Nishoku Technology Inc.

2025 SUSTAINABILITY REPORT



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Message from the Chairman

For Nishoku, 2025 was a year marked by both steady growth and the further deepening of sustainability efforts. Amid a global economic environment affected by geopolitical tensions, inflationary pressure, supply chain restructuring, and intensifying industry competition, the Company's management team continued to uphold prudent and pragmatic operating principles. Nishoku consistently advanced process automation, smart manufacturing, technological upgrades, and operational efficiency optimization, thereby strengthening product competitiveness and manufacturing resilience. In 2025, the Company's revenue reached NT$4,471,195 thousand, approximately NT$4.471 billion, representing an increase of about 5.0% compared with NT$4.260 billion in 2024. Gross profit margin also rose from 31% in 2024 to 33%, demonstrating the continued strengthening of the Company's operational fundamentals and steady improvement in profitability.

As a professional manufacturer of injection-molded mechanical components, Nishoku fully recognizes that long-term corporate competitiveness is derived not only from quality, efficiency, and delivery capabilities, but also from the implementation of continuous innovation and sustainable management. In recent years, customers and the market have increasingly emphasized low-carbon processes, environmentally friendly materials, supply chain sustainability, and information transparency. In response, the Company has continued to enhance resource efficiency through process improvements, equipment upgrades, and lean management, while providing customers with products and services that deliver greater quality and sustainability value.

In terms of sustainability governance, since establishing its Sustainability Development Task Force in 2023, Nishoku has gradually incorporated ESG into its corporate business strategy. In 2024, the Company disclosed sustainability information in accordance with the GRI Standards and introduced the TCFD framework to systematically identify climate-related risks and opportunities. In 2025, we further deepened our sustainability management mechanisms by integrating environmental, social, and corporate governance issues into daily operations, risk management, and decision-making processes, thereby enhancing the Company's resilience in responding to external changes and climate-related challenges.

From an environmental perspective, the Company continued to promote energy-saving and carbon-reduction initiatives based on the results of its greenhouse gas inventory. These initiatives included the introduction of energy-efficient process equipment, improvements in energy use efficiency, the promotion of water-based coating technology, the replacement of older machines with electric injection molding machines, and the continued expansion of green electricity use. At the same time, Nishoku worked closely with supply chain partners to promote the adoption of environmentally friendly materials, waste reduction in manufacturing processes, recycling and reuse, and product life cycle management, with the aim of reducing the environmental impact of both operations and products.

With regard to employee care, social responsibility, and corporate governance, Nishoku continued to build a safe, healthy, equal, and development-oriented workplace. Through education, training, and sustainability learning programs, the Company enhanced employees' professional capabilities and ESG awareness. Nishoku also continued to participate in charitable activities, caring for rural communities and disadvantaged groups, and fulfilling its responsibilities as a corporate citizen. In terms of governance, the Company strictly complied with laws and regulations, strengthened the functions of the Board of Directors, internal controls, risk management, and the quality of information disclosure, and upheld integrity in business operations as the foundation for sustainable development.

Piao-Fu Chen, Chairman of Nishoku Group



About This Report

Reporting Boundary and Scope

This report presents the promotion and performance of social sustainable development of the Company covering corporate governance and ethical management, customer service and product quality, occupational health and safety, operational strategy and economic performance, friendly workplace, climate strategy, and other aspects for the period from January 1, 2025 to December 31, 2025.

NISHOKU TECHNOLOGY INC. (hereinafter referred to as "Nishoku" or ("the Company"), the Company and its 7 subsidiaries (collectively referred to as "Nishoku" or "the Group") hereby present this report covering social, environmental, and economic indicators. These three indicators are disclosed based on the entities within the consolidated financial statements, presented in a group format. Any discrepancies in the scope of disclosure will be noted in the report.

The statistical data disclosed in this report are the results of the Company's own statistics and surveys, and are presented using internationally accepted indicators. If there are estimates, it will be noted in the relevant chapters.



Entity	Relation with the Company	Location	Principal Activities	Abbreviation
NISHOKU TECHNOLOGY INC.	the Company	Taiwan	Manufacturing and sales of plastic products and dies	NISHOKU / the Company / Taipei Plant
NISHOKU BOUEKI CO., LTD.	the subsidiary	Taiwan	Trading Company	NISHOKU BOUEKI
NISHOKU TECHNOLOGY VIETNAM CO., LTD.	the subsidiary	Vietnam	Produces dies and plastic products	Vietnam Plant / Vietnam subsidiary, together with NISHOKU and its other subsidiaries, is collectively referred to as 「NISHOKU」/ 「the Group」
SUN NICE LTD. (SAMOA)	the subsidiary	Samoa	Holding Company	Together with Nishoku Technology and its other subsidiaries, collectively referred to as 「NISHOKU」/ 「the Group」
SAME START LTD. (ANGUILLA)	the subsidiary	Anguilla	Trading Company	Together with Nishoku Technology and its other subsidiaries, collectively referred to as 「NISHOKU」/ 「the Group」
NISHOKU HONG KONG HOLDING LIMITED	the subsidiary	Hong Kong, China	Holding Company	Together with Nishoku Technology and its other subsidiaries, collectively referred to as 「NISHOKU」/ 「the Group」
SUN NICE LTD. (B.V.I)	the subsidiary	British Virgin Islands	Holding Company	Together with Nishoku Technology and its other subsidiaries, collectively referred to as 「NISHOKU」/ 「the Group」
KUNSHAN NISHOKU PLASTIC ELECTRONIC CO., LTD.	the subsidiary	Kunshan, China	Manufacturing and sales of plastic products and dies	Kunshan Plant / Mainland China Subsidiary Kunshan / NISHOKU (Kunshan)/ together with Nishoku Technology and other subsidiaries.

Information Quality

Category	Content	Company	Assurance / Verification / Certification / Validation	Year / Validity Period
Financial Information	The annual financial report is prepared in accordance with the International Financial Reporting Standards (IFRSs) endorsed and issued into effect by the Financial Supervisory Commission, and the Regulations Governing the Preparation of Financial Reports by Securities Issuers.	Consolidated group	KPMG	2025/1/1~2025/12/31
Quality Management	ISO 9001 Certification of quality and quantity management system	the Company	Intertek	2023/8/9~2026/8/14
		NISHOKU (Kunshan)	Qualityaustria	2024/7/2~2027/7/1
		NISHOKU TECHNOLOGY VIETNAM	SGS UNITED KINGDOM LIMITED.	2023/2/16~2026/2/16
	IATF 16949 Certification of quality and quantity management system	NISHOKU (Kunshan)	Qualityaustria	2024/7/2~2027/7/1
	ISO 13485 Medical device quality management system	NISHOKU (Kunshan)	Beijing Hua Guang Certification of Medical Devices Co., Ltd	2022/3/27~2025/3/26 2025/3/27~2028/3/26
Environmental Information	ISO 14001 Environment management system	the Company	Intertek	2023/8/9~2026/8/14
		NISHOKU (Kunshan)	Qualityaustria	2024/7/10~2027/7/21
		NISHOKU TECHNOLOGY VIETNAM	SGS UNITED KINGDOM LIMITED.	2023/2/17~2026/2/17
Occupational Safety and Health Information	ISO45001 Occupational health and safety management system	NISHOKU TECHNOLOGY VIETNAM	SGS UNITED KINGDOM LIMITED.	2023/3/6~2026/3/6
		NISHOKU (Kunshan)	Qualityaustria	2023/8/14~2026/8/13

* Note: For third-party verification certificates and photos, please refer to the appendix.

Restatement of Information

Restated Information	Reason for Restatement	Impact of Restatement	Report Section
Number of employees in the Kunshan and Vietnam regions in 2024	Workers who were not employees in the Kunshan and Vietnam regions were mistakenly included in the total number of employees.	The overall new-hire and employee turnover rates for 2024 increased.	5.1.2 Talent Recruitment and Retention
Total number of employees in 2024	Employees were incorrectly classified in the 2024 workforce statistics, resulting in workers who were not employees being mistakenly counted as temporary employees.	The total number of employees in 2024 decreased by 1,252.	5.1.3 Workforce Profile and Management
Number of employees by category and age group in 2024	The original 2024 headcount included agency workers, who are classified as workers who are not employees. To improve the comparability of the information, the figures were revised to include employees only.	The number of employees in each category and age group in 2024 decreased.	5.3.1 Employee Diversity and Inclusion
Percentage of employees with disabilities in 2024	The original percentage of employees with disabilities in 2024 was calculated using the combined number of employees and workers who were not employees as the denominator. To improve the comparability of the information, the calculation was revised to use only the number of employees as the denominator.	The percentage of employees in this category increased in 2024.	5.3.1 Employee Diversity and Inclusion
Number of Employees by Country and Age Group in 2024	The original 2024 headcount statistics included dispatched workers (non-employee workers). To improve the comparability of the information, the figures were revised to include employees only.	The number of employees by country and age group in 2024 decreased.	5.3.1 Employee Diversity and Inclusion

Reporting Period and Cycle

Reporting period	The information disclosure period in this report is from January 1, 2025 to December 31, 2025, which is the same as the reporting period of the financial statements. The report was released on August 28, 2026.
Reporting cycle	Nishoku is scheduled to issue its Sustainability Report annually in August.

External Guarantee or Assurance

The sustainability information contained in this Report was subject to limited assurance by Crowe (TW) CPAs in accordance with Assurance Standard No. 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the Accounting Research and Development Foundation of the Republic of China. Upon completion of the assurance engagement, this Report was approved by the Board of Directors prior to publication.

Opinion Feedback and Responsible Unit

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About NISHOKU

Operational Overview

Operation Overview

On June 27, 1980, Nishoku Technology Inc. was incorporated. The Taiwan Headquarters was established in Xinzhuang District, New Taipei City. The Group is mainly engaged in the design and development of precision plastic molds and single and dual-material plastic injection parts. The application fields include NB-use components, computer peripheral equipment components, tablet computer accessories, headphones and their components, audio, video equipment, POS card readers, barcode scanners, GPS device components, home appliance components, automotive lamp housing, dashboards components, and so on export products. Nishoku has 3 operating locations in Taiwan, China, and Vietnam, with a total of 1,930 employees.

Operating Revenue

In 2025, the Company's consolidated revenue was NT$4,471,195 thousand, and the net profit after tax was NT$615,304 thousand. Plastic injection components accounted for the highest proportion of the Company's business for 93.98%; of which information products accounted for 64.30%; intelligent visions products for 20.25%; consumer products for 1.68%; other products for 4.22%; and automotive products for 3.53%. For more information on financial performance, please refer to the Company's 2025 annual report.

Main Product Categories	Applied Products
IT Products	Application products for mouse, NB/PC/Tablet
Intelligent Visions Products	Video equipment, smart doorbells, AI surveillance cameras, etc.
Auto Products	Automotive interior and exterior parts, grips, lamp housings, console bezel center control panel
Consumer Products	Headphones, speakers
Other Products	POS card swipe machines, barcode scanners, home appliance appearance parts, etc.

Sales Amount by Region (City/Country)

Unit: NTD thousand

Region/Country	Product/Service	Operating Revenue	
		2024	2025
North America	Molds and plastic components	2,210,259	2,679,335
Asia		287,768	192,885
Europe		1,761,631	1,598,975
	Total	4,259,658	4,471,195

Production Output and Value Table

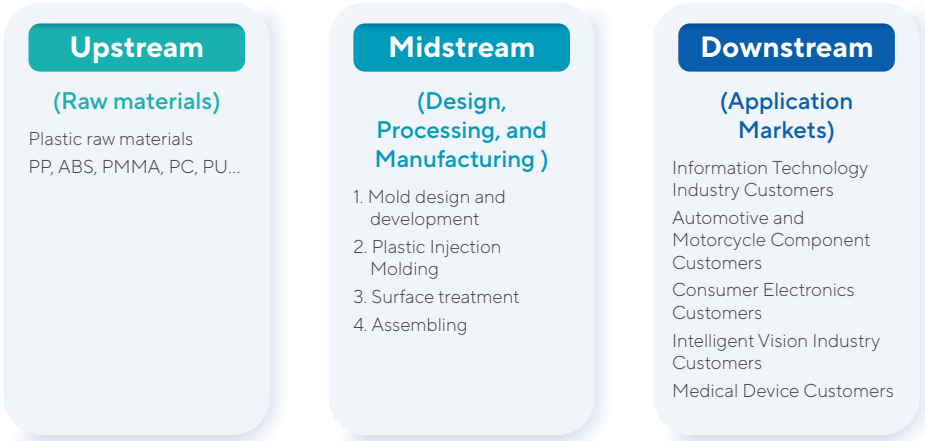
Unit: set; thousand pieces; NTD thousand

Primary Products	2024			2025		
	Production Capacity	Production Volume	Production Value	Production Capacity	Production Volume	Production Value
Molds	(Note1)	424	312,302	(Note1)	420	275,774
Plastic Components	(Note1)	337,953	2,833,939	(Note1)	337,021	2,798,000
Total	(Note1)	(Note2)	3,146,241	(Note1)	(Note2)	3,073,774

* Note 1: The Company's mold-opening equipment is put into use according to the situation of orders and there are many different types of equipment. Products of plastic components are mostly non-standard products with various types, so the complex of each manufacturing process is different. Product capacity therefore was unable to be counted.
* Note 2: Due to different unit measurements used, the total is not applicable.

Value Chain Overview

The Group's principal business activities include the design and development of precision molds and the manufacture of plastic injection-molded components. Within the plastic injection component industry, the Group operates as a midstream manufacturer. Its upstream raw materials consist of high-temperature-resistant plastics, including PP (polypropylene), ABS (acrylonitrile-butadiene-styrene copolymer), PMMA (polymethyl methacrylate), PC (polycarbonate), and PU (polyurethane). These raw materials are primarily supplied by well-known domestic and international manufacturers. The Group has established long-term and sound supply relationships with its suppliers; therefore, the likelihood of material shortages is very low. The Group's plastic components are widely used in information technology, telecommunications, consumer electronics, intelligent vision products, medical devices, and automotive components. The relationships between upstream and downstream industries are illustrated below:



Suppliers

In 2025, Nishoku worked with more than 926 suppliers. The main categories of procurement are raw materials, assemblers, expense suppliers, Equipment manufacturers, outsourcing manufacturers, and others. Key suppliers are then identified based on the procurement amount and criticality of each category. "Key suppliers" are the suppliers with annual procurement of raw materials and assembly parts at greater than NTD 50 million. There are 4 suppliers under this category, accounting for about 15% of all suppliers. In 2025, the total procurement amount was approximately NT$1,795,949 thousand, and the item with the highest procurement expenditure was raw materials. The plastic parts and components of Nishoku have a wide range of applications. In 2025, the Company's downstream customers mainly include the information, communication, consumer electronics, home appliance industries, medical equipment, and auto parts and components industries.

Unit: NTD thousand

Supplier Category	Location of Suppliers	2024			2025		
		Number of Suppliers	Procurement Amount (in thousands)	Procurement Share (%)	Number of Suppliers	Procurement Amount (in thousands)	Procurement Share (%)
Raw Materials	Taiwan	39	122,586	6%	36	130,648	7%
	China	122	414,995	20%	119	428,514	24%
	Vietnam	29	60,165	3%	26	82,349	5%
	Others	8	192,442	9%	10	128,552	7%
Assembly Parts	Taiwan	6	73,932	4%	13	72,024	4%
	China	83	307,368	15%	90	349,421	20%
	Vietnam	11	6,473	0%	13	8,226	0%
	Others	1	12	0%	1	13	0%
Expense	Taiwan	125	15,719	1%	156	23,321	1%
	China	462	379,560	18%	293	328,856	18%
	Vietnam	142	146,928	7%	89	95,529	5%
	Others	1	135	0%	3	458	0%
Equipment	Taiwan	36	17,492	1%	5	13,381	1%
	China	47	111,485	5%	44	84,013	5%
	Vietnam	1	108,653	5%	18	14,375	1%
	Others	5	122,352	6%	4	17,245	1%
Outsourcing	Taiwan	2	6,242	0%	3	16,923	1%
	China	0	0	0%	2	2,059	0%
Others	Taiwan	1	61	0%	1	42	0%
Total		1,121	2,087,312	100%	926	1,795,949	100%

Supplier Category	2024			2025		
	Number of key suppliers	Number of non-key suppliers	Total	Number of key suppliers	Number of non-key suppliers	Total
Raw materials	2	196	198	3	188	191
Assembly parts	0	101	101	1	116	117
Expense	0	730	730	0	541	541
Equipment	2	87	89	0	5	5
Outsourcing	0	2	2	0	71	71
Others	0	1	1	0	1	1
Total	4	1,117	1,121	4	922	926

Membership Associations

Nishoku actively participates in industry-related public organizations, associations, and non-profit organizations at home and abroad. In addition to promoting industrial exchange and development, we also pay attention to important issues such as technological innovation, corporate governance, environmental sustainability, human rights, and supply chain management. In 2025, we participated in 5 relevant domestic and foreign public organizations, associations, and non-profit organizations, with an expenditure of about NT$37,000.

List of Participating Associations			
Name of Industry Association	Major Activities	Position Held	Amount(NTD)
The Council of Taiwanese Chambers of Commerce in Viet Nam	World Taiwanese Chambers of Commerce	Membership	9,348
Kunshan Taiwanese Chambers of Commerce	Policy promotion	Membership	8,644
Zhangpu Township Safety Production Association, Kunshan City	Activities related to safety production	Vice Chairman Unit	0
Taiwan Mold & Die Industry Association	Domestic and foreign exhibitions/ business opportunities information exchange	Membership	6,000
TAIWAN STOCK AFFAIRS ASSOCIATION (TWSAA)	Exchange of information on policies, regulations, and current affairs	Membership	13,000



01

Sustainable Future

1.1 Sustainability Strategy and Objectives

1.2 Stakeholders and Communication and Engagement

1.3 Materiality Analysis



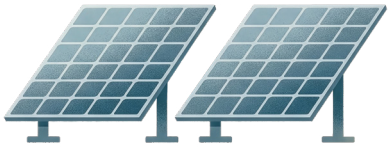
1.1 Sustainability Strategy and Objectives

Commitment and Significance of Sustainable Development

Corporate Social Responsibility and Sustainable Development Processes and Strategies

NISHOKU is committed to corporate social responsibility and sustainable development. We integrate sustainability principles into all aspects of the Company's operations and promote key issues aligned with global sustainability trends. By assessing the overall operating environment and stakeholder expectations and integrating them with the Company's operational and development objectives, we formulate corporate social responsibility strategies aimed at strengthening integration across the organization and value chain, enhancing sustainability performance, and progressively achieving the goals of strengthening governance, advancing innovation, and setting a benchmark. To actively support the United Nations Sustainable Development Goals (SDGs), NISHOKU draws on the spirit of relevant initiatives and adheres to four key principles: implementing corporate governance, developing a sustainable environment, safeguarding social welfare, and strengthening the disclosure of corporate social responsibility information. The Company has also established guidelines for its day-to-day operations. We believe that effective management and implementation will enable us to integrate sustainability actions with our business strategies, embed sustainability into the foundation of our development and operating strategies, and work together with our employees to make an ongoing contribution to the sustainable development of society.





Policies and Regulations Related to Responsible Business Conduct

We strictly abide by responsible business conduct. In order to implement a corporate culture of integrity and meet the expectations of investors and other stakeholders, the Board of Directors will approve and promulgate ethical and integrity-related charters, formulate policy regulations, standards, procedures, guidelines for conduct, and related grievance systems to require the employees of the Company and of subsidiaries, and business partners to abide by the regulations to prevent unethical behavior, hoping to shape the Company's culture of integrity and accountability. Our commitment to ethical standards is reflected in all business activities. The Company conducts operations based on the principles of fairness, honesty, trustworthiness and transparency. In order to implement the ethical corporate management policy, and actively prevent unethical conducts, suppliers or contractors are required to sign the "Commitment of Ethics and Integrity," with a current signing rate of 95.24%.

Nishoku complies with TWSE/TPEx listing, or other laws and regulations related to commercial activities. On the premise of ethical corporate management, we continue to track changes in domestic and foreign laws and regulations to assess the potential risks and impacts to the Company, and examine whether there are corresponding regulations within the Company based on the results of legal identification to ensure that the Company's policies and regulations are appropriate.

Code of Responsible Business Conduct		Approving Authority	Responsible Unit	Document QR code
Ethical Corporate Management	To establish a corporate culture of ethical management and sound development, the Company has established a sound corporate governance and risk control mechanism to create a sustainable business environment. The Company has also formulated key internal regulations, including the "Ethical Corporate Management Best Practice Principles," "Ethical Corporate Management Procedures and Code of Conduct," "Code of Ethics," and "Code of Ethics and Conduct," to regulate the conduct of corporate governance officers and employees. Provisions on recusal due to conflicts of interest, supervision and checks and balances mechanisms, the whistleblowing system, and disciplinary actions serve as an important basis for the Company to promote ethical corporate management and implement ethical governance management and strategies.	This policy shall be implemented upon approval by the Board of Directors.	Ethical Corporate Management Task Force	The Articles of Incorporation of Nishoku
Human Rights Commitments and Policies	Nishoku strictly complies with the labor-related laws and regulations of the jurisdictions in which it operates to protect the legal rights and interests of employees, and adheres to various international human rights instruments, including the "United Nations Global Compact," the "Universal Declaration of Human Rights," and the "International Labour Organization Declaration on Fundamental Principles and Rights at Work." The spirit and basic principles of human rights protection set forth in these instruments fully reflect the Company's responsibility to respect and protect human rights, and to treat all employees, including contractors and interns, with dignity and respect.	The relevant regulations shall be implemented upon approval by the Board of Directors.	Human Resources Administration Department	"Respect for Human Rights and Labor Rights"
Sustainable Development Best Practice Principles	To fulfill corporate social responsibility and promote economic, environmental, and social progress, thereby achieving the goal of sustainable development, the Company has formulated its Sustainable Development Best Practice Principles with reference to the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" jointly developed by the Taiwan Stock Exchange and the Taipei Exchange, and incorporates ESG sustainability into the Company's business activities. The Company also continues to monitor the development of sustainability-related standards in Taiwan and abroad, as well as changes in the corporate environment, and reviews and improves the Company's sustainable development practices accordingly, with the aim of enhancing the effectiveness of its sustainable development initiatives.	This code shall be implemented upon approval by the Board of Directors.	Sustainability Development Task Force	"Sustainable Development Best Practice Principles"

Embedding Policy Commitments

On June 27, 2024, NISHOKU established the Sustainable Development and Risk Management Committee in accordance with Article 9 of the Company's "Sustainable Development Best Practice Principles" and Article 4 of the "Charter of the Sustainable Development and Risk Management Committee," with reference to Article 10 of the "Risk Management Best Practice Principles for TWSE/TPEx Listed Companies." Following the expiration of the terms of office of all directors, a full re-election of the Board was held on May 29, 2025. On June 19 of the same year, the Company appointed newly elected Directors Mr. Piao-Fu Chen and Mr. Chien-Sheng Tsai, as well as Independent Directors Mr. Horng-Chang Lin, Mr. Chih-Cheng Wang, and Mr. Chih-Chieh Tsai, as members of the Committee. The Committee members jointly elected Independent Director Mr. Horng-Chang Lin as the convener for the Committee's second term. All Committee members possess professional knowledge and expertise in corporate sustainability and participate in the oversight of relevant matters based on their respective experience.

Under the Sustainable Development and Risk Management Committee, the Company has established a Sustainable Development Promotion Team, with the Chairman of the Board serving as its chairperson and the Chief Financial Officer serving as its Executive Secretary. The Team is primarily responsible for formulating policies for and implementing various ESG initiatives. It comprises five working groups, each convened by the highest-ranking manager of the corresponding internal department. The five working groups are the Corporate Governance Group, Environmental Sustainability Group, Operations Management Group, Social Engagement Group, and Employee Care Group. Each year, the working groups focus on three key areas—implementing corporate governance, developing a sustainable environment, and safeguarding social welfare—to identify material topics relevant to the Company's operations and of concern to its stakeholders, formulate corresponding strategies and annual action plans, and review the implementation of policies relating to various sustainable development topics. The Sustainable Development Promotion Team convenes at least twice a year to report to the Board of Directors.

Advocacy and Promotion of Responsible Business Behavior

To ensure that NISHOKU employees understand and fulfill the Company's policy commitments and comply with laws and regulations concerning ethical management, professional ethics, environmental protection, labor practices, and human rights, the Company requires employees to participate in regular education and training courses each year. The Company also conducts awareness-raising activities on an ad hoc basis through posters displayed in offices and factory areas, the Company's intranet, and internal emails. These initiatives are intended to enhance employees' understanding of professional ethics and regulatory compliance and to integrate the principles of ethical management and corporate sustainability into their daily business activities. In addition, the Company uses its regular Board meeting cycle to communicate the contents of the "Ethical Corporate Management Best Practice Principles" and the "Codes of Ethical Conduct" to the Board of Directors and management four times a year, thereby reinforcing their understanding of the importance of these principles. In 2025, the Company conducted four employee training sessions on ethical management and professional ethics. A total of 87 employees participated, achieving a training completion rate of 100% and a total of 111 person-hours of training.

At the same time, the Company requires its business partners to comply with the "Supplier Code of Conduct." New suppliers are required to sign a Letter of Commitment to Integrity during the onboarding process. The Company also communicates its requirements whenever suppliers participate in its business activities and reinforces the requirements of the Supplier Code of Conduct through supplier evaluations.



1.2 Stakeholders and Communication and Engagement

To fulfill corporate social responsibility, we should pay attention to the rights and interests of stakeholders, pay attention to environmental, social and corporate governance issues while pursuing sustainable operation and profitability, and incorporate them into the Company's management guidelines and operating activities to achieve sustainable operations objectives. The Group uses the following platforms to communicate with stakeholders to understand the reasonable expectations and needs of stakeholders. Whether it is internal or external issues such as economic, social, or environmental questions, complaints, or suggestions, the Group will uphold the principle of integrity for appropriate handling and providing feedback or improvement plans to achieve effective communication.

Identification of Stakeholders

With reference to the five aspects (dependency, responsibility, influence, diverse perspectives, and attention) of the AA1000 Stakeholder Engagement Standard (SES), all new employees (including management) of the Company were given the stakeholder survey. We have identified 6 categories of major stakeholders through the survey, and have established diverse and smooth communication channels according to the attributes of each group to obtain their concerns and feedback, which will be used as an important reference for the Company to formulate sustainable development strategies and goals in the future. Information on the channel, frequency, and focus of communication with stakeholders.

Stakeholder Communication Channels

Stakeholders	Significance to the Company	Issues of Concern	Communication Channels and Response Methods	Frequency of Communication	Communication Outcome and Response	Consultation Window
Customers	Customers are important partners of Nishoku and are considered are top priority. We listen to their needs, provide professional services, and provide high-quality, trustworthy, and safe products. Through constant innovation and grasping industry trends, we work together to achieve customer goals and enhance the Company's competitiveness.	• Business strategy and economic performance • Customer service quality • Product Quality and Safety • Green Products and Innovative Services • Whether the price and technical capabilities meet customer needs • The client engages a third party to investigate ESG-related requirements • Information security and privacy protection • Customer Relationship Management • Supply Chain Management	• Official website, phone interview, face-to-face interview, video conference, official correspondence, communication software, telephone	Immediately	• In 2025, the Group's overall average customer satisfaction score was 91.60. • Cooperate with and satisfy customers' control requirements for heavy metals and prohibited chemical substances in products. • Contact information is provided on the Company's website to establish a smooth communication channel between customers and the Company.	Manager Lynn Kuo (sales@nishoku.com.tw)
			• After-sales service tracking			
			• Customer satisfaction survey	Quarterly		
			• Customers request third-party investigation (annual review)	Every year		

Stakeholders	Significance to the Company	Issues of Concern	Communication Channels and Response Methods	Frequency of Communication	Communication Outcome and Response	Consultation Window
Employee	Employees are an important asset of Nishoku. To actively attract and cultivate outstanding talents, in addition to providing a competitive salary and welfare system, we also create a work environment where employees can feel respected, safe, and stable, and to be able to forge ahead and grow together.	• Talent appointment and retention • Occupational health and safety • Employee Care and Labor Protection	• Education and training		• In 2025, Group-wide training participation totaled 13,263 person-times, with a cumulative total of 41,958 training hours. • To safeguard employees' occupational safety and health, the Company collaborates with nearby hospitals to engage contracted medical professionals to provide on-site services each month. Contracted medical professionals provide three hours of on-site health consultation and care services each month, during which employees take turns receiving health assessments and recommendations. A total of 29 person-times received these services in 2025. • Each plant conducts annual employee health checkups. In 2025, the Taipei Plant arranged advanced health checkups for two senior employees and special health checkups for two employees. A total of 1,313 employees at the Kunshan Plant and 974 employees at the Vietnam Plant underwent health checkups. Overall, 2,291 NISHOKU employees received health checkups in 2025. • The Employee Welfare Committee arranges various employee activities, such as group meals and employee trips. In 2025, a total of four Employee Welfare Committee meetings were held across the Group. • Employees may communicate with the Company through labor-management meetings regarding various Company policies, the working environment, and other matters, thereby maintaining positive labor-management relations. A total of four labor-management meetings were held in 2025. • In 2025, NISHOKU distributed birthday cash gifts to 74 person-times, totaling NT$37,000, and cash gifts for the three major traditional festivals to 230 person-times, totaling NT$115,000. • The Company provides marriage and childbirth incentive programs for full-time employees. In 2025, one person received a subsidy under these employee benefit programs.	CHRO Kitty Chen (nsk_hr@nishoku.com.tw)
			• Employee Welfare Committee	Irregularly		
			• Legal compliance promotion or administrative announcements on the intranet or e-mail.			
			• Departmental meeting	Immediately		
			• Labor-management meeting	Every year		
			• Health Seminar and Consultation	Monthly		

Stakeholders	Significance to the Company	Issues of Concern	Communication Channels and Response Methods	Frequency of Communication	Communication Outcome and Response	Consultation Window
Shareholders and Investors	Shareholders and investors are the driving force behind the growth and sustainable value enhancement of Nishoku. While actively developing, the Company also takes into account the rights and interests of shareholders, including transparently disclosing the Company's business management strategies and financial policy information to investors, in order to gain support from shareholders and investors, and to effectively achieve the goals of investors.	• Corporate Governance and Ethical Management • Business strategy and economic performance • Legal Compliance • Corporate image • Information transparency	• Investor conference • Annual General Meeting of Shareholders	Every year	• The Company held its annual shareholders' meeting on May 29, 2025, to present its annual operating results to investors. The meeting notice included a QR code for the online livestream, allowing investors to view the meeting remotely. • All inquiries from shareholders regarding material matters, whether submitted by telephone or email, were fully addressed. • In 2025, the Company held two investor conferences. In July and November, it participated in institutional investor conferences organized by SinoPac Securities, where it disclosed its financial performance and corporate outlook. Links to the audiovisual recordings were also made available on the Company's official website. • The Company regularly and promptly discloses its financial performance through the Market Observation Post System (MOPS), its annual reports, and the Investors section of its corporate website. Information on the Company's revenue, quarterly reports, and annual reports is disclosed monthly, quarterly, and annually, as applicable. • The Company publishes material information on the MOPS as necessary to promptly inform investors of its material decisions. In 2025, a total of 41 material information announcements were published. • In 2025, the Company held a total of seven Board meetings.	Associate Vice President Sammi Lin (ir@nishoku.com.tw)
			• Telephone, email	Immediately		
			• Release material real-time information through the MOPS. • Investor section on the Company's website.	Immediately		

Stakeholders	Significance to the Company	Issues of Concern	Communication Channels and Response Methods	Frequency of Communication	Communication Outcome and Response	Consultation Window
Suppliers and Contractors	Suppliers and contractors are new and important strategic partners of Nishoku. By trusting each other with our suppliers and partners, we have established a good relationship of cooperation and mutual trust in a fair and transparent way of cooperation.	• Legal Compliance • Supply Chain Management • Information security and privacy protection	• Email communication	Irregularly	• The Company conducts regular supplier evaluations annually. Relevant departments carry out open and transparent evaluations and reviews, and the results are used to develop better cooperation plans. In 2025, the Company completed evaluations of 133 suppliers and classified them into four grades—A, B, C, and D—in accordance with its supplier evaluation management procedures. • The Company requires suppliers, on an ad hoc basis, to provide relevant environmental testing documentation, including RoHS and halogen test results, declarations of non-use of hazardous substances, and test reports for various substances, to ensure that raw materials comply with applicable requirements. • Relevant cooperation agreements are signed before cooperation begins to establish a foundation of mutual trust and support and to put confidentiality mechanisms in place. In 2025, 95.24% of new suppliers signed the Letter of Commitment to Integrity.	Associate Manager Carrie Wu (supplier @ nishoku.com.tw)
			• On-site audits of new suppliers			
			• Supplier Evaluation	Every year		
			• Signing of the Confidentiality Agreement and the Integrity Commitment	Immediate signing		

Stakeholders	Significance to the Company	Issues of Concern	Communication Channels and Response Methods	Frequency of Communication	Communication Outcome and Response	Consultation Window
Government department	We maintain smooth and effective communication channels with relevant government units. In addition to complying with the relevant regulations of government agencies and actively cooperating with policy implementation, we also keep abreast of the latest regulatory trends through two-way communication to promote the positive development of the Company and the industry.	• Legal Compliance • Talent development • Policy advocacy • Corporate Governance and Ethical Management	• Email or phone communication	Irregularly	• Each year, the Company participates in the government-sponsored Corporate Human Resources Enhancement Program, a talent training and development initiative. The Company consistently meets the required training course implementation rate and receives the corresponding subsidies. • The Company complies with the Company Act, the Securities and Exchange Act, and applicable regulations governing TWSE- and TPEx-listed companies to implement ethical corporate management. It also continuously monitors developments in relevant domestic and international laws and regulations and regularly reviews and enhances its ethical corporate management policies and implementation measures. • The Company complies with the laws and regulations of the competent authorities concerning insider trading and conducts relevant education and awareness programs for directors, managerial officers, and employees on a quarterly basis. • The Company participates, from time to time, in awareness and educational seminars held by the Taiwan Stock Exchange. • In the 12th Corporate Governance Evaluation conducted by the Taiwan Stock Exchange, the Company ranked within the 6% to 20% range among TWSE-listed companies. • The Company maintains timely and constructive communication with relevant government authorities and organizations, including the Environmental Protection Bureau, Emergency Management Bureau, Comprehensive Administrative Law Enforcement Bureau, Organization and Personnel Bureau, Science and Technology Bureau, Economic and Information Commission, Economic Promotion Bureau, labor unions, and Market Supervision Administration. These efforts are intended to ensure compliance with applicable laws and regulations, support the implementation of government policies, and safeguard the best interests of shareholders. • In October 2025, the Company announced its Corporate Value Enhancement Plan. By analyzing the Company's current operating, financial, and governance conditions, the plan enables stakeholders to gain a comprehensive understanding of the Company's long-term value and future plans.	Associate Vice President Sammi Lin (ir@nishoku.com.tw)
			• Public hearings, seminars, or briefings	Every year		

Stakeholders	Significance to the Company	Issues of Concern	Communication Channels and Response Methods	Frequency of Communication	Communication Outcome and Response	Consultation Window
Communities, local groups, and non-profit organizations	To maintain the sustainability of the earth, Nishoku has assembled various resources, maintained good communication with neighboring residents and local groups, and developed and implemented improvement plans. At the same time, we have been supporting disadvantaged groups on a long-term basis, actively participating in community development, and implementing diversified concrete actions giving back to society and enhance its positive influence on society.	• Social Welfare Participation • Community engagement and communication • Arts and cultural activities • Volunteer promotion • Public welfare promotion	• Email or phone communication	Monthly	• Regular donations are made to public welfare organizations through official donation channels, including the Genesis Social Welfare Foundation, the Mennonite Social Welfare Foundation, district office scholarship programs, and earthquake relief efforts in Hualien. The cumulative amount donated in 2025 was NT$2,240 thousand. • The Group visited local representatives from areas near its plants to understand community needs. In 2025, the Group also visited local fire brigades twice to coordinate fire safety matters and assist with fire safety awareness activities within the plants. • The Company has supported the Xinzhuang District Joint Scholarship Program for many years to recognize outstanding local students and foster local talent. Its annual sponsorship of the Xinzhuang District Talent Development Program has now entered its 14th year, with cumulative sponsorship totaling NT$900 thousand and scholarships awarded to 135 recipients. • The Company has long supported disadvantaged groups in rural areas to expand digital learning opportunities. It has participated in KPMG's used laptop donation campaign for 18 consecutive years, donating a cumulative total of 443 computers. In 2025, the Company joined 14 other companies in donating 304 used computers to 48 Digital Opportunity Centers (DOCs) and social welfare organizations, helping to gradually narrow the digital learning gap between urban and rural areas.	CHRO Kitty Chen (nsk_hr@nishoku.com.tw)
				Every year		

1.3 Materiality Analysis

Material Topic Identification Process

To understand the impact of stakeholders' assessment of Nishoku on the sustainability issues, and to review the results of the organization of corporate sustainable management, the following five steps are taken to communicate with the stakeholders and identify the material topics:



In accordance with the five aspects of the AA1000 Stakeholder Engagement Standard: influence, concern, responsibility, dependency, and diverse perspectives, we sent a stakeholder identification questionnaire to all employees (including management). After the statistical results are verified by the dedicated unit, they are divided into six stakeholder groups according to their importance: customers, employees, shareholders and investors, suppliers and contractors, government agencies, communities, local groups and non-profit organizations.

