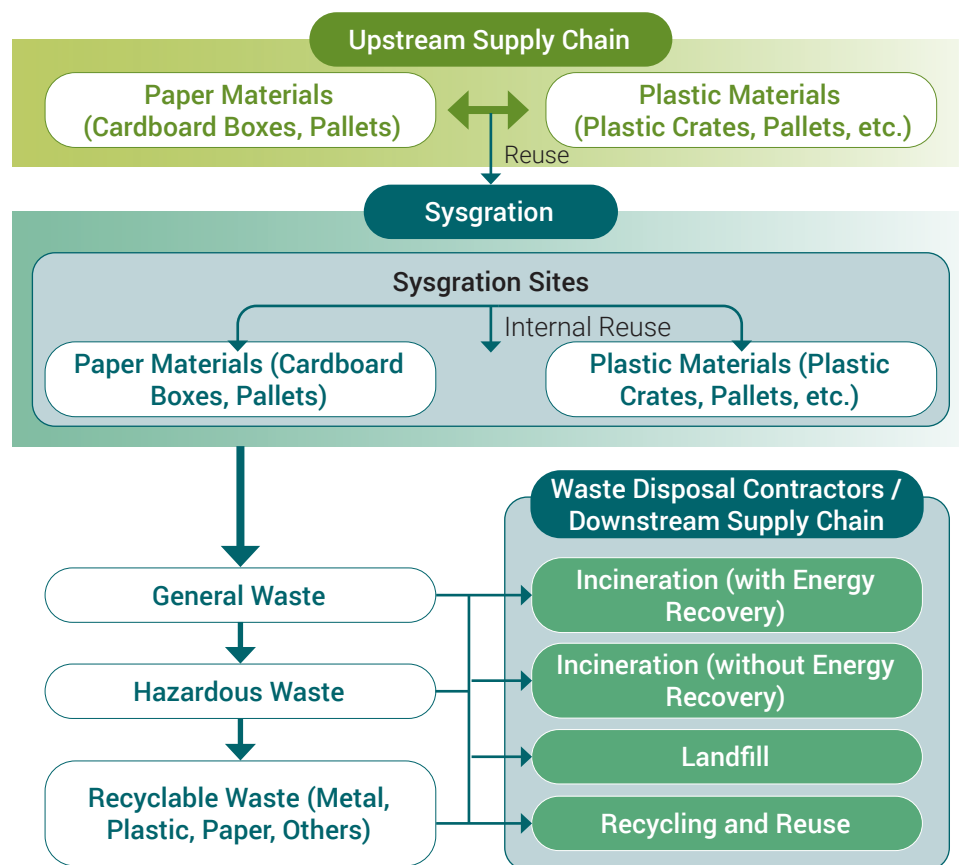


4.4 Waste Management

4.4.1 Waste Management

Sysgration manages all operational waste streams with local government waste management regulations and has implemented resource recycling mechanisms, supported by regular internal audits. Industrial waste is handled by qualified third-party waste treatment and recycling contractors to ensure compliance with applicable management procedures and practices. Waste collection and transportation are carried out regularly based on the volume of waste generated at each facility. In 2025, none of the waste contractors engaged by Sysgration were involved in any regulatory violations. All waste transportation data were reported through an online reporting system, with supporting documentation such as weighbridge tickets and waste transfer manifests retained for record-keeping purposes.

Waste Management Process





4.4.2 Waste Generation

Waste generated across Sysgration's operating boundaries is classified into Non-Hazardous Industrial Waste and Hazardous Industrial Waste. Currently, non-hazardous industrial waste consists primarily of paper and packaging materials, component assembly scrap, and standard office waste, accounting for 92.28% of the total waste volume. Hazardous industrial waste accounts for only 7.72% of the total volume, consisting predominantly of chemical waste liquids and scrap printed circuit boards (PCBs).

Sysgration 2025 Waste Disposal Statistics

Waste Category	Waste Type	Generation Volume (tonnes)	Disposal Volume (tonnes)	Waste Category Percentage	Disposal Method
Non-Hazardous Industrial Waste	Paper and Packaging Materials	18.42	18.42	16.33%	Recycling
	Electronic Scrap	0.014	0.014	0.01%	Recycling
	Wooden Crates and Timber	76.11	76.11	67.49%	Recycling/ Incineration (Non-energy recovery)
	Others ^(Note 1)	9.52	9.52	8.45%	Recycling and Reuse
Hazardous Industrial Waste	Industrial Waste Liquid	1.39	1.39	1.23%	Incineration (Non-energy recovery)
	Other Waste ^(Note 2)	7.32	7.32	6.49%	Recycling and Reuse/ Incineration (Non-energy recovery)

Note 1: Other non-hazardous waste includes plastic and metal waste.

Note 2: Other hazardous waste includes PCB boards and other waste.

Sysgration Waste Generation Statistics for the Past Three Years

Waste Classification		2023		2024		2025	
		On-site	Off-site	On-site	Off-site	On-site	Off-site
Non-hazardous Industrial Waste (tonnes)	Recycling and Reuse	0	29.55	0	39.05	0	32.10
	Incineration (Excluding Energy Recovery)	0	59.64	0	34.17	0	71.97
Hazardous Industrial Waste (tonnes)	Recycling and Reuse	0	1.15	0	2.43	0	3.35
	Incineration (with Energy Recovery)	-	-	-	-	0	3.97
	Incineration (Excluding Energy Recovery)	0	2.69	0	4.50	0	1.39
Total Waste Removed (tonnes)		0	93.03	0	80.15	0	112.78

4.4.3 Waste Reduction Measures

Moving forward, we intend to minimize pollution at the source through product process design optimization, continuous technological enhancements, and the ongoing promotion of material circularity.

Waste Management

Implementation Measures

1. Continuously drive source classification and waste reduction through automated production lines, process technology improvements, raw material reduction, use of lightweight eco-friendly packaging, and circular reuse of packaging at plants (such as recyclable plastic pallets and jointed wooden crates) to reduce total waste generation.
2. Handle all plant waste in full compliance with environmental laws requirements and implement resource recycling mechanisms.
3. Implement resource recycling and classification mechanisms for waste batteries, toner cartridges, plastic bottles, paper, and other materials.
4. Promote waste reduction among all employees.
5. Substitute single-use paper packaging with durable, recyclable plastic bins and steel sorting frames to prevent the generation of bulk paper waste at the source.

Reduction Items



Replace single-use paper packaging with durable, recyclable plastic bins and steel frames to reduce paper waste at the source.

4.5 Water Resource Management

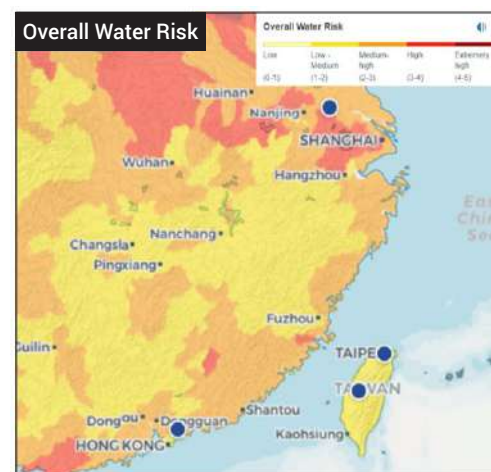
4.5.1 Water Resource Risk Assessment

In recent years, driven by the increasing frequency and severity of extreme climate events, the structural risks surrounding global water scarcity have escalated. In response to these external environmental water pressures, Sysgration has taken concrete operational actions to execute sustainable water resource management across its global footprint.

To avoid the potential risk of drawing water from high-water-stress areas that could affect local aquatic ecosystems and municipal water supplies, Sysgration utilizes the World Resources Institute (WRI) global water risk assessment framework, the Aqueduct Water Risk Atlas, to assess overall water risks across all operational sites. The results of this assessment are incorporated into future operational considerations.

The Taipei headquarters^(Note 2), Nankang Plant in Nantou, and Leadray are classified within the low to medium overall water risk baseline. Conversely, the Zhenjiang Plant in Jiangsu Province and Huizhou Plant in Guangdong Province in mainland China are classified within the medium to high overall water risk baseline. Although these sites are located in water-stressed regions, no operational water shortage or localized flooding incidents have occurred to date.

To respond to major emergencies or natural disasters, Sysgration has established emergency response procedures enabling factory personnel to execute structured containment protocols and minimize potential disaster-related losses.



Note 1: This assessment is based on the overall water risk evaluation of Sysgration's operating sites using the World Resources Institute (WRI) Aqueduct Water Risk Atlas (accessed on April 17, 2026).

Note 2: Power Tank Energy and Sysgration Taipei Headquarters are located in the same office building.

Factory	WRI Aqueduct Overall Water Risk Level (baseline)
Taipei Headquarters, Power Tank	Low-Medium
Nankang Plant, Taiwan	Low-Medium
Leadray, Taiwan	Low-Medium
Huizhou Plant, Mainland China	Medium-High
Zhenjiang Plant, Mainland China	Medium-High

4.5.2 Water Withdrawal, Water Discharge, Water Consumption

All water withdrawn by Sysgration are municipal tap water. Water consumption across all sites is strictly for domestic/sanitary purposes, with no industrial water use. Water intake sources are as follows: the Taipei Headquarters and Power Tank Energy draw from the Feitsui Reservoir; the Taiwan Nankang Plant draws from Sun Moon Lake Reservoir; the Huizhou Plant in mainland China draws from the Fengtian Reservoir in Daya Bay; the Zhenjiang Plant draws from the lower Yangtze River and North Hankou in Changzhou; and Leadray draws from the Yongheshan Reservoir along the Zhonggang River in Taiwan.

Wastewater discharge from all plants is consolidated in accordance with local regulations and treated the centralized industrial park wastewater treatment facilities at each respective site before being discharged. Final discharge points are as follows: the Nankang Plant discharges into the Maoluo Creek in Taiwan; the Zhenjiang Plant discharges into the Yangtze River in mainland China; the Huizhou Plant discharges into the Yanqian River in Daya Bay, mainland China; and Leadray discharges into the Zhonggang River in Taiwan.

Total water withdrawal in 2025 amounted to 14.68 million liters, representing an increase of approximately 11.04% compared to the 2024 fiscal year. Operational facilities in Taiwan accounted for 66.49% of the total consumption, with mainland China facilities accounting for the remaining 33.51%.

|
 Sysgration Water Consumption Statistics for the Past Three Years

Water Item		Site	2023	2024	2025
Water Withdrawal (million liters)	Third-party Water (Municipal Water Supply)	Taipei Headquarters	2.59	2.69	2.32
		Nankang Plant	4.98	4.76	5.82
		Huizhou Plant	4.93	3.82	3.19
		Zhenjiang Plant	1.50	1.69	1.73
		Power Tank	0.14	0.25	0.27
		Leadray	-	-	1.35
		Total	14.14	13.22	14.68
Water Consumption (million liters)		Taipei Headquarters	2.59	2.69	2.32
		Nankang Plant	4.98	4.76	5.82
		Huizhou Plant	4.93	3.82	3.19
		Zhenjiang Plant	1.50	1.69	1.73
		Power Tank	0.14	0.25	0.27
		Leadray	-	-	1.35
		Total	14.14	13.22	14.68
Water Withdrawal Intensity ^(Note 5)			0.0043	0.0042	0.0043

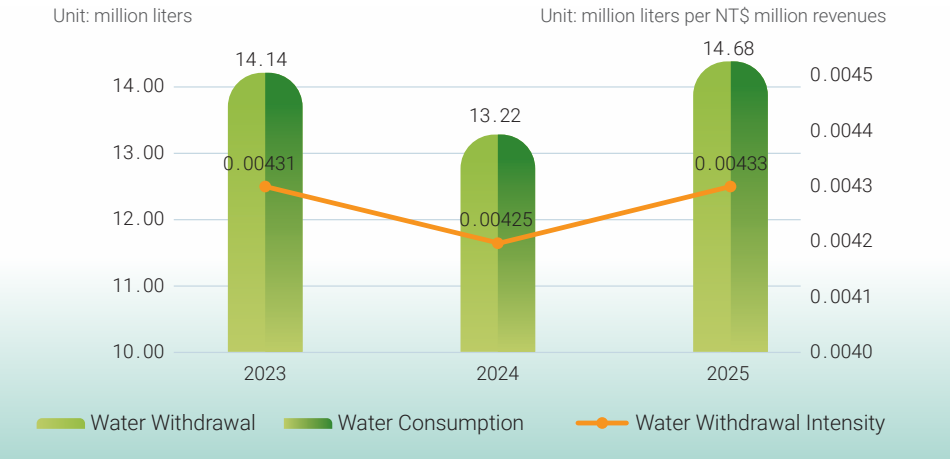
Note 1: Water resource data covers Sysgration Taipei Headquarters, Nankang Plant, Huizhou Plant, Power Tank Energy, Zhenjiang Plant, and Leadray. Power Tank Energy was established as a newly spun-off subsidiary from the original Sysgration ESS division in 2023, so relevant data has been independently reported since 2023. Leadray was included in the statistical scope starting from 2025.

Note 2: None of Sysgration's plants draw water from seawater or high-water-stress areas. Water sources: Taipei Headquarters and Power Tank Energy – Feitsui Reservoir; Nantou Nankang Plant – Sun Moon Lake Reservoir; Zhenjiang Plant in mainland China – lower Yangtze River and North Hankou in Changzhou; Huizhou Plant – Daya Bay Fengtian Reservoir; Leadray– Zhonggang River (Yongheshan Reservoir).

Note 3: All wastewater from Sysgration facilities is treated through industrial park wastewater treatment plants and discharged into local receiving water bodies only after meeting regulatory standards.

Note 4: Water Consumption = total water withdrawal – total wastewater discharge.

Note 5: Water withdrawal intensity: total annual water withdrawal / Sysgration revenue (unit: million liters/ NT\$ million).



4.5.3 Water Conservation Management

Sysgration is not categorized as a water-intensive user; however, it remains committed to water resource management. Using 2021 as the baseline year, Sysgration has set a target to reduce its water withdrawal intensity by at least 50% within five-years. In 2025, water withdrawal intensity has successfully decreased by 38.57% compared to the 2021 baseline.

The reduction is mainly attributed to the installation of an intelligent chilled water system at the Nankang Plant, which helps prevent unnecessary cooling water loss. In addition, water usage at the Huizhou Plant decreased due to improved production efficiency resulting from the implementation of production line automation. Sysgration remains committed to enhancing water-use efficiency and will continue to strengthen its water resource management practices to optimize water consumption across all facilities.

Water-conservation Management

Reduction Item

Implementation Measures

- Deploy water conservation signage and environmental reminders to encourage employees to turn off taps after use.
- Install automated infrared sensor-activated faucets across all operating sites to reduce unnecessary water consumption.
- Implement advanced intelligent chilled water systems to reduce unnecessary cooling water loss.

5

Chapter Employee Care

5.1 Employment

5.2 Friendly Workplace

5.3 Talent Management
Communication and Salary Security

5.4 Human Rights Protection

5.5 Occupational Health and Safety



Sustainability Performance Highlights and Corresponding SDGs

SDG 3 Good Health and Well-Being

- The distribution amount of employee welfare (including year-end performance bonuses and health inspection subsidies) in 2025 reached **NT\$49.48 million**.
- Sysgration signed a contract with Pojen General Hospital and Yuanlin Kuo Hospital Dacunkuo Branch for on-site health consultations conducted by professional doctors and nurses. Annual routine health checkups are provided to all employees, while special occupational health examinations including ionizing radiation, audiometry, and occupational disease screenings are offered to employees engaged in specialized operations. The total health subsidy amounts to approximately **NT\$2 million**.

SDG 5 Gender Equality

- Sysgration actively promotes workplace diversity and equity. In 2025, women accounted for **41.1%** of the total workforce and **25.1%** of senior managers positions.

SDG 8 Decent Work and Economic Growth

- In 2025, Sysgration invested approximately **NT\$1.83 million** in employee education and training, with total training hours reaching **12,600 hours**.
- All operating plants (except Leadray) have obtained **ISO 45001:2018** Occupational Health and Safety Management System certification.
- A total of **114.2 hours** of occupational health and safety training were conducted for employees, with **1,966 participations**.
- In 2025, the Taipei Headquarters, Nankang Plant, Huizhou Plant, Power Tank, Leadray, and Zhenjiang Plant **did not have incidents related to human rights violations**.

SUSTAINABLE DEVELOPMENT GOALS





Management Approach of Material Topics Occupational Health and Safety

GRI Indicators

GRI 3-3、GRI 403-1、GRI 403-2、GRI 403-3、GRI 403-4、GRI 403-5、GRI 403-6、GRI 403-7、GRI 403-8、GRI 403-9、GRI 403-10

Targets

Short-Term Goals (2026 – 2027)

- Strengthen safety protection for automated equipment, establish a healthy and safe working environment for employees, and continuously improve workplace health and safety management.
- Disabling Injury Frequency Rate (FR) ≤ 0.5 .
- Annual occupational health and safety education and training completion rate of 100%.
- Zero workplace injury incidents throughout the year.
- 100% safety briefing coverage for contractor operations.

Medium-Term Goals (2028 – 2029)

- Introduce ergonomic risk assessments, optimize the assembly line environment, and enhance employees' occupational health and safety knowledge.
- No major occupational disease cases.
- Zero workplace safety incidents.

Long-Term Goals (2030 and beyond)

Build a "Zero-accident" safety culture and strengthen safety participation among all employees.

Quantitative Targets:

- Disabling Injury Severity Rate (SR) approaching zero.
- Overall safety awareness assessment excellence rate of 95% or above.
- Maintain zero workplace safety incidents.

Description of Impact

Description of Positive Impacts:

By establishing a robust occupational health and safety management system, Sysgration not only safeguards employee health and safety, but also enhances production stability and customer confidence in the Company's occupational health and safety resilience. The promotion of a "Proactive Safety Culture" strengthens employees' safety awareness and fosters a safe, healthy, energetic, and inclusive work environment.

Description of Negative Impacts:

Occupational incidents occurring to employees during work may result in operational disruptions and productivity losses that could have significant and long-lasting impacts on the business. Such incidents may also lead to serious reputational harm and potential legal liability.

Policies and Commitments

Guided by the principles of "Safety First, Prevention as Priority, and Full Employee Participation," Sysgration is committed to preventing, controlling, and eliminating occupational health hazards, combating occupational diseases, and protecting the health and rights of all employees. Our commitments include:

- 1. Safe Working Environments:** All production equipment and test benches must incorporate inherently safe design principles to ensure a hazard-free working environment.
- 2. Comprehensive Employee Health:** Health checkups and mental health counseling services exceeding statutory requirements are provided, fostering a workplace culture of genuine care for employees' physical and psychological well-being.
- 3. Compliance and Standards:** Sysgration maintains 100% compliance with all applicable occupational health and safety laws and regulations, and continuously promotes and implements the ISO 45001 Occupational Health and Safety Management System to ensure the effective operation of its management framework.

Action Plans

Positive Impact Management:

- Employees are encouraged to participate in regular occupational health screenings and annual health checkups, with health consultation services provided to effectively reduce the incidence of occupational hazards.
- A diverse range of training programs is provided to employees, covering occupational health and safety education, fire and disaster prevention training, and occupational disease prevention and case study.
- All operating plants (except Leadray) have obtained ISO 45001 certification.

Negative Impact Management:

- Emergency response procedures for employees working with or exposed to hazardous chemicals have been established, and chemical spill emergency drills are conducted.
- Nitrogen leak drills, warehouse fire drills, fire evacuation and emergency escape drills at plants and dormitory areas are conducted regularly.
- Promotional events under the theme of the "Occupational Disease Prevention Law" are organized.

Responsible Unit

Occupational Health and Safety Committee

Grievance Mechanism

- Physical Channel: "Suggestion boxes" are installed at plant locations.
- Digital Channel: A dedicated "Stakeholder Zone" and email address have been established.
- Email: opinion@sysgration.com, Clyan@sysgration.com, ericliu@powertankenergy.com
- Complaint Hotline: 0752-5168111, 0511-83352777-6505

Effectiveness Assessment

- Quarterly Management Reviews: The General Manager chairs the Occupational Safety Committee to review progress against targets and evaluate improvement recommendations.
- External Audits: Annual ISO 45001 external audits are conducted, with 100% follow-up and closure tracking of all identified non-conformities.
- Employee Feedback Mechanism: Regular surveys are conducted to gauge employees' perceptions of workplace safety improvements, serving as a basis for setting objectives in the following year.



Management Approach of Material Topics Human Rights

GRI Indicators

GRI 3-3、GRI 406-1、GRI 408-1、GRI 409-1

Targets

Short-Term (2026 – 2027)

- Formulate and incorporate the labor human rights policy into the Employee Handbook, and communicate it to all employees.
- Incorporate labor human rights policy and regulations into new employee orientation programs, targeting 100% training coverage.
- Conduct annual RBA labor human rights audits at operating plants to ensure compliance.

Medium to Long-Term (2028 – 2030)

- Continue to conduct annual RBA labor and human rights audits at operating facilities on an ongoing basis.
- Conduct labor human rights audits at supplier operating plants every two years.
- Conduct two company-wide training sessions annually on the latest version of the RBA Code of Conduct.

Description of Impact

Description of Positive Impacts:

By complying with local laws and industry regulations to genuinely protect employees' workplace human rights and provide a dignified, equitable, and inclusive working environment, the Company enhances its reputation and strengthens its competitive advantage in attracting talent.

Description of Negative Impacts:

The illegal employment of child labor or engagement in labor would severely damage the brand reputations of both the Company and its customers, adversely affecting customer orders and overall corporate reputation.

Policies and Commitments

Sysgration's labor and human rights policy is guided by internationally recognized standards, including the "UN Universal Declaration of Human Rights," "UN Global Compact," "International Labor Conventions," "Responsible Business Alliance (RBA) Code of Conduct," and the "International Labor Office Tripartite Declaration of Principles (the ILO MNE Declaration)," as well as applicable labor laws and regulations at each operating location. We are deeply convinced that respecting and protecting human rights is the material foundation of sustainable corporate management.

Action Plans

Positive Impact Management:

- The RBA Code of Conduct applies not only to Sysgration but also to its suppliers. In addition to meeting the relevant requirements itself, the Company also requires suppliers to comply with RBA labor human rights standards.
- Establish accessible and effective communication channels for labor-related matters.

Negative Impact Management:

- Formulate labor human rights policy.
- Prohibit the employment of child labor^{Note} and implement measures to examine the age of new employees.
- In support of international human rights initiatives, Sysgration has declared and committed to not accepting metals sourced from illegal smelters in conflict-affected mineral regions. Suppliers are also required to comply with this commitment and sign a declaration confirming the non-use of conflict minerals.

Note: In Taiwan, child labor refers to employed individuals aged 15 or above but under 16. In mainland China, any person under the age of 16 is classified as a child labor.

Responsible Unit

General Manager's Office

Grievance Mechanism

Employees and other stakeholders: hr@sysgration.com
Suppliers: scm@sysgration.com

Effectiveness Assessment

- In 2025, no human rights incidents, including discrimination, child labor, or forced labor occurred across the Company.
- In 2025, the Nankang Plant completed its registration as an RBA-Online member and submitted the Self-Assessment Questionnaire (SAQ).
- The RBA audit results of the Huizhou Plant in 2025 showed no non-conformities.



Management Approach of Material Topics Talent Attraction and Retention

GRI Indicators

GRI 3-3、GRI 401-1、GRI 401-2、GRI 401-3

Targets

Short-term (2026 – 2028)

- Establish standardized recruitment and job description frameworks.
- New employee orientation training completion rate of 100 %.
- New employee retention rate of 70 % or above.

Medium to Long-term (2029 – 2031)

- Establish a comprehensive talent development and succession planning system.
- Average annual training hours per employee of 20 hours or more.
- Key talent retention rate of 85 % or above.

Description of Impact

Description of Positive Impacts:

By providing stable employment opportunities, market competitive compensation system, and by strengthening employee education, training, and career development, Sysgration enhances employees' professional capabilities and employability, thereby reducing turnover.

Description of Negative Impacts:

Failure to offer competitive employee benefits and diverse training programs to enhance employee skills may increase the risk of talent attraction and undermine the Company's innovation and R&D momentum.

Policies and Commitments

Sysgration places great importance on talent development and is committed to offering a competitive compensation structure. Through education, training, and career development mechanisms, the Company enhances employees' capabilities and increases their willingness to stay. Strong management systems and succession planning further safeguard employee rights and interests.

Action Plans

Positive Impact Management:

- Promote new employee orientation and a robust training ecosystem to enhance employees' professional capabilities and career development.
- Optimize the compensation structure and incentive system to improve talent retention rates.

Negative Impact Management:

- Strengthen onboarding guidance and mentoring mechanisms to reduce adjustment stress and improve new hire retention.
- Establish talent mapping and succession planning for key positions to mitigate the risk of critical workforce attraction.

Responsible Unit

Human Resources Department

Grievance Mechanism

Email: opinion@sysgration.com

Effectiveness Assessment

- In 2025, driven by talent attraction and retention initiatives, overall workforce indicators showed positive development. Data reflects an increase in new hires in 2025 compared to the previous year, demonstrating the effectiveness of strengthened recruitment strategies and employer branding.



5.1 Employment

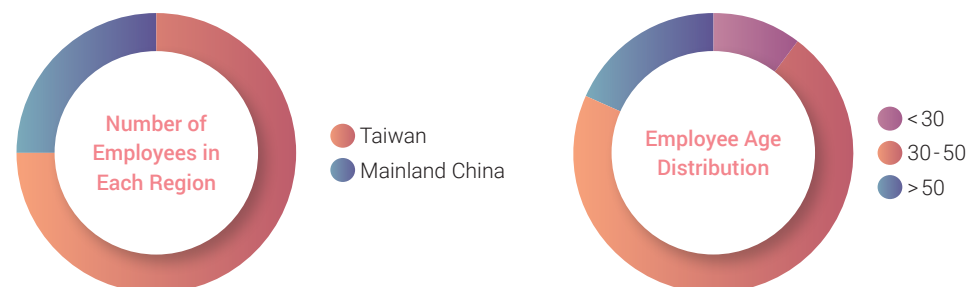
5.1.1 Employee Structure

Sysgration values every employee as the Company's most precious asset. Guided by a people-oriented management approach, we are committed to fostering constructive labor-management relations and building a dynamic, harmonious workplace that collectively advances sustainable development. As of the end of 2025, Sysgration has a total of 654 employees, including 492 in Taiwan and 162 in Mainland China. The ratio of male employees to female employees is 0.54:0.46. There are 26 non-employee workers, of whom 11 are male, and 15 are female, and they are short-term dispatched workers for the production line or company interns. To cooperate with the government's policy for the employment of persons with disabilities, Sysgration employed five employees with disabilities in 2025. The Company also had 43 foreign national employees, reflecting its active commitment to fostering a diverse and inclusive workplace.

Group Total

Age (Years Old) Gender	<30	30 - 50	>50	Total	
				Total Number of People	Percentage (%)
Male	33	221	100	354	54.1 %
Female	32	225	43	300	45.9 %
Total	65	446	143	654	100 %

Note: The number of employees represent value as of the end of the reporting period (December 31, 2025).



Taipei Headquarters

Item	Category	Male		Female		Subtotal	
		Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)
Contract Type	Full-time	137	68.8 %	62	31.2 %	199	100.0 %
Position Type	Managers	73	53.3 %	21	33.9 %	94	47.2 %
	Non-managers	64	46.7 %	41	66.1 %	105	52.8 %
Age (Years Old)	<30	9	6.6 %	4	6.4 %	13	6.5 %
	(Years Old)	84	61.3 %	43	69.4 %	127	63.8 %
	>50	44	32.1 %	15	24.2 %	59	29.7 %
Total		225 persons					

Nankang Plant

Item	Category	Male		Female		Subtotal	
		Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)
Contract Type	Full-time	66	44.3 %	83	55.7 %	149	100.0 %
Position Type	Managers	7	10.6 %	3	3.6 %	10	6.7 %
	Non-managers	59	89.4 %	80	96.4 %	139	93.3 %
Age (Years Old)	<30	15	22.7 %	13	15.7 %	28	18.8 %
	(Years Old)	36	54.5 %	59	71.1 %	95	63.8 %
	>50	15	22.7 %	11	13.3 %	26	17.4 %
Total		149 persons					

Note 1: Official employees refer to full-time employees and there are no part-time employees, contract employees, or employees without guaranteed hours.

Note 2: Managers are defined as employees at the Assistant Manager level or above.



Huizhou Plant

Item	Category	Male		Female		Subtotal	
		Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)
Contract Type	Full-time	40	42.6%	54	57.4%	94	100.0%
Position Type	Managers	3	7.5%	2	3.7%	5	5.3%
	Non-managers	37	92.5%	52	96.3%	89	94.7%
Age (Years Old)	< 30	6	15.0%	5	9.3%	11	11.7%
	30 - 50	30	75.0%	48	88.9%	78	83.0%
	> 50	4	10.0%	1	1.9%	5	5.3%
Total		94 persons					

Zhenjiang Plant

Item	Category	Male		Female		Subtotal	
		Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)
Contract Type	Full-time	27	39.7%	41	60.3%	68	100.0%
Position Type	Managers	3	11.1%	0	0.0%	3	4.4%
	Non-managers	24	88.9%	41	100.0%	65	95.6%
Age (Years Old)	< 30	1	3.7%	1	2.4%	2	2.9%
	30 - 50	24	88.9%	40	97.6%	64	94.1%
	> 50	2	7.4%	0	0.0%	2	2.9%
Total		68 persons					

Power Tank

Item	Category	Male		Female		Subtotal	
		Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)
Contract Type	Full-time	37	71.2%	15	28.8%	52	100.0%
Position Type	Managers	12	32.4%	4	26.7%	16	30.8%
	Non-managers	25	67.6%	11	73.3%	36	69.2%
Age (Years Old)	< 30	1	2.7%	1	6.7%	2	3.8%
	30 - 50	24	64.9%	13	86.7%	37	71.2%
	> 50	12	32.4%	1	6.7%	13	25.0%
Total		52 persons					

Leadray

Item	Category	Male		Female		Subtotal	
		Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)
Contract Type	Full-time	33	50.0%	33	50.0%	66	100.0%
Position Type	Managers	13	39.4%	6	18.2%	19	28.8%
	Non-managers	20	60.6%	27	81.8%	47	71.2%
Age (Years Old)	< 30	2	6.1%	8	24.2%	10	15.2%
	30 - 50	20	60.6%	16	48.5%	36	54.5%
	> 50	11	33.3%	9	27.3%	20	30.3%
Total		66 persons					

Note 1: Official employees refer to full-time employees and there are no part-time employees, contract employees, or employees without guaranteed hours.

