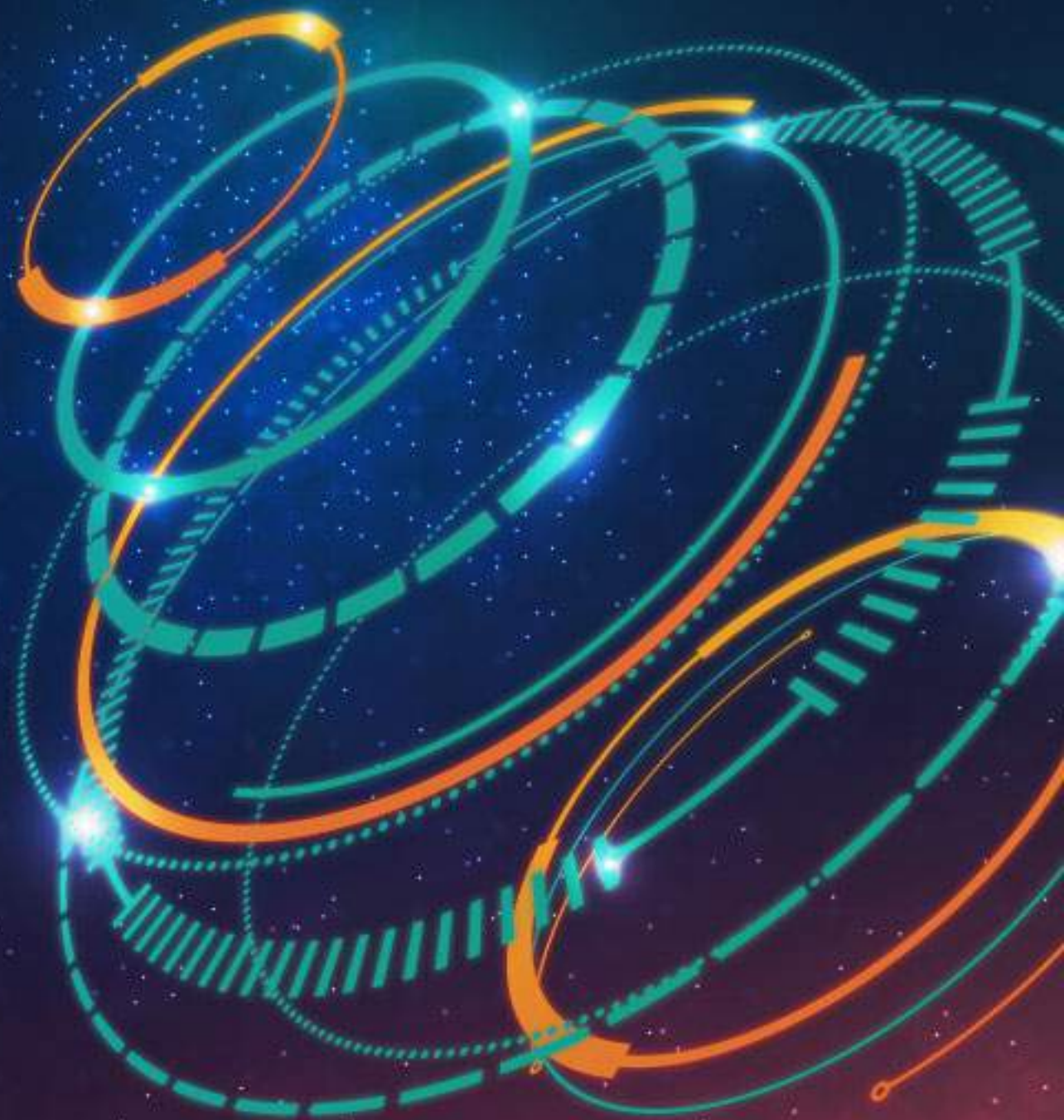




2024



SUSTAINABILITY REPORT



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About the Report

The Report, the 2024 sustainability report (hereinafter referred to as the “Report”) of ACES Electronics Co., Ltd. (hereinafter referred to as “ACES”), presents ACES practices in aspects including economy, society and environment in 2024, by upholding ethical and transparent principles. ACES expects to share its commitments and results concerning the ESG practices with all stakeholders via the Report. The financial data in this report covers the overall operating performance of the parent and subsidiary, and has been certified by CPAs to be consistent with the financial data. In 2024, ACES did not experience significant changes in scale, structure, ownership, or supply chain. The re-prepared topics herein, if any, will be noted.

Publication Date and Release Cycle

This report was published in August 2025 and is the 4th sustainability report published by ACES. Since 2020, ACES has continued to publish sustainability report every year and disclose them on the official website. The next report is expected to be published in August 2026.

Reporting Period and Boundary

Time frame: January 1, 2024 to December 31, 2024
Geographic Scope: The boundary of this report is the results of the corporate governance, economic, environmental, and social (people) commitments made by ACES and its affiliates (as listed below). In order to more appropriately respond to the expectations of our customers, ACES has expanded the disclosure of the environmental and social information and performance of its key domestic and overseas operating locations outside of ACES Taiwan from 2024 (the year of this report), with a coverage of >92% of the Group's employees.

| Location | Company name | Geographical location | Acronym |
|-------------|---|--|----------|
| Taiwan | ACES Electronics Co., Ltd. | Dongyuan Road, Zhongli District, Taoyuan Cit (Since April 2025, all units have relocated to the R&D Headquarters building.) | ACES TW |
| | | Guoling Rd., Zhongli Dist., Taoyuan City | PEC |
| | Kuang Ying Computer Equipment Co., Ltd. | Guoling Rd., Zhongli Dist., Taoyuan City | KYN TW |
| | MEC IMEX INCORPORATION | Dongyuan Road, Zhongli District, Taoyuan City | MEC TW |
| | Compupack Technology CO.,LTD. | Chongyang Rd., Nangang Dist., Taipei City, Taiwan | CPC TPE |
| | Genesis Innovation Group Limited,Taiwan Branch | | GTW |
| East China | KUNSHAN ACES ELECTRONIC CO., LTD. | Qingyang Factory1&2: Qingyang North Road, Kunshan City, Jiangsu Province, China | ACES KS |
| | | Changjiang Factory: Changjiang North Road, Kunshan City, Jiangsu Province, China | |
| | Galis Accurate Smithcraft Products Co., Ltd.Of Suzhou | Matang Road, Kunshan City, Jiangsu Province, China | ACES GLS |
| | MEC SUZHOU ELECTRONICS CO., LTD. | Qingyang North Road, Kunshan City, Jiangsu Province, China | MEC KL |
| South China | DongGuan ACES ELECTRONIC CO., LTD. | Huayuan Road, Dongguan City, Guangdong Province, China | ACES DG |
| | HOMEPRIDE ELECTRONICS (DONGGUAN) COMPANY LIMITED | Chang'an Zhenyuan West Road, Chang'an Town, Dongguan City,Guangdong Province, China | MEC HPT |
| | DONGGUAN KUANGYING HARDWARE PLASTIC PRODUCT CO.,LTD | Zhen'an West Road, Dongguan City, Guangdong Province, China | KYN DG |
| Philippines | MEC ELECTRONICS PHILIPPINES CORP. | Cavite Economic Zone, Rosario, Cavite 4106 Philippines | MEC PHIL |
| Vietnam | CONG TY TNHH CHINH XAC NGAN VUONG | Tan Truong Industrial Zone, Kam Giang District, Nam Hai Duong Province, Vietnam | ACES VN |

Data Collection and Calculation

The data collection for the whole year of 2024 is based on the above mentioned report areas, and the indicators and the formula for calculating the data are listed

Basis

This report is prepared in accordance with the 2021 edition of the GRI Standards issued by the Global Reporting Initiative (GRI) and the standards of Sustainability Accounting

Review and Assurance

The Report has been certified by a third-party assurance institution, TÜV (TUV Rheinland), in accordance with the 2021 GRI Standards and under the Type 1 Moderate Assurance



Contact Us

In order to improve the quality and contents of the ACES sustainability report and facilitate communications with stakeholders, please feel free to communicate with the ACES’ sustainability contact person if you have any advice or suggestions.
Address: No. 13, Dongyuan Road, Zhongli District, Taoyuan City
Official Website: <http://www.acesconn.com/tw>
Contact: sustainability office
Email: esg@acesconn.com

A Message From the Chairman

Since its establishment in 1996, ACES Electronics has remained focused on the development and manufacturing of precision connectors, striving to become a leading global brand in connectivity solutions. Upholding the mission of "precision innovation, connecting the world," we have navigated nearly three decades of industrial evolution. Leveraging our R&D capabilities in precision technology and our solid business foundation, we continue to advance steadily in the global market. Looking to the future, cloud communication products are expected to become the main engine driving ACES' s growth, with an anticipated annual growth rate of up to 50%. Industrial application products are also projected to grow by 30% annually, while the computer and consumer electronics sectors are expected to see a growth rate of 5% to 10%. As the proportion of high-margin products increases, we are confident about our overall revenue and profit in 2025.

In the face of the challenges of global net-zero carbon emissions and supply chain restructuring, we have increased our investment in low-carbon technologies and infrastructure, and established a sustainability office to meet increasingly stringent sustainability regulations. In March 2025, after two and a half years of development, the "ACES R&D Headquarters Building" was officially completed and put into operation. Built in accordance with Taiwan' s green building standards, the facility preserves native trees, incorporates rainwater recycling and energy-saving designs, and has obtained a Green Building candidate certificate. This not only symbolizes ACES' s commitment to sustainable operations but also marks a new beginning in smart R&D, technological innovation, and talent cultivation. With the launch of the new R&D headquarters building, ACES has significantly enhanced both its research capabilities and production capacity. The overall output is set to triple compared to the former Precision Engineering Center, strengthening market responsiveness and manufacturing flexibility. Especially with the implementation of AMR (Autonomous Mobile Robots) within the plant, which manage everything from finished goods transportation and material supply to real-time inventory processing, ACES achieves Just-In-Time (JIT) precise production. This advancement improves labor efficiency in warehousing and optimizes production line space utilization, representing a crucial milestone toward the realization of a smart factory.

A comprehensive review of our overall operational performance in 2024 shows that we were once again honored with the National Brand Yushan Award. We also successfully completed the launch of the SAP system, which not only greatly enhanced our resource planning capabilities but also marked a significant milestone in our digital transformation. Furthermore, we completed third-party verification of the carbon footprint (ISO 14067) for our first product, demonstrating our responsibility and commitment to low-carbon transition and supply chain sustainability. At the same time, we obtained third-party certification (ISO 27001) for our information security management system, ensuring robust information security protection mechanisms. We continue to incorporate diverse perspectives and gradually advance toward higher integration, greater transparency, and improved efficiency to strengthen decision-making effectiveness and create a more resilient and sustainable future.

As a member of the electronics manufacturing industry, we leading the transformation to a low-carbon and sustainable supply chain, leveraging Taiwan' s talent advantages and technical capabilities to build a world-class R&D and manufacturing team, and steadily leading the way into the next golden three decades.

Chairman

袁万丁

Key Results & Recognitions

The R&D Headquarters Building Has Obtained the Green Building Candidate Certificate.

ACES's newly constructed R&D Headquarters Building obtained the Taiwan Green Building Assessment System (EEWH) Green Building candidate certificate in 2024, demonstrating that the new building incorporated multiple sustainable building indicators during the design phase, including greening, water conservation, daily energy conservation, water resource utilization, acoustic and lighting environment quality, and low-pollution interior finishes. We are comprehensively improving the environmental performance of our buildings, demonstrating ACES's commitment to low-carbon construction and environmental friendliness. In the future, we will continue to refine our management and monitoring practices as we strive to obtain official Green Building certification.

Introduction of ISO 27001 Information Security Management System

In light of the growing importance of information security, ACES successfully implemented the ISO 27001 international information security management system in 2024 and obtained certification. A cross-departmental information security team was established to promote the development of ISO 27001 policies, conduct risk assessments, implement incident response mechanisms, provide employee training, and carry out internal audit procedures. These efforts aim to build a systematic information security risk management framework to ensure the confidentiality, integrity, and availability of information related to customers, employees, and operations.

Autonomous Mobile Robot (AMR) Deployment

In 2024, ACES launched its "Smart Logistics" initiative through a project centered on Autonomous Mobile Robots (AMRs), completing the procurement and deployment of the first three units. Internal automated transport routes were established within the facility. In 2025, we plan to scale up the application by implementing multi-route operations across different areas, aiming for the stable operation of three AMRs in material handling tasks. This initiative is expected to significantly enhance material flow efficiency and improve workforce allocation flexibility.

Introduction of ISO 14067 Product Carbon Footprint

In 2024, ACES launched its product carbon footprint inventory and promoted product carbon management. Based on ISO 14067, we conducted its first product carbon footprint assessment, selecting a key product—FPC connectors—to quantify the emissions of during the raw material acquisition and manufacturing stages (cradle-to-gate). The carbon emissions were evaluated and calculated, and the results were verified by a third-party assurance provider, AFNOR Asia Ltd. This initiative serves as the foundation for ACES' s future carbon footprint development, enhances supply chain transparency, and provides a basis for green design, material selection, and process improvement—aligning with customer climate commitment goals.