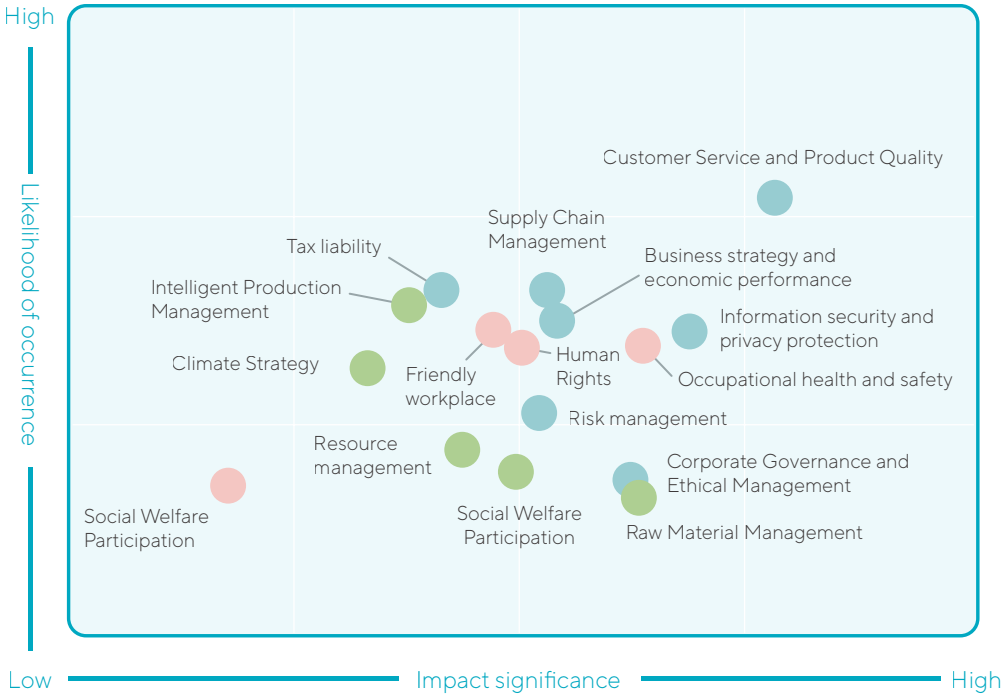
To effectively understand the organization's context, the Company comprehensively considered and referred to the GRI Standards, the Company's core values and goals, domestic industry peers' sustainability reports and topics of industry concern, stakeholders, business activities, sustainable development trends, etc. The staff unit of the "Sustainability Promotion Team" discussed and identified various issues and consulted external consultants to compile a new list of sustainability issues for 2024, with a total of 16 sustainability topics.

The internal management conducts the "Sustainability Topic Impact Assessment Questionnaire" among the Company's internal and external stakeholders, internal unit managers, and senior management. Evaluations are made on the possibility of occurrence and scale of the positive and negative impacts of each sustainability topic on the economy, environment and society.•Negative Impacts: Evaluate issues based on their severity and likelihood of occurrence, and consider the issue's negative human rights impacts.
•Positive impact: Evaluate the scale and scope of impact and the likelihood of occurrence.

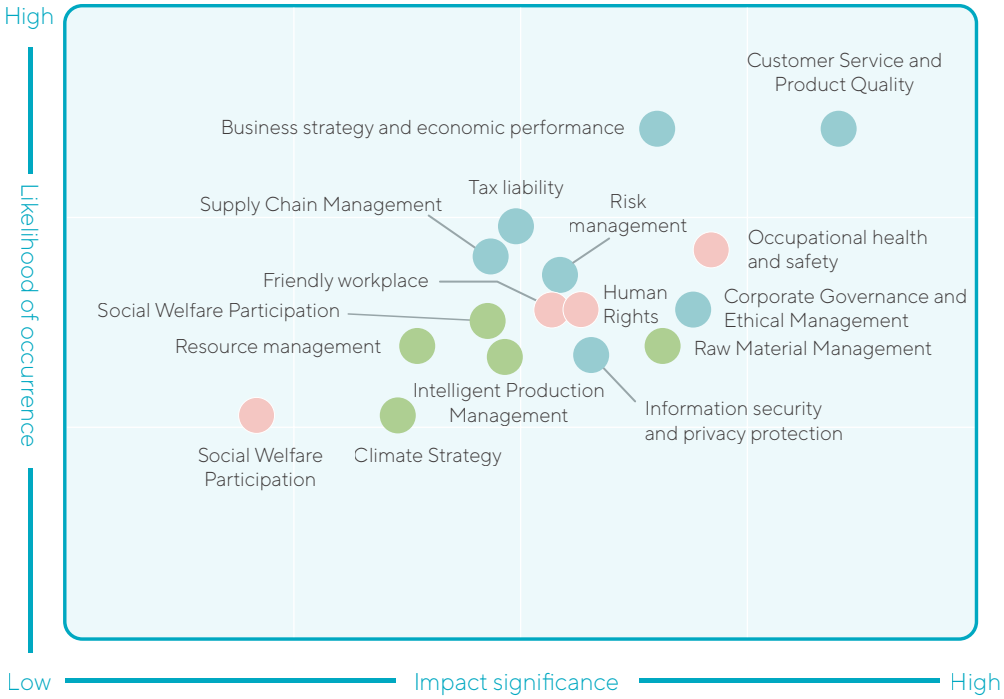
The questionnaire survey results are compiled, the positive and negative impact scores are summed, and each issue is ranked according to the impact significance. The internal management discussed the ranking results, considering major industry issues, international trends, and the opinions of external consultants, to set a threshold for material topics. The Sustainable Development Promotion Team then used the total scores of the top 8 items to establish this threshold, prioritizing discussion of issues scoring above the threshold. The six sustainability issues of "Corporate Governance and Ethical Management," "Customer Service and Product Quality," "Occupational Health and Safety," "Business Strategy and Economic Performance," and "Friendly Workplace" and "Climate Strategy" were identified as the 2024 material topics and were reported to the Board of Directors.

Considering the changes in new operational trends and industry dynamics, the Company will continue last year's sustainability strategy. After considering stakeholder feedback and internal discussions, we will further enhance our overall information disclosure by focusing on "Climate Strategy" and "Friendly Workplace" as key themes. "Information security and privacy protection"," "Supply chain management," "Human rights," and "Tax responsibilities" are listed as general issues in the report.
In conclusion, the six material topics are: "Business Strategy and Economic Performance," "Customer Service and Product Quality," "Corporate Governance and Ethical Management," "Climate Strategy," "Friendly Workplace," and "Occupational Safety and Health." The Board of Directors approved the establishment of the above-mentioned six material topics. The internal management further discussed and confirmed the scope of these material topics to ensure that important sustainability information is fully disclosed in the report. In accordance with the reporting requirements of material topics, the internal management describes the relevant countermeasures, management actions, indicators, and goals in this report to ensure that the report fairly and faithfully presents the Company's sustainable strategy implementation. The Company uses these information as the focus of communication and improvement in daily operations, and regularly evaluate the effectiveness of the management approach of material topics.

Negative Impact Matrix



Positive Impact Matrix



Society	Environment	Governance/Economy
• Friendly workplace • Occupational health and safety • Social Welfare Participation • Human Rights	• Intelligent Production Management • Resource management • Raw Material Management • Social Welfare Participation • Climate Strategy	• Business strategy and economic performance • Tax liability • Corporate Governance and Ethical Management • Risk management • Information security and privacy protection • Customer Service and Product Quality • Supply Chain Management



Assessment of Positive and Negative Impact Significance

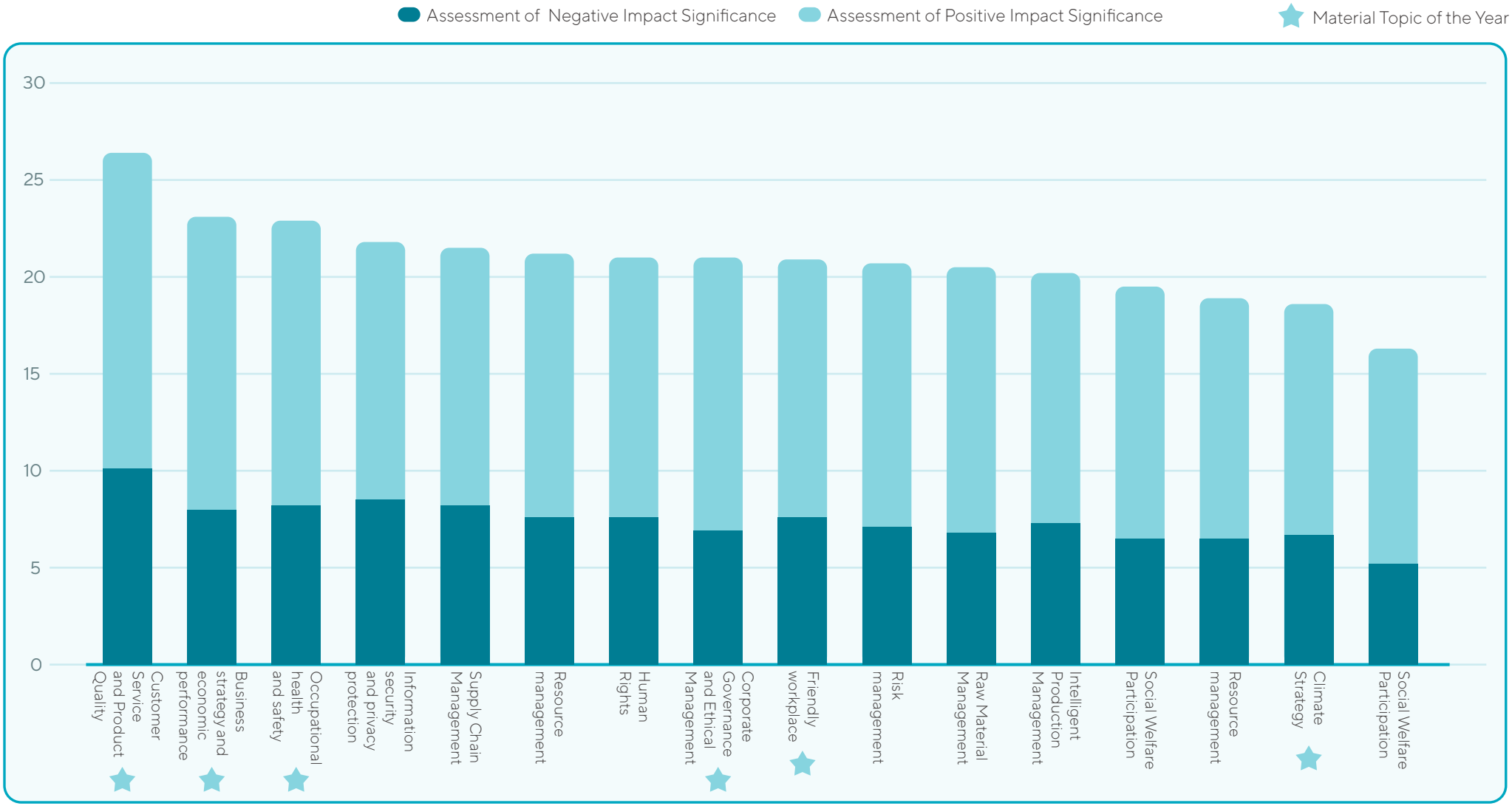


Table of Material Topics and Value Chain Boundaries

Orientation	Corresponding SDG sustainability goals	Material Topics	Value Chain Boundary Impact		
			Upstream	Nishoku operations	Downstream
Governance/Economy		Business strategy and economic performance	●	●	●
		Corporate Governance and Ethical Management	●	●	●
		Customer Service and Product Quality	●	●	●
Environment		Climate Strategy	●	●	●
Society	 	Friendly workplace		●	
		Occupational health and safety		●	

● Direct Impact ● Indirect Impact

02

Sustainable Management

2.1 Business strategy and economic performance

2.2 Corporate Governance and Ethical Management

2.3 Information Security and Privacy Protection

2.4 Risk Management



2.1 Business strategy and economic performance

Management of Material Topics - Business Strategy and Economic Performance

<table>
<tr><th>Material Topics</th><th colspan="3">Business strategy and economic performance</th></tr>
<tr><td>Impact Description</td><td colspan="3">Positive impact: By expanding our customer base through high-quality products and services, we can strengthen stakeholders' trust in the Company and increase their willingness to invest in it.
Negative impact: Poorly managed business operations may disrupt the Company's ongoing operations, jeopardize its sustainable development, and cause losses to stakeholders.</td></tr>
<tr><td>Policy/Commitment</td><td colspan="3">We strive to safeguard the best interests of all shareholders and employees while continuing to generate stable profits and maintain sustainable operations.</td></tr>
<tr><td>Actions Taken</td><td colspan="3">Each year, we set strategic goals based on industry developments and implement budgetary controls. We regularly monitor budget attainment rates to stay informed about the Company's operating performance.</td></tr>
<tr><td>Tracking and Evaluation Mechanism</td><td colspan="3">Monthly business management meetings are held to track, analyze, and review progress toward the business plan and performance targets.</td></tr>
<tr><td rowspan="4">Management Objectives</td><td>Short-Term Goals (2026)</td><td colspan="2">2025 Annual Performance</td></tr>
<tr><td>1. To build the 4th-phase factory
2. Steady Profits and Sustainable Operations</td><td colspan="2">1. In 2025, the Company's consolidated operating revenue amounted to NT$4.471 billion, representing a year-on-year increase of 5%. The annual gross profit margin rose to 33%, while after-tax earnings per share were NT$9.78, a decrease of NT$4.07 compared with 2024. The decrease was mainly attributable to market developments following Donald Trump's return to office as President of the United States. In response to the United States' long-standing and substantial trade deficit, the Trump 2.0 policy agenda advocated tougher trade negotiations, reviews of other countries' tariff policies and non-tariff measures, and the imposition of high reciprocal tariffs on trading partners. These policies raised market concerns regarding confidence in U.S. dollar-denominated assets and U.S. creditworthiness, resulting in significant volatility in the U.S. and global financial markets and causing non-operating foreign exchange losses of NT$218 million.
2. In CommonWealth Magazine's Top 2000 Enterprises Survey, the Company ranked 112th in profitability among manufacturing companies, placing it among the top 10% of highly profitable enterprises. This recognition demonstrates the Company's outstanding operational efficiency and market competitiveness in plastic injection molding and electronic component manufacturing.
3. The groundbreaking ceremony for the Phase IV plant in Vietnam was held in October 2025, and environmental impact assessment approval was obtained in November of the same year. Heavy construction equipment will be mobilized to the project site in stages, and the plant is expected to be completed in the first quarter of 2027.</td></tr>
<tr><td>Medium-Term Goal (2028)</td><td colspan="2">Long-Term Goals (2030)</td></tr>
<tr><td>Expand into new markets and generate profits.</td><td colspan="2">1. Advance the Group's global expansion.
2. Promote the Group's expansion into new business areas.</td></tr>
<tr><td>Stakeholder Engagement</td><td colspan="3">Stakeholders such as shareholders/employees/customers/suppliers:
1. The Company's operational performance can be understood through the annual report and instant information on the MOPS.
2. Shareholders/employees/customers/suppliers can provide feedback and suggestions through the annual shareholders' meeting and corporate briefing.</td></tr>
</table>

2.1.1 Direct Economic Value Generated and Distributed

Direct Economic Value Generated and Distributed by the Organization

Unit: NTD thousand

Item	2023	2024	2025
Operating Revenue	3,508,729	4,259,658	4,471,195
Non-operating income (expense)	199,541	425,255	(104,012)
Direct economic value generated (A)	3,708,270	4,684,913	4,367,183
Operating cost	2,592,872	2,944,014	2,997,131
Expenditures on salaries and benefits of employees (employment expenses)	251,172	275,455	261,318
Payments to capital contributors	472,802	630,222	567,200
Payments to the government	183,704	378,991	283,827
Community investment (Note 3)	1,233	1,539	2,218
Direct economic value distributed (B)	3,501,783	4,230,221	4,111,694
Economic value retained (A-B)	206,487	454,692	255,489
Profit before tax	670,801	1,248,110	899,131
Earnings after tax	487,097	869,119	615,304
Earnings (loss) per share (NTD)	7.77	13.85	9.78

* Note:
* 1. These are the consolidated financial statements of Nishoku, which have been audited by KPMG Taiwan.
* 2. In case the company has yearly profit, at least 1% shall be appropriated as staff reward and no more than 5% as rewards for directors and supervisors in accordance to the Articles of Incorporation. In 2025, NT$27,000 thousand and NT$10,200 thousand were appropriated, respectively, and the remuneration distributed accounted for 4.14% and 1.56% of the net profit before tax, respectively.
* 3. See the donation amount disclosed in the annual report.
* 4. To avoid double counting, personnel expenses have been deducted by the portion already included in operating costs.

Defined Benefit Plan Obligations and Other Retirement Plans

Retirement System and Implementation

The Company has established the Employee Retirement Management Measures in accordance with the Labor Standards Act and the Labor Pension Act. The Measures set out employee retirement eligibility and pension payment standards to implement the retirement system and support employees' post-retirement lives. In accordance with the Labor Pension Act, the Company contributes 6% of each employee's monthly salary to the employee's individual labor pension account with the Bureau of Labor Insurance, thereby meeting the government's statutory contribution requirements. In addition to the employer's mandatory 6% monthly contribution, employees may voluntarily contribute between 0% and 6% to their individual labor pension accounts; 24 employees participated in the voluntary pension contribution program. In addition, the Company's other overseas subsidiaries included in the consolidated financial statements make pension contributions in accordance with the labor laws and regulations of their respective countries of incorporation and recognize pension expenses based on the amounts payable for the current period. The Company is also planning group annuity insurance and retirement incentives to provide employees with more diverse and comprehensive long-term retirement plans. Pension expenses under the Group's pension contribution plans amounted to NT$41,855 thousand and NT$42,207 thousand in 2024 and 2025, respectively.

Financial Subsidies Received from the Government

In 2025, NISHOKU (Kunshan) received government financial assistance totaling NT$74,138 thousand. The principal assistance relates to the High and New Technology Enterprise program. A High and New Technology Enterprise is an enterprise operating in the High and New Technology Fields Supported by the State that continuously conducts research and development and transforms technological achievements to form its core independent intellectual property rights. The government provides qualifying enterprises with preferential corporate income tax rate reduction policies.

After first obtaining High and New Technology Enterprise qualification in Jiangsu Province in 2012, the Kunshan Plant became eligible for a three-year reduction in its corporate income tax rate from 25% to 15%. Since then, the Kunshan Plant has received this preferential treatment every three years. It again obtained High and New Technology Enterprise qualification in Jiangsu Province in November 2024, making it eligible for preferential income tax treatment from 2024 to 2027. The income tax reduction amounted to NT$68,964 thousand in 2025.



In early 2024, in response to a complex external environment and domestic transformation pressures, the Chinese government introduced five key initiatives. One key initiative focuses on enhancing technological innovation and advancing the modernization of the industrial system by supporting leading enterprises in optimizing and integrating their industrial, innovation, and value chains, while encouraging small and medium-sized enterprises (SMEs) to pursue specialized, sophisticated, distinctive, and innovative development. The initiatives prioritize subsidies and other support measures for innovative SME products. Accordingly, the Kunshan Plant received a subsidy of NT$2,167 thousand from Jiangsu Province for its intelligent manufacturing demonstration workshop. The Kunshan government also provided incentives to SMEs that invested more than RMB5 million in equipment and software during 2023 and 2024; the Company received NT$1,774 thousand in 2025. In addition, China continued its job stabilization rebate and skills enhancement subsidy policies in 2025, rewarding enterprises that did not lay off employees or made only limited layoffs, and subsidizing employees who obtained skills certificates. The Company received NT$1,164 thousand under these policies in 2025.

Furthermore, neither the Company nor its subsidiaries has any government shareholding in its ownership structure.

Financial Assistance Received from the Government in 2025

Region	Assistance Provider / Source / Policy	Type of Financial Assistance	Amount (NTD thousand)
China	Incentives under the "High and New Technology Fields Supported by the State" program and preferential corporate income tax treatment	Tax exemptions and credits	68,964
	Intelligent Manufacturing Demonstration Workshop	Subsidy	2,167
	Incentives for enterprises investing more than RMB5 million in equipment and software	Subsidy	1,774
	Job Stabilization Rebate and Skills Enhancement Subsidy Policy	Subsidy	1,164
		Total	74,069

2.1.3 Tax Management

Approach to Tax

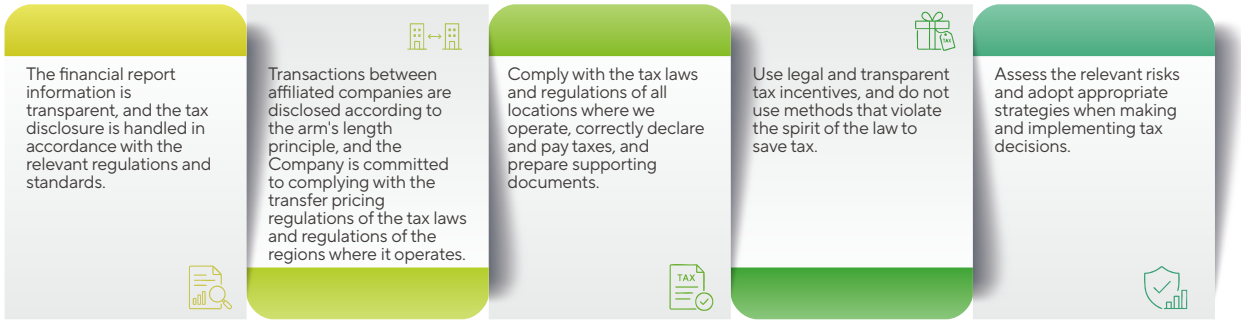
The Company's tax management organizational structure has the Accounting Department as the tax management unit, which performs tax declaration and payment in accordance with the relevant laws and regulations of each country, and reports the tax-related implementation status to the Chief Financial Officer on a quarterly basis. Tax policies are reviewed by the CFO and adjusted in a timely manner in accordance with changes in tax laws and regulations, taking into account the impact on various stakeholders, and formulating tax governance policies and transfer pricing policies to ensure the Company's overall tax burden is optimized.

All major transactions and decisions are subject to tax risk assessment, taking into account risk control and the impact of sustainable value. We seek a cooperative relationship with the tax authorities that is respectful, transparent, and trustworthy, as well as a corporate structure that is in line with commercial substance. We do not abuse tax structures.

The Company's Board of Directors is the highest governing body for tax risk management. The Audit Committee is responsible for supervising tax risk management. The Audit Office also arranges annual audits based on risk assessments of unfavorable factors. The results are reported to the Audit Committee and the Board of Directors regularly each year. The Company ensures compliance with tax laws and regulations through the internal control mechanism, and fulfills the corporate governance responsibility of the Board of Directors in overseeing tax management.

Through the professional services provided by external tax consulting agencies, we strengthen professional knowledge and effectively supervise and control the risks arising from changes in tax laws and regulations that affect the Company's operations. Moreover, each year, we regularly review the compliance of each operating base at home and abroad with the tax laws and regulations of the respective countries and the tax payments.

The Company's Tax Policies



Tax Governance, Control, and Risk Management

To protect the rights and interests of all stakeholders, the Company has formulated codes of conduct, including the Code of Ethical Conduct, Ethical Management Procedures and Guidelines, Ethical Corporate Management Best Practice Principles, and Corporate Governance Best Practice Principles. There is a whistleblowing system and procedures to report illegal taxation or unethical matters. Every year, the Company appoints professional and independent CPAs approved by the Board of Directors to audit, certify, and declare the profit-seeking enterprise income tax of each operating site at home and abroad.

Stakeholder Communication and Management of Concerns Related to Tax

To maintain a cooperative relationship of mutual respect, transparency, and trust with the tax authorities, the tax concerns of stakeholders are disclosed timely and transparently in the stakeholders' section, the shareholders' section, and the financial information page of the Company's official website.

2.2 Corporate Governance and Ethical Management

Management of Material Topics - Corporate Governance and Ethical Management

Material Topics	Corporate Governance and Ethical Management
Impact Description	Positive actual impact: Ensuring legal compliance, strengthening corporate governance, and upholding ethical management to prevent potential litigation and disputes. Negative potential impact: Inappropriate corporate governance may damage the Company's image, result in fines and compensation, increase operating costs, cause customer loss, and adversely affect the Company's operations.
Policy/ Commitment	Establish the Corporate Governance Best Practice Principles, Ethical Corporate Management Best Practice Principles, Ethical Corporate Management Procedures and Guidelines for Conduct, Code of Ethical Conduct, and Human Rights Policy; conduct quarterly awareness campaigns on insider trading prevention; issue a Human Rights Statement; and require suppliers to sign an Integrity Commitment.
Actions Taken	1. Maintain a Corporate Governance Evaluation ranking within the 21%–35%. 2. Require newly appointed directors to sign an integrity declaration. 3. Continue to require new suppliers to sign an Integrity Commitment. 4. Implement risk management to strengthen operational resilience in response to changing market conditions. 5. Provide regular training on anti-corruption policies and procedures for Board members and employees. 6. Through legal compliance awareness mechanisms, ensure that employees comply with applicable requirements and foster a corporate culture of ethical management.

Tracking and Evaluation Mechanism

Evaluation Items	Internal Evaluation Mechanism	External Evaluation Mechanism
1. Legal compliance / insider trading 2. Operation of the Board of Directors and functional committees 3. Ethical corporate management / anti-corruption 4. Disclosure of financial information 5. Implementation in accordance with the Corporate Governance 3.0 policy	1. To safeguard the rights and interests of all stakeholders, the Company has established codes of conduct, including the Code of Ethical Conduct and the Ethical Corporate Management Procedures and Guidelines for Conduct. The Company has also established a reporting mechanism and suggestion boxes for reporting tax-related legal violations or unethical conduct. In addition, the Company has established the Reward and Disciplinary Management Measures, incorporated ethical corporate management into employee performance evaluations, and implemented a clear and effective disciplinary system. 2. Employee performance evaluations based on multiple indicators are systematically reviewed at two meetings each year. 3. The corporate governance officer reviews the disclosure of material information relating to key resolutions of the Board of Directors to ensure the legality and accuracy of such disclosures and safeguard investors' trading information. 4. When preparing the annual audit plan, the Internal Audit Office incorporates risk considerations related to corporate governance and ethical corporate management, and performs relevant internal control audits in accordance with the audit plan to ensure the effective implementation of anti-corruption measures. 5. Functional committees, including the Audit Committee and the Remuneration Committee, perform professional and independent oversight functions.	1. Judicial system. 2. Evaluation reports issued by institutional investors. 3. Director performance evaluations conducted by external independent institutions. 4. Regular audits, certifications, and filings conducted by professional and independent certified public accountants approved by the Board of Directors. 5. The Corporate Governance Evaluation Center annually considers corporate governance evaluation indicators adjusted in response to material issues of concern to investors.

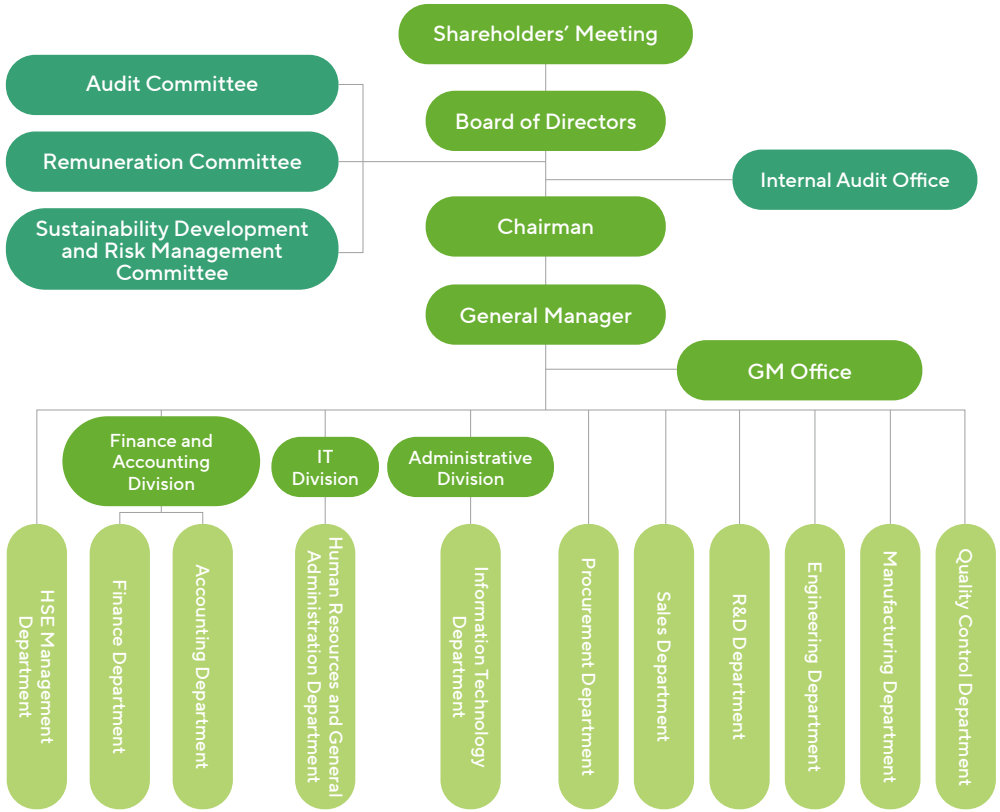
<table>
<tr><td rowspan="4">Management Objectives and Annual Performance</td><td>Short-Term Goals (2026)</td><td colspan="2">2025 Annual Performance</td></tr>
<tr><td>1. Continue to comply strictly with laws and regulations relating to ethical corporate management, with no violations involving corruption, political contributions, or similar matters.
2. Voluntarily prepare an English version of the Sustainability Report and submit the Sustainability Report to the Board of Directors for approval.
3. Achieve a 90% supplier and contractor signing rate for the Integrity Commitment.</td><td colspan="2">1. In the 2025 ESG Evaluation, the Company ranked within the 6%–20% range among listed companies, achieving its long-term goal ahead of schedule.
2. Upon the expiration of the directors' terms in 2025, the Company completed a full reelection of nine directors, including two female directors, representing 22% of all Board seats.
3. All nine newly appointed directors signed an integrity declaration in 2025.
4. In 2025, 95.24% of suppliers and contractors signed the Integrity Commitment.
5. No violations involving corruption, political contributions, or similar matters occurred in 2025.
6. In October 2025, the Company completed its 2024 Corporate Value Enhancement Plan, reported it to the October Board meeting, and uploaded it to the Market Observation Post System.
7. In the third quarter of 2025, the Company completed its second English ESG Sustainability Report for 2024, which was approved by the Board of Directors, thereby achieving its short-term goal.
8. The 2024 Sustainability Report obtained third-party limited assurance for the first time, achieving the medium-term goal ahead of schedule.</td></tr>
<tr><td>Medium-Term Goals (2028)</td><td colspan="2">Long-Term Goals (2030)</td></tr>
<tr><td>1. Maintain an ESG Evaluation ranking within the 6%–20% range among listed companies.
2. Continue to obtain third-party assurance for the Sustainability Report.
3. Continue to prepare an English version of the Sustainability Report and submit the Sustainability Report to the Board of Directors for approval.</td><td colspan="2">1. Ensure that female directors account for at least 25% of all Board seats.
2. Maintain an ESG Evaluation ranking within the 6%–20% range among listed companies.
3. Continue to obtain third-party assurance for the Sustainability Report.
4. Continue to prepare an English version of the Sustainability Report and submit the Sustainability Report to the Board of Directors for approval.
5. Use risk management to reduce opportunity costs or enhance economic performance in relation to material issues of concern to stakeholders.</td></tr>
<tr><td>Stakeholder Engagement</td><td colspan="3">• Government Department:
The Company attaches great importance to legal compliance and regularly communicates with government agencies through participation in public hearings or briefings. In addition, we participate in the government's talent training and development project: Corporate Human Resources Enhancement Program (Taiwan) every year. We meet the standard of training occupancy rate every year to help the government continue to improve the quality of human resources and accumulate national human capital.
• Shareholders and Investors:
The Company communicates with investors through the annual shareholders' meeting and investor conference, and publishes material information in real-time on the MOPS, and cooperates with the participation in the seminars of the competent authorities to achieve two-way smooth and positive communications with stakeholders.
• Suppliers:
When new suppliers are added, they are required to sign a non-disclosure agreement and a letter of commitment to integrity. The Company conducts supplier evaluations every year, and evaluates better cooperation plans based on the results of an open and transparent evaluation survey by relevant units. In 2025, supplier evaluation was completed for 133 suppliers and the suppliers were classified into four grades: A, B, C, and D according to the evaluation management procedures.
• Customer:
The Company places great importance on listening to its customers. With customer needs at the core, we strive to enhance customer satisfaction and deliver greater value, aiming to become a trusted partner. We respond promptly to all issues raised through customer feedback and implement corresponding improvements to build trust and strengthen satisfaction. Regular customer satisfaction surveys are conducted to systematically gather and analyze feedback. Based on the results, we prepare formal reports and propose improvement measures, with ongoing tracking to ensure effectiveness.</td></tr>
</table>

2.2.1 Organization of Corporate Governance

Governance Structure and Composition

The Board of Directors of Nishoku Technology is the Company's highest governance body. The Company has established the Audit Committee and the Remuneration Committee to assist the Board of Directors in fulfilling its oversight responsibilities, and these committees report their activities, proposals, and related resolutions to the Board on a quarterly basis. For sustainability strategy management, the Company has also established the Sustainability Development and Risk Management Committee, which regularly reports to the Board of Directors on sustainability development and risk management matters. The Board of Directors is also the highest decision-making and oversight body for managing impacts related to economic, environmental, and social topics. When making decisions on material matters, the Board considers economic, environmental, and social topics, as well as their impacts, risks, opportunities, and stakeholders' views.

Corporate Governance Structure Chart



Board of Directors

The main responsibilities of Nishoku's Board of Directors include guiding the Company's strategy, overseeing management, and being accountable to the Company and its shareholders. In all operations and arrangements under the corporate governance system, the Board exercises its authority in accordance with applicable laws and regulations, the Company's Articles of Incorporation, and resolutions of the shareholders' meeting, while maintaining its independence and remaining accountable to the shareholders' meeting. Pursuant to Article 13 of the Company's Articles of Incorporation, the Board consists of nine directors, including three independent directors. Directors serve a term of three years and may be re-elected, provided that they do not serve more than three consecutive terms. The three independent directors represent 33.3% of the Board, while the six non-independent directors represent 66.7%. For information on the names, gender, terms of office, principal education and experience, and positions held in other companies by Board members, please refer to the Directors and Supervisors section of the 2025 Annual Report. The Board convenes at least once each quarter. Seven Board meetings were held in 2025, with an average director attendance rate of 100%, demonstrating the directors' commitment to actively fulfilling their governance responsibilities.

Nishoku Technology's Board of Directors is the Company's highest governance body and is responsible for overseeing and reviewing the Company's performance and risk management in relation to economic, environmental, and social topics, including sustainability strategy issues and key material events, and for making final decisions. The Board has appointed the General Manager as the chair of impact management through the Risk Management Promotion Team and the Chief Financial Officer as the executive secretary responsible for coordinating related matters. The Chief Financial Officer reports annually to the Board on the management of the Company's economic, environmental, and people-related impacts. When making decisions on material matters, the Board considers economic, environmental, and social topics, as well as their impacts, risks, opportunities, and stakeholders' views. The Company's Sustainability Report is reviewed by the Chairperson to ensure that it covers all material topics. The 2025 Sustainability Report was approved by the Board of Directors on August 7, 2026.



Diversity of the Board of Directors

The Company adopts a candidate nomination system for the election of directors. Pursuant to Paragraph 3, Article 20 of the Company's Corporate Governance Best Practice Principles, the composition of the Board of Directors shall take diversity into consideration, and the Company shall formulate appropriate diversity policies based on its operations, business model, and development needs. Such policies should include, but are not limited to, the following two aspects: (1) basic qualifications and values, including gender, age, nationality, and culture; and (2) professional backgrounds, including expertise in law, accounting, industry, finance, marketing, or technology, as well as professional skills, industry experience, and academic backgrounds. In 2025, the Company completed a full reelection of the Board of Directors, including the appointment of two female directors, to enhance Board diversity. For information on the principal experience of Board members and their other important positions, please refer to the Implementation of Corporate Governance section of the Company's 2025 Annual Report.

Title	Name	Nationality	Gender	Age	Board meeting attendance rate in 2025 (%)
Chairman	Jin Hong Investment Limited Rep.: Chen, Piao-Fu	Republic of China (Taiwan)	Male	Over 50	100%
Director	Heng Sheng Investment Limited Rep.: Tsai, Chien-Sheng	Republic of China (Taiwan)	Male	Over 50	100%
Director	Cyuan Guan Investment Limited Rep.: Chang, Wen-Hsien	Republic of China (Taiwan)	Male	Over 50	100%
Director	Ji Teng Investment Limited Rep.: Wu, Ying-Lan	Republic of China (Taiwan)	Female	Over 50	100%
Director	Jhan Yu Investment Limited Rep.: Hsieh,Hsin-I	Republic of China (Taiwan)	Male	30–50	100%
Director	Chang Shun Investment Limited Rep.: Fan, Chia-Wen	Republic of China (Taiwan)	Female	30–50	100%
Independent Director	Lin, Horng-Chang	Republic of China (Taiwan)	Male	Over 50	100%
Independent Director	Wang, Chih-Cheng	Republic of China (Taiwan)	Male	Over 50	100%
Independent Director	Tsai, Chih-Chieh	Republic of China (Taiwan)	Male	Over 50	100%

Diversity of the Board of Directors

Name	Title	Gender	Nationality	Term (Years)	Age	Disadvantaged groups	Stakeholder relation Representative	Professional Competencies in Industry Experience								
								Accounting/ Finance	Law	Hotel/tourism	Technology and electronics	Manufacturing	The ability to make judgments about operations.	Decision-making ability.	Knowledge of the industry.	Crisis management ability.
Chen, Piao-Fu	Chairman	Male	Republic of China (Taiwan)	3	Over 50	-	The employees of the Company					V	V	V	V	V
Tsai, Chien-Sheng	Director	Male	Republic of China (Taiwan)	3	Over 50	-	The employees of the Company					V	V	V	V	V
Chang, Wen-Hsien	Director	Male	Republic of China (Taiwan)	3	Over 50	-	The employees of the Company					V	V	V	V	V
Wu, Ying-Lan	Director	Female	Republic of China (Taiwan)	3	Over 50	-	The employees of the Company	V				V	V	V	V	V
Hsieh, Hsin-I	Director	Male	Republic of China (Taiwan)	3	30-50	-	-					V	V	V	V	V
Fan, Chia-Wen	Director	Female	Republic of China (Taiwan)	3	30-50	-	-	V		V		V	V	V	V	V
Lin, Horng-Chang	Independent Director	Male	Republic of China (Taiwan)	3	Over 50	-	-	V		V	V	V	V	V	V	V
Wang, Chih -Cheng	Independent Director	Male	Republic of China (Taiwan)	3	Over 50	-	-				V	V	V	V	V	V
Tsai, Chih-Chieh	Independent Director	Male	Republic of China (Taiwan)	3	Over 50	-	-	V			V	V	V	V	V	V

* Note:

1. 78% of board members are aged over 50, while 22% are between 30 and 50 years old. The average tenure of all board members is 8.8 years.
2. To ensure diversity in stakeholder representation, all board members represent various stakeholders such as senior citizens, employees, and investors.
3. For details on the names, gender, tenure, major education and professional background, positions held in other companies, and other board experiences of the board members, please refer to the Company's annual report.
4. 78% (7 members) of the board are male, and 22% (2 members) are female. The Company will make efforts to increase the number of female board members to achieve the diversity target.