Note 2: Managers are defined as employees at the Assistant Manager level or above.



5.1.2 New and Resigned Employees Statistics

Taipei Headquarters

Item	Category	New Employees		Resigned Employee	
		Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)
Gender	Male	81	74.3%	64	79.0%
	Female	28	25.7%	17	21.0%
Age (Years Old)	<30	9	8.3%	6	7.4%
	30-50	76	69.7%	59	72.8%
	>50	24	22.0%	16	19.8%
Total		109		81	

Nankang Plant

Item	Category	New Employees		Resigned Employee	
		Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)
Gender	Male	28	73.7%	26	37.1%
	Female	10	26.3%	44	62.9%
Age (Years Old)	<30	14	36.8%	18	25.7%
	30-50	20	52.6%	41	58.6%
	>50	4	10.5%	11	15.7%
Total		38		70	

Huizhou Plant

Item	Category	New Employees		Resigned Employee	
		Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)
Gender	Male	2	50.0%	6	42.9%
	Female	2	50.0%	8	57.1%
Age (Years Old)	<30	3	75.0%	4	28.6%
	30-50	1	25.0%	10	71.4%
	>50	0	0.0%	0	0.0%
Total		4		14	

Zhenjiang Plant

Item	Category	New Employees		Resigned Employee	
		Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)
Gender	Male	5	71.4%	4	44.4%
	Female	2	28.6%	5	55.6%
Age (Years Old)	<30	1	14.3%	3	33.3%
	30-50	5	71.4%	5	55.6%
	>50	1	14.3%	1	11.1%
Total		7		9	

Power Tank

Item	Category	New Employees		Resigned Employee	
		Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)
Gender	Male	21	70.0%	10	83.3%
	Female	9	30.0%	2	16.7%
Age (Years Old)	<30	0	0.0%	1	8.3%
	30-50	26	86.7%	7	58.3%
	>50	4	13.3%	4	33.3%
Total		30		12	

Leadray

Item	Category	New Employees		Resigned Employee	
		Number of People	Proportion Within Category (%)	Number of People	Proportion Within Category (%)
Gender	Male	15	46.9%	13	76.5%
	Female	17	53.1%	4	23.5%
Age (Years Old)	<30	6	18.8%	3	17.6%
	30-50	17	53.1%	10	58.8%
	>50	9	28.1%	4	23.5%
Total		32		17	

Sysgration conducted an analysis of resignation reasons across its operating locations in Taiwan and Mainland China. Results indicate that the primary reasons of resignation remain personal career planning considerations, including other personal factors, considerations regarding promotion and career development, as well as further education or entrepreneurship. This reflects that some employees choose to change their career paths based on their current career stage and plans. Non-work-related factors such as marriage, family, or health considerations were the second factors. In contrast, the proportion of employees leaving due to factors such as compensation and benefits, commuting, housing, or working conditions was relatively low, indicating that the overall work environment and labor conditions across all operational sites remain stable. The Company will continue to strengthen assessments of candidate-position fit during the recruitment phase and enhance employee retention and overall job satisfaction by optimizing compensation and benefits systems and providing diverse career development opportunities.

5.1.3 Talent Recruitment

Sysgration is committed to fair, just, and transparent recruitment practices, ensuring that candidates are not subject to discrimination due to their nationality, religion, ethnicity, or gender. In response to the development of business strategies, Sysgration upholds the philosophy of the right positions for the right talents and opportunities for all talents. The Company actively recruits outstanding talents to enhance product R&D and technology capabilities to further improve the development of applications in the fields of energy storage systems, vehicle-to-everything (V2X) technology, and tire pressure monitoring systems.

This year, in addition to posting job openings on existing recruitment platforms such as 104 and 1111 Job Banks, the Company has also partnered with employment counseling centers and public employment service agencies near its operating locations to expand local talent sourcing. We also actively encourage current employees, business partners, and alumni to recommend suitable candidates through our internal referral program. We have established a referral incentive system that provides corresponding bonuses and benefits upon the successful hiring of a referred candidate, thereby enhancing recruitment effectiveness through professional networks. Beyond these channels, Sysgration attracts high-potential talent through diverse avenues including industry-academia collaborations, online recruitment, and offline job fairs. We continuously optimize our recruitment process, which covers stages such as job requirement verification, resume screening, interview evaluation, and hiring decisions to ensure fairness and transparency throughout the entire recruitment process.

In terms of recruitment costs, the Taipei Headquarters, Huizhou Plant, and Zhenjiang Plant allocate recruitment resources based on local talent market conditions, recruitment needs, and position characteristics. This approach reflects each location's strategic commitment to attracting and hiring talent while balancing cost management with recruitment efficiency. In the future, as market competition intensifies and technology advances rapidly, the Company will continue to evaluate and adjust its recruitment costs and strategies to ensure the recruitment process efficiency and the rational allocation of resources, thereby further consolidating the Company's leading position in the industry and supporting the Company's sustainable development goals in the area of talent management.

5.2 Friendly Workplace

Sysgration demonstrates a strong commitment to employee health and well-being, actively creating a workplace environment that integrates human care with professional development. The Company places particular emphasis on the rights and welfare of female employees and those with maternity needs, maintaining a comprehensive and competitive benefits system that ensures every employee feels respected and supported in the workplace, thereby enhancing overall well-being and a sense of belonging. To strengthen employees' physical and mental health and promote work-life balance, Sysgration regularly organizes diverse health education seminars, and subsidizes employee club activities. It also facilitates study group and team-building events to encourage interaction and communication among employees, which further effectively alleviates stress and fosters a positive and motivated work atmosphere. The Company encourages employees to engage actively through a variety of clubs, including golf, table tennis, walking, badminton, and fitness clubs, providing accessible and convenient pathways for health promotion. These initiatives not only enhance employees' physical and mental well-being, but also strengthen team cohesion and deepen corporate culture, reflecting the outstanding balance Sysgration has achieved between employee care and sustainable corporate development.

Employee Activities



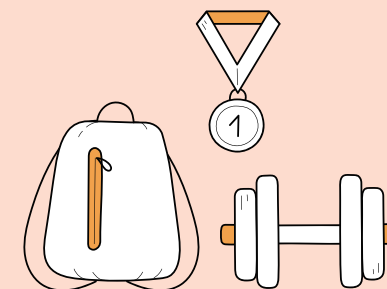
Taipei Headquarters Golf Club Activity



Taipei Headquarters Badminton Club Activity



Nankang Plant Fitness Club Activity





Huizhou Plant Study Group



Huizhou Plant Badminton Club



Huizhou Plant Annual Trip



Nankang Plant Annual Trip

5.2.1 Employee Diversity, Equity, and Inclusion

Sysgration is committed to providing employees with a dignified and safe working environment. We implement the fairness of employment diversity, remuneration and promotion opportunities to ensure that no employee is subject to discrimination, harassment, or unequal treatment due to ethnicity, gender, religion, age, political orientation, and other circumstances protected by applicable laws and regulations. We have clearly defined the concepts and principles in the Company's "Human Rights Policy."

Sysgration has established a "Remuneration Committee" to provide employees with competitive remuneration, sharing the Company's operational performance with employees through a transparent and equitable remuneration policy. Employees at the same entry-level specialist grade receive the same starting salary. For candidates with relevant professional expertise or work experience, remuneration is determined based on educational background, experience, expertise, and certificates of applicants, regardless of gender or ethnicity.

2025 Gender Equality and Diversity Overview

Gender Equality and Diversity Indicators

Percentage

Percentage of Female Employees to Total Employees	45.9%
Percentage of Female Senior Managers to Total Senior Managers	25.1%
Percentage of Employees in Taiwan and Mainland China to Total Employees	93.43%
Percentage of Foreign National Employees to Total Employees	6.57%
Percentage of Employees with Disabilities to Total Employees	0.92%

In fulfillment of its commitment to supporting female employees and enabling them to reach their full potential, Sysgration aspires to create a genuinely gender-friendly workplace. We have set up breastfeeding rooms in the workplace for female employees for convenience and emphasis on "Maternal health protection" for female employees, allowing them to have a comfortable and healthy work environment. In 2025, the Company employed six employees with disabilities and 43 foreign national employees. In recognition of their cultural backgrounds, Sysgration provided recreational and sports facilities, arranged for counselors to visit the workplace to check on their well-being, and organized year-end gatherings. No incidents involving violations of their labor rights or human rights have occurred.



Parental Leave

In accordance with the "Act of Gender Equality in Employment" and "Regulations for Implementing Unpaid Parental Leave for Raising Children," Sysgration administers parental leave without pay for employees without distinction based on gender, role, or work location. For female employees, during the pregnancy and childbirth periods, they are entitled to pregnancy leave without pay, prenatal checkup leave and maternity leave. For male employees, during the childbirth of their spouses, they are also entitled to the paternity leave. After employees' leave-without-pay period concludes, the Company assists them to return to their original unit and job position, such that employees are able to re-enter the workplace again.

Item	Taipei Headquarters		Nankang Plant		Huizhou Plant	
	Male	Female	Male	Female	Male	Female
A Employees Eligible for Parental Leave in 2025	1	4	1	2	4	2
B Employees Who Took Parental Leave in 2025	1	4	1	2	4	2
C Employees Expected to Return to Work After Parental Leave in 2025	1	4	1	0	4	2
D Employees Who Actually Returned to Work After Parental Leave in 2025	1	3	1	1	4	2
E Employees Who Returned to Work After Parental Leave in 2024	1	2	2	1	4	2
F Employees Who Remained Employed 12 Months After Returning from Parental Leave in 2024	1	2	2	1	4	2
Parental Leave Uptake Rate (B/A)	100%	100%	100%	100%	100%	100%
Return-to-Work Rate (D/C)	100%	75%	100%	-	100%	100%
Retention Rate (F/E)	100%	100%	100%	100%	100%	100%

Item	Zhenjiang Plant		Power Tank		Leadray	
	Male	Female	Male	Female	Male	Female
A Employees Eligible for Parental Leave in 2025	0	2	0	0	0	3
B Employees Who Took Parental Leave in 2025	0	2	0	0	0	3
C Employees Expected to Return to Work After Parental Leave in 2025	0	2	0	0	0	0
D Employees Who Actually Returned to Work After Parental Leave in 2025	0	1	0	0	0	0
E Employees Who Returned to Work After Parental Leave in 2024	0	1	0	0	0	0
F Employees Who Remained Employed 12 Months After Returning from Parental Leave in 2024	0	1	0	0	0	0
Parental Leave Uptake Rate (B/A)	-	100%	-	-	-	100%
Return-to-Work Rate (D/C)	-	50%	-	-	-	-
Retention Rate (F/E)	-	100%	-	-	-	-

Notes: 1. Return-to-work rate = (employees who actually returned to work after parental leave / employees expected to return to work after parental leave) × 100.

2. Retention rate = (employees who remained employed 12 months after returning from parental leave / total number of employees who returned from parental leave in the previous reporting period) × 100.



5.2.2 Comprehensive Employee Benefits

Sysgration provides employee benefits superior to the regulatory requirements. In addition to mandatory labor and health insurance, the Company further provides employee group insurance, including accident insurance, cancer insurance, and accident medical insurance to enhance medical coverage. These benefits also serve to strengthen camaraderie and well-being, and to encourage leisure and recreational activities outside of work.

In addition to actively implementing people-oriented management and various welfare measures, Sysgration also adheres to the concept of sharing profits with employees, attracts and provides incentives to outstanding talents, and determines employee remuneration based on the Company's operating results. According to the Company's Articles of Incorporation, if the Company is profitable for the year, it shall allocate 10% to 15% of the profit as the employee remuneration. Other employee welfare systems include: Labor Insurance and National Health Insurance, group insurance and employee family insurance, birthday gift vouchers, subsidies for employees' weddings, funerals and celebrations, travel allowance, motorcycle parking subsidies, birthday celebrations, year-end parties and lucky draws. In addition, the Company has established the Employee Welfare Committee in accordance with the Employee Welfare Fund Act and contributes 0.05% of the Company's monthly revenue to the Employee Welfare Committee's account to handle welfare matters.

As Sysgration has no employees under the old pension system, no contributions are made to the old-system retirement fund. For all employees eligible under the new pension system, retirement contributions are handled in accordance with the "Labor Pension Act." The Company contributes 6% of each employee's monthly salary, and employees may additionally elect to make voluntary contributions of 0%–6% to their individual pension accounts. Employees in Mainland China are also covered by the labor insurance policy, and the Company makes full contributions as required by local laws and regulations. 100% of the Company's employees participate in the retirement plan. In 2025, the total amount of pension amount contributed was NT\$30.70 million.

Benefit Item	Description	Target	Benefit Recipients	Benefit Disbursement Amount (NT\$)
Group Employee Insurance	Life insurance, accident insurance, cancer insurance, and overseas personnel accident insurance.	All Employees	495	819,175
Festival and Holiday Bonuses	Dragon Boat Festival, Mid-Autumn Festival.	All Employees	1330	990,849
Year-End Performance Bonus	Disbursed based on Company profitability and individual performance and contribution.	All Employees	608	42,823,076
Wedding, Bereavement, and Special Illness/Hospitalization Allowances	Distributed according to the Regulations for Employees' Wedding, Celebration and Funeral Subsidies.	All Employees	7	29,366
Patent Incentive Bonus	To encourage employees to expand the R&D outcome in the course of job duties, and to apply for domestic and foreign patents under the name of the Company, in order to accumulate the intellectual property rights of the Company.	All Employees	21	712,500
Health Checkup	Annual employee health checkups.	All Employees	526	1,817,099
Motorcycle Parking Subsidy	Full subsidy provided.	All Employees	71	426,000
Car Parking Subsidy	Company contribution of NT\$2,000.	All Employees	110	1,436,400
Subsidy for Drivers Without Violations	RMB 100 allowance per quarter for violation-free driving.	Drivers	1	1,733
Travel Subsidy	NT\$2,600 cash subsidy per person.	According to the regulations of the Employee Welfare Committee	60	52,000
Birthday Gift Voucher	NT\$1,000 cash per person.	All Employees	224	221,022
Club Activity Subsidy	NT\$500 activity subsidy per person per month; monthly club subsidy capped at NT\$100,000; applications limited to once per quarter.	All Employee Clubs	55	155,999
Continuing Education Subsidy	Subsidizes employees' participation in external courses and training programs.	Employees requiring the obtaining of licenses due to job needs	-	-
Total			3,508	49,485,219

5.2.3 Talent Training and Development

Sysgration regards talent as the Company's most valuable resource. Training courses are designed for different positions and ranks according to the development targets of the Company to support talent growth and strive to achieve concurrent advancements for employees and the Company. In addition to providing new employees with orientation training, we also provide diversified professional training based on the duties and work requirements of employees to enhance their professional skills. The courses are divided into new employee training, professional skills, environmental health and safety, and other categories that cover quality management and assurance, manufacturing and procurement management, product R&D and design, intellectual property rights and laws, information technology and application, marketing and sales, financial accounting and taxation, and other courses designed for special needs. In 2025, the total hours of education and training reached 12,600 hours with an investment of approximately NT\$1.83 million.

(Unit: NT\$)

2025 Training Expenditure	
Taipei Headquarters, Power Tank	1,167,201
Nankang Plant	270,048
Huizhou Plant	246,799
Zhenjiang Plant	23,926
Leadray	122,900
Total	1,830,874

New Employee Orientation Training

Foundational training and onboarding guidance for new employees, including: production processes and product introduction; safety, health, environmental protection, and fire safety awareness; and the responsibilities of each functional platform.

Professional Competency

Professional knowledge and skills training tailored to the specific responsibilities of each unit, including procurement concepts and processes, warehouse management, factory operation skills, quality assurance skills, patent fundamentals, and product test software development.

Environmental Health and Safety

Environmental, health, and safety training in compliance with government regulations and Company policy requirements, including fire and disaster prevention, first aid safety training and occupational health and safety training.

2025 Average Training Hours per Employee

Employee Category	Gender	Taipei Headquarters		Nankang Plant		Huizhou Plant	
		Total Training Hours	Average Training Hours	Total Training Hours	Average Training Hours	Total Training Hours	Average Training Hours
Managers (Note)	Male	2,910	33.45	86	7.82	104.5	34.83
	Female	787	26.23	26	13.00	121.5	60.75
Non-Managers	Male	1,747	27.30	820	14.91	899.5	24.31
	Female	1,201.50	27.31	816	10.07	957	18.40
Total		6,645.50	29.54	1,748	11.73	2,082.50	22.15
Total Training Hours		12,600.70					
Employee Category	Gender	Zhenjiang Plant		Power Tank		Leadray	
		Total Training Hours	Average Training Hours	Total Training Hours	Average Training Hours	Total Training Hours	Average Training Hours
Managers (Note)	Male	55	18.33	391.50	15.06	6	0.46
	Female	0	0	151.50	21.64	6	1
Non-Managers	Male	387.70	16.15	148.50	13.50	10	0.50
	Female	859.50	20.96	99	12.38	10	0.37
Total		1,302.20	19.15	790.50	15.20	32	0.48
Total Training Hours		12,600.70					

Note: Managers are defined as employees at the Assistant Manager level or above.



Taipei Headquarters				
Employee Category	Gender	Number of People	Total Training Hours	Average Training Hours
Managers (Note)	Male	87	2,910	33.45
	Female	30	787	26.23
Non-Managers	Male	64	1,747	27.30
	Female	44	1,201.50	27.31
Total		225	6,645.50	29.54

Nankang Plant				
Employee Category	Gender	Number of People	Total Training Hours	Average Training Hours
Managers (Note)	Male	11	86	7.82
	Female	2	26	13.00
Non-Managers	Male	55	820	14.91
	Female	81	816	10.07
Total		149	1,748	11.73

Huizhou Plant				
Employee Category	Gender	Number of People	Total Training Hours	Average Training Hours
Managers (Note)	Male	3	104	34.83
	Female	2	121.50	60.75
Non-Managers	Male	37	899.50	24.31
	Female	52	957	18.40
Total		94	2,082.50	22.15

Zhenjiang Plant				
Employee Category	Gender	Number of People	Total Training Hours	Average Training Hours
Managers (Note)	Male	3	55	18.33
	Female	-	-	-
Non-Managers	Male	24	387.70	16.15
	Female	41	859.50	20.96
Total		68	1,302.20	19.15

Power Tank				
Employee Category	Gender	Number of People	Total Training Hours	Average Training Hours
Managers (Note)	Male	26	391.50	15.06
	Female	7	151.50	21.64
Non-Managers	Male	11	148.50	13.50
	Female	8	99.00	12.38
Total		52	790.50	15.20

Leadray				
Employee Category	Gender	Number of People	Total Training Hours	Average Training Hours
Managers (Note)	Male	13	6	0.46
	Female	6	6	1
Non-Managers	Male	20	10	0.50
	Female	27	10	0.37
Total		66	32.00	0.48

Note: Managers are defined as employees at the Assistant Manager level or above.

Sysgration continues to deepen its corporate training system by designing diverse and specialized programs tailored to the needs of different departments and positions. These courses cover areas such as environmental protection, occupational health and safety, quality management, production technology, product R&D, regulatory compliance, human resources, and marketing management. The courses emphasize a balance between practical application and regulatory requirements, enhancing employees' professional skills and safety awareness while strengthening legal compliance and corporate culture. Particularly in the areas of environmental and occupational safety, the Company invests substantial resources in safety education and emergency response drills to ensure employees can effectively respond to various workplace risks. Quality management system and production process training focus on improving product and service quality to further enhance overall operational efficiency, while product R&D and innovation courses encourage technological advancement and innovative thinking to help the Company maintain its market competitiveness. Legal affairs and human resources courses strengthen employees' regulatory knowledge and career development capabilities, while marketing and sales courses support market expansion and customer relationship management. In 2025, the total number of training hours for professional development courses reached 635.2 hours, with 4,351 employee participations, demonstrating the Company's strong commitment to employees' continuous learning and growth.

In accordance with the Company's training management requirements, the Ministry of Labor's PDDRO (Plan-Design-Do-Review-Outcome) framework is adopted for training effectiveness evaluation and management. At the Outcome stage, a tiered assessment mechanism is applied to systematically evaluate results across multiple dimensions, including training feedback, learning outcomes, behavioral performance, and organizational effectiveness. The Company conducts tracking and analysis through training satisfaction surveys, course test results, on-the-job performance observations, and relevant operational indicators. These serve as the basis for evaluating the impact of training on employee competency development and organizational performance. The Company continuously reviews and refines its evaluation mechanisms to strengthen the alignment between training and operational objectives.

Satisfaction surveys are also conducted for all training programs, covering three key indicators: understanding of course content, personal and professional benefits, and satisfaction with administrative services. Average scores across all indicators reached 4.6 out of 5 in the current year, indicating that employees highly value the quality and practicality of the courses. In response to the improvement suggestions reflected in the survey results, the Company incorporated adjustments into its subsequent training plans. For example, since the original quarterly schedule for in-person new employee orientation sessions was prone to delays due to conflicts with employees' work schedules, the format has been adjusted to an online course. Additionally, new employees are now required to complete the relevant courses within one week of starting work to enhance learning flexibility and timeliness. At the same time, in response to feedback from some participants that the course pace was too fast, making it difficult to take notes in real time, course videos are now provided to playback for employees to review and supplement their learning on their own, ensuring the effectiveness of the training.



5.3 Talent Management Communication and Salary Security

5.3.1 Labor-Management Communication

Sysgration provides multiple accessible channels for employees to voice their opinions, including labor-management meetings, communication management procedures, and grievance mailbox (Opinion@sysgration.com), all of which contribute to maintaining constructive labor-management relations. Environmental, health and safety (EHS) issues can also be proposed through the Occupational Health and Safety Committee and the EHS communication management procedures. Please refer to 5.5 Occupational Health and Management. In 2025, a total of 12 labor-management meetings were held to discuss and approve the revision of important work rules to ensure that the Company's management system and the needs of laborers are smoothly integrated. In addition, discussions were conducted on the formulation of the 2026 calendar to ensure that the work arrangement for the coming year is more efficient and meets the expectations of employees. Through healthy labor-management communication, the Company further improves employee satisfaction and the Company's operating efficiency, thereby consolidating a favorable cooperating relationship between laborers and the management.

Employee Grievance Handling Procedures

For major labor disputes, the Human Resources Department may convene a "Special Investigation Team" for a mediation meeting within 7-10 working days after the complaint is filed to coordinate and handle the disputes in an open and transparent manner. The members of the "Special Investigation Team" may consist of two to six members assigned by the Human Resources Department, depending on the situation. The team leader shall be selected by the team members on a case-by-case basis, including: one to three Company supervisors (including one from the Human Resources Department) and the supervisor responsible for the complaints' unit. The labor representative of the labor-management meeting may be invited depending on the situation. No employee complaint was received in 2025.



Submit Complaint

The employee fills out the "Employee Opinion and Complaint Form," and attaches relevant information and evidence to the Human Resources Department, for the Human Resources Unit to assign a dedicated staff for handling.



Accept Complaint

After the Human Resources Department accepts the complaint, the "Employee Opinion and Complaint Form" shall be transferred to the related department supervisor for handling within 3 working days, and the unit shall submit a reply to the Human Resources Department within 7 working days.



Complaint Handling

In the case of major labor disputes, the Human Resources Department may convene a "Special Investigation Team" mediation meeting within 7-10 working days after the complaint is filed to coordinate and handle them in an open and transparent manner.



Case Closed

- After the investigation ends, the Human Resources Department shall make suggestions on the investigation process and determined results, and submit them to the General Manager for final resolution, and then reply the investigation results to the complainant. Those who have objections to the resolution may submit a written complaint within 10 days.
- After the case is closed, each factory should return the "Employee Opinion and Complaint Handling Record Form" and "Employee Opinion and Complaint Reply Form" to the Headquarters Human Resources Department for reference within two weeks.



5.3.2 Performance Management System

Performance evaluation system is the core of the talent management of Sysgration. Comprehensive performance reviews are conducted for all employees, including general staff, managers, senior executives, and new employees, with clearly defined evaluation processes. Upon completion of the annual plan, employees are first required to complete their performance evaluation forms based on KPI indicators and targets. Following review and approval by their direct supervisor, the initial reviewer conducts an objective assessment of all items in the evaluation form in accordance with established procedures. At the start of the evaluation process, the employee must first report their actual achievement levels for each KPI. Once the initial reviewer completes the evaluation, a secondary review is conducted by the higher-level supervisor, where applicable.

The evaluation is performed once quarterly, and once semi-annually for direct employees. Evaluation results serve as a key basis for career advancement, salary adjustments, employees' remuneration distribution, and employee development training. The performance management items for indirect employees include KPI items, personal characteristics, other project outcome performance, and reward/disciplinary action. For direct employees, the evaluation is performed based on work quality and efficiency, competence, discipline, teamwork, and attendance. Employees ranked in the bottom 5% of performance evaluation results are subject to a discussion convened by their direct supervisor, who formulates and implements an improvement plan, followed by a re-evaluation at the end of the improvement period. If performance still fails to meet the required standard, the employee will be placed on the Company's list of underperforming personnel. As new employees approach the end of their probationary period, their unit supervisor conducts an interview and evaluation of their work performance. Employees who do not pass this evaluation may have their employment terminated by the Company in accordance with applicable labor laws, or their probationary period may be extended upon mutual agreement between both parties.

To drive overall performance, Sysgration has established the Regulations for Operation Bonus and Sales Bonus. Sales personnel receive monthly sales bonuses based on achievement of approved plans or targets by their supervisors. In addition, when the Business Unit achieves or exceeds the operational goal and when there are surplus earnings, the Company allocates a designated proportion in accordance with established rules to relevant outstanding employees. Operational bonuses are disbursed based on employees' quarterly performance, with 80% allocated to high-performing employees within the business unit and 20% allocated to high-performing employees in the Administrative and Supporting Unit.

Sysgration conducts performance reviews for employees who have completed three or more months of service. In 2025, a total of 654 employees participated in performance evaluations, achieving a 100% completion rate across both regions in Taiwan and Mainland China.

Note: The total number of employees participated in performance evaluations for the 2025 fiscal year includes employees who left the Company during the year, as well as some new hires and foreign workers.

Number of People Undergoing Performance Evaluations at Taipei Headquarters

Category / Gender	Male			Female		
	Number of Employees Under Performance Evaluation	Number of Employees Required for Performance Evaluation	Performance Evaluation Coverage Rate	Number of Employees Under Performance Evaluation	Number of Employees Required for Performance Evaluation	Performance Evaluation Coverage Rate
Managers ^(Note)	73	73	100%	33	33	100%
Non-Managers	82	82	100%	42	42	100%
Total	155	155	100%	75	75	100%

Note: Managers are defined as employees at the Assistant Manager level or above.

Number of People Undergoing Performance Evaluations at Nankang Plant

Category / Gender	Male			Female		
	Number of Employees Under Performance Evaluation	Number of Employees Required for Performance Evaluation	Performance Evaluation Coverage Rate	Number of Employees Under Performance Evaluation	Number of Employees Required for Performance Evaluation	Performance Evaluation Coverage Rate
Managers ^(Note)	10	10	100%	5	5	100%
Non-Managers	63	63	100%	83	83	100%
Total	73	73	100%	88	88	100%

Note: Managers are defined as employees at the Assistant Manager level or above.

Annual Plan

Each employee sets up a personal annual plan according to the KPI indicator of his/her job rank and the goal expected to be achieved.

Employee Self-evaluation

Employee under evaluation fills out the performance evaluation form according to his/her annual plan and submits it to his/her direct supervisor for approval.

Supervisor Evaluation

The preliminary review supervisor performs an objective evaluation on each evaluation items, followed by submitting the result to the higher-level supervisor for approval.

If there is a higher-level supervisor, the preliminary review supervisor shall submit to the higher-level supervisor of one rank above to perform a second review.



Number of People Undergoing Performance Evaluations at Huizhou Plant

Category / Gender	Male			Female		
	Number of Employees Under Performance Evaluation	Number of Employees Required for Performance Evaluation	Performance Evaluation Coverage Rate	Number of Employees Under Performance Evaluation	Number of Employees Required for Performance Evaluation	Performance Evaluation Coverage Rate
Managers ^(Note)	3	3	100%	2	2	100%
Non-Managers	27	27	100%	52	52	100%
Total	30	30	100%	54	54	100%

Note: Managers are defined as employees at the Assistant Manager level or above.

Number of People Undergoing Performance Evaluations at Power Tank

Category / Gender	Male			Female		
	Number of Employees Under Performance Evaluation	Number of Employees Required for Performance Evaluation	Performance Evaluation Coverage Rate	Number of Employees Under Performance Evaluation	Number of Employees Required for Performance Evaluation	Performance Evaluation Coverage Rate
Managers ^(Note)	27	27	100%	5	5	100%
Non-Managers	13	13	100%	10	10	100%
Total	40	40	100%	15	15	100%

Note: Managers are defined as employees at the Assistant Manager level or above.

Number of People Undergoing Performance Evaluations at Zhenjiang Plant

Category / Gender	Male			Female		
	Number of Employees Under Performance Evaluation	Number of Employees Required for Performance Evaluation	Performance Evaluation Coverage Rate	Number of Employees Under Performance Evaluation	Number of Employees Required for Performance Evaluation	Performance Evaluation Coverage Rate
Managers ^(Note)	3	3	100%	0	0	-
Non-Managers	24	24	100%	41	41	100%
Total	27	27	100%	41	41	100%

Note: Managers are defined as employees at the Assistant Manager level or above.