Awarded the Grand National Prize at the 21st National Brand Yushan Awards

To encourage the development of high-quality corporate competitiveness and to establish exemplary national enterprises, the National Brand Yushan Award selects each year the most outstanding and competitive enterprises, best products, most popular brands, and distinguished corporate leaders to enhance overall corporate competitiveness. ACES Group, following its Grand National Prize wins in 2018 and 2021, was once again honored with the Grand National Prize in the Outstanding Enterprise category at the 21st National Brand Yushan Awards.



Expanding Access to Reading: Five Mobile Libraries Donated in 2024

In 2024, ACES donated five mobile library vehicles to ShuiLi Township in Nantou County, Wufeng Township in Hsinchu County, the Yilan County Government, the Nantou County Government, and the Taoyuan City Government. The total donation amounted to NT\$4.1 million and was the largest cumulative annual donation to date. Through this initiative, ACES aims to inspire others by demonstrating its ongoing commitment to educational equity, raising societal awareness of reading education in remote areas, and continuing to promote the nurturing belief of "Irrigating with Reading, Letting Vision Soar."

ISO System

Key Achievment in 2024

Global Initiatives

| | | | | |
|---|---|--|--------------------------------|-----------------------------|
| G | ISO 9001 Quality Management Systems | Consolidated Net Revenue | 9.771billion | ✓ EcoVadis |
| | ISO 13485 Medical Devices Quality Management Systems | Local Procurement Ratio | 62% | ✓ EU RoHS |
| | ISO 17025 General Requirements for the Competence of Testing and Calibration Laboratories | R&D Expenses | 592.518billion | ✓ Conflict-Free Minerals |
| | IECQ QC 080000 Hazardous Substance Process Management (HSPM) System Requirements | Valid Patents in Force (global) | 609 | ✓ GRI |
| E | ISO 27001 Information Security Management Systems | Customer Satisfaction Target Achieved | 7years | ✓ SASB |
| | IATF 16949 Quality Management System for Automotive Production | AMR (Autonomous Mobile Robot) Deployed | 1unit | ✓ SDG 8, SDG 9, SDG12 |
| | | Best Partner Award | 2Awards | |
| | | 21st National Brand Yushan Award | National First Prize | |
| S | ISO 14001 Environmental Management Systems | Annual Energy Saving | 1% | ✓ CDP |
| | ISO 14064-1 Greenhouse Gases Inventory | Taiwan EEWH Green Building | Qualified (Candidate) | ✓ TCFD |
| | ISO 14067 Carbon Footprint of Products | Identified Climate Risks | 8items | ✓ SDG 12, SDG 13 |
| | | Identified Climate Opportunities | 5items | |
| | | Newly disclosed overseas GHG emissions sites | 3items | |
| | | Product Carbon Footprint (ISO 14067) | 1 productverified by 3rd party | |
| | | Diverse hiring rate | 19.51% | ✓ RBA VAP |
| | | Average training hours per employee | 11.6hours | ✓ NO Human Rights Violation |
| | ISO 45001 Occupational Health and Safety Management Systems | Academia-industry collaboration participants | 35persons | ✓ SDG 3, SDG 4, SDG8 |
| | | Mobile library vehicles donated | 5vehicles | |
| | | Community donation amount | 4.1million | |
| | | Community clean-up collected | 66kg | |

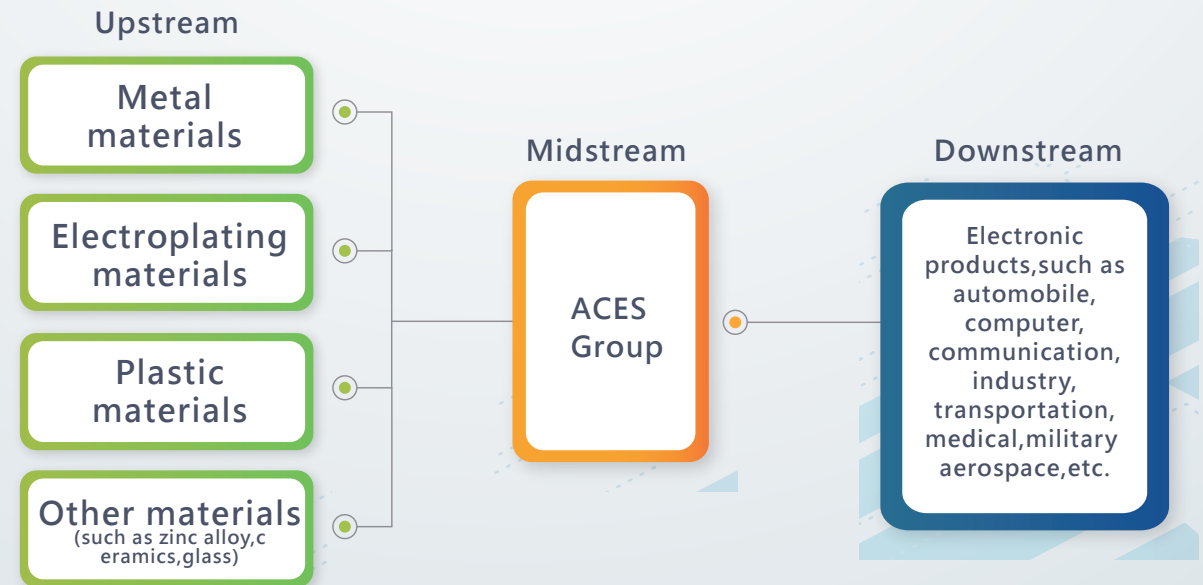
Aces' s Profile

ACES Group aims to transform itself as a manufacturer engaged in efficient operations, provision of production capacity for customers, and resilient production to that engaged in providing customers with complete solutions. The Group' s English name stands for Advanced, Creative, Excellent and Solution literally, as it is dedicated to providing customers with the most fine-quality services with its strengths in design of new products, high-speed transmission technology, high current transmission, and integrated design of connectors/cables.

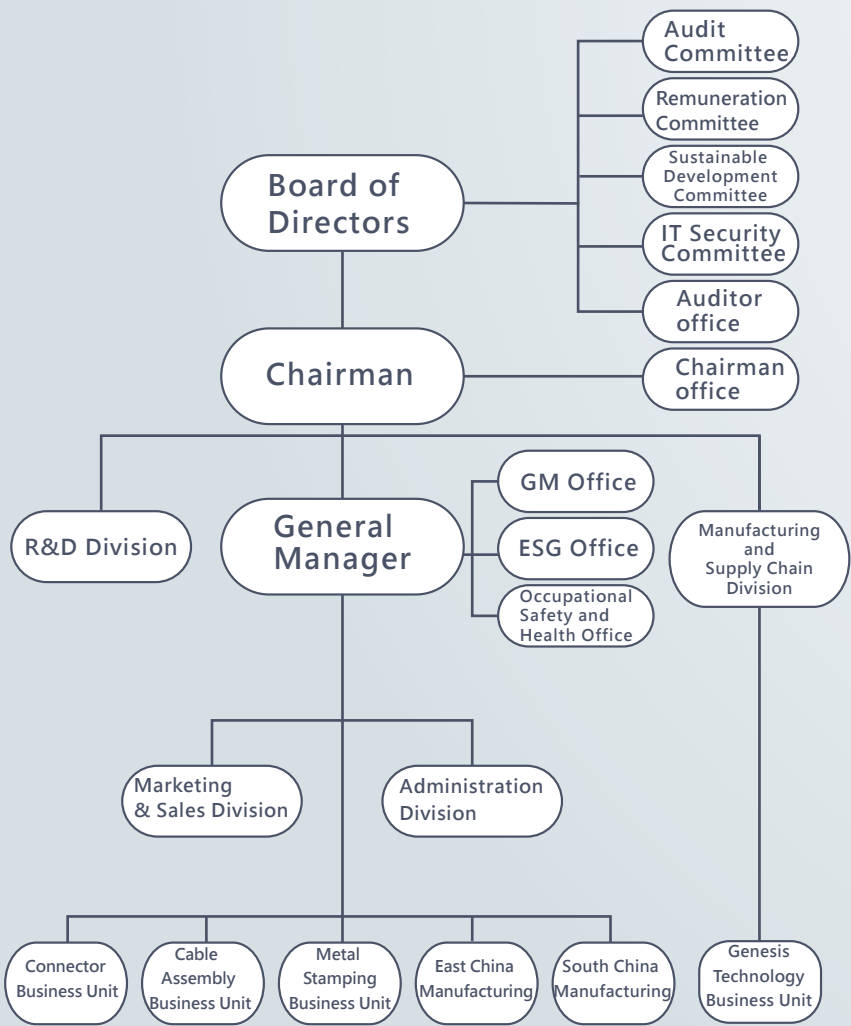
ACES Electronics Co., Ltd.

| ACES Electronics Co., Ltd. | |
|---|--|
| Date of Incorporation | November 7, 1996 |
| Paid-in capital | \$1,344,177,090 |
| Stock Code | 3605 |
| Number of employees of ACES TW | 725persons |
| Number of employees within the reporting boundary | 4,654persons |
| Main products and services | High-end precision connectors and wires, and the design and manufacturing of precision molds |
| Chairman | Wan-Ting Yuan |
| General manager | Huang Tien-Fu |
| *Certification | ISO 9001、ISO 14001、ISO 45001、ISO 27001、ISO 14064、ISO 14067、ISO 13485、ISO 17025、IECQ QC 080000、IATF 16949 (*Certification: Not all operating areas are covered.) |

ACES Value Chain



Organizational Chart & Business



Membership of Associations

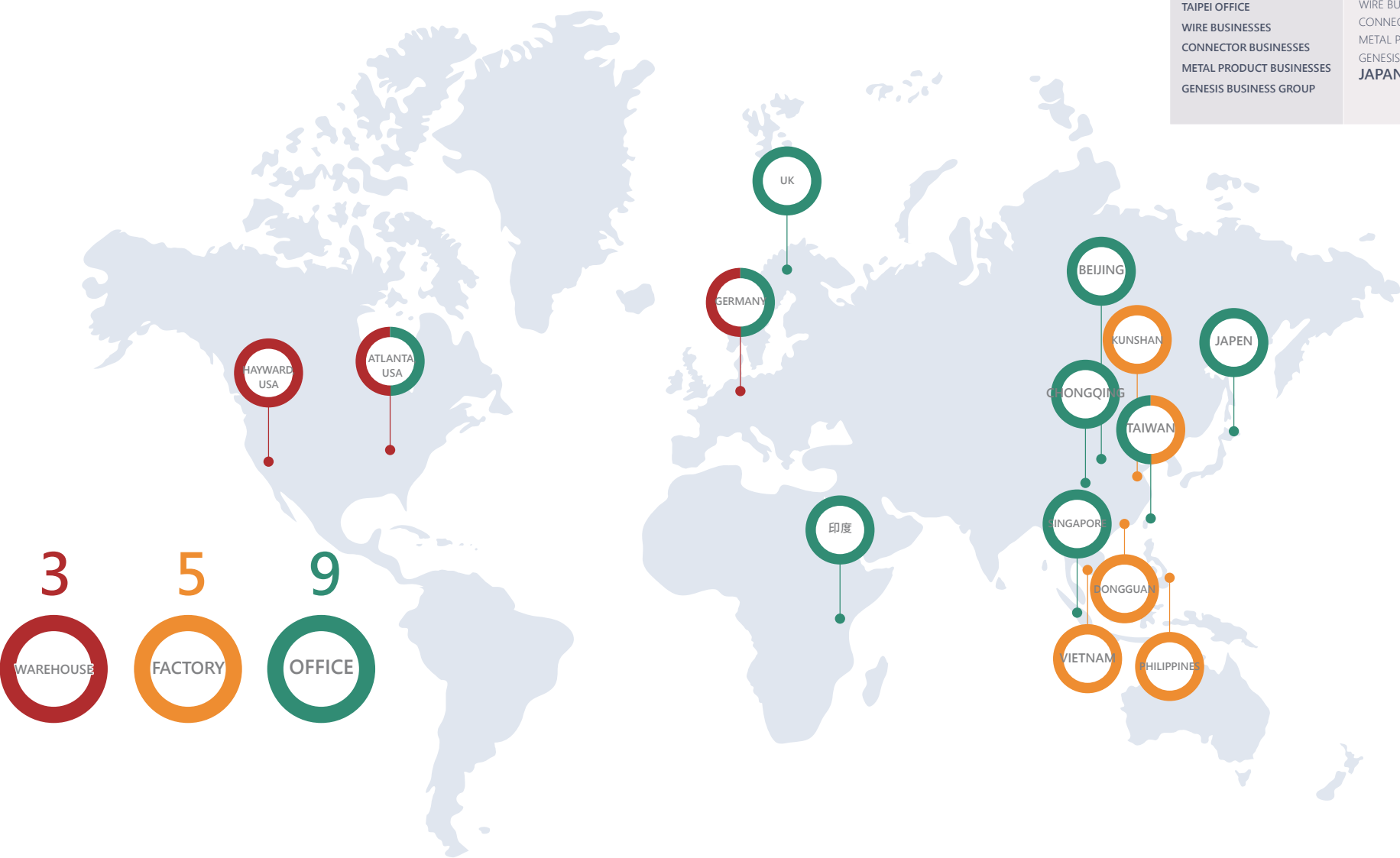
| Association | Designation |
|--|---|
| Taiwan Electronic Connection Association (TECA) | Member (Chairman, and Director of the Association) |
| Peripheral Component Interconnect Special Interest Group (PCI-SIG) | Member |
| Digitimes | Member |
| HDMI | Member |
| USB IF | Member |
| Small Form Factor Committee /Storage Networking Industry Association, (SFF/SNIA) | Member |
| Solid State Technology Association (JEDEC) | Member |
| National Central University-Global Research & Industry Alliance | Member |
| Gen Z Syndicate | Member |
| Open Computer Project | Member |
| 5G Smart Pole Standard Promotion Alliance | Member |
| E-paper Industry Alliance (EPIA) | Member |
| Video Electronics Standards Association (VESA) | Member |
| Taiwan Electrical and Electronic Manufacturers' Association (TEEMA) | Member |

Corporate Culture and Core Valued

Since ACES was founded, it has focused on the management of connector business. Now, ACES is considered as the professional leading manufacturer in the supply chain of laptops and tablets. Notwithstanding, ACES will keep improving and innovating, continue to develop other product lines, and also pursue the management philosophy claiming “Knowledge and Vision, Value and Attitude, Commitment and Execution” to create the maximum interest for Investors/shareholders, employees and customers as its business target to be pursued.