Audit Committee

To ensure sound organizational operations, strengthen oversight and management functions, and implement financial review and control to help the Company achieve its strategic objectives, Nishoku Technology has established an Audit Committee comprising three independent directors. The nomination of independent director candidates follows the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and their independence is assessed to strengthen governance functions and the objectivity of the Board of Directors. The Audit Committee held six meetings in 2025, with an average attendance rate of 100% among its members. For information on Audit Committee members and its operational status, please refer to the Operation of the Audit Committee section of the Company's 2025 Annual Report.

Remuneration Committee

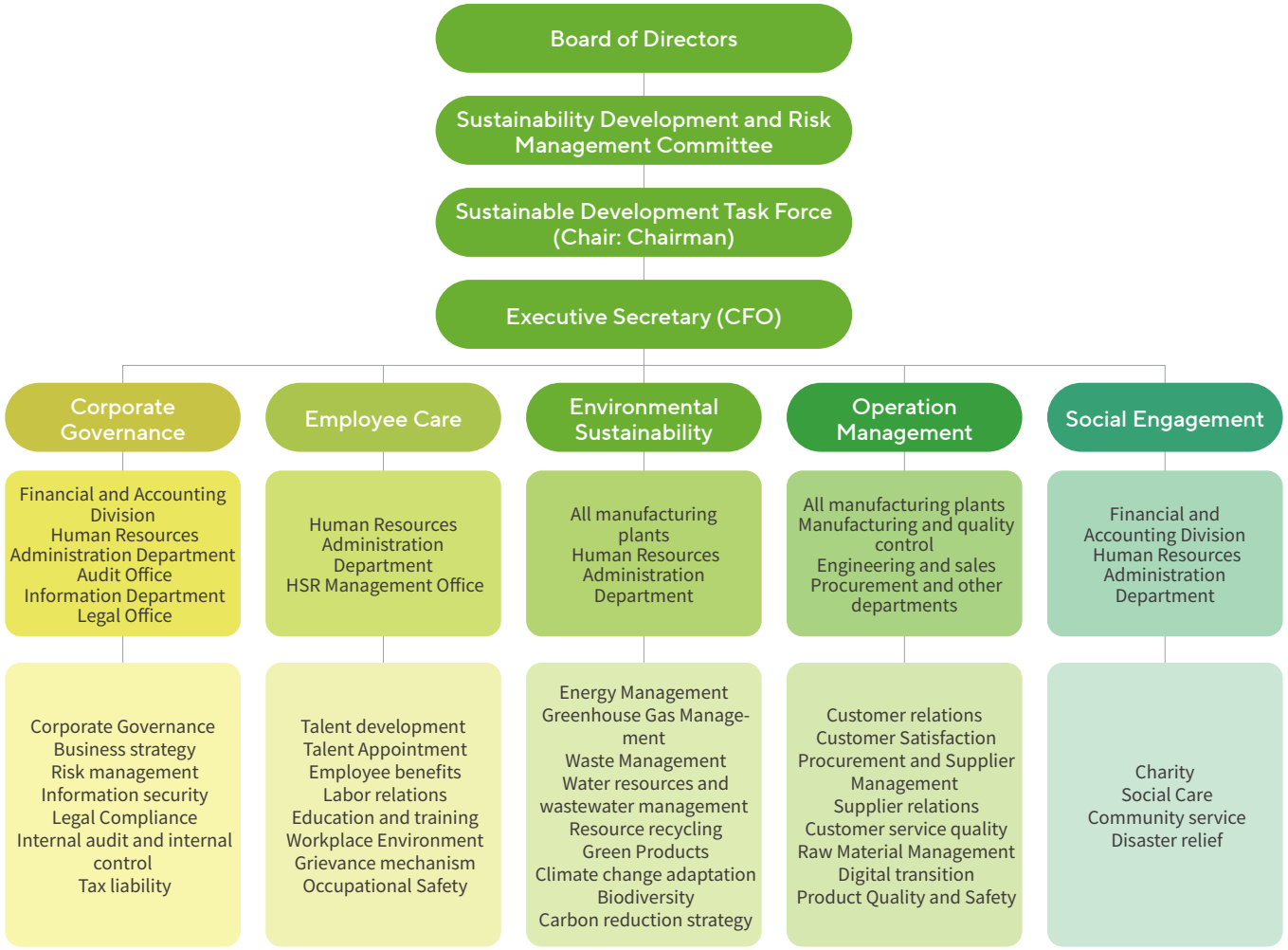
To create a fair and benefit-sharing organizational environment where the remuneration and performance are linked for all employees, the Company's Remuneration Committee is committed to assisting the management department in establishing a fair remuneration and performance system. The Company aims to create higher value by balancing the value with the experience of the experts and committee members. Directors and managers are required to refrain from engaging in behaviors that exceed the Company's risk appetite in pursuit of remuneration and implement a competitive incentivized remuneration system. Only in this way can we attract and retain the best talent, continuously improve business performance, and further enhance our long-term competitiveness and sustainable management capabilities. Nishoku has established a "Remuneration Committee" with 3 independent directors serving as members of the Remuneration Committee. In 2025, the Remuneration Committee convened twice, with an average attendance rate of 100%. Please refer to "The operation status of the Remuneration Committee" of the Company's 2025 annual report for the information and operation status of the relevant members of the Remuneration Committee.

Sustainability Development and Risk Management Committee

To advance its sustainable development goals, Nishoku Technology established the Sustainability Development and Risk Management Committee in June 2024. The Committee comprises three independent directors and two directors. All Committee members possess professional knowledge and capabilities related to corporate sustainability and participate in oversight based on their relevant experience.

Under the Sustainability Development and Risk Management Committee, the Company has established the Sustainable Development Promotion Team, chaired by the Chairperson of the Board of Directors, with the Chief Financial Officer serving as executive secretary. The Team is primarily responsible for formulating and implementing policies for various ESG initiatives. It comprises five promotion teams, each convened by the head of the relevant internal department: the Corporate Governance Team, Environmental Sustainability Team, Operations Management Team, Social Participation Team, and Employee Care Team. Each year, these teams focus on three areas—implementing corporate governance, developing a sustainable environment, and safeguarding social welfare—to identify material issues relevant to the Company's operations and stakeholders, develop corresponding strategies and annual action plans, and review the implementation of policies for sustainability issues. The Sustainability Development and Risk Management Committee held three meetings in 2025, with an average attendance rate of 100% among its members.





Chair of the Highest Governance Body

The Board of Directors of Nishoku Technology is currently serving its 16th term, with Mr. Piao-Fu Chen serving as Chairperson of the Board. As a member of the management team and concurrently the Chief Strategy Officer, Mr. Chen provides the Company with strong and consistent leadership and enables the more effective and efficient planning and execution of long-term business strategies. To ensure the independence of corporate operations, directors who, or whose represented legal entities, have an interest in matters submitted to a meeting must regularly declare any conflicts of interest and are subject to the oversight of the independent directors。

2.2.2 Operation of the Board of Directors

Nomination and Selection of the Highest Governance Body

The candidate nomination system is adopted for the election of the directors of Nishoku in accordance with Article 192-1 of the Company Act, and shareholders who hold 1% or more of the Company's total number of issued shares may submit a list of candidates to the Company by law. The directors are then elected by shareholders at the annual general meeting. In the nomination and selection of director candidates, the diversity of the composition of the directors is taken into consideration, including basic criteria such as gender, age, nationality, and culture, as well as professional knowledge, background, and industry experience, so that the Company's elected directors have the necessary knowledge, skills and accomplishments, as well as extensive management experience in economic, environmental, and social issues and related impacts. To maintain the independence of the Board of Directors, independent directors are appointed and selected in accordance with the "Company Act" and the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."

Board of Directors Training

To enhance the professional knowledge and skills of directors, Nishoku arranges annual professional courses on corporate governance, economic, environmental, and social issues for directors based on the characteristics of the industry, the Company's development strategy, and the directors' educational backgrounds. For the information on the continuing education of the Board of Directors (including participating directors, training dates, course information, organizer, and hours).

Continuing Education for Directors					
Title	**Name**	**Date of Continuing Education**	**Organizer**	**Course Title**	**Training Hours**
Chairman	Chen, Piao-Fu	2025/06/19	Securities & Futures Institute (SFI)	Tax Challenges and Responses in Business and Asset Succession	3
Chairman	Chen, Piao-Fu	2025/10/31	Securities & Futures Institute (SFI)	Sustainability Strategies Rooted in Core Capabilities: How Companies Can Leverage ESG to Build Long-Term Resilience and Competitive Advantage	3
Director	Tsai, Chien-Sheng	2025/06/19	Securities & Futures Institute (SFI)	Tax Challenges and Responses in Business and Asset Succession	3
Director	Tsai, Chien-Sheng	2025/10/31	Securities & Futures Institute (SFI)	Sustainability Strategies Rooted in Core Capabilities: How Companies Can Leverage ESG to Build Long-Term Resilience and Competitive Advantage	3
Director	Chang, Wen-Hsien	2025/06/19	Securities & Futures Institute (SFI)	Tax Challenges and Responses in Business and Asset Succession	3
Director	Chang, Wen-Hsien	2025/10/31	Securities & Futures Institute (SFI)	Sustainability Strategies Rooted in Core Capabilities: How Companies Can Leverage ESG to Build Long-Term Resilience and Competitive Advantage	3
Director	Wu, Ying-Lan	2025/06/19	Securities & Futures Institute (SFI)	Tax Challenges and Responses in Business and Asset Succession	3
Director	Wu, Ying-Lan	2025/10/31	Securities & Futures Institute (SFI)	Sustainability Strategies Rooted in Core Capabilities: How Companies Can Leverage ESG to Build Long-Term Resilience and Competitive Advantage	3
Director	Fan, Chia-Wen	2025/06/19	Securities & Futures Institute (SFI)	Tax Challenges and Responses in Business and Asset Succession	3
Director	Fan, Chia-Wen	2025/10/31	Securities & Futures Institute (SFI)	Sustainability Strategies Rooted in Core Capabilities: How Companies Can Leverage ESG to Build Long-Term Resilience and Competitive Advantage	3
Director	Hsieh, Hsin-I	2025/06/19	Securities & Futures Institute (SFI)	Tax Challenges and Responses in Business and Asset Succession	3
Director	Hsieh, Hsin-I	2025/10/31	Securities & Futures Institute (SFI)	Sustainability Strategies Rooted in Core Capabilities: How Companies Can Leverage ESG to Build Long-Term Resilience and Competitive Advantage	3

Continuing Education for Directors					
Title	Name	Date of Continuing Education	Organizer	Course Title	Training Hours
Independent Director	Lin, Horng-Chang	2025/06/19	Securities & Futures Institute (SFI)	Tax Challenges and Responses in Business and Asset Succession	3
Independent Director	Lin, Horng-Chang	2025/10/31	Securities & Futures Institute (SFI)	Sustainability Strategies Rooted in Core Capabilities: How Companies Can Leverage ESG to Build Long-Term Resilience and Competitive Advantage	3
Independent Director	Lin, Horng-Chang	2025/12/18	The Allied Assocation for Seience Park Idustries	Introduction to Hostile Takeover Practices	3
Independent Director	Wang, Chih-Cheng	2025/06/19	Securities & Futures Institute (SFI)	Tax Challenges and Responses in Business and Asset Succession	3
Independent Director	Wang, Chih-Cheng	2025/10/31	Securities & Futures Institute (SFI)	Sustainability Strategies Rooted in Core Capabilities: How Companies Can Leverage ESG to Build Long-Term Resilience and Competitive Advantage	3
Independent Director	Tsai, Chih-Chieh	2025/06/19	Securities & Futures Institute (SFI)	Tax Challenges and Responses in Business and Asset Succession	3
Independent Director	Tsai, Chih-Chieh	2025/08/07	Corporate Operations and Sustainable Development Association	Latest Case Studies on the Business Mergers and Acquisitions Act and Corporate Governance Practices	3
Independent Director	Tsai, Chih-Chieh	2025/08/28	Securities & Futures Institute (SFI)	Trends in Sustainability Information Disclosure: The Issuance, Impact, and Response to the IFRS S1 and S2 Sustainability Disclosure Standards	3
Independent Director	Tsai, Chih-Chieh	2025/08/28	Securities & Futures Institute (SFI)	Integrity Management and Anti-Fraud Forensic Practice in Enterprises	3
Independent Director	Tsai, Chih-Chieh	2025/10/31	Securities & Futures Institute (SFI)	Sustainability Strategies Rooted in Core Capabilities: How Companies Can Leverage ESG to Build Long-Term Resilience and Competitive Advantage	3

Remuneration Policy for the Board of Directors and Senior Management

In accordance with the Company's Articles of Incorporation, where Nishoku Technology records annual profits, it shall allocate no less than 1% of such profits as employee remuneration and no more than 5% as directors' remuneration. Where the Company has accumulated losses, an amount sufficient to offset such losses shall first be reserved.

Directors' remuneration is determined based on each director's level of participation and contribution, the results of regular director performance evaluations conducted in accordance with the Procedures for the Performance Evaluation of the Board of Directors, and prevailing industry standards. The Company also takes into account its overall operating performance, future industry risks, and development trends in determining reasonable remuneration. The Chairperson's performance is assessed based on annual operating indicators relating to the Company's operations, corporate governance, and financial performance. The assessment scope includes, but is not limited to, net income before tax and corporate governance evaluation results. All such remuneration is reviewed by the Remuneration Committee and resolved by the Board of Directors, and may not exceed the limits prescribed in the Company's Articles of Incorporation.

The remuneration policy for Nishoku Technology's managerial officers is set out in the Management Regulations Governing Appointment and Remuneration of Managerial Officers and the Salary Management Regulations, which specify various work allowances and bonuses in recognition of employees' efforts and contributions. Relevant remuneration consists primarily of two components: (1) financial indicators, which take into account the Company's annual operating performance, financial condition, operating status, and managerial officers' achievement of objectives; and (2) non-financial indicators, which consider individuals' time commitment, responsibilities assumed, implementation of core management functions, and performance in other positions.

Where the Company records annual profits, Article 20 of the Company's Articles of Incorporation requires the allocation of no less than 1% as employee remuneration. Of the employee remuneration so allocated, no less than 20% shall be distributed to entry-level employees. Employee remuneration may be paid in shares or cash, and recipients may include employees of qualifying controlled or subordinate companies, subject to conditions determined by the Board of Directors. The Company conducts performance evaluations in accordance with the Employee Performance Management and Appraisal Measures, and the results serve as a reference for determining managerial officers' remuneration. The evaluation covers: (1) project or work objective achievement, including KPI attainment; (2) core competencies; and (3) personnel management performance and management competencies. The resulting performance remuneration for managerial officers is reviewed by the Remuneration Committee and submitted to the Board of Directors for resolution.

The performance evaluations of directors and managerial officers, as well as the reasonableness of their remuneration, are regularly reviewed and assessed annually by the Remuneration Committee and the Board of Directors. In addition to considering senior managers' individual performance achievement rates and contributions, the Company links remuneration to its overall operating performance and sustainable development performance by setting annual ESG key performance indicators relevant to their duties. These indicators include, but are not limited to, greenhouse gas emissions, energy conservation and carbon reduction, talent recruitment and retention rates, product quality and safety, and customer service quality and satisfaction. The remuneration system is also regularly reviewed in accordance with applicable regulations, and performance achievement rates are assessed as a basis for remuneration evaluation.

ESG Key Indicators for Senior Managers

Indicator Category	Weighting (%)	Description
Financial Indicator	20%	The Company's financial performance and performance relative to industry peers, including return on equity (ROE), ROE ranking among peers, budget achievement rate, total assets, and revenue performance.
Strategic Indicator	50%	Objectives developed in line with the Company's medium- and long-term strategies, including digital transformation, achievement of sustainability commitments, and response and adaptation measures for material topics.
Sustainability and Internal Control Indicators	30%	Focus on fulfilling the three major sustainability commitments of ethical corporate management, legal compliance, and risk management, as well as implementing key ESG initiatives, including attention to climate risks and specific net-zero actions, which account for 10%. • Environmental (E) – 30%: Renewable energy use, green procurement, waste reduction, energy conservation, and water conservation. • Social (S) – 35%: Employee turnover rate and number of occupational injuries. • Governance (G) – 25%: Customer satisfaction and rate of violations of information security policies.
Management Indicator	Additional considerations	Incorporate human resources indicators, talent development, and occupational safety and health initiatives

The retirement benefit system is the same as that applicable to other employees and is administered in accordance with applicable laws and regulations. For information on the remuneration, bonuses, severance pay, and retirement benefits of directors and managerial officers, please refer to the Remuneration of Directors, Supervisors, General Manager, and Vice General Managers section of Nishoku Technology's 2025 Annual Report.

Process to Determine Remuneration

When determining remuneration, Nishoku Technology considers the Company's overall operating performance, as well as each individual's performance achievement rate and contribution to the Company's performance, in order to provide reasonable compensation. All related remuneration is submitted to the Remuneration Committee for review and resolved by the Board of Directors. The Company also continuously monitors changes in the global economy, international financial environment, and industry conditions; estimates its future operational development, profitability, operating risks, and changes in relevant laws and regulations; and reviews its remuneration system as appropriate to balance sustainable operations and risk management. Currently, only internal stakeholders participate in the design of remuneration policies and remuneration-related decision-making. For remuneration resolutions, please refer to the Process for Determining Remuneration section of Nishoku Technology's 2025 Annual Report.

The Company distributes remuneration in accordance with its Articles of Incorporation, which are subject to approval by the shareholders' meeting. The distribution of employee and director remuneration for the preceding year must be reported at each annual general meeting of shareholders. The distribution of employee and director remuneration for 2025 was reported to the shareholders' meeting on May 27, 2026. The Company has established a Remuneration Committee under the Board of Directors. The Committee is at the same level as the Audit Committee and comprises three independent directors. It conducts fair and reasonable reviews and determinations of remuneration for the highest governance body and senior management.

Annual Total Compensation Ratio

Plant	2025		
	Taipei Plant	Kunshan Plant	Vietnam Plant
Ratio of the annual total compensation of the highest-paid individual to the median annual total compensation of all other employees	16.7 : 1	10.7 : 1	22 : 1
Ratio of the percentage increase in the annual total compensation of the highest-paid individual to the median percentage increase in the annual total compensation of all other employees	3.5 : 1	27.2 : 1	14.6 : 1

* Notes:

1. Annual total remuneration includes salaries, bonuses, stock awards, stock option awards, non-equity incentive plan compensation, and pension amounts. The number of other employees was one.
2. The Company has disclosed and filed information on the average and median salaries of full-time employees in non-managerial positions, as well as changes in such figures from the previous year, on the Market Observation Post System (MOPS) under "Salary Information of Full-Time Employees in Non-Managerial Positions." The reference path is as follows: MOPS > Summary Reports > Corporate Governance > Employee Benefits and Compensation Statistics > Salaries of Full-Time Non-Managerial Employees > Salary Information of Full-Time Employees in Non-Managerial Positions (https://mops.twse.com.tw/mops/#/web/t100sb15).

Conflicts of Interest

In accordance with Article 206 of the Company Act, Nishoku Technology has expressly stipulated in its Rules of Procedure for Board of Directors Meetings that, where a director has an interest in a matter submitted to a Board meeting, either personally or through the legal entity the director represents, the director shall disclose the material aspects of such interest at that Board meeting. The director shall recuse themself from discussion and voting on the matter and may not exercise voting rights on behalf of another director by proxy. For details of Board members' conflicts of interest and recusal, including the dates of Board meetings, directors required to recuse themselves, proposal content, reasons for recusal, and voting participation, please refer to the Implementation of Corporate Governance section of the Company's 2025 Annual Report.



Communication of Critical Concerns

In addition to the regular meetings of the committees and reports to the Board of Directors, the Company's management regularly provides the Company's important reports and information to the directors (explained below), and communicates any key material events at any time.

Finance and Accounting Department	Monthly financial information and quarterly financial reports	Total of 6 times in 2025
Internal Audit Department	Quarterly internal audit reports	Total of 6 times in 2025
Sustainability Promotion Team	Annually Sustainability Report Report on the implementation of sustainable management matters quarterly.	Total of 3 times in 2025

In 2025, the Company published a total of 41 material information announcements on the Market Observation Post System (MOPS), primarily related to financial matters and corporate governance. For further details, please refer to the Company's material information disclosures on MOPS.



Evaluation of the Performance of the Board of Directors

To enhance the effectiveness of Board operations, the Company has established the Procedures for the Performance Evaluation of the Board of Directors in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. The Procedures incorporate sustainability indicators covering corporate governance, economic, environmental, and social aspects to ensure that the Board fulfills its responsibilities with respect to corporate governance, operations, and sustainability matters. Pursuant to the Procedures, the Board's performance is evaluated annually through a questionnaire-based self-evaluation. The Procedures also stipulate that an external professional and independent institution, or a team of external experts and scholars, shall conduct an evaluation at least once every three years. The results of the Board's self-evaluation shall be completed before the end of the first quarter of the following year. For the 2025 self-evaluation results, please refer to the Board Self-Evaluation section of the Company's 2025 Annual Report.

The 2025 Board self-evaluation was conducted in accordance with the Procedures for the Performance Evaluation of the Board of Directors. The results were reviewed by the Company's Remuneration Committee on January 30, 2026, and reported to the Board of Directors on February 26, 2026.

Evaluation Period: January 1, 2025, to December 31, 2025.

(a) The overall Board score was 99.09 out of 100.

(b) The score for individual Board members was 97.00 out of 100.

(c) The functional committees received the following scores out of 100:

- Remuneration Committee: 100
- Audit Committee: 100
- Sustainability Development and Risk Management Committee: 98

The evaluation results are as follows:

1. Overall Board of Directors: The Board performance evaluation comprised 45 indicators across five dimensions. The Board received an "Excellent" rating, with a score of 99.09. The results indicate that the Board's composition and operations are well established. In addition to maintaining a thorough understanding of the management team's operations, all directors effectively fulfill their oversight responsibilities, thereby meeting corporate governance standards.
2. Individual Board Members: The Board member performance evaluation comprised 23 indicators across six dimensions. Board members received an "Excellent" rating, with a score of 97.00, indicating positive evaluations of the efficiency and effectiveness of their performance across all indicators.
3. Functional Committees: The performance evaluation of each functional committee covered five dimensions. The Remuneration Committee evaluation included 20 indicators, the Audit Committee evaluation included 23 indicators, and the Sustainability Development and Risk Management Committee evaluation included 20 indicators.
   (1) Remuneration Committee: Received an "Excellent" rating, with a score of 100.
   (2) Audit Committee: Received an "Excellent" rating, with a score of 100.
   (3) Sustainability Development and Risk Management Committee: Received an "Excellent" rating, with a score of 98.

The Audit Committee, Remuneration Committee, and Sustainability Development and Risk Management Committee are all composed of professionals and actively participate in the Company's operations and internal relationship management, demonstrating the sound overall operation of the functional committees.

2.2.3 Legal Compliance

We have established the Ethical Corporate Management Best Practice Principles to regulate the Company's employees who shall not directly or indirectly offer, promise, request, or accept any illegitimate benefits when engaging in business activities. In 2024, the Company did not have any material violations of social and economic-related laws (Note) and regulations. The Company and its employees have not been penalized against antitrust, conflicts of interest, money laundering or insider trading, product safety, environmental protection, labor, etc., nor have the Company been involved in any litigation related to corporate governance, anti-competitive behavior, or antitrust and monopoly laws and regulations and losses. Furthermore, the Group-wide legal education and training was conducted by the Legal Office each year, focusing on ethical management, integrity commitment, commercial bribery, and intellectual property. The training has been held 4 times in 2025, with 111 hours of promotion.

Major violations are defined by the criteria.

The amount of fines imposed is over NT$1 million.

The Company complies with applicable laws and regulations at all of its global operating locations and follows international human rights standards, including the Universal Declaration of Human Rights, the United Nations Global Compact, and the International Labour Organization Declaration on Fundamental Principles and Rights at Work. Guided by the principles of respect for and protection of human rights, the Company treats full-time employees, contract and temporary workers, and contractor personnel equally and with dignity, and is committed to preventing all forms of human rights infringement or violation.

The Company complies with labor regulations, including the Labor Standards Act, and ensures that employment contracts, wages, leave, and other employment conditions comply with applicable laws and regulations. In 2025, however, four violations of labor laws and regulations occurred, resulting in total fines of NT$174 thousand. The violations and subsequent corrective and preventive measures are set out below.

Date of Penalty	Violated Provision	Violation	Fine Amount	Improvement and Preventive Measures
2025/02/10	Article 24 of the Labor Standards Act	Additional wages were not paid in accordance with regulations for extended working hours.	NT$50,000	Fully comply with labor laws and regulations governing working hours.
2025/02/10	Paragraph 2, Article 32 of the Labor Standards Act	Extended working hours exceeded statutory limits.	NT$50,000	Establish appropriate work efficiency and work attitudes among employees.
2025/02/10	Paragraph 1, Article 36 of the Labor Standards Act	Employees were not provided with regular days off.	NT$50,000	Combine managers' care for employees with reasonable adjustments to workloads.
2025/05/19	Paragraph 2, Article 22 of the Labor Standards Act	Wages were not paid in full directly to employees.	NT$24,000	Amounts to be returned by departing employees and the Company's payroll payments shall be handled separately.





2.2.4 Ethical Corporate Management

Operations Assessed for Risks Related to Corruption

In 2025, risk assessments were conducted in accordance with the risk management policies and procedures approved by the Board of Directors, including corporate governance and ethical management. The assessment was conducted in writing based on the principle of materiality. The coverage bases include: Taiwan Headquarters, Kunshan in China, and Vietnam. The coverage rate was 100%, and no major anomalies were found.

The Human Resources and Administration Department, Legal Affairs Office and Finance Department jointly formed the "Task Force for Promoting Ethical Management" with Vice President Wu, Ying-Lan as the convener assisting the Board of Directors in overseeing the implementation, conducting business pursuant to relevant management regulations, to ensure the implementation of the Ethical Corporate Management Best Practice Principles. Regular reporting is made to the board of directors on a regular basis for at least once a year.

(1)	The board of directors has approved the "Ethical Corporate Management Best Practice Principles" in 2011, and the "Procedures for Ethical Management and Guidelines for Conduct" in 2021, to clearly specify the policies and conduct regulations for ethical management. • No providing or acceptance of bribes. • No providing illegal political contributions. • No improper charitable donations or sponsorship. • No offering or acceptance of unreasonable presents or hospitality, or other improper benefits. • No misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights. • No engaging in unfair competitive practices. • No damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.
(2)	For the Company's directors and senior management to understand and practice the principle of ethical corporate management, the "Ethical Statement" has been included in the document that new directors and senior management of the Company should sign.
(3)	The Company's Audit Office has incorporated the risk considerations of corporate governance and ethical management when preparing the annual audit plan, implemented relevant internal control audits according to the audit plan, and reported the audit results to the Audit Committee and the Board of Directors on a regular basis.
(4)	• Set up suggestion box The Company has established and announced the internal independent reporting mailbox on the Company's website or intranet for the use of internal and external personnel. Bonuses will be distributed to internal and external personnel who report dishonest conduct or misconduct based on the severity of the report. Rewards are given as encouragement. The manager of the unit accepting the report will keep the identity of the whistleblower and the content of the report confidential, and the whistleblower shall not be improperly punished due to the reporting.
(5)	• Compliance with laws and regulations The Company adheres to the principle of fair trade and competition, conducts fair competition in the competitive evaluation process, and does not discriminate against or deceive suppliers and customers. It does not exclude its competitors from fair competition and legitimate business using improper methods, does not fabricate and spread false facts to damage competitors' reputation. The Company evaluates the legitimacy and integrity policies of agents, suppliers, customers, or other business partners before establishing business relationships with others, and whether they have any record of unethical conduct to ensure fair and transparent business practices; and we do not ask for or accept bribes abiding by the principles of relevant laws and regulations of including but not limited to securities, labor and employment, bribery, copyright, trademark, business secret, employment harassment, occupational health and safety, erroneous or ambiguous financial information, or misuse of company property, and so on. Anyone can report any violations discovered to the company under the "whistleblowing system and procedures." In addition, the Company's Audit Office incorporates the risk considerations of corporate governance and ethical management when preparing the annual audit plan, and implements relevant internal control audits according to the audit plan to ensure the implementation of anti-corruption. In 2019, the EU passed the Whistleblower Protection Act, which represents an important indicator of anti-corruption. In addition to the aforementioned "Ethical Corporate Management Best Practice Principles" and "Ethical Corporate Management Operating Procedures and Guidelines for Conduct," the Company has also formulated relevant regulations to follow, including the "Procedures for the Prevention of Insider Trading, "Code of Ethical Conduct," "Corporate Governance Best Practice Principles," "Code of Professional Ethics and Conduct," and "Rules and Procedures of Board of Director Meetings" are disclosed on the Company's website and the MOPS, and on the Company's intranet. The Company continues to communicate with all employees over the Company's determination, policies, preventive plans and the consequences of violating the principles of "integrity and trustworthiness, incorruptible management, and fair trade", as well as the consequences of violating unethical conduct. The procurement unit is requested to constantly promote these principles to the suppliers and contractors, and at the same time the company regularly educates its directors, managers, and employees on the prevention of insider trading.
(6)	• Whistleblowing system (1) Establish and announce the internal independent reporting mailbox for the use of internal and external personnel. (2) Designate personnel or units responsible for handling reports. Reports involving directors or senior management shall be reported to the independent directors, and standard operating procedures for investigations shall be established. (3) After the investigation of the reported case is completed, the follow-up measures should be taken according to the severity of the case, and if necessary, the report should be reported to the competent authority or transferred to the judicial authority for investigation. (4) Records and retention of the acceptance of the whistleblowing case, the investigation process, the investigation results, and the preparation of related documents. (5) The identity of the whistleblower and the content of the report will be handled in a confidential and responsible manner, and measures to protect the whistleblower from being improperly handled due to the reporting situation. • Whistleblower Protection System The Company has established regulations prohibiting any reported person from retaliation against other whistleblowers (the Company's employees/suppliers). Relevant personnel handling the report shall declare in writing that the identity of the whistleblower and the content of the report are kept confidential in accordance with the relevant regulations, and promises to protect whistleblowers from being improperly punished due to reporting.

Communication and Training on Anti-Corruption Policies and Procedures

To embed ethical corporate management in the Group's corporate culture, the Group seeks to prevent operational risks arising from unethical conduct through ongoing awareness initiatives and education and training. No incidents involving violations of corporate governance or ethical conduct, or corruption, occurred in 2025. Communication and training on anti-corruption policies and procedures covered the Taiwan Headquarters, Kunshan in mainland China, and Hanoi, Vietnam. The implementation of ethical corporate management awareness, training, and communication is described below:

A. Education, Training, and Awareness Initiatives for Directors and Employees

In addition to participating in external education and training on ethical corporate management, including courses on fraud risk practices and management, corporate governance, professional ethics and legal responsibilities, accounting systems, and internal controls, the Group Legal Office provides legal education and training on ethical corporate management, integrity commitments, commercial bribery, intellectual property rights, and related topics. Ethical corporate management awareness training is also provided to new employees. In 2025, all nine Board members (100%) completed communication on anti-corruption policies. In addition, education, training, and communication on ethical corporate management were provided to employees and non-employee workers, including dispatched workers, at all plants. The total number and percentage of participants or persons reached, by region and personnel category, are as follows:

Anti-Corruption Education and Training for Employees and Non-Employee Workers

Region \ Category		2024		2025	
		Management Level	Non-Management Level and Non-Employee Workers	Management Level	Non-Management Level and Non-Employee Workers
Taiwan	Number of Participants	10	16	13	16
	Total number of members	30	59	29	70
	Participation percentage	33%	27%	45%	23%
Kunshan	Number of Participants	6	19	22	375
	Total number of members	66	1,540	67	1,342
	Participation percentage	9%	1%	33%	28%
Vietnam	Number of Participants	-	531	3	206
	Total number of members	40	1,508	46	1,445
	Participation percentage	-%	35%	7%	14%
Total	Number of Participants	16	566	38	597
	Total number of members	136	3,107	142	2,857
	Participation percentage	14%	21%	27%	21%

Anti-Corruption Communication for Employees and Non-Employee Workers

Region \ Category		2024		2025	
		Management Level	Non-Management Level and Non-Employee Workers	Management Level	Non-Management Level and Non-Employee Workers
Taiwan	Number of Participants	11	6	12	9
	Total number of members	30	59	29	70
	Participation percentage	37%	10%	41%	13%
Kunshan	Number of Participants	6	-	6	-
	Total number of members	66	1,540	67	1,342
	Participation percentage	9%	-%	9%	-%
Vietnam	Number of Participants	2	-	6	-
	Total number of members	40	1,508	46	1,445
	Participation percentage	5%	-%	13%	-%
Total	Number of Participants	19	6	24	9
	Total number of members	136	3,107	142	2,857
	Participation percentage	14%	-%	17%	-%

B. Supplier Integrity Commitment

Based on the principles of fairness, honesty, trustworthiness and transparency, the Company conducts the business. In order to implement the ethical corporate management policy, and actively prevent unethical conducts, suppliers or contractors are required to sign the "Commitment of Ethics and Integrity," as many as 95.24%.

The total number and percentage of suppliers participating by region are as follows:

Region		Suppliers/third-party suppliers	
		2024	2025
Taiwan	Number of participating companies	41	39
	Total number of new suppliers	44	40
	Participation percentage	93.18%	97.50%
Kunshan	Number of participating companies	21	53
	Total number of new suppliers	23	55
	Participation percentage	91.30%	96.36%
Vietnam	Number of participating companies	8	8
	Total number of new suppliers	9	8
	Participation percentage	88.89%	100.00%
Total	Number of participating companies	70	100
	Total number of new suppliers	76	105
	Participation percentage	92.11%	95.24%

* Note: The signing of the Letter of Undertaking of Integrity and Ethics is governed by the internal management regulations of each plant. Suppliers who obtain technical drawings and other confidential, proprietary information from the Company in connection with the supply of specific goods or services are required to sign the undertaking.

C. Regular Inspection

The Company has established the "Reward and Punishment Management Regulations," incorporating ethical management into employee performance appraisal and human resources policies, to establish a clear and effective discipline system.

Mechanisms for Seeking Advice and Raising Concerns

We have established the Audit Office, which is responsible for coordinating the formulation, supervision, and implementation of the Company's responsible business conduct policies and regulations, as well as the investigation and punishment of reported cases. The Audit Office reports to the Board of Directors and the Audit Committee at least once a year on the business ethics, legal compliance, reported events and so on matters. To improve the supervisory function of corporate governance, the Company has established internal and external consultation and reporting channels. Employees and other stakeholders are informed of the consultation and reporting channels through annual education and training, internal emails, and publicity on the Company's official website.

External Channels	An anonymous reporting mailbox is available on the official website	ethical@nishoku.com.tw
	Whistleblower Mailbox	ethical@nishoku.com.tw
	Employee complaint mailbox	nsk_hr@nishoku.comt.tw

Upon receiving a report, the Company immediately arranges for the responsible unit to investigate the case according to the nature of the case, and properly records and follows up on the handling. The identity of the whistleblower, the content of the report, and the investigation participant shall be kept confidential to prevent unfair treatment or retaliation. For confirmed cases, the Company will take the necessary legal actions, including terminating the employment contract or business relationship and taking necessary legal actions, depending on the circumstances. At the same time, publicity measures for ethical corporate management (including insider trading) and the Company's internal e-mail publicity will be adopted to provide employees with awareness and prevent similar incidents from happening again.

If there is any violation of ethical corporate management or responsible business practices, employees can also report and submit their opinions to the management immediately through the Company's internal physical suggestion box, email, or the stakeholder section on the official website. External stakeholders who are aware of violations of ethical corporate management or business ethics may report the violation through the hotline set up by the Company or the Stakeholders section on the official website.

When stakeholders submit their opinions through the exclusive email of the stakeholder section, the information will be sent to the corresponding dedicated contact point through the system, and the dedicated contact point must report the processing progress within the specified time. The Company regularly conducts compilation, statistics and tracking of processing progress each month.

2.3 Information Security and Privacy Protection

Information Security and Privacy Protection Management

To ensure the information security of Nishoku, the Company has established the "Information Security Policy and Regulations" to protect the information security of employees, customers, and suppliers. In 2025, the Company did not experience any major information security incidents, nor were there any cases of customer data breaches, system interruptions, or operational losses caused by information security issues.

Cybersecurity Policy Objectives



Cybersecurity Risk Framework

To strengthen information security management and ensure the security of data, systems, and networks, the Company established a dedicated cybersecurity unit in 2023. The unit is responsible for managing Nishoku Technology's overall operational management units, management systems, and core systems. The Company comprehensively promotes information security policies through its information security architecture, internal management processes, auditing and controls, and confidential information management. The dedicated cybersecurity unit ensures that the Company can identify cybersecurity risks in advance, implement information security maintenance and operations, establish a rapid response team, and continuously develop, implement, and improve the information security management system. The unit reports annually to the Board of Directors on the Company's information security governance, the effectiveness of the information security management system, and matters requiring improvement. The most recent report was submitted to the Board of Directors on December 19, 2025.