Number of People Undergoing Performance Evaluations at Leadray

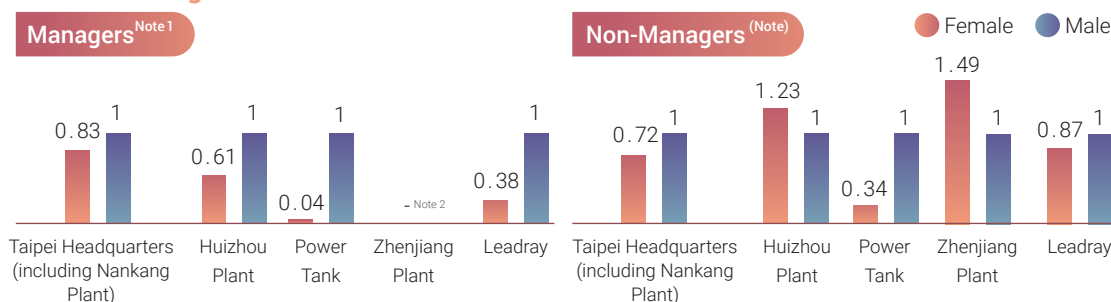
Category / Gender	Male			Female		
	Number of Employees Under Performance Evaluation	Number of Employees Required for Performance Evaluation	Performance Evaluation Coverage Rate	Number of Employees Under Performance Evaluation	Number of Employees Required for Performance Evaluation	Performance Evaluation Coverage Rate
Managers ^(Note)	0	0	-	2	2	100%
Non-Managers	5	5	100%	10	10	100%
Total	5	5	100%	12	12	100%

Note: Managers are defined as employees at the Assistant Manager level or above.

5.3.3 Remuneration Policy

Sysgration offers its employees market-competitive compensation. General employees' remuneration is determined in accordance with the "Salary Management Guidelines" and based on the comprehensive consideration of the educational background, experience, professional knowledge and skills, professional seniority and personal performance. In addition to a fixed monthly salary, the Company provides various bonus schemes, including festival bonuses, patent incentive bonuses, operational bonuses, and sales incentive bonuses to encourage employees to exceed expectations for their responsible scope, thereby improving the business performance of the Company. According to the job needs, the Company further issues overseas allowance, job transfer allowance, allowance for special technical works, overtime allowance and work shift allowance, etc. The remunerations of Directors and managers are determined by the Remuneration Committee, and the determination is made according to the salary level of the job position in the job market, the duty scope of the job position in the Company, contribution level to the operational goal of the Company and other performance indicators for the payment of remuneration.

2025 Average Annual Salary Ratio by Gender (Female:Male) for Managers and Non-managers



Note 1: Managers are defined as employees at the Assistant Manager level or above.

Note 2: Zhenjiang Plant has no female employees at the Assistant Manager level or above.

Differences in the male-to-female salary ratio primarily reflect variations in the types of roles and workforce composition across different units. The Company remains committed to the principle of gender equality and continues to progressively refine its remuneration and career development systems to promote overall pay equity.



5.4 Human Rights Protection

5.4.1 Human Rights Policy

With the human rights protection spirit and basic principles outlined in the “UN Universal Declaration of Human Rights,” “UN Global Compact,” “International Labor Conventions,” and “RBA Code of Conduct” as the foundation, Sysgration incorporated the concepts of human rights into its corporate values and culture, exhibiting its commitment to human rights protection. We have formulated a human rights policy that is applicable to Sysgration, its Parent Company, subsidiaries, business partners, suppliers, and contracts to prevent the prevent human rights violations and provide a safe and respectful work environment.

Sysgration's employee promotion decisions are based on work experience, potential, and achievements, without discrimination due to ethnicity, gender, age, religion, nationality or political stand. The Company does not employ child labor or forced labor. Sysgration also supports the employment rights of persons with disabilities by hiring employees with disabilities and providing inclusive facilities at its plants and offices, such as accessible restrooms and ramps. In 2025, no incidents of forced labor, child labor, discrimination, or sexual harassment occurred at Sysgration or among its supplier partners. In the future, Sysgration will continue to monitor human rights management, protect the rights and interests of employees, continuously improve the performance in labor human rights, environment and occupational health and safety, reduce health and safety risks, facilitate labor-management harmony, and ensure compliance with RBA standards.

Human Rights Protection Practices at the Huizhou Plant

The Huizhou Plant strictly enforces its human rights policy, prohibiting the hiring of child workers during recruitment to ensure full compliance. To promptly identify and appropriately handle any instance of a child worker entering the Company for any reason, the Company established the “Procedures for the Protection of Child Labor, Underaged Labor and Students” to comply with relevant standards and regulations. EHS and RBA system audits verify compliance across quality management, labor, health and safety, environment, ethics, and corporate social responsibility aspects comply with the ISO 14001:2015, ISO 45001:2018, RBA 8.0 standards, laws and regulations, and customer requirements. The results showed that there were no violations.

Provide Employees with a Safe and Healthy Work Environment

Management Approach

- All sites within the Company have obtained ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System) certifications, actively preventing and controlling pollution and ensuring environmental safety to provide employees with a safe working environment.
- In addition to providing a safe and healthy working environment according to laws and regulations, the Company has established the Occupational Health and Safety Unit and Committee. It also hires professional physicians and nurses in order to organize safety, health and fire prevention-related education and training to adopt necessary preventive measures to prevent the occurrence of occupational accidents, thereby reducing the hazardous factors of the working environment.

Prohibition of Child Labor

Management Approach

- The Company has explicitly specified the prohibition on the employment of any individual under the age of 15 years old^{Note}. During the recruitment process, applicants are required to complete a basic information form indicating their date of birth, and must present their identification documents upon reporting for duty for verification by the Human Resources unit to ensure accuracy.
- The Company strictly adheres to its policies, and no instances of child labor employment occurred in 2025.

Note: In Taiwan, child labor refers to employed individuals aged 15 or above but under 16. In mainland China, any person under the age of 16 is classified as a child labor.

Prohibition of Forced Labor

Management Approach

The Company does not force or threaten any unwilling employee to perform service. The requirements for the daily and weekly normal working hours, extended working hours, leaves, special leaves, and other leaves of employees comply with laws and regulations. In addition, a reminder function is set up in the attendance system for employees to apply for overtime work, overtime payments or compensatory time off after working overtime.

Prevention of Discrimination and Sexual Harassment

Management Approach

The Company strictly prohibits sexual harassment in the workplace. Relevant provisions are formally incorporated into the Employee Work Rules and Personnel Regulations. Anti-discrimination and sexual harassment prevention education courses are conducted on a regular basis, and complaint hotlines, email addresses, and fax channels are available, with dedicated personnel handling cases. All complaints are received and investigated by the Sexual Harassment Complaint Handling Committee, ensuring a safe and equitable workplace for all employees.

Support Employee Well-Being and Work-Life Balance

Management Approach

The Company provides sponsorship funds to encourage employee participation in health-related activities, and employees are supported in forming their own clubs to build camaraderie through club events. Annual year-end banquets and subsidized employee dining events are organized to promote well-being and team cohesion, while sports and fitness facilities are made available for employees to use outside of working hours.

Foreign Migrant Workers' Participation in Labor-Management Meetings

Sysgration places great importance on the human rights and welfare of foreign migrant workers and actively promotes their participation in relevant communication meetings. For the election of labor representatives in the new session of the labor-management meetings, the Company particularly encouraged foreign migrant workers to participate in the election. This action not only reflects the Company's respect for foreign migrant workers but also gives foreign migrant workers the opportunity to advocate for their own interests in labor-management forums. In the 2025 Labor-Management Meeting, one foreign migrant worker successfully served as one of the five labor representatives, further promoting harmonious labor-management relations. This action not only reflects the Company's emphasis on employee diversity but also provides equal opportunities for employees from different backgrounds to participate in the Company's diverse culture.

Strengthen the Sexual Harassment Prevention System

To strengthen its sexual harassment prevention framework, Sysgration reviewed and updated its related regulations in 2025. The revised provisions explicitly clarify that incidents occurring outside of working hours may still be subject to workplace sexual harassment regulations. Furthermore, employers have an obligation to take preventive measures regardless of whether the victim files a formal complaint. If the perpetrator and the victim exist in a joint operation or have business relationships, the employer shall notify relevant parties and engage in joint negotiation. The employer is also responsible for reporting the incident to the competent authority for handling. When the number of employees of the Company reaches 100 or more, any investigation of sexual harassment complaints must be participated by an external professional to ensure the fairness and professionalism of the investigation. These new specifications aim to further protect the safety and dignity of employees and foster a more harmonious working environment.

5.4.2 Human Rights Assessment and Educational Training

In 2025, all business locations of Sysgration have completed the human rights inspection and assessment, including Taipei Headquarters, Nankang Plant, Power Tank, Leadray, and the Zhenjiang and Huizhou Plants in Mainland China. In addition, the Company also performs human rights-related education and training periodically to promote topics on the prevention of discrimination and sexual harassment, working hours management, occupational health and safety, etc. New employees are required to complete human rights awareness and legal compliance courses upon joining. Sysgration is committed to reasonably ensuring the safety of employees and working environment, and all employees shall be treated with respect and dignity. Environmental protection is promoted for the operation along with legal compliance and ethics. In addition to the continuous promotion of education and implementation of human rights policy in daily operation, the Company has also established reasonable complaint filing channels.

In 2025, Sysgration organized human rights protection and related training courses covering RBA training and human rights promotion for a total of 38 hours, with 391 persons of participation. The Company also used email and notice boards to promote human rights-related issues. In the future, the Company will continue to organize human rights training to deepen employees' awareness of the Company's human rights commitments, anti-discrimination principles, and anti-sexual harassment policies.



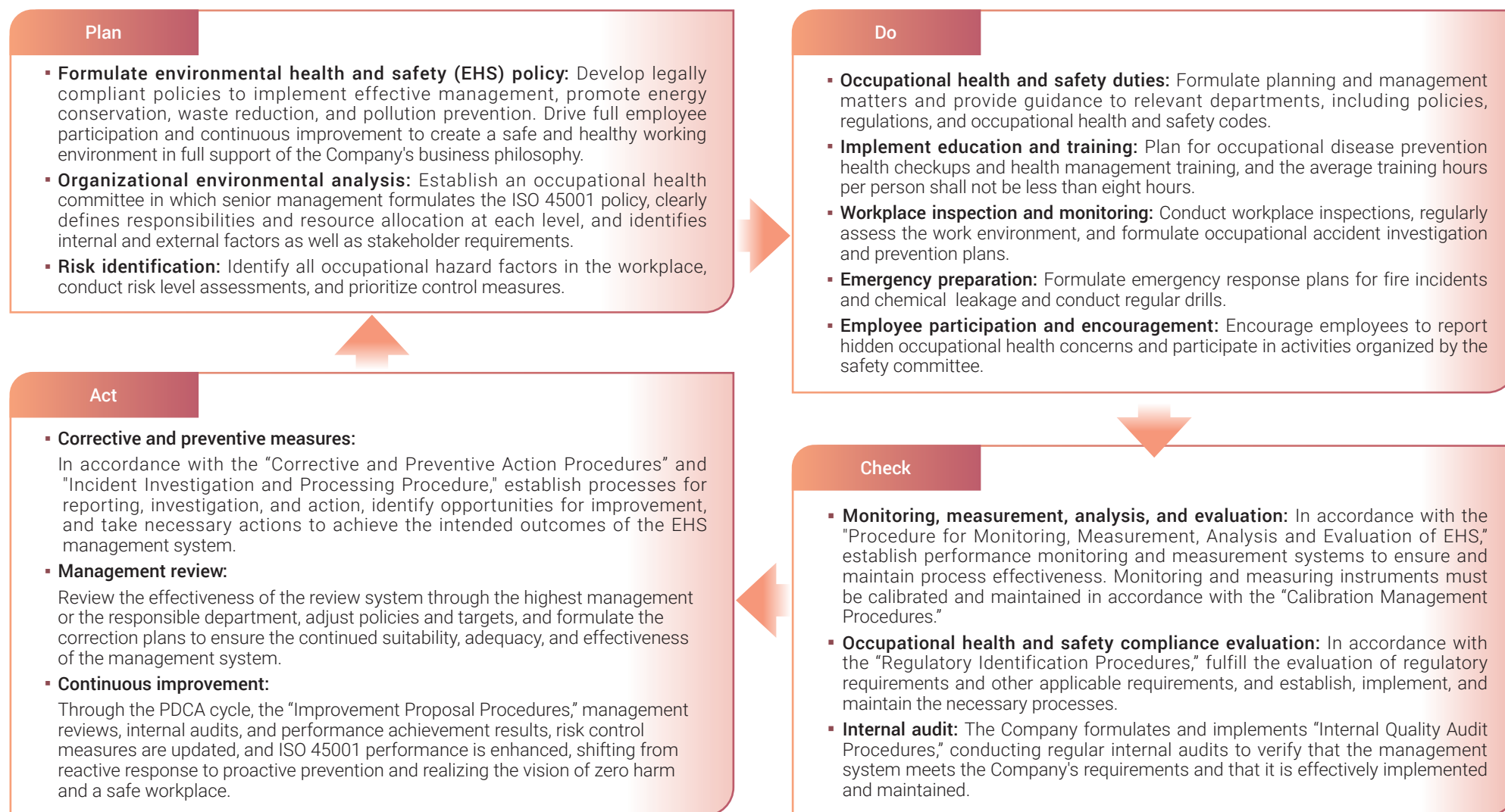
Course Name	Human Rights Training Course	New Employee Orientation
Human Rights Protection Approach	Covering RBA training and human rights promotion.	New employee orientation training on regulatory compliance, covering topics including prevention of discrimination and sexual harassment, working hours management, and occupational health and safety.
Total Hours	9 hours	29 hours
Total Participants	184 participants	207 participants



5.5 Occupational Health and Safety

5.5.1 Occupational Health and Safety Management

Providing employees with a safe working environment is Sysgration's fundamental commitment. Guided by the ISO 45001 management system and the Plan-Do-Check-Act (PDCA) cycle of occupational health and safety management, the Company has established a prevention-oriented occupational health and safety management framework and diligently implements it to practices.



Sysgration has implemented the ISO 45001:2018 Occupational Health and Safety Management System at its existing operating plants, including the Nankang Plant in Nantou, Taiwan, and the Huizhou and Zhenjiang Plants in mainland China, to strengthen its occupational health and safety management framework. Each plant appoints health and safety personnel responsible for planning and promoting occupational health and safety management programs. Through planning, implementation, evaluation, and improvement measures, as well as conducting audits, these efforts aim to achieve health and safety management objectives and enhance the level of health and safety management.

Management System	System Name	Nankang Plant	Huizhou Plant	Zhenjiang Plant	Leadray
ISO 9001:2015	Quality Management System	●	●	●	●
ISO 14001:2015	Environmental Management System	●	●	●	●
ISO 45001:2018	Occupational Health and Safety Management System	●	●	●	-
ISO 26262-2:2018	Functional Safety Management System – FSMS and Production Process for Automotive	●	●	-	-
IATF 16949:2016	Automotive Industry Quality Management System	●	●	-	-
ANSI/ESD S20.20:2021	Protection of Electrical and Electronic Parts	●	●	-	-

Zhenjiang Plant Certifications



Taipei Headquarters

Sysgration actively participated in the Ministry of Labor's Occupational Health and Safety Administration's "2025 National Occupational Health and Safety Week" and received recognition for its contributions.



The Occupational Health and Safety Management Committee is formed by the chairperson, executive secretary, health and safety personnel, engineering technicians, department heads, labor representatives and nurses providing labor health service. In addition, a meeting is convened once quarterly to establish health and safety policy recommendations and to review, coordinate and suggest health and safety-related matters.

At the Nankang Plant in Taiwan, the Occupational Health and Safety Committee has 14 members, including five worker representatives. The Safety Production Management Committees at the Zhenjiang and Huizhou Plants consist of 12 and 22 members respectively, with five and 13 workers representatives, responsible for managing plant safety operations.



Region	Taipei Headquarters and Nankang Plant	Huizhou Plant	Zhenjiang Plant
	Occupational Health and Safety Management Committee Members 14 Number of Worker Representatives 5 Worker Representative Ratio 35.71 %	Occupational Health and Safety Management Committee Members 22 Number of Worker Representatives 13 Worker Representative Ratio 59.09 %	Occupational Health and Safety Management Committee Members 12 Number of Worker Representatives 5 Worker Representative Ratio 41.67 %
Frequency	Once per quarter	Once per month	Once per quarter
Responsibilities	- Provide recommendations on proposed occupational health and safety policies. - Coordinate and advise on health and safety management plans. - Review health and safety education and training implementation plans. - Review and advise on countermeasures to be taken based on occupational environment assessment results. - Review plans and implementation related to health management, occupational disease prevention, health promotion, and employee health check management. - Review occupational health and safety proposals. - Review self-inspection and health and safety audits. - Review preventive measures for hazards associated with machinery, equipment, raw materials, or other materials. - Review occupational accident investigation reports. - Evaluate on-site health and safety management performance. - Review health and safety management matters relating to contracted operations. - Address other matters related to occupational health and safety management.		
2025 Discussion Topics	Safety Production Management Committee: Responsible for formulating and revising the safety production system and supervising each department's implementation of these systems. Each Department: Responsible for formulating the safety production targets and specific implementation plans for the department to ensure compliance with the requirements of the overall system. - Occupational Health and Safety Policy. - Occupational Health and Safety Management Plan. - Occupational Health and Safety Education and Training Implementation Plan. - Work Environment Monitoring Plan and Results. - Health Management, Occupational Disease Prevention, and Health Promotion. - Major Incident Investigation Reports and Occupational Accident Investigations. - On-Site Health and Safety Management Performance. - Other Occupational Health and Safety Management Issues.		
	Safety Policies and Regulations: Implement the policy of "Safety First, Prevention as Priority," enforce safety production-related laws and systems, and report safety matters to senior management. Management and Supervision: Comprehensively manage the Company's safety operations, guide and supervise safety production, and strengthen the safety production accountability system. Education and Meetings: Organize safety awareness, education, and inspection activities, and convene safety meetings to analyze and keep abreast of safety production conditions. Accident Handling: Investigate and handle accidents, supervise accident reporting and analysis, and formulate preventive measures. Reward and Disciplinary System: Recommend commendations for individuals who make contributions and propose disciplinary actions for those who are negligent or violate regulations.		
	- Safety Production Review and Summary. - Safety Risk Assessment and Preventive Measures. - Safety Training and Education. - Safety Equipment Inspection and Maintenance. - Safety Culture Development and Promotion Activities.		
	- Confirm and strengthen safety management objectives and responsibility allocation. - Examine the implementation of the safety production plan and standards compliance. - Formulate and strengthen safety initiatives and performance improvement measures. - Evaluate and improve existing safety practices and equipment management.		

Note: The Occupational Health and Safety Committee and labor-management meeting of Taipei Headquarters and Nankang Plant are jointly established by the Factory Facility Department.

The Occupational Health and Safety Management System of Sysgration is established according to ISO 45001 and undergoes regular internal and external audits periodically. The applicable scope of Nankang Plant includes the plant site employees of 149 people (representing 100% of the plant's total employees), and 100% of these employees were subject to external audits. The number of employees covered by the Occupational Health and Safety Management System of Zhenjiang Plant is 68 people (representing 100% of the plant's total employee), and 100% of these employees were subject to external audits. The number of employees covered by the Occupational Health and Safety management System of Huizhou Plant is 94 people (representing 100% of the plant's total employees), and there were 8 non-employee workers^{Note} (excluding employees).

Note: Non-employee workers are short-term agency workers on production lines.

5.5.2 Occupational Accident Prevention Management

To effectively prevent the occurrence of occupational accidents, Sysgration has established the "Hazard Identification and Risk Assessment Management Procedure" in accordance with applicable occupational health and safety regulations and management system requirements, serving as the basis for hazard identification, risk assessment, and incident investigation at all operating locations. Occupational health and safety management personnel conduct unscheduled on-site inspections and reviews of work activities performed in the course of duties, identifying potential hazards and risks, providing improvement recommendations and preventive measures for hazard factors in each unit's workplace.

Hazard Identification and Risk Assessment Process

- | | |
|--|---|
| <p>1 Identify all operational or engineering activities.</p> <p>2 Identify hazard factors and their potential consequences.</p> <p>3 Confirm existing protective facilities and control measures.</p> | <p>4 Assess the risk level of each identified hazard.</p> <p>5 Determine control measures to reduce risk.</p> <p>6 Confirm residual risk after the implementation of control measures.</p> |
|--|---|

Each unit conducts annual occupational health and safety hazard identification, and the information on operation title, operation content, operation conditions, hazard type, and possible consequence are recorded in the "Hazard Identification Risk Assessment Form." Risk levels are evaluated based on the severity and likelihood of occurrence to determine whether further risk controls are required. Assessment results are classified into two categories, acceptable and unacceptable. Unacceptable risks are submitted to the Occupational Health and Safety Committee for deliberation, with improvement measures and completion deadlines established accordingly. Unit supervisors are responsible for implementing the improvements, while occupational health and safety personnel are responsible for tracking progress and evaluating the effectiveness of corrective actions. The risk assessment process also incorporates changes in work content, equipment, raw materials, personnel, or regulations, with existing risk identification results reviewed in a timely manner to ensure that the assessment accurately reflects actual working conditions.

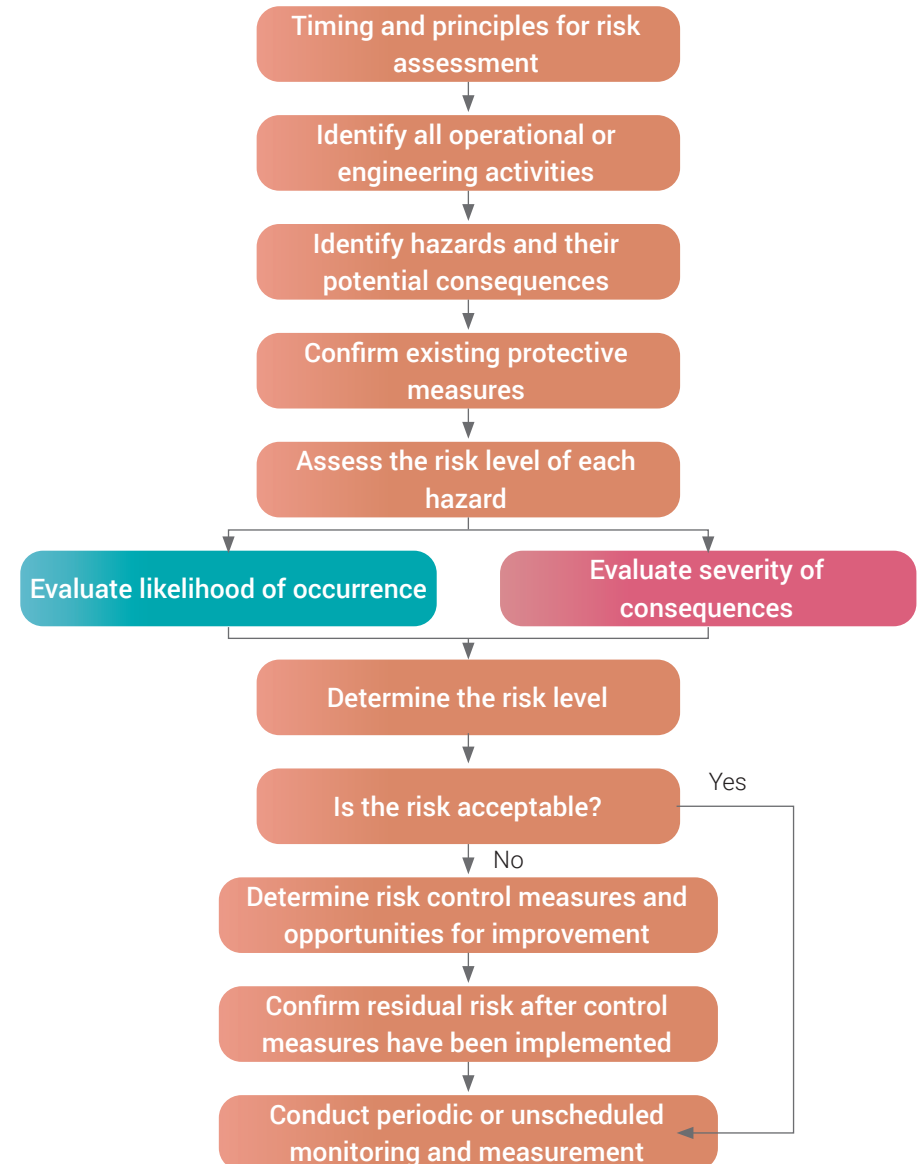




Investigation and Improvement Process for Occupational Accidents

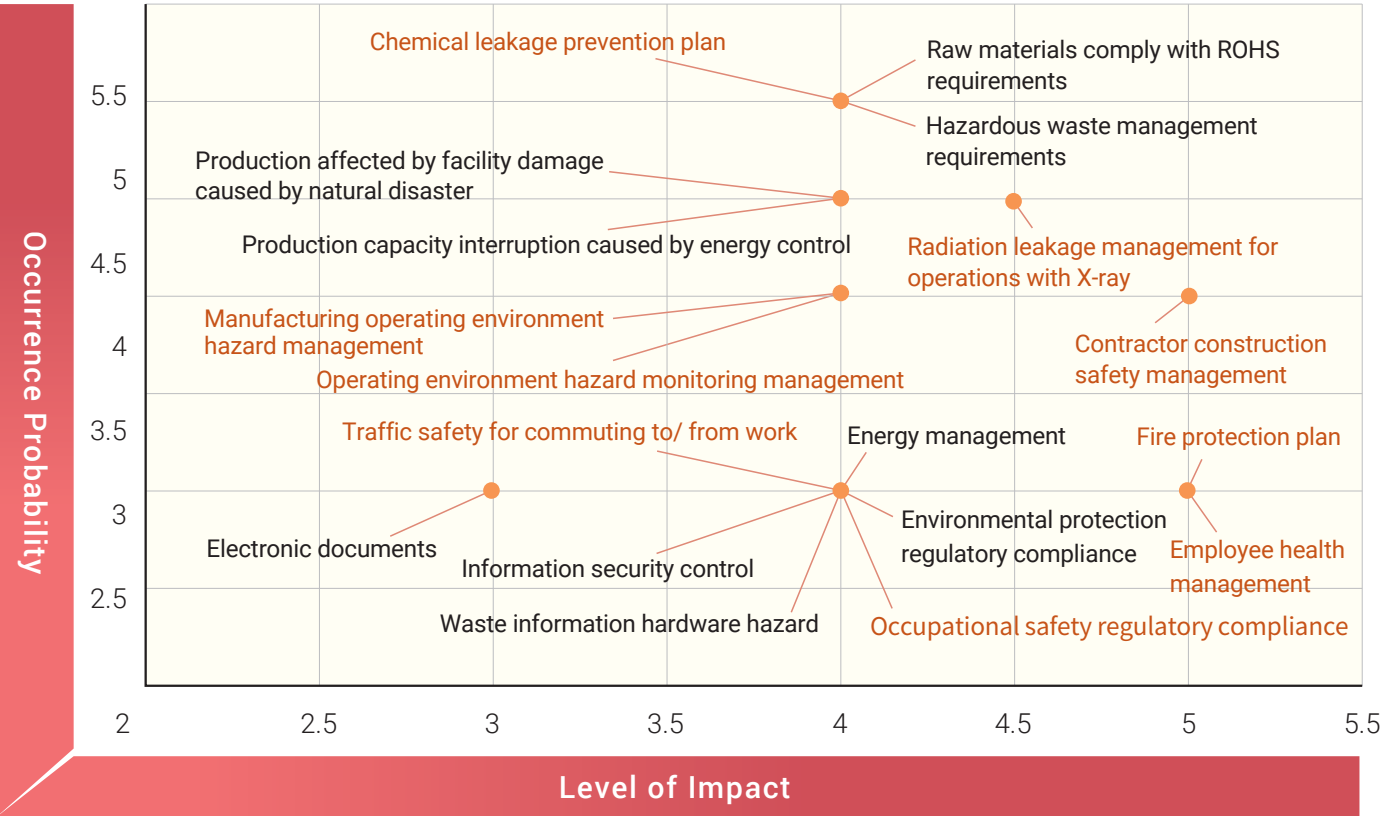


Hazard Identification and Risk Assessment Process



Sysgration performs assessment on the environment and occupational health and safety topics independent from other risk items. Based on the organization's internal and external context and stakeholder concerns, 18 topics have been identified, among which the topics related to occupational health and safety include 9 items of: commuting safety, occupational health and safety regulatory compliance, fire protection plan, employee health management, work environment hazard management, contractor construction safety management, chemical leakage protection plan, work environment hazard monitoring management, and radiation leakage management for operations with X-ray. Risks are classified into five levels based on their degree of impact and likelihood of occurrence. Through an assessment of the completeness and effectiveness of protective measures and the frequency of on-site accidents, 5 high-risk items related to occupational health and safety have been identified: X-ray radiation leakage management during operations, contractor construction safety management, chemical leakage protection plans, manufacturing work environment hazard management, and work environment hazard monitoring and management.