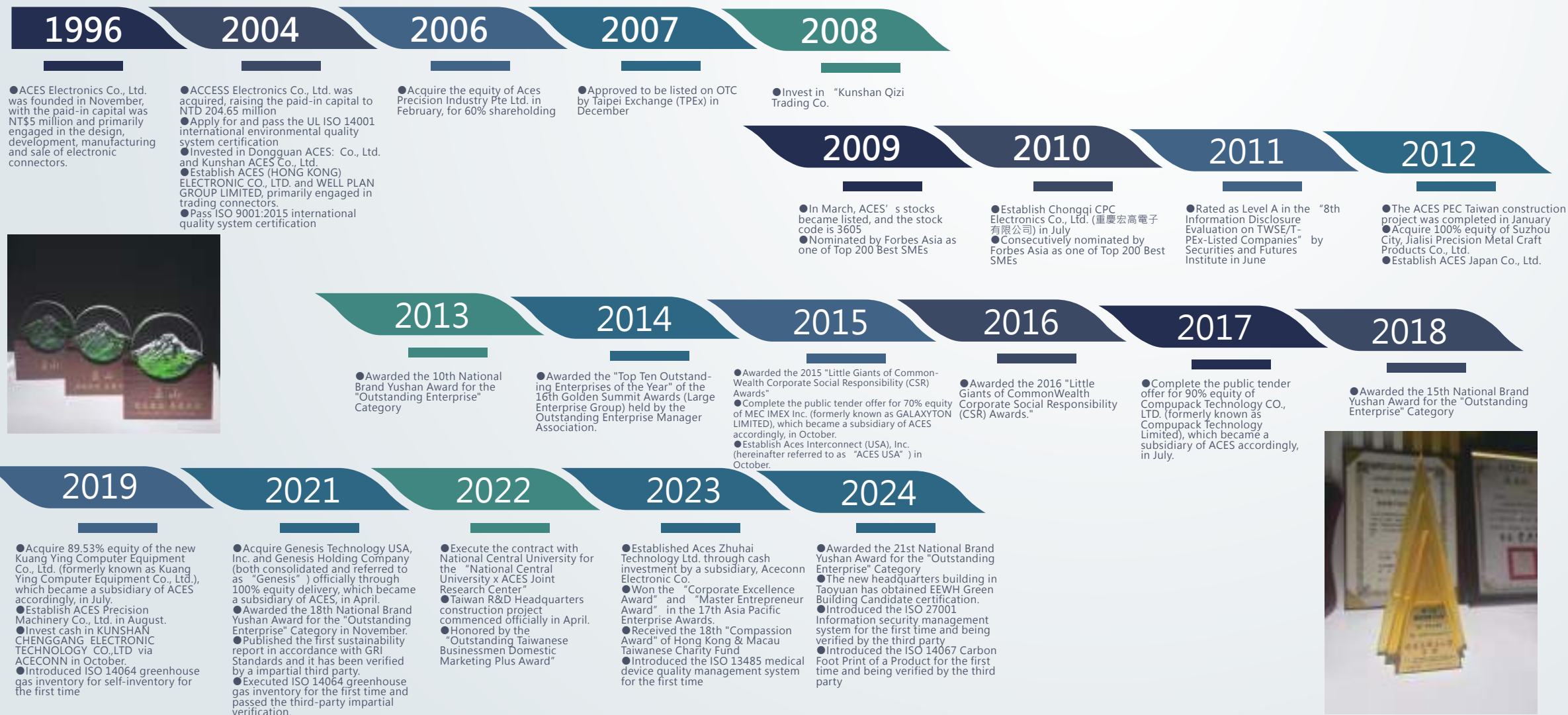
| | |
|--------------------------|--|
| Knowledge and Vision | An enterprise, together with its employees, shall live to learn. The enterprise shall establish a continuing education and growth environment within the organization and encourage its employees to keep learning and trying to surpass themselves, in order to build the macro vision and creative knowledge |
| Value and Attitude | Create the unreplaceable value for customers, while managing personal value at the same time; adhere to positive and responsible attitude. |
| Commitment and Execution | The enterprise and its employees must “keep their promises.” The management team shall make every endeavor to practice our commitments to customers, suppliers, employees or investors/shareholders, and then ACES’ s management efficiency may be increased and thereby generate profit inevitably. |

Global Presence and Layout of ACES



| TAIWAN | EAST ASIA | SOUTHEAST ASIA/ SOUTH ASIA | EUROPE AND AMERICA |
|---|---|---|---|
| TAOYUAN HEADQUARTERS PEC TAIPEI OFFICE WIRE BUSINESSES CONNECTOR BUSINESSES METAL PRODUCT BUSINESSES GENESIS BUSINESS GROUP | CHINA KUNSHAN WIRE BUSINESSES CONNECTOR BUSINESSES METAL PRODUCT BUSINESSES GENESIS BUSINESS GROUP JAPAN OFFICE | VIETNAM METAL PRODUCT BUSINESSES GENESIS BUSINESS GROUP PHILIPPINES WIRE BUSINESSES SINGAPORE OFFICE | GERMANY OFFICE AND WAREHOUSE AMERICA HAYWARD OFFICE ATLANTA OFFICE |

Milestones



ACES Sustainability

Stakeholder Identification and Communication Channels

Communication and interaction with stakeholders is an important part of our operations. Through a diverse and smooth communication channel, we understand the needs of stakeholders and respect and safeguard their legitimate rights and interests. ACES selects 7 major stakeholders in accordance with the AA1000 Stakeholder Engagement Standard. ACES practices the stakeholder engagement in various forms and via multiple channels, and compile the information about communication with each stakeholder to report it at the management meeting periodically. The stakeholders' feedback may serve as the important reference facilitating our preparation of future corporate social responsibility policy. ACES communicates with stakeholders in the following forms and channels.

| Stakeholder | Meaning to ACES | Concerned issues | Communication channel | Communica- | Responsible unit |
|-----------------------------|---|--|--|--|---|
| Employee | Employees lay the foundation of ACES. The contribution by each employee makes ACES grow more strongly. In addition to protecting employees' interest and right and offering the employees the remuneration and benefits better than the peer level in the same trade, ACES respects and cares each ACES folk equally. | <ul style="list-style-type: none"> •Talent cultivation •Maintenance of human rights •Occupational health and safety •Environmental protection issue •Labor-management issue | Internal meeting Labor-management meeting Performance appraisal & evaluation Training and Education Employee complaint mailbox | Monthly Quarterly in Taiwan/other plants are based on local laws and regulations Yearly Yearly Irregular | HR Dept. |
| Customer | ACES listens to customers' need carefully and focuses on creation of the maximum interest for customers. Customer success is the ultimate goal of ACES. | <ul style="list-style-type: none"> •Customer privacy and information security •Green product and innovation •Occupational health and safety •Service quality •Restricted substance control •Water resource management •Waste management •GHG and energy management | Customer satisfaction survey Business and technology evaluation Meeting with customers | Yearly Yearly Irregular | Sales Dept |
| Investors/ shareholders | The stakeholders who care ACES' sustainable development and Operating performance most, to whom our management team has to disclose our overview of business periodically to fulfill its responsibility as the management. | <ul style="list-style-type: none"> •Operating performance •Business ethics and legal compliance •Corporate governance and risk control | Shareholders' meeting Investor seminars Annual report Investor/shareholder email | Yearly Yearly Yearly Irregular | Financial Dept. |
| Supplier | Suppliers play a very important role in ACES' sustainable development. ACES and suppliers support and grow with each other, and work together to establish the stable and fine-quality supply chain ecology and create the largest consolidated effect for customers. | <ul style="list-style-type: none"> •Supplier management •Green procurement | Meeting with suppliers Procurement & bargain | Yearly Irregular | Supply Chain Management Division of the Group |
| Government | ACES is used to executing its practices in response to the government policy, complying with the laws and regulations promulgated by governments and competent authorities, and using the two-way communication to perform the obligation as a good citizen. | <ul style="list-style-type: none"> •Operating performance •Business ethics and legal compliance •Occupational health and safety •Water resource management •Waste management •GHG and energy management | Symposium and seminar Official correspondences | Irregular Irregular | Chairman's office/ heads of overseas plants |
| Media | Accept the medial interview or issue the press release to disclose ACES' s development status and better each party' s understanding about ACES' development planning. | <ul style="list-style-type: none"> •Operating performance •Business ethics and legal compliance •Social responsibility performance | Press release | Irregular | Administration |
| Community & neighborhood | Establish fair relationship with the local community and neighborhood, and continue to develop local and social feedback through ACES' core profession to practice the sustainable social responsibility. | <ul style="list-style-type: none"> •Community care •Social responsibility performance | Community service and project cooperation Visit to neighborhood External communication mailbox Facility complaint hotline | Irregular Irregular Irregular Irregular | Administration |




Material Topic Identification and Analysis

To meet stakeholders' expectations for ACES' sustainable development, in 2024 ACES followed the GRI Standards to identify 11 material topics and set corresponding management policies and action plans. The topics are: Business Performance; Integrity Management; Product Quality and Responsibility; Sustainable Supply Chain; Energy Management; Greenhouse Gas (GHG) Management; Waste Management; Labor–Management Relations; Occupational Health and Safety; Talent Development; and Compensation and Benefits. The materiality assessment process is summarized below.

Assessment Procedure



| Corresponding Issue | | | | | 環境面 | |
|--------------------------------|--|--|---|--|---|--|
| Governance | | | | | | |
| Material Topic | Operating Performance | Ethical Management | Product Quality | Sustainable Sup+F3+G3 | GHG and Energy Management | Waste Management |
| Meaning to ACES | Stable sustainable growth drives the corporate sustainability. ACES uses the best effort to exert the largest consolidated operating effects, in order to feed back to the stakeholders including investors/shareholders. | Strong business integrity demonstrates a commitment to fairness, impartiality, and sound internal governance. Internally, it mitigates operational risks and strengthens controls; externally, it builds stakeholder trust and enables stable, transparent, and mutually beneficial partnerships—ultimately enhancing social legitimacy. * | Quality is critical to a company' s overall operations. In order to ensure the quality, ACES has invested capital in product innovation and practiced the quality control permanently. | As suppliers are important partners to the sustainable operation of ACES, maintaining fair and robust relations with suppliers may help mitigate the operating risk and improve the quality of products and services. | In order to achieve effective energy management, it is necessary to improve the usage efficiency and also reduce GHG emissions. ACES is concerned about the environmental issues and, therefore, will continue to invest resources to protect the environment on earth. | Reduce disposal costs and environmental risks, ensure compliance with environmental regulations, and strengthen trust with the public and customers. |
| Boundary of impact | Employee | V | V | | | |
| | Customer | V | V | V | | V |
| | Investors | V | V | | | |
| | Supplier | V | V | V | | |
| | Government | V | V | | V | V |
| | Media | | | | | |
| | Community & Neighborhood | | | | | V |
| Involvement | Direct Involvement | V | V | V | V | V |
| | Contribution to Involvement | | | | | |
| | Involvement via Business Conduct | V | V | | V | V |
| Description of Impacts | ACES' stable growing operating revenue is considered a positive message to investors and shareholders, as it may help improve investors' confidence in ACES and attract more support, thereby benefiting the expansion of development. | Maintaining strong business integrity strengthens ACES' s trust with stakeholders and enables stable, transparent collaboration, thereby earning broader social recognition. Conversely, weak integrity can lead to reputational damage, fractured relationships, legal exposure, and tangible losses. | The product quality is critical to customers' satisfaction and market share. Therefore, ACES uses the best to innovate, continues to improve quality and enhance the brand value, and responds to customers' feedback in a timely manner. | Without a good supply chain management policy, the Company is very likely to violate relevant laws and regulations and be involved in unethical business conduct, and even human rights issues of partners in the supply chain (human rights, occupational safety, working environment, etc.) might be ignored easily, thereby causing a negative impact to the Company. | Ignoring environmental issues might result in damage to the ecological environment and excessive consumption of energy, and even cause potential social problems, as it is impossible for the disadvantaged to respond to the negative impact posed by the environment. | Effective waste management not only ensures regulatory compliance, but also reduces the burden on surrounding communities and the environment and meets customers' green-supply-chain requirements; conversely, inadequate management may create compliance, reputational, and supply-chain risks. |
| Corresponding GRI topic | GRI 201 | Self-Defined Material Topics | Self-Defined Material Topics | GRI 308 、 GRI 414 | GRI 305 | GRI 306 |
| Corresponding SDGs | | | | | | |
| Response chapters and sections | 1.2 Operations and Performance | 1.1.2 Ethical Management | 2.1 Products of ACES 2.2 Supply Chain Management | 2.2 Supply Chain Management | 3.1 Climate Management and Disclosure | 3.2 Environment and Resource Management |