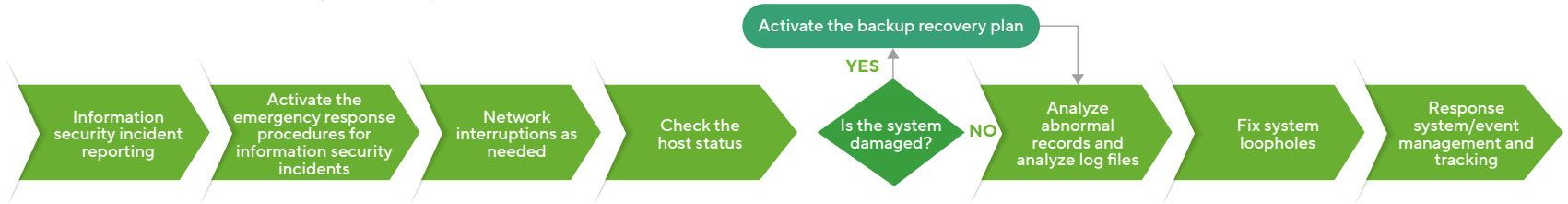
Dedicated Cybersecurity Unit

Taking into consideration the Company's scale and operational status, the dedicated cybersecurity unit currently comprises one Chief Information Security Officer and one dedicated information security staff member. The information security staff member has obtained the entry-level and intermediate-level Information Security Engineer certifications issued by the Ministry of Economic Affairs, as well as the Fortinet Certified Fundamentals in Cybersecurity certification in 2025. In addition, Audit Office personnel who hold ISO 27001 information security auditor certification regularly audit the control procedures for information and communications security inspections. To strengthen distributed denial-of-service (DDoS) protection services, the Company completed its membership in the TWCERT Cybersecurity Alliance in 2024.

Cybersecurity Control Measures and Management Plans

To ensure the confidentiality, integrity, and availability of information assets, we have formulated strategies to prevent, detect, and respond to information security risks. The specific information security management solutions are as follows:

Computer Device Security Management	1. The Company's computer mainframes and various application servers, as well as other equipment are installed in the dedicated data centers. The access control of the data centers adopts the induction card for entrance and exit, and the access are logged for reference. 2. The air conditioners in the data centers have backup mechanisms to keep the computer equipment running in a stable environment with appropriate temperature and humidity; the HFC-23 environmental gas automatic fire extinguishing system is employed and it is to be applied to fires caused by general factors or appliances. 3. The mainframes in data centers are equipped with uninterruptible power supply and voltage stabilization equipment, and are connected to the power supply system of generators provided by the Company's building, to avoid crashes caused by sudden power failure from Taipower, or to ensure that the operation of the computer application systems will not be interrupted during a temporary power failure.

Network and System Security	1. the entrance to connect the external network is installed with the enterprise-level firewalls to prevent illegal intrusion by hackers. 2. Taipei Group Headquarters and overseas plants: the connection operation of Kunshan, Shenzhen and Vietnam plants uses the Multi-Level Protection Scheme (MLPS) to prevent illegal capture during data transmission. 3. When logging into the Company's intranet remotely to access the ERP system, an SSLVPN account must be applied for. Login is only valid for use through the secure method of SSLVPN, and the use records are left for audit. 4. The internet conduct management and filtering equipment are configured to control the internet access, block access to harmful or network addresses and content prohibited by policy, to strengthen network security and prevent bandwidth resources from being improperly occupied. 5. The Company's corporate website is maintained by a third party contracted by the Company, and the Company's cloud server is protected by a comprehensive information security protection mechanism. 6. In addition to the IDS and IPS, in order to prevent the DDoS attack, the Cloud WAF network application program is adopted to set up a firewall. Based on the realization of the big data capability of cloud security, the Company has set up a defense mechanism for OWAS attacks such as SQL injection, cross-site scripting xss, common Web server add-on bugs, trojan horses uploading, and unauthorized core resource access, to prevent malicious traffic from intruding into the website by filtering massive malicious CC attacks. In the face of the threat of DDoS attacks, the Company has established traffic monitoring, static page switching, traffic cleaning and other defense mechanisms to ensure the normal operation of the website.
Antivirus and Management	1. Endpoint protection software is installed in the server and the terminal computer devices, and the virus codes are automatically updated to ensure that the latest viruses would be blocked, while detecting and preventing the installation of potentially threatening system execution files. 2. The email server is equipped with email anti-virus and spam filtering mechanisms, to prevent viruses or spam from entering the user's PC.
Access Control	1. For using of each application system, the system access application procedure stipulated by the Company must be followed; upon the approval of the accountable officer, the information department will establish a system account, and each system administrator will authorize the access based on the applied functions before the access is granted. 2. The password setting of an account requires appropriate strength and digits; the password must contain alphabets, numbers, and symbols for being valid. 3. When implementing the resignation (leave) procedures, the Information Department must be informed to delete the accounts at each system.
Ensuring the Sustainable Operation of Systems	1. System backup: a cloud-based backup system is built, and a daily backup mechanism is adopted. In addition to uploading a copy to the cloud-based storage service, Microsoft OneDrive, another set of copy is stored in the data center, to ensure the security of the system and data. 2. Disaster recovery drills: the drill is conducted for each system annually. After the restoration datum point is selected, the data are sent from the backup media to be restored in the system mainframe, and the user unit will confirm the accuracy of the restored data in writing, to ensure the accuracy and validity of the backup media. 3. Execute every year vulnerability scans or penetration tests on core systems。. 4. Two data lines are leased from the telecommunication provider. Through the bandwidth management equipment, the two lines are used in parallel to backup each other, to ensure that the network communication is not interrupted. 5. In line with the Taiwan Stock Exchange's release of the "Information Security Management Guidelines for Listed and OTC Companies," we have joined the Taiwan Computer Emergency Response Team (TWCERT) to periodically receive threat intelligence and promptly address and patch vulnerabilities that pose security risks.
Promotion, Education, and Training of Information Security	1. Reminding promotion: the employees are required to change password regularly, to keep the account secure. 2. Seminar promotion: the information security related trainings are conducted for the internal employees every year.
Information Security Incident Management	• Standard Procedures for Information Security Incident Response  As the Company is listed on the Taiwan Stock Exchange, it complies with Subparagraph 26, Article 4 of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities. In the event of a material information security incident, the Company shall, in addition to following its information security emergency reporting and response procedures, disclose material information. Where the estimated loss, after deducting insurance compensation calculated in accordance with Article 11, exceeds 20% of the Company's paid-in capital or NT$300 million, the dedicated cybersecurity unit shall report the matter to the convener of the Board of Directors. After approval through the Company's spokesperson system, a press conference shall be held to explain the material information. No material information security incidents occurred in 2025.

Strengthening Employees' Information Security Awareness

To enhance employees' information security awareness, the Company implements information security education and training for employees. In 2025, the Company offered six training sessions, with 14 participants and a cumulative 128.5 hours of awareness training. In addition, the Company conducts monthly information and communications security awareness campaigns covering cyberattacks, phishing, business email monitoring, ransomware, and other topics. Employees are also required to change their system passwords quarterly to maintain account security. Information security awareness campaigns and education and training conducted in 2025 are as follows:

Month	Topic of Advocacy
Jan	HTML phishing is on the rise: attackers hide links in HTML attachments and use obfuscation techniques to evade cybersecurity detection.
Feb	Fake market research companies collecting voiceprints? AI-assisted phishing has evolved from phishing emails and text messages to voice-cloning and impersonation scams.
Mar	Analysis of three AI "going off the rails" scenarios and response measures / New investment fraud tactic: fake business cards enclosed in mailed paper documents.
Apr	Hackers impersonated the Ministry of Finance to launch social engineering email attacks.
May	ASRC Email Security Watch, Q1 2025.
Jun	AI and collaboration software have become accomplices in hacker attacks, with cybersecurity incidents at small and medium-sized enterprises increasing by 8,500 cases in four months.
Jul	KnowBe4 released its Q1 2025 phishing report: internal communications have become the most deceptive category of phishing emails.
Aug	AI browsers can be deceived into automatically placing orders on fraudulent e-commerce websites.
Sep	AI is fueling the continued rise of social engineering attacks.
Oct	The National Institute of Cyber Security Research reminds users not to use predictable weak passwords.
Nov	ASRC Email Security Watch, Q3 2025.
Dec	Preventing QR code fraud traps.

Education and Training	Implementation Outcome
Education and training for dedicated personnel of the dedicated cybersecurity unit	Dedicated personnel of the cybersecurity unit regularly participate in relevant education and training courses to continuously enhance their professional knowledge and promptly adjust cybersecurity preventive measures and hardware upgrade plans in response to advances in information technology. In 2025, they attended five external training courses: Cybersecurity Control Guidelines for TWSE/TPEx Listed Companies – E-Course; Information Security Awareness, Essential Knowledge, and Responsibilities – E-Course; Cybersecurity Incident Overview and Preventive Measures – E-Course; ISO 27001 Controls and Practical Verification of Information and Communications System Protection Baselines; and Information and Communications Security Vulnerability Notification System (VANS). Total training hours were 18, with a cumulative attendance of eight participant-times.
Internal education and training	I In 2025, the Company conducted six information security education and training sessions: Spam Filtering Software and Email System Operation Training; Centralized Antivirus Server Management; How ISO 27001 Strengthens Corporate Defense Systems; VMware Fundamentals; Corporate Network Fundamentals and Practices; and Social Engineering and Information Security Education and Training. Total attendance was 47 participant-times, and the training totaled 128.5 hours.
New employee training	All new employees completed information security and protection education and training courses.
Regular drills	In 2025, the Company conducted one disaster recovery drill and one email social engineering drill.



2.4 Risk Management

The Company's Risk Management Measures were revised and renamed the Risk Management Policy and Procedures with the approval of the Board of Directors in December 2023. The Board of Directors serves as the highest governance body for risk management. In June 2024, the Board approved the establishment of the Sustainability Development and Risk Management Committee and appointed three independent directors and two directors as its members. The Committee supervises risk management mechanisms. The Risk Management Promotion Team, established under the Committee, is responsible for implementation and execution, with the General Manager designated as its convener. The risk management procedures established under the Risk Management Policy and Procedures include risk identification, risk measurement, risk monitoring, risk reporting and disclosure, and risk response. The Risk Management Promotion Team assesses the likelihood and impact of risk events to determine their frequency and the severity of their impact on the Company's operations, with the aim of maintaining risks within an acceptable range. The Team reports on its operations to the Sustainability Development and Risk Management Committee and the Board of Directors at least once annually. The Board also reviews implementation in accordance with the adopted response strategies and provides guidance for revisions when adjustments to the strategies are necessary. In addition, the Internal Audit unit conducts regular and ad hoc audits of the implementation of the internal control system in accordance with internal regulations and the internal control system. On December 19, 2025, the Risk Management Promotion Team reported on its operations to the Sustainability Development and Risk Management Committee and the Board of Directors. For information on the Company's climate-related risk management system and practices, please refer to Section 4.1, Climate Strategy, of this Report.

【Risk Management Process】



【Risk Management Procedures】

STEP 01

Risk Identification

Each operating unit or person responsible for business operations shall, at least annually, conduct comprehensive enterprise-level and operational-level risk identification related to the Company's operations, including economic (including corporate governance), environmental, social, and other aspects, in accordance with the principle of materiality, the Company's strategic objectives, and the Risk Management Policy and Procedures approved by the Board of Directors.

STEP 02

Risk Measurement

After identifying potential risk factors, each operating unit or person responsible for business operations shall establish appropriate measurement methods as a basis for risk management.

STEP 03

Risk Monitoring

Each operating unit or person responsible for business operations shall monitor risks associated with its business. When the level of exposure exceeds the applicable risk limit, the relevant department shall develop response measures and report the risks and available response measures to the Risk Management Promotion Team.

STEP 04

Risk Reporting and Disclosure

The Risk Management Promotion Team shall consolidate risk information and implementation results provided by each unit and submit a risk management report to the Sustainability Development and Risk Management Committee on a regular basis, at least once annually, for management reference.

STEP 05

Risk Response

After assessing and consolidating risks, the Risk Management Promotion Team shall propose appropriate response measures for the risks faced and submit them to the Sustainability Development and Risk Management Committee. The Team shall implement the response strategies adopted by the Board of Directors and regularly track implementation results.

Nishoku Technology regularly reviews and revises its risk management practices to ensure that, while pursuing growth and innovation, the Company maintains sound risk controls and sustainable operating capabilities.

【Risk Management Practices】

Aspect	Risk Item	Risk Description	Risk Management Practices
Economic (including corporate governance)	Operational Risk	Risks relating to sales concentration, procurement concentration, intellectual property protection, legal compliance, talent recruitment and retention, and the development and maintenance of the corporate image.	1. In response to industry changes, the Company establishes strategic objectives annually and applies budget controls. Budget achievement rates are monitored twice monthly to maintain oversight of operating conditions. 2. A monthly management meeting is chaired by the Group's General Manager to review the achievement of operating plans, track and analyze performance, and develop response strategies.
	Financial Risk	Includes market risk, credit risk, liquidity risk, and operational risk.	1. The Company does not engage in high-risk or highly leveraged investments or derivative product transactions. Loans to others and endorsements and guarantees are handled in accordance with applicable regulations and Company procedures, and are provided only to investee companies rather than external parties. 2. Interest rate risk arises from short-term and long-term borrowings bearing floating interest rates. Part of this risk is offset by cash and cash equivalents held at floating interest rates. 3. To reduce foreign exchange risk, the Company engages an external financial institution team as foreign exchange consultants to prepare weekly exchange rate forecasts and monitor the effects of monetary policy, inflation, commodity price indices, and other macroeconomic conditions in major global economies.
	Strategic Risk	Includes risks associated with excessive concentration in a single region, customer concentration and the impact of major customers, concentration in agency lines and the impact of major product lines, industry concentration, and mergers and acquisitions.	1. The Company actively collects, analyzes, and responds to industry and customer information, and evaluates the expansion of product lines to reduce the risk of excessive concentration in a single customer. 2. The Legal Affairs Office regularly reports market and economic trends and operational strategy matters to the General Manager. Where high-risk concerns arise, the Risk Management Promotion Team consolidates a report for submission to the Audit Committee and the Board of Directors for review and decision-making, thereby reducing strategic risk.
	Legal and Regulatory Compliance Risk	Potential losses resulting from failure to comply with applicable laws and regulations issued by competent authorities, including environmental regulations, personal data protection, corporate governance, and anti-corruption requirements. This also includes potential losses arising where contracts entered into by the Company lack binding force or legal validity due to unauthorized acts, omissions in contractual terms, or inadequate provisions.	1. The Company engages external law firms as legal counsel to handle major contracts and provide advice on relevant legal matters. 2. The Company requires suppliers and contractors to sign a Letter of Commitment to Honesty and Integrity to proactively prevent unethical conduct and implement its ethical corporate management policy. In 2025, 95.24% of suppliers signed the Letter of Commitment to Honesty and Integrity. 3. The Company participates in external education and training on ethical corporate management, including courses on fraud risk practices and management, corporate governance, professional ethics and legal responsibilities, accounting systems, and internal controls, totaling 176 hours. 4. The Legal Affairs Office conducts Group-wide legal education and training on ethical corporate management, integrity commitments, commercial bribery, and intellectual property rights. In 2025, four sessions were conducted, with 87 participant-times and 111 hours of awareness training.
	Information Risk	The risk that the Company's information assets may be exposed to unacceptable risks, preventing the confidentiality, integrity, and availability of information from being ensured. This includes unauthorized access to information, failure to ensure that information content and information processing methods are correct and complete, and failure of authorized users to access information and related assets in a timely manner when needed, resulting in potential losses.	1. The Company has established antivirus and anti-hacking mechanisms for information equipment and a backup environment for information equipment. Penetration testing, vulnerability scanning, and self-inspections of network and computer equipment security are conducted annually to identify potential issues early and remediate vulnerabilities. 2. The Company conducts monthly cybersecurity awareness campaigns and case sharing to strengthen employees' information security awareness, and has established secure connection mechanisms, including firewalls, SMART VPN, corporate virtual private networks, and email security controls. 3. New employees are required to understand information security requirements during orientation training. Information security education and training are conducted regularly to enhance employees' awareness of information security. 4. In 2025, the Company conducted six information security education and training sessions: Spam Filtering Software and Email System Operation Training; Centralized Antivirus Server Management; How ISO 27001 Strengthens Corporate Defense Systems; VMware Fundamentals; Corporate Network Fundamentals and Practices; and Social Engineering and Information Security Education and Training. Total attendance was 47 participant-times, and the training totaled 128.5 hours.

Aspect	Risk Item	Risk Description	Risk Management Practices
Environmental	Environmental Risk	Risks related to greenhouse gas emissions management, carbon credit management, and other climate change and natural disaster-related matters, as well as risks associated with compliance with international and local environmental laws and regulations, including air, water, waste, toxic substance, and noise emission management and environmental impact assessment requirements.	1. As customers require products to comply with environmental requirements, the Company and its major operating sites, including the Kunshan Plant and Vietnam Plant, have obtained ISO 14001 environmental management certification and continue to renew the certification regularly. 2. In accordance with the government's timetable, the Company completed greenhouse gas inventories for all Group operating sites ahead of schedule and continues to conduct self-inventories. The Kunshan Plant obtained greenhouse gas inventory assurance under ISO 14064 in 2025. 3. The Company has completed inventories of waste, water resources, and wastewater management at all Group operating sites. Waste quantities are reported to local government authorities in accordance with local environmental regulations. 4. The Company continues to promote energy conservation and implement recycling and reuse measures.
Social	Operational Hazard Risk	The risk of the likelihood and loss of sudden major hazardous incidents caused by occupational safety and health, safety protection and emergency response, or other improper human management or operations.	1. The Company conducts occupational safety education and training and awareness activities. In 2025, plants conducted courses including OHS 45001 Occupational Safety Training, Natural Disaster Emergency Response, Occupational Health and Safety Hazard Awareness and Assessment, and Environmental Risk Source Awareness and Assessment. 2. The Company arranges relevant training for personnel responsible for safe work guidance, including certifications in Radiation Safety (XRF Instrument) Training, Chemical Technical Safety Training, Occupational Health Training, Special Equipment Certificate Training, and Hazardous Chemicals Use Training, to promote and ensure compliance with standard operating procedures for safe production-related processes.
Other Risks		For risks other than those described above, appropriate risk control procedures shall be established based on the characteristics of the risk and the degree of impact.	Disease control: Reduce the risk of disease transmission and strengthen the social health management of employees within the plants.

【Risk Sensitivity Analysis】

Category	Risk Item	Description
Financial	Interest Rate Risk	Interest rate risk primarily arises from borrowings and bank deposits bearing floating interest rates. If interest rates increase or decrease by 0.25 percentage points, with all other variables remaining constant, net income would decrease by NT$635 thousand.
	Foreign Exchange Risk	Foreign exchange risk primarily arises from foreign exchange gains and losses generated when foreign currency-denominated items are translated. If the New Taiwan dollar depreciates or appreciates by 1% against the U.S. dollar, Japanese yen, euro, and Vietnamese dong, with all other variables remaining constant, profit before tax would increase by NT$45,921 thousand.

【Risk Reporting Mechanism】

Nishoku Technology values the connection between stakeholders and risk governance. Through formal channels such as the Annual Report and Sustainability Report, as well as stakeholder contact points, the Company discloses risk governance outcomes in the Annual Report and reports published on its websites to ensure that external stakeholders can understand the effectiveness and progress of risk management. The Company also provides transparent information disclosure and feedback mechanisms to enable stakeholders to participate in the risk governance process and communicate and express their views.

Nishoku Technology's Stakeholder Communication Channels: https://www.nishoku.com.tw/zh-TW/Investor/Relationship

03

Innovation Value

3.1 Customer Service and Product Quality
3.2 Sustainable Production Management
3.3 Intelligent Production Management
3.4 Supply Chain Management



3.1 Customer Service and Product Quality

Management of Material Topics - Customer Service and Product Quality

Material Topics	Customer Service and Product Quality	
Impact Description	Negative impact: Poor customer service and product quality, together with a failure to align with prevailing sustainability trends and further adopt environmentally friendly processes or materials, may reduce customers' willingness to cooperate and create operational risks for the Company. Positive impact: Providing high-quality products enhances customer satisfaction and strengthens brand reputation. Introducing environmentally friendly processes or materials in response to market demand enhances market competitiveness.	
Policy/Commitment	Quality First, Guaranteed Satisfaction; Customer First, Prompt Service; Improvement First, Continuous Excellence.	
Actions Taken	1. Conduct regular education and training to improve overall service quality. 2. Accelerate the introduction of production line automation to improve production efficiency. 3. Hold regular meetings to discuss improvement plans for production defects and efficiency enhancement.	
Tracking and Evaluation Mechanism	1. Conduct an annual customer satisfaction survey. 2. Maintain an annual defect rate below 2%.	
Management Objectives and Annual Performance	Short-Term Goals (2026)	2025 Annual Performance
	1. Maintain an overall customer service satisfaction score of ≥95 points. 2. Increase the utilization rate of water-based paint processes to 50% of all spray-painting production lines.	1. The average customer satisfaction survey score reached 91.6 points in 2025. 2. In 2025, water-based paint processes accounted for 44% of the Group's spray-painting production lines. 3. In 2025, post-consumer recycled (PCR) material usage accounted for 58.52%, 39.02%, and 31.40% at the Kunshan Plant, Vietnam Plant, and Taipei Plant, respectively.
	Medium-Term Goals (2028)	Long-Term Goals (2030)
	1. Maintain an overall customer service satisfaction score of ≥95 points. 2. Increase the use of environmentally friendly materials (PCR) to account for 30% of the overall material consumption.	1. Maintain an overall customer service satisfaction score of ≥95 points. 2. Sustained and steady growth of 5% in annual performance.
Stakeholder Engagement	• Customers: 1. The internal production efficiency and quality improvement of the factory can not only improve its own production efficiency, but also provide more competitive products to customers. Promote the benefits of cooperation between both parties, thereby making customers more willing to cooperate. 2. Responding to all problems reported by customers in a timely manner and making corresponding improvements can increase customer trust and satisfaction, thereby enhancing customers' willingness to cooperate in transactions. Quarterly customer satisfaction surveys are conducted via telephone, in-person visits, teleconference, formal writing and so on methods to communicate with customers. The average satisfaction score was 99 points. • Suppliers: 1. Collaborate with suppliers to provide products that meet current environmental requirements and customer quality requirements, so as to achieve the quality of products shipped, increase customer satisfaction scores, and thereby enhance customers' willingness to cooperate.	

3.1.1 Product Quality and Safety

The Nishoku Group has consistently participated in customers' early-stage product development, enabling it to stay abreast of advanced technology developments. Through process innovation capabilities and the use of advanced computer analysis systems, the Group reduces the number of mold trials and improves mold precision, thereby earning customers' trust through high quality. In addition, the Group uses automated equipment for rigorous production operations and high-speed plastic injection molding equipment to improve production efficiency and competitiveness. To encourage employee invention and innovation, the Group also applies for patents for innovative processes to safeguard intellectual property, secure and expand potential future markets, and enhance economic benefits. At every stage of production, the Nishoku Group upholds customers' emphasis on product quality. From product research and development through the production process, professional quality personnel strictly control the entire process to maintain stable, high-quality products and meet customer needs.

As environmental issues become increasingly important, raw materials used in all Nishoku Group products are selected after consultation with customers. Such materials must comply with the latest regulatory requirements for environmental protection and health, including requirements related to ISO 14001 environmental management systems, ISO 9001 quality management systems, TS 16949 quality management systems, ISO 13485 medical device quality management systems, and other international certifications. The materials must also comply with the requirements of the European Union Restriction of Hazardous Substances (RoHS) Directive and REACH Regulations. In addition, as product material selection is required to comply with current environmental regulations, Nishoku labels 100% of its products with relevant environmental labels, such as RoHS and HF, in accordance with customer requirements. In 2025, Nishoku had no incidents of non-compliance with regulations concerning the health and safety impacts of products and services, product and service information and labeling, or marketing communications.



3.1.2 Customer Service

Customer Rights Policy and Grievance Channels

Although the Company operates in the manufacturing industry and does not sell products directly to end consumers, it places great importance on customer rights, the control of hazardous substances in products, and health and safety during product use. The Company seeks to ensure that its products and services do not cause direct or indirect harm to consumers or other stakeholders. To safeguard customer rights and interests and strengthen the effectiveness of grievance handling, Nishoku has established the Customer Management Service Procedure, which covers customer relationship maintenance and communication, as well as transparent grievance acceptance and handling processes. The Stakeholder Area on the Company's website provides channels for customers and stakeholders to report matters relating to product quality, services, or infringement of rights and interests. For information on customer communication and customer complaint contacts, please refer to the Company's website and Section 1.2, Stakeholder Engagement and Communication, of this Report.

Customer Complaint Procedure

To promptly address customer questions and needs, customer complaints are centrally handled by a dedicated unit in accordance with the Customer Management Service Procedure and the Corrective, Preventive, and Continual Improvement Procedure. When a quality abnormality occurs, the responsible department analyzes the cause, promptly implements corrective and preventive actions, and verifies the effectiveness of the improvement results to ensure that the issue is resolved. Where necessary, the Company initiates internal investigations and cross-departmental review meetings to continuously optimize product and service quality.

Customer Data and Privacy Protection

The Company is committed to protecting customer information security and safeguarding customer rights and interests. The Company has established the Customer Confidential Information Management Measures to protect customer privacy and confidential information. Personnel who access confidential and sensitive information relating to customer projects must submit an internal application and obtain authorization to access such information, thereby protecting customer privacy rights and interests. In 2025, there were no incidents involving infringement of customer privacy or loss of customer data, and the Company received no information security-related complaints.

Customer Satisfaction Survey and the Education and Training

To strengthen customer relationships and service quality, the Company conducts customer satisfaction surveys at least once annually in accordance with the Customer Satisfaction Management Procedure. The surveys cover delivery quality, price, on-time delivery, problem-solving capability, response efficiency, and personnel professionalism. Quarterly surveys are conducted regularly for key customers. Over the past five years, the average overall customer service satisfaction survey score has ranged from 91 to 99 points. In 2025, the average overall customer service satisfaction score was 91.6 points, indicating customers' strong recognition of the Company's overall services.

The Company also conducts monthly education and training on service-related matters, with each session lasting approximately 30 minutes to one hour, to ensure that frontline personnel have the professional knowledge and positive service attitude needed to enhance customer satisfaction and trust and achieve the established overall customer service satisfaction target. Customer feedback is addressed through telephone calls, in-person visits, video conferences, and formal correspondence, with timely responses and improvements made to further strengthen customers' willingness to cooperate and build long-term partnerships. Going forward, the Company will continue to use complaint data and statistical trend analysis as a basis for quality improvement and service enhancement, thereby fulfilling its corporate responsibility.

3.2 Sustainable Production Management

With respect to environmental protection, the Nishoku Group continues to uphold its long-standing business philosophy. In recent years, in response to environmental protection, energy conservation, and carbon reduction issues, the Group has worked with customers to promote the adoption of environmentally friendly raw materials in plastic production while exploring opportunities to optimize its processes. The Company is committed to using environmentally friendly water-based paint processes and continuously expanding the use of post-consumer recycled (PCR) raw materials.

The Nishoku Group works with customers and suppliers to develop water-based paint processes to reduce carbon emissions and the generation of environmentally harmful substances, while ensuring that the processes meet customer requirements for product specifications and quality. In addition, the Group collaborates with customers and suppliers in selecting PCR materials to reduce carbon emissions and the generation of environmentally harmful substances. The Group also identifies suitable materials for different product categories to meet customer requirements for product strength and quality. Currently, water-based paint processes account for 44% of the Nishoku Group's spray-painting production lines.

The Kunshan Plant in mainland China and the Vietnam Plant, the Group's primary operating sites, together account for more than 60% of the Group's annual plastic consumption. PCR raw material use at the Kunshan Plant and Vietnam Plant has increased annually since 2021. In 2025, PCR material use accounted for 58.52% and 39.02% of total material use at the Kunshan Plant and Vietnam Plant, respectively. Due to the mass production of new models, PCR raw material use at the Taipei Plant also increased significantly in 2025, accounting for approximately 31.04% of the Plant's total material use. PCR materials are primarily used in the production of mice, camera series products, and notebook computer peripheral accessories. The Nishoku Group will continue to work with customers to explore the use of environmentally friendly materials in products and jointly promote energy conservation, carbon reduction, and environmental protection.

PCR Material Consumption and Usage Ratios at Major Operating Sites

Unit: KG

Item	Plant	2023	2024	2025	Remarks
Raw material consumption	Kunshan Plant	2,863,237	2,986,056	2,451,000	
	Vietnam Plant	1,885,135	2,337,303	2,426,763	
	Taipei Plant	45,696	55,284	135,091	
PCR raw material consumption	Kunshan Plant	322,806	645,513	1,434,353	Computer mice, camera products, and computer peripheral accessories.
	Vietnam Plant	443,661	730,436	946,907	
	Taipei Plant	-	925	42,416	
PCR raw material consumption ratio	Kunshan Plant	11.27%	21.62%	58.52%	
	Vietnam Plant	23.53%	31.25%	39.02%	
	Taipei Plant	-%	1.67%	31.40%	

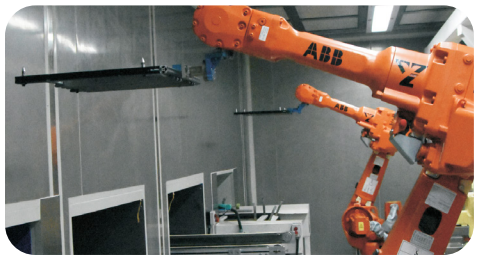
3.3 Intelligent Production Management

In addition to meeting customer needs through outstanding quality, Nishoku Technology has consistently pursued the ongoing optimization of production line processes and the advancement of industrial technology. The Kunshan Plant began gradually introducing automated mold production lines in 2018 and completed the construction of an intelligent mold workshop in 2021. The Plant successfully achieved genuine lights-out production, reducing labor requirements by 16%. Through the I-Quicker intelligent system, overall efficiency increased by 17.7% for CNC electrode processing, 16.7% for CMM electrode measurement, and 38.3% for EDM electrode discharge. Overall efficiency across mold production processes increased by 35.6%, while mold precision was also improved. In 2023, the Vietnam Plant initiated an assessment of intelligent mold production, replicated the Kunshan Plant's successful model, and accelerated implementation. The production system was officially introduced in August 2024. Intelligent production management not only helps optimize the cost structure effectively but also improves production quality and meets customers' high-quality requirements.

In addition to intelligent mold production, production lines for the Company's various plastic manufacturing processes are also highly automated, and operating efficiency continues to improve. In 2025, the Company independently developed the MES 2.0 Manufacturing Execution System, which integrates with its ERP, WMS, and QIS systems. The system enables managers to monitor production capacity, production progress, and abnormal conditions in real time, effectively reducing manual reporting and information gaps, accelerating management decision-making, and substantially reducing quality risks and subsequent rework costs. Automated data collection and processing increase process controllability, shorten production cycles, and improve management effectiveness. The in-house development architecture also enables the Company to introduce intelligent manufacturing while taking into account its existing system investments and steadily advancing digital transformation.









3.4 Supply Chain Management

Supply Chain Management Strategy

Nishoku has established the Supplier Management Regulations, Supplier Evaluation Management Procedures, Supplier Questionnaire, and Supplier Environmental Quality Assurance System Inspection Checklist to assess supplier review requirements. For new suppliers, the Group requires the submission of relevant supporting documents and conducts reviews of ethical conduct, labor and human rights, environmental management, restricted substances, and conflict-free minerals as a basis for determining whether suppliers are included on the qualified supplier list. Existing suppliers of raw materials and components are evaluated annually in accordance with the Supplier Evaluation Management Procedures, based on the impact of the products and services they provide on production, to ensure their continued compliance with the Group's sustainability policies and regulatory requirements.

Management System and Evaluation Mechanism

To strengthen supplier management and risk control, Nishoku has established and implemented the following systems and tools:



All suppliers commit to signing and complying with Nishoku's environmental policy, including compliance with applicable laws, regulations, and international standards; reducing the environmental impacts of operations; continuously improving environmental performance; implementing internal education and training; and actively communicating with stakeholders. If a supplier is involved in unlawful conduct, the Company may terminate its contract at any time. Where a supplier, customer, or business partner is involved in conduct that violates the Group's corporate social responsibility policy and has a significant impact on the environment or society, the Group may consider terminating the business relationship.

Compliance with Laws, Regulations, and International Trends

In response to increasingly stringent global environmental regulations, particularly the European Union Restriction of Hazardous Substances (RoHS) Directive and the Waste Electrical and Electronic Equipment (WEEE) Directive, Nishoku actively promotes green supply chain management. The Company requires suppliers to provide products manufactured using lead-free processes and to fully implement controls over prohibited substances. All suppliers are required to submit declarations of compliance with REACH, RoHS, and other applicable regulations, ensuring that their products do not contain prohibited chemicals or heavy metals, and to publicly disclose relevant information.

Supplier Evaluation System

The purpose of the supplier evaluation system is to carefully select qualified suppliers and ensure that the raw materials, equipment, and components they provide meet product specifications and can be supplied at reasonable prices, with the appropriate quality, quantity, and timeliness required for production. New suppliers engaged for the first time must undergo appropriate due diligence. The Company selects suppliers with sound creditworthiness and quality performance that commit to signing agreements on regulatory compliance, labor and human rights, environmental protection, health and safety, conflict minerals management, and sustainability management for long-term cooperation. Each year, suppliers of raw materials and components related to production are included in the annual evaluation scope based on factors such as transaction frequency, volume, category, and the degree of impact on customer requirements. Supplier evaluations are conducted, and the results of all evaluation items are reviewed to confirm compliance.



Supplier Risk Assessment and Due Diligence

Annual Evaluation Method:

To enhance supply chain resilience and risk identification capabilities, Nishoku conducts an annual evaluation of suppliers of raw materials and components related to production. In addition to product quality, delivery schedules, and production processes, the evaluation emphasizes sustainable development management, including labor and human rights, environmental management, restricted substance controls, hazardous substance-free materials, and conflict-free minerals. Appropriate actions are taken based on the evaluation results. Supplier evaluation scores are classified into four grades—A, B, C, and D—as shown below. The Procurement Department submits the evaluation results to the General Manager for review before taking the relevant actions, and the results serve as a basis for subsequent cooperation and risk control.

Evaluation Grading

Grade	Score	Action
A	90 or above	1. Increase the order quantity or contract award quantity as appropriate. 2. Receive priority qualification to undertake the Company's development sample production.
B	75 ~ 89	No action is required.
C	60 ~ 74	1. Decrease the order quantity or contract award quantity as appropriate. 2. The Procurement Department shall notify the supplier to make improvements within a specified period. If no improvement is made within that period, the supplier's qualification shall be canceled.
D	59 or below	Cancel the supplier's qualified status, and no further cooperation shall be undertaken for two years.

Implementation of Group Supplier Evaluations

Year of Evaluation	Evaluation Grade				
	Grade A Suppliers	Grade B Suppliers	Grade C Suppliers	Grade D Suppliers	Total Suppliers Evaluated
2024	91	51	-	-	142
	64%	36%	-%	-%	100%
2025	83	50	-	-	133
	62%	38%	-%	-%	100%

Supplier ESG Risk Assessment and Due Diligence

Nishoku is committed to establishing efficient, long-term collaborative relationships with suppliers. The Company uses five dimensions—environmental, social, governance, country/region, and product factors—to evaluate supplier ESG performance. The Company expects key suppliers to embrace and implement sustainable operating principles and practices, and uses these assessments to initially identify and manage suppliers with potential risks. These assessments and verifications enhance supply chain resilience, reduce operational risks, and promote sustainable management.

Assessment Dimension	Assessment and Specific Implementation
Environmental	The Company encourages suppliers to prioritize the use of post-consumer recycled (PCR) materials to reduce reliance on virgin resources. Suppliers are required to sign environmental assurance letters and prohibited substance declarations covering RoHS, REACH, Halogen-Free, and other requirements. Suppliers must provide credible third-party or original manufacturer test reports, and the Company regularly verifies the validity of such supporting documentation through document reviews.
Social	Procurement contracts expressly prohibit the employment of child labor. Suppliers are required to comply with labor laws and regulations, establish reasonable working hours and wage systems, and implement humane treatment, including prohibitions on forced labor, improper treatment, and discrimination. Suppliers must provide safe and healthy working environments. During evaluations, the Company confirms implementation through interviews and document reviews and communicates its social responsibility policy.
Governance	Suppliers are required to sign an Integrity Commitment prohibiting bribery, kickbacks, and other improper benefits, as well as a confidentiality agreement. Contracts expressly stipulate intellectual property protection requirements and prohibit infringement, counterfeiting, or the disclosure of patent and design information. Through interviews, document reviews, and supplier self-assessments, the Company comprehensively evaluates suppliers' financial condition, capital and profitability, and operational stability.
Country / Region	Based on supplier location, the Company incorporates regional and high-risk country controls and considers geopolitical conflicts and risks associated with high-risk countries to reduce supply disruptions, quality abnormalities, or compliance risks resulting from regional risks.
Product	Based on product attributes and raw material composition, the Company identifies whether materials may potentially contain hazardous substances or highly energy-intensive materials to determine whether they involve substances subject to regulatory restrictions or have high environmental impacts.

Supplier Environmental and Social Impact Assessment Results

Nishoku recognizes the importance of supply chain management to corporate sustainable development and is committed to establishing long-term partnerships with suppliers that demonstrate social responsibility and environmental awareness. To ensure supply chain transparency and accountability, Nishoku follows international sustainable supply chain management principles, has established a supplier social and environmental responsibility assessment mechanism, implemented rigorous supplier selection and management procedures, and continuously monitors supplier performance.

Nishoku applies a rigorous review system. In 2025, no suppliers were identified as having significant actual or potential negative environmental impacts.