Environmental Occupational Safety Risk Matrix



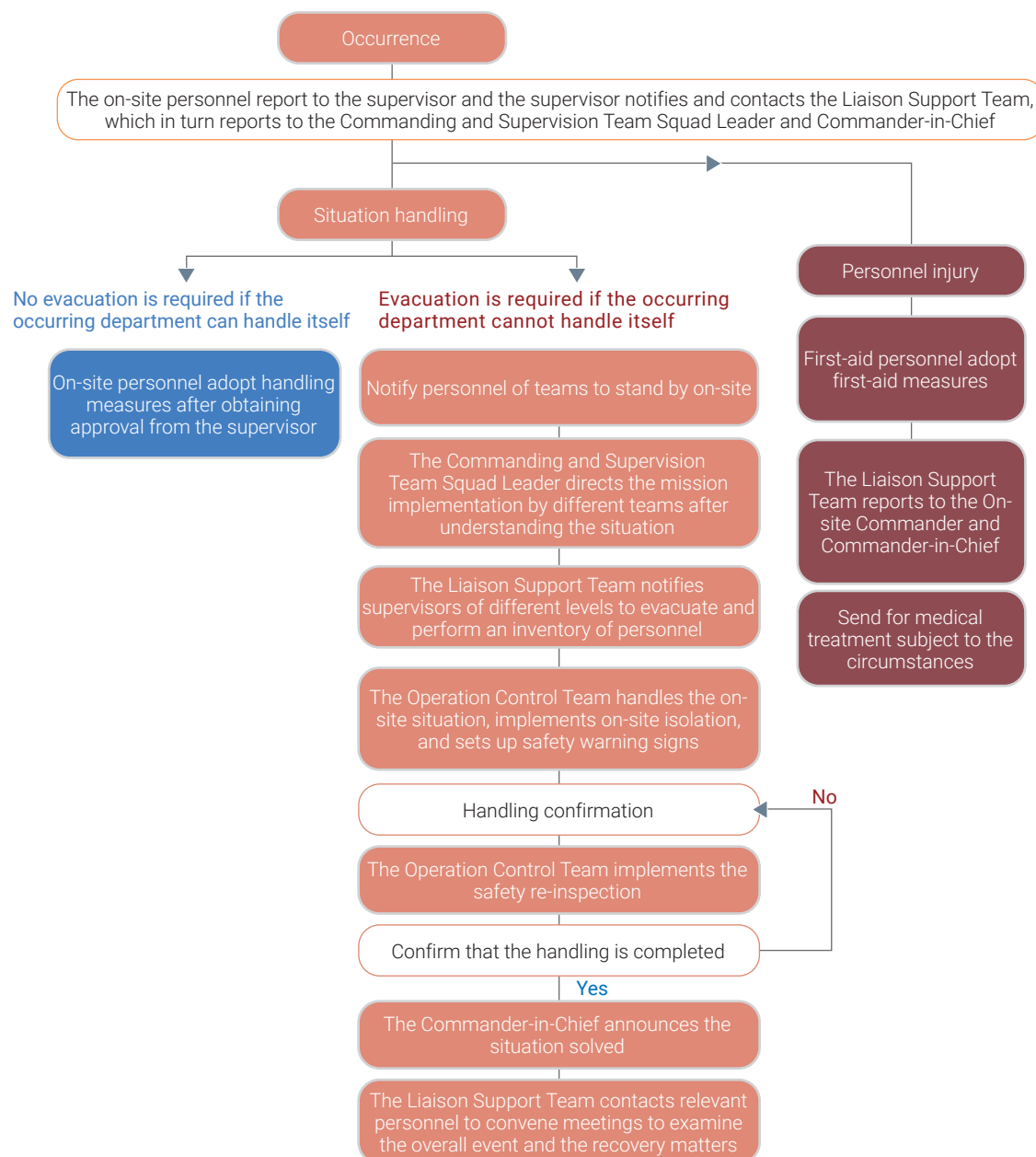


Emergency Response and Incident Investigation Process

To strengthen the accident reporting and response system and to ensure that all units can promptly report and contact relevant departments for emergency responses when occupational accidents occur involving machinery, equipment, personnel, or construction work (including minor works), the Emergency Response and Incident Investigation Process has been established to minimize losses from major occupational accidents and facilitate the swift restoration of normal workplace operations.

To prevent major operational disruptions caused by emergency incidents, apart from daily emergency response grouping and training, the Company has established an Emergency Response Center to always monitor plant conditions. A comprehensive emergency response plan has been developed, covering preparedness and response planning for fire, chemical leakage, earthquakes, floods, and other scenarios. Regular drills are conducted to familiarize personnel with all procedures to minimize the impact on personnel and properties in emergencies. In 2025, a total of 34.2 hours of emergency response drills were organized, with 654 participants.

Emergency Response and Incident Investigation Process



Taipei Headquarters: Fire Extinguisher Training



Taipei Headquarters: Emergency Evacuation Drill



Zhenjiang Plant: Fire Drill



Huizhou Plant: Fire Drill



Manufacturing Department Work Environment Hazard Monitoring and Management

The Company regularly monitors the work environment and has identified areas surrounding the laboratory, air compressor room, and substations as high-risk zones, where ambient noise and power frequency electric fields may pose health risks to personnel. To mitigate these impacts on workers, vibration and noise reduction facilities and enclosed isolation equipment have been installed, workers are required to wear protective earmuffs, and metal shields have been installed on power distribution cabinets to prevent electromagnetic radiation exposure. In addition, the Company provides annual health checkups for in-service employees who have worked for one year or more. Contracted medical personnel handle employee health management, occupational disease prevention, and health promotion measures as part of labor health protection.

For organic solvent cleaning and wiping operations, to prevent health hazards caused by inhaling gas or smoke generated from organic solvents, the Company requires employees to wear activated carbon masks and the work environment within the plant is monitored to ensure that the permissible concentration levels of hazardous gases remain within safe limits. Through proactive risk assessment, Sysgration has established the "Accident Investigation and Handling Operation Procedure," and Huizhou Plant has also established the "Occupational Disease and Hazard Response Rescue and Management System," and emergency response process is established for personnel injury, position, scald and special equipment accident, in order to regulate relevant response measures, prevent hazard expansion, and reduce the impact. Employees may choose to leave their posts when discovering hazards at work, which shall not be deemed as violations.

2025 Occupational Injury Statistics

Employee						
Item	Taipei Headquarters	Nankang Plant	Huizhou Plant	Zhenjiang Plant	Power Tank	Leadray
Total Annual Working Hours	437,611	360,150	232,184	141,984	111,474	116,656
Primary Types of Occupational Injuries	Falls, collisions, entrapments, entanglements, punctures, cuts, abrasions, electrical shocks, and traffic incidents.	Noise, organic solvents, entrapments, entanglements, laser radiation, electrical shock, and traffic incidents.	Noise, dust, laser, and radiation.	Noise and power frequency electric fields.	Falls, collisions, entrapments, entanglements, punctures, cuts, abrasions, electrical shocks, and traffic incidents.	Falls, collisions, entrapments, entanglements, punctures, cuts, abrasions, electrical shocks, and traffic incidents.
General Occupational Injuries (Person-Times)	0	0	0	0	0	0
Serious Occupational Injuries (Person-Times)	0	0	0	0	0	0
Number of Deaths	0	0	0	0	0	0
Total Recordable Occupational Injuries (Person-Times)	0	0	0	0	0	0
Occupational Injury Death Rate	-	-	-	-	-	-
Serious Occupational Injury Rate	-	-	-	-	-	-
Total Recordable Occupational Injury Rate	-	-	-	-	-	-



Non-Employee Workers						
Item	Taipei Headquarters	Nankang Plant	Huizhou Plant	Zhenjiang Plant	Power Tank	Leadray
Total Annual Working Hours	4,052	0	26,061	0	0	0
Primary Types of Occupational Injuries	Falls, collisions, entrapments, entanglements, punctures, cuts, abrasions, electric shocks, and traffic incidents.	Noise, organic solvents, entrapments, entanglements, laser radiation, electrical shock, and traffic incidents.	Noise, dust, laser, and radiation.	Noise and power frequency electric fields.	Falls, collisions, entrapments, entanglements, punctures, cuts, abrasions, electric shocks, and traffic incidents.	-
General Occupational Injuries (Person-Times)	0	0	0	0	0	0
Serious Occupational Injuries (Person-Times)	0	0	0	0	0	0
Number of Deaths	0	0	0	0	0	0
Total Recordable Occupational Injuries (Person-Times)	0	0	0	0	0	0
Occupational Injury Death Rate	-	-	-	-	-	-
Serious Occupational Injury Rate	-	-	-	-	-	-
Total Recordable Occupational Injury Rate	-	-	-	-	-	-

Notes:

1. Total hours worked represents the aggregate of actual hours worked by all employees and workers as of December 31, 2025.

2. General occupational injury: The number of working days lost is within 180 days.

3. Serious occupational injury: The number of working days lost is above 180 days (inclusive).

4. Occupational injury death rate = Number of deaths*1,000,000/ total hours worked.

5. Serious occupational injury rate = Number of serious occupational injuries*1,000,000/ total hours worked.

6. Total number of recordable occupational injuries *1,000,000/ total hours worked, refers to the "Disability Injury Frequency (FR)" defined by the Ministry of Labor.

Contractor Health and Safety Management

To protect the work safety of contractors' personnel, all Sysgration's operating locations not only fulfill hazard notification and supervision obligations in accordance with OHS laws and regulations, but also require contractors to sign the safety management agreement to perform stringent health and safety management. Before the contracted works enter the plant, the supervisor must hold a health and safety coordination meeting before the work starts, and the labor safety personnel must explain the Company's environmental health and safety management requirements to the contractor on-site to identify the risks and environmental impacts of the construction process and to require the contractor to prepare countermeasures before the construction starts. The contractor shall provide a copy of the Qualified Inspection Certificate for Hazardous Machinery and Equipment and Qualified Training Certificate for Operators and Special Operators and sign the "Hazard Communication Form."

During the year, the Company further strengthened its internal safety management practices by providing personal protective equipment, conducting education and training programs, enhancing protective measures, formulating improvement plans, and conducting regular inspections. In addition, the Company placed emphasis on health management, performed hazard prevention and



Cooling tower cleaning was conducted, with rigorous supervision of contractor personal protective equipment use and contractor safety training.



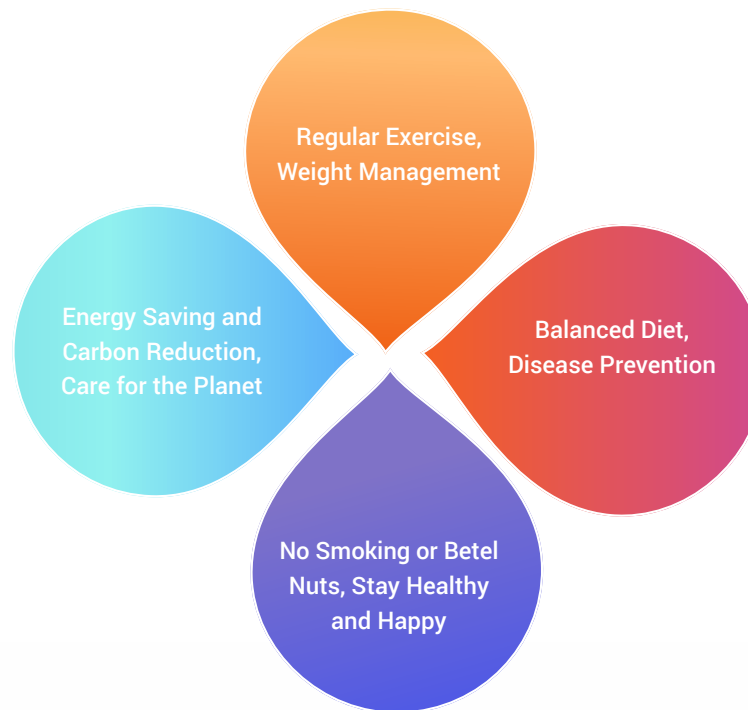
classified health management interviews, maintained a 95% drug availability rate in regions, and ensured the testing results of the work environment complying with the permissible concentration levels standards (100%) under regulations. The Company also provides safety helmets, earplugs, insulated gloves, and insulated shoes to ensure the health and safety of the Contractor's personnel. For suppliers, the Company requests suppliers to sign the "Corporate Social Responsibility and Environmental Code of Conduct" and "Undertaking of Ethics, Environmental Protection and Social Responsibility" to regulate suppliers to implement occupational safety and basic labor human rights properly. Sysgration is committed to providing comprehensive occupational health and safety protection and promoting workplace safety and harmony.

5.5.3 Occupational Health Services

Sysgration provides annual health checkup subsidies for all employees. In 2025, a total of 526 employees participated in health examinations. Special health examination services are provided for employees engaged in specialized operations, including ionizing radiation screening, audiometry, and occupational disease examinations, with total investment of approximately NT\$2 million. The Company attaches great importance to the health and safety of employees. In cooperation with the Pojen General Hospital and the Yuan-Lin Kuo Hospital Da-Tseun Branch, the Company arranges for professional physicians to visit the Company to provide health consultation and healthcare services on a quarterly basis. The Company also organizes health education lectures regularly and shares health management knowledge and related precautions through e-mail and bulletin boards to enhance the health awareness and knowledge of employees.

Sysgration has obtained the "Health Initiation Labeled Healthy Workplace" certification from the Health Promotion Administration, Ministry of Health and Welfare. This recognition reflects the Company's commitment to promoting employee health, with a corporate philosophy centered on building a "Healthy Workplace." Sysgration adheres to relevant occupational health and safety regulations, supports various health resources and environments in the workplace, and aims to enhance employee health and well-being, cherish life, and propagate health. The Company collaborates with employees to create a safe, healthy, energetic, and friendly work environment, fostering a healthy workplace culture and safeguarding the physical, mental, and social health of employees.

| Sysgration's Health Promotion Policy





2025 General and Special Health Examinations

Health Checkup Coverage Ratio	2025 General Health Checkups					2025 Special Health Checkups							
	Taipei Headquarters	Nankang Plant	Power Tank	Huizhou Plant	Zhenjiang Plant	Nankang Plant	Huizhou Plant	Zhenjiang Plant					
Number of Employees	135	153 ^{Note}	13	89	63	4	27	6					
Proportion of Total Employees	60 %	100 %	25 %	94 . 68 %	92 . 65 %	2 . 68 %	28 . 72 %	8 . 82 %					
Health Checkup Content Description	Comprehensive Health Risk Assessment: In addition to the statutory routine health checkups for employed workers, full urinalysis and blood panels are provided, covering liver function, kidney function, blood glucose, gout markers, thyroid indicators, and cardiovascular disease risk assessment, strengthen early detection of common chronic diseases and metabolic health risks. Major Disease and Cancer Indicator Screening: To enhance opportunities for early detection of serious illnesses, multiple cancer indicator screenings are provided, including colorectal cancer (CEA), lung cancer (CYFRA21 - 1), pancreatic cancer (CA 19 - 9), prostate cancer (PSA), and ovarian cancer (CA - 125), helping employees identify potential health abnormalities at the earliest possible stage. Imaging Examination and Bone Health Assessment: Through ultrasound examinations (upper abdomen, thyroid, and gynecological/prostate) and bone density testing, the assessment of internal organ and bone health is strengthened, serving as an important reference for subsequent health management and preventive care measures.			Basic and Functional Tests: Clinical Tests: Complete blood count (5-part differential), liver function panel (8 items), liver enzyme panel (2 items), gamma-glutamyl transferase (GGT), alkaline phosphatase (ALP), fasting blood glucose, lipid panel (4 items), renal function panel (3 items). Other Functional Tests: Viruses and Tumor Indicators: EB virus NA II IgA antibody, alpha-fetoprotein (AFP), carcinoembryonic antigen (CEA), carbohydrate antigen 19 - 9 (CA 19 - 9), prostate-specific antigen (PSA, 2 items), thyroid function panel (3 items), homocysteine (HCY). Cardiovascular and Imaging Examinations: Electrocardiogram (ECG), chest CT scan (plain). Ultrasound Examinations: Liver, gallbladder, spleen, and pancreas; urinary system color Doppler ultrasound (male: bilateral kidneys, ureters, bladder, and prostate; female: bilateral kidneys, ureters, and bladder); uterine and adnexal color Doppler ultrasound (female); bilateral breast color Doppler ultrasound; thyroid color Doppler ultrasound; cardiac color Doppler ultrasound (echocardiogram).		Basic Examination: Routine blood and routine urine examinations. Functional Examination: Liver function, kidney function, four blood lipids items, prostate indicator examination. Cardiovascular and Image Examination: ECG, color ultrasound examination of liver, gall bladder, spleen, pancreas, and thyroid, and full chest image examinations. Gender-specific Examination: Color ultrasound examination for the urinary system, prostate (male) or gynecology or ThinPrep cytologic test (TCT) and HPV (female).		Medical History Survey: Work experience, self-conscience symptoms, and past medical history survey. Primary Physical Examination: Head, neck, eyes (including cataracts), skin, heart, lungs, thyroid, nervous system, digestive system, and urinary system. Mental and Psychiatric Status Examination Imaging and Functional Tests: Chest X-ray (large format), pulmonary function test, thyroid function Basic Laboratory Tests: Routine blood tests (red blood cells, white blood cells, etc.), urinalysis (urine protein, urine glucose, urine sediment).		Occupational health examination: Health monitoring of occupational hazards such as noise, dust, laser, and radiation. Basic examination for the prevention of occupational diseases		Basic Medical Examination: Internal medicine, surgery, ophthalmology, otolaryngology. Routine Inspection: Complete blood count (CBC), urinalysis, liver function, electrocardiogram (ECG). Hearing Test: Auditory test. Imaging Examination: Ultrasound examinations of liver, gall bladder, spleen, and pancreas.	
	Total Amount of Subsidies	NT\$1,817,099											

Note: The cumulative total number of individuals examined in 2025 includes employees who left the Company during the year, as well as some new hires and foreign workers.



Employee Health Checkup



Employee Health Checkup

Sysgration formulated a preventive plan for ergonomic hazards based on the “Occupational Health and Safety Act.” Musculoskeletal symptom surveys are conducted for administrative staff, factory workers, and drivers, with health management recommendations provided. The plan includes ergonomic improvement tracking of human factor engineering to prevent employees from suffering from work-related musculoskeletal injuries or diseases due to long-term work in unfavorable environments.

Health Hazard Identification and Appropriate Work Arrangement for Specific Groups

Based on surveys and assessments of employees' age, gender, and health examination results, health hazards and potential causative factors are identified at an early stage. Annual health checkup results are subject to tiered evaluation and trend analysis, comparing prevalence rates (proportion of abnormal findings), annual trends, and group (gender and age) trends to identify items requiring improvement and prioritize them according to urgency. For urgent matters, we have formulated intervention plans, provided appropriate health education, and arranged for the employees to go to medical institutions for re-examination according to individual requirements to provide follow-up care and comprehensive health care. We are committed to enhancing workers' cognition and awareness of their physical and mental health and establishing the concept of a healthy work environment to enhance their health awareness level, jointly create a healthy workplace, and establish a healthy and supportive work environment.

Maternity Health Protection

To protect the reproductive health of female employees and the health of pregnant employees and their infants up to one-year post-delivery, necessary health and safety measures are planned and implemented. These include hazard assessment and control, medical consultations, risk classification management, appropriate job arrangements, and other relevant measures.

Health Hazard Identification:

Target assessment:	A total of 268 female workers, of whom 184 are of reproductive age and 4 are currently pregnant.
Hazard identification	Physical, chemical, biological, and ergonomic hazards, all identified as 0 items.
Risk level	Level 1, annual workplace hazard assessments are conducted.

Work Arrangement Adjustments:

Work type is adjusted on a case-by-case basis, and the shift is adjusted when necessary (transfer to morning shift for work) to avoid working alone.

Health Service Strategies:

Physician or nurse consultations and health guidance are arranged, with a 100% consultation completion rate.

Regular health education and care are provided (i.e., regular pregnancy check-ups).



Prevention of Work-Related Cardiovascular Disease

Cardiovascular and cerebrovascular disease has long been among the top ten causes of death in Taiwan. To prevent employees from developing these diseases due to excessive work fatigue, shift work, night work, prolonged working hours, and other abnormal workloads, a prevention plan for work-induced diseases has been established. Relevant safety, health, and management measures are implemented to prevent overwork and stress, thereby maintaining employees' physical and mental health.

The occupational health and safety nurse compiles health check data and uses the "Framingham Risk Score," as published by the Taiwanese Society of Cardiology. This score estimates the probability of developing cardiovascular disease in the next ten years based on six key indicators: age, cholesterol, high-density lipoprotein, blood pressure, diabetes, and smoking. According to the "WHO Cardiovascular Disease Risk Chart," the risk levels are classified. For employees identified as high-risk or at risk, measures are taken to prevent the triggering of cardiovascular and cerebrovascular diseases due to excessive work. Medical consultations and health guidance are arranged according to the risk assessment level.

Health Hazard Identification:

Health classification: Levels 3 to 4^{Note}

Risk of CVD for 10 years: Over 10 % with high risks of diseases due to abnormal workload.

Work Arrangement Adjustments:

Provide suitable break time and space and make adjustments according to individual cases.

Health Service Strategies:

Consultation completion rate of 92 %; 11 medium-risk individuals were recommended for physician consultations.

Regular care and health education.

Prevention of Ergonomic Hazards

The main job types for our employees can be classified into three categories:

1. Office Administrative Work
2. Factory/production workers
3. Drivers

Through questionnaire surveys conducted during annual health checkups, the occupational health and safety nurse compiles and analyzes musculoskeletal injury status surveys for employees. Employees whose pain levels may affect their work are scheduled for consultations, and health education on the prevention of musculoskeletal hazards is provided. Based on the results of occupational physician consultations, employees are classified into four management levels: diagnosed with diseases, at risk, suspected risk, and no risk, to ensure the health and safety of workers potentially affected by hazards.

Health Hazard Identification:

Questionnaire survey: A total of three people with a score of 3 or higher for any of the symptoms.

Work Arrangement Adjustments:

Adjustments made on a case-by-case basis, and consultation completion rate of 100 %.

Health Service Strategies:

Ergonomic health education videos are provided, covering topics including heat therapy, massage, stretching exercises, work posture adjustments, and recommendations to seek medical care.

Ongoing follow-up care is provided.



Note: Based on Sysgration's Employee Health Classification Table

Level 1 Management:

Health Service Measures: Written or remote communication methods are used to provide assessment, recommendations, or counseling services. Employees are encouraged to strengthen self-care practices, with health care follow-ups conducted once every three years, management status tracked, and physician consultations and health guidance arranged.

Ergonomic assessment: No pain or soreness (0).

Personal overwork score: <50 points (minor).

Work-related overwork score: < 45 (minor).

Monthly overtime hours: 0–20 hours.

Cardiovascular risk: <10%.

Level 2 Management:

Health Service Measures: Written or remote communication methods are used to provide assessment, recommendations, or counseling services. Employees are encouraged to strengthen self-care practices, with health care follow-ups conducted once every two years, management status tracked, and physician consultations and health guidance arranged.

Ergonomic assessment: Occasional pain or soreness (1-2).

Personal overwork score: <50 points (minor).

Work-related overwork score: < 45 (minor).

Monthly overtime hours: 20–44 hours.

Cardiovascular risk: 10–20%.

Level 3 Management:

Health Service Measures: Written or remote communication methods are used to provide assessment, recommendations, or counseling services. Employees are encouraged to seek medical consultation as soon as possible within six months. Health care follow-ups are conducted every six months to one year to track health management status, and physician consultations and health guidance are arranged.

Ergonomic assessment: Pain or soreness can be ignored (3).

Personal overwork score: 50–70 points (moderate).

Work-related overwork score: 45–60 points (moderate).

Monthly overtime hours: 45–80 hours.

Cardiovascular risk: 20–30%.

Level 4 Management:

Health Service Measures: Written or remote communication methods are used to provide assessment, recommendations, or counseling services. Medical consultation is encouraged as soon as possible within three months. Health care follow-ups are conducted every six months to one year, management status is tracked, and physician consultations and health guidance are arranged.

Ergonomic assessment: Pain or soreness that affects work performance (4-5).

Personal overwork score: >70 points (severe).

Work-related overwork score: >60 points (severe).

Monthly overtime hours: >80 hours.

Cardiovascular risk: >30%.

Measures to Prevent and Mitigate Occupational Health and Safety Hazards

Bulletin Board, Warning Sign



Relevant safety knowledge posted on bulletin boards.

Routine Inspections



Equipment inspections conducted monthly, including site safety hazard.

Safety Meetings



1. Safety learning.
2. Safety concerned items are arranged for improvements, follow-up progress is performed, and the improvement status of the responsible unit is verified.



Health Promotion Services and Proactive Care Program

On-site Physician and Nurse Services



According to Article 3 of the Regulations of the Labor Health Protection, we employ nursery practitioners who are for labor health services and contract with specialists who engage in labor health services to provide labor health services.

Maternity Protection



A breastfeeding room is installed, and female employees under pregnancy and employees providing breastfeeding are scheduled for consultations with on-site nurses.

SHE (Safety, Health, Environment) Newsletters and Occupational Health and Safety Promotion



Provide employees with occupational health and safety information to help them acquire and develop correct safety knowledge and awareness, along with health tips.

Promotion campaigns based on climate, season, and current issues are arranged, using real-life cases to achieve an effective awareness-raising impact.

Blood Pressure Monitors in the Office



Sphygmomanometers are available for employees to take care of their physical health after work and have their blood pressure and pulse measured.

AED (Automated External Defibrillator) Deployment



The Company is equipped with AED, and Basic Life Support (BLS) training courses are organized. By administering emergency treatment during the critical window before rescue personnel arrive, AEDs can effectively save lives. Prompt first response in the event of an accident improves survival rates and helps prevent tragedies.

Healthy Vegetarian Diet Initiative



Enable employees to enjoy healthy, nutritious meals on workdays while supporting carbon reduction and environmental protection through vegetarian options.

5.5.4 Occupational Health and Safety Training and Management

In addition to annual ISO 45001 audits, Sysgration also performs routine health and safety audits as well as promotes and communicates occupational safety management affairs through email and bulletin board. In 2025, the Company organized a total of 114.2 hours of employee occupational health and safety-related training, and a total of 1,966 persons/time participated in the training sessions.

Occupational Health and Safety Education and Training Courses

I. Occupational Health and Safety Fundamentals and Regulatory Awareness

1. Safety Production Knowledge Training
2. Occupational Health and Safety Training
3. OSHA New Employee Health and Safety Orientation Training
4. Hazard Communication Education and Training
5. Health and Safety Awareness
6. ISO 45001 Kick-off Meeting and Training

II. Operational Safety and Equipment Operation Training

1. Safe Equipment Operation (Including Use and Storage of Battery-Related Hazardous Materials)
2. Ultrasonic Machine Operator Training
3. Electrostatic Discharge Prevention Knowledge Training
4. Industrial Engineering (IE) Knowledge Training
5. PFMEA and Process Control Plan Related Training

III. Chemical and Hazardous Substance Management

1. Chemical Usage Methods and Protection
2. Hazardous Chemicals and Gas Safety Education
3. MSDS (Material Safety Data Sheet) Knowledge Briefing
4. Chemical Leakage Prevention Drill
5. Environmental Emergency Chemical Spill Prevention Drill

IV. Emergency Response Drills and Fire Safety

1. All-Employee Fire Safety Drill (Daytime)
2. Dormitory Residents and Night Shift Fire Safety Drill (Nighttime)
3. Fire Protection Training
4. Mechanical Injury Emergency Drill
5. Electronics Warehouse Fire Drill
6. Confined Space Prevention and Drill
7. Chinese New Year Return-to-Work Safety Education

V. Health Promotion and First Aid Training

1. Basic Emergency Responder Training
2. First Aid Personnel Health and Safety Education and Training
3. Cardiovascular Health Knowledge Briefing

VI. Environmental Protection and Sustainability-Related Training

1. Environmental Protection Equipment Operation and Management Training
2. ISO 14064-1 Greenhouse Gas Inventory Practical Training Workshop

VII. Information Security and Workplace Protection

1. Information Security Training, Advocacy, and Communication
2. Prevention of Unlawful Harassment (Including Gender-Related Education)

In 2025, fire safety manager training was held twice, achieving a 100% satisfaction rate, with all participants successfully obtaining the relevant certifications. Each of the class 1 manager training and oxygen deficiency operation manager training was performed once, and the training satisfaction rate was 100%. All participants obtained the certificates.

Department	Preferred Training Topics	Training Participation Frequency	Training Satisfaction Rate (%)	Learning Effectiveness Evaluation
Taipei Headquarters/ Nankang Plant	Occupational Health and Safety Management System Certification	2	100%	Certifications/Licenses Obtained
	Fire Safety Management Certification	2	100%	Certifications/Licenses Obtained



Taipei Headquarters: CPR + AED First Aid Education and Training.



Health Promotion Seminar: Deep Breathing, Reclaiming Happiness.



Health Promotion Seminar: Eliminating Soreness and Pain for Spinal Health.



Huizhou Plant: Cardiovascular Health Knowledge Seminar and On-Site Health Checkup Report Consultations.



Health Seminar: Common Lower Back and Lower Limb Problems and Improvement Approaches.

6

Chapter Social Co-Prosperity

6.1 Education and Development

6.2 Care and Assistance

6.3 Environmental Sustainability

6.4 Local Community Impact Management



Sustainability Performance Highlights and Corresponding SDGs

SDG 4 Quality Education

- Sysgration continues to deepen its strategic industry-academia collaboration and knowledge transfer with institutions including National Taiwan University, attracting top young talent with innovative thinking to build a stable and competitive talent pipeline.

SDG 17 Partnerships for the Goals

- Sysgration's social engagement initiative encompasses three core pillars: Education and Development, Care and Assistance, and Environmental Sustainability. In 2025, the total financial and resource investment dedicated to these public welfare initiatives reached approximately **NT\$1.1 million**.
- Sysgration participated in the "Remote Health Promotion for Rural Elderly Communities" program led by the Digital Humanitarian Association. Using Social Return on Investment (SROI) methodology to evaluate program impact, results show that every NT\$1 invested generated **NT\$25.01** in social value.

SUSTAINABLE DEVELOPMENT GOALS



Management Approach of Material Topics Social Participation

GRI Indicators

GRI 3-3、GRI 413-1、GRI 413-2

Targets

Short-Term (2026-2027):

- Annual growth of 1–2% in participation in and organization of public welfare events, the number of participants, and resources invested.