| Corresponding Issue | | Social | | | |
|--------------------------------|----------------------------------|---|---|---|--|
| Material Topic | | Employment Relations | Occupational Health and Safety | Talent Cultivation | Remuneration and Benefits |
| Meaning to ACES | | Amicable employment relations may help the Company grow stably. ACES values the amicable employment relations and provides multiple communication channels between the labors and management. | ACES shall perform the basic liability and obligation to have all colleagues work safely in the workplace. Meanwhile, employee car, physical and mental, is an issue most concerned about by ACES. ACES makes every endeavor to create a happy workplace for the employees. | Employees' continuing growth and improvement drives ACES' sustainable development. ACES provides diversified and professional training programs per employees' needs and future career planning, hoping to satisfy expectations of employees and their organizations. | In order to recruit and retain talents, ACES provides employees with a sound and fair remuneration and benefit system to ensure that the treatment offered to them is better than the peer level in the same trade and may continue to help improve their competitiveness in the market. |
| Boundary of impact | Employee | V | V | V | V |
| | Customer | V | V | | |
| | Investors | | | | V |
| | Supplier | | | | |
| | Government | V | V | | |
| | Media | | | | |
| | Community & Neighborhood | | | | |
| Involvement | Direct Involvement | V | V | V | V |
| | Contribution to Involvement | V | | | |
| | Involvement via Business Conduct | V | | | |
| Description of Impacts | | If the employment relations are handled improperly, a dispute or problem, such as a strike, might arise between the laborers and management. ACES convenes labor-management meetings regularly and sets up multiple communication channels. The management also responds to employees' feedback in a timely manner. Therefore, the labor and management maintain a good and successful communication channel. | ACES values occupational safety and implements multiple control measures to mitigate the risk over accidents and reduce occupational accidents. Meanwhile, ACES cares for employees' health greatly and provides multiple health promotion plans. | Cultivate and develop talents internally based on long-term planning, in order to strengthen the organization, improve the retention rate and enhance the Company' s competitiveness. | ACES has a good salary and welfare system to ensure retention of excellent employees and encourage employees to improve their work performance, thus driving the Company' s growth. |
| Corresponding GRI topic | | GRI 2-29 、 GRI 2-30 、 GRI 401 | GRI 403 | GRI 404 | GRI 401 |
| Corresponding SDGs | |  |  |  |  |
| Response chapters and sections | | 4.1 Employees of ACES 4.2 Employment Relations | 4.5 Occupational Health and Safety | 4.4 Talent Development and Retention | 4.3 Salary and Welfare |

Phased Goals

| Strategic aspect | Short-term goal (1~3 years) | Mid-term/long-term goal (more than 3 years) |
|--------------------------|--|---|
| Sustainable operation | <ul style="list-style-type: none"> •Stable management and positive growth of earnings •Procurement cost reduction plan attaining 2% •Enhanced information security protection: 100% anti-virus software deployment rate, and 95% quarterly information security awareness random check success rate •Enhanced software control: 100% software control deployment rate, and 95% terminal computer access authority recovery rate. | <ul style="list-style-type: none"> •Rank within the top 21–35% in the Corporate Governance Evaluation for TWSE/TPEX-listed companies. •Continue to strengthen Board effectiveness, enhance executive leadership and management, and improve disclosure to safeguard investor/shareholder rights. •Raise employee regulatory compliance to reduce non-compliance costs. |
| Quality innovation | <ul style="list-style-type: none"> •Annual customer satisfaction attaining 90 scores or above •80% penetration rate of implementation of product life cycle management procedure in R&D-related department | <ul style="list-style-type: none"> •Sustain annual customer satisfaction at > 90 score |
| Environmental protection | <ul style="list-style-type: none"> •Carbon emissions to be reduced by 3% per unit of operating revenue by 2025 (2021 as the base year) •Various factories to receive third-party assurance under ISO14064 step by step •Achieve a 15% reduction in paper use by end-2025, against a 2023 baseline. | <ul style="list-style-type: none"> •Net-zero emissions by 2050. •Reduce color printing volume by 10%. |

Phased Goals

| Strategic aspect | Short-term goal (1~3 years) | Mid-term/long-term goal (more than 3 years) |
|---|--|--|
| Employee care and growth | <ul style="list-style-type: none"> •Average training budget per person for indirect workers amounting to NT\$3,000 or more •Provision of adaptive and differentiated training programs for employees •Employees' English proficiency improvement subsidy plan •Employees' English proficiency improvement subsidy plan •Design effective talent retention plan to ensure the competitiveness of remuneration to critical talents on the market | <ul style="list-style-type: none"> •Average training budget per indirect employee \geq NT\$5,000. •Establish competency models by job family and implement tiered training curricula. •Include English proficiency scores as a promotion criterion. •Achieve 50% in-house development rate for digital courses. •Reach 80% retention of key talent. |
| Occupational safety & health / Health promotion | <ul style="list-style-type: none"> •Recordable Injury Rate (RIR) ≤ 4.5 •Provide ≤ 4 hours of OSH training per person per year and expand the OSH training topics. •Enhance controls for high-risk operations (working at heights, hot work, and hazardous chemicals). •Launch a digital safety proposal platform to boost employee participation •Promotion of non-smoking workplaces or tobacco hazard prevention practices •Provide more diversified healthy relief activities or seminars | <ul style="list-style-type: none"> •Recordable Injury Rate (RIR) ≤ 2.5 •Implement tiered OSH training with ≤ 6 hours per person per year •Promote a zero-incident culture and Behavior-Based Safety (BBS) •Build a healthy workplace, strengthening physical and mental wellness programs •Obtain the Health Promoting Workplace accreditation from Taiwan' s Health Promotion Administration |
| Social participation | <ul style="list-style-type: none"> •Continue to promote various community participation and social care activities •Promotion of ACES volunteer system | <ul style="list-style-type: none"> •Broaden community/charitable programs and set long-term assistance plans •Establish a corporate foundation |

External Initiatives

EcoVadis is a sustainability ratings platform that evaluates companies across four themes—Environment, Labor & Human Rights, Ethics, and Sustainable Procurement—providing an independent view of sustainability maturity and execution. To align with international supply-chain standards, ACES Group has completed the EcoVadis assessment for five consecutive years. In 2024, ACES received the “Committed” badge and an overall score that placed us in the top 41% of rated companies worldwide, demonstrating our tangible progress in sustainability and our integrity, transparency, and accountability as a supply-chain partner.



ACES Group has participated in CDP's Climate Change questionnaire each year since 2019. In 2024, ACES was invited by CDP Capital Markets to be included on a climate-change disclosure list, indicating growing market attention to our role in global supply chains and climate issues. In 2024, ACES received a D rating. Based on this result, we have implemented improvement measures—including establishing processes to identify and assess climate risks and opportunities and gradually adopting the TCFD framework—to enhance the completeness and consistency of future disclosures.



ACES recognizes and commits to support the vision and goal of Responsible Business Alliance, RBA (formerly known as EICC). We adopt related policies in accordance with the Responsible Business Alliance (RBA) Code of Conduct, and also demands that its major suppliers should implement care for labor and human rights issues, a healthy and safe working environment, and compliance with business ethics, in order to fulfill corporate social responsibility together. At present, both ACES TW and ACES KS have completed the RBA VAP (Validated Assessment Program) process and have been audited on-site by an international impartial third party. ACES VN and MEC HPT has completed the CMA customer compliance process, and it is expected to introduce the RBA VAP formal audit process with MEC KL in 2025.



01 Governance & Operation



Consolidated Net Revenue
9.771billion



Board attendance
100%



Average training hours
per director
6.43hrs



2Director1st National
Brand Yushan Award
National First Prize



1.1 Corporate Governance

ACES has strengthened corporate governance by designating the General Administration Office as the corporate governance unit. The Board of Directors approved the creation of the Head of Corporate Governance role, a position held by Deputy General Manager

1.1.1 Board of Directors

ACES' current Board of Directors consists of 7 directors (including 3 independent directors). All of the members are the R.O.C. nationals. The independent directors account for 43% of all directors. Furthermore, 2 directors are from 51 to 60 years old, 4 directors are from 61 to 70 years, and 1 director is from 71 to 80 years old. All of the members are specialists in fields including industry, finance, accounting and technology, with the ability in business judgment, business management, crisis management, industrial knowledge, international market prospective and leadership & decision making.

In 2024, ACES had one female director. Although female representation on the board has not yet met the one-third benchmark, the board will be re-elected at the 2025 annual general meeting (AGM). The current slate of nominees includes three female candidates; if all three are elected, ACES would achieve one-third female representation on the board, advancing gender diversity at the director level.

Board Members

ACES has wide connections and, therefore, can also find competent talents to serve as the successors in a timely manner. Meanwhile, ACES does not fall under any circumstances referred to in Article 30 of ACES Act. Further, the independent directors shall have the working experience in business, R&D, legal affairs, finance and accounting, and also comply with Paragraph 1, Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." The nomination and election shall take place once every three years. In the future, the succession plan will target professionals in various fields. The Board of Directors meeting shall be convened once per quarter, provided that it may be convened by the Chairman at any time in the case of emergency. A total of 6 Board meetings have been convened in 2024. The attendance rate thereof was 100% (including attendance by proxy).

Remuneration Policy

Pursuant to Article 24 of ACES's Articles of Incorporation, not less than 1% of annual earnings may be set aside as remuneration to employees and not more than 3% as remuneration to directors. Director remuneration is based on the evaluation of the directors' performance. In addition to ACES's overall operating performance, future business risks, and development trends of the industry, ACES also takes into account the actual attendance rate at board of directors' meetings, the individual performance of directors, the their contribution to ACES's overall performance, and makes reference to the general remuneration levels of the industry to provide a reasonable remuneration and reference it as a basis for nomination and reappointment. The compensation of ACES' managerial personnel primarily consists of salary, bonuses, special allowances, and employee remuneration. Compensation is determined based on the scope of responsibilities and the individual' s contribution to ACES' s operational performance, in accordance with ACES' "Performance Evaluation Management Guidelines." In addition to considering overall business and individual performance, goal achievement rates, profitability, operational efficiency, and contribution, the compensation ratio is determined through a comprehensive evaluation that also takes into account industry benchmarks, in order to provide reasonable and equitable remuneration. ACES' director and manager remuneration system is reviewed in a timely manner in light of actual operating conditions and relevant laws and regulations, and the reasonableness of such remuneration is reviewed by the Remuneration Committee in order to achieve a balance between sustainable management and risk control.

| Title Name | | Diversified core indicators | | Chairman | | Director | | Independent Director | |
|-------------------------|--|-----------------------------|--|----------------|--|------------------|--|----------------------|--|
| | | Wan-Ting Yuan | | Huang Wencheng | | Hang-Chang Hsieh | | Chang-Fei Hsu | |
| Basic composition | Nationality | R.O.C | | R.O.C | | R.O.C | | R.O.C | |
| | Gender | Male | | Male | | Male | | Female | |
| | Age | 51~60 | | 61~70 | | 61~70 | | 51~60 | |
| | Term of office | 3 years | | 3 years | | 3 years | | 3 years | |
| Professional background | Business administration | V | | V | | V | | V | |
| | Engineering | V | | V | | V | | V | |
| | Finance/ accounting | V | | V | | V | | V | |
| | Foreign languages | V | | V | | V | | V | |
| | Education | V | | V | | V | | V | |
| Industry experience | Commerce | V | | V | | V | | V | |
| | Information & technology | V | | V | | V | | V | |
| | Industry experience Finance and accounting | V | | V | | V | | V | |
| | Social participation | V | | V | | V | | V | |
| | Education | V | | V | | V | | V | |
| | Business management | V | | V | | V | | V | |

Evaluation on Board performance

To measure the effectiveness of the Board's corporate governance, ACES assesses its Board of Directors according to the "Board of Directors Assessment Guidelines" at the end of each year. The scope of the assessment contains the entire board and individual directors and functional members; assessment results are quantified according to assessment criteria and presented in the most recent board meeting. For the 2024 Board Evaluation Implementation and Results, please refer to P.19, "2024 Board Evaluation Implementation and Results" of the Annual Report 2024 of ACES : https://www.acesconn.com/tw/investors2_3

Communication of Key and Significant Events

ACES releases important messages in accordance with its "Procedures for Management of Material Insider Information" as follows: The important decisions resolved by ACES or handling of significant events complies with the "Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities." Or, upon evaluation of the materiality of the event, for the decisions or events that pose significant effects to ACES' finance, business, investors' /shareholders' equity or securities price, the unit dedicated to disclosure of important messages shall complete the "online information disclosure form" and "important message evaluation checklist" on the date of occurrence of the fact, and submit the same to the unit supervisor for review and approval, and then to ACES' spokesperson for review and approval. After that, the same will be disclosed on the website designated by the competent authority, MOPS, upon the president' s approval, within the statutory time limit. A total of 38 important messages were released in 2024.

| Title | Name | Name of course | Total hours |
|----------------------|---|--|-------------|
| Chairman | Wan-Ting Yuan | 2024 Cathay sustainable finance and climate change summit forum | 6 |
| Director | Wei Ji Investment Co., Ltd.Representative: Huang Wencheng | 2024 Cathay sustainable finance and climate change summit forum Corporate governance and securities laws & regulations | 9 |
| Director | Hang-Chang Hsieh | Tax Governance and Responses to Changes in the Latest International Tax Regulations and Environment Promoting Industrial Upgrading and Collaboration through AI and Big Data | 6 |
| Director | Chang-Fei Hsu | 2024 Insider Equity Trading Legal Compliance Presentation Conference 2024 Cathay sustainable finance and climate change summit forum | 6 |
| Independent Director | An-Chien Li | Geoeconomic Risks and Green Transition Risks and Precautions of Generative AI for Businesses | 6 |
| Independent Director | Da-Li Liao | 2024 Cathay sustainable finance and climate change summit forum | 6 |
| Independent Director | Kuo-Chi Shen | 2024 Insider Equity Trading Legal Compliance Presentation Conference 2024 Cathay sustainable finance and climate change summit forum | 6 |

Training and Education of the Board of Directors

ACES conducts the continuing education courses of at least 6 hours (inclusive) for each member of the Board of Directors each year, in order to urge the Board members to maintain their sharp insight and judgment, adapt to the ever-changing business environment, develop their own functions and roles, and achieve corporate sustainability.