Supplier Environmental Impact Assessment	2024				2025			
	Taipei Plant	Kunshan Plant	Vietnam Plant	Group Total	Taipei Plant	Kunshan Plant	Vietnam Plant	Group Total
Number of new suppliers added during the year	44	62	47	153	36	61	39	136
Number of new suppliers screened using environmental criteria	44	33	40	117	36	51	8	95
Percentage of new suppliers screened using environmental criteria	100%	53%	85%	76%	100%	84%	21%	70%
Total number of suppliers	339	671	249	1,259	353	687	242	1,282
Number of suppliers assessed using environmental criteria	44	33	40	117	353	308	75	736
Percentage of suppliers assessed using environmental criteria during the reporting period	13%	5%	16%	9%	100%	45%	31%	57%
Number of suppliers identified as having significant actual or potential negative environmental impacts	-	-	-	-	-	-	-	-
Number of suppliers identified as having significant actual or potential negative environmental impacts that have shown improvement	-	-	-	-	-	-	-	-
Percentage of suppliers identified as having significant actual or potential negative environmental impacts that have shown improvement	-%	-%	-%	-%	-%	-%	-%	-%
Number of suppliers identified as having significant actual or potential negative environmental impacts whose business relationships were terminated	-	-	-	-	-	-	-	-
Percentage of suppliers identified as having significant actual or potential negative environmental impacts whose business relationships were terminated	-%	-%	-%	-%	-%	-%	-%	-%

Supplier Social Impact Assessment	2024				2025			
	Taipei Plant	Kunshan Plant	Vietnam Plant	Group Total	Taipei Plant	Kunshan Plant	Vietnam Plant	Group Total
Number of new suppliers added during the year	44	62	47	153	36	61	39	136
Number of new suppliers screened using social criteria	44	23	9	76	36	55	8	99
Percentage of new suppliers screened using social criteria	100%	37%	19%	50%	100%	90%	21%	73%
Total number of suppliers	339	671	249	1,259	353	687	242	1,282
Number of suppliers assessed using social criteria	44	23	9	76	353	291	75	719
Percentage of suppliers assessed using social criteria during the reporting period	13%	3%	4%	6%	100%	42%	31%	56%
Number of suppliers identified as having significant actual or potential negative social impacts	2	1	-	3	-	-	-	-
Number of suppliers identified as having significant actual or potential negative social impacts that have shown improvement	-	-	-	-	-	-	-	-
Percentage of suppliers identified as having significant actual or potential negative social impacts that have shown improvement	-%	-%	-%	-%	-%	-%	-%	-%
Number of suppliers identified as having significant actual or potential negative social impacts whose business relationships were terminated	2	1	-	3	-	-	-	-
Percentage of suppliers identified as having significant actual or potential negative social impacts whose business relationships were terminated	100%	100%	-%	100%	-%	-%	-%	-%

Local Procurement

The Company continues to promote local procurement by working with local suppliers to support local economies and reduce transportation-related energy consumption. The proportion of procurement expenditures from local suppliers at major operating sites is shown below:

Year	2024			2025		
Region	Taiwan	China	Vietnam	Taiwan	China	Vietnam
Local Supplier Procurement Ratio (%)	32.43%	99.33%	92.28%	38.85%	99.34%	90.22%

* Note:
1. A local supplier is defined as a supplier whose factory registration location and operating location are in the same country as the Company's operating site.
2. The Company's major operating sites are located in Taiwan, China, and Vietnam.

Critical Materials Risk Management

Nishoku primarily engages in the design of precision plastic molds and the manufacture of plastic injection components. Its products are widely used in the information technology, telecommunications, automotive, and medical device industries. The Company's key materials consist primarily of various engineering plastics, including PP (polypropylene), ABS, PMMA, PC (polycarbonate), and PU (polyurethane).

Risk Identification and Management Mechanism

Nishoku has established the Sustainability Development and Risk Management Committee to coordinate the assessment and management of operational risks, including risks associated with the supply and price fluctuations of critical materials. The main risk types identified by the Company include:

- **Supply chain concentration and geopolitical risks:** The supply of certain plastic raw materials relies on specific regions. Geopolitical conflicts or trade restrictions could disrupt supply.
- **Price volatility risk:** Plastic raw material prices are highly volatile due to international oil prices and market demand.
- **Environmental protection and regulatory risks:** Certain materials may be subject to environmental regulations, such as requirements governing volatile organic compound (VOC) emissions.
- **Reputation risk:** A supplier's involvement in environmental pollution or labor disputes may affect the Company's brand image.

Risk Mitigation Strategies

Nishoku adopts multiple strategies to reduce critical material risks:

- **Diversified supplier management:** The Company works with 926 suppliers. Suppliers are included in the annual evaluation scope based on transaction frequency, volume, category, and the degree of impact on customer requirements. Additional assessments are conducted for key suppliers with annual procurement amounts exceeding NT$50 million.
- **Long-term cooperation and contractual safeguards:** The Company establishes long-term relationships with major raw material suppliers to ensure stable supply.
- **Material substitution and process innovation:** The Company promotes water-based paint processes to reduce reliance on high-VOC materials and continues to develop environmentally friendly alternative materials.
- **Inventory and procurement strategies:** The Company establishes safety stock for high-risk materials and adjusts procurement timing in accordance with market trends.
- **Supply chain due diligence:** The Company implements a supplier evaluation system to ensure that suppliers comply with environmental protection and social responsibility standards.



04

Green Operations

4.1 Climate Strategy
4.2 Resource Management



4.1 Climate Strategy

Management of Material Topics - Climate Strategy

Material Topics	Climate Strategy	
Impact Description	Potential negative impact: In the face of global climate anomalies, failure to effectively implement relevant mitigation strategies may continue to cause environmental impacts. In addition, physical risks arising from extreme weather events, such as typhoons, floods, and flooding caused by heavy rainfall, may increase the risk of reduced production capacity, including production suspension, transportation difficulties, and supply chain disruptions, if appropriate adaptation and response measures are not implemented. Actual positive impact: In response to rising global environmental awareness, the Company evaluates the replacement of high-energy-consuming or high-carbon-emitting equipment and processes, and invests in technology to develop low-carbon products or services to gain customer favor and reduce the environmental impacts of its operations and value chain.	
Policy/Commitment	Nishoku is committed to continuously monitoring international climate change issues over the long term, promoting energy conservation and carbon reduction, and implementing energy-saving measures at all operating plants.	
Actions Taken	Promote various energy-saving measures and management plans to reduce energy consumption and environmental impacts.	
Tracking and Evaluation Mechanism	Review and analyze electricity consumption at each plant annually and assess the effectiveness of energy management to confirm the implementation of energy-saving actions. For items showing insufficient performance improvement, develop review and reduction strategies.	
Management Objectives and Annual Performance	Short-Term Goals (2026) 1. Achieve a year-on-year reduction of 5% in greenhouse gas emissions. 2. Reduce greenhouse gas emissions intensity (per NT$1 million in revenue) by 5% from the 2023 base year. 3. Ensure that renewable energy accounts for more than 10% of total energy consumption for the year.	2025 Annual Performance 1. Strengthening greenhouse gas monitoring and inventory management • To achieve its reduction targets, the Group completed greenhouse gas inventories for all operating sites ahead of schedule. • The Kunshan Plant successfully obtained an ISO 14064 verification statement in May 2025, establishing an accurate emissions data foundation for achieving the annual 5% reduction target. 2. Investing in energy-saving equipment to enhance production efficiency • In 2025, the Group invested a total of NT$8,807 thousand in low-carbon technology upgrades. Through equipment replacement, the Group directly reduced the energy intensity of production processes: o Kunshan Plant: Purchased four high-efficiency injection molding machines and completed nano-heating retrofits for 12 injection molding machines. The measures are expected to save 549,120 kWh of electricity annually and reduce carbon emissions by approximately 271.27 metric tons. o Vietnam Plant: Purchased six all-electric injection molding machines with servo energy-saving hydraulic units. The measures are expected to save 69,696 kWh of electricity annually and reduce carbon emissions by approximately 34.50 metric tons. • The above energy-saving measures are expected to reduce carbon emissions by approximately 305.77 metric tons annually, equivalent to planting approximately 555 trees, and will effectively support the intensity reduction target of reducing emissions per NT$1 million of revenue by 5%. 3. Optimizing the energy mix and procuring green electricity • In 2025, the Kunshan Plant successfully purchased 7,873.00 MWh of green electricity. Based on calculations, renewable energy accounted for 11% of total energy consumption for the year, exceeding the annual management target of more than 10%.
	Medium-Term Goals (2028) 1. Achieve a 5% year-on-year reduction in greenhouse gas emissions. 2. Reduce greenhouse gas emissions intensity (per NT$1 million in revenue) by 10% from the 2023 base year. 3. Complete ISO 14064 verification of the parent company's greenhouse gas emissions on a stand-alone basis.	Long-Term Goals (2030) 1. Achieve a 5% year-on-year reduction in greenhouse gas emissions. 2. Reduce greenhouse gas emissions intensity (per NT$1 million in revenue) by 15% from the 2023 base year. 3. Complete ISO 14064 verification of greenhouse gas emissions for the consolidated entity.
Stakeholder Engagement	Suppliers: Communicate greenhouse gas management-related matters to suppliers and work with supplier partners to implement energy conservation and carbon reduction. Customers: In accordance with international supply chain and customer requirements, promote various energy-saving measures and greenhouse gas management plans.	

4.1.1 Climate Governance

The potential financial impacts of climate change risks have become one of the material issues of concern to stakeholders. Nishoku recognizes the importance of climate risk management and actively establishes Group-wide response measures for climate change to mitigate climate-related impacts on the industry chain. Following the Task Force on Climate-related Financial Disclosures (TCFD) framework, the Company discloses climate-related financial risks and opportunities through four pillars: climate governance; identification of climate-related risks and opportunities and response strategies; risk management; and metrics and targets. The Company assesses the potential impacts on its operations and formulates response measures and management guidelines to achieve sustainable operations.

Climate Risk Management Organizational Structure and Operations

To effectively manage climate-related risks and opportunities, the Company designates the Board of Directors as the highest governance body for risk management, responsible for overseeing the Company's overall decision-making on climate change-related issues. On June 27, 2024, the Board of Directors approved the Charter of the Sustainability Development and Risk Management Committee and established the Sustainability Development and Risk Management Committee. The Committee consists of three independent directors and two directors appointed by resolution of the Board of Directors.

The Sustainability Development and Risk Management Committee serves as the primary management body. The Sustainable Development Promotion Team and the Risk Management Promotion Team are established under the Committee. The Chairperson of the Board of Directors and the General Manager serve as the conveners of the respective teams, and the Chief Financial Officer serves as executive secretary, responsible for convening the working groups and managing climate change issues through cross-departmental coordination. Based on implementation results, relevant information and response outcomes are submitted to the Sustainability Development and Risk Management Committee at least once annually. The Committee then reports its deliberations to the Board of Directors.





	Operational Description
1	The Sustainable Development Promotion Team discusses and identifies climate change risks and opportunities and provides the results to the Risk Management Promotion Team for the development and follow-up of risk response strategies.
2	The Risk Management Promotion Team reports identified risks, implementation status, and related response strategies to the Sustainability Development and Risk Management Committee.
3	At least once annually, the Sustainability Development and Risk Management Committee reviews and deliberates the reported climate risk management outcomes and regularly reports the implementation status of management decisions to the Board of Directors.
4	The Board of Directors makes decisions on strategy selection and performs oversight and governance functions.

4.1.2 Climate Risk and Opportunity Identification, Assessment, and Strategies

For the identification of climate-related risks and opportunities, Nishoku follows the TCFD recommendations. The Sustainable Development Promotion Team collects information on international trends and, taking into account the Company's industry and operational characteristics, compiles a list of climate-related risks and opportunities. The Sustainable Development Promotion Team and the Risk Management Promotion Team then conduct discussions. Based on the short-, medium-, and long-term impacts on Nishoku's strategy and operations, the time horizons are defined as short term (within 1–3 years), medium term (within 3–5 years), and long term (within 5–10 years). The identified climate-related risks and opportunities, their impacts, and corresponding response plans are as follows:

Climate-Related Risks and Opportunities: Impacts and Response Plans

Risk / Opportunity Type		Risk Items	Time Horizon	Impact on the Company's Strategy, Operations, and Finance	Response Strategy	Potential Financial Impact of Response Plan	Annual Performance and Outcomes
Transition Risks	Policy and Regulation	Requirements and regulation of existing products and services	Short term	To comply with greenhouse gas reduction and management regulations, the Company must improve energy efficiency at operating sites and incur additional costs for the purchase of green electricity certificates.	Gradually replace high-energy-consuming production, air-conditioning, and office equipment; promote carbon reduction practices within plants; and improve operational efficiency through daily operational improvements to achieve energy savings.	Increase in capital expenditures; asset additions or disposals; and increases in liabilities.	In 2025, the Kunshan Plant successively purchased four injection molding machines and completed nano-heating retrofits for 12 injection molding machines. If all equipment is put into operation, carbon emissions are expected to be reduced by approximately 271.2653 metric tons annually. In 2025, the Vietnam Plant purchased six energy-saving all-electric injection molding machine servo-hydraulic units. If all equipment is put into operation, carbon emissions are expected to be reduced by approximately 34.5 metric tons annually. Total investment in the above energy-saving equipment was approximately NT$8,807 thousand
	Technology	Costs of transition to low-carbon technologies	Medium term	Increased capital expenditures for technology development.	Introduce the Manufacturing Execution System (MES) into production processes for automated and manual production reporting, enabling precise control of processing time and scheduling and effectively improving production efficiency.	Increase in capital expenditures.	In 2025, the Company introduced the MES 2.0 full-process traceability system for customer products. By linking barcodes to the MES, the occurrence of abnormal raw material inputs decreased by 100%; traceability time was reduced from 120 minutes to less than 2 minutes; and the time required to investigate a single quality abnormality decreased by 65%. The system improves production efficiency and effectively supports production decision-making and quality management.
	Market	Changes in customer behavior	Short term	If current products and services are highly energy-intensive or carbon-intensive and do not meet market demand, they may be phased out, resulting in customer loss.	Expand low-carbon procurement sources; seek renewable energy suppliers; integrate upstream and downstream industries; develop process emission reduction plans; and develop green processes.	Increase in capital expenditures.	In 2025, the Company expanded renewable energy procurement, with renewable energy expenditures totaling approximately NT$186 thousand. The Company also completed the development of four green processes in 2025.
Physical Risk	Acute	Power interruptions caused by extreme weather events, such as typhoons, floods, and flooding resulting from heavy rainfall.	Long term	Reduced production capacity, including production suspension, delays in planning approvals, transportation difficulties, and supply chain disruptions.	Evaluate plans to install solar power generation equipment and procure energy storage cabinets, or appropriately increase inventory levels.	Increase in capital expenditures.	In 2025, the Company continued to evaluate the installation of solar power generation equipment and related energy storage systems.
Opportunity	Resource Efficiency	Use of more efficient production and distribution processes	Medium term	Reduced operating costs through improved efficiency and cost reduction.	Replace high-energy-consuming forklifts and vehicles; introduce low-carbon process equipment; and select low-carbon transportation options for product delivery.	Decrease in operating costs; increase in capital expenditures; asset additions or disposals; and increases in liabilities.	In 2025, the Headquarters replaced all gasoline-powered official vehicles with electric vehicles and installed charging stations, with a purchase cost of NT$118 thousand. These measures effectively reduced gasoline consumption and carbon emissions by approximately 4.056 metric tons.
	Products and Services	Research, development, and innovation for new products and services	Short term	Increase revenue through demand for low-carbon products and services.	Reduce carbon emissions and energy costs through the application, investment, or development of new energy technologies.	Increase in capital expenditures and revenue.	The Company's plans regarding the application, investment, or development of new energy technologies are currently under evaluation.
	Market	Entry into new markets	Short term	Increase revenue by entering new and emerging markets, such as through cooperation with governments and development banks.	Expand into new markets and support industrial transformation through product and service innovation; jointly develop low-carbon sustainable products with suppliers and customers.	Increase in operating revenue.	The Company's plans for the research and development of low-carbon sustainable products are currently under evaluation.

Climate Risk Management System

To implement climate risk management, the Company integrates the identification, assessment, and management of climate risks into its overall risk management system. The Sustainable Development Promotion Team and the Risk Management Promotion Team jointly conduct regular risk identification and assessment and develop related response measures and plans based on the time horizon of potential climate change impacts, the likelihood of risk occurrence, and the potential impacts on the Company's operations and finances. The Sustainable Development Promotion Team provides climate change-related identification results to the Risk Management Promotion Team. The Risk Management Promotion Team tracks implementation progress and reports to the Sustainability Development and Risk Management Committee, which submits the relevant matters to the Board of Directors for decision-making.

Identification and Assessment Process for Climate Change-Related Risks and Opportunities

With reference to the TCFD framework, Nishoku considers external factors, including current international climate change developments and local government regulations, as well as the impacts of climate change on the Company's internal strategic objectives, products and services, and supply chain. The Company compiles a list of relevant risks and opportunities and identifies the likelihood of climate-related risks and opportunities and their impacts on the Company's strategy, operations, and finances over the short, medium, and long term. Key risks and opportunities are determined following internal discussions.

Risk Collection / Identification	Risk Assessment	Risk Response	Risk Tracking
Sustainable Development Promotion Team	Sustainable Development Promotion Team Risk Management Promotion Team	Sustainable Development Promotion Team Risk Management Promotion Team	Risk Management Promotion Team
List and screen climate-related risks and opportunities.	Identify key risks and opportunities.	Develop response plans for key risks and opportunities.	Track the implementation results of response plans for key risks and opportunities.
Based on the Company's industry characteristics and current operating conditions, the Sustainable Development Promotion Team collects relevant climate risk and opportunity issues. Following discussions among internal departments, the Company screens and identifies risks and opportunities relevant to Nishoku.	Based on research and analysis results and the degree of impact, the Sustainable Development Promotion Team and the Risk Management Promotion Team consolidate the Company's key climate-related risks and opportunities.	The Sustainable Development Promotion Team and the Risk Management Promotion Team assess the impacts of climate-related risks and opportunities on the Company's strategy, operations, and finances and develop corresponding strategic plans following internal discussions.	For identified material risks and opportunities, the Company develops risk mitigation plans for high-risk items or items requiring reporting, in accordance with the risk response procedures set out in the Company's Risk Management Policy and Procedures, and continuously monitors and improves implementation. The Internal Audit unit incorporates the implementation of important plans into its audit plan and conducts regular audits.

4.1.3 Climate-Related Indicators and Targets

(I) Corporate Strategies for Addressing Climate Change and Greenhouse Gas Management

The Nishoku Group, including the Company and its overseas production sites in Kunshan and Vietnam, upholds the belief of coexisting with the global environment and continues to promote energy conservation and greenhouse gas reduction measures.

Carbon dioxide emissions from electricity consumption are the Company's primary source of greenhouse gas emissions. Accordingly, the Company's energy conservation and carbon reduction plans focus on electricity savings. The Company has established policies on energy conservation and carbon reduction, greenhouse gas reduction, water conservation, and other waste management matters in its Sustainable Development Best Practice Principles and implements them accordingly.

(II) Corporate Greenhouse Gas Emission Reduction Targets

The Nishoku Group has set 2023 as its base year and commits to reducing the greenhouse gas emissions intensity of Scope 1 and Scope 2 emissions by 15% by the near-term target year of 2030. The Group also commits to reducing Scope 3 emissions by 5%. For Scope 3 emission reduction actions, the Group will progressively require suppliers to provide carbon emissions data related to their electricity consumption as a reference for future Scope 3 carbon emissions management.

(III) Budgets and Plans for Corporate Greenhouse Gas Emission Reductions

Energy Conservation and Carbon Reduction Solutions

Production-side energy-saving measures	To enable major operating sites to use energy more efficiently, the Company replaces outdated high-energy-consuming equipment with new equipment and is committed to developing low-energy-consuming plant facilities. In 2025, the Kunshan Plant successively purchased four injection molding machines and completed nano-heating retrofits for 12 injection molding machines. If all equipment is put into operation, annual electricity savings are estimated at 549,120 kWh, with annual carbon emission reductions of approximately 271.2653 metric tons, equivalent to planting approximately 492.8 large camphor trees each year. In 2025, the Vietnam Plant purchased six energy-saving all-electric injection molding machine servo-hydraulic units. If all equipment is put into operation, annual electricity savings are estimated at 69,696 kWh, with annual carbon emission reductions of approximately 34.5 metric tons, equivalent to planting approximately 62.7 large camphor trees each year. Total investment in the above energy-saving equipment was approximately NT$8,807 thousand.
Office energy-saving measures	In addition to production-side energy-saving measures, the Company has implemented the following office measures: 1. Office equipment automatically enters sleep mode after 15 minutes of inactivity. 2. Employees are encouraged to develop habits of turning off lights and power sources when not in use and making maximum use of natural light. 3. High-energy-consuming T5 lamps are continuously replaced with LED lamps. 4. Heat-insulating window film has been installed on Headquarters windows to prevent radiant heat from entering indoor spaces and reduce indoor energy consumption. 5. All gasoline-powered official vehicles at Headquarters have been replaced with electric vehicles, and charging stations have been installed. Compared with gasoline-powered official vehicles, this measure reduces annual fuel consumption by 1,836.71 liters, or 92%, and reduces carbon emissions by approximately 4.056 metric tons, or 92%. 6. The Company continues to encourage employees to take appropriate portions when dining in group meal programs to reduce food waste. The Company has also fully promoted the use of personal utensils and ceased the procurement and use of disposable tableware, reducing annual procurement expenditure by approximately NT$35 thousand.
Renewable energy use measures	Since 2020, the Company has purchased renewable energy certificates. In 2025, the Company spent NT$185 thousand to purchase 7,873.0000 MWh of renewable energy certificates, bringing cumulative purchases to 51,591.000 MWh.

(IV) Carbon Reduction Benefits Delivered by the Company's Products or Services to Customers or Consumers

In 2025, the Company joined the Green Procurement by Private Enterprises and Organizations initiative promoted by the Ministry of Environment. Going forward, the Company will require its Procurement Department, when purchasing or leasing products, to select products or services bearing labels or certifications recognized by the Ministry of Environment whenever possible. These include nine categories of domestic labels and certifications and 34 categories of international labels and certifications. This initiative aims to reduce environmental impacts and promote green living. Total green procurement in 2025 amounted to NT$6,546,115.



U.S. Green Building Council LEED Gold Certification

Internal Carbon Pricing

In response to climate change challenges and Taiwan's net-zero transition policy, the Company has established an Internal Carbon Pricing (ICP) mechanism to incorporate carbon emission costs into business decision-making, thereby strengthening risk management and promoting low-carbon investment. This mechanism is designed to simulate potential future external carbon pricing scenarios, enabling the Company to assess possible financial impacts in advance and encouraging each department to proactively implement carbon reduction actions.

The Company's internal carbon price is primarily based on Taiwan's Ministry of Environment Greenhouse Gas Management Act and the planned carbon fee system. According to the Ministry of Environment's 2024 announcement on carbon fee ranges and proposed rates, the initial carbon fee trial phase is expected to range from NT$300 to NT$600 per metric ton. The rate will be gradually adjusted in accordance with industry decarbonization performance and international trends. In addition, the Company also references the World Bank's State and Trends of Carbon Pricing 2025 and the European Union Emissions Trading System (EU ETS), where global carbon prices generally range from approximately USD 30 to 90 per metric ton.

Based on the above information, the Company currently adopts an internal carbon price of NT$500 per metric ton as the baseline and plans to gradually increase it to NT$1,000 per metric ton by 2030. This price has been incorporated into the economic evaluation of investment projects and energy-saving improvement plans to analyze carbon costs and payback benefits under different scenarios. It is also used as a reference indicator for departmental performance evaluation and project review.

Going forward, the Company will regularly review its internal carbon price level and application scope in accordance with the implementation progress of the Ministry of Environment's carbon fee system and changes in international markets. The Company will continue to enhance its carbon management system and integrate carbon pricing outcomes into financial decision-making and climate risk disclosures. Through internal carbon pricing, the Company can effectively enhance resilience to external policy changes, promote the adoption of low-carbon technologies, and strengthen sustainable competitiveness, moving toward its vision of net-zero sustainability. Detailed information on internal carbon pricing settings and reference sources is available on the Company's official website.



4.1.4 Energy Consumption within the Organization

Nishoku's energy consumption includes purchased electricity, diesel, and gasoline. Purchased electricity represents the largest share of energy consumption and is primarily used for component assembly production in plants and air-conditioning systems. Gasoline is mainly used for official vehicles, while diesel is used for diesel-powered forklifts. Nishoku's total energy consumption in 2025 was 257,235.3187 gigajoules (GJ), a decrease of 8.27% from total energy consumption of 280,420.4859 GJ in 2024.

Nishoku continues to seek ways to improve energy-use efficiency and actively responds to the requirements of stakeholders, including suppliers, by reducing energy consumption and purchasing green electricity certificates. In 2025, the Kunshan Plant purchased 7,873.0000 MWh of green electricity certificates.

Category		Unit	2023			2024			2025		
			Annual Consumption	Energy Consumption (GJ)	Energy Intensity (GJ/NTD million)	Annual Consumption	Energy Consumption (GJ)	Energy Intensity (GJ/NTD million)	Annual Consumption	Energy Consumption (GJ)	Energy Intensity (GJ/NTD million)
Non-renewable fuels	Gasoline (92 and 95 octane)	Liters (L)	29,591.6400	966.4200	0.28	52,966.4500	1,729.8101	0.41	43,909.1900	1,382.5353	0.31
	Diesel	Liters (L)	109,255.0400	3,842.5900	1.10	120,291.3000	4,230.7413	0.99	107,340.9980	3,878.1898	0.87
	Liquefied petroleum gas (LPG)	Liters (L)	8,998.0000	249.9700	0.07	17,643.6900	490.1549	0.12	18,143.6400	452.6139	0.10
	Coal	Kilogram (KG)	13.2200	0.3400	-	-	-	-	-	-	-
Purchased energy	Electricity	Kilowatt hour (kWh)	56,433,464.9000	203,206.7500	57.92	60,918,386.0000	219,356.1427	51.50	61,978,306.0000	223,172.7238	49.91
	Renewable energy (including renewable energy certificates)	Kilowatt hour (kWh)	12,646,000.0000	45,535.9700	12.98	15,167,000.0000	54,613.6369	12.82	7,873,000.0000	28,349.2559	6.34
Total				253,802.0400	72.35		280,420.4859	65.84		257,235.3187	57.53
Proportion of purchased electricity in total energy consumption		(%)		80.07%			78.22%			86.76%	
Renewable energy usage ratio		(%)		17.94%			19.48%			11.02%	

* Notes:

1. The 2023 inventory scope covered the Taipei parent company, the Vietnam subsidiary, and the Kunshan and Shenzhen subsidiaries in mainland China.
2. The 2024 inventory scope covered the Taipei parent company, the Vietnam subsidiary, and the Kunshan subsidiary in mainland China. The Shenzhen subsidiary in mainland China completed liquidation and deregistration in 2024; therefore, no data are reported for the Shenzhen subsidiary. Total energy consumption, the proportion of purchased electricity in total energy consumption, and the renewable energy usage ratio for 2024 received third-party assurance.
3. The 2025 inventory scope covered the Taipei parent company, the Vietnam subsidiary, and the Kunshan subsidiary in mainland China.
4. The data are compiled from purchase records for electricity supplied by local power companies, gasoline, diesel, liquefied petroleum gas, and coal. The scope includes energy consumption generated within the Company, such as purchased electricity, gasoline used by official vehicles, and diesel used by generators and forklifts.
5. Energy consumption calculation coefficients (calorific values) are based on the Energy Product Unit Calorific Value Table published by the Bureau of Energy, Ministry of Economic Affairs.
6. Annual consumption and energy consumption figures are rounded to four decimal places. Energy intensity, expressed as GJ per NT$ million, is rounded to two decimal places.
7. Energy intensity for 2023, 2024, and 2025 was calculated based on consolidated revenue of NT$3,508.729 million, NT$4,259.658 million, and NT$4,471.195 million, respectively.
8. The Company does not use renewable energy as fuel and does not sell energy.
9. Formula for the proportion of purchased electricity in total energy consumption: Purchased electricity consumption / total energy consumption.
10. Formula for renewable energy usage ratio: Renewable energy consumption / total energy consumption.

4.1.5 Greenhouse Gas Emissions

Nishoku's greenhouse gas emissions are primarily attributable to Scope 2 emissions from purchased electricity, which have accounted for more than 90% of total emissions in each of the past three years. In 2025, increased overall business volume led to higher electricity consumption and, consequently, an increase in total greenhouse gas emissions. However, greenhouse gas emissions intensity decreased slightly in 2025 compared with 2024. The Company expects that the continued implementation of energy-saving programs will support progress toward its greenhouse gas reduction management objectives.

Unit: metric tons of CO_2e

Greenhouse Gas Emissions	2023	2024	2025
Scope 1 emissions	871.775	688.158	832.8807
Scope 1 intensity (tCO_2e/NTD million)	0.248	0.162	0.1863
Scope 2 emissions	28,261.848	35,574.241	35,806.0196
Scope 2 intensity (tCO_2e/NTD million))	8.055	8.351	8.0082
Scope 3 emissions	117.553	156.823	523.9786
Scope 3 intensity (tCO_2e/NTD million)	0.034	0.037	0.1172
Total Scope 1, Scope 2, and Scope 3 emissions	29,251.175	36,419.222	37,162.8789
Total Scope 1, Scope 2, and Scope 3 emissions intensity (tCO_2e/NTD million)	8.337	8.550	8.3117

* Notes:

1. Greenhouse gas emissions are compiled using the operational control approach.
2. The 2023 inventory scope covered the parent company, the Kunshan and Shenzhen subsidiaries in mainland China, and the Vietnam subsidiary.
3. The 2024 and 2025 inventory scope covered the parent company, the Kunshan subsidiary in mainland China, and the Vietnam subsidiary.
4. The Scope 1 inventory includes gasoline used by official vehicles and diesel. The greenhouse gases included are carbon dioxide (CO_2), methane (CH_2), and nitrous oxide (N_2O).
5. Scope 2 emissions primarily arise from electricity purchased from power companies in Taiwan, mainland China, and Vietnam. The greenhouse gas included is carbon dioxide (CO_2).
6. For Scope 3, the 2025 inventory scope included the Kunshan subsidiary in mainland China and the Vietnam subsidiary, while the 2023 and 2024 inventory scope included only the Kunshan subsidiary in mainland China. The inventory categories include: (1) Category 3—indirect greenhouse gas emissions from transportation; and (2) Category 4—indirect greenhouse gas emissions from products used by the organization.
7. The sources of conversion factors for Scope 1, Scope 2, and Scope 3 emissions for 2023, 2024, and 2025 are as follows:
   - Parent company: System default factors from the Ministry of Environment's greenhouse gas estimation tool. For Scope 2, the electricity emission factor published by the Energy Administration, Ministry of Economic Affairs, was applied: 0.494 kg CO_2e/kWh for 2023 and 2024, and 0.474 kg CO_2e/kWh for 2025.
   - Kunshan subsidiary in mainland China: ISO 14064-1:2018—Greenhouse Gases—Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals; ISO 14064-3:2018—Greenhouse Gases—Part 3: Specification with guidance for the verification and validation of greenhouse gas statements; Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions from Chemical Production Enterprises in China (Trial Version); the 2021 IPCC Guidelines for National Greenhouse Gas Inventories; electricity carbon dioxide emission factors for 2021, 2022, and 2023 issued by the National Bureau of Statistics of China; the China Product Life Cycle Greenhouse Gas Emission Factor Database; the UK Government GHG Conversion Factors for Company Reporting (2023, 2024, and 2025 editions); and engineering construction standards and specifications.
   - Vietnam subsidiary: Greenhouse Gas Protocol (GHG Protocol).
8. To improve the accuracy of greenhouse gas inventory data, 2025 inventory data are presented to four decimal places.
9. In response to the Roadmap for the Sustainable Development of Listed and OTC Companies, which specifies greenhouse gas inventory schedules for companies, the Company has completed greenhouse gas inventories for the consolidated entity. For 2023, 2024, and 2025, the Kunshan subsidiary in mainland China obtained third-party verification, while all other sites conducted self-inventories. The Company will set a base year no later than 2026 and disclose its 2027 reduction targets, strategies, and specific action plans.
10. As the Company issued its first Sustainability Report in 2023, 2023 has been set as the base year.
11. Global warming potential (GWP) values are based on the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report published in 2021.
12. The data are compiled from oil purchase records, electricity bills issued by local power companies, upstream and downstream goods transportation lists, business travel data from the OA system, waste treatment records, and water invoices. Emissions are then calculated using GWP ratios, the emission factor method, and the mass balance method.
13. Emissions intensity for 2023, 2024, and 2025 was calculated based on consolidated revenue of NT$3,508.729 million, NT$4,259.658 million, and NT$4,471.195 million, respectively.
14. The Shenzhen subsidiary in mainland China completed liquidation and deregistration in 2024.

4.2 Resource Management

Resource Management Policy

The Nishoku Group establishes and maintains environmental management requirements in accordance with the ISO 14001 Environmental Management System and complies with environmental laws, regulations, and other relevant environmental requirements at its operating sites. In addition, the Group continues to pursue the goals of "zero pollution and zero accidents."

Issues	Strategy	Short-Term Goals	Medium and Long-Term Goals	2025 Performance
Water Resource	Implement daily water conservation management.	• Reduce annual per capita water consumption by 1% compared with the previous year. • Establish water resource management measures for the Taipei Plant.	• Reduce annual per capita water consumption by 1% compared with the previous year.	• Per capita water consumption in 2025 decreased by 6.62% compared with the previous year.
Waste	Enter into contracts with waste removal and transportation contractors and closely monitor their operations and management.	• Reduce waste by 1% compared with the previous year.	• Reduce waste by 1% compared with the previous year	• The Group's total waste generation in 2025 increased by 38% compared with the previous year. The primary reason was wastewater discharged from the Vietnam Plant's coating line, which polluted drainage channels in the industrial park. The incident was not subject to penalties, and cleanup and improvement actions were implemented immediately, resulting in the removal of 350 metric tons of sludge from the drainage channels.



4.2.1 Water Resource Management

Water Resource Management

Nishoku's current water resource management boundary covers its physical operating sites at the Taipei Plant, Kunshan Plant, and Vietnam Plant. The Company regards water resources as an important environmental and operational issue. Although water is not directly used in production processes, water is still used indirectly, including in cooling towers for air-conditioning and heat dissipation from production equipment, as well as for domestic purposes. The Company therefore remains considerably dependent on water resources. Water at the Taipei, Kunshan, and Vietnam Plants is obtained primarily from third-party water supplies, namely municipal water, with a small amount of rainwater collected through rainwater harvesting equipment at plant sites. Although certain operating sites are located in areas where water resources are not scarce, such as Taiwan, which has abundant rainfall, the uneven distribution of water resources and the increasing frequency of heavy rainfall and water shortages caused by climate change in recent years have increased the complexity of water resource management. The Company therefore continues to monitor water use, reduce unnecessary waste, and establish specific measures to reduce water consumption.

The Company conducts an annual water stress risk assessment using the Aqueduct Water Risk Atlas developed by the internationally recognized World Resources Institute (WRI). Risk levels at the operating sites are Low-Medium at the Taipei Plant, High at the Kunshan Plant, and Medium-High at the Vietnam Plant. Except for the Taipei Plant, which is classified as Low-Medium risk, the Kunshan and Vietnam Plants are located in areas with Medium-High risk or above. The assessment indicates that, although products do not directly use water resources in production processes, the Company still relies on indirect water use, primarily for domestic purposes, as well as cooling towers for air-conditioning and production equipment. However, no water shortages or flooding events have occurred at the Company's operating sites to date. Overall risk is therefore low, and none of the Company's sites is located in a water-stressed area. The Company continues to implement water conservation measures.

Water Resource Use

The Nishoku Group's primary water source is municipal water; the Group does not use rainwater or groundwater. Water use complies with local requirements, and water withdrawal does not have a significant impact on water sources. Water is mainly used for circulating cooling water in air-conditioning and production equipment and for employees' domestic use. Discharged water primarily consists of domestic wastewater from employees, which is treated by wastewater treatment facilities before being discharged into the sewerage system.

Water Stress Index

Region	Taipei Plant	Kunshan Plant	Vietnam Plant
Water stress index	Low-Medium (20%–40%)	high (60%~80%)	Medium-High (40%–60%)
Water withdrawal source	Third-party water (Municipal water)	Third-party water (Municipal water)	Third-party water (Municipal water)

Total Water Withdrawal and Discharge over the Past Three Years

Unit: million liters

Water Use Item	Taipei Plant			Kunshan Plant			Vietnam Plant			Nishoku Group		
	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
Water withdrawal	3.919	3.264	4.5118	137.479	126.212	109.3870	51.394	70.330	81.3180	192.792	199.806	195.2168
Water discharge	3.919	3.264	4.5118	137.479	126.212	109.3870	51.394	56.264	65.0544	192.792	185.740	178.9532
Water consumption	-	-	-	-	-	-	-	14.066	16.2636	-	14.066	16.2636
Water withdrawal intensity	-	-	-	-	-	-	-	-	-	0.055	0.047	0.0437

* Note:

1. Water withdrawal is calculated based on 12 monthly water bills for the current year issued by the local municipal water company at each plant. All water is classified as freshwater in accordance with applicable classification standards.
2. The Group's operating sites include offices and manufacturing plants. However, production processes primarily involve electronic module assembly, mold development and manufacturing, and plastic component injection molding, and do not involve cleaning, cooling towers, or other highly water-intensive process activities. Water is primarily used for employees' daily needs and to replenish air-conditioning systems. Process water represents a very small proportion of total water use, and the products do not contain water or result in significant evaporative losses. Water discharge at the Kunshan and Vietnam Plants is calculated based on wastewater treatment volumes stated on local wastewater treatment fee statements. As the Taipei Plant has no wastewater treatment charges or related statistics, its water discharge is estimated based on the principle that water withdrawal equals water discharge.
3. Water withdrawal intensity = total annual water withdrawal / Nishoku's consolidated revenue; unit: million liters per NT$ million.
4. Water withdrawal intensity for 2023, 2024, and 2025 was calculated based on consolidated revenue of NT$3,508 million, NT$4,259 million, and NT$4,471 million, respectively.
5. The statistical scope for 2023, 2024, and 2025 covers the Taipei, Kunshan, and Vietnam Plants. Water at the Taipei Plant is primarily used as circulating cooling water for air-conditioning and production equipment and for employees' domestic use. Water use at the Kunshan and Vietnam Plants is the same as that at the Taipei Plant.
6. One unit of water equals 1,000 liters and one metric ton of water; one million liters equals 1,000 cubic meters (1,000 m^3).
7. Water withdrawal at the Kunshan Plant has been externally verified.
8. To improve the accuracy of water use statistics, 2025 water use data and water withdrawal intensity are presented to four decimal places.