Medium to Long-Term (2028-2031)

- Annual growth in the participation in/organization/number of participations/invested resources of public welfare events by 2–3%.
- Continue to encourage employees to actively participate in social welfare activities.

Description of Impact

Description of Positive Impacts:

The Company continues to take a leading role in supporting social engagement, community care, and charitable initiatives. Beyond enhancing corporate reputation, it aims to encourage other companies within the industry to join these efforts, fostering a positive, compounding cycle of shared social impact.

Description of Negative Impacts:

If the Company fails to engage in social participation, community care and other charitable and public welfare events to the best of its corporate capacity, local rural communities and disadvantaged groups will not receive sufficient resources for life and development, resulting in information, knowledge, and skill gaps, which may be not favorable to the growth and co-prosperity of society as a whole.

Policies and Commitments

- Continue to reduce students' burden through industry-academia collaboration and scholarship sponsorship and cultivate sports/ medical development.
- Provide underprivileged groups with essential care, infrastructure, and assistance to help them develop independently.
- Give back to society in a way that integrates with environmental sustainability.

Action Plans

Positive Impact Management:

- Sysgration advances social engagement initiatives through three core pillars: Education and Development, Care and Assistance, and Environmental Sustainability; while upholding its core values of Integrity, Passion, Accountability, and Innovation.
- Education and Development: Conduct industry-academia collaborations, knowledge sharing, and other related activities.
- Environmental Sustainability: Promoting actions that contribute to environmental conservation, carbon footprint reductions, and biodiversity awareness.
- Care and Assistance: Care for communities and the physical and mental health of disadvantaged groups and provide emergency relief. The Company has adopted Nantou County Ren'ai Township Wanfong Culture and Health Station as the location for long-term sponsorships and follow-ups. We joined hands with the Digital Humanitarian Association to assist in providing digital remote courses to provide health education, physical and mental improvement courses, and consultation to elder residents, follow up on the health improvement status each year, and donate supplies from time to time. In the future, the project will concurrently provide local caregivers with professional course resources to cultivate self-care abilities.

Responsible Unit

ESG-Social Care Team

Grievance Mechanism

social-caring@sysgration.com

Effective Assessment

Engage in evaluations and follow-ups based on the direct or indirect resources invested in the three core pillars: Education and Development, Care and Assistance and Environmental Sustainability:

1. The number of initiatives 2. The proportion of resources invested in the three major pillars 3. The type of resources invested

Progress is tracked regularly by the Social Care Team

Number of Social Engagement Initiatives Across the Three Core Pillars in 2025: 13 initiatives	2025 Resources Invested Across Three Core Pillars:	2025 Total Resources Invested: NT\$1,101,216
(1) Training and Development (39%):5 initiatives	(1) Training and Development (18%):NT\$ 200,065	(1) Cash Donations & Sponsorship (53%):NT\$ 585,800
(2) Care and Assistance (46%):6 initiatives	(2) Care and Assistance (58%):NT\$ 640,157	(2) In-Kind Donations (1%): NT\$ 10,067
(3) Environmental Sustainability (15%):2 initiatives	(3) Environmental Sustainability (24%):NT\$ 260,994	(3) Cost of Initiative Investment (46%):NT\$ 505,349

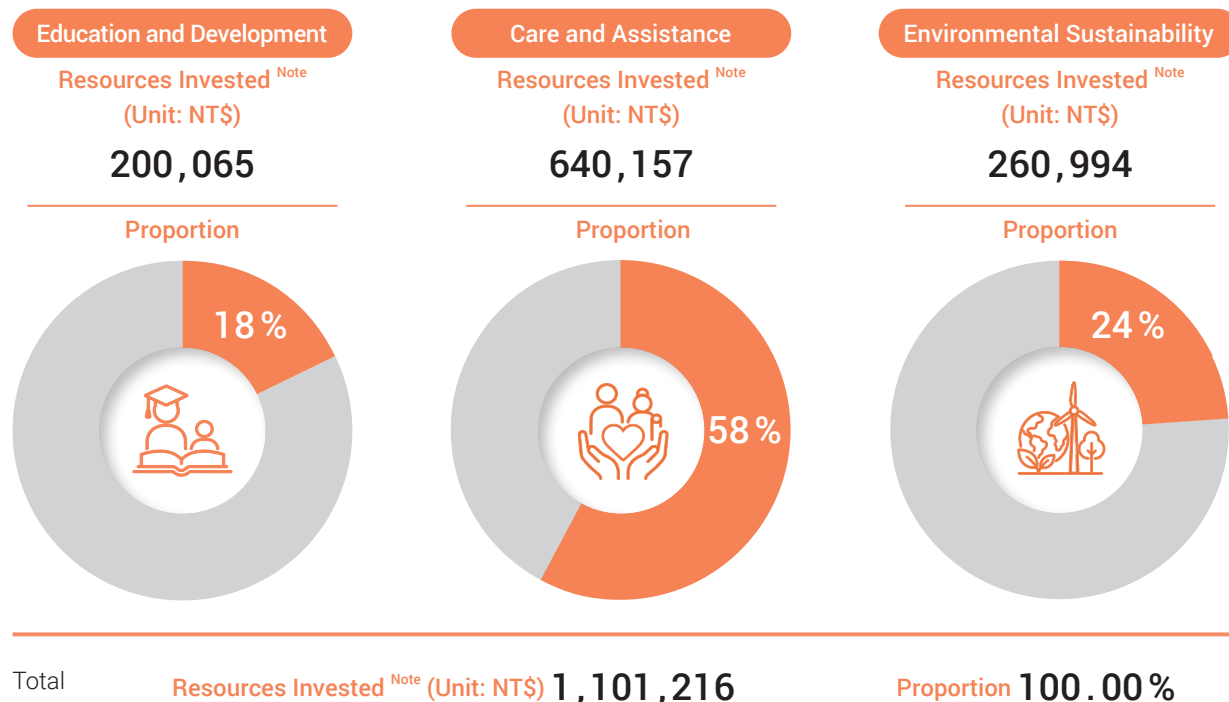


Sysgration is committed to a sustainable vision of shared social prosperity and continues to actively engage in social welfare initiatives. The Company seeks to bring together internal and external resources to create positive social impact and shared value. In 2025, Sysgration's social engagement efforts focused on three core pillars: Education and Development, Care and Assistance, and Environmental Sustainability. Through its support for child development, cancer treatment research, and sports promotion, Sysgration aims to bring opportunities and vitality to diverse communities. At the same time, the Company fosters collaboration between industry and academia to promote knowledge sharing and enhance innovation capabilities. Sysgration also pays close attention to the health and well-being of local communities and disadvantaged groups, while advocating environmentally responsible actions that contribute to energy conservation and carbon reduction. In 2025, the Company allocated approximately NT\$1.1 million to social engagement initiatives, with the goal of creating greater positive social change and lasting impact.

6.1 Education and Development

Industry-Academia Collaboration

Since 2019, Sysgration has been committed to deepening industry-academia collaboration, partnering with multiple prestigious universities and research institutions to jointly promote technological innovation and practical applications. Examples include mentorship-based internship programs designed to cultivate international talent, providing students with invaluable learning opportunities and industry exposure. Meanwhile, we continue to invest in the R&D and educational promotion of smart technologies, and have donated advanced technological equipment to multiple collaborative projects to enhance R&D and learning efficiency. These collaborative projects focus not only on technological breakthroughs but also on cultivating the future backbone of the industry, striving to achieve a win-win vision for both industry and academia.



Note: ■ Resources invested include cash donations/ sponsorships, in-kind donations, and initiative operating costs.

- Education and Development: Industry-academia collaboration, knowledge sharing, and other related initiatives.
- Care and Assistance: Supporting the physical and mental well-being of local communities and vulnerable groups, emergency assistance, and other related initiatives.
- Environmental Sustainability: Actions that promote environmental sustainability, energy conservation, and carbon reduction.



National Taiwan University

R&D Outcomes/ Industry-Academia Collaboration Content

In March 2025, Sysgration participated in National Taiwan University's campus recruitment fair, continuing to advance its international talent cultivation and recruitment mechanism. Through face-to-face engagement with students, the Company introduced its development direction in AI, smart devices, and related technology domains, and shared insights on corporate culture and career development opportunities to attract talented graduates to the technology industry.

Activity Benefits

A total of 6 employees participated in the initiative, contributing 10 volunteer hours. In addition, NT\$41,900 was invested in promotional activities and related supplies. The event generated strong on-site engagement and successfully connected the Company with a large pool of prospective talent, resulting in a substantial number of resume submissions. Approximately 80 students visited, and two internship positions were offered, supporting the Company's efforts to cultivate future talent. The event also enhanced the Company's visibility on campus and helped attract globally minded students interested in future career opportunities.

Future Plans

Sysgration will continue to deepen its campus engagement strategy, with the aim of maximizing employer brand visibility and influence at leading academic institutions. Through regular industry-academia interaction, the Company precisely targets and attracts top young talent with innovative thinking, building a stable and competitive talent pipeline.

R&D Outcomes/ Industry-Academia Collaboration Content

In December 2025, Sysgration participated in the National Taiwan University "International Mentorship Program," contributing through guest lectures and workshop activities. Through the sharing of practical experience and industry trend analysis, the event helped international students gain a better understanding of Taiwan's technology industry landscape and available career opportunities, guiding students in establishing clear career directions.

Activity Benefits

The event involved six staff members, totaling 3.5 person-hours. Approximately 150 international students from more than 30 countries participated. Through cross-cultural exchange and industry sharing, the event effectively guided students from a state of uncertainty about their career direction toward a growing understanding of and confidence in Taiwan's workplace and technology sector. The activity also strengthened the Company's connections with international talent, enhancing its visibility and appeal among the international student community.

Future Plans

Going forward, the Company will continue to strengthen industry mentor sharing initiatives to help students develop a broader understanding of the importance of communication and teamwork alongside technical skills. It will also enhance the provision of information on entrepreneurship and early-stage business development, with the aim of inspiring future entrepreneurial aspirations among students.

Sanmin Junior High School

R&D Outcomes/ Industry-Academia Collaboration Content

In October 2025, Sysgration was invited to deliver a guest lecture at Taipei Municipal Sanmin Junior High School. The session was themed "Smart Glasses, the Metaverse, and AI," covering AR technology applications, Edge AI development trends, and software integration technologies, with case studies illustrating how technological advancement is reshaping future industry models. The lecture also guided students to think about their own learning pathways and career planning in the context of technology trends, strengthening their understanding of emerging technology applications.

Activity Benefits

There were about 50 students who participated in this professional knowledge sharing, it helped students gain early familiarity with the current state of the technology industry, serving as a valuable reference for future academic and career decisions. The activity also heightened students' interest in AI and digital technology, deepened their understanding of metaverse and smart device applications, and, through industry-academia interaction, inspired students' motivation to explore innovative technologies.

Future Plans

Going forward, Sysgration plans to continue annual industry-academia collaboration with educational institutions, further supporting schools' diverse development needs through sustained sponsorship and educational activities. The Company will continuously evaluate the effectiveness of these collaborations to ensure that the resources provided effectively meet students' needs and foster their holistic growth. At the same time, the Company hopes that through such partnerships, stronger bonds between industry and academia will be cultivated, jointly nurturing outstanding talent aligned with future market demands.



Shih Hsin University

R&D Outcomes/ Industry-Academia Collaboration Content

Mr. Hsieh Tung-Fu, General Manager of Sysgration, was invited to deliver a guest lecture in the “Journalist-Influencer” course at Shih Hsin University’s Department of Journalism. The lecture, themed “Communication and Coordination,” aimed to share invaluable experience with students, highlighting that 80% of problems can be traced back to poor communication.

Activity Benefits

The lecture successfully attracted approximately 45 students. Drawing on real-world industry cases, Mr. Hsieh shared the importance of effective communication and coordination, and how to achieve it in practice. Helping students avoid ineffective and inefficient communication styles in both their current academic lives and future professional careers, enabling them to achieve more with less effort.

Future Plans

Sysgration will continue to collaborate with educational institutions, passing on experience and contributing to the development of the next generation of talent for society.

Penghu Ocean Education, Medicine and Charity Foundation

R&D Outcomes/ Industry-Academia Collaboration Content

In May 2025, Sysgration donated NT\$90,000 to the Penghu Ocean Education, Medicine, and Charity Foundation in support of healthcare-related public welfare programs. The Foundation has long been committed to addressing the shortage of medical resources in remote areas and promoting initiatives that support community care and social well-being.

Activity Benefits

Through this donation, Sysgration helped the Foundation advance rural healthcare support programs, enabling resources to be channeled effectively to vulnerable populations to improve their quality of life. The collaboration with a public welfare organization also strengthened the Company’s engagement in corporate social responsibility and sustainable development, contributing to the overall improvement of societal well-being.

Future Plans

As part of its ongoing commitment to social responsibility, Sysgration will continue to support social welfare initiatives in rural and underserved communities, leveraging long-term resources and partnerships to create lasting positive impact.

National Taiwan University Campus Recruitment





National Taiwan University International Mentorship Program Workshop



Sanmin Junior High School Guest Lecture



Shih Hsin University Department of Journalism – Guest Lecture



Other Training and Development Program Photos



6.2 Care and Assistance

Sysgration recognizes its responsibility and commitment to society. Under its Care and Assistance pillar, the Company actively participates in a variety of community initiatives, including visiting elderly individuals living alone to provide companionship and support, as well as making donations and offering assistance to raise awareness of vulnerable groups and their needs. We believe that corporate growth and social prosperity go hand in hand. Through meaningful actions and ongoing community engagement, the Company is committed to advancing charitable causes and sustainable development, helping to foster a more caring and inclusive society.

In this year's initiatives, Sysgration not only responded to the emotional and companionship needs of the elderly through on-site visits and interactive care but also collaborated with nonprofit organizations and provided resource support to improve the quality of life and access to care for vulnerable groups.

At the same time, by supporting local charitable products and services, the Company helped raise public awareness of social welfare issues and foster a positive cycle of social impact.

Supplier Conference Gift — Hanxi Farm Multigrain Rice Gift Set

Sysgration held the Supplier Conference on March 14, 2025, and as part of the social welfare initiative, distributed the "Hanxi Farm Multigrain Rice Gift Set." Through this effort, the Company aimed not only to provide tangible support to vulnerable groups, but also to help suppliers better understand the needs of charitable organizations. Showcasing this initiative at the conference helped promote philanthropy concepts, enhanced Sysgration's corporate social image. More importantly, it contributed to fostering a sustainable culture of care and compassion, creating a positive cycle of giving that can continue to benefit society. The activity primarily involved purchasing locally produced Taiwanese rice gift boxes from Chih-Hui-Er Bakery, representing a dual-benefit public welfare initiative that combines employment support for people with disabilities with local agricultural development.

Initiative Benefits:

A total of NT\$63,000 was allocated in this initiative. Through direct purchases, the Company supported local agriculture, helped disadvantaged farmers maintain a stable source of income, and contributed to the development of the local economy. At the same time, the initiative strengthened employees' engagement with awareness of social responsibility issues, fostering a positive and caring corporate culture.



Supporting the Daya Bay "Blue Envelope" Youth Mentorship Charitable Initiative

Sysgration participated in a youth mentorship program for rural communities, contributing through volunteer services and educational resource investment to support the growth and development of young people in rural areas of Daya Bay District, Huizhou, China. The core of the program is a "Pen pal letter exchange" model, where university students and corporate volunteers engage in one-on-one long-term correspondence with students.

Through monthly letters exchanged over the course of three academic semesters, volunteers provide consistent mentorship and support while gaining insight into students' learning experiences and emotional development. To date, the program has reached 6 schools and primarily serves students aged 12 to 14, including migrant youth, left-behind children, and those from single-parent or economically disadvantaged families. A total of 732 students have participated, with 1,003 letters exchanged to date. Through sustained written communication, the program helps students strengthen their self-expression skills while enhancing emotional support and social connectedness.

Initiative Benefits:

Through its long-term mentorship model, the program effectively addresses the diverse developmental and emotional needs of adolescents. Key areas of support include academic pressure, peer relationships, family-related challenges, and career aspirations, while also addressing emerging issues faced by the digital generation, such as social media usage, online gaming, and the influence of short-form video content.

To strengthen mental health support, the program has established a keyword-based identification and early warning mechanism. Between 2025 and 2026, six students requiring additional attention were identified, representing approximately 0.8% of all participants. These cases involved concerns such as potential self-harm, suicidal ideation, and symptoms of depression. In accordance with strict confidentiality protocols, all identified cases were referred to the respective schools, where educators and the program team collaborated on follow-up care and monitoring to ensure that appropriate support was provided.

Based on feedback received from participating schools, the students concerned have maintained stable performance and well-being at school. Additional counseling and psychological support resources remain available whenever needed.

In addition, the program helps boost students' motivation to learn and their sense of self-identity, reduces dropout risk, and promotes educational continuity. At the same time, through their participation, corporate volunteers deepen their understanding of education in rural areas and issues related to adolescent psychology, thereby strengthening awareness of corporate social responsibility within their organizations.





Taipei Guardian Angel Cancer Care Association – Health Seminar: “Understanding Cancer and the New Frontiers of Minimally Invasive Cancer Treatment”

“Understanding Cancer and the New Frontiers of Minimally Invasive Cancer Treatment,” delivered by Dr. Yang Quan-Qing. The lecture focused on foundational cancer awareness, conventional treatment approaches, emerging minimally invasive treatment trends including compassionate care therapy, and case studies. The session aimed to elevate employees’ awareness of cancer prevention and early detection; a number of employees subsequently booked follow-up consultations, reflecting strong proactive health management.

Initiative Benefits:

This initiative featured educational seminars led by healthcare professionals and expert speakers, attracting approximately 144 employees. Through structured and comprehensive course content, the program enhanced employees’ understanding of cancer prevention, disease management, and patient care, helping to promote health awareness and improve overall well-being. In addition, the initiative increased awareness of cancer-related issues and reinforced the Company’s commitment to healthcare philanthropy and community engagement.



Taipei Guardian Angel Cancer Care Association – “Breathe Deep, Reclaim Joy” Workplace Stress Relief and Wellness Seminar

Continuing its partnership with the Cancer Care Association, Sysgration organized a breathing health and mind-body stress relief workshop, integrating breath technique training with relaxation exercises to help participants improve their physical condition and enhance mental well-being.

Initiative Benefits:

The “Breath Stress Relief Experience Session” and “Happy Class – Purification Breathing” courses attracted approximately 12 participants. The program aims to help participants release stress while enhancing physical energy and focus through breathing techniques that integrate traditional wisdom with modern science.

The course was centered on the Sudarshan Kriya® purification breathing method, supplemented by simple yoga movements and meditation practices, enabling participants to experience deep physical and mental relaxation and transformation within a short period of time. The training included an introduction to the importance of breathing for physical and mental well-being, methods for energy restoration, and instruction in techniques such as Bhastrika (bellows breath) and Kapalabhati (cleansing breath), combined with meditation to help reduce stress and negative emotions.



Asia Emergency Service and Rescue Concern Association – Blood Donation Event

Since 2023, Sysgration has been encouraging the employees to participate in the Asia Pacific Emergency Care and Relief Association’s annual “110 119 Blood Donation Event” on November 9, each year. This year the Company sponsored NT\$6,000 and provided subsidies to employees who volunteered to donate blood, as a gesture of recognition and encouragement.

Initiative Benefits:

This initiative reflects Sysgration’s commitment to social responsibility and promotes a spirit of public service and mutual care throughout society. The Asia Pacific Emergency Care and Relief Association plans to hold its blood donation drive annually on November 9, and Sysgration will continue its sponsorship. Through this sustained commitment, the Company not only extends the reach and impact of the initiative, but also provides support to a wider range of individuals in need, contributing to the cultivation of a more compassionate and caring social environment.





Digital Humanitarianism, Rural Care – Building a New Vision for Healthy Senior Living

Sysgration actively participates in and fully supports the "Digital Community-Based Primary Healthcare for Healthy Aging and Social Inclusion," project led by the Digital Humanitarian Association, aiming to improve the health challenges faced by elderly residents in rural areas of Taiwan. The Company focused its efforts on the Wanfong Culture and Health Station in Ren'ai Township, Nantou County. Due to its remote location and inconvenient transportation, this community faces a severe population aging trend, and the rural exodus has intensified. As such, Sysgration leverages its own technology and resources to provide innovative remote health solutions for the community.

Project Description

This project not only aims to improve the elderly health knowledge and quality of life but also to reduce the burden on caregivers. Specifically, the content of activities includes the 106 remote health courses provided by the Wanfong Culture and Health Station, covering multiple dimensions such as sports, diet, and brain training. They are supported by professional medical experts of over 21 types. Through the digital platform, Sysgration helps widely share health knowledge and provides online consultations to ensure that community residents can still receive health management and professional advice despite geographical limitations.

In the current year, the collaboration site entered the continuation service phase. Compared to the first year of foundational community digital empowerment, key community developments include:

- **Community Support System:** A mutual support system has been formed at the site, with seniors reminding one another to attend sessions, resulting in a significant reduction in social isolation.
- **Building Healthy Habits:** Compared to the first year, seniors demonstrated more stable maintenance of physical fitness indicators such as balance and flexibility, delaying the risk of functional decline.

Personnel and Resources Invested

The implementation of the project requires the support of personnel and resources from different parties. Sysgration sponsors the Digital Humanitarian Association to provide technical support and platform construction, and is responsible for coordinating and managing the expenditures of different activities of the project. Health management accelerators are responsible for planning health improvement-related activities, conducting health demand assessments, and designing courses. Local care workers and their families jointly support the operations of the project and provide necessary assistance to reduce the pressure on elders seeking medical attention. Sysgration's project also provides a remote technology platform, allowing health courses and consultations to be widely used across geographical boundaries. The total capital invested in the project amounted to NT\$200,000, which was used for health data analysis, platform operations, and maintenance costs.

Project Outcomes

The project impact was evaluated using Social Return on Investment (SROI) methodology, demonstrating that every NT\$1 invested generated NT\$25.01 in social value. Total service beneficiaries reached 18,925 person-visits, reflecting the program's significant success in improving community health and cohesion.

SROI calculation:

Stakeholder	Outcome Description	Outcome Volume	Duration (Years)	Outcome Pricing (Unit: NT\$)	Impact Factors			Outcome Value
					Deadweight Factor	Attribution Factor	Attenuation Factor	Total
Elders at the Nantou County Ren'ai Township Wanfong Community Health Station/location	Enhanced Health Literacy	106	2	3,600	8%	48%	3%	$106 * 2 * 3,600 * (1 - 0.08) * (1 - 0.48) * (1 - 0.03) = 354,161.4336$
	Increased Social Interaction	106	2	5,000	3%	3%	3%	$106 * 2 * 5,000 * (1 - 0.03) * (1 - 0.03) * (1 - 0.03) = 967,433.38$
	Improved Quality of Life	106	2	5,000	na	na	na	$106 * 2 * 5,000 = 1,060,000$
Community Workers	Increased Professional Experience	12	2	3,600	38%	8%	3%	$12 * 2 * 3,600 * (1 - 0.38) * (1 - 0.08) * (1 - 0.03) = 47,804.0832$
	Enhanced Job Satisfaction	12	2	3,600	8%	3%	3%	$12 * 2 * 3,600 * (1 - 0.08) * (1 - 0.03) * (1 - 0.03) = 74,790.2592$



Stakeholder	Outcome Description	Outcome Volume	Duration (Years)	Outcome Pricing (Unit: NT\$)	Impact Factors			Outcome Value
					Deadweight Factor	Attribution Factor	Attenuation Factor	Total
Regional Health Resources	Improved Resource Utilization	106	2	28,000	8%	25%	na	$106 * 2 * 28,000 * (1 - 0.08) * (1 - 0.25) = 4,095,840$
	Enhanced Accessibility to Healthcare	106	2	28,000	8%	25%	na	$106 * 2 * 28,000 * (1 - 0.08) * (1 - 0.25) = 4,095,840$
Total Present Value (Unit: NT\$)								10,695,869
Total Investment (Unit: NT\$)								411,280
Net Present Value (Total Present Value – Total Investment) (Unit: NT\$)								10,284,589
Social Return on Investment (SROI)								25.01

$$\text{Outcome Value} = \text{Outcome Volume} \times \text{Outcome Pricing} \times (1 - \text{Deadweight}) \times (1 - \text{Displacement}) \times (1 - \text{Attribution}) \times (1 - \text{Attenuation})$$

Course Satisfaction Survey:

Survey Items	Average Satisfaction Score (1 - 5 scale; 5 = Very Satisfied)
Community seniors and workers – quality of the instructor's course content	4.4
Community seniors and workers – instructor's interactive teaching approach	4.4
Community seniors and workers – instructor's communication and presentation skills	4.6
Community seniors and workers – instructor's teaching attitude and dedication	4.4
Community seniors and workers – alignment of course content with learning expectations	4.6

Community Worker Caregiving Competency and Work Effectiveness – Pre- and Post-Assessment:

Community Worker Caregiving Competency and Work Effectiveness	Pre-Assessment	Post-Assessment
How would you rate your caregiving knowledge?	4	5
How would you rate your caregiving ability?	4	5
How would you rate your confidence in managing elderly care?	4	4
How would you rate your attentiveness in caring for the elderly?	4	4
How would you rate your communication skills with the elderly?	5	5
How would you rate your stress level in elderly caregiving?	4	4
How confident are you in providing caregiving services?	4	5
How well supported do you feel in your work?	4	4



Healthy Literacy Assessment of Participating Elderly Residents:

Personal Health Status and Health Literacy Assessment Scale	Elderly Health Survey	
	Pre-Assessment	Post-Assessment
Health Literacy		
1. When you want to learn about treatment options for a particular illness, are you able to find the relevant information?	3.33	3.11
2. When you are unwell, do you know where to seek professional assistance?	3.50	3.00
3. Based on your past medical experiences, do you understand what your doctor tells you?	3.50	2.89
4. When a doctor or pharmacist explains your prescription medication to you, are you able to understand the instructions?	3.33	2.78
5. Are you able to recognize when it may be appropriate to seek a second medical opinion?	2.83	2.33
6. Are you able to use your doctor's recommendations (including treatment and behavioral advice) to make decisions about your health condition?	3.33	2.67
7. In general, are you able to follow the health advice given to you by your doctor or pharmacist?	3.17	2.78
8. Are you able to find information on how to manage unhealthy behaviors on your own?	3.17	2.56
9. Are you able to find information on addressing mental health concerns?	3.17	3.00
10. Do you understand why health screenings are important?	3.00	2.67
11. Are you able to evaluate whether health-related information provided by the media (television, websites, or other media) is credible, particularly information that may be harmful to health?	3.33	2.67
12. Do you trust and act on information from the media (newspapers, health education leaflets, websites, or other sources) to protect yourself from illness?	3.50	3.00
13. Are you able to find activities that help improve your psychological well-being?	3.33	2.67
14. Do you understand the health-related advice given to you by family members or friends?	3.33	2.56
15. Do you understand health promotion information provided by the media (television, websites, or other media)?	3.33	2.33
16. Are you able to identify which daily behaviors are relevant to your health?	3.33	2.89

Note: The lower post-test scores were mainly due to changes in the participant composition at the community care center. Four older adults who participated in the post-test were being assessed for the first time, and one participant had a brain injury. These factors contributed to a decrease in the overall scores. However, when these special cases are excluded, the overall health literacy scores show an improvement.

Results Documentation:



Future Outlook

Sysgration remains committed to enhancing the health and well-being of older adults in rural communities. Together with its partners, the Company will continue to leverage innovative technologies and sustained resource investment to advance health promotion initiatives and cross-sector collaboration in underserved areas, fostering shared value and supporting long-term sustainable development.

6.3 Environmental Sustainability

Every Step Counts Toward a Greener Future

To encourage employees to develop regular exercise habits and integrate health promotion and environmental sustainability into their daily lives, Sysgration launched a 60-day Walking for Carbon Reduction Challenge during the year. Guided by the theme, “Every step you take not only moves you forward but also adds a touch of green to the planet,” the program encouraged employees to achieve a daily goal of 5,000 steps. By incorporating walking into their daily routines and commutes, participants were able to support both their personal well-being and low-carbon living practices.

The activity incorporated a digital app-based tracking mechanism and a multi-tiered incentive system to drive participation, including NT\$2,000 gift vouchers for daily target achievers and a weekly lucky draw offering surprise rewards to ten full-attendance participants. Total activity investment was approximately NT\$248,640, covering app services, activity rewards, and related expenses, with the comprehensive incentive framework effectively enhancing both employee participation rates and sustained engagement.

The program attracted 166 employees, of whom 126 successfully completed the 60-day challenge, demonstrating strong participation and commitment. During the campaign, participants recorded a total of 86,707,056 steps, equivalent to approximately 60,695 kilometers, about 1.5 times around the Earth, and burned an estimated 2,324,616 calories. Through regular walking activities, employees improved their physical and mental well-being while gradually developing healthier exercise habits, with some participants incorporating walking into their daily routines.

From an environmental perspective, the program incorporated carbon reduction and tree-planting initiatives, resulting in the planting of 10 trees. This achievement symbolized the positive environmental impact generated by employees’ collective efforts. By linking personal health activities with sustainability actions, the program further strengthened employees’ awareness of ESG principles and fostered a corporate culture that values both well-being and environmental responsibility.

Sysgration will continue to promote similar initiatives in the future while enhancing digital tools and participation mechanisms to encourage greater involvement from employees and their families. Through these efforts, the Company aims to expand the impact of health promotion and low-carbon initiatives, contributing to both employee well-being and long-term environmental sustainability.

Cloud Walk Challenge

To promote employee well-being and a sustainable lifestyle, the Sysgration Huizhou Plant Walking Club has been active for nearly three years. Guided by the core values of health, happiness, social connection, and community engagement, the club encourages active living and green mobility through regular walking activities, supporting employees’ physical and mental well-being.