Functional Committee

Remuneration Committee

In order to strengthen corporate governance and improve the system of directors' and managers' remuneration, ACES established the "Remuneration Committee" in 2021, which meets at least twice a year. Its duties and responsibilities include: 1) to periodically review the ACES' remuneration policy and make recommendations for amendments 2) to set and periodically review the reasonableness of the directors' and managers' performance evaluation criteria, annual and long-term performance goals, and remuneration policies, systems and standards 3) to periodically evaluate the achievement of the directors' and managers' performance goals and determine their individual remuneration based on the evaluation results obtained from the performance evaluation criteria.

In 2024, the ACES' Remuneration Committee comprised of 3 members, held 2 meetings with 100% attendance rate, and resolved the following motions: 1. Proposal for payment of year-end bonus to managers; 2.Proposal for allocation of remuneration to employees and directors in 2024.

Audit Committee

ACES has established an Audit Committee pursuant to Taiwan' s Securities and Exchange Act. The Committee comprises three members, all of whom are independent directors, and is responsible for assisting ACES in ensuring the fair presentation of its financial statements, confirming the effective implementation of the Company' s internal controls and compliance with applicable laws and regulations, managing existing or potential risks, and confirming the appointment or dismissal of the external auditors as well as assessing their independence and performance. In 2024, the Audit Committee met five times, and the attendance rate of Committee members was 100%. For more information of our Audit Committee, please refer to P.16 of the Annual Report 2024 of ACES: https://www.acesconn.com/tw/investors2_3

Sustainable Development Committee

In September 2024, ACES formally established a Sustainability Office to implement sustainability initiatives and support the Sustainability Executive Committee, which is chaired by the General Manager. The Office coordinates and drives company-wide sustainability goals, convenes functional working groups—Corporate Governance, Environmental Sustainability, Social Engagement, and Green Products—organizes the preparation of the Sustainability Report, and provides quarterly updates to the Board of Directors on progress.

Internal Control Mechanism

To assist the Board of Directors and managers in inspecting and reviewing the deficiencies of the internal control system of each unit and subsidiary of ACES and in measuring the effectiveness and efficiency of its operations, ACES has established a dedicated and independent unit under the Board of Directors, "Audit Office" , to be in charge of the internal audit affairs and the handling of relevant reporting matters. The internal auditors uphold the spirit of independence, perform their duties with objectivity and fairness, and exercise due professional care. In addition to reporting regularly to the independent directors and the Audit Committee on the audit operations, the head of audit also attends the Board of Directors' meetings for reporting. In accordance with the Regulations Governing the Establishment of Internal Control Systems by Public Companies, ACES conducts at least one annual self-assessment of internal controls. The Audit Office reviews the self-assessment reports submitted by each unit and subsidiary and consolidates them with the deficiencies identified by internal audit and the status of remedial actions. These results serve as the primary basis for the Board of Directors and the General Manager to evaluate the overall effectiveness of the internal control system and to issue the Statement on Internal Control. To enhance the quality and reliability of sustainability information disclosure, in 2024, the Board of Directors of ACES approved the "Sustainability Information Management Procedures." Starting in 2025, sustainability information is expected to be formally integrated into the internal control system, establishing a cross-departmental review and verification mechanism to ensure that sustainability disclosures comply with domestic and international standards, while supporting corporate governance and risk management decision-making

1.1. 2 Ethical Management



To foster a culture of integrity and ensure sound corporate development, ACES has established the Ethical Corporate Management Best Practice Principles and Ethical Corporate Management Policy. These rules strictly prohibit employees, supervisors at all levels, and directors from directly or indirectly offering, promising, soliciting, or accepting any improper benefits, or engaging in any other dishonest, illegal, or fiduciary-breaching behavior during business activities. ACES has also obtained and continues to maintain valid D-U-N-S® Registered™ certification, facilitating audits and supplier evaluations of international clients, thereby reinforcing ethical business practices and enhancing transparency in information disclosure.

To promote and advocate ethical behavior, ACES has established a policy requiring at least one annual educational session for directors, managers, and employees on laws and regulations related to the prevention of insider trading. The training covers the definition of insider trading, the scope and disclosure methods of material non-public information, the prohibition of insider trading, and the penalties for violations. Furthermore, two weeks prior to the beginning of trading blackout periods—30 days before the announcement of the annual financial report and 15 days before the announcement of each quarterly financial report—email notifications are sent to directors and managers, reminding them that trading of ACES stock is strictly prohibited during these specified periods. All new employees, whether internal staff or field personnel, receive instruction on professional ethics and principles of integrity during pre-employment training sessions. The training includes relevant internal and external regulations, aiming to strengthen education on ethical business practices. Each business unit at ACES also communicates with relevant external parties engaged in business activities with the company, ensuring they fully understand ACES’ ethical management policies, prevention measures, and the consequences of unethical conduct. In 2024, training related to ethical management practices—including the Ethical Corporate Management Best Practice Principles, internal controls, and intellectual property—was provided to a total of 725 participants, with a cumulative training duration of 725 hours.

Ethics & Compliance Training

Through regular onboarding and internal training, ACES TW promotes “Ethical management” by communicating to employees the internal and external laws and regulations related to professional ethics and codes of conduct—such as insider-trading prevention, information security, and intellectual property protection. In 2024, a total of 927 employees completed anti-corruption-related ethics training, accumulating 464 training hours. ACES targets 100% completion of relevant ethics training for all Group employees by 2030 (including modules on anti-bribery and corruption, conflicts of interest, fraud, anti-money laundering, and anti-competitive conduct).

Reporting Channels

ACES encourages both internal and external stakeholders to report any conduct that is illegal, unethical, or in violation of our Ethical Corporate Management principles. We have adopted the Procedures for Reporting and Handling Illegal, Unethical, or Unfaithful Conduct (the “Whistleblowing Procedures”) and have published them on ACES’ s website. The Corporate Governance Unit reports the implementation status to the Board of Directors at its final meeting each year. In 2024, no incidents of corruption occurred. Notwithstanding, ACES will continue to strengthen its internal control mechanisms and practice ethical corporate management.

External Reporting Channel phone: +886-3-4632808 #1171 email: audit@acesconn.com
Internal Staff Suggestion Mailbox: suggestion_tw@acesconn.com

Legal Compliance

ACES’ s governance unit is responsible for staying up to date on the enactment and development of laws and regulations that might impact to ACES. In response to any legal or regulatory changes, the governance unit creates related regulations and procedures and plans the relevant training programs to strengthen all company-wide awareness and compliance.

In 2024, ACES Taiwan was subject to an environmental regulatory penalty for conducting development activities prior to obtaining approval, in violation of Article 7 of the Environmental Impact Assessment Act. The Taoyuan Environmental Protection Bureau imposed a fine of NT\$750,000 and required ACES to attend a 4-hour environmental training session in accordance with Article 22 of the same Act. ACES paid the fine and participated in the required training as instructed. In late June 2024, ACES initiated an Environmental Impact Assessment project, which had progressed to the review stage by the end of the reporting period. Further developments will be monitored and disclosed in the following year’ s report.

In 2024, a Group subsidiary, Kuang Ying Computer Equipment Taiwan, was subject to a labor law penalty for failing to comply with the relevant provisions of the “Occupational Safety and Health Facility Regulations” and the “Safety Standards for Machinery and Equipment” during its operations. The Taoyuan City Labor Inspection Office imposed a fine of NT\$60,000 in accordance with the Occupational Safety and To Health Act. To date, ACES has paid the fine, made the necessary corrections in accordance with the law, and passed the follow-up inspection conducted by the Labor Inspection Office.

Political Donation

ACES is used to upholding the political neutrality policy. Therefore, it has never offered any political donation.

1.1.3 Information Security

In order to ensure the security of data, information systems, equipment, and the networks of ACES and its customers, ACES established the “ACES Information Security Management Committee,” which is convened by the highest level of the information department. The committee is responsible for reviewing the information security governance policies of all subsidiaries, overseeing their operations, and reporting to the Board of Directors on the implementation of information security risk management on a regular basis. In addition, the “Information Security Control Procedures” have also been established to serve as a guideline for the division of authority and responsibility in the information security management organization, staff education and training, and the management of computer hardware and software, network, and physical environment; all employees of ACES are obligated to assist in the promotion of the information security policy.



| Scope of information security | Information security implementation projects |
|-------------------------------|--|
| External defense | <ul style="list-style-type: none"> •Shut down non-essential external services (BPM, CRM, EIP, etc.) •Prohibit the use of external remote desktop software •Update of firewall threat defense database promptly |
| User end management | <ul style="list-style-type: none"> •Update the customer-end antivirus version in real-time to strengthen the detection of attacks. •upgrade the user operating system and fix bugs •Promote client-side data upload to OneDrive as backup |
| System security | <ul style="list-style-type: none"> •The third backup of Dongyuan and PEC has been uploaded to the cloud. •Implement the reliable backup system at CPC •Implementing the reliable backup system at Kunshan •Import privileged account management and endpoint protection mechanism •Hire a third-party company to scan for and correct system weaknesses |
| Network security | <ul style="list-style-type: none"> •Implement rigorous authentication mechanisms and function-based network segmentation •Implement a zero-trust architecture for the wired network •Access to the Dongyuan plant's inter-plant network is controlled by a firewall •Build a network isolation area for machines of precision factories. •Promote switch-off after work |
| Information security training | <ul style="list-style-type: none"> •Information security online training of the Group (3 hours per person) •Promotion of information security incidents (4 times) •Social engineering walkthrough (1 time) |

1.2 Operations and Performance

1.2.1 Operating Performance

Management policy

Policy direction

ACES will uphold the “ethical management” philosophy, and in the spirit of feedback to the society, pursue the corporate sustainability.

Core targets

- Dedicated to improving the production performance
- Grow the operating revenue and strengthen the profitability to create higher economic value and feedback to stakeholders

Performance & results

Financial performance in 2024

- Global consolidated net operating revenue, NT\$ 9.771 billion
- Annual average gross margin 23.76%
- Current ratio 195.17%•Cash flow ratio 28.55%•Return on equity 5.87%
- Net profit margin after tax 3.56%

Action programs

- Practice the CRM and move toward the goal for omni-channel supplier
- Accelerate advanced product R&D and production capacity expansion
- Smart management work flow - follow up and evaluate operating performance periodically, combine the industry forecast, propose the risk assessment and financial planning earlier, and formulate strategic decision making.

How to manage

Invested resources

- Well utilize CRM to integrate various platform systems
- Increasing percentage of R&D expenses
- Implement SAP to integrate the Group’ s resources

Feedback mechanism

- Weekly business meeting of the Group•IMonthly management meeting of the Group
- Irregular cross-departmental meeting•Independent auditors’ report

Evaluation mechanism

- Market scale evaluation indicators
- Annual plan and budget review meeting
- KPI achievement rate by department

Future planning

GOALS FOR 2025

Expand smart factories, transform smart manufacturing and optimize supply chains, plan the Group’ s resources more efficiently, increase profit and rate of return and practice ACES’ sustainable and stable operations.

After the pandemic, as the global economy gradually recovers, and building on our employees' relentless efforts to enhance operating performance, exercise effective cost control, optimize processes, and drive proactive innovation and R&D, ACES conducts periodic budget meetings to track operating status and target-achievement rates and to adjust action plans on a rolling basis. These measures demonstrate ACES' operational effectiveness and safeguard the rights and interests of investors and shareholders.

Operating performance for the most recent three years

| Item | Sub-item | 2022 | 2023 | 2024 |
|----------------------------------|--|------------|-----------|-----------|
| Generated Direct economic value | Operating revenue (Note 2) | 10,392,504 | 8,486,228 | 9,770,897 |
| | Operating cost (Note 3-1/3-2) | 7,325,172 | 6,074,280 | 6,706,272 |
| Distributed economic value | Employee salary and benefits | 2,581,597 | 2,534,299 | 2,635,093 |
| | Payment to capital contributors (Note 4) | 158,999 | 108,725 | 103,543 |
| | Payment to governments | 100,440 | 36,576 | (17,459) |
| | Investment in community(Note 5) | 2,963 | 536 | 93 |
| Retained economic value (Note 6) | | 223,333 | (268,188) | 344,355 |

Note 1: The scope of data statistics includes the consolidated subsidiaries of ACES;

Note 2: Operating revenue refers to sales revenue;

Note 3-1: Operating cost refers to cost of goods sold + operating expenses;

Note 3-2: The details of operating costs have been restated due to the separation of investment in community.