Promoting Water Conservation and Water Reuse

Although Nishoku is not a major water user, the Company remains committed to water resource management. In 2024, the Group established a water resource reduction target using 2023 as the base year, with the goal of reducing water withdrawal intensity by at least 20% over the following five years. In 2025, water use intensity decreased by 6.82% compared with 2024 and by 20.55% compared with 2023, achieving the target established in 2024 ahead of schedule. Nishoku will continue to promote measures to improve water resource efficiency and has established a new target of reducing water withdrawal intensity by at least 25% by 2028.

Water Conservation Action Plan

Regular inspections

Strengthen daily inspections of water-related facilities and record water consumption data. Any abnormalities are analyzed and addressed immediately to prevent water waste.

Collaboration with the value chain

Coordinate with customers to use process models with the lowest environmental impact, including adjustments to raw materials, that can reduce production water use.

Water conservation action plans

- Strengthen internal awareness by encouraging employees to start with small actions, such as installing faucet aerators and promoting the use of waterless urinals.
- Water used for toilet flushing is reused as equipment water.
- Purified water equipment is used to provide water for equipment cooling circulation and air-conditioning system chillers.

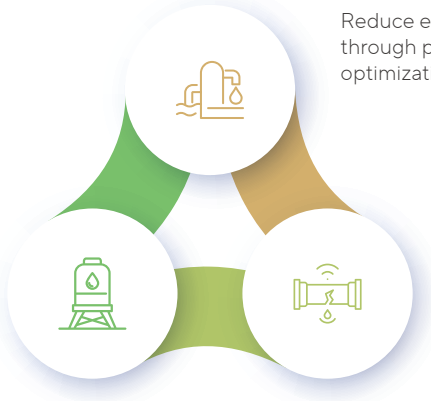
Immediate response

Take immediate emergency action in response to water leaks to reduce the unseen loss of water resources.

The Taipei Plant's effluent management approach and implementation plan consist of the following three aspects:

01

Reduce effluent discharge through process adjustment and optimization.



02

Manage treatment efficiency by gradually replacing outdated equipment to prevent abnormal discharges.

03

Increase the concentration ratio of cooling circulating water to reduce water consumption.

After onsite treatment, effluent from the Taipei Plant is discharged into the New Taipei City municipal sewerage system in accordance with the discharge standards for public sewerage systems. It is then centrally treated at the Bali Wastewater Treatment Plant and finally discharged into the ocean through a 6.6-kilometer outfall pipeline using marine discharge pumps.

Item	PH	SS	BOD5	COD	Coliform Bacteria
Unit	None	mg/L	mg/L	mg/L	CFU/100 mL
Limit value	6~9	50	50	150	300,000

* Note: Discharge standards for public sewerage systems.

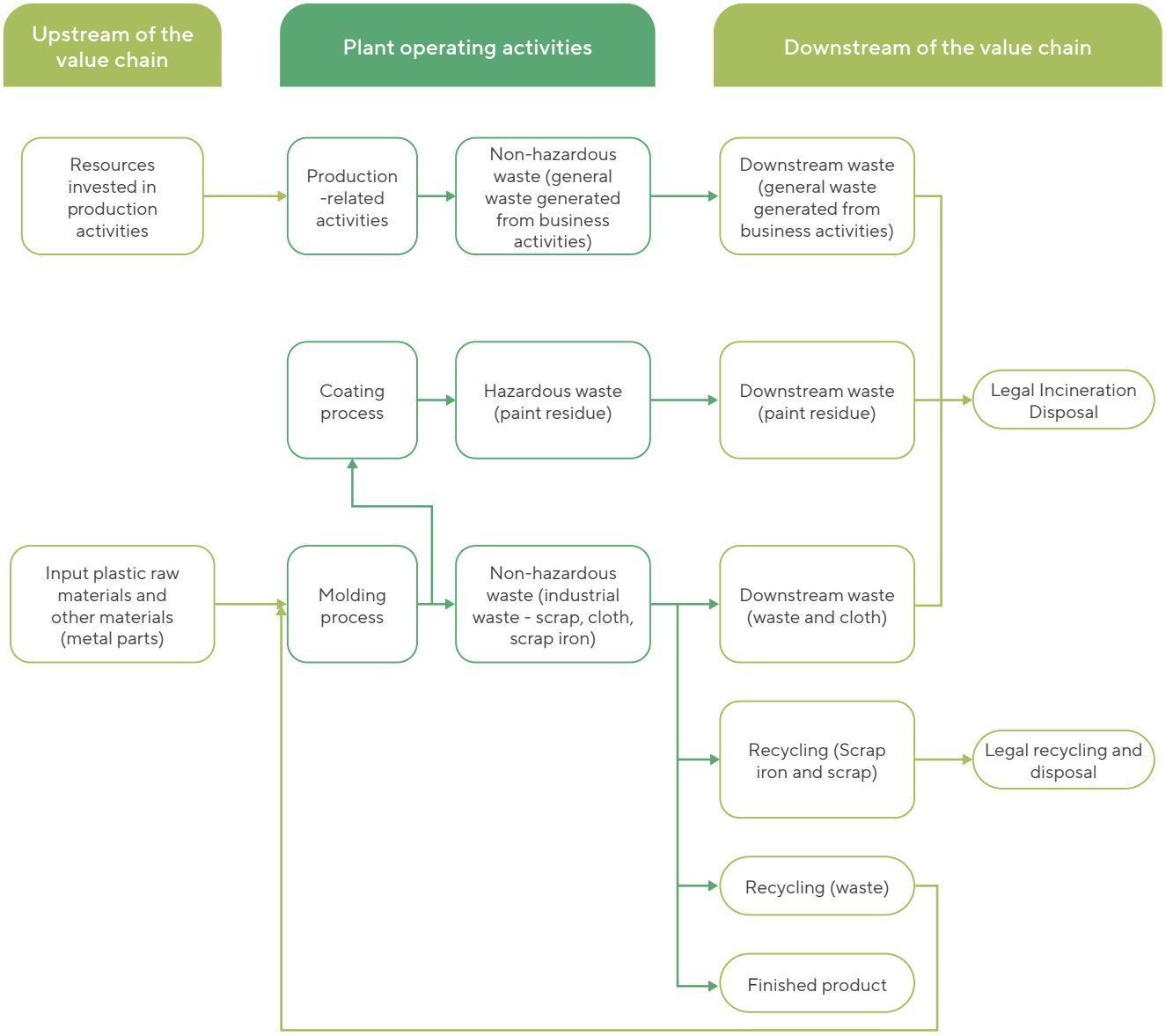


4.2.2 Waste Management

Waste Management

Waste generated by the Nishoku Group is classified as non-hazardous waste, including domestic waste, recyclable waste, and general industrial waste, and hazardous waste, including paint sludge. To reduce waste generation, the Group minimizes the use of disposable items in daily operations, implements waste sorting and resource recycling, and promotes resource reuse to achieve circular economy benefits. Waste is handled in accordance with local government waste disposal regulations, with resource recycling mechanisms implemented and regular self-audits conducted. Business waste is outsourced to qualified waste treatment contractors for recycling and reuse, and the Group confirms relevant management measures and practices. Waste removal contractors conduct regular collection and removal in accordance with waste generation conditions at each plant.

Management Standards	• Government laws and regulations • International management standards • Customer requirements
Reduction Strategies	• Reduce waste at the source and implement waste reduction in daily operations • Optimize production processes to reduce waste generation
Disposal Management	• Entrust qualified contractors with waste handling • Conduct regular follow-up and audits



Waste Disposal Methods

When non-hazardous waste is generated, dedicated personnel classify it as waste for recycling and reuse or waste that cannot be recycled and reused (downstream waste) in accordance with the Waste Management Procedures and the Management Measures for the Sale of Waste Products and Scrap Materials. Waste designated for recycling and reuse is physically shredded, centrally controlled, and then either directly reintroduced into production processes or retained in inventory. The waste recycling and reuse rate has exceeded 50% over the past three years. Downstream waste that cannot be recycled and reused is reported in accordance with government requirements, physically shredded, centrally stored in designated areas within the plant, and subsequently removed in accordance with applicable laws. Downstream waste that cannot be recycled and reused, such as waste cloth and scrap materials, is transported by contracted, government-approved waste removal contractors to qualified treatment facilities for incineration. Government-required forms and GPS vehicle route records are maintained throughout the removal and incineration process to prevent environmental impacts arising from unlawful conduct. Responsible personnel classify and compile monthly waste volumes, and a single contact window submits the required reports to the government website. The relevant data collection does not include waste beyond that generated by the Company's own operations.

When hazardous waste is generated, dedicated personnel manage it in designated areas in accordance with the Waste Management Procedures. Personnel wear appropriate protective equipment when classifying, collecting, removing, and treating hazardous waste to prevent harm to human health. Hazardous waste is transported by contracted, government-approved waste removal contractors to qualified treatment facilities for incineration. Government-required forms and GPS vehicle route records are maintained throughout the removal and incineration process to prevent environmental impacts arising from unlawful conduct. Responsible personnel classify and compile monthly waste volumes in accordance with hazardous industrial waste identification standards, and a single contact window submits the required reports to the government website.

Waste Generated

The scope of Nishoku's waste management covers the Taipei Plant, Kunshan Plant, and Vietnam Plant. Total waste generation in 2025 was 2,023.6803 metric tons, an increase of 38% from 2024. Waste intensity was 0.4526 metric tons per NT$ million of revenue, an increase of 31% from 2024. The increase was primarily attributable to wastewater discharged from the Vietnam Plant's coating line, which polluted drainage channels in the industrial park and required the cleanup of 350 metric tons of sludge.

Unit: metric tons (t)

Category	Items	2023			2024			2025		
		Waste Diverted from Disposal		Waste Directed to Disposal	Waste Diverted from Disposal		Waste Directed to Disposal	Waste Diverted from Disposal		Waste Directed to Disposal
		Recycling and reuse (On-site)	Other recycling operations (Off-site)	Incineration (Off-site)	Recycling and reuse (On-site)	Other recycling operations (Off-site)	Incineration (Off-site)	Recycling and reuse (On-site)	Other recycling operations (Off-site)	Incineration (Off-site)
Hazardous Waste	Paint sludge	-	-	166.430	-	-	143.898	-	-	251.8970
	Subtotal	-		166.430	-		143.898	-		251.8970
	Total	166.430			143.898			251.8970		
Non-hazardous Waste	Scrap material	759.212	-	161.394	884.144	-	2.446	1,030.0544	-	-
	Waste cloth	-	-	0.040	-	-	20.523	-	-	19.4635
	Scrap iron	16.200	-	-	-	79.276	-	-	61.1384	-
	General waste generated from business activities	-	-	10.110	-	-	301.260	-	-	266.1100
	Others	-	-	-	-	6.554	28.990		0.5630	394.4540
	Subtotal	775.412		171.544	969.974		353.219	1,091.7558		680.0275
	Total	946.956			1,323.193			1,771.7833		

Category	Items	2023			2024			2025		
		Waste Diverted from Disposal		Waste Directed to Disposal	Waste Diverted from Disposal		Waste Directed to Disposal	Waste Diverted from Disposal		Waste Directed to Disposal
		Recycling and reuse (On-site)	Other recycling operations (Off-site)	Incineration (Off-site)	Recycling and reuse (On-site)	Other recycling operations (Off-site)	Incineration (Off-site)	Recycling and reuse (On-site)	Other recycling operations (Off-site)	Incineration (Off-site)
Total waste generated			1,113.386			1,467.091			2,023.6803	
Waste recycling and reuse percentage			69.64%			60.27%			50.90%	
Waste recycling percentage			69.64%			66.12%			53.95%	
Hazardous waste recycling percentage			-%			-%			-%	
Waste intensity			0.3174			0.3444			0.4526	

* Note:

1. The reporting boundary for 2023, 2024, and 2025 includes the Taipei Plant, Kunshan Plant, and Vietnam Plant.
2. To improve the accuracy of waste weight statistics, 2025 waste data are presented to four decimal places.
3. Percentage of Waste Reused = weight of waste reused / total weight of waste generated, rounded to two decimal places.
4. Percentage of Waste Recycled = weight of waste reused and handled through other recycling operations / total weight of waste generated, rounded to two decimal places.
5. Percentage of Hazardous Waste Recycled = weight of hazardous waste recycled / total weight of hazardous waste generated, rounded to two decimal places.
6. Waste Intensity = total waste generated for the year / Nishoku's consolidated revenue; unit: metric tons (t) / NTD million, rounded to four decimal places.
7. Waste intensity for 2023, 2024, and 2025 was calculated based on consolidated revenue of NT$3,508.729 million, NT$4,259.658 million, and NT$4,471.195 million, respectively.
8. Under "Others" within non-hazardous waste, the Kunshan Plant includes waste mineral oil, waste resin, waste activated carbon, and waste packaging containers. The Vietnam Plant includes waste metal packaging, iron filings, copper filings, waste oils, and drainage ditch sludge.

Waste Reduction Measures

Increase the value of waste reuse	• Increase the recycling of valuable waste through public tendering. • Actively promote waste recycling and reuse to extend the useful life cycle of materials.
Waste reduction at source	• Promote the reduced use of disposable items in daily operations, such as reusable utensils and cups and environmentally friendly bags.







05

People-Centered Approach

5.1 Talent Capital
5.2 Human Rights
5.3 Employee Care and Labor Protection
5.4 Occupational Health and Safety



Management of Material Topics - Occupational Health and Safety

Material Topics	Occupational Health and Safety
Impact Description	Potential Negative Impact: Failure to provide adequate employee benefits and career development paths may lead to recruitment difficulties and employee turnover, thereby affecting the Company's competitiveness. Actual Positive Impact: Providing quality employee benefits and a favorable work environment enhances employee satisfaction, attracts and retains outstanding talent, and improves productivity. The Company also continuously enhances employees' professional knowledge and management capabilities to promote collaboration between customers and original equipment suppliers.
Policy/Commitment	Continue to grow and create excellence while building the best environment to attract and retain talent. Employees are important partners in the Company's sustainable development. The Company is committed to creating an equal, diverse, and healthy work environment.
Actions Taken	• Develop employees' diverse competencies by regularly organizing internal and external professional training courses to ensure that employees can continually update their professional knowledge. • Establish clear career development paths and provide opportunities for promotion and horizontal career development. • Uphold the principles of fairness and non-discrimination by providing equal employment and development opportunities, industry-competitive compensation, and diverse employee benefits.
Tracking and Evaluation Mechanism	• The Education and Training Committee reviews annual training outcomes each year and makes adjustments and improvements based on feedback. • Employee feedback is collected through channels such as employee suggestion boxes and labor-management meetings.
Management Objectives and Annual Performance	**Short-Term Goals (2026)** 1. Increase average annual training hours per person by 10% compared with 2024. 2. Maintain a 100% participation rate in education and training. 3. Encourage employees to apply for external training courses and relevant continuing education; subsidies will be provided upon Company review and approval. 4. Maintain zero employee complaints. 5. Maintain zero labor law violations. **2025 Annual Performance** 1. In 2025, the Group recorded 13,263 training attendances for employees and non-employee workers, totaling 41,958 training hours. Average training hours per person were 3.2 hours, representing an increase of 71% over the previous year. 2. The education and training participation rate was 100%. 3. In 2025, there were no discrimination cases, no legal violations involving child labor, and no incidents involving infringement of Indigenous peoples' rights. 4. The Taipei Plant recorded four labor law violations in 2025. The corresponding corrective measures were as follows: (1) Fully comply with statutory requirements on working hours. (2) Establish appropriate work efficiency and work attitudes among employees. (3) Combine supervisors' care for employees with reasonable adjustments to workloads. (4) Amounts that employees are required to return upon resignation and the Company's salary payments shall be handled as two separate matters. **Medium-Term Goals (2028)** 1. Increase average annual training hours per employee by 10% compared with 2026. 2. Maintain education and training satisfaction at 90% or above. 3. Continue to enhance talent development through diverse learning platforms, including in-person instruction and online courses. 4. Maintain zero employee complaints. 5. Maintain zero labor law violations. 6. Promote the establishment of preventive remedial measures and mitigation plans for human rights risks. **Long-Term Goals (2030)** 1. Increase average annual training hours per employee by 10% compared with 2028. 2. Obtain a Bronze Award or above under the Talent Development Quality Management System (TTQS). 3. Continue to revise performance evaluation procedures, establish a fair and comprehensive talent development system, and achieve the goal of sustainable corporate operations. 4. Establish industry-academia collaboration projects. 5. Maintain zero employee complaints. 6. Maintain zero labor law violations. 7. Continue to strengthen human rights risk identification.
Stakeholder Engagement	Employees： 1. Regularly organize education and training for employees to provide feedback, so that the work environment and welfare system can be improved through direct communication and exchange. 2. The management is responsible for formulating and implementing employee training, motivation and development plans, and evaluating and improving the effectiveness of action plans. 3. The HR Department is responsible for employee recruitment, employee care, career development plans, and performance evaluation. 4. Hold labor-management meetings to listen to employees' needs so that they can receive comprehensive attention and care and fully express their opinions. 5. According to the "Group Human Rights and Employee Policy", anyone can report any unfair behavior to the Company's senior management through the reporting system. 6. The Company is committed to improving the facilities at the workplace and encouraging employees to participate in sexual harassment prevention education seminars.

5.1 Talent Capital

5.1.1 Talent Development

Education and Training

Nishoku is committed to providing employees with a comfortable work environment, adequate education and training, and diverse career development opportunities. The stable development of employees is also an important indicator of the Company's ongoing efforts. Internal and external training programs cover a wide range of topics, including occupational safety, legal affairs, and business. Courses are designed to enhance employees' core competencies and professional capabilities, thereby strengthening their job-related skills. Enabling employees to apply their strengths in an appropriate environment and continuously improve is a core value of the Company.

Training System	Mechanism Description
New Employee Training	• Assist new employees in becoming familiar with the work environment and understanding the Company's business philosophy and corporate culture, thereby enabling them to integrate into the Nishoku family more quickly.
General Education Courses	• Legal affairs, ethical corporate management, human rights, health seminars, and other topics.
Professional Competency Training	• Enhance professional knowledge and skills based on the functions and responsibilities of each department. • Ensure that direct employees and certain employees with specific qualifications possess the basic skills required to operate the machinery, equipment, and related operations within their respective units, while developing multiple professional skills.
Cybersecurity Education and Training	• Courses on cybersecurity risks, preventive measures, and related topics. ◦
Environmental and Safety Education and Training	• Accident prevention, emergency drills, and awareness of hazardous chemicals.
Management Competency Training	• Plan management development programs for senior, middle, and first-line managers to enhance their management capabilities and cultivate the professional management talent required by the Company.
External Institution Training	• Participate in training programs and seminars organized by external institutions, such as government agencies and academic organizations, as required for work. Relevant information is submitted in accordance with the feedback items specified by the department supervisor and the Human Resources and Administration Department on the external training application form.
Transition Assistance Program for Retirees	• Provide assistance with internal and external training, consultation, and related support. • Arrange for retired senior executives to be rehired as consultants.

Employee Training Results

Nishoku places great importance on the continuous enhancement of employees' professional capabilities and is committed to providing diverse training resources to support career development. The Company expects supervisors to take the lead in fostering a positive learning environment, encouraging team members to pursue continuing education and self-development, thereby enhancing the organization's overall learning capabilities and competitiveness. In addition, as the Taipei Plant recruited professional management personnel in 2025, the average training hours for management-level employees at the Taipei Plant increased significantly compared with 2024. The average training hours of employees at each plant are shown below.

Employee Category		2024												2025											
		Taipei Plant			Kunshan Plant			Vietnam Plant			NISHOKU Group			Taipei Plant			Kunshan Plant			Vietnam Plant			NISHOKU Group		
		Male	Female	Overall	Male	Female	Overall	Male	Female	Overall	Male	Female	Overall	Male	Female	Overall	Male	Female	Overall	Male	Female	Overall	Male	Female	Overall
Average Employee Training Hours	Management level	8	20	12	13	15	14	8	11	10	10	14	12	12	23	17	12	14	13	3	9	6	10	15	12
	Non-management level	6	8	7	13	13	13	5	3	4	9	8	8	8	10	9	12	12	12	9	7	8	10	9	10
Average class hours for different employee categories	Indirect Labor	7	13	9	8	9	9	7	7	7	8	8	8	11	16	13	7	8	7	9	8	9	8	9	8
	Direct Labor	5	5	5	4	3	4	5	3	4	5	3	4	5	6	6	3	3	3	9	7	8	7	5	6

* Note 1: Management level refers to supervisors at the section (deputy) manager level and above.

Nishoku Group Employee Continuing Education and Training System and Implementation

Unit: NTD

Year	2024			2025		
Item	Total Attendances	Total Hours	Total Expenses	Total Attendances	Total Hours	Total Expenses
New employee training	1,441	1,443	106,690	6,843	29,009	117,710
Professional competency training	14,729	32,737.5		6,420	12,949	
Total	16,170	34,180.5		13,263	41,958	

Implementation of Important Professional Competency Training Programs in 2025

Item	Description
Program 1	**Internal Audit Development Program**
Program Description	To strengthen the professional capabilities of internal audit personnel and reasonably ensure the continued and effective implementation of the internal control system and risk management mechanisms. The program targets personnel in the internal audit department. As of the end of 2025, total training hours under the Internal Audit Development Program reached 60 hours. External training: two participants, totaling 24 hours. Internal training: personnel from the Headquarters' Internal Audit Office provided monthly training to three internal audit personnel at overseas subsidiaries, totaling 36 hours.
Participation	Employee participation in the Internal Audit Office reached 100% in 2025.
Program 2	**Internal Sustainability Reporting Disclosure Development Program**
Program Description	To enhance internal capabilities in preparing sustainability-related disclosures and ensure the reasonableness and completeness of sustainability-related disclosure data. The program targets personnel in the Finance and Accounting Division. As of the end of 2025, total training hours under the program reached 68 hours. External training: 10 courses, totaling 54 hours. Internal training: three courses, totaling 13 hours, primarily delivered by professional consultants and by supervisors who shared knowledge gained through external training.
Engagement	I Employee participation in the Finance and Accounting Division reached 100% in 2025.
Program 3	**Internal Cybersecurity Development Program**
Program Description	To enhance the professional capabilities of information personnel; maintain the confidentiality, integrity, and availability of the Company's information; and establish a continuously improving cybersecurity environment. The program targets personnel in the Information Department. As of the end of 2025, total training hours under the Internal Cybersecurity Development Program reached 78 hours. External cybersecurity training: 15 courses, totaling 71 hours. Internal and external general information training: seven courses, totaling seven hours.
Participation	Employee participation in the Information Department reached 100% in 2025.

Item	Description
Program 4	**Plant Affairs—Environmental Safety**
Program Description	Fire safety and occupational safety and health education and training were conducted to enhance employees' knowledge and emergency response capabilities related to disaster prevention and fire prevention. Two training sessions totaling eight hours were conducted in 2025.
Participation	A total of 40 training attendances were recorded in 2025.
Program 5	**Prevention and Communication of Unlawful Infringement While Performing Duties**
Program Description	The course covers relevant regulations, preventive measures, and practical cases. It guides employees in appropriate workplace communication and response methods; helps establish correct awareness and self-protection capabilities; effectively reduces the risk of workplace conflicts; and fosters a safe and respectful work environment. The course totaled 1.5 hours.
Participation	Employee participation at the Taipei Plant reached 100% in 2025.
Program 6	**Human Rights and Personal Data Management Policy**
Program Description	Through awareness initiatives and education and training on human rights and personal data protection, the program enhances employees' understanding of human rights protection, privacy rights, and personal data management, thereby ensuring that operations comply with applicable laws and regulations. In 2025, 17 new employees at the Taipei Plant participated in the course, and the pass rate for the post-training test was 100%.
Participation	Employee participation at the Taipei Plant reached 100% in 2025.



To enhance employee competencies, the Company arranged various internal and external training courses in 2025, as detailed below.

Plant	Employee Training Program	Program Description	Quantitative Results	Employee participation rate
Taipei Plant	Occupational Safety Training	Training covered safe use of knives and fire; safety education for the molding workshop; prevention of unlawful infringement while performing duties, including sexual harassment, and related communication; fire safety and occupational safety education and training for the first half of 2025; refresher training for fire prevention managers; crane operation and rigging operations; continuing education for occupational safety and health supervisors; a briefing on hazardous materials declaration procedures; and fire safety courses and drills for the second half of 2025.	8 sessions; 345 person-hours	100%
Taipei Plant	General Education and Legal Compliance Training	Training covered a briefing on legal and regulatory requirements for share administration; Group legal education and training; education and training for internal audit personnel; employee welfare training seminars; ESG sustainable development policies and recent amendments to securities regulations; corporate human resources enhancement and workforce upskilling programs; and an online practical briefing on greenhouse gas inventories.	31 sessions; 190.5 person-hours	100%
Taipei Plant	Business Training	Training covered practical analysis of contract execution for small and medium-sized enterprises; customer service response measures; the introduction and application of high-performance and thermal management materials; the impact of ChatGPT on industry from an AI trend perspective; the introduction and application of thermally conductive plastic materials; and the handling of business contracts.	7 sessions; 50.5 person-hours	100%
Kunshan Plant	Safety Training	Training covered production safety responsibility systems, production safety, 5S training, emergency response to electric shock incidents, and fire drills to enhance employees' safety awareness and safety precautions.	40 sessions; 51.5 person-hours	100%
Kunshan Plant	Quality Training	Training covered quality awareness, quality standards for stamped components, and shipment inspection procedures to enhance employees' quality awareness and ensure that shipments meet customer requirements.	55 sessions; 71 person-hours	100%
Kunshan Plant	Management System Training	Training covered the latest sales cycle, risk control and hidden hazard investigation and remediation, and project manager learning summaries. These diverse training programs aim to achieve efficient operations and continuous development and enhance overall corporate competitiveness.	12 sessions; 34.5 person-hours	100%
Kunshan Plant	RBA Training	The training enables employees to understand the importance of ensuring environmental safety and protecting employees' rights and basic interests.	1 session; 1 person-hour	100%
Vietnam Plant	Management System Training	The program aims to promote the Company's development by strengthening the organizational structure, enhancing management capabilities, and achieving efficient operations and continuous development. It covers organizational structure optimization, process reengineering, and talent development to enhance overall corporate competitiveness.	2 sessions; 26 person-hours	100%
Vietnam Plant	Quality Training	Enhance employees' quality awareness and ensure that shipments meet customer requirements.	10 sessions; 373 person-hours	100%
Vietnam Plant	Safety Training	Enhance employees' safety awareness and safety precautions.	22 sessions; 610 person-hours	100%

Transition and Assistance Programs

For employees subject to layoff, Nishoku calculates severance pay in accordance with applicable local labor laws and regulations and completes the required layoff notification procedures. This enables the relevant labor authorities to provide official employment assistance programs based on the reported information. In addition, following the Survey on Willingness to Continue Working After Reaching Retirement Age, employees who are willing to remain employed after retirement are assigned suitable positions according to staffing needs at the time. Positions closely related to their previous work or overseas plant assignments are given priority consideration.

In accordance with local labor laws and regulations, the statutory retirement age at the Kunshan Plant in China is 60 for male employees, 50 for female workers, and 55 for female employees in managerial positions. The Company may negotiate with individual employees to continue their employment. In 2025, the Kunshan Plant negotiated with two female employees to defer their retirement.

Performance Evaluation

The performance evaluation system is central to the Company's talent management. Nishoku implements performance and career development evaluations for all employees on a regular annual basis. The evaluation results serve as the primary reference for salary adjustments, bonus allocations, and work improvement. The Nishoku Group conducts performance evaluations for employees who have completed at least three months of service. In June and December 2025, the performance evaluation completion rate at all operating sites was 100%.



Performance Evaluation System

Beginning of the year

Performance planning

Employees and supervisors discuss and reach consensus on individual work objectives for the year.

Mid-year

Feedback, Adjustment of Work Objectives, and Performance Evaluation

Supervisors review the achievement rate of employees' mid-year work objectives and provide feedback, adjustments, and performance evaluations.

Year-end

Performance evaluation

Supervisors review the achievement rate of employees' year-end work objectives and conduct performance evaluations.

Percentage of Employees Regularly Receiving Performance and Career Development Reviews

Year	2024				2025			
Category	Number of Employees Receiving Performance Evaluations			Percentage of Employees Receiving Performance Evaluations	Number of Employees Receiving Performance Evaluations			Percentage of Employees Receiving Performance Evaluations
	Male	Female	Total		Male	Female	Total	
Management level	83	53	136	6.83%	87	55	142	7.36%
Non-management level	914	941	1,855	93.17%	914	874	1,788	92.64%
Indirect Labor	593	384	977	49.07%	628	405	1,033	53.52%
Direct Labor	404	610	1,014	50.93%	373	524	897	46.48%



Talent Appointment and Retention

Percentage of Senior Management Hired Locally

Nishoku's senior management is responsible for decision-making related to the development of the Company's operational strategies. At the Company's major operating locations, the percentages of senior management hired locally were 100% in Taiwan, 79% in Kunshan, and 21% in Vietnam.

Year	2024			2025		
Item	Taiwan	Kunshan	Vietnam	Taiwan	Kunshan	Vietnam
Number of senior management personnel hired locally	6	9	1	6	11	3
Total number of senior management personnel	6	14	12	6	14	14
Percentage	100%	64%	8%	100%	79%	21%

* Note 1: "Senior management" refers to managerial personnel in Taiwan and to employees and representatives at the department manager level or above at overseas locations.
* Note 2: Nishoku's major operating locations include Nishoku Technology Inc. in Taiwan; Kunshan Nishoku Plastic Electronics Co., Ltd. in Kunshan, China; and NISHOKU TECHNOLOGY VIETNAM CO., LTD. in Vietnam.

New Employee Hires and employee Turnover

New Hires

The total number of new hires in 2025 was 1,144. Employees under the age of 30 accounted for approximately 55% of all new hires, demonstrating the Company's competitiveness in attracting young talent.

Employee Turnover

The Group's overall turnover rate in 2025 decreased by 36% compared with 2024. From a gender perspective, male employees represented the primary group among employees leaving the Company; however, the overall decrease was mainly attributable to a reduction of 337 departures among male employees under the age of 30. Due to the nature of production-line operations and the characteristics of labor-intensive industries, turnover among frontline operational employees is relatively high. The Company continues to optimize the work environment and human resources policies to reduce turnover among frontline personnel and stabilize production performance.

2024													
Region	Age	Newly Recruits						Resigned Employees					
		Male	%	Female	%	Subtotal	%	Male	%	Female	%	Subtotal	%
Taiwan	Under 30	-	-%	-	-%	21	23.60%	1	1.12%	-	-%	24	26.97%
	30 - 50	9	10.11%	10	11.24%			11	12.36%	7	7.87%		
	Over 50	2	2.25%	-	-%			1	1.12%	4	4.49%		
Kunshan	Under 30	44	4.59%	24	2.50%	224	23.36%	74	7.72%	60	6.26%	361	37.64%
	30 - 50	82	8.55%	70	7.30%			104	10.84%	122	12.72%		
	Over 50	1	0.10%	3	0.31%			-	-%	1	0.10%		
Vietnam	Under 30	711	75.40%	474	50.27%	1,743	184.84%	650	68.93%	428	45.39%	1,580	167.55%
	30 - 50	269	28.53%	275	29.16%			242	25.66%	251	26.62%		
	Over 50	2	0.21%	12	1.27%			2	0.21%	7	0.74%		
Number of employees in Taiwan		89											
Number of employees in Kunshan		959											
Number of employees in Vietnam		943											
Total number of employees		1,991											
Total number of new hires		1,988											
Overall new hire rate (%)		99.85%											
Total number of employees leaving		1,965											
Overall turnover rate (%)		98.69%											

* Note 1: Overall New Hire Rate (%) = Total Number of New Hires / Total Number of Employees.
* Note 2: Overall Turnover Rate (%) = Total Number of Employees Leaving / Total Number of Employees.
* Note 3: Information Restatement: Non-employee workers in Kunshan and Vietnam were incorrectly included in the total employee headcount. Accordingly, the 2024 employee headcounts for Kunshan and Vietnam were restated. The restatement increased the overall new hire rate and turnover rate.

2025													
Region	Age	Newly Recruits						Resigned Employees					
		Male	%	Female	%	Subtotal	%	Male	%	Female	%	Subtotal	%
Taiwan	Under 30	1	1.01%	1	1.01%	40	40.40%	1	1.01%	1	1.01%	28	28.28%
	30 - 50	19	19.19%	10	10.10%			15	15.15%	5	5.05%		
	Over 50	6	6.06%	3	3.03%			4	4.04%	2	2.02%		
Kunshan	Under 30	70	7.59%	53	5.75%	314	34.06%	61	6.62%	47	5.10%	347	37.64%
	30 - 50	92	9.98%	95	10.30%			106	11.50%	117	12.69%		
	Over 50	1	0.11%	3	0.33%			2	0.22%	14	1.52%		
Vietnam	Under 30	309	33.99%	194	21.34%	790	86.91%	326	35.86%	220	24.20%	832	91.53%
	30 - 50	162	17.82%	113	12.43%			152	16.72%	126	13.86%		
	Over 50	5	0.55%	7	0.77%			3	0.33%	5	0.55%		
Number of employees in Taiwan		99											
Number of employees in Kunshan		922											
Number of employees in Vietnam		909											
Total number of employees		1,930											
Total number of new hires		1,144											
Overall new hire rate (%)		59.27%											
Total number of employees leaving		1,207											
Overall turnover rate (%)		62.54%											

* Note 1: Overall New Hire Rate (%) = Total Number of New Hires / Total Number of Employees.
* Note 2: Overall Turnover Rate (%) = Total Number of Employees Leaving / Total Number of Employees.

5.1.3 Workforce Profile and Management

Workforce Structure

As of the end of 2025, Nishoku had 1,930 employees. During the reporting period, the number of employees and non-employee workers did not fluctuate significantly.

The Company's operations are located in Taiwan, China, and Vietnam, and the Company has long implemented a local hiring policy. Locally hired employees account for more than 95% of the workforce. Nishoku complies with labor laws and regulations in each operating location, does not employ child labor, and follows local legal procedures when hiring foreign employees to ensure legal compliance.

In terms of diversity and inclusion, Nishoku upholds the principles of fairness and respect. Employee recruitment, compensation and benefits, and welfare program design are free from differential treatment based on gender, age, nationality, ethnicity, religion, political status, job level, or marital status. In 2025, the ratio of male to female employees was approximately 1.08:1, demonstrating a gender-balanced workforce structure.

The Group's non-employee workers are primarily dispatched workers who support production and operational needs. The number of such workers fluctuated significantly during the reporting period. Nishoku and its staffing agency partners comply with applicable laws and regulations. In the event of any violation, the cooperation relationship will be terminated immediately.

Annual Global Workforce Structure of Employees and Non-employee Workers, by Gender and Work Location

Year	Category	Classification	Male	Female	Total	Taiwan	China	Vietnam	Total
2024	Employment Category	Permanent Employees	1,007	984	1,991	89	959	943	1,991
		Temporary Employees	-	-	-	-	-	-	-
	Employment Type	Full-time	1,007	984	1,991	89	959	943	1,991
		Part-time	-	-	-	-	-	-	-
	Non-employee Workers		641	611	1,252	-	647	605	1,252
2025	Employment Category	Permanent Employees	1,001	929	1,930	99	922	909	1,930
		Temporary Employees	-	-	-	-	-	-	-
	Employment Type	Full-time	1,001	929	1,930	99	922	909	1,930
		Part-time	-	-	-	-	-	-	-
	Non-employee Workers		482	587	1,069	-	487	582	1,069

* Note 1: Employee and non-employee worker data are calculated as of the end of each reporting period (December 31, 2024, and December 31, 2025).
* Note 2: The classification of employment type in this report is not limited by working hours.
* Note 3: Non-employee workers are primarily dispatched workers.
* Note 4: Information Restatement: Due to an error in the classification of employee statistics for 2024, non-employee workers were incorrectly included as employees. Accordingly, the total number of employees for 2024 was restated, resulting in a reduction of 1,252 employees.

5.2 Human Rights

5.2.1 Human Rights Policy

To implement the corporate commitment to respect human rights, the Company strictly complies with domestic labor and related laws and regulations. In 2024, the Company formulated the Group Human Rights and Employee Policy, which was approved by the Board of Directors and publicly announced as the highest guiding principle for Nishoku Technology's human rights governance. The Company supports and follows the principles and spirit set out in international human rights instruments, including the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, and the International Labour Organization Declaration on Fundamental Principles and Rights at Work, in order to implement its ESG policies and mission. The Policy applies to all Company personnel, suppliers, and business partners.

Each policy commitment is first proposed and drafted by the responsible functional department. Following optimization and discussion by the Sustainable Development Promotion Team, it is submitted to the Board of Directors for review and approval. The Company will announce policy commitments as appropriate. These commitments apply to the overall operational activities of the Company, its subsidiaries, and business partners(including suppliers).

Group Human Rights and Employee Policy

5.2.2 Human Rights due Diligence

To fulfill its human rights commitments, the Company has established the Human Rights Due Diligence Procedures of Nishoku Technology. Each year, the Company monitors social trends and conducts questionnaire surveys to review its own operations, value chain, new business activities (e.g., mergers and acquisitions and joint ventures), and other related activities. The Company then identifies and assesses groups at risk and potential human rights issues to fulfill its human rights policy commitments.

Five Steps of Human Rights Due Diligence

Step1

Formulate a Human Rights Policy

To fulfill its corporate social responsibility and protect human rights, the Company has established a human rights policy applicable to the Company to eliminate conduct that violates human rights.

Step2

Human Rights Risk Identification

Members of the Sustainable Development Promotion Team identify and confirm human rights-related issues, including occupational injuries, occupational safety and health, and discrimination.

Step3

Risk Assessment and Outcome Analysis

The risk level of each human rights issue is assessed using risk assessment tools.