While the existing monthly in-person walking events have achieved positive results, participation has been constrained by time and location limitations. To enhance flexibility and encourage sustained engagement, while aligning with growing trends in health management and everyday physical activity, the Huizhou Plant launched the “Cloud Walk” online walking program in the second quarter of 2025. The initiative extends health-promoting activities beyond organized events and into employees’ daily lives, fostering healthier habits and a more sustainable lifestyle.

The activity was built around the theme ‘Meet in the Cloud, Walk Side by Side,’ using sports apps (such as WeChat Sports) to record step counts and enable cloud-based social interaction, encouraging employees to participate voluntarily and develop regular exercise habits. A competitive and incentive structure was also designed, including first, second, and third-place awards in both male and female categories, to boost participation and engagement. The activity ran for 16 days, with a total of 20 Huizhou Plant employees participating and a budget of approximately RMB 2,850.

During the campaign, employees collectively recorded 318,148 steps, resulting in an estimated 47.72 kgCO₂e reduction in carbon emissions. The initiative not only encouraged employees to experience the physical and mental benefits of regular exercise, helping relieve work- and life-related stress, but also strengthened team cohesion and organizational engagement, demonstrating the Huizhou Plant’s commitment to fostering a healthy workplace.

By integrating health management with environmental sustainability, the campaign enabled employees to take an active role in managing their well-being while contributing to a low-carbon lifestyle through their daily actions. It also helped enhance overall ESG awareness across the workforce.

In the future, Sysgration’s Huizhou plant will continuously optimize its integrated online and offline health promotion model to improve employee participation in terms of convenience and sustainability. The Company will further strengthen the connection between healthy behaviors and sustainability principles, and foster a sustainable development environment that balances employee well-being with environmental responsibility.



6.4 Local Community Impact Management

Sysgration pays close attention to the impact of its operating sites on surrounding communities and the environment. For potential issues arising from daily factory operations such as noise, air emissions, and domestic wastewater, the Company implements corresponding management and monitoring measures in accordance with local regulatory requirements to minimize any disturbance to residents and the surrounding environment.

Each plant identifies potential environmental impact factors based on its operational characteristics and conducts regular inspections and mitigation measures. For example, the Nankang Plant and Zhenjiang Plant conduct periodic noise monitoring due to potential machinery operation noise, ensuring compliance with local regulatory standards. The Huizhou Plant monitors and controls emissions of exhaust gas and particulate matter generated during production processes to maintain effective oversight of pollutant discharge. The Zhenjiang Plant also conducts routine monitoring of domestic wastewater generated from employee activities to ensure compliance with relevant environmental regulations.

Affected Location	Risk Type	Risk Description	Response Measures	2025 Status
Nankang Plant	Surrounding Noise	Factory production operation may generate noise	Annual monitoring is conducted to ensure compliance with regulatory requirements	No noise-related violations were reported in 2025
Huizhou Plant	Air Pollution	Air emissions may be generated during factory production processes. Emissions are centrally collected and treated through activated carbon adsorption systems before being released into the atmosphere	Regular annual maintenance and monitoring are conducted to ensure that atmospheric emissions comply with applicable regulatory requirements	No air pollution violations were reported in 2025
Zhenjiang Plant	Surrounding Noise	Factory production operation may generate noise	Annual monitoring is conducted to ensure compliance with regulatory requirements	No noise-related violations were reported in 2025
	Domestic Wastewater	Domestic wastewater is generated from employees' daily activities	Annual monitoring is conducted to ensure compliance with regulatory requirements	No wastewater-related violations were reported in 2025

In addition to routine monitoring and regulatory compliance, each plant has established daily management mechanisms to address potential environmental risks and support operational management and preventive measures. In 2025, no significant violations related to noise, air pollution, or wastewater were reported across any of the Company's operating sites.

Sysgration will continue to review and refine its management practices and monitoring mechanisms in response to operational developments and evolving regulatory requirements. These efforts will serve as a foundation for environmental and community impact management, helping to minimize the potential effects of business operations on the surrounding environment and local communities.





Chapter Sustainable Supply Chain

- 7.1 Supply Chain ESG Committee
- 7.2 Supply Chain Structure
- 7.3 Sustainable Supply Chain Management
- 7.4 Supplier ESG Management
- 7.5 Supply Chain Sustainability Targets
- 7.6 Supplier Performance Assessment and Communication Engagement



Sustainability Performance Highlights and Corresponding SDGs

SDG 17 Partnerships for the Goals

- In 2025, the amount of Sysgration's local procurement expenditure was approximately **NT\$133 million**, accounting for 8.1% of total procurement expenditure.
- In 2025, Sysgration continued to deepen its sustainable supply chain management mechanism, building on the outcomes of the sustainable supply chain initiative introduced in 2024. Sysgration implemented and managed key documents including the "Sustainable Procurement Standards," "Sustainable Procurement Strategies," and "Supplier ESG Code of Conduct." We also continue to require our suppliers to sign and comply with the "Sustainable Procurement Standards" and "Supplier ESG Code of Conduct" to help the supply chain fulfill and comply with the domestic and international supply chain sustainability management regulations to help our suppliers effectively reduce sustainability risks.
- In 2025, **100%** of new suppliers signed the "Supplier Corporate Social Responsibility and Environmental Code of Conduct."
- In 2025, we completed comprehensive sustainability audits for **33** suppliers. Among these, desktop audits were adopted for 17 suppliers, and on-site audits were adopted for 16 suppliers, achieving a **100%** completion rate of corrective actions for identified deficiencies.
- In 2025, Sysgration held its first Supplier ESG Education and Training Conference, bringing together **120** domestic and international supplier partners to discuss the importance of sustainable supply chains and future outlooks.
- In 2025, Sysgration conducted its Supplier ESG Assessment Questionnaire across its vendor base, achieving a **100%** response rate.

SUSTAINABLE DEVELOPMENT GOALS

17 PARTNERSHIPS
FOR THE GOALS



Management Approach of Material Topics Sustainable Supply Chain Management

GRI Indicators GRI 3-3、GRI 2-6、GRI 204-1、GRI 308-1、GRI 308-2、GRI 414-1、GRI 414-2

Targets

Sysgration has established explicit annual quantitative targets for its sustainable supply chain infrastructure spanning from 2025 to 2030 across four core dimensions:

Corporate Governance and Consumer Health and Safety

- Supplier Sustainable Procurement Standards/ Supplier Code of Conduct signing rate
- Supplier ESG evaluation questionnaire response rate

Labor and Human Rights

- Supplier compliance rate with the Labor and Human Rights Provisions of the "Supplier Code of Conduct"
- Supplier signing rate for the "Conflict-Free Minerals" declaration

Environment

- Percentage of suppliers conducting GHG inventory
- Percentage of supplier GHG inventories achieving independent third-party verification
- Percentage of suppliers committing to carbon and GHG emission reductions

Management System

Percentage of suppliers that have successfully obtained ISO 9001, ISO 14001, and ISO 45001 international certifications. For annual short-, medium-, and long-term target data, please refer to [Section 7.5 Supply Chain Sustainability Targets](#).

Description of Impact

Description of Positive Impacts:

Sysgration places great importance on sustainable supply chain management, as effective management not only reduces operational risks and costs but also enhances the Company's reputation and brand value. Robust supply chain management helps ensure the sustainability of raw materials, reduces environmental impacts, and meets investor and consumer expectations for sustainable development, thereby strengthening the Company's competitiveness. Well-managed sustainable supply chains bring multiple positive effects, including reduced carbon emissions, energy and resource savings, improved labor conditions, and enhanced overall supply chain resilience.

Description of Negative Impacts:

Poor sustainable supply chain management may lead to environmental pollution of the operating locations of suppliers, social injustice, human rights violations, and negative impacts that damage the Company's reputation and impose legal risks.

Policies and Commitments

- Hold supplier ESG guidance meetings and training courses to strengthen suppliers' sustainability awareness and capabilities, jointly raising the overall standard of ESG implementation.
- Actively require suppliers to fulfill their social responsibilities, protect the environment, and uphold human rights, safety, and health, while building long-term partnerships with suppliers committed to sustainable development.
- Prioritize the introduction of suppliers with excellent ESG implementation performance and increase their order allocation to encourage continued ESG improvement, while expanding support for high-performing suppliers.
- Actively introduce low-carbon suppliers, facilitate the low-carbon transformation of the value chain, realize the sustainable benefits of the value chain, and share the corresponding benefits with suppliers to establish a cooperation model of shared benefits.

Action Plans

Positive Impact Management:

- Provide training and resource support to help suppliers establish sustainable development practices, addressing existing issues and preventing future ones.
- Implement the ISO 20400 Sustainable Procurement Guidance project to establish comprehensive sustainable procurement policies and a green supply chain management mechanism.
- Develop sustainability assessment tools to evaluate supplier performance in terms of environmental friendliness and labor human rights, and provide target improvement suggestions.

Negative Impact Management:

- Strengthen supply chain ESG monitoring and assessment procedures to prevent potential negative impacts from suppliers, such as environmental pollution and labor human rights violations.
- Conduct regular supplier risk assessments and reviews to ensure compliance with the Company's sustainability standards and requirements for supplier ESG management.
- Establish a rapid response mechanism to promptly address environmental or labor human rights issues arising in the supply chain, including formulating contingency plans, and assisting suppliers in remedying deficiencies.

Responsible Unit

Supply Chain Management Department

Grievance Mechanism

Supply Chain Contact: scm@sysgration.com
(02) 2790-0088 ext. 2020

Effectiveness Assessment

- In 2025, 100 % of new suppliers signed the "Supplier Corporate Social Responsibility and Environmental Code of Conduct."
- In 2025, 100 % of new suppliers identified using minerals signed the "Conflict-Free Minerals" declaration.
- In 2025, audits were completed for 5 suppliers, with 100 % completion of corrective actions for identified deficiencies.

Guided by its vision “Technology, Quality, Innovation,” Sysgration is committed to the development of the automotive electronics, industrial computer, and energy storage equipment sectors. In recent years, in response to global sustainability trends and the requirements of brand customers, as a key participant in the value chain, Sysgration has not only driven its own sustainability initiatives but also placed strong emphasis on developing a sustainable supply chain. To enhance the effectiveness of sustainable supply chain management and reduce operational risks arising from ESG factors across the supply chain, and to build partnerships for sustainable growth, Sysgration established its sustainable supply chain management project in 2024.

By adopting the international standard ISO 20400 Sustainable Procurement Guidance, Sysgration aims to integrate this guidance into its existing management mechanisms and documentation, leading the supply chain in fulfilling shared responsibilities and establishing a comprehensive sustainable procurement policy, documentation, and management mechanism.

7.1 Supply Chain ESG Committee

To strengthen and manage its sustainable supply chain, Sysgration has established a Supply Chain ESG Committee under its Sustainable Development Organization, led by the Chief of Supply Chain Department who serves as the Committee Chairman. Building on Sysgration's sustainable procurement policy, the Committee continuously responds to the latest domestic and international regulations and customer requirements. In terms of ESG, the Committee focuses on five key areas: corporate governance, labor and human rights, environmental protection, management systems, and consumer health and safety. Regular desktop audits and on-site audits are conducted to assess suppliers' ESG performance, identify high-risk suppliers, and implement improvement measures. These efforts aim to support high-risk suppliers in making continuous improvements, reduce ESG risks across the supply chain, and promote sustainable development throughout the entire value chain.

Supply Chain ESG Committee Organizational Structure



7.2 Supply Chain Structure

Sysgration's product portfolio is diverse, and its products are widely applied in power storage and energy products, IoT, industrial tablets and peripheral equipment, automotive electronics, tire pressure monitoring systems (TPMS), and cloud computing, resulting in diverse types of suppliers. The supply chain of raw materials includes ICs, printed circuit boards, electronic components, cables, plastic materials, metal materials, and packaging materials. To manage supplier risk and ensure compliance with Sysgration's supply chain standards and requirements, suppliers are categorized into several tiers, such as key, secondary, and other suppliers.

Supplier Tier Definitions

Key Suppliers	Definition
	In each BU, suppliers whose annual procurement amount accounts for the top 80%, those who provide critical components or serve as the sole source of supply, those who provide irreplaceable components, or those identified after considering potential sustainability risk indicators.
Secondary Suppliers	Definition
	In each BU, suppliers whose annual procurement amount accounts for the bottom 20%.
Other Suppliers	Definition
	Those that are neither key supplier nor secondary suppliers.

In 2025, Sysgration worked with 320 raw material suppliers^{Note} globally, with a total procurement value of NT\$1.639 billion, of which local procurement accounted for approximately NT\$133 million, representing about 8.1% of the total procurement value. As of the end of 2025, Sysgration had 38 key suppliers, with whom the Company continues to maintain close engagement and collaborative business relationships.

Note: Calculated only for major material suppliers.

	Industrial Control Products	Automotive Electronics	Energy Storage Products	Sysgration Group
Raw Material Procurement Value (NT\$ million)	512	1,087	40	1,639
Local Procurement Value (NT\$ million)	95	33	5	133
Overseas Procurement Value (NT\$ million)	417	1,054	35	1,506
Local Procurement Ratio	18.6%	3.0%	12.5%	8.1%
Number of Suppliers	183	99	38	320
Number of Key Suppliers (80% of BU Transaction Amount)	23	12	3	38
Key Supplier Transaction Amount (NT\$ million)	405	877	32	1,314
Number of Secondary Suppliers	160	87	35	282

7.3 Sustainable Supply Chain Management

Since 2024, Sysgration has actively revised and expanded procurement documents including the "Sustainable Procurement Standards" and "Supplier ESG Code of Conduct," incorporating five key dimensions: corporate governance, labor and human rights, environment, management systems, and consumer health and safety into the document contents. All suppliers are required to sign and comply with the "Sustainable Procurement Standards" and "Supplier ESG Code of Conduct" to help the supply chain fulfill and comply with the domestic and international supply chain sustainability management regulations, thereby helping our suppliers effectively reduce sustainability risks.

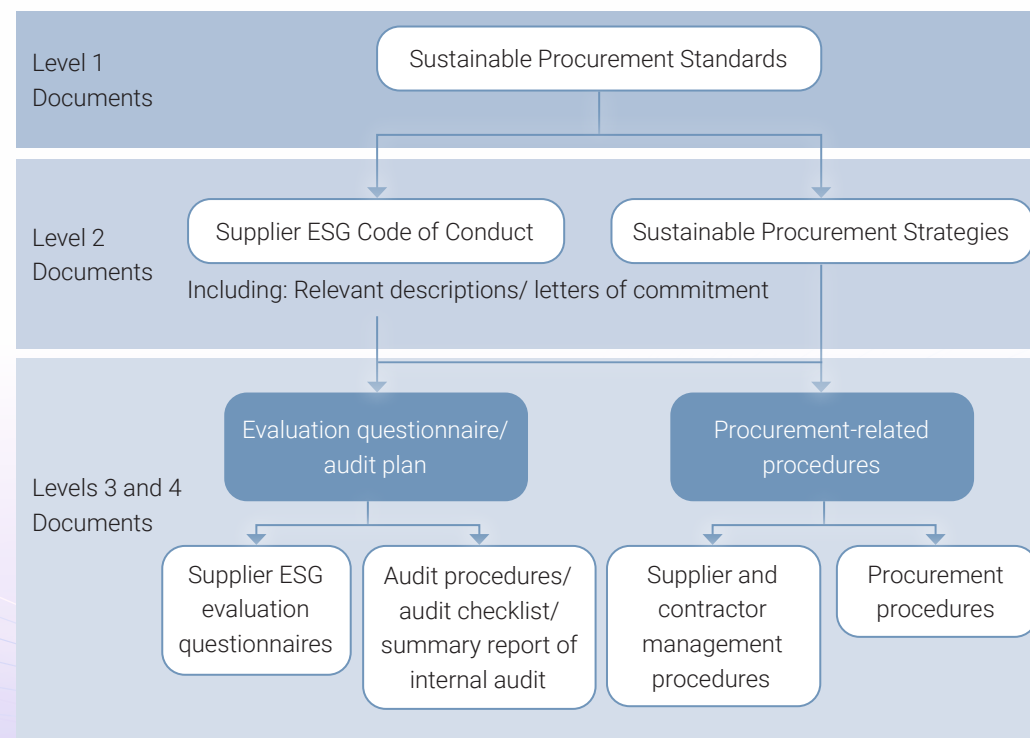
Adoption of the ISO 20400 Sustainable Procurement Guidance:

With the initial foundation, Sysgration introduced a maturity analysis to understand the Company's level of maturity in sustainable supply chain management, identifying and incorporating key issues and considering directions for refinement to pinpoint the supply chain sustainability challenges it faces. By recognizing the main sustainability challenges within the supply chain, the Company develops comprehensive policies and action plans tailored to these issues. Through a double materiality approach, the Company also assessed the impact of sustainable supply chain issues across each stage of its products' life cycle (raw materials stage, manufacturing stage, distribution and sales stage, usage stage, and end-of-life disposal stage), ultimately determining the material sustainability issues to guide structured management efforts and documentation.

Five Major Risk Dimensions of the Sustainable Supply Chain

Five Major Risk Dimensions of the Sustainable Supply Chain and Corresponding Issues			
 Corporate governance	Respect intellectual property rights	Anti-corruption	
 Labor and human rights	Human rights risk status	Employment and labor-management relations	Labor health and safety
 Environment	Pollution prevention	Climate change mitigation and adaptation	Use of sustainable resources
 Management system	Decision-making processes and structures		
 Consumer health and safety	Protect consumer health and safety		

Sustainable Supply Chain Management Documents:



1 Sustainable Procurement Standards

Sysgration places great importance on its sustainable supply chain. These Sustainable Procurement Standards set out the Company's sustainability policies and principles for suppliers, working collaboratively with suppliers to strengthen ESG capabilities across five major supply chain sustainability risk aspects, which are corporate governance, labor and human rights, environment, management systems, consumer health and safety, including the requirements for suppliers and the evaluation criteria. Through these efforts, Sysgration seeks to promote sustainable development, mitigate risks, and create long-term shared value.

2 Supplier ESG Code of Conduct

Suppliers are expected to support this ESG Code of Conduct and establish corresponding management systems to meet its requirements. The fundamental requirement is that all supplier activities comply with the laws and regulations of their respective countries, the latest version of the RBA (Responsible Business Alliance) Code of Conduct, and customer requirements, and that suppliers understand and implement this Code. The Code encourages suppliers to comply with standards that go beyond legal requirements, including the RBA Code of Conduct, and customer expectations, and to adopt international standards to enhance environmental and social responsibility.

Supplier Shall Sign the Commitment Document

- "Conflict-Free Minerals" Declaration
- Non-Environmental Toxic and Hazardous Substances Commitment
- Customs-Trade Partnership Against Terrorism (C-TPAT) Supplier Declaration
- Integrity Commitment
- Non-Use Japanese Kobe Steel Products Declaration
- California Proposition 65 Declaration
- Electroplated Zinc Coating Requirements Declaration
- Product Warranty Letter
- Green Supply Chain Declaration of Environmental Protection and Banned Substance Non-use Warranty (POPs, REACH Annex XVII, SVHC 241)
- Green Supply Chain Declaration of Environmental Protection and Banned Substance Non-use Warranty (Ozone-Depleting Substances)_B
- US EPA TSCA Declaration of Conformity



3 Sustainable Procurement Strategy

Based on the content of "Sustainable Procurement Standards" and the "Supplier ESG Code of Conduct," Sysgration has established indicators and targets for supplier requirements to help suppliers in addressing ESG issues. Suppliers must meet specific requirements and confirm minimum requirements to promote sustainable development. For the content of indicators and targets, please refer to [7.5 Supply Chain Sustainability Targets](#).

Sustainable Supply Chain Management Main Document Links



I Sustainable Supply Chain Management Process:

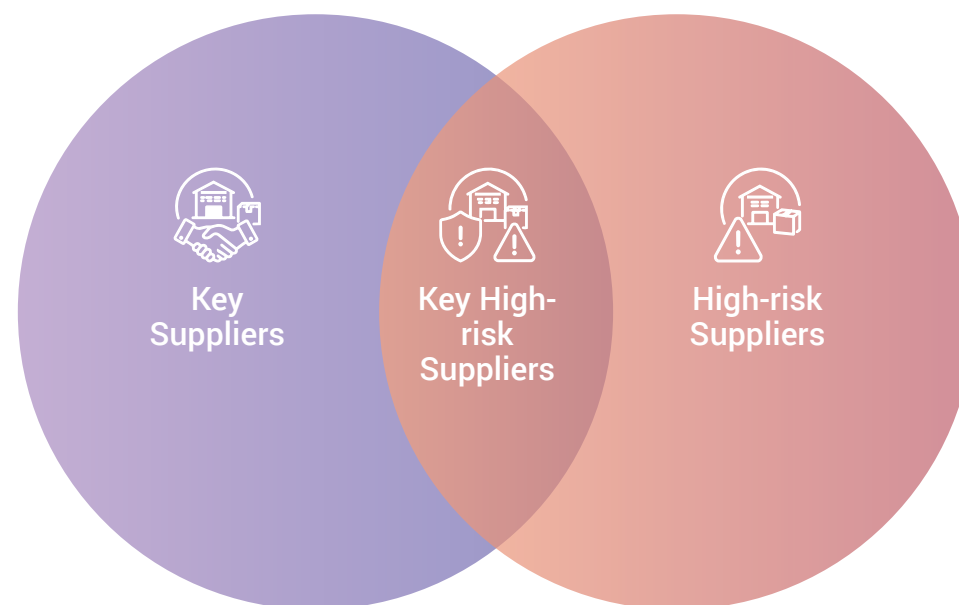


7.4 Supplier ESG Management

Supplier Classification Mechanism:

Sysgration has set targets requiring suppliers at all tiers to progressively complete the "Supplier ESG Sustainable Supply Chain Assessment Questionnaire," in order to evaluate their performance and risk across sustainability aspects. Based on assessment results, suppliers are classified into Grade A (Excellent), Grade B (Good), Grade C (Qualified) and Grade D (Improvement Needed). Suppliers must score above 60 on the questionnaire, with no major deficiencies identified during audits and full compliance with the "Sustainable Procurement Standards" and "Supplier ESG Code of Conduct," are included in the list of qualified suppliers after approved by the responsible person in charge of procurement.

If a supplier is classified as a key supplier of Sysgration and scores below 60 on the "Supplier ESG Sustainable Supply Chain Assessment Questionnaire," it shall be classified as a high-risk key supplier. Such suppliers will be prioritized for on-site audits, and appropriate corrective actions shall be proposed based on the audit findings within a specified timeframe.



Supplier ESG Sustainable Supply Chain Assessment Questionnaire:

Sysgration actively addresses sustainability challenges across its supply chain, progressively transforming sustainability commitments into concrete risk management measures. The Company analyzes sustainability risks throughout the product life cycle and consolidates the risk issues and scoring indicators it faces. In response to customers' growing concerns regarding the social and environmental impact of products, Sysgration not only adheres to sustainability standards and initiatives in its own operations but is also committed to ensuring that suppliers meet corresponding standards to address customer expectations, while proactively identifying risks and formulating improvement strategies.

Against the backdrop of increasingly comprehensive regulations, Sysgration conducts sustainability issue analysis to ensure supplier behaviors comply with legal standards, thereby reducing legal risks. The Company's sustainable supply chain risk management encompasses five key areas: corporate governance, labor and human rights, environment, management systems, and consumer health and safety. To effectively manage these risks, Sysgration has developed a Supplier Sustainability Risk Self-Assessment Questionnaire and quantitatively evaluates supplier performance. Through supplier responses to the questionnaire, Sysgration conducts in-depth analysis of supplier sustainability risk profiles and formulates improvement plans to enhance the overall sustainability and competitiveness of the supply chain.

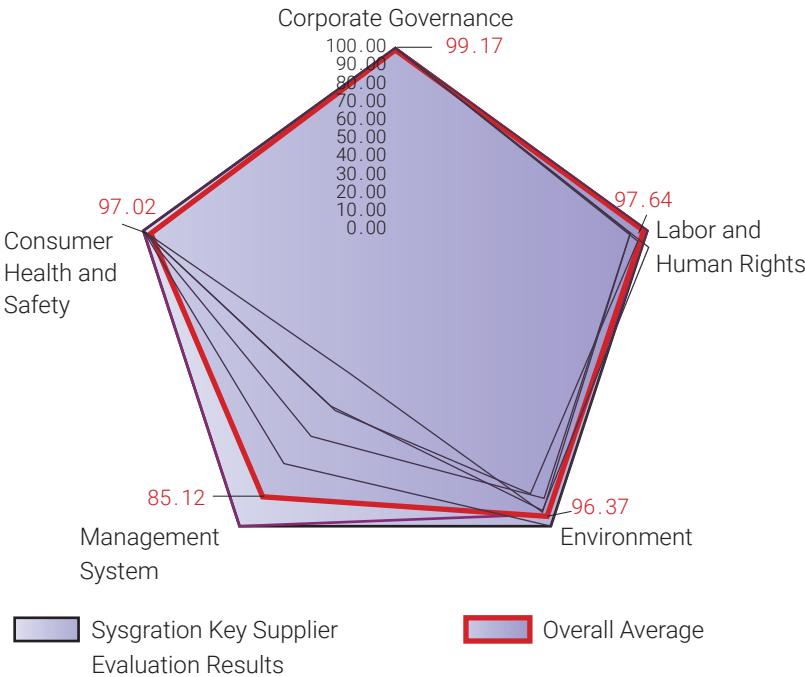
Sysgration’s Supplier Assessment Topics

Sustainability Risk Aspects	Specific Topics
Corporate Governance	Fair Operating Practices Code of Ethical Conduct and Anti-Corruption Regulatory Compliance
Labor and Human Rights	Employment and Labor Relations Human Rights Risk
Environment	Environmental Permits and Reporting, Legal and Customer Requirements GHG Inventory and Reduction Solid Waste and Hazardous Substance Management Exhaust Gas Emissions Water Resource Management Resource Conservation and Circular Economy
Management System	Fair Operating Practices, Regulatory Compliance
Consumer Health and Safety	Control of Hazardous Substances in Products

Based on the analysis of Sysgration's Supplier Self-Assessment Questionnaire results, overall supplier performance was strong, with average scores exceeding 95 across four of the five major sustainability aspects, reflecting suppliers' solid capabilities. Although the average score in the "Management System" dimension was slightly lower, it remained above 85. In this dimension, the comparatively lower score is primarily due to the relatively smaller scale of some suppliers that have not yet fully obtained ISO management system certifications. Sysgration plans to actively collaborate with these suppliers to jointly develop specific improvement strategies, supporting and promoting the implementation of more comprehensive management systems. The aim is to achieve third-party certification, which is expected to significantly enhance the suppliers' management efficiency and quality.

Furthermore, Sysgration will continue to deepen its collaboration with suppliers, aiming to enhance the sustainability and competitive advantage of the overall supply chain. Assessment results not only help Sysgration identify potential opportunities, but also ensure that suppliers meet the Company's requirements, thereby laying a solid foundation for the Company's long-term sustainable development.

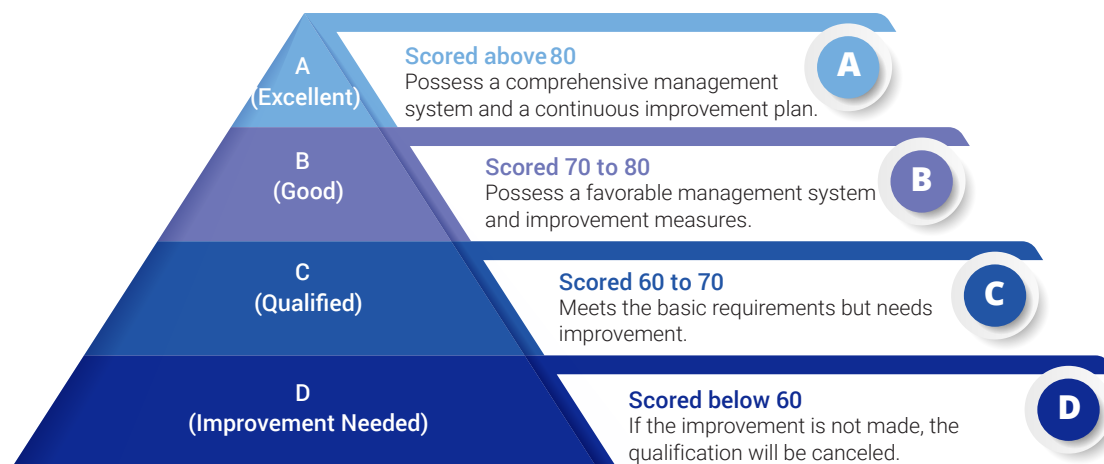
Sysgration's Supplier Self-Assessment Questionnaire Results Analysis



Qualified Supplier Audit Mechanism:

Sysgration conducts on-site supplier audits occasionally throughout the year to verify suppliers' ESG implementation, policies, and compliance. For suppliers with poorer management system performance, the QRA Department is responsible for performing guidance and tracking its improvement status. If the supplier still fails to satisfy the requirements, the Company then suspends the cooperation with the supplier until its improvement is complete, thereby establishing a comprehensive supplier sustainability audit management mechanism. In addition, in case of receiving any complaints, Sysgration performs verification via the confidential method of protecting the confidentiality of the complainant.

In 2025, Sysgration audited 33 suppliers engaged in actual production and manufacturing, of which 17 were assessed through desktop audits and 16 through on-site audits. For suppliers conducting written self-assessments in accordance with the standards set out in Sysgration's "Supplier ESG Code of Conduct," the deficiencies found during the audit were primarily the failure to provide standard operation procedures or the need to establish new standard operation procedures, incomplete filling of relevant record forms, and unclear control method definitions. After requesting suppliers to make improvements, all audited suppliers were able to complete the deficiency improvements within the required timeframe, achieving 100% case closure rate. No cooperation with suppliers was suspended due to noncompliance with Sysgration's requirements.