Note 4: Payments to investors refer to cash dividends and interest expenses;

Note 5: Investment in community refers to donations;

Note 6: Retained economic value refers to net profits

1.2.2 Government Subsidy Program

As one of the few Taiwan-based connector manufacturers that has established a production center in Taiwan, ACES participated in the Executive Yuan' s "Action Plan for Welcoming Overseas Taiwanese Businesses to Invest in Taiwan" (the "Action Plan"). Under this program, Aces obtained a NT\$600 million preferential-rate bank loan. In 2024, ACES recognized NT\$2.224 million in interest subsidies; on a cumulative basis through 2024, interest subsidies recognized totaled NT\$8.724 million. The program period was extended to five years (2019–2024). ACES plans to expand plant facilities and production equipment at the Guoling Precision Engineering Center (PEC) to accelerate capacity expansion and develop precision fine-pitch electronic connectors and cables.

By integrating advanced manufacturing technologies, AI-enabled inspection and metrology across the supply chain, and IIoT/smart-manufacturing system integration, ACES is enabling supply-chain partners to accelerate technology, equipment, and process optimization toward intelligent upgrades. In 2024, ACES was approved for the maximum subsidy available under the Ministry of Economic Affairs program, "Flagship Companies Leading SMEs in Low-Carbon and Smart-Manufacturing Upgrades and Transformation." As of the end of the reporting period, the project had received NT\$3 million in subsidies.

Net Operating Revenue from Main Products in the Last Three Years

| Main products | 2022 | 2023 | 2024 |
|-------------------------|------------|-----------|-----------|
| Connector | 4,998,562 | 4,634,491 | 5,733,304 |
| Cable | 2,083,856 | 1,579,243 | 1,801,855 |
| Metal stamping parts | 2,478,783 | 1,622,787 | 1,591,535 |
| Other operating revenue | 831,303 | 649,707 | 644,203 |
| Total (\$ thousand) | 10,392,504 | 8,486,228 | 9,770,897 |

Note: The scope of data statistics includes the consolidated subsidiaries of ACES

2024 Statistics about Production of ACES

| Category | Production capacity | Production volume | Production value |
|----------------------|---------------------|-------------------|------------------|
| Connector | 57,062,738 | 42,509,825 | 5,883,339 |
| Cable Assembly | 117,297 | 95,664 | 1,835,186 |
| Metal stamping parts | 245,263 | 205,154 | 1,357,431 |
| Others | 199,750 | 169,330 | 475,084 |
| 合計 | 57,625,049 | 42,979,974 | 9,551,040 |

Note: The scope of data statistics includes the consolidated subsidiaries of ACES

02 Product Quality and Responsibility



Local Procurement Ratio

62%



R&D Expenses

592.518billion



Valid Patents
in Force (global)

609



Customer Satisfaction
Target Achieved

7years



Best Partner Award

2Awards



2.1 Products of ACES

ACES possesses deep expertise in miniature-connector R&D. In recent years, ACES has designated four technology market segments—ICAN (Industry, Cloud, Automotive, and Notebook)—as its development focus and is progressively building core capabilities and technology platforms across these segments to deliver greater value to customers.

For the automotive segment, ACES is committed to developing automotive electronics and EV-related products to advance smart vehicles and green energy, thereby enhancing public safety, energy efficiency, and environmental protection. For the cloud segment, by establishing core business units, ACES continues to accumulate domain knowledge, strengthen design-optimization capabilities, and—through lean computer-aided engineering (CAE) workflows—reduce resource consumption during development. In parallel, products, technologies, and services are being integrated step by step to create teams that deliver high-performance, low-power solutions to customers.

To further strengthen competitiveness, in addition to the Precision Engineering Center that anchors our precision-manufacturing core, ACES is gradually expanding the capacity of its R&D Center, transitioning from a manufacturing-services company to a leader in technology innovation.

2.1.1 Green Development

As a professional designer and manufacturer of electronic connectors, ACES plays a critical role in global technology devices and consumer electronics industries. ACES is committed to collaborating with customers to integrate sustainability into product design and development, moving toward lower-carbon, circular, and intelligent solutions. In 2024, ACES' s R&D team collaborated with customers to carry out three green development projects. These initiatives supported the modularization of customer products and enhanced their disassembly and recyclability, enabling greater repairability and upgradability of entire devices. The projects also contributed to improved space efficiency and weight reduction in electronic devices, helping to reduce material consumption. ACES products are widely integrated into end devices that emphasize component reusability, extended lifespan, and individual module monitoring through intelligent telemetry technologies—embodying circular design principles. As a connector supplier, ACES' s R&D team supports customers in achieving structural innovation through spring connector designs, which enhance electronic device assembly efficiency, reduce soldering-related waste, and improve the overall potential for system reuse.

ACES Group' s R&D Expenses in the Most Recent Three Years

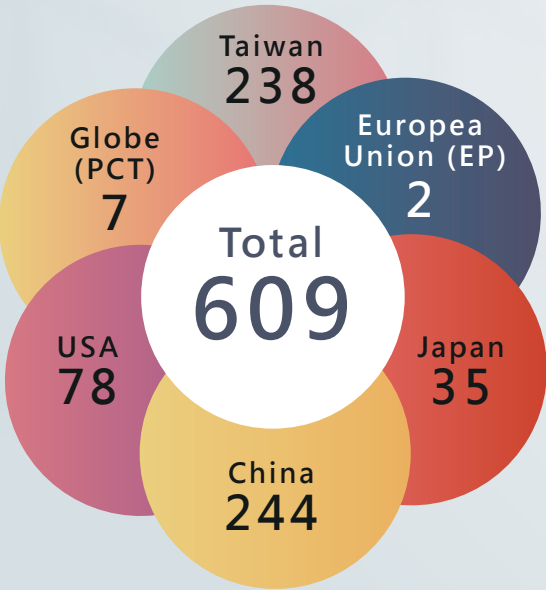
| Year | 2022 | 2023 | 2024 |
|---------------------------|------------|-----------|-----------|
| R&D expenses (A) | 573,935 | 621,268 | 592,518 |
| Net operating revenue (B) | 10,392,504 | 8,486,228 | 9,770,897 |
| (A) / (B) % | 5.52% | 7.32% | 6.06% |

Unit: NT\$ thousand

2.1.2 Intellectual Property Management

Intellectual property (IP)—including ACES’ s brand, R&D capabilities, product patents, and trademarks—has always been a core pillar of the Group’ s sustainable development. We have implemented an IP management strategy with reference to the TIPS (Taiwan Intellectual Property Management System) framework, emphasizing commercialization, integration, and resource leveraging to enhance the dual value of both products and trademarks. Internally, we promote R&D innovation through a comprehensive patent incentive scheme that covers invention, design, and utility model patents across multiple stages (from filing to grant). We also provide additional bonuses for patented technologies that are successfully commercialized and generate revenue above specified thresholds. In 2024, total patent bonuses awarded amounted to NT\$1,135,000.

To meet customers’ diverse specification requirements, our R&D team focuses on product design, mold/tooling development, and process innovation. As of 2024, ACES Group holds 609 active patents worldwide, comprising 243 in Taiwan, 244 in China, 78 in the United States, 35 in Japan, 2 in the European Union, and 7 under the Patent Cooperation Treaty (PCT), demonstrating the Group’ s strong global footprint.



Accumulated Active Patents
of Aces Group as of 2024



ACES references TIPS framework
for patent management

2.1.3 Quality Management

Management policy

| | |
|-----------------------|--|
| Policy direction | Do it right the first time! Keep improving! Pursue excellent quality! |
| Core targets | ●Customer satisfaction attaining 90 scores or above |
| Action programs | ●ACES ensures the effectiveness of all quality management systems and enforces the thorough implementation of quality control practices. ●Quality assurance inspection digital transformation - popularization of automated measurement (project extended from 2024 to 2025) ●Simplify SAP system QM operations, strengthen process integration, and improve real-time quality data |
| Performance & results | ●The average customer satisfaction score reached 117 for the 7th consecutive year. ●All quality systems are maintained within the certification period. ●Automated program coverage rate: Assembly Department 1 – 30.02%, Assembly Department 2 (formerly Dongyuan Assembly Department) – 32.88%, Stamping Department – 13.39%. ●After simplification and analysis of SAP system QM operations, monthly working hours were reduced by 82% (approximately 73.7 hours). |

How to manage

| | |
|----------------------|---|
| Invested resources | ●Continue to empower quality assurance personnel through internal and external training. ●Appoint a third-party audit organization to ensure that all quality assurance systems comply with ISO procedures ●Purchase four automatic measuring machines (approx. NT\$6 million) and train seed operators |
| Feedback mechanism | ●Manage the review and control procedure ●Internal audit control procedure ●Customer communication and satisfaction control procedure ●Customer complaint processing and control procedure |
| Evaluation mechanism | ●Internal audit conducted once per year. ●The Company' s internal audit group conducts the self-inspection once per year. ●External audit conducted once per year. ●Contract an independent third party to conduct the audit once per year. ●Customer' s audit conducted from time to time. ●Customer' s initial/annual evaluation of the Company conducted from time to time. |

Future planning

GOALS FOR 2025

- Quality inspection digital transformation project – expansion of automated measurement implementation (continued from 2024 into 2025): assembly department 1: 30.02%, Assembly Department 2 (formerly Dongyuan Assembly): 32.88% and Stamping Department: 13.39%
- JIT warehousing program - improving FQC inspection efficiency
- CCD data capture and data upload application project (eliminating IPQC inspection measurements)



Focusing on product quality, ACES' s philosophy is, "Do it right the first time, pursue continuous improvement, and strive for excellence." The company obtained its first ISO 9001 Quality Management System certification in 2004. In response to an increasingly diverse product portfolio, ACES has established and maintained certifications for the IATF 16949 Automotive Quality Management System and the ISO 13485 Medical Device Quality Management System. In 2024, ACES further obtained certification for the Medical Device Manufacturer Quality Management System (QMS) from the Ministry of Health and Welfare.

We have won the trust of our customers through comprehensive product testing and rigorous quality control. The product development and quality management process follows the PDCA model, encompassing planning, design, trial production, verification, and continuous quality improvement. It promotes and maintains product-related design and quality requirements and management, continuously enhancing product design capabilities and quality standards. This ensures that product quality and labeling comply with the regulations of various countries and regions. Core tools such as APQP, PPAP, FMEA, MSA, SPC, and CP are adopted to comprehensively control, assess, and improve product quality, thereby meeting customer needs and expectations.



Inspection Digital Transformation Project Plan

In response to the trends of smart manufacturing and digitalization, ACES launched the "Inspection Digital Transformation Project Plan" in 2024. The plan is to transition from traditional manual measurement to an automated process that includes automatic recording and analysis, thereby achieving "measurement accuracy" and "real-time data" through a digitalized inspection process, and comprehensively improving the efficiency of quality inspection.

By introducing advanced imaging measurement equipment with high-speed, multi-point, and non-contact measurement capabilities, and through a dual integration mode of on-line and off-line systems, we implement a statistical process control system and an internal big data analysis platform. This provides the basis for subsequent quality prediction and process optimization. It can also monitor trends and provide anomaly alerts, helping the quality assurance department to identify process anomalies and risk points in advance, thereby implementing preventive quality management.

As of the end of 2024, the overall program coverage rate of the project' s target production lines reached an average of 25.43%, with an expected increase to an average of 40% by 2025. Additionally, testing conducted on nine products across four currently implemented product lines—FPC, MCIO, DDRS, and WTB—showed that automated measurement inspection efficiency improved by an average of approximately 75.33%, achieving benefits in both measurement accuracy and efficiency optimization.

Simplification of SAP System QM Operations

In the digitalization of quality management processes, reducing manual operations, enhancing process integration, and ensuring real-time quality data are all essential components. To this end, ACES has implemented the SAP system and simultaneously launched the "SAP QM Operation Simplification" initiative, focusing on two key areas: "New Part Number Process Integration" and "Incoming Quality Control (IQC) Process Optimization." Through streamlined workflows and data automation, ACES aims to further enhance the digital maturity of its internal quality operations. The results of this initiative include: inspection results can be synchronized within the system for monitoring and analysis; streamlined processes help avoid rework and duplication, reducing the risk of human error and data inconsistencies; and manual operation time has been significantly reduced. The workload for the IQC and the Document Control Center (DCC) in performing system operations has also been greatly minimized, with an estimated monthly reduction of 82% in working hours (approximately 73.7 hours).

Customer Relations

Customer satisfaction is a key source of feedback for ACES. We have established a customer-oriented Quality and HSF (Hazardous Substance Free) management system and use objective measurement mechanisms to evaluate satisfaction with our products and services. For customer complaints, we follow the Customer Complaint Handling and Control Procedure, responding promptly and rigorously, proactively investigating root causes, and implementing appropriate corrective actions and measures to prevent recurrence so as to safeguard ACES' s reputation, earn customer trust, and drive continuous quality and technology improvements.