Step4

Formulate Relevant Management Measures

Review relevant human rights issues throughout the value chain and develop mitigation and remediation measures.

Step5

Tracking and Corrective Actions

Track outcomes and assess the effectiveness of corrective actions in order to manage human rights effectively.

5.2.3 Communication Channels for Implementing Human Rights Commitments

To effectively protect human rights, the Company has established diverse communication and grievance channels, including:

Channel Description Legal Compliance Communications	The Company conducts legal compliance communications quarterly through the internal network, notices, or other channels. Education and awareness initiatives on anti-discrimination, anti-sexual harassment, and anti-bullying are also conducted from time to time to provide a high-quality workplace environment that upholds human rights.
Suggestion Boxes and Email Accounts	In accordance with the Company's Labor Management Policies and Implementation Standards, suggestion boxes and email accounts are available within the Company to provide employees with channels to express opinions or file complaints with senior supervisors or senior management.
Labor-Management Meetings	The Company establishes effective communication channels and holds regular labor-management meetings to safeguard the rights and interests of both parties.

5.3 Employee Care and Labor Protection

5.3.1 Employee Diversity and Inclusion

Employee Diversity

Nishoku upholds a people-oriented core value in its employment practices and seeks to create an equitable workplace. The ratios of women's to men's basic salary and remuneration among management-level employees show relatively greater differences, mainly due to differences in job responsibilities and scope of duties. In addition, the number of male management-level employees at the Vietnam Plant increased in 2025. Together with differences in job responsibilities and scope of duties, this resulted in a greater difference in remuneration ratios compared with 2024.

The gender composition of employees has gradually become more balanced, with male employees accounting for 52% and female employees accounting for 48% of the workforce. In developing management talent, the Company emphasizes management qualities and skills and proactively promotes outstanding employees regardless of gender or background, while actively supporting employees' career advancement. In 2025, Nishoku had 55 female managers at the section manager, deputy section manager, or higher level, representing 39% of all managers at this level. In addition, to fulfill its corporate social responsibility, the Company recruited one manager with disabilities at the section manager, deputy section manager, or higher level, representing 0.7% of all managers.

Ratio of Men's to Women's Basic Salary and Total Remuneration

Year	Operating Location	Taipei Plant			Kunshan Plant			Vietnam Plant		
	Employee Category	Salary	Bonus	Total Remuneration	Salary	Bonus	Total Remuneration	Salary	Bonus	Total Remuneration
2024	Management-level employees	1.14 : 1	1.16 : 1	1.15 : 1	1.53 : 1	1.15 : 1	1.47 : 1	1.16 : 1	2.29 : 1	1.53 : 1
	Non-management-level employees	1.02 : 1	0.68 : 1	0.92 : 1	1.26 : 1	1.42 : 1	1.26 : 1	0.93 : 1	0.99 : 1	0.96 : 1
2025	Management-level employees	1.16 : 1	1.12 : 1	1.14 : 1	1.39 : 1	1.50 : 1	1.49 : 1	4.15 : 1	4.96 : 1	4.47 : 1
	Non-management-level employees	0.67 : 1	0.50 : 1	0.62 : 1	1.14 : 1	1.64 : 1	1.46 : 1	1.03 : 1	0.97 : 1	1 : 1

* Note 1: Total Remuneration = Basic Salary + Bonus.
* Note 2: For the ratios in the table above, women's remuneration is set at 1.
* Note 3: Management-level employees refer to personnel at the section manager, deputy section manager, or higher level.l.

Salary Information for Full-Time Employees in Non-Managerial Positions (Taipei Headquarters)

Unit: Persons / NTD thousand

Full-Time Employees in Non-Managerial Positions	Number of Employees	Average Salary	Median Salary
2024	60	755	694
2025	60	867	795
YoY (%)	-%	14.83%	14.55%

* Note: The average and median salary of full-time employees in non-managerial positions differed by more than 10% from the previous year, mainly due to salary adjustments and increased recruitment of professional talent..

Group Employee Age Distribution by Employment Category

Year	2024						2025					
Age Range	Under 30		30 - 50		Over 50		Under 30		30 - 50		Over 50	
Title /Sex	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Managers	-	-	70	46	13	7	-	-	71	47	16	8
Professional and Assistant Personnel	107	92	359	203	44	36	132	106	359	207	50	37
Direct Employees	186	213	203	360	15	37	150	126	200	365	23	33
Percentage of Managers (%)	-%	-%	3.5%	2.3%	0.7%	0.4%	-%	-%	3.7%	2.4%	0.8%	0.4%
Percentage of Professional and Assistant Personnel (%)	5.4%	4.6%	18.0%	10.2%	2.2%	1.8%	6.9%	5.5%	18.6%	10.7%	2.6%	1.9%
Percentage of Direct Employees (%)	9.3%	10.7%	10.2%	18.1%	0.8%	1.8%	7.8%	6.5%	10.4%	18.9%	1.2%	1.7%

* Note 1: Percentages (%) are calculated based on the total number of Group employees.
* Note 2: Information Restatement: As the 2024 workforce statistics included dispatched workers (non-employee workers), the data were revised to be calculated based on employee headcount in order to improve comparability. Accordingly, the number of employees by employment category and age group for 2024 was restated, resulting in a decrease in employee headcount.

Employee Category (Number of Employees)			2024	Percentage of Employees (%)	2025	Percentage of Employees (%)
Employees with Disabilities	Male	Under 30 years old	-	-%	-	-%
		Aged 30 - 50	1	0.05%	1	0.05%
		Over 50 years old	-	-%	-	-%
	Female	Under 30 years old	-	-%	-	-%
		Aged 30 - 50	-	-%	-	-%
		Over 50 years old	1	0.05%	1	0.05%

* Note 1: Percentages (%) are calculated based on the total number of Group employees.
* Note 2: In 2024, the percentage of employees with disabilities was calculated based on the combined number of employees and non-employee workers. To improve the comparability of the information, the calculation was revised to use the number of employees only as the denominator. Accordingly, the 2024 percentage of employees with disabilities was restated. The headcount remained unchanged; however, the percentage of employees in this category increased.

Group Employee Distribution by Nationality and Gender

Year	2024								2025							
Age Group	Under 30		30 - 50		Over 50		Total		Under 30		30 - 50		Over 50		Total	
Nationality / Gender	Male	Female	Male	Female	Male	Female	Number of Employees	Percentage of Total Group Employees (%)	Male	Female	Male	Female	Male	Female	Number of Employees	Percentage of Total Group Employees (%)
Republic of China (Taiwan)	2	-	31	35	10	11	89	4.47%	1	-	24	35	18	15	93	4.82%
Mainland China	93	83	382	351	54	26	989	49.67%	77	44	394	374	67	14	970	50.26%
Vietnam	198	222	219	223	8	43	913	45.86%	204	188	209	210	4	49	864	44.77%
Indonesia	-	-	-	-	-	-	-	-%	-	-	2	-	-	-	2	0.10%
Philippines	-	-	-	-	-	-	-	-%	-	-	1	-	-	-	1	0.05%

* Note: Information Restatement: As the 2024 workforce statistics included dispatched workers (non-employee workers), the data were revised to be calculated based on employee headcount in order to improve comparability. Accordingly, the number of employees by nationality and age group for 2024 was restated, resulting in a decrease in employee headcount.

Employee Benefits

Nishoku Taipei has established the Staff Welfare Committee with welfare funds set aside each month. Representatives are selected by both labor and management to be in charge of matters in connection to employee welfare so as to reach the goal of a harmonious working environment as well as bringing all employees together. The protection and benefits provided by the Company and the Welfare Committee include:

1	The purchase of labor insurance, National Health Insurance and Group Insurance.
2	Holds employee health examinations performance by qualified hospitals, ensuring the health of employees.
3	Established the employee canteen, providing meals for employees.
4	Employees are given wedding, childbirth, holiday and birthday cash gifts, plus wedding cash gifts and childbirth incentives for NTD 12,000 for each child.
5	Funeral and hospital subsidies.
6	Free car and motorbike parking spaces for colleagues.
7	Periodical employee trips.
8	Holds education and training inside and outside the plant from time to time.
9	Year-end parties and lucky draws.
10	Advanced health check for senior employees and managers.
11	In addition to the pension fund issued in accordance with the Labor Standards Act, the Company also provides a pension fund for employees who apply for retirement in accordance with the Labor Standards Act, and organizes the retirement farewell party.
12	In addition to the menstruation leave that women are entitled to under the Labor Standards Act, the Company also provides the following support programs for female employees; Pregnancy and childbirth: 56 days of maternity leave in accordance with the law, 7 days of maternity examination leave, and the leave of rest in accordance with the doctor's orders. Parenting: In addition to 7 days of family care leave per year, female employees are entitled to breastfeeding rooms, breastfeeding breaks, and parental leave systems in accordance with the "Act of Gender Equality in Employment." We also provide female employees with measures to assist in reinstatement after childbirth, and offer them suitable work as needed.

Employment Policies, Training Programs, and Employment Status for Older Employees

The Company upholds a people-oriented core value. In response to the arrival of a super-aged society and declining birth rates, the employment and advancement of middle-aged and older employees have become an important trend. The Company is committed to creating an age-inclusive and supportive workplace.

Under the Company's workplace policies, employees may not be treated differently on the basis of age in areas including recruitment, promotion, performance evaluation, training, remuneration, and retirement. The Company has also established employee-friendly welfare measures, such as creating accessible work environments, providing barrier-free facilities and accessible restrooms, and developing easy-to-read versions of work instructions.

The Company's training programs for older employees include flexible and accessible work arrangements, such as flexible employment and working-hour arrangements. Diverse options may be designed according to job requirements, and varied training programs are provided to enhance individual work skills. No older employees were newly hired in 2025.

Flexible and Employee-Friendly Working Hours

To create an employee-friendly workplace, the Company provides flexible working hours that enable employees to avoid peak commuting periods and better balance work and family life.

Maternal and Infant Health Rights

The Company is committed to creating a breastfeeding-friendly environment. Dedicated lactation rooms have been thoughtfully planned to safeguard the rights of female employees to breastfeed with peace of mind. These facilities enable breastfeeding employees to express milk comfortably during the workday and help create a supportive workplace that balances work and family life.

Parental Leave

In Taiwan, eligible employees may apply for parental leave without pay according to their individual needs, in accordance with the Gender Equality in Employment Act and the Regulations for Implementing Unpaid Parental Leave for Raising Children. As of the end of 2025, no employees met the eligibility requirements, and no employees had returned to work from parental leave.

In China, parental leave arrangements vary according to local regulations. Since 2022, the Company has implemented childcare leave: until a child reaches three years of age, both parents who meet the applicable policy requirements are each entitled to 10 days of paid childcare leave per year.

In Vietnam, maternity leave is provided in accordance with local labor laws for a total of six months before and after childbirth, of which no more than two months may be taken before childbirth.



Parental Leave Statistics in Taiwan

Parental leave statistics	2023		2024		2025	
	Male	Female	Male	Female	Male	Female
Number of employees eligible to apply for parental leave during the year (A)	1	-	-	-	-	-
Number of employees who actually took parental leave during the year (B)	1	-	-	-	-	-
Application rate (B/A)	100%	-%	-%	-%	-%	-%
Number of employees on parental leave scheduled to return to work during the year (C)	-	-	-	-	-	-
Number of employees who actually returned to work during the year (D)	-	-	-	-	-	-
Return-to-work rate (D/C)	-%	-%	-%	-%	-%	-%
Number of employees who returned to work in the previous year (E)	-	1	-	-	-	-
Number of employees who had completed one year after returning to work from parental leave in the previous year (F)	-	1	-	-	-	-
Retention rate (F/E)	-%	100%	-%	-%	-%	-%



5.3.2 Labor Relations

Minimum Notice Period for Operational Changes

In accordance with the Labor Standards Act and the Company's Factory Rules and Work Rules, where an employment contract is terminated in accordance with applicable regulations, the following advance notice periods apply:

(1) Employees who have worked continuously for more than three months but less than one year must be given at least 10 days' notice.

(2) Employees who have worked continuously for one year or more but less than three years must be given at least 20 days' notice.

(3) Employees who have worked continuously for three years or more must be given at least 30 days' notice.

For significant operational changes or response measures that may affect employees' rights and interests, the Company will conduct adequate communication through labor-management meetings before implementation and will make announcements or notify employees in advance in accordance with applicable laws and regulations.

The Kunshan Plant in China and the Vietnam Plant comply with the labor laws and regulations of their respective locations.

Collective Bargaining Agreements

No labor union has been established at Nishoku Technology in Taiwan; therefore, no collective bargaining agreement is in place. The Company communicates regularly with employees through labor-management meetings and various communication channels, and will continue to maintain positive relations with employees, comply with local labor laws and regulations, and promote diverse communication channels to foster harmonious and mutually beneficial labor-management relations. Enterprise unions have been established at both the Kunshan Plant and the Vietnam Plant; however, neither union has, to date, submitted a request to the Company to initiate negotiations for a collective bargaining agreement, and accordingly, no collective bargaining agreements have been signed at either plant.



5.3.3 Employee Satisfaction Survey and Improvement Plans

The Group regards its employees as core partners in sustainable development and is committed to establishing transparent, equitable, two-way communication channels. To fulfill its commitment to respecting human rights in the workplace and enhancing the organizational climate, the Human Resources and Administration Department at Group Headquarters launched its first cross-regional Employee Opinion Survey in 2025, covering the Taipei Plant and Kunshan Plant. Through quantitative data, the survey was designed to accurately understand employees' views of the organization and provide an important basis for improving internal management and formulating human rights policies. The employee coverage rate was 89%.

Item	Description
Target Participants	All employees and dispatched workers (non-employee workers)
Survey Topics	Seven topics: organizational health, corporate culture, work and development, leadership culture, working environment, compensation and benefits, and other matters
Survey Population (Note)	3,108 persons
Response Rate	89%
Responsible Department	Human Resources and Administration Department
Survey Frequency	Once every two years
Survey Period	January–September 2025
Overall Satisfaction Score (minimum: 0; maximum: 100)	85
Survey Results	The Group's first survey in 2025 achieved a response rate of 89% and an overall satisfaction score of 85, indicating that employees responded positively to the Group's overall operating approach, working environment, and employment conditions.
Improvement Plans	Guided by the principle of valuing employee feedback and implementing sustainable management, the Human Resources and Administration Department has translated employees' key concerns identified through this survey into concrete action plans. The following sustainability improvement projects will be fully implemented in 2026:• Enhancing the Employee-Friendly Workplace—Food Service Quality Improvement Project: This project focuses on improving the working environment and employee health and well-being through comprehensive upgrades to meal quality, nutritional balance, and the dining environment.• Strengthening Organizational Governance—Three-Location Policy and Administrative Process Integration Project: This project will review, revise, and integrate human resources, general administration, and plant affairs policies and processes across the three locations. By standardizing systems and processes, the Group aims to eliminate regional barriers, improve administrative efficiency, and ensure that employees in all locations benefit from fair, transparent, and efficient management systems.

* Note: The survey population was calculated based on employees and non-employee workers actively employed during the survey period.

5.4 Occupational Health and Safety

Management of Material Topics - Occupational Health and Safety

Material Topics	Occupational Health and Safety	
Impact Description	Potential negative impacts: Inadequate workplace health and safety management may increase the risk of occupational accidents, resulting in legal liabilities and work stoppages, while adversely affecting employees' physical and mental health and the Company's operations. Actual positive impacts: Providing employees with a safe and healthy working environment and strengthening employee health management demonstrate Nishoku's commitment to occupational health and safety, helping to maintain the Company's competitiveness.	
Policy/Commitment	To ensure a safe and healthy working environment and care for employees' health, so that all personnel are treated with respect and dignity.	
Actions Taken	Employee health examinations and health management; occupational health and safety education and training; and working environment monitoring.	
Tracking and Evaluation Mechanism	1. Track occupational safety incidents through monthly management reports. 2. Conduct regular internal plant audits to ensure compliance with applicable regulations.	
Management Objectives and Annual Performance	Short-Term Goals (2026)	2025 Annual Performance
	1. Maintain zero fatalities from occupational safety incidents. 2. Achieve a 100% completion rate for occupational health and safety education and training. 3. Continue revising factory rules and work rules, replacing equipment that may pose risks to worker safety, and improving workplace facilities. 4. Maintain ISO 45001 Occupational Health and Safety Management System certification.	1. No employees contracted an occupational disease in 2025. However, six occupational accident cases occurred, and the goal of zero occupational accidents was not achieved. In response, all relevant departments have conducted internal occupational health and safety education and awareness programs to strengthen employees' safety awareness and implementation of operating procedures, enhance workplace safety, and reduce the risk of occupational accidents. 2. A total of 20,495 participant attendances completed occupational health and safety education and training in 2025, achieving a 100% completion rate. 3. The Vietnam Plant successfully completed the ISO 45001:2018 Occupational Health and Safety Management System surveillance audit. The new certificate is valid through March 6, 2029.
	Medium-Term Goals (2028)	Long-Term Goals (2030)
	1. Maintain zero fatalities from occupational safety incidents. 2. Achieve a 100% completion rate for occupational health and safety education and training. 3. Continue revising factory rules and work rules, replacing equipment that may pose risks to worker safety, and improving workplace facilities. 4. Maintain ISO 45001 Occupational Health and Safety Management System certification.	1. Maintain zero fatalities from occupational safety incidents. 2. Achieve a 100% completion rate for occupational health and safety education and training. 3. Continue revising factory rules and work rules, replacing equipment that may pose risks to worker safety, and improving workplace facilities. 4. Maintain ISO 45001 Occupational Health and Safety Management System certification.
Stakeholder Engagement	Employees: 1. Occupational safety requirements are communicated through the Occupational Safety Committee and labor-management meetings to ensure workplace safety and provide channels through which employees may express their views. 2. Relevant occupational health and safety education and training are provided to promote a culture and awareness of occupational health and safety among employees. Government Agencies: The Company participates in relevant briefings held by government agencies to identify and understand the latest applicable laws and regulations. Other Stakeholders: Stakeholders may review relevant regulatory requirements and compliance procedures on the Company's website and in its annual report, and may contact the Company through the contact channels provided on its website.	

5.4.1 Healthy and Safe Workplace

Occupational Health and Safety Management System

In accordance with Article 12-2 of the Occupational Safety and Health Management Regulations, the number of workers at the Taipei Plant, including Nishoku Technology Co., Ltd. and Nishoku Ming Co., Ltd., is fewer than 200 workers in a Category 1 business. Therefore, an occupational health and safety management system has not yet been implemented at the Taipei Plant. The operating sites that have obtained ISO 45001 Occupational Health and Safety Management System certification include the Kunshan Plant (Kunshan Nishoku Plastic Electronics Co., Ltd.) and the Vietnam Plant (Nishoku Technology Vietnam Co., Ltd.).

To implement occupational health and safety management, Nishoku Technology has established the Work Rules on Labor Safety and Health in accordance with relevant regulations, including the Ministry of Labor's Occupational Safety and Health Act and Occupational Safety and Health Management Regulations. The Rules apply to all operational activities, products, services, and workers. Non-employee workers refer to contractors that have entered into contracts with the Company, including security and cleaning personnel. Kunshan Nishoku Plastic Electronics Co., Ltd. and Nishoku Technology Vietnam Co., Ltd. have established relevant work rules in accordance with applicable local laws and regulations.

Hazard Identification, Risk Assessment, and Incident Investigation

With reference to the Technical Guidelines for Risk Assessment issued by the Occupational Safety and Health Administration of the Ministry of Labor, the Taipei Plant regularly conducts occupational safety hazard identification. Seven hazard risks have been identified: occupational diseases, noise-generating operations, UV operations, molding operations, alcohol lamps, shredders, and chemical substances. Management and control measures, awareness campaigns, and education and training are implemented for the different risks. Fire safety drills and industrial safety training are conducted at least once every six months. Appropriate response measures have been established for all identified hazard risks. Through discussions of the Occupational Safety and Health Committee, high-risk workplace activities are improved to protect employees' health.

The Taipei Plant, Kunshan Plant, and Vietnam Plant conduct annual fire safety drills in accordance with local laws and regulations. In addition, an internal audit of the Occupational Health and Safety Management System (ISO 45001) is conducted annually. Personnel conducting audits must complete at least 16 hours of internal training before conducting cross-departmental audits. In accordance with local regulations, annual occupational hazard identification and risk assessments are conducted and submitted to local governments for filing. The audit scope covers the Kunshan Plant and Vietnam Plant, ensuring the quality of occupational hazard identification and risk assessment procedures and the adequacy of auditors' competencies. In 2025, the drills and audit results at the Kunshan Plant and Vietnam Plant complied with applicable laws and regulations. The Company is committed to continuously maintaining a sound operating environment and conducting regular inspections to safeguard employees' health and safety.

ISO 45001 Occupational Health and Safety Management System

Plant	Certificate validity period
Kunshan Plant	2023/8/14 ~ 2026/8/13
Vietnam Plant	2023/3/6 ~ 2026/3/6

Incident Notification and Reporting Procedures

When an occupational safety incident occurs involving an employee at a Group plant, the employee must immediately report the incident to the department supervisor or the Management Department. On-site medical or first-aid personnel will assess the severity of the injury and provide initial first-aid treatment. At the same time, the occupational safety and health unit (Management Department) will conduct an incident investigation and prepare a report in accordance with the procedures for incident investigation and handling set out in the Work Rules on Labor Safety and Health and the Incident Reporting, Investigation, and Handling System, with the aim of minimizing losses and preventing similar incidents from recurring. Where there is an immediate risk of danger, employees have the right to report the situation and remove themselves from the area of danger. In accordance with applicable laws, the employer may not dismiss, transfer, withhold wages during the work-stoppage period, or impose any other adverse treatment on an employee for exercising these rights.



Occupational Health Services

Employees' physical and mental health is one of the key indicators of corporate sustainability. The Taipei Plant arranges general health examinations for employees every two years, exceeding current regulatory requirements. Employees at all plants who engage in work involving specific health hazards are provided with annual special health examinations in accordance with applicable regulations, including examinations for exposure to noise, dust, and ionizing radiation. Where a physician identifies a case requiring follow-up management after an examination, the Company provides sufficient information on medical treatment. In accordance with applicable requirements, the Company engages qualified contracted occupational health physicians and nurses to visit the plant once per month and provide at least three hours of health-related services. These services include health examination result analysis and health guidance; health education; health consultation and assessment; health promotion; workplace environment assessments and improvement recommendations; return-to-work or job placement assessments following injury or illness; regular reporting to the employer; and recommendations on occupational health services, all to safeguard employee health. In appreciation of the dedication and contributions of senior employees and managers, the Company additionally provides advanced health examinations at teaching medical centers, offering more comprehensive protection to safeguard employees' health.

In 2025, a total of 2,320 health examination and consultation attendances were recorded, achieving a 100% completion rate. This total included two advanced health examination attendances and 29 on-site health consultation and care attendances. In addition, 1,366 employees engaged in work involving specific health hazards received special health examinations, including examinations for exposure to noise, dust, and ionizing radiation, in accordance with applicable regulations. General health examinations accounted for 923 attendances.

Health Service Examination Attendances

Year	Plant	Special Health Examinations for Hazardous Operations	General Health Examinations	Advanced Health Examinations	On-site Health Consultation and Care
2024	Taipei Plant	-	66	10	50
	Kunshan Plant	336	-	-	-
	Vietnam Plant	893	-	-	-
2025	Taipei Plant	2	-	2	29
	Kunshan Plant	390	923	-	-
	Vietnam Plant	974	-	-	-

Each plant has announced a Prevention Plan for Unlawful Infringement in the Workplace to prevent employees from being subjected to the following forms of unlawful infringement at work. The plan also provides relevant grievance channels:

(1) Physical unlawful infringement: such as assault, grabbing, punching, and kicking.

(2) Psychological unlawful infringement: such as threats, coercion, harassment, and verbal abuse.

(3) Verbal unlawful infringement: such as intimidation, interference, and discrimination.

(4) Sexual harassment: such as inappropriate sexual conduct.

(5) Bullying.

Occupational Health and Safety Management Unit

Nishoku has established occupational health and safety management units and personnel at each plant in accordance with applicable laws and regulations. Occupational health and safety personnel and relevant management departments form management meetings to regularly provide recommendations, conduct reviews, and coordinate on occupational safety and health policies. Topics include reducing workplace hazards and providing employees with a safe and healthy working environment, thereby maintaining workplace safety and health. These units are also responsible for conducting incident investigations and preparing associated budgets following occupational accidents. In 2025, the Kunshan Plant held four meetings and the Vietnam Plant held 12 meetings. The Company will continue to strengthen workplace safety management through cross-departmental communication.

Plant / Item	Taipei Plant	Kunshan Plant	Vietnam Plant
Number of Committee Members	8	11	6
Number of Worker Representatives	3	1	1
Percentage of Worker Representatives	37.5%	9.1%	16.7%

To ensure employee health and workplace safety, Nishoku has established a dedicated occupational health and safety management unit responsible for planning, implementing, and overseeing the Company's occupational health and safety policies and measures. Its principal responsibilities include:

1	Making recommendations on the occupational health and safety policies developed by the employer.
2	Coordinating and making recommendations on occupational health and safety management plans.
3	Reviewing implementation plans for occupational safety and health education and training.
4	Reviewing workplace environment monitoring plans, monitoring results, and measures to be adopted.
5	Reviewing health management, occupational disease prevention, and health promotion matters.
6	Reviewing occupational safety and health proposals.
7	Reviewing self-inspections and occupational safety and health audits conducted by business units.
8	Reviewing preventive measures for hazards associated with machinery, equipment, raw materials, and other materials.
9	Reviewing occupational accident investigation reports.
10	Evaluating on-site occupational safety and health management performance.
11	Reviewing occupational safety and health management matters relating to contracted operations.
12	Handling other matters related to occupational health and safety management.

Worker Training on Occupational Health and Safety

To prevent occupational accidents and safeguard workers' safety and health, the Company enhances employees' identification of occupational hazards through education and training and strengthens workplace risk management and inspections. In 2025, when hazardous activities involving the use of fire, knives, or lifting equipment were undertaken, corresponding training courses were provided to equip employees with the relevant safety awareness and professional knowledge.

The Company also provides paid training during working hours, including training on workplace hazard prevention and inspection practices, fire safety education and training, and general on-the-job education and training for employees. Fire safety education and training are conducted twice a year. External association instructors provide engaging instruction together with practical drills so that employees fully understand how to respond in the event of a disaster. As participants include dispatched workers (non-employee workers), and turnover among dispatched workers was relatively high in 2025, total training attendances and training hours in 2025 increased compared with 2024.

The number of occupational safety and health education and training sessions and participant attendances at each plant are as follows:

Year	2024				2025			
Plant	Training Courses	Training Attendances	Total Training Hours	Completion Rate	Training Courses	Training Attendances	Total Training Hours	Completion Rate
Kunshan Plant	245	10,700	11,760	100%	40	19,805	34,540	100%
Taipei Plant	2	58	204	100%	8	128	345	100%
Vietnam Plant	191	5,310	13,335	100%	40	562	610	100%
Total	438	16,068	25,299	100%	88	20,495	35,495	100%

Worker Health Promotion

To create a healthy and employee-friendly workplace environment, Nishoku has developed a comprehensive employee care program based on four key areas: health screening, care, health education, and promotion. The program encourages employees to cultivate health awareness and, in turn, motivates their family members to participate.

Health Screening

Nishoku Technology believes that employees' physical and mental health is the Company's long-term value. In accordance with employees' years of service and relevant requirements, the Company provides advanced health examination programs to enable employees to attend to their family life and physical, mental, and spiritual well-being while focusing on their work. These programs substantially enhance employee well-being and work performance, strengthen employee engagement and corporate competitiveness, create a healthy workplace, and contribute to the Company's economic development.

In 2025, to care for the health of the Company's managers and senior employees, the Taipei Plant established an advanced health examination program. Two examination attendances were completed, with expenditures of approximately NT$124,515.

Blood pressure monitors are installed on the first floor of the Taipei Plant, enabling employees to regularly monitor their blood pressure, heart rate, and other indicators, stay informed of their health status, and prevent cardiovascular disease risks at an early stage.

Care

In accordance with applicable laws and regulations, Nishoku deploys qualified contracted on-site occupational health physicians and nurses. By identifying occupational safety hazard factors and screening for at-risk cases in four areas—ergonomic hazards, diseases caused by abnormal workloads, maternal health protection, and unlawful infringement—the Company develops preventive plans to reduce the likelihood of employee health risks.

In 2025, the Taipei Plant provided 29 health consultation and care attendances.

Health Education

The Company periodically prepares health education materials and promotes the government's four major cancer screening programs. Through email announcements, employees can learn about the causes and symptoms of diseases, as well as relevant government-provided free screening resources. This enables employees to better understand their health conditions and creates a win-win outcome for both the Company and its employees.

Promotion

The Company encourages employees to exercise by promoting the use of stairs instead of elevators whenever possible, based on the belief that maintaining good health requires physical activity. The Company also promotes vaccination and stress-relief massage services and provides subsidies for related expenses. Employees' physical and mental health is the Company's most valuable asset.

Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked to Business Relationships

The Company has established Contractor Occupational Safety and Health Management Procedures. When entering into business arrangements with contractors, the Company provides the Contractor Construction Occupational Safety and Health Rules and requires contractors to sign a Construction Cooperation Consent Form. The signing rate reached 100% in 2025. Before construction work begins, contractors are informed of relevant operational hazards and must complete a Special Operation Application Form. Construction may commence only after approval is granted. During construction, daily site inspections are strengthened. Where non-compliance with applicable occupational safety and health requirements is identified, the responsible project unit completes a Notice of Contractor Violation of Construction Requirements and requires the contractor to make immediate improvements. Upon completion of the work, the supervising unit completes the Special Operation Application Form to effectively prevent contractor-related accidents and injuries.

Work-Related Injuries and Ill Health

According to the Company's internal statistics, occupational injuries and commuting accidents account for the largest proportion of occupational accidents. Unsafe worker behavior is the primary cause of occupational injuries, and such behavior is often closely related to employees' safety awareness and perception of risk. To reduce the risk of occupational injuries, Nishoku continues to strengthen occupational safety education and behavior management. Through regular education and training, the Company enhances employees' awareness of potential risks and their ability to prevent them. The Company has established clear requirements covering the proper use of small tools, such as blades, and the operation of safety protection mechanisms on large equipment. It also emphasizes that critical safety devices, such as protective switches, must not be shut off or adjusted without authorization to ensure workplace safety.

With regard to commuting safety, internal analysis indicates that most commuting accidents are associated with rushing. To reduce the risk of accidents caused by employees rushing to work, the Company has implemented a 15-minute flexible buffer period, encouraging employees to wait through an additional traffic-light cycle and avoid unnecessary haste, thereby preventing commuting accidents at their source.

In 2025, there were no occupational injury cases at the Taipei Plant, three cases at the Kunshan Plant, and three cases at the Vietnam Plant. There were no commuting accident cases meeting the GRI definition. A total of six employees were involved, representing 0.31% of the Group's total workforce as of the end of 2025; therefore, the zero-accident target was not achieved. As part of occupational safety improvements, relevant employees will receive internal training to strengthen their awareness of workplace safety precautions, ensure a safe working environment, and continue working toward the goal of zero occupational accidents.

For employees engaged in work with a high incidence of, or high risk of, occupational diseases, Nishoku provides appropriate personal protective equipment. The Company also arranges health examinations for the prevention of occupational diseases, conducts working environment monitoring in relevant workplaces, and tracks and manages employees with abnormal monitoring results. Necessary individual health consultation, care, and guidance are provided to help employees stay informed of their health status. No occupational disease cases occurred at any Nishoku plant in 2025.

For non-employee workers whose work and/or workplaces are controlled by Nishoku, total working hours were 2,527,592 in 2025. No occupational accident or occupational disease cases occurred during the year. Accordingly, the number and rate of deaths resulting from work-related injuries or ill health, serious work-related injuries, and recordable work-related injuries or ill health were all zero. Nishoku continues to provide hazard communication education, training, and awareness programs to create a safe workplace with zero work-related injuries.





2025 Work-Related Injury and Ill Health Statistics (All Employees)			Taipei Plant			Kunshan Plant			Vietnam Plant			Nishoku Group Total		
			Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Occupational Accident Cases	(A)		-	-	-	3	-	3	2	1	3	5	1	6
GRI-Defined Commuting Accident Cases	(B)		-	-	-	-	-	-	-	-	-	-	-	-
Total Working Hours	(C)		93,248	103,168	196,416	990,016	839,232	1,829,248	1,055,600	1,053,280	2,108,880	2,138,864	1,995,680	4,134,544
Total Workdays	(D)		11,656	12,896	24,552	123,752	104,904	228,656	131,950	131,660	263,610	267,358	249,460	516,818
Disabling Injury Frequency Rate (FR)	(E)	(E) = (A)/(C) X 1,000,000	-	-	-	3.03	-	1.64	1.89	0.94	1.42	2.33	0.50	1.45
Lost Workdays	(F)		-	-	-	71	-	71	54	14	68	125	14	138
Disabling Injury Severity Rate (SR)	(G)	(G) = (F)/(C) X 1,000,000	-	-	-	71	-	38	51	13	32	58	6	33
Serious Work-Related Injury Cases (Excluding Fatalities)	(H)		-	-	-	-	-	-	-	-	-	-	-	-
Serious Work-Related Injury Rate	(I)	(I)= (H)/(C) X 1,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Work-Related Injury Fatalities	(J)		-	-	-	-	-	-	-	-	-	-	-	-
Fatality Rate Due to Work-Related Injuries	(K)	(K) =(J)/(C) X 1,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Recordable Work-Related Injury Cases	(L)	(K) = (A)+(B)	-	-	-	3	-	3	2	1	3	5	1	6
Recordable Work-Related Injury Rate	(M)	(M) = (L)/(C) X 1,000,000	-	-	-	3.03	-	1.64	1.89	0.94	1.42	2.33	0.50	1.45
Occupational Disease Fatalities	(N)		-	-	-	-	-	-	-	-	-	-	-	-
Fatality Rate Due to Occupational Diseases	(O)	(O) = (N)/(C) X 1,000,000	-	-	-	-	-	-	-	-	-	-	-	-

2025 Work-Related Injury and Ill Health Statistics (All Employees)			Taipei Plant			Kunshan Plant			Vietnam Plant			Nishoku Group Total		
			Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Recordable Occupational Disease Cases (Including Fatalities)	(P)		-	-	-	-	-	-	-	-	-	-	-	-
Recordable Occupational Disease Rate (CDR)	(Q)	(Q) = (P)/(C) X 1,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Total Days Absent	(R)		-	-		71	-	71	54	14	68	125	14	138
Absenteeism Rate (AR)	(S)	(S) = (R)/(D) X 100%	-%	-%	-%	0.06%	-%	0.03%	0.04%	0.01%	0.03%	0.05%	0.01%	0.03%
Number of Employees Experiencing Occupational Accidents During the Year	(T)	(T)=(A)+(P)	-	-	-	3	-	3	2	1	3	5	1	6
Number of Employees at Year-End	(U)		47	52	99	499	423	922	455	454	909	1,001	929	1,930
Occupational Accident Rate Based on the FSC ESG Disclosure Definition	(V)	(V) = (T)/(U) X 100%	-%	-%	-%	0.60%	-%	0.33%	0.44%	0.22%	0.33%	0.50%	0.11%	0.31%

* Note 1: The employee population covered by the statistics includes all employees at the Taipei Plant, Kunshan Plant, and Vietnam Plant.
* Note 2: Occupational accident cases refer to worker illnesses, injuries, disabilities, or deaths arising from workplace buildings, machinery, equipment, raw materials, other materials, chemicals, gases, vapors, dust, work activities, or other occupational causes.
* Note 3: The primary types of occupational accidents in 2025 were crush injuries, struck-by injuries, caught-in or caught-between injuries, and fall injuries.
* Note 4: **Disabling Injury Frequency Rate (FR)** = (Occupational Accident Cases / Total Working Hours) × 1,000,000. Results are calculated to two decimal places, with digits after the third decimal place truncated.
* Note 5: **Disabling Injury Severity Rate (SR)** = (Lost Workdays / Total Working Hours) × 1,000,000. Results are calculated to the nearest whole number, with all decimal places truncated.
* Note 6: Serious work-related injuries refer to injuries from which a worker cannot recover, such as amputations, or injuries from which a worker cannot return to their pre-injury state of health within six months.
* Note 7: **Serious Work-Related Injury Rate** = (Serious Work-Related Injury Cases / Total Working Hours) × 1,000,000. Results are calculated to two decimal places, with digits after the third decimal place truncated.
* Note 8: Recordable work-related injury cases refer to the number of recordable work-related injuries, including commuting traffic accidents as defined by the GRI Standards, fatalities, and serious work-related injuries.
* Note 9: **Recordable Occupational Disease Rate (ODR)** = (Total Occupational Disease Cases / Total Working Hours) × 1,000,000. Results are calculated to two decimal places, with digits after the third decimal place truncated.
* Note 10: **Absenteeism Rate (AR)** = (Total Days Absent / Total Workdays) × 100%. Results are calculated to two decimal places, with digits after the third decimal place rounded.

Work-Related Injury Statistics

Year	2025	
Type of Work-Related Injury	Number of Employees Affected	Percentage (%)
Crush and Struck-by Injuries	1	17%
Caught-in and Caught-between Injuries	4	67%
Fall Injuries	1	16%
Total	6	100%

06

Social Engagement

6.1 Social Welfare Participation

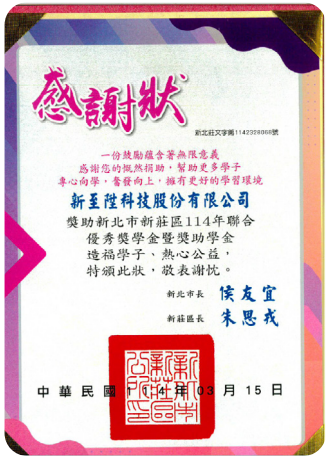


6.1 Social Welfare Participation

Nishoku Group actively invests corporate resources in community care and charitable activities, putting into practice its belief in giving back to society. Through participation in charitable, humanitarian, and educational initiatives, the Group contributes corporate resources to public welfare, fulfills its corporate social responsibility, and promotes sustainable development. Sponsorship of children through the Taiwan Fund for Children and Families, computer donations to remote areas, breakfast funding for disadvantaged children through the Eden Social Welfare Foundation, sponsorship of the Paper Windmill Theatre's performances, and the employment of persons with disabilities are not merely Nishoku's achievements over the years; they are also the starting point of its commitment to public welfare. In 2025, the Group donated a total of NT$2,240,249. Nishoku will continue to support public welfare organizations and extend its care to disadvantaged communities in order to fulfill its social responsibility.