2025 Supplier Assessment Results			
Assessment Grade	Grade Description	Number of Suppliers	Percentage Improved Within Deadline
A	Possess a comprehensive management system and a continuous improvement plan.	33	100 %
B	Possess a favorable management system and improvement measures.	0	-
C	Meets the basic requirements but improvement needed.	0	-
D	If the improvement is not made, the qualification will be canceled.	0	-

Supplier Reward and Exit Mechanism:

To encourage suppliers to implement sustainability practices and improve sustainability performance, Sysgration performs audits and evaluations of suppliers according to the "Sustainable Procurement Standards" and other documents, executing reward and exit mechanisms in coordination with corresponding management procedures.

- **Rewards:** Suppliers that consistently achieve excellent performance ratings over the years are granted increased eligibility to participate in new projects and are publicly recognized and awarded at the Supplier Conference.
- **Exit:** Suppliers rated Grade D or with poor audit performance are required to submit an improvement report within two weeks, followed by a formal review and improvement guidance after two months. After a six-month improvement period, a supplier review meeting is convened again: if the minimum assessment standards are still not met, the supplier's qualification is revoked.





7.5 Supply Chain Sustainability Targets

Sysgration has established the following sustainable supply chain targets, with clearly defined management objectives, to work collaboratively toward advancing sustainable supply chain management:

1. Corporate Governance and Consumer Health and Safety

Indicator Items	2025	2026	2027	2028	2029	2030
Signing rate of supplier sustainable procurement standards/ Supplier Code of Conduct	100% signing rate among new suppliers for Supplier Sustainable Procurement Standards/ Supplier Code of Conduct (ver. 1)	100% signing rate among key suppliers for Supplier Sustainable Procurement Standards /Supplier Code of Conduct (ver. 1)	100% signing rate among secondary suppliers for the Supplier Sustainable Procurement Standards/ Supplier Code of Conduct (ver. 1)	100% signing rate among all suppliers for the Supplier Sustainable Procurement Standards/ Supplier Code of Conduct (ver. 1)	100% signing rate among key suppliers for the Supplier Sustainable Procurement Standards/ Supplier Code of Conduct (ver. 2)	100% signing rate among secondary suppliers for the Supplier Sustainable Procurement Standards/ Supplier Code of Conduct (ver. 2)
Response rate of supplier ESG evaluation questionnaires	Key suppliers 95%	Key suppliers 100%	Secondary suppliers: 70% or above	Secondary suppliers: 80% or above	Secondary suppliers: 90% or above	Secondary suppliers: 100%

2. Labor and Human Rights

Indicator Items	2025	2026	2027	2028	2029	2030
The compliance rate of suppliers with the Supplier Code of Conduct (Labor and Human Rights Provisions)	Key suppliers: 70% or above	Key suppliers: 80% or above	Key suppliers 90% or above	Secondary suppliers: 50% or above	Secondary suppliers: 60% or above	Secondary suppliers: 70% or above
Signing rate of the "Conflict-Free Minerals" declaration by suppliers	100% of suppliers in specific categories have signed the "Conflict-Free Minerals" declaration					

3. Environment

Indicator Items	2025	2026	2027	2028	2029	2030
Percentage of suppliers conducting Greenhouse Gas Inventories (GHG)	Key suppliers are required to conduct internal carbon inventory according to ISO 14064-1 / GHG Protocol standards	Key suppliers 60 %	Key suppliers 80 %	Key suppliers 100 %	Secondary suppliers 50 %	Secondary suppliers 60 %
Percentage of suppliers that have completed third-party GHG inventory verification.	10 % of key suppliers with high power consumption obtained the ISO 14064-1 certifications	20 % of key suppliers with high power consumption	30 % of key suppliers with high power consumption	40 % of key suppliers with high power consumption	50 % of key suppliers with high power consumption	60 % of key suppliers with high power consumption
Percentage of GHG emission reduction promised by suppliers	4.5 % of GHG emission reduction promised by suppliers (with 2024 as the base year)	9 % of GHG emission reduction promised by suppliers	13.5 % of GHG emission reduction promised by suppliers	18 % of GHG emission reduction promised by suppliers	22.5 % of GHG emission reduction promised by suppliers	27 % of GHG emission reduction promised by suppliers

4. Management System

Indicator items	2025	2026	2027	2028	2029	2030
Percentage of suppliers that have obtained ISO 9001, ISO 14001, and ISO 45001 certifications	Key suppliers 50 % or above	Key suppliers 55 % or above	Key suppliers 60 % or above	Key suppliers 65 % or above	Key suppliers 70 % or above	Key suppliers 75 % or above

Note 1 : Specific category suppliers refer to specific categories such as raw material suppliers.



7.6 Supplier Performance Assessment and Communication Engagement

Supplier Performance Management

Sysgration conducts sustainability/ESG risk assessments of Tier 1 suppliers through the "Supplier ESG Sustainable Supply Chain Assessment Questionnaire," on-site audits, and on-site audits by independent third-party institutions to ensure that Sysgration's cooperation with suppliers and partners can achieve the optimal ESG practices and meet the requirements of sustainable supply chain management targets.

Desktop Audit

- Suppliers are required to complete the "Supplier ESG Sustainable Supply Chain Assessment Questionnaire" and provide supporting documentation, including relevant ESG policies, management system certifications, and management documents.
- Internal audit personnel review the ESG supporting documents of suppliers and evaluate the commitment, performance, and potential risks of suppliers in relation to relevant ESG issues.



On-Site Audit

- Sysgration's QRA Department conducts on-site supplier audits and assessments occasionally.
- On-site inspections, interviews, and information verification are used to assess supplier ESG performance and risks.



On-Site Audit by Independent Third-Party Institutions

- In the future, if necessary, Sysgration will engage independent third-party organizations to conduct on-site audits in accordance with the "Supplier ESG Code of Conduct" to confirm ESG implementation status and risks.



On-Site Audit

Sysgration conducts regular annual on-site ESG audits of suppliers, reviewing five aspects in accordance with the Supplier ESG Code of Conduct: corporate governance, labor and human rights, environment, management systems, and consumer health and safety. These audits verify suppliers' ESG-related documentation, conduct on-site environmental and safety hazard inspections, and interview employees. On-site audits help narrow the gap between written assessment and actual implementation, identify potential risks proactively for prevention, and drive suppliers to address and correct issues identified during the review.

In addition to verifying documented information, this on-site audit also covered inspections of manufacturing and living environments, including production lines, dormitories, and cafeterias. Across the various audit items, Victory Giant Technology had no significant material findings, with only minor items requiring further observation.



Building Supplier ESG Capacity

Sysgration is committed to strengthening suppliers' ESG capabilities. Through awareness campaigns and training programs, Sysgration supports suppliers in implementing ESG policies and action plans, working together to create a sustainable value chain.

ESG Sustainable Supply Chain Strategy Information/ Education and Training

- In the "Supplier Procurement System," the information and documents of Sysgration's "ESG Sustainable Supply Chain Strategy" are provided, including the Supplier ESG Code of Conduct, contract terms, and ESG-related information and forms.
- Regular "Supplier ESG Education and Training" and "Supplier Conference" are held to communicate and educate suppliers on ESG sustainable supply chain strategy.
- Tier 1 suppliers are provided with ISO 14064-1 GHG inventory standard training, covering the interpretation of standard provisions and terminology, an introduction to quantification tools and inventory calculation formulas, practical illustration of the GHG inventory process and key considerations, and sharing the organizational structure and audit focuses of the report.

Provision of ESG Benchmark Information

- A "Supplier ESG Online Platform" will be established in the future, providing relevant ESG courses, industry benchmarks, and case study information.

Support for Improvement Measures

- The QRA Department is responsible for providing guidance to assist suppliers in introducing improvement measures and tracking their results.
- External consultants are engaged to provide remote advisory support and review of suppliers' improvement measures.

In-Depth Support Program

- Support is provided to help suppliers strengthen their GHG management and GHG information disclosure capabilities.
- Sustainable Products and Services workshops are held, inviting key suppliers to join specific projects to jointly develop sustainable, low-carbon products and services.

Supplier ESG Education and Training Conference

Sysgration held its first Supplier ESG Education and Training Conference, attended by a total of 120 domestic and international supplier partners, to discuss the importance of sustainable supply chains and future outlooks. The conference covered the five key areas of sustainable supply chain and supplier classification mechanism.

It also introduced the "Sustainable Procurement Standards," "Supplier ESG Code of Conduct," and "Supplier ESG Sustainable Supply Chain Assessment Questionnaire" formulated and completed by Sysgration through the execution and self-evaluation of sustainable supply chain documents. By explaining the content and expectations of these documents, Sysgration aims to help suppliers better understand the guidelines and complete the questionnaire with confidence, ultimately deepening their awareness and commitment to sustainability.





Supplier Communication and Engagement:

1 Joint Initiatives

Assisting Suppliers in Grasping ESG Trends

Sysgration is responsible for leading supply chain partners to fulfill international sustainable supply chain management standards (including ESG), helping suppliers and partners effectively respond to sustainability risks.

Building a Sustainable Low-Carbon Supply Chain

Sysgration encourages supply chain partners to carry out GHG management actions, understand relevant suppliers strategies and current conditions, and conduct GHG inventories. The Company also deepens collaboration with suppliers to support the R&D and procurement of more energy-efficient, lower-emission, and low-carbon products and services.

Strengthening Supplier Sustainability Management Capabilities

Sysgration holds regular annual "Environmental Sustainability Education" exchanges and site visits, guiding supplier partners to progressively implement the concept of a "Sustainable Low-carbon Supply Chain" and achieve ongoing operational goals in environmental sustainability, corporate governance, labor human rights, and occupational health and safety, aspiring to foster shared prosperity and mutual benefit across the supply chain.

2 Supplier Conference

To strengthen suppliers' sustainability awareness and convey Sysgration's business concept of ESG corporate sustainable operation, the Company holds an annual Supplier Conference to promote collaborative sustainability projects with the supply chain, recognize outstanding suppliers, and continue deepening sustainable supply chain management. Sysgration has established supplier rewards mechanisms according to procurement characteristics and different characteristics of suppliers. Sysgration selects the annual outstanding suppliers by evaluation criteria of the "Supplier ESG Sustainable Supply Chain Assessment Questionnaire" or other outstanding achievements to evaluate the performance. Awards are publicly presented during the Supplier Conference.

The 2025 Strategic Partner Supplier Conference was attended by 184 key representatives from 50 companies. The session primarily communicated Sysgration's sustainable supply chain management strategy and required supplier partners to align their ESG participation and code of conduct with Sysgration's principles, supported by detailed promotion and training. Looking ahead, Sysgration views the Supplier Conference as a long-term communication platform and has explicitly planned to hold it again in 2026, ensuring that supply chain partners possess sufficient resilience and adaptability to respond to global carbon fee and emission reduction regulatory trends.

In the future, Sysgration will establish the "Supplier Sustainability Award" to recognize suppliers with outstanding performance in sustainable development. The award evaluates suppliers across three major sustainability strategic pillars: "low-carbon mission," "recycling and reuse," and "social inclusion."

Suppliers are required to submit a sustainable collaboration proposal from the past one to two years, aligned with one of the above strategic pillars, and undergo an independent third-party on-site review to verify its feasibility, expected benefits, progress, and performance. Based on the review results and the progress of the plan, Sysgration will provide corresponding sponsorship funding. Through this award, Sysgration hopes to stimulate innovative cooperation models with suppliers, promote sustainable corporate operations and circular economy, enhance the carbon reduction capabilities of the value chain, and guide more suppliers to take active sustainability measures.



Appendix

External Certifications

Dimension	Certification Items	Certification Scope	Certification Body
Products/ Production	ISO 9001:2015 Quality Management System	Nankang Plant	TUV NORD
		Huizhou Plant	NQA
		Zhenjiang Plant	TUV NORD
		Leadray	BSI
	IATF 16949:2016 Automotive Industry Quality Management System	Nankang Plant	TUV NORD
		Huizhou Plant	NQA
	ISO 26262:2018 Functional Safety Management System – FSMS and Production Process for Automotive	Nankang Plant	DEKRA
		Huizhou Plant	DEKRA
	ANSI/ESD S20.20-2021 Protection of Electrical and Electronic Parts	Nankang Plant	SGS
		Huizhou Plant	TUV SUD
Environment	IECQ QC080000:2017 Hazardous Substance Process Management System	Nankang Plant	ARES
		Zhenjiang Plant	NQA
	ISO 14001:2015 Environmental Management System	Nankang Plant	URS
		Huizhou Plant	Beijing Daluhangxing Quality Certification Center Co., Ltd.
		Zhenjiang Plant	LFHY
		Leadray	BSI

Dimension	Certification Items	Certification Scope	Certification Body
Occupational Health and Safety	ISO 45001:2018 Occupational Health and Safety Management System	Nankang Plant	URS
		Huizhou Plant	Beijing Daluhangxing Quality Certification Center Co., Ltd.
		Zhenjiang Plant	LFHY
Information Security	ISO/IEC 27001:2022 Information Security Management System	Sysgration (Taipei Headquarters) Nankang Plant	TUV NORD
	TISAX Trusted Information Security Assessment Exchange (TISAX)	Sysgration (Taipei Headquarters)	ENX Association

GRI Content Index

Statement of Use	Sysgration has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	Not applicable

GRI Standards	Disclosure Item	Chapter	Page	Remarks
GRI 2: General Disclosures 2021	2-1 Organizational details	1.1 About Sysgration	7	
	2-2 Entities included in the organization's sustainability reporting	About The Report	3	
		1.1 About Sysgration	7	
	2-3 Reporting period, frequency and contact point	About The Report	3	
	2-4 Restatements of information	-	-	No restatements of information in 2025.
	2-5 External assurance	About The Report	3	
		Appendix – Summary of Assurance Items	173	
		Appendix – Certified Public Accountant Limited Assurance Report	174	
	2-6 Activities, value chain and other business relationships	1.1 About Sysgration	7	
		7 Sustainable Supply Chain	144	
	2-7 Employees	5.1 Employment	96	
	2-8 Workers who are not employees	5.1 Employment	96	
	2-9 Governance structure and composition	2.1 Corporate Governance	28	
	2-10 Nomination and selection of the highest governance body	2.1 Corporate Governance	30	
	2-11 Chair of the highest governance body	2.1 Corporate Governance	28-30	
	2-12 Role of the highest governance body in overseeing the management of impacts	2.1 Corporate Governance	28-30	
	2-13 Delegation of responsibility for managing impacts	2.1 Corporate Governance	28-30	
	2-14 Role of the highest governance body in sustainability reporting	1.3 Materiality Analysis	16	
		2.1 Corporate Governance	37	

GRI Standards	Disclosure Item	Chapter	Page	Remarks
GRI 2: General Disclosures 2021	2-15 Conflicts of interest	2.1 Corporate Governance	31	
	2-16 Communication of critical concerns	2.4 Risk Management	42	
	2-17 Collective knowledge of the highest governance body	2.1 Corporate Governance	34	
	2-18 Evaluation of the performance of the highest governance body	2.1 Corporate Governance	34-35	
	2-19 Remuneration policies	2.1 Corporate Governance	34	
	2-20 Process to determine remuneration	2.1 Corporate Governance	34-35	
	2-21 Annual total compensation ratio	2.1 Corporate Governance	34-35	
	2-22 Statement on sustainable development strategy	Message from the Chairman	4-5	
	2-23 Policy commitments	2.3 Ethical Corporate Management	39	
		2.4 Risk Management	42	
		5.4 Human Rights Protection	108	
	2-24 Embedding policy commitments	2.3 Ethical Corporate Management	39-41	
		2.4 Risk Management	42-45	
		5.4 Human Rights Protection	108-109	
	2-25 Processes to remediate negative impacts	2 Corporate Governance	26-27	
		3 Products and Customers	52-55	
		4 Environmental Sustainability	73	
		5 Employee Care	93-95	
		6 Social Co-Prosperity	128	
		7 Sustainable Supply Chain	142	
	2-26 Mechanisms for seeking advice and raising concerns	2.3 Ethical Corporate Management	41-42	
	2-27 Compliance with laws and regulations	2.5 Legal Compliance	46	
	2-28 Membership associations	1.1 About Sysgration	12	
	2-29 Approach to stakeholder engagement	1.4 Stakeholder Engagement	21-23	
	2-30 Collective bargaining agreements	-	-	No collective bargaining agreements.

GRI Standards	Disclosure Item	Chapter	Page	Remarks
GRI 3: Material Topics 2021	3-1 Process to determine material topics	1.3 Materiality Analysis	16	
	3-2 List of material topics	1.3 Materiality Analysis	15-20	
	3-3 Management of material topics	2 Corporate Governance	26-27	
		3 Products and Customers	52-55	
		4 Environmental Sustainability	73	
		5 Employee Care	93-95	
		6 Social Co-Prosperity	128	
		7 Sustainable Supply Chain	142	

GRI Standards	Disclosure Item	Chapter	Page	Remarks
Material Topic				
Ethical Corporate Management				
GRI 3: Material Topics 2021	3-3 Management of material topics	2 Corporate Governance	26	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	2.3 Ethical Corporate Management	39	
	205-2 Communication and training about anti-corruption policies and procedures	2.3 Ethical Corporate Management	40-41	
	205-3 Confirmed incidents of corruption and actions taken	2.3 Ethical Corporate Management	41-42	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.3 Ethical Corporate Management	42	
Energy Management				
GRI 3: Material Topics 2021	3-3 Management of material topics	4 Environmental Sustainability	73	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	4.3 Energy Management	85	
	302-2 Energy consumption outside of the organization	4.3 Energy Management	85	
	302-3 Energy intensity	4.3 Energy Management	85	
	302-4 Reduction of energy consumption	4.3 Energy Management	85-86	
	302-5 Reductions in energy requirements of products and services	4.3 Energy Management 3.2 Low-carbon Green Products	85-86 61-64	

GRI Standards	Disclosure Item	Chapter	Page	Remarks
Sustainable Supply Chain Management				
GRI 3: Material Topics 2021	3-3 Management of material topics	7 Sustainable Supply Chain	142	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	7 Sustainable Supply Chain	144	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	7 Sustainable Supply Chain	145-147	
	308-2 Negative environmental impacts in the supply chain and actions taken	7 Sustainable Supply Chain	147-149	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	7 Sustainable Supply Chain	145-147	
	414-2 Negative social impacts in the supply chain and actions taken	7 Sustainable Supply Chain	147-149	
Occupational Health and Safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	5 Employee Care	93	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	5.5 Occupational Health and Safety	110-112	
	403-2 Hazard identification, risk assessment, and incident investigation	5.5 Occupational Health and Safety	113-118	
	403-3 Occupational health services	5.5 Occupational Health and Safety	119-124	
	403-4 Worker participation, consultation, and communication on occupational health and safety	5.5 Occupational Health and Safety	120-124	
	403-5 Worker training on occupational health and safety	5.5 Occupational Health and Safety	125	
	403-6 Promotion of worker health	5.5 Occupational Health and Safety	121-123	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.5 Occupational Health and Safety	123-124	
	403-8 Workers covered by an occupational health and safety management system	5.5 Occupational Health and Safety	120	
	403-9 Work-related injuries	5.5 Occupational Health and Safety	117-118	
	403-10 Work-related ill health	5.5 Occupational Health and Safety	-	No related incidents occurred at Sysgration in 2025.
Talent Attraction and Retention				
GRI 3: Material Topics 2021	3-3 Management of material topics	5 Employee Care	95	

GRI Standards	Disclosure Item	Chapter	Page	Remarks
GRI 401 : Employment 2016	401-1 New employee hires and employee turnover	5.1 Employment	98	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2 Friendly Workplace	102	
	401-3 Parental leave	5.2 Friendly Workplace	101	
Product Quality and Safety				
GRI 3 : Material Topics 2021	3-3 Management of material topics	3 Products and Customers	52	
GRI 416 : Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	3.1 Product Quality and Safety	56-60	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	3.1 Product Quality and Safety	56-60	No related incidents occurred at Sysgration in 2025.
Human Rights				
GRI 3 : Material Topics 2021	3-3 Management of material topics	5 Employee Care	94	
GRI 406 : Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	5.4 Human Rights Protection	108-109	
GRI 408 : Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	5.4 Human Rights Protection	108	
GRI 409 : Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.4 Human Rights Protection	108	
Social Participation				
GRI 3 : Material Topics 2021	3-3 Management of material topics	6 Social Co-Prosperity	128	
GRI 413 : Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	6.2 Care and Assistance 6.3 Environmental Sustainability	133-137 138	
	413-2 Operations with significant actual and potential negative impacts on local communities	6.4 Local Community Impact Management	139	Upon assessment, no operations with significant actual or potential negative impacts on local communities have been identified.
Information Security Management				
GRI 3 : Material Topics 2021	3-3 Management of material topics	2 Corporate Governance	27	

GRI Standards	Disclosure Item	Chapter	Page	Remarks
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2. 6 Information Security and Customer Privacy	47 - 49	
Low-Carbon Green Products (Sysgration Self-defined Topic)				
GRI 3: Material Topics 2021	3-3 Management of material topics	3 Products and Customers	54	
GRI 302: Energy 2016	302-5 Reductions in energy requirements of products and services	3. 2 Low-carbon Green Products	61 - 64	
Innovative Products and Services (Sysgration Self-defined Topic)				
GRI 3: Material Topics 2021	3-3 Management of material topics	3 Products and Customers	55	
GRI Standards	Disclosure Item	Chapter	Page	Remarks
Other Topics				
Governance				
Economic Performance				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2. 2 Economic Performance	38	
	201-3 Defined benefit plan obligations and other retirement plans	5. 2 Friendly Workplace	99	
	201-4 Financial assistance received from government	2. 7 Financial Assistance Received from Government	49	
Risk Management				
GRI 2: General Disclosures 2021	2-23 Policy commitments	2. 4 Risk Management	43	
	2-24 Embedding policy commitments	2. 4 Risk Management	42 - 45	
Environment				
Water Resource Management				
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	4. 5 Water Resource Management	89	
	303-2 Management of water discharge-related impacts	4. 5 Water Resource Management	90	
	303-3 Water withdrawal	4. 5 Water Resource Management	90	
	303-5 Water consumption	4. 5 Water Resource Management	90	

GRI Standards	Disclosure Item	Chapter	Page	Remarks
Greenhouse Gas Emissions				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	4.2 Greenhouse Gas Emissions	81-82	
	305-2 Energy indirect (Scope 2) GHG emissions	4.2 Greenhouse Gas Emissions	81-82	
	305-3 Other indirect (Scope 3) GHG emissions	4.2 Greenhouse Gas Emissions	82-83	
	305-4 GHG emissions intensity	4.2 Greenhouse Gas Emissions	81-82	
	305-5 Reduction of GHG emissions	4.2 Greenhouse Gas Emissions	83-84	
Waste Management				
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	4.4 Waste Management	87	
	306-2 Management of significant waste-related impacts	4.4 Waste Management	87-89	
	306-3 Waste generated	4.4 Waste Management	88	
	306-4 Waste diverted from disposal	4.4 Waste Management	88	
	306-5 Waste directed to disposal	4.4 Waste Management	88	
Social				
Training and Education				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	5.2 Friendly Workplace	103-104	
	404-2 Programs for upgrading employee skills and transition assistance programs	5.2 Friendly Workplace	103-104	
	404-3 Percentage of employees receiving regular performance and career development reviews	5.3 Talent Management, Communication and Salary Security	103-104	
Employee Diversity and Equal Opportunity				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	2.1 Corporate Governance	31	
		5.1 Employment	100	
	405-2 Ratio of basic salary and remuneration of women to men	5.3 Talent Management, Communication and Salary Security	107	

SASB Sustainability Accounting Standards Correspondence Table

Indicator	Code	Indicator Description	Chapter	Page	Description
Energy Management	RT-EE-130 a.1	(1) Total energy consumed (GJ). (2) Grid electricity usage ratio (%). (3) Renewable energy use ratio (%).	4.3 Energy Management	85	(1) Total energy consumption: 23,527.80 GJ. (2) Grid electricity usage ratio: 87.50%. (3) Renewable energy usage ratio: 0%.
	RT-EE-150 a.1	Weight of hazardous waste (tonnes) and percentage recycled (%).	4.4 Waste Management	88	Weight of hazardous waste: 8.71 tonnes. Percentage of hazardous waste recycled: 38.46%.
	RT-EE-150 a.2	Number and total quantity (kg) of reportable leakage, and total quantity (kg) recovered.	-	-	Sysgration had no relevant occurrence in 2025.
Product Safety	RT-EE-250 a.1	Number of products recalled and the total number of products recalled.	-	-	Sysgration had no relevant occurrence in 2025.
	RT-EE-250 a.2	Total amount of monetary losses as a result of legal proceedings associated with product safety.	-	-	Sysgration had no relevant occurrence in 2025.
Product Lifecycle Management	RT-EE-410 a.1	Total amount of monetary losses as a result of legal proceedings associated with product safety.	-	-	Sysgration performs raw material and product sampling, inspection and testing according to the latest international regulations and trends, including the standards of RoHS, REACH, WEEE. Restricted substances are managed for raw materials and during the manufacturing process according to the PDCA procedure. Furthermore, Sysgration has also obtained hazardous substance management system IECQ QC080000:2017 certification. The hazardous substances under control are the declared substances in IEC 62474, and they also meet the requirements of crucial customers. Although partial materials cannot be replaced or have a minor amount remaining in products due to the existing industrial technologies; however, the content of reportable substances under control stated in IEC 62474 has not reached the ratio that is required to make the declaration.
	RT-EE-410 a.2	Proportion of products qualified for energy efficiency certifications to total operating income (%).	-	-	No such requirements have been made by customers, and Sysgration products currently do not require energy efficiency certifications.
	RT-EE-410 a.3	Total operating income from renewable energy-related products and energy efficiency-related products.	-	-	Sysgration's revenue from energy efficiency-related products in 2025 was NT\$487,077 thousand. (Refer to the 2025 Annual Report).

Indicator	Code	Indicator Description	Chapter	Page	Description
Raw Materials Procurement	RT-EE-440 a.1	Risk management description for crucial raw materials.	7 Sustainable Supply Chain	145-147	Sysgration reduces the risks associated with critical material use through strategies including supplier diversification and the development of alternative materials and recycling technologies. The Company complies with international regulations: key raw materials do not use metals sourced from non-compliant smelters in conflict-affected mineral regions, and suppliers are required to sign the "Conflict-Free Minerals Declaration" and the "Non-Environmental Toxic and Hazardous Substances Commitment."
	RT-EE-510 a.1	Description of policies and practices for prevention of: (1) Bribery and corruption. (2) Anti-competitive behavior.	2.3 Ethical Corporate Management	39-40	Sysgration has established Business Ethics Due Diligence Procedures, conducts regular corruption risk assessments at each operating location, and implements ethics-related policies through email advocacy, education and training, performance appraisals, and the signing of integrity commitment letters.
Business Ethics	RT-EE-510 a.2	Financial losses as a result of bribery or corruption-related legal proceedings.	2.3 Ethical Corporate Management	39	Sysgration had no relevant occurrence in 2025.
	RT-EE-510 a.3	Total financial losses incurred due to legal proceedings related to anti-competitive behavior requirements.	2.3 Ethical Corporate Management	39	Sysgration had no relevant occurrence in 2025.
Industry Events	RT-EE-000A	Production volume by product category.	-	-	In accordance with the revised Regulations Governing Information to be Published in Annual Reports of Public Companies, information is disclosed based on the revenue of major products: Automotive electronics products: 79.88% Energy management products: 14.35% Others: 5.77% (Refer to the 2025 Annual Report).
	RT-EE-000B	Number of employees	5.1 Employment	96	As of the end of 2025, Sysgration's total headcount was 654 employees.

Note: The SASB indicator applied is from the Electrical & Electronic Equipment industry standard, version 2023-12.

Rules Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies – Electronic Components Industry Sustainability Disclosure Indicators

No.	Indicator	Indicator Type	Chapter	Page	Description
I	Total energy consumption, percentage of purchased electricity, and renewable energy use ratio.	Quantitative	4.3 Energy Management	85	Total energy consumed: 23,527.80 GJ Percentage of purchased electricity: 87.50 % Renewable energy utilization rate: 0 %
II	Total water withdrawal and total water consumption.	Quantitative	4.5 Water Resource Management	90	Total water withdrawal: 14.68 million liters Total water consumption: 14.68 million liters
III	Weight of hazardous waste generated and percentage recycled.	Quantitative	4.4 Waste Management	88	Weight of hazardous waste generated: 8.71 tonnes Percentage of hazardous waste recycled: 38.46 %
IV	Description of types, number, and rate of occupational hazards accidents.	Quantitative	5.5 Occupational Health and Safety	117	General occupational injuries: 0 person-times Occupational injury rate: 0
V	Product lifecycle management disclosure, including the weight of scrapped products and electronic waste, as well as the percentage of recycling.	Quantitative	4.4 Waste Management	88	Sysgration had no end-of-life products in 2025. In-plant e-waste, including waste wiring and other waste, was handled by qualified waste disposal contractors. Total waste weight was 112.78 tonnes, of which 31.4 % (35.45 tonnes) was recycled and the remaining 68.6 % (77.33 tonnes) was incinerated.
VI	Description of risk management associated with the use of critical materials.	Qualitative	7 Sustainable Supply Chain	145-147	Sysgration reduces the risks associated with critical material use through strategies including supplier diversification and the development of alternative materials and recycling technologies. The Company complies with international regulations: key raw materials do not use metals sourced from non-compliant smelters in conflict-affected mineral regions, and suppliers are required to sign the "Conflict-Free Minerals Declaration" and the "Commitment to Freedom from Environmental Toxic and Hazardous Substances and Substances of Very High Concern."
VII	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations.	Quantitative	2.3 Ethical Corporate Management	39	Sysgration had no relevant occurrence in 2025.
VIII	Production volume of major products by product category.	Quantitative	-	-	In accordance with the revised Regulations Governing Information to be Published in Annual Reports of Public Companies, information is disclosed based on the revenue of major products: Automotive electronics products: 79.88 % Energy management products: 14.35 % Others: 5.77 % (Refer to the 2025 Annual Report).