Customer satisfaction is assessed across five dimensions—Quality, Delivery, Service, Technology, and Overall Rating—with a maximum score of 126 and 90 as the passing threshold for the overall rating. A total score of 89 or below, or any single item at 4 or below, is deemed non-conforming. In such cases, the Sales Department/Customer Service Department completes an Internal Quality Liaison Form and handles the case in accordance with the Customer Complaint Handling and Control Procedure. The relevant departments must propose review and improvement actions, which are reviewed and validated by the unit head for reasonableness and effectiveness; we maintain follow-up on subsequent actions, provide feedback to customers, and maintain regular communication to remain responsive to their needs.

The survey targets are divided into two groups: general customers and automotive customers. The general-customer group comprises the top 10 key customers from the prior year plus a random sample of five secondary customers. In 2024, the overall satisfaction of this group reached 92.01% (vs. 92.33% in 2023). The automotive-customer group includes all customers with transactions during the year; in 2024, their overall satisfaction reached 94.29% (vs. 93.57% in 2023). We will continue to keep close communication and follow-up with customers. On the 126-point scale, the 2024 average scores were 116 for general customers and 118 for automotive customers, both above the 90-point threshold. ACES has exceeded the threshold for seven consecutive years.

Customer Satisfaction Goals and Survey

| Customer satisfaction | 2022 | 2023 | 2024 |
|-----------------------|-------|------|------|
| goals | 90 | 90 | 90 |
| survey results | 119.5 | 117 | 117 |



Collaborative Resilience Recognized by Customers

With its stable delivery capabilities, outstanding quality management, and robust technical support, ACES was honored in 2024 with the “Best Partner Award” from Quanta Computer and the “Outstanding Performance Award” from Samtec, a global leader in connectivity technology. These accolades underscore ACES’ s exceptional performance in customer collaboration and the high level of trust and recognition it has earned. Looking ahead, ACES will continue to enhance the resilience of its supply chain collaboration, deepen long-term partnerships with strategic customers, and co-create greater value.



2.2 Supply Chain Management

Management policy

| | |
|-----------------------|--|
| Policy direction | Establish the business ethics and code of conduct to be followed by all suppliers in line with the human rights and conflict mineral requirements, in order to continue conducting the sustainable risk assessment. |
| Core targets | 100% partners passed the supplier evaluation. 100% execution rate for “Supplier Social Responsibility Commitment” 100% execution rate for “Supplier Conflict Mineral-Free Commitment” |
| Performance & results | 90% execution rate for “Supplier Social Responsibility Commitment” |
| Action programs | Adoption of the Regulations Governing Assessment on Supplier Social Responsibility. Select competent suppliers in accordance with the regulations governing selection of suppliers. Ask suppliers to execute the “Supplier Social Responsibility Commitment.” Ask suppliers to execute the “Supplier Conflict Mineral-Free Commitment.” |

How to manage

| | |
|----------------------|--|
| Invested resources | The procurement staff and internal auditors, |
| Feedback mechanism | ●Official website mailbox ●Supplier feedback ●Supplier complaint mailbox |
| Evaluation mechanism | ●Supplier evaluation ●Supplier contract review ●Conduct the on-site audit on suppliers via a third party or the Company’ s internal audit group. |

Future planning

Goals for 2025

100% execution rate for “Supplier Social Responsibility Commitment”

ACES' s key supply categories include copper materials, electroplating, plastic resins (pellets), and related consumables. In line with our Sustainable Procurement Policy and Supplier Evaluation Control Procedure, partner suppliers must complete a Quality System Evaluation Form prior to any transaction, and we conduct practical assessments of their compliance with environmental, safety, and hygiene requirements. Past records of environmental or social impacts are also important evaluation indicators. With reference to the Responsible Business Alliance (RBA) Code of Conduct and pursuant to the ACES Code of Social Responsibility, we require all suppliers to sign the Supplier Social Responsibility Commitment. Beyond communicating ACES' s expectations for social responsibility, this commitment also requires supplier partners to implement a friendly workplace, occupational health and safety, environmental protection, protection of labor and human rights, and ethical business conduct.

ACES' s supplier evaluation conditions include: ensuring the quality and safety required by ACES; competitive pricing; compliance with designated delivery schedules; consideration for environmental protection; compliance with laws and social norms; emphasis on human rights and occupational health and safety; and a prohibition on sourcing from regions associated with social conflict. We require all suppliers to sign the Supplier Social Responsibility Commitment; in addition to conveying ACES' s focus on social responsibility, this document requires our partners to put into practice a friendly workplace, occupational health and safety, environmental protection, protection of labor and human rights, and ethical business conduct. In 2024, 90% of new suppliers signed the Supplier Social Responsibility Commitment; those not signed were limited to customer-designated suppliers, strategic partners, and suppliers of specialized materials. Going forward, we will continue to communicate our sustainability objectives with suppliers and review internal management standards and targets to better align management goals with actual performance.

2.2.1 Supplier Evaluation

For potential or first-time suppliers, once the Supplier Evaluation Application Form is approved by the responsible unit, ACES convenes a cross-functional evaluation team to conduct an on-site assessment using the Supplier Evaluation Scorecard. The assessment covers manufacturing capability, quality-management capability, compliance with environmentally controlled substances requirements (e.g., RoHS/HSF), and the degree of conformance with corporate social responsibility. Suppliers that pass the evaluation are required by the responsible unit to provide their business registration certificate and bank account information, and to execute the following agreements: Purchase Agreement, Integrity (Anti-Corruption) Commitment, Environmentally Controlled Substances Non-Use Warranty, Non-Disclosure Agreement, ACES Quality Agreement, and Supplier Social Responsibility Commitment. All major suppliers are required to be ISO 9001 certified. Suppliers not yet certified must submit a certification plan, or be supervised by Strategic Procurement to obtain ISO 9001 certification.

Regular Evaluations

ACES conducts supplier audits on a quarterly and annual basis. Quarterly evaluation: Suppliers that have transactions with ACES and have undergone incoming inspection are evaluated once per quarter. All deficiencies identified during audits are assigned a corrective-action due date (☒ 30 days). In 2024, all audited key suppliers completed corrective actions within the target timeframe.

Annual evaluation: Annual reviews consist of on-site evaluations or documentary reviews. On-site evaluations cover: (a) the top three major and secondary suppliers by annual purchase value in the current year; (b) the top two major and secondary suppliers with the highest incoming-inspection defect rates in the prior year; (c) the top two major and secondary suppliers with the highest customer-complaint ratios in the prior year; and (d) suppliers rated C in the previous quarter. Documentary reviews apply to suppliers with annual purchases below NT\$500,000 or fewer than ten transactions per year. In accordance with the Annual Supplier Audit Plan, Procurement convenes the evaluation team to assess suppliers against the Supplier Evaluation Scorecard across four dimensions: R&D, Quality Assurance, Procurement, and Environmental Policy. Suppliers are graded A, B, C, or D; B or above is qualified, C requires guidance and re-assessment, and D is unqualified and ineligible for transactions.

To assess social-responsibility risks and current status across our supply chain, we administer a Supplier Social Responsibility Self-Assessment Questionnaire (SAQ) and require suppliers to complete it with supporting evidence. Suppliers conduct a self-evaluation of potential risks; based on SAQ responses and the results of the annual evaluation, we arrange on-site audits as appropriate. The SAQ covers basic certifications, labor, health and safety, environment, ethics, and management systems. In addition, service-type suppliers (e.g., staffing/dispatch labor agencies, security, and cleaning providers) complete tailored modules to ensure compliance with applicable regulations and the RBA Code of Conduct. In 2024, we completed 14 supplier social-responsibility audits (6 raw-material suppliers and 8 service providers). Key findings included limited transparency in grievance mechanisms, an insufficient number of trained first-aid personnel, and inadequate emergency-evacuation training. We required corrective action plans with defined owners and due dates to mitigate these risks and monitor implementation to closure.

Supplier Delisting

Suppliers that commit major violations of laws or regulations—such as breaches of RoHS, violations of labor or ethics-related laws, or significant quality incidents—or that receive a D rating in two consecutive quarterly evaluations or a D rating in an on-site evaluation may be proposed for delisting. In such cases, Procurement may submit a written proposal to the local General Manager for approval to delist the supplier. Suppliers that fail to meet requirements are removed from the Approved Supplier List (ASL), and alternative suppliers are identified. In 2024, no suppliers were delisted for nonconformance.

2.2.2 Conflict Minerals Commitment

ACES is committed to conducting thorough due diligence across its supply chain to ensure that minerals covered by the Conflict Minerals Reporting Template (CMRT)—the 3TG metals gold (Au), tantalum (Ta), tin (Sn), and tungsten (W)—and by the Extended Minerals Reporting Template (EMRT)—cobalt (Co) and mica—are not sourced from mines controlled by non-state armed groups or illegal organizations in conflict zones of the Democratic Republic of the Congo (DRC), and are not obtained through illegal smuggling routes. In addition, under our policy, metal exports from the following countries—identified by the UN Security Council as linked to Congolese mineralization—do not qualify as “conflict-free” : DRC, Rwanda, Uganda, Burundi, Tanzania, and Kenya. ACES Group guarantees that the metals contained in products sold to our customers are DRC conflict-free.

2.2.3 Restricted Substances Management (RoHS)

ACES has established the Environmental Management of Hazardous Substances Work Instruction, under which our products comply with applicable hazardous-substance laws and regulations (e.g., the EU RoHS and WEEE Directives) and with customer requirements. We annually review and maintain conformity with IECQ QC 080000 and manage related substances with reference to IEC 62474. For raw materials, semi-finished goods, finished goods, packaging, auxiliary materials, consumables, and purchased items used in products designed and manufactured by ACES: if a substance or use is not explicitly specified in this standard but is prohibited or restricted by customer requirements or by law, we shall follow the stricter of the customer requirement or legal requirement. ACES’ s Environmental-Related Substances Work Instruction was introduced in response to product environmental requirements promoted by leading global brands (e.g., Sony and Dell) following the EU’ s adoption of RoHS and WEEE in 2003. These requirements expanded product specifications beyond traditional safety and reliability to include explicit environmental criteria, accompanied by a series of “green” requirements for substances contained in products. Accordingly, ACES has established comprehensive substance surveys for materials currently sourced from suppliers and requires all partners to provide material composition/concentration reports. These reports serve as necessary evidence for our supplier and material selection.

2.3 Responsible Production

2.3.1 Smart Manufacturing

To enhance operational efficiency, reduce reliance on manual labor, and achieve automation and information transparency in manufacturing processes, ACES has actively promoted its “Smart Manufacturing” strategy since 2024. From 2024 to 2027, the company plans to implement short- to mid-term projects focused on smart production, smart logistics, and data monitoring, aiming to advance its transformation toward smart manufacturing and smart factories. In 2024, ACES launched its “Smart Logistics” initiative through a project centered on Autonomous Mobile Robots (AMRs), completing the procurement and deployment of the first three units. Internal automated transport routes were established within the facility. In 2025, the Company plans to scale up the application by implementing multi-route operations across different areas, aiming for the stable operation of three AMRs in material handling tasks. This initiative is expected to significantly enhance material flow efficiency and improve workforce allocation flexibility. In 2025, ACES plans to continue its 2024 roadmap by advancing 14 smart transformation projects. These include initiatives in the area of smart production, such as product identification and automatic recognition technologies (AI-based image recognition), JIT (Just-In-Time) production and warehousing, mobile production reporting, process monitoring system implementation, and data feedback mechanisms. In the area of smart logistics, projects will focus on optimizing production line transportation mechanisms, automating inbound and outbound inventory management, and integrating with automated storage systems. The related action plans are expected to significantly reduce manual handling requirements in warehousing and transportation operations, while also enhancing real-time monitoring and data-driven decision-making in critical processes. These efforts will lay a solid foundation for building a highly flexible, efficient, and low-carbon smart factory.

2.3.2 Local Procurement Expenditure and Percentage of Local Procurement

In the past, most of ACES’ s products were manufactured at its facilities in mainland China. Since 2020, the production capacity of the Precision Engineering Center in Taiwan has gradually increased, enabling the supply of certain materials and raising the proportion of in-house production. This shift has also driven an increase in local sourcing. In response to the international deployment strategies of customers, the Taiwan facilities have continued to expand over the past two years, further increasing material demand and, consequently, the proportion of local procurement.

| | 2022 | 2023 | 2023 |
|---|-------------|-------------|-------------|
| Amount of local supplier procurement expenditure (\$) | 198,392,516 | 235,709,545 | 401,774,235 |
| Total procurement amount (\$) | 458,989,238 | 466,510,110 | 645,221,857 |
| Percentage of local supplier procurement expenditure | 43% | 51% | 62% |

*The above table discloses the performance of local procurement by ACES Taiwan.

03 Environmental Friendliness



Annual Energy Saving

1%



Taiwan EEWB Green Building

Qualified



Identified Climate Risks

8items



Identified Climate Opportunities

5items



Newly disclosed overseas
GHG emissions sites

3items



ISO 14067 Product Carbon Footprint

1 product verified



13 CLIMATE
ACTION



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



3. Environmental Friendliness

3.1 Climate Management and Disclosure

In response to natural disasters and challenges caused by extreme weather, climate change has become a topic of global concern. Recognizing the urgency of this issue, ACES adopts the Task Force on Climate-related Financial Disclosures (TCFD) framework to systematically manage and analyze climate-related risks and opportunities. Through cross-departmental assessment meetings, the Company prioritizes actual impacts and potential opportunities across dimensions such as policy, regulation, market, technology, reputation, and physical risks.