Local Community Care

Nishoku Group is headquartered in Xinzhuang District, New Taipei City. Since the completion of its plant in 2011, the Group has participated, through the Xinzhuang District Office, in the Xinzhuang District Joint Scholarship and Financial Aid Program, which primarily supports students at public and private universities and high schools. The program encourages academically outstanding, economically disadvantaged, or students facing urgent hardship in Xinzhuang District to pursue their studies and uphold good character, while cultivating talent for the local community and society. The Company has supported this talent development program for 14 years, with cumulative sponsorships totaling NT$900,000 and scholarships or financial aid awarded to 135 students.


感謝狀

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新北市長 侯友宜
新莊區長 朱思戎

中華民國 114 年 03 月 15 日

To put community care into practice, the Vietnam Plant continued to provide donations in 2025 to two local village temple festivals and 15 financially disadvantaged villagers, totaling VND 19 million (approximately NT$22,325). Cumulatively, donations have been made to four village temple festivals and 35 financially disadvantaged villagers, totaling VND 35 million (approximately NT$43,125).

The Company also periodically visits representatives of local organizations and fire brigades in areas near its plants. In addition to understanding material issues of concern to local communities, the Company cooperates with fire safety response measures and implements relevant awareness initiatives for plant employees, with the aim of promoting safe and harmonious communities and preventing significant hazard risks inside and outside its plants.

Care for Rural Communities

Guided by the belief in giving back to society, Nishoku fulfills its corporate social responsibility through the promotion of a range of public welfare initiatives. These efforts continuously strengthen the Company's culture, promote sustainable corporate development, and encourage the public to join in caring for society and improving quality of life.



As part of its corporate social responsibility to support disadvantaged groups and reduce educational disparities between urban and rural areas, Nishoku Technology has participated in KPMG's used-computer donation program for 18 consecutive years. The Company has donated a total of 443 used computers to digital opportunity centers, schools in remote areas, and social welfare organizations. These donations provide more learning opportunities and resources for people in rural areas while also enhancing the quality of care provided by social welfare organizations to disadvantaged groups. Through participation in this initiative, the Company also hopes to encourage more businesses to help narrow the urban-rural divide.



In December 2025, the Company participated in the Corporate Warmth: Bringing Love to Guangfu Township, Hualien Christmas donation campaign. Employees generously donated second-hand items as Christmas gifts for local children and families, hoping to bring them sincere holiday surprises and warmth.

Supporting Cultural Sustainability

Nishoku Technology is committed to promoting social inclusion and cultural sustainability and supports the preservation and development of local faith-based culture. At the invitation of Banqiao Cihui Temple, Mazu of Baishatun Gongtian Temple participated in the temple's Centennial Pilgrimage Gathering from November 1 to 2, 2025 (the twelfth and thirteenth days of the ninth lunar month). The Company provided NT$50,000 worth of supplies for Mazu pilgrims during the event. Through this tangible action, the Company seeks to strengthen its connection with the community, support the sustainable transmission of local culture, and work with the community to create positive impacts and advance sustainable development.



Donations to Public Welfare Organizations

To strengthen mutual support within society and care for disadvantaged groups, the Company consistently promotes public welfare initiatives through monetary and in-kind donations, covering environmental protection, support for vulnerable groups, charitable activities, and local community development programs. Nishoku Group allocates a fixed annual budget to regularly support public welfare organizations through official donation channels, including Mackay Memorial Hospital, Genesis Social Welfare Foundation, Mennonite Social Welfare Foundation, Taiwan Fund for Children and Families, Hui-Ming School and Home for Blind Children, World Vision Taiwan, and the Children Are Us Foundation, among others. In addition, in line with its humanitarian spirit of caring for those in need, the Group participated in the Typhoon Danas relief donation initiative in September 2025, and as of December 31, 2025, the cumulative donation amount reached NT$2.24 million.



Public Welfare Donations

Item	Recipient Organization	Donation Project	Amount (NTD)
1	Genesis Social Welfare Foundation	Charitable Donation	100,000
2	Mennonite Social Welfare Foundation	Regular Donation of Supplies to Mennonite (Supplier: Ju Jia)	59,164
3	Buddhist Puxian Social Welfare and Charity Foundation of Yilan County	Regular Donation of Supplies to Puxian (Supplier: Wujie Township Farmers' Association)	63,200
4	Bethesda Home for Challenged Children and Adults	Public Welfare Donation	60,000
5	Taiwan Fund for Children and Families	Support for Five Children through the Taiwan Fund for Children and Families	65,000
6	Xinzhuang District Office, New Taipei City	Scholarships and Financial Aid	50,000
7	Huei-Ming Home for Blind Children	Public Welfare Donation and Assistance	60,000
8	Sacred Heart Home	Public Welfare Donation	60,000
9	Huashan Social Welfare Foundation	Lunar New Year Meals and Support for Elderly Persons Who Are Disabled, Have Dementia, or Lack Family Support	200,000
10	Taipei Happy Mount	Public Welfare Donation	30,000
11	Hsiang Yuan Memorial Home	Donation of Decommissioned Computers	30,000

Item	Recipient Organization	Donation Project	Amount (NTD)
12	Chin Jen Home for People with Disabilities	Donation of Decommissioned Computers	2,000
13	Jiuming Community Development Association, Jiuru Township, Pingtung County	Donation of Decommissioned Computers	10,000
14	Sanwan Township Farmers' Association, Miaoli County	Donation of Decommissioned Computers	2,000
15	Qiaotou Elementary School, Yunlin County	Donation of Decommissioned Computers	6,000
16	Guangfu Digital Opportunity Center (Guangfu Library)	Donation of Decommissioned Computers	10,000
17	Zhi-Shan Foundation Taiwan	Charitable Donation	50,000
18	World Vision Taiwan	Support for Five Girls in Africa in 2025	42,000
19	Renewal Foundation Taiwan	Public Welfare Donation	50,000
20	Xuan-Kuan Loving Care Home	Charitable Donation	59,760
21	ANDREW Charity Association	Lunar New Year Meals and the Peace of Mind Program	170,000
22	Taitung County Indigenous Kawulahan Cultural and Educational Development Association	Donation to Taiyuan Bookstore	50,000
23	Kids' Bookhouse	Support for the Children's Self-Sufficiency Program	50,000
24	Mackay Medical Foundation	Long-Term Care and Support for Economically Disadvantaged Senior Citizens in the Community	380,000
25	Buddhist Tzu Chi Charity Foundation	2025 Myanmar Earthquake Relief Donation	100,000
26	Bureau of Social Affairs, Tainan City Government	2025 Typhoon Danas Disaster Relief Donation	100,000
27	Department of Social Affairs, Chiayi County Government	2025 Typhoon Danas Disaster Relief Donation	100,000
28	Social Assistance Section, Department of Social Affairs, Hualien County Government	2025 Matai'an Barrier Lake Breach Disaster Relief Donation	150,000
29	International Community Health Care Association	2025 Matai'an Barrier Lake Breach Disaster Relief Donation	56,000
30	Hsiang Yuan Social Welfare Foundation	Purchase of Products from Hsiang Yuan Memorial Home to Support Persons with Disabilities	52,800
31	Two Local Village Temple Festival Activities near the Vietnam Plant		VND10,000,000 equivalent to NT$11,750
32	Financially Disadvantaged Village Residents near the Vietnam Plant		VND 9,000,000 equivalent to NT$10,575
	Total amount		$2,240,249

Appendix

GRI Index

SASB Industry: – TECHNOLOGY & COMMUNICATIONS/Hardware)

Appendix_1-12-Sustainability_Disclosure_Indicators-Electronic_Parts ／ Components_Industry

Table 2 - Implementation of Climate-Related Information

Statement of Independent Third-party Verification Opinion

Limited Assurance Report and Summary of Assurance Items



GRI Index

Statement of Use	The content of the report for the period from January 1, 2025 to December 31, 2025 has been reported in accordance with the GRI Standards.
GRI Version	GRI 1: Foundation 2021
Application of GRI Industry Standards	Not applicable GRI Industry Standards

GRI 2: General Disclosures 2021		
Disclosure Item	**Corresponding chapter**	**Page**
The organization and Its Reporting Practices		
2-1 Organizational details	About Nishoku	7
2-2 Entities included in the organization's sustainability reporting	About This Report	4
2-3 Reporting period, frequency and contact point	About This Report	4
2-4 Restatements of information	About This Report	4
2-5 External assurance	About This Report	4
Activities and Workers		
2-6 Activities, value chain and other business relationships	About Nishoku	4
2-7 Employees	5.1 Talent Capital	69
2-8 Workers who are not employees	5.1 Talent Capital	69

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2-9 Governance structure and composition	2.2 Corporate Governance and Ethical Management	25
2-10 Nomination and selection of the highest governance body	2.2 Corporate Governance and Ethical Management	25
2-11 Chair of the highest governance body	2.2 Corporate Governance and Ethical Management	25
2-12 Role of the highest governance body in overseeing the management of impacts	2.2 Corporate Governance and Ethical Management	25
2-13 Delegation of responsibility for managing impacts	2.2 Corporate Governance and Ethical Management	25
2-14 Role of the highest governance body in sustainability reporting	2.2 Corporate Governance and Ethical Management	25
2-15 Conflicts of interest	2.2 Corporate Governance and Ethical Management	25
2-16 Communication of critical concerns	2.2 Corporate Governance and Ethical Management	25
2-17 Collective knowledge of the highest governance body	2.2 Corporate Governance and Ethical Management	25
2-18 Evaluation of the performance of the highest governance body	2.2 Corporate Governance and Ethical Management	25
2-19 Remuneration policies	2.2 Corporate Governance and Ethical Management	25
2-20 Process to determine remuneration	2.2 Corporate Governance and Ethical Management	25
2-21 Annual total compensation ratio	2.2 Corporate Governance and Ethical Management	25
2-22 Statement on sustainable development strategy	Message from the Chairman	3

Disclosure Item	Corresponding chapter	Page
Strategy, Policies and Practices		
2-23 Policy commitments	1.1 Sustainability Strategy and Objectives	11
	5.2 Human Rights	77
2-24 Embedding policy commitments	1.1 Sustainability Strategy and Objectives	11
	5.2 Human Rights	77
2-25 Processes to remediate negative impacts	2.1 Business strategy and economic performance	22
	2.2 Corporate Governance and Ethical Management	25
	3.1 Customer Service and Product Quality	46
	4.1 Climate Strategy	54
	CH5 People-Centered Approach	67
	5.4 Occupational health and safety	83
2-26 Mechanisms for seeking advice and raising concerns	2.2 Corporate Governance and Ethical Management	25
2-27 Compliance with laws and regulations	2.2 Corporate Governance and Ethical Management	25
2-28 Membership associations	About Nishoku	7
Stakeholder Engagement		
2-29 Approach to stakeholder engagement	1.2 Stakeholders and communication and engagement	13
2-30 Collective bargaining agreements	5.3 Employee Care and Labor Protection	78

GRI 3: Material Topics 2021

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3-1 Process to determine material topics	1.3 Materiality analysis	17
3-2 List of material topics	1.3 Materiality analysis	17

Disclosures on Material Topics

GRI Standards	Disclosure Item	Corresponding Chapter	Page
Business Strategy and Economic Performance			
GRI 3: Material Topics 2021	3-3 Management of material topics	2.1 Business strategy and economic performance	22
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2.1 Business strategy and economic performance	22
	201-3 Defined benefit plan obligations and other retirement plans	2.1 Business strategy and economic performance	22
	201-4 Financial assistance received from government	2.1 Business strategy and economic performance	22
GRI 207: Tax 2019	207-1 Approach to tax	2.1 Business strategy and economic performance	22
	207-2 Tax governance, control, and risk management	2.1 Business strategy and economic performance	22
	207-3 Stakeholder engagement and management of concerns related to tax	2.1 Business strategy and economic performance	22
Corporate Governance and Ethical Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	2.2 Corporate Governance and Ethical Management	25
GRI 205: Anti-corruption 2016	205-1 bOperations assessed for risks related to corruption	2.2 Corporate Governance and Ethical Management	25
	205-2 Communication and training about anti-corruption policies and procedures	2.2 Corporate Governance and Ethical Management	25
	205-3 Confirmed incidents of corruption and actions taken	2.2 Corporate Governance and Ethical Management	25
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, antitrust, and monopoly practices	2.2 Corporate Governance and Ethical Management	25

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GRI Standards	**Disclosure Item**	**Corresponding Chapter**	**Page**
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	2.2 Corporate Governance and Ethical Management 5.3 Employee Care and Labor Protection	25 78
GRI 415: Public Policy 2016	415-1 Political contributions	The Company made no political contributions in 2025.	
客戶服務與產品品質			
GRI 3: Material Topics 2021	3-3 Management of material topics	3.1 Customer Service and Product Quality	46
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	3.1 Customer Service and Product Quality	46
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	3.1 Customer Service and Product Quality	46
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	3.1 Customer Service and Product Quality	46
	417-2 Incidents of non-compliance concerning product and service information and labeling	3.1 Customer Service and Product Quality	46
	417-3 Incidents of non-compliance concerning marketing communications	3.1 Customer Service and Product Quality	46
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.1 Customer Service and Product Quality	46

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Climate Strategy			
GRI 3: Material Topics 2021	3-3 Management of material topics	4.1 Climate Strategy	54
GRI 201: Economic Performance 2016	201-2Financial implications and other risks and opportunities due to climate change	4.1 Climate Strategy	54
GRI 302: Energy 2016	302-1 Energy consumption within the organization	4.1 Climate Strategy	54
	302-3 Energy intensity	4.1 Climate Strategy	54
	302-4 Reduction of energy consumption	4.1 Climate Strategy	54
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	4.1 Climate Strategy	54
	305-2 Energy indirect (Scope 2) GHG emissions	4.1 Climate Strategy	54
	305-4 GHG emissions intensity	4.1 Climate Strategy	54
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Employee-Friendly Workplace			
GRI 3: Material Topics 2021	3-3 Management of material topics	CH5 People-Centered Approach	67
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	5.3 Employee Care and Labor Protection	78
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	5.3 Employee Care and Labor Protection	78
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.3 Employee Care and Labor Protection	78
	401-3 Parental leave	5.3 Employee Care and Labor Protection	78
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	5.3 Employee Care and Labor Protection	78
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	5.1 Talent capital	69
	404-2 Programs for upgrading employee skills and transition assistance programs	5.1 Talent capital	69
	404-3 Percentage of employees receiving regular performance and career development reviews	5.1 Talent capital	69
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	5.3 Employee Care and Labor Protection	78
	405-2 Ratio of basic salary and remuneration of women to men	5.3 Employee Care and Labor Protection	78
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	5.3 Employee Care and Labor Protection	78
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	The Company recorded no incidents involving infringements of Indigenous Peoples' rights in 2025.	

Disclosures on Material Topics			
GRI Standards	**Disclosure Item**	**Corresponding Chapter**	**Page**
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	5.4 Occupational health and safety	83
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	5.4 Occupational health and safety	83
	403-2 Hazard identification, risk assessment, and incident investigation	5.4 Occupational health and safety	83
	403-3 Occupational health services	5.4 Occupational health and safety	83
	403-4 Worker participation, consultation, and communication on occupational health and safety	5.4 Occupational health and safety	83
	403-5 Worker training on occupational health and safety	5.4 Occupational health and safety	83
	403-6 Promotion of worker health	5.4 Occupational health and safety	83
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.4 Occupational health and safety	83
	403-8 Workers covered by an occupational health and safety management system	5.4 Occupational health and safety	83
	403-9 Work-related injuries	5.4 Occupational health and safety	83
	403-10 Work-related ill health	5.4 Occupational health and safety	83

Disclosures on Other Material Topics			
GRI Standards	**Disclosure Item**	**Corresponding Chapter**	**Page**
Supply Chain Management			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	3.4 Supply chain Management	49
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	3.4 Supply chain Management	49
	308-2 Negative environmental impacts in the supply chain and actions taken	3.4 Supply chain Management	49
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	3.4 Supply chain Management	49
	414-2 Negative social impacts in the supply chain and actions taken	3.4 Supply chain Management	49
資源管理			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	4.2 Resource management	61
	303-2 Management of water discharge-related impacts	4.2 Resource management	61
	303-3 Water withdrawal	4.2 Resource management	61
	303-4 Water discharge	4.2 Resource management	61
	303-5 Water consumption	4.2 Resource management	61
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	4.2 Resource management	61
	306-2 Management of significant waste-related impacts	4.2 Resource management	61
	306-3 Waste generated	4.2 Resource management	61
	306-4 Waste diverted from disposal	4.2 Resource management	61
	306-5 Waste directed to disposal	4.2 Resource management	61

SASB Industry: – TECHNOLOGY & COMMUNICATIONS/Hardware)

<table>
<tr><th>Topic</th><th>Indicator No.</th><th>Nature</th><th>Unit</th><th>Indicator No.</th><th>Report content or description</th></tr>
<tr><td>Product Security</td><td>Description of approach to identifying and addressing data security risks in products</td><td>Discussion and Analysis</td><td>Not applicable</td><td>TC-HW-230a.1</td><td>See "Information Security and Privacy Protection Management" in CH2 Sustainable Management.</td></tr>
<tr><td>Employee Diversity & Inclusion</td><td>Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) technical employees, and (d) all other employees</td><td>Quantitative</td><td>Gender and Diversity Group Percentage (%)</td><td>TC-HW-330a.1</td><td>
<table>
<tr><th>Category / Gender</th><th>Male (Number)</th><th>Percentage (%)</th><th>Female (Number)</th><th>Percentage (%)</th><th>Diverse Gender Identities (Number)</th><th>Percentage (%)</th></tr>
<tr><td>Senior Management</td><td>5</td><td>62%</td><td>3</td><td>38%</td><td>-</td><td>-%</td></tr>
<tr><td>Non-Senior Management</td><td>82</td><td>61%</td><td>52</td><td>39%</td><td>-</td><td>-%</td></tr>
<tr><td>Technical Employees</td><td>204</td><td>71%</td><td>85</td><td>29%</td><td>-</td><td>-%</td></tr>
<tr><td>All Other Employees</td><td>710</td><td>47%</td><td>789</td><td>53%</td><td>-</td><td>-%</td></tr>
</table>
Note: Senior Management refers to managers at the assistant vice president level and above. Non-Senior Management refers to managers at the section manager or deputy section manager level and above.
</td></tr>
<tr><td rowspan="4">Product Lifecycle Management</td><td>Percentage of products by revenue that contain IEC 62474 declarable substances</td><td>Quantitative</td><td>Revenue from products containing specified materials as a percentage of total revenue (%)</td><td>TC-HW-410a.1</td><td>The Company is not a B2C company and does not manufacture complete products; therefore, this metric is not applicable.</td></tr>
<tr><td>Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent</td><td>Quantitative</td><td>Revenue from products meeting or equivalent to EPEAT standards as a percentage of total revenue (%)</td><td>TC-HW-410a.2</td><td>The Company is not a B2C company and does not manufacture complete products; therefore, this metric is not applicable.</td></tr>
<tr><td>Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria certified to an energy efficiency certification</td><td>Quantitative</td><td>Percentage of revenue (%)</td><td>TC-HW-410a.3</td><td>The Company is not a B2C company and does not manufacture complete products; therefore, this metric is not applicable.</td></tr>
<tr><td>Weight of end-of-life products and e-waste recovered, percentage recycled</td><td>Quantitative</td><td>Weight of recycled products and e-waste (tons);
Recycling rate (%)</td><td>TC-HW-410a.4</td><td>All of the Company's products are sold to business customers. The Company does not collect or recycle end-of-life products and therefore has no related statistical data.</td></tr>
</table>

Topic	Indicator No.	Nature	Unit	Indicator No.	Report content or description
Supply Chain Management	Percentage of Tier 1 supplier facilities audited to the Responsible Business Alliance (RBA) Validated Assessment Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	Quantitative	Percentage (%)	TC-HW-430a.1	The Company has not yet conducted RBA Validated Assessment Program (VAP) audits of its Tier 1 suppliers; therefore, no related information is available for disclosure. The Company will continue to assess the feasibility of implementing the relevant requirements in the future.
	Priority non-conformance rate and associated corrective action rate for (a) priority and (b) other non-conformances, for Tier 1 supplier facilities, pursuant to the RBA VAP or equivalent	Quantitative	Ratio	TC-HW-410a.2	
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	Not applicable	TC-HW-440a.1	See "Supply Chain Management" in CH3 Innovation Value.

Activity Metrics	Category	Unit	Code	2025 Disclosure
Number of units produced by product category	Quantitative	Number	TC-HW-000.A	See "Major Product Output by Product Category" under "Operating Revenue" in "Operating Overview."
Area of manufacturing facilities	Quantitative	Square metres (m^2)	TC-HW-000.B	Not publicly disclosed due to business confidentiality.
Percentage of production from owned facilities	Quantitative	Percentage (%)	TC-HW-000.C	Products manufactured at the Company's owned facilities accounted for 100% of total production.

Appendix_1-12-Sustainability_Disclosure_Indicators-Electronic_Parts / Components_Industry

	Indicator	Category of Indicator	Unit	Response	Page
1	Total energy consumption, percentage of purchased external electricity,and renewable energy utilization rate	Quantitative	Billion Joules (GJ), percentage (%)	See "Energy Consumption" in CH4 Green Operations.	59
2	Total water intake and total water consumption	Quantitative	Thousand cubic meters (M3)	See "Water Resources Management" in CH4 Green Operations.	61
3	Weight of generated hazardous waste and recycling percentage	Quantitative	Metric tons (t), percentage (%)	See "Waste Management" in CH4 Green Operations.	64
4	Description of occupational accident categories, number, and ratio	Quantitative	Percentage (%), quantity	See "Occupational Injuries" in CH5 People-Centered Approach.	87
5	Disclosure of product life cycle management: weight of scrapped products and electronic waste and recycling percentage（Note1）	Quantitative	Metric tons (t), percentage (%)	All of the Company’ s products are sold to business customers. The Company does not collect or recycle end-of-life products and therefore has no related statistical data.	-
6	Description of risk management related to the use of key materials	Qualitative description	Not applicable	See "Supply Chain Management" in CH3 Innovation Value.	49
7	Total monetary loss due to legal proceedings related to anti-competitive behavior regulations.	Quantitative	Reporting currency	No such incidents occurred in 2025.	-
8	Production volume by main product category	Quantitative	Varies by product category	See "Major Product Output by Product Category" under "Operating Revenue" in "Operating Overview."	7

* Note1：Descriptions including the sale of scraps and the recycling and processing of waste shall be provided。

Table 2 - Implementation of Climate-Related Information

	Item	Report Chapter	Page
1	Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	4.1 Climate Strategy	54
2	Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	4.1 Climate Strategy	54
3	Describe the financial impact of extreme weather events and transformative actions.	4.1 Climate Strategy	54
4	Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	4.1 Climate Strategy	54
5	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	The Company has not yet conducted climate scenario analysis.	-
6	If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	4.1 Climate Strategy	54
7	If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	4.1 Climate Strategy	54
8	If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	4.1 Climate Strategy	54
9	Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	4.1 Climate Strategy Please refer to the table below for information on the assurance of greenhouse gas emissions data for 2024 and 2025.	54

1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

Describe the emission volume (metric tons CO_2e), intensity (metric tons CO_2e/NT$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

Fiscal Year 2025

Scope 1	Total GHG Emissions (metric tons CO_2e)	GHG Emissions Intensity (metric tons CO_2e/NT$ million)	Assurance Institution	Description of Assurance
Parent company	4.2110	0.1863	Internal GHG inventory	Not applicable
Subsidiary (Kunshan)	695.7312		ASIM Certification (Shanghai) Co., Ltd.	ISO-14064-3 Reasonable assurance level
Subsidiary (Vietnam)	132.9385		Internal GHG inventory	Not applicable
Total	832.8807		GHG emissions intensity is calculated based on 2025 consolidated revenue of NT$4,471.195 million	

Scope 2	Total GHG Emissions (metric tons CO_2e)	GHG Emissions Intensity (metric tons CO_2e/NT$ million)	Assurance Institution	Description of Assurance
Parent company	847.6637	8.0082	Internal GHG inventory	Not applicable
Subsidiary (Kunshan)	19,469.9791		ASIM Certification (Shanghai) Co., Ltd.	ISO-14064-3 Reasonable assurance level
Subsidiary (Vietnam)	15,488.3768		Internal GHG inventory	Not applicable
Total	35,806.0196		GHG emissions intensity is calculated based on 2025 consolidated revenue of NT$4,471.195 million	

Scope 3	Total GHG Emissions (metric tons CO_2e)	GHG Emissions Intensity (metric tons CO_2e/NT$ million)	Assurance Institution	Description of Assurance
Subsidiary (Kunshan)	363.0514	0.1172	ASIM Certification (Shanghai) Co., Ltd.	ISO-14064-3 Reasonable assurance level
Subsidiary (Vietnam)	160.9272		Internal GHG inventory	Not applicable
Total	523.9786		GHG emissions intensity is calculated based on 2025 consolidated revenue of NT$4,471.195 million	

Note

1. GHG emissions intensity is calculated based on 2025 consolidated revenue of NT$4,471.195 million.
2. The Parent Company has not conducted a Scope 3 GHG inventory.
3. The Scope 3 GHG inventory of the Subsidiary (Kunshan) includes:
   Category 3: Indirect GHG emissions from transportation140.9441 tCO_2e.
   Category 4: Indirect GHG emissions from products used by the organization19.9831 tCO_2e.
4. The Scope 3 GHG inventory of the Subsidiary (Vietnam) includes:
   Category 3: Indirect GHG emissions from transportation 244.5994 tCO_2e.
   Category 4: Indirect GHG emissions from products used by the organization 118.4520 tCO_2e.

2024				
Scope 1	**Total GHG Emissions (metric tons CO_2e)**	**GHG Emissions Intensity (metric tons CO_2e/NT$ million)**	**Assurance Institution**	**Description of Assurance**
Parent company	8.408	0.162	Internal GHG inventory	Not applicable
Subsidiary (Kunshan)	495.044		ASIM Certification (Shanghai) Co., Ltd.	ISO-14064-3 Reasonable assurance level
Subsidiary (Vietnam)	184.706		Internal GHG inventory	Not applicable
Total	688.158		GHG emissions intensity is calculated based on 2024 consolidated revenue of NT$4,259.658 million	
Scope 2	**Total GHG Emissions (metric tons CO_2e)**	**GHG Emissions Intensity (metric tons CO_2e/NT$ million)**	**Assurance Institution**	**Description of Assurance**
Parent company	608.584	8.351	Internal GHG inventory	Not applicable
Subsidiary (Kunshan)	20,767.126		ASIM Certification (Shanghai) Co., Ltd.	ISO-14064-3 Reasonable assurance level
Subsidiary (Vietnam)	14,198.531		Internal GHG inventory	Not applicable
Total	35,574.241		GHG emissions intensity is calculated based on 2024 consolidated revenue of NT$4,259.658 million	
Scope 3	**Total GHG Emissions (metric tons CO_2e)**	**GHG Emissions Intensity (metric tons CO_2e/NT$ million)**	**Assurance Institution**	**Description of Assurance**
Subsidiary (Kunshan)	156.823	0.037	ASIM Certification (Shanghai) Co., Ltd.	ISO-14064-3 Reasonable assurance level
Note	1. GHG emissions intensity is calculated based on 2024 consolidated revenue of NT$4,259.658 million. 2. Scope 3: The Parent Company and the Subsidiary (Vietnam) have not conducted a GHG inventory. 3. The Scope 3 GHG inventory of the Subsidiary (Kunshan) includes: Category 3: Indirect GHG emissions from transportation133.402 tCO_2e. Category 4: Indirect GHG emissions from products used by the organization23.421 tCO_2e.			

* Note: The Subsidiary (Shenzhen) completed its liquidation and deregistration on December 10, 2024, and is therefore no longer included in the table above.

1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

Please refer to Section 4.1, "Climate Strategy," in CH4 Green Operations.

Statement of Independent Third-party Verification Opinion

Nishoku Technology Inc. (Taipei Plant)



intertek
Total Quality. Assured.

CERTIFICATE
OF REGISTRATION

This is to certify that the management system of:

Nishoku Technology Inc.

Main Site: No. 36, Ln. 11, Huacheng Rd., Xinzhuang Dist., New Taipei City, Taiwan, R.O.C.

has been registered by Intertek as conforming to the requirements of:

ISO 9001:2015

The management system is applicable to:

Design of Plastic-injection Molds. Manufacturing and Sales of Single/Double Color Plastic-injection Products.

Certificate Number:
11249

Initial Certification Date:
06 May 1998

Date of Certification Decision:
09 August 2023

Issuing Date:
09 August 2023

Valid Until:
14 August 2026

intertek

UKAS MANAGEMENT SYSTEMS 014

Calin Moldovean
President, Business Assurance

Intertek Certification Limited, 10A Victory Park, Victory Road, Derby DE24 8ZF, United Kingdom

Intertek Certification Limited is a UKAS accredited body under schedule of accreditation no. 014.

In the issuance of this certificate, Intertek assumes no liability to any party other than to the Client, and then only in accordance with the agreed upon Certification Agreement. This certificate's validity is subject to the organization maintaining their system in accordance with Intertek's requirements for systems certification. Validity may be confirmed via email at certificate.validation@intertek.com or by scanning the code to the right with a smartphone. The certificate remains the property of Intertek, to whom it must be returned upon request.

ISO 9001 Certification of quality and quantity management system



intertek
Total Quality. Assured.

CERTIFICATE
OF REGISTRATION

This is to certify that the management system of:

Nishoku Technology Inc.

Main Site: No. 36, Ln. 11, Huacheng Rd., Xinzhuang Dist., New Taipei City, Taiwan, R.O.C.

has been registered by Intertek as conforming to the requirements of:

ISO 14001:2015

The management system is applicable to:

Design of Plastic-injection Molds. Manufacturing and Sales of Single/Double Color Plastic-injection Products.

Certificate Number:
26121106001

Initial Certification Date:
15 August 2011

Date of Certification Decision:
09 August 2023

Issuing Date:
09 August 2023

Valid Until:
14 August 2026

intertek

UKAS MANAGEMENT SYSTEMS 014

Calin Moldovean
President, Business Assurance

Intertek Certification Limited, 10A Victory Park, Victory Road, Derby DE24 8ZF, United Kingdom

Intertek Certification Limited is a UKAS accredited body under schedule of accreditation no. 014.

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ISO 14001 Environment management system

KUNSHAN NISHOKU PLASTIC ELECTRONIC CO., LTD. (Kunshan Plant)



ISO 9001 Certification of quality and quantity management system



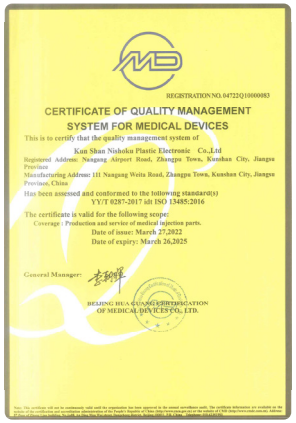
ISO 14001 Environment management system



ISO45001 Occupational health and safety management system



IATF 16949 Certification of quality and quantity management system





ISO 13485 Medical device quality management system

NISHOKU TECHNOLOGY VIETNAM CO., LTD. (Vietnam Plant)


Certificate VN11/00021

SGS

The management system of

NISHOKU TECHNOLOGY VIETNAM CO., LTD

Tan Truong Industrial Zone, Tan Truong Commune, Cam Giang District, Hai Duong Province, Vietnam

has been assessed and certified as meeting the requirements of

ISO 9001:2015

For the following activities

Manufacture of Plastic tools, Plastic part injection, Painting and Printing process.

This certificate is valid from 16 February 2023 until 16 February 2026 and remains valid subject to satisfactory surveillance audits.

Issue 5. Certified since 16 February 2011.

Authorised by

Jonathan Hall

Global Head - Certification Services

SGS United Kingdom Ltd

Rosemore Business Park, Ellesmere Port, Cheshire, CH65 3EN, UK

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IAF

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ISO 9001 Certification of quality and quantity management system


Certificate VN11/00022

SGS

The management system of

NISHOKU TECHNOLOGY VIETNAM CO., LTD

Tan Truong Industrial Zone, Tan Truong Commune, Cam Giang District, Hai Duong Province, Vietnam

has been assessed and certified as meeting the requirements of

ISO 14001:2015

For the following activities

Manufacture of Plastic tools, Plastic part injection, Painting and Printing process.

This certificate is valid from 17 February 2023 until 17 February 2026 and remains valid subject to satisfactory surveillance audits.

Issue 5. Certified since 17 February 2011.

Authorised by

Jonathan Hall

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ISO 14001 Environment management system


Certificate VN20/00096

SGS

The management system of

NISHOKU TECHNOLOGY VIETNAM CO., LTD

Tan Truong Industrial Zone, Tan Truong Commune, Cam Giang District, Hai Duong Province, Vietnam

has been assessed and certified as meeting the requirements of

ISO 45001:2018

For the following activities

Manufacture of Plastic tools, Plastic part injection, Painting and Printing process.

This certificate is valid from 06 March 2023 until 06 March 2026 and remains valid subject to satisfactory surveillance audits.

Issue 3. Certified since 06 March 2020

Authorised by

Jonathan Hall

Global Head - Certification Services

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Rosemore Business Park, Ellesmere Port, Cheshire, CH65 3EN, UK

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ISO45001 Occupational health and safety management system

Limited Assurance Report and Summary of Assurance Items

Crowe

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Crowe (TW) CPAs
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www.crowe.tw

Independent Auditor's Limited Assurance Report

To: Nishoku Technology Inc.

We have performed and completed limited the assurance procedures on the performance indicators selected by Nishoku Technology Inc. ("the Company") in the Company's 2025 sustainability report ("the Report") and issued a limited assurance report in this regard.

Subject Matter Information and Applicable Standards

Regarding the performance indicators selected by the Company ("the Subject Matter Information") and the applicable standards, please refer to Appendix 1, Summary Table of Subject Matter Information, for details.

Management's Responsibility

Management is responsible for preparing the Subject Matter Information in accordance with the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" and Universal Standards, Sector Standards, and Topic Standards issued by the Global Reporting Initiative (GRI), as well as the applicable sustainability disclosure metrics of the Sustainability Accounting Standards Board (SASB) set forth in Appendix 1. Management is also responsible for maintaining such internal control as management determines is necessary to enable the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to plan and perform a limited assurance engagement in accordance with Assurance Standard No. 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, to obtain limited assurance about whether the Subject

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Matter Information is free from material misstatement, and to issue a limited assurance report based on the procedures performed and evidence obtained. The nature and timing of procedures performed in a limited assurance engagement differ from, and are smaller in scope 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 a reasonable assurance engagement been performed.

We exercised professional judgment in the planning and performing our engagement to obtain evidence supporting limited assurance on the Subject Matter Information. Because of the inherent limitations of any internal control, there is an unavoidable risk that even some material misstatements may remain undetected. The procedures we performed included:

- Inquiries of management and relevant personnel involved in preparing the Subject Matter Information to understand the policies, processes, internal controls, and information systems used in preparing the Subject Matter Information, thereby identifying areas where material misstatements may exist;
- Performing procedures such as inspection, recalculation, re-performance, and analytical procedures on selected samples of the Subject Matter Information to obtain evidence that supports limited assurance.

Inherent Limitations

Since many assurance items are the non-financial information, they are subject to more inherent limitations compared to financial information assurance. Therefore, the interpretation of the relevance, materiality, and accuracy of such information may involve more significant management judgments, assumptions, and interpretations. Different stakeholders may also interpret such information differently.

Independence and Quality Control Standards

We and the firm we belong to have complied with the independence and other ethical requirements of the Code of Professional Ethics for Certified Public Accountants, which are founded on fundamental

Limited Assurance Report and Summary of Assurance Items

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principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm to which we belong applies Taiwan Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, 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.

Assurance Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information in the Report are, in all material respects, not prepared in accordance with the applicable standards.

Other Matters

We shall not be responsible for performing any further assurance work or updating this report for any subsequent changes made to the Subject Matter Information or the applicable criteria by the Company after the issuance date of this report.

The engagement partner on the assurance procedures resulting in this independent Auditor's limited assurance report is Lin, Chih-Lung.

Crowe (TW) CPAs

Taipei, Taiwan, Republic of China

July 28, 2026

Notice to Readers

For the convenience of readers and for information purpose only, the independent Auditor's limited assurance report has been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language independent Auditor's limited assurance report shall prevail.

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Appendix 1

Summary Table of Subject Matter Information

No.	Assurance Item	Indicator Description	Corresponding Section	Applicable Standard
1	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Article 4, Appendix 1-12, Item 1	Total energy consumption, percentage of purchased external electricity, and renewable energy utilization rate	4.1.4 Energy Consumption within the Organization	Total energy consumption, the proportion of purchased electricity in total energy consumption, and the renewable energy usage ratio for 2025
2	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Article 4, Appendix 1-12, Item 2	Total water intake and total water consumption	4.2.1 Water Resource Management	Total water withdrawal and total water consumption for 2025.
3	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Article 4, Appendix 1-12, Item 3	Weight of generated hazardous waste and recycling percentage	4.2.2 Waste Management	Total weight of hazardous waste generated and recycling percentage for 2025.
4	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Article 4, Appendix 1-12, Item 4	Description of occupational accident categories, number, and ratio	5.4.1 Healthy and Safe Workplace	Occupational accident categories, number, and ratio for 2025.
5	Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, Article 4, Appendix 1-12, Item 8	Production volume by main product category	Operating Overview	Production volume by product category for 2025.
6	SASB Standards Disclosure Topics and Metrics - Technology & Communications - Disclosure Requirements for the Hardware Industry Standard	Number of units produced by product category	Operating Overview	Production volume by product category for 2025.

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