Task Force on Climate-Related Financial Disclosures (TCFD) and Index of Climate-Related Information of TWSE/TPEX Listed Companies

TCFD Recommended Disclosures		Climate-related Information of TWSE/TPEX Listed Companies	Chapter	Page	Remarks
Governance					
T C F D 1 (a)	Describe the board's oversight of climate-related risks and opportunities.	Describe the board's and management's oversight and governance of climate-related risks and opportunities.	4. 1 Response to Climate Change	74	
T C F D 1 (b)	Describe management's role in assessing and managing climate-related risks and opportunities.				
Strategy					
T C F D 2(a)	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Describe how identified climate risks and opportunities affect the organization's businesses, strategy, and financial planning (short, medium, and long term).	4. 1 Response to Climate Change	75	
T C F D 2(b)	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Describe the financial impacts of extreme climate events and transition actions.	4. 1 Response to Climate Change	76-78	
T C F D 2(c)	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	If scenario analysis is used to assess resilience to climate-related risks, describe the scenarios used, parameters, assumptions, analytical factors, and principal financial impacts.	4. 1 Response to Climate Change	79	
Risk Management					
T C F D 3(a)	Describe the organization's processes for identifying and assessing climate-related risks.	Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	4. 1 Response to Climate Change	80	
T C F D 3(b)	Describe the organization's processes for managing climate-related risks.		2. 4 Risk Management 4. 1 Response to Climate Change	44 80	
T C F D 3(c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.		2. 4 Risk Management 4. 1 Response to Climate Change	44 80	
Indicators and Targets					
T C F D 4(a)	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	If a climate transition plan exists for managing climate-related risks, describe the plan and the metrics and targets used to identify and manage physical and transition risks. If an internal carbon price is used as a planning tool, describe the basis for the price.	4. 1 Response to Climate Change	80	Sysgration does not use an internal carbon pricing.

TCFD Recommended Disclosures		Climate-related Information of TWSE/TPEX Listed Companies	Chapter	Page	Remarks
T C F D 4(b)	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.	GHG inventory and assurance status, and emission reduction targets, strategies, and specific action plans.	4.2 Greenhouse Gas Emissions	81-82	
T C F D 4(c)	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	If climate-related targets have been set, describe the activities covered, GHG emissions scopes, planning periods, and annual progress. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve targets, describe the sources and quantities of offsets or RECs.	4.1 Response to Climate Change	83	

Item	Value																			
Describe the board's and management's oversight and governance of climate-related risks and opportunities.	To effectively manage climate-related risks and opportunities, Sysgration's ESG-TCFD Committee is convened by the General Manager and operates through the ESG-TCFD Implementation Team, comprising three TCFD working team to identify, assess, and manage climate change risks and opportunities. The team consist of: Policy and Regulatory Team, Market Research Team, and Physical Risk Assessment Team. Each year, the ESG-TCFD Committee presents the results of risk and opportunity identification and assessment at senior management meetings chaired by the General Manager, along with proposed response strategies. Material climate-related risks and opportunities, together with corresponding mitigation and adaptation strategies, are regularly reported to the Board of Directors. This enables the Board to exercise full oversight and review material climate-related issues, determine relevant response and management policies, and rigorously monitor their implementation status.																			
How identified climate risks and opportunities affect the organization's businesses, strategy, and financial planning (short, medium, and long term).	Sysgration actively develops solutions to reduce the operational and financial impacts of climate change and enhance organizational climate resilience. Short term is defined as within 3 years, medium term as 3 – 5 years, and long term as more than 5 years. The potential operational and financial impacts of relevant climate risks and opportunities are assessed to plan corresponding actions in response to climate-related risks and opportunities. <table><tr><th></th><th>Risk Categories and Opportunities</th><th>Short Term (0 – 3 years)</th><th>Medium Term (3 – 5 years)</th><th>Long Term (More than 5 years)</th></tr><tr><td rowspan="2">Risks</td><td>Transition Risks</td><td> ▪ Regulatory Requirements for Existing Products and Services. ▪ Changes in Customer Behavior </td><td> ▪ Carbon Pricing Mechanism. </td><td>-</td></tr><tr><td>Physical Risks</td><td>-</td><td>-</td><td> ▪ Increased Severity and Frequency of Extreme Climate Events. ▪ Rising Average Temperatures. </td></tr><tr><td>Opportunities</td><td>Opportunities</td><td> ▪ Development and/or Expansion of Low-Carbon Products and Services. ▪ Entering New Markets. ▪ Use of More Efficient Production and Distribution Processes. </td><td>-</td><td>-</td></tr></table>		Risk Categories and Opportunities	Short Term (0 – 3 years)	Medium Term (3 – 5 years)	Long Term (More than 5 years)	Risks	Transition Risks	▪ Regulatory Requirements for Existing Products and Services. ▪ Changes in Customer Behavior	▪ Carbon Pricing Mechanism.	-	Physical Risks	-	-	▪ Increased Severity and Frequency of Extreme Climate Events. ▪ Rising Average Temperatures.	Opportunities	Opportunities	▪ Development and/or Expansion of Low-Carbon Products and Services. ▪ Entering New Markets. ▪ Use of More Efficient Production and Distribution Processes.	-	-
	Risk Categories and Opportunities	Short Term (0 – 3 years)	Medium Term (3 – 5 years)	Long Term (More than 5 years)																
Risks	Transition Risks	▪ Regulatory Requirements for Existing Products and Services. ▪ Changes in Customer Behavior	▪ Carbon Pricing Mechanism.	-																
	Physical Risks	-	-	▪ Increased Severity and Frequency of Extreme Climate Events. ▪ Rising Average Temperatures.																
Opportunities	Opportunities	▪ Development and/or Expansion of Low-Carbon Products and Services. ▪ Entering New Markets. ▪ Use of More Efficient Production and Distribution Processes.	-	-																

Item	Value		
How identified climate risks and opportunities affect the organization's businesses, strategy, and financial planning (short, medium, and long term).	Sysgration has assessed the above risks and identified climate-related risks and opportunities that may have significant financial impacts, along with corresponding response strategies, as follows:		
	Risk / Opportunity	Financial Impact	Response Strategy
	Carbon Pricing Mechanism.	Taiwan introduced a carbon fee framework in 2025 (to be declared and paid in 2026). Although the Company is not among the initial phase of regulated entities, it continues to closely monitor regulatory changes and updates. Concurrently, China's carbon emission trading market was launched in 2021, initially covering the power sector. The Company remains to closely monitor policies and covered industries, as future carbon emissions exceeding controlled levels will require additional purchases or carbon fee payments.	1. Establish a dedicated team responsible for driving the achievement of carbon reduction and carbon neutrality targets. 2. Implement a GHG inventory and establish science-based emissions reduction targets in accordance with the GHG protocol methodology. 3. Plan to install smart meters in different areas of each manufacturing plant to monitor electricity consumption data, identify energy-intensive equipment, and support the implementation of energy-saving initiatives. 4. Continuously monitor carbon trading market policies in Mainland China and carbon fee regulations in Taiwan and conduct annual carbon inventories. This enables timely adjustments to the Company's carbon reduction strategies and action plans in response to evolving government policies.
	Regulatory Requirements for Existing Products and Services.	Sysgration's main business operations consist of automotive electronics and industrial energy products, with these products primarily applied in IoT, connected vehicle (V2X) solutions, and energy management solutions, among others. As domestic and international regulations governing relevant products become increasingly stringent (e.g., CBAM), the Company may need to undertake product optimization or obtain third-party certification, leading to increased operating costs or regulatory fee expenditures.	1. Establish a GHG Inventory Committee, Sustainability Report Committee, and CBAM Task Force responsible for inventory, disclosure, and regulatory compliance. 2. Build organizational capabilities in regulatory compliance, carbon accounting, data governance, and cross-functional collaboration (including R&D, Quality Assurance, IT, and Procurement), while strengthening employee awareness through regular knowledge-sharing and training programs. 3. Introduce a sustainable supply chain approach, shifting from price-focused approach to one that emphasizes carbon performance and regulatory compliance. Energy efficiency and compliance considerations will be prioritized in new equipment purchases. 4. Prioritize energy-efficient LED streetlights certified with energy-saving labels to increase the proportion of revenue generated from low-carbon products. 5. Track tender specifications and competitors' energy-efficiency certifications and use the findings to guide the development of smart lighting products. Monitor the proportion of tenders requiring Energy Conservation Labels and CNS 15233 compliance. 6. In preparation for Taiwan's CBAM-related regulations, establish a reporting mechanism and integrate supplier data management systems while strengthening internal awareness and communication.
	Changes in Customer Behavior.	To reduce downstream environmental impacts, numerous global customers have altered their product manufacturing and design requirements as follows: ▪ Replacing lead-acid batteries with lithium batteries to reduce maintenance costs and minimize the environmental impacts associated with lead-acid disposal. ▪ Tire manufacturers have expressed the need to integrate fleet management systems with tire pressure sensors to effectively reduce tire wear in customer fleets. ▪ International automakers and OEM manufacturers have expanded supply chain requirements, making ESG and carbon reduction mandatory procurement thresholds, companies that do not meet the standards cannot become suppliers, and carbon-neutral products will be required in the future. ▪ In response to the low-carbon transition, BBU has introduced new materials (low-carbon plastics, flame-retardant materials) and high-efficiency battery technology.	1. Improve high-efficiency product design (reducing losses), such as BLE Bluetooth low-power tire pressure sensors with a proprietary intelligent signal push-control design architecture, enabling the sensor to maintain the same functional operation while saving more than 30% of power, achieving dual improvement in product performance and battery life. 2. Without compromising product structural strength, discuss with customers the use of eco-friendly materials for plastic components. For packaging materials, reduce environmental impact through digitalized instruction manuals, increased use of recycled paper, and reduced ink printing. 3. Achieve 100% commonality of circuit modules and packaging design to reduce material changeovers, production line changeovers, and waste of packaging materials caused by switching different circuit modules. 4. Develop different product forms to meet tire manufacturer needs, such as collaborating with suppliers to develop self-powered tire pressure monitoring systems. 5. Work closely with chip suppliers to enhance product functionality. 6. Strengthen environmental and toxic substance controls in line with customer requirements. 7. Collaborate with fleet management service providers and truck manufacturers to integrate systems and facilitate cost-effective deployment for customers.

Item	Value		
	Risk / Opportunity	Financial Impact	Response Strategy
How identified climate risks and opportunities affect the organization's businesses, strategy, and financial planning (short, medium, and long term).	Increased Severity and Frequency of Extreme Climate Events.	In recent years, the frequency and intensity of extreme climate events (such as typhoons and heavy rainfall) have increased, potentially impacting Company operations in multiple ways, including disruptions to transportation and port operations causing delays in raw material delivery timelines and supply chain lead times. Concurrently, these events can cause localized power outages and direct physical damage to manufacture facilities (such as flooding or water leakage) leading to sudden production interruptions. Furthermore, extreme weather events present direct and indirect threats to employee safety and occupational health, ultimately compromising overall operational stability.	1. Monitor climate information; strengthen plant and equipment inspection and disaster prevention preparations before typhoon or rainy seasons; formulate emergency response measures and hold fire drills. 2. Reduce the risk of raw material shortages and supply disruptions through multi-source supply strategies, increasing safety stock of raw materials, and advance procurement before typhoon season. 3. Maintain strong relationships with suppliers, logistics providers, and freight forwarders to ensure timely visibility into supply and shipment status and communicate updates. 4. When abnormal weather impacts persist, evaluate alternative transportation methods or accelerate shipments (e.g., selecting faster shipping schedules) to avoid delivery delays. 5. When necessary, communicate with customers to adjust delivery schedules or postpone shipments to reduce the impact of risks on order fulfillment. 6. Purchase typhoon and flood insurance, property insurance, and accident insurance to reduce operational and personnel risks caused by extreme climate events.
	Rising Average Temperatures.	Continued increases in average temperature will lead to higher electricity consumption by air conditioning and cooling systems at plants, raising energy costs. High-temperature environments will also increase suppliers' electricity and cooling costs, which will be reflected in raw material procurement prices. Furthermore, prolonged high temperatures may affect employee health and work safety, thereby impacting overall operational stability.	1. Reduce energy consumption by controlling air-conditioning system operating temperatures (approximately 25 – 26 °C), turning off non-essential equipment, and continuously promoting energy-saving practices. 2. Progressively replace lighting with high-efficiency LED equipment and introduce energy-saving variable-frequency equipment to improve the overall energy efficiency of plants. 3. To prevent unexpected operational disruptions caused by power shortages, conduct production and procurement planning, build up inventory in advance, and establish safety stock levels to reduce supply instability risks. 4. Strengthen green procurement and supplier qualification management, promote electricity management among suppliers, and progressively build a green logistics system. 5. Purchase natural disaster insurance to reduce related losses.
	Entering New Markets	▪ Driven by carbon reduction and net-zero trends and regulations, the electric vehicle and energy storage markets are growing rapidly. Taiwan's energy storage installation target will increase from 1.5 GW in 2025 to 5.5 GW in 2030, a compound annual growth rate of approximately 29.7%. ▪ As the global automotive market accelerates its transition toward electric vehicles, tire pressure monitoring systems (TPMS) have become a critical EV component, helping maintain optimal tire pressure, reduce rolling resistance, and improve energy efficiency and driving range. Consequently, the Group projects that revenues generated from its IoT, connected vehicle, energy storage system (ESS), and battery energy applications will experience sustained, robust growth over the coming years.	1. Continue to expand business with major European and American OEM automaker clients. 2. Pursue integrated deployment across the energy storage value chain to create synergies and attract capital, technology partners, and strategic investors. 3. Establish a plant in the United States to attract more European and American Customers and secure local orders. It will also shorten transportation distances and delivery times to key customers, thereby reducing transportation-related carbon emissions. 4. In 2023, the ESS division was spun off to establish Power Tank Energy Ltd., expanding market opportunities for energy storage system deployment. 5. Conduct ongoing analysis of market, customer, regional, social, policy, regulatory, and climate-related trends to stay informed of changes in the business environment. This enables proactive planning, increased investment in research and development, and accelerated product innovation.



Item	Value		
	Risk / Opportunity	Financial Impact	Response Strategy
How identified climate risks and opportunities affect the organization's businesses, strategy, and financial planning (short, medium, and long term).	Use of More Efficient Production and Distribution Processes.	Increase the proportion of automated production and testing to reduce rework rates and improve yields; leverage big data analytics to identify the root causes of yield losses and implement corrective and preventive actions.	1. Increase and improve automation equipment. 2. Strengthen the completeness of production big data collection. 3. Implement personnel education and training.
	Development and/or Expansion of Low-Carbon Products and Services.	Climate issues are driving products toward high-efficiency, low-energy, and low-carbon design. The Company improves product performance through material reduction, structural optimization, and CAE simulation (Computer-Aided Engineering analysis), and introduces low-carbon materials and high-efficiency processes to reduce product life cycle carbon emissions. ▪ Promote low-power Bluetooth tire pressure monitoring systems (TPMS), providing low-carbon TPMS solutions that comply with automotive industry supply chain data and sustainability standards. ▪ Develop distributed energy storage systems (using lithium iron phosphate batteries compatible with solar and charging pile applications) and introduce CNS 15233 (Building Energy Management System Standard) smart control interfaces to help customers reduce energy consumption during the use stage and expand the low-carbon solutions market.	1. Strengthen the selection and application of energy-efficient components. Through diversified technology development and automated positioning system design, reduce installation time and material usage for end customers, thereby improving product efficiency and lowering carbon emissions. 2. Promote the energy-saving benefits of high-efficacy LED streetlights to existing customers and continuously track the adoption intentions of benchmark customers such as the Freeway Bureau, regarding high-specification energy-efficient lighting products. 3. Through marketing tools, translate CNS 15233 weatherability tests (such as 50°C endurance tests) and high-efficacy energy label product features into "Total cost of ownership reduction" and "Carbon emission reduction" data that customers can understand. 4. Integrate smart control interfaces compliant with CNS 15233 standards to participate in smart city energy management system tenders, transitioning from standalone hardware sales to providing integrated low-carbon and smart lighting solutions. 5. Regularly review the results of energy-saving product R&D and their share of revenue to assess the contribution of low-carbon products to the Company's operations and market competitiveness.
Describe the financial impacts of extreme climate events and transition actions.	Financial Impacts of Extreme Climate Events In recent years, the frequency of extreme climate events has increased, and their duration has lengthened, potentially causing plant flooding and damage and direct or indirect harm to employees. Production interruptions may result in supply chain disruptions, raw material delivery delays, and supply shortages. Typhoons may directly disrupt transportation, delay supply chain lead times and vessel schedules, prevent the Company from meeting customer delivery commitments, and cause losses in production capacity and revenue.		
	Financial Impacts of Transition Actions Under transition risk, the transition to a low-carbon economy may involve extensive policy and regulatory, technology, and market changes. Depending on the nature, speed, and focus of these changes, within the analysis timeframe, the carbon pricing mechanism, regulatory requirements for existing products and services, and changes in customer behavior may lead to increased operating costs and business losses.		
Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	1. Screening climate risks and opportunities: Based on Sysgration's industry characteristics and operating conditions, relevant climate risk and opportunity issues were screened, comprising a list of 5 risks and 3 opportunity issues. 2. Internal training and inventory: TCFD team members were convened for education and training workshops to understand the definitions of climate risks and opportunities relevant to Sysgration, and to research domestic and international regulatory, market, and technology trends. Further composite analysis was conducted for each issue, using factors such as likelihood of impact, degree of impact, and impact timeframe to understand the implications of climate issues for Sysgration. 3. Identifying material risks and opportunities: Based on the research findings, materiality was assessed by likelihood of impact and degree of impact, identifying the Company's material climate risks and opportunities, comprising 4 risks and 1 opportunity. Climate-related risk and opportunity information and management strategies were inventoried, and corresponding control measures and action plans were formulated. 4. Senior management confirmation: Finally, the identified results were reviewed by senior management to confirm relevant climate risks and opportunities which were then integrated into the Company's risk management process for ongoing oversight.		



Item	Value						
If scenario analysis is used to assess the resilience to climate change risks, the scenario, parameters, assumptions, analysis factors, and main financial impacts used shall be specified.	Risk and Opportunity Category		Issue Definition	Assessment Scope	Climate Scenario, Assumptions, Analysis Factors	Impact Assessment Timing	Financial Impact Assessment Result
	Physical Risks		Increased Severity and Frequency of Extreme Climate Events	Company-wide	Under the SSP 5–8.5 scenarios outlined in the IPCC AR6 report, the number of days with heavy rainfall in the middle and late centuries will increase by 0.1 days and 0.9 days, respectively, compared to the baseline of 1 day. Extreme weather events will lead to disruptions in logistics, damage to facilities, and increased health risks for employees, severely impacting production and operational stability.	Mid-century (2050) End of century (2100)	Extreme weather events may lead to a decline in operating revenue and an increase in operating costs, affecting overall operational stability: Mid-century (2050): financial impact accounts for approximately 0.17% of revenue. End of century (2100): financial impact accounts for approximately 0.29% of revenue.
	Transition Risks	Policy and Regulatory Risks	Carbon Pricing Mechanism		Based on the BAU (Business as Usual) and Net Zero (Net Zero Scenario) scenarios, carbon price benchmarks for the Taiwan and Mainland China facilities in 2030 and 2050 were established to assess the potential financial impact of carbon costs. The carbon fee per metric ton for the Taiwan facilities will be NT\$1,200 and NT\$4,200 in 2030, and NT\$1,800 and NT\$7,500 in 2050, respectively; For the facilities in mainland China, the carbon price per metric ton is NT\$420 and NT\$2,700 in 2030, respectively, and NT\$420 and NT\$6,000 in 2050, respectively.	Medium-term (2030) Long-term (2035)	The financial impact of carbon fees or carbon trading costs paid by operating facilities to comply with local greenhouse gas emissions policies: Medium-term (2030): (1) BAU scenario: financial impact accounts for 0.26% of revenue. (2) Net-Zero scenario: financial impact accounts for 0.07% of revenue. Long-term (2035): (1) BAU scenario: financial impact accounts for 0.47% of revenue. (2) Net-Zero scenario: financial impact accounts for 0.11% of revenue.
			Regulatory Requirements for Existing Products and Services		Estimate the financial impact of lost orders resulting from existing products and services failing to meet the regulatory revenue thresholds in 2030 and 2035.		As domestic and international regulations become stricter (e.g., CBAM may require product optimization or third-party certification), operating costs or expenses will increase: Medium-term (2030): financial impact accounts for approximately 0.06% of revenue. Long-term (2035): financial impact accounts for approximately 0.06% of revenue.
		Market Risk	Changes in Customer Behavior		If the Company fails to effectively promote energy-efficient product design and the development of low-carbon products, resulting in an inability to meet customer demand, the financial impact resulting from the loss of customer orders that do not meet the required proportion of revenue from low-carbon or energy-efficient products as estimated based on the current proportion of revenue from such products in 2030 and 2035.		In response to changes in customer energy-efficiency requirements for product processes or design, and customer demands for a low-carbon transition, the Company is actively adopting low-carbon materials and technologies, resulting in a decline in operating revenue and an increase in operating expenditure: Medium-term (2030): financial impact accounts for 37.33% of revenue. Long-term (2035): financial impact accounts for approximately 31.63% of revenue.

Item	Value										
If a climate transition plan exists for managing climate-related risks, describe the plan and the metrics and targets used to identify and manage physical and transition risks.	Transition Risks: Greenhouse Gas Management GHG emissions with 2024 as the base year: 1. Short to Medium Term: - Achieve an annual reduction of 4.5% in actual Scope 1 and Scope 2 carbon emissions. - Achieve a 25% carbon reduction by 2030. 2. Long Term: Achieve net-zero carbon emissions by 2050. Energy Conservation Management Set 2024 as the base year for power consumption management, the goal is to reduce the emission intensity of electricity consumption by 20% by 2030.		Physical Risks: In response to increased severity and frequency of extreme climate events (typhoons, floods, heavy rainfall, etc.): 1. Formulate emergency response measures, conduct at least one annual typhoon emergency drill, maintain an Emergency Command Center for overall post-disaster response, including immediate procurement of raw material inventory and emergency personnel recruitment. 2. In response to flooding caused by extreme climate events, identify warehouse facilities and contract manufacturers in safe areas for production support, choose transportation methods least impacted by extreme climate events for outbound shipments. 3. In the event of short-term power outages due to drought, diesel generators are used as backup power to maintain uninterrupted production and avoid work stoppages or production disruptions. 4. Purchase relevant insurance such as natural disaster coverage to reduce losses.								
	If an internal carbon price is used as a planning tool, the basis for establishing the carbon price should be explained.		Sysgration has not adopted internal carbon pricing as planning tool.								
If climate-related targets are set, specify the activities covered, the scope of GHG emissions, the planned period, and the progress achieved each year. If carbon offset or renewable energy certificates(RECs) are used to achieve relevant targets, the source of carbon off set limits, quantity, and quantity of RECs shall be specified.											
	<table><tr><th>Indicator Items</th><th>Greenhouse Gas Management</th><th>Energy Conservation Management</th></tr><tr><td>Target</td><td>GHG emissions with 2024 as the base year: 1. Short to Medium Term: - Reduce actual Scope 1 and Scope 2 carbon emissions by 4.5% annually. - Achieve a 25% carbon reduction by 2030. 2. Long Term: Achieve net-zero carbon emissions by 2050.</td><td>Electricity management with 2024 as the base year; target a 20% reduction in electricity emission intensity by 2030.</td></tr><tr><td>Implementation Status</td><td>In 2025, the Company's total GHG emissions were 3,041.14 tonnes CO₂e.</td><td>In 2025, the Group's Scope 2 carbon emission intensity was 0.79 tonnes CO₂e per NT\$ million revenues.</td></tr></table>	Indicator Items	Greenhouse Gas Management	Energy Conservation Management	Target	GHG emissions with 2024 as the base year: 1. Short to Medium Term: - Reduce actual Scope 1 and Scope 2 carbon emissions by 4.5% annually. - Achieve a 25% carbon reduction by 2030. 2. Long Term: Achieve net-zero carbon emissions by 2050.	Electricity management with 2024 as the base year; target a 20% reduction in electricity emission intensity by 2030.	Implementation Status	In 2025, the Company's total GHG emissions were 3,041.14 tonnes CO ₂ e.	In 2025, the Group's Scope 2 carbon emission intensity was 0.79 tonnes CO ₂ e per NT\$ million revenues.	
Indicator Items	Greenhouse Gas Management	Energy Conservation Management									
Target	GHG emissions with 2024 as the base year: 1. Short to Medium Term: - Reduce actual Scope 1 and Scope 2 carbon emissions by 4.5% annually. - Achieve a 25% carbon reduction by 2030. 2. Long Term: Achieve net-zero carbon emissions by 2050.	Electricity management with 2024 as the base year; target a 20% reduction in electricity emission intensity by 2030.									
Implementation Status	In 2025, the Company's total GHG emissions were 3,041.14 tonnes CO ₂ e.	In 2025, the Group's Scope 2 carbon emission intensity was 0.79 tonnes CO ₂ e per NT\$ million revenues.									

Summary of Assurance Items

#	Assurance Items	Applicable Basis/ Criteria	Page No.
1	Sysgration's total energy consumption in 2025 was 23,527.80 GJ.	Calculated based on electricity bills from the power company and fuel receipts for 2025 electricity usage. The scope covers full-year electricity usage data for the Taipei Headquarters, Nankang Plant, Power Tank, Leadray, Zhenjiang Plant, and Huizhou Plant. Where an operating site involves co-leased or subleased space, usage is allocated proportionally based on actual readings from independent electricity meters.	85,163,165
2	Sysgration's total water consumption in 2025 was 14.68 million liters.	Calculated based on water bills from the water utility company for 2025 water usage. The scope covers the Taipei Headquarters, Nankang Plant, Power Tank, Leadray, Zhenjiang Plant, and Huizhou Plant. Where an operating site involves shared space, usage is allocated evenly among co-tenants.	90,165
3	In 2025, women accounted for 25.1% of the Group's senior managers positions.	Based on HR system data as of December 31 of the reporting year: The percentage of female employees in management positions is calculated by dividing the number of female employees in managers positions by the total number of employees in managers positions. ** Managers positions refers to Assistant Manager level and above.	5,14,92,100
4	Revenue from energy management products in 2025 was NT\$487,077 thousand.	Calculated based on ERP system data for Sysgration's 2025 revenue from sales of energy management products.	38,163
5	In 2025, patent incentive awards totaled NT\$712,500, covering 18 patents.	Calculated based on the number of patents and award amounts granted in accordance with the Company's "Patent Application and Incentive Award Regulations."	65,102

Certified Public Accountant Limited Assurance Report



Independent Limited Assurance Report

資誠

To Sysgration Ltd.

We have been engaged by **Sysgration Ltd.** ("Company") to perform assurance procedures in respect of the key performance indicators identified by the Company and reported in the 2025 Sustainability Report (hereinafter referred to as the "Identified Key Performance Indicators") and have issued a limited assurance report based on the result of our work performed.

Subject Matter Information and Applicable Criteria

The subject matter information is the Identified Key Performance Indicators of the Company. The Identified Key Performance Indicators and the respective applicable criteria are stated in the "Summary of Assurance Items" of the Sustainability Report. The scope of the aforementioned Identified Key Performance Indicators is set out in the "Report Boundary and Data" of the Sustainability Report.

Management's Responsibility

The Management of the Company is responsible for the preparation of the Identified Key Performance Indicators disclosed in the Sustainability Report in accordance with the respective applicable criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Identified Key Performance Indicators that are free from material misstatement, whether due to fraud or error.

Inherent Limitations

Certain subject matter information assured involves non-financial data which is subject to more inherent limitations than financial data. Qualitative interpretations of the relevance, materiality and the accuracy of data are more dependent on individual assumptions and judgments.

Compliance of Independence and Quality Management Requirement

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the Standard on Quality Management 1, "Quality Management for Public Accounting Firms" of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

資誠聯合會計師事務所 PricewaterhouseCoopers, Taiwan
110204 臺北市信義區基隆路一段 333 號 27 樓
27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei 110208, Taiwan
T: +886 (2) 2729 6666, F: +886 (2) 2729 6666

www.pwc.tw



資誠

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Key Performance Indicators based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" of the Republic of China. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Identified Key Performance Indicators are free from material misstatement.

Under the requirements of the aforementioned standards, our limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the criteria as the basis for the preparation of the Identified Key Performance Indicators, assessing the risks of material misstatement of the Identified Key Performance Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Key Performance Indicators. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Made inquiries of the persons responsible for the Identified Key Performance Indicators to obtain an understanding of the processes, information systems, and the relevant internal controls relating to the preparation of the aforementioned information to identify the areas where there may be risks of material misstatement; and
- Based on the above understanding and the areas identified, performed analytical procedures on the Identified Key Performance Indicators and performed substantive testing on a selective basis, including inquiries, observation and inspection to obtain evidence for limited assurance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Key Performance Indicators have been prepared, in all material respects, in accordance with the respective applicable criteria.

We also do not provide any assurance on the Sustainability Report as a whole or on the design or operating effectiveness of the relevant internal controls.

www.pwc.tw



資誠

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Key Performance Indicators in the Sustainability Report are not prepared, in all material respects, in accordance with the applicable criteria.

Other Matter

The Management of the Company is responsible for maintaining the Company's website. We have no responsibility to re-perform any procedures regarding the Identified Key Performance Indicators after the date of our assurance report, even if the Identified Key Performance Indicators or the applicable criteria have been subsequently modified.

Chih, Ping-Chiu

For and on behalf of PricewaterhouseCoopers, Taiwan
August 7, 2026

www.pwc.tw



SYSGRATION®