3.1.1 Climate Change Management Framework

| | Management strategies and actions | Implementation in 2024 |
|------------|---|---|
| Gover- | <ul style="list-style-type: none"> Establish a sustainability office to lead and implement climate change management initiatives Plan the formation of a Sustainability Development Committee to oversee corporate sustainability goals and | <ul style="list-style-type: none"> ACES established the Sustainability Office in September 2024 In November 2024, ACES organized the Group Sustainability Kick-Off Meeting to announce the structure of the Sustainable Development Committee and the development framework. |
| Strategy | <ul style="list-style-type: none"> Identify climate change risks and opportunities | <ul style="list-style-type: none"> For the first time, an internal cross-departmental meeting was convened to discuss climate change |
| Risk ma- | <ul style="list-style-type: none"> In accordance with the TCFD framework, ACES identifies climate-related risks and opportunities and | <ul style="list-style-type: none"> We initially identified four physical risks, four transition risks, and five opportunities of greater |
| Indicators | <ul style="list-style-type: none"> Based on ACES' s industry characteristics and energy usage, the company plans to implement the ISO 50001 Energy Management System in 2025. Continue conducting greenhouse gas | <ul style="list-style-type: none"> Short-term: Focus on foundational setup and compliance Planned the formation of an energy management team to prepare for the implementation of ISO 50001 in 2025 Conducted greenhouse gas inventories for five consecutive years, with expanded coverage of Scope 3 sub-categories Promoted greenhouse gas inventories in accordance with ISO 14064-1 for three subsidiaries—ACES Kunshan, ACES Dongguan, and ACES Long Han (Philippines)—all of which passed third-par- |

3.1.2 Identification of Risks and Opportunities

Scenario Description

ACES referenced the World Energy Outlook 2021 (WEO 2021) by the International Energy Agency (IEA) and the Sixth Assessment Report (AR6) by the Intergovernmental Panel on Climate Change (IPCC) to assess the risks and potential opportunities posed by climate change. Based on the TCFD framework and using internationally recognized scenarios, ACES conducted simulations and developed subsequent plans, focusing on two key dimensions: transition risks and physical risks.

Physical Risks

Based on the latest framework of the IPCC AR6, ACES conducted scenario analyses integrating Representative Concentration Pathways (RCPs) and Shared Socioeconomic Pathways (SSPs). These scenarios cover factors such as economic growth, globalization, technological development, and land use to assess the physical impacts of climate change. Five scenarios were generated: SSP1-1.9, SSP1-2.6, SSP2-4.5, SSP2-7.0, and SSP5-8.5. ACES selected SSP1-1.9 (a very low emissions scenario aiming for net-zero by 2050) and SSP5-8.5 (a very high emissions scenario with no climate policy intervention) as the basis for its physical risk analysis. This allows ACES to understand climate impacts across the spectrum from best- to worst-case scenarios and optimize adaptation measures accordingly.

To effectively assess the exposure to physical climate risks and operational resilience, ACES simulated impact risks of sea level rise and water stress under different scenarios across its nine operational sites in Taiwan and overseas, as well as for 12 key suppliers both domestically and internationally. Additionally, to further assess the impact of natural disasters, analyses of heavy rainfall and flood hazard potential were conducted for operational sites and key suppliers in Taiwan. The risk assessment results, based on various simulation tools, were classified into four levels: "No Impact," "Low Risk," "Moderate Risk," and "High Risk."

Physical risk assessment

| Risk categories Sites and suppliers | Sea level rise | | Pressure on water resources | Heavy rainfall/flooding |
|--|--------------------------|--------------------------|--|--|
| | 1.5°C | 4°C | | |
| ACES Taiwan (head office) | No impact | No impact | Low risk | Medium risk |
| Business location (Taiwan) | No impact | 2 locations are affected | Low risk | 2 locations have no impact 2 locations are at medium risk |
| Business location | 7 locations are affected | 7 locations are affected | 4 locations are at medium risk 5 location are at high risk | NA |
| Main supplier (Taiwan) | No impact | 2 suppliers are affected | Low risk | Medium risk |
| Main supplier (Oversea) | 8 suppliers are affected | 8 suppliers are affected | 3 suppliers are at medium risk 6 suppliers are at high risk | NA |

【Note】

1. In addition to ACES Taiwan, there are 4 operating bases in Taiwan, 2 in Mainland China, 1 in Philippines ,and 1 in Vietnam.
2. The term "major suppliers" refers to the top ten suppliers by transaction value of key materials for the group (copper, wire, and plastic pellets), including three in Taiwan and nine in mainland China.
3. "NA" indicates that the simulation tool used—the Disaster Potential Map—was developed in Taiwan and is only applicable for assessing sites and suppliers located in Taiwan.

Transition Risk

According to the three scenarios proposed in the IEA WEO 2021—Stated Policies Scenario (STEPS), Announced Pledges Scenario (APS), and Net Zero Emissions (NZE) Roadmap, ACES has selected STEPS and NZE as the core scenarios for transition risk analysis. The STEPS scenario reflects the trajectory and challenges under current policies, while the NZE scenario aligns with Taiwan’ s 2050 net-zero emissions target. In addition, ACES has referred to the FSC’ s “Sustainable Development Roadmap for TWSE/TPEX Listed Companies,” the “Action Plan for Sustainable Development of TWSE/TPEX Listed Companies,” and the Ministry of Environment’ s “Climate Change Response Act” to simulate the potential impact of climate policy transitions and local regulations on its operations, and has developed corresponding response strategies accordingly.

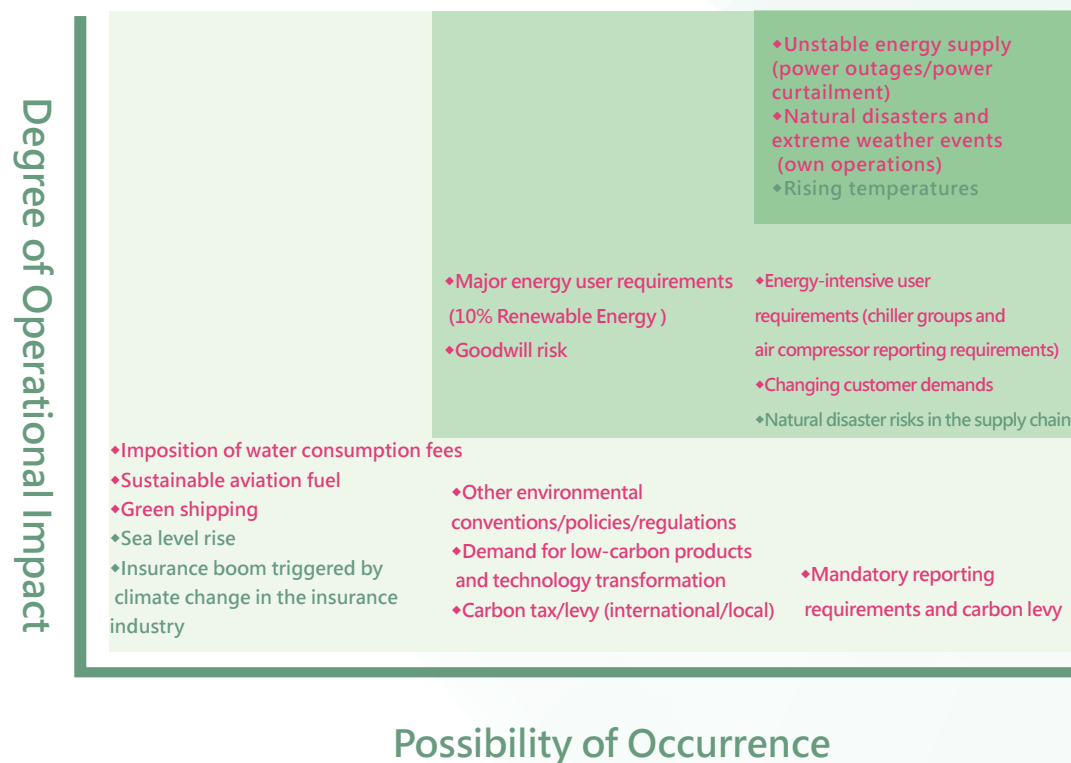
| Risk categories | Scenario selection | Scenario description |
|-----------------|--------------------|---|
| Physical risks | SSP1-1.9 | A very low-emissions mitigation scenario where global CO2 emissions are effectively reduced, reaching net-zero around 2050. |
| | SSP5-8.5 | A very high-emissions scenario with virtually no climate management policies; CO2 emissions are projected to double by around 2050. |
| Transition risk | NZE | A scenario where the global temperature rise is limited to 1.5°C, with widespread adoption of renewable energy by 2030 and net-zero emissions achieved by 2050. |
| | STEPS | The scenario examines the development and possible challenges under the established climate change response measures and the specific policies that have been formulated, with the global average temperature rise in 2100 being about 2.4°C higher than that of the pre-industrial period. |



3.1.3 Identification Process

In 2024, ACES systematically identified climate-related risks and opportunities for the first time, based on industry characteristics, international climate issues, and local regulations, to ensure comprehensive coverage of potential impacts. Through cross-departmental meetings, ACES adopted climate change scenarios to assess the financial impacts of extreme weather events on its short-, medium-, and long-term operations. This process aims to further quantify potential risks, evaluate the magnitude of both risks and opportunities, and plan corresponding management strategies based on their significance, with the goal of effectively mitigating or transferring risks and reducing their impacts. At the same time, key performance indicators are used to continuously monitor the effectiveness of risk management measures, ensuring proper implementation of response actions. Results and progress are regularly reported to the Sustainability Committee and the Board of Directors, serving as a basis for optimizing operational decisions and advancing the achievement of the company’ s sustainability goals.

Climate Risk Matrix



Opportunity Matrix



3.1.4 Identification Results and Countermeasures

In accordance with the climate-related financial disclosure (TCFD) guidelines issued by the International Financial Stability Board (IFSB), ACES has initially identified four climate-related entity risks, four transition risks and five opportunities, and is expected to propose management and action plans for the identification results on an on-going basis throughout 2025 in order to support the subsequent financial risk analysis.

| Category | | Type | Content description | Potential impact to operation and finance | ACES' s strategic response direction |
|----------|------------|---|---|--|--|
| Risk | Physical | Unstable energy supply (power outages / power curtailment) | <ul style="list-style-type: none"> •ACES' s manufacturing processes are becoming increasingly automated and intelligent—making stable electricity essential to ongoing operations. •Under climate change, national energy transition, and government policies, there is a risk of policy-driven power restrictions, sudden blackouts, and unstable electricity supply, which can lead to operational and financial losses. | <ul style="list-style-type: none"> •Increase in production costs •Customer satisfaction declining. •Operating performance declining | <ul style="list-style-type: none"> •Short-term: 100% of the plant is equipped with reclosers •Medium-term: Installation of backup power (e.g., large-scale generators) and renewable energy equipment that can provide about 50% of the plant's electricity consumption •Long-term: Evaluation and planning of energy storage equipment. |
| Risk | Physical | Natural disasters and extreme weather events (own operations) | <ul style="list-style-type: none"> •Climate change triggers weather imbalances and extreme weather events (e.g. severe typhoons, rainstorms, heavy rainfall, etc.), resulting in safety risks and commuting disruptions, thus lowering the stability of employee attendance, which in turn affects operational productivity | <ul style="list-style-type: none"> •Lower production efficiency •Increase occupational safety risks •Operating performance declining | <ul style="list-style-type: none"> •Short-term : Monitor weather conditions during the typhoon season, especially for intense typhoons that may lead to typhoon holidays. Proactively plan and update production line schedules to mitigate potential capacity reductions caused by disasters. •Medium to long term: Conduct simulation exercises for extreme climate disasters. |
| Risk | Physical | Rising temperatures | <ul style="list-style-type: none"> •Under the worst-case global warming scenario (SSP5-8.5), the average annual temperature in the mid-to-late 21st century could rise by more than 1.8°C– 3.4°C. Under an ideal mitigation scenario (SSP1-2.6), it could increase by 1.3°C – 1.4°C. •As temperatures continue to rise, demand for air conditioning increases, leading to higher electricity costs and carbon emissions. | <ul style="list-style-type: none"> •Increase in operating costs. •Increase carbon emissions | <ul style="list-style-type: none"> •Short-term: Implement the ISO 50001 energy management system and digitize energy management for the headquarters building's power and utilities. •Medium- and long-term: Achieve digital energy management for the entire plant' s power and utility equipment. •Long-term: Completion of digital energy management for all production lines |
| Risk | Physical | Natural disaster risks in the supply chain | <ul style="list-style-type: none"> •Climate change is triggering weather imbalances and extreme weather events (such as strong typhoons, heavy rainfall, etc.), leading to financial losses from supply chain disruptions. •Through simulation scenarios, under a 4°C scenario, the areas where ACES' s key suppliers in Taiwan are located face a moderate risk of "heavy rainfall/floods." | <ul style="list-style-type: none"> •Supply chain disruptions •Production line disruption •Lack of supply •Decline in customer satisfaction | <ul style="list-style-type: none"> •Short-term: establish alternative supply channels in different regions or countries: establish multiple alternative supply channels for key raw materials; the supply channels should be distributed across countries or regions, so that when a single region encounters force majeure due to natural disasters, the Company is able to fulfill procurement needs from other countries or regions, e.g., when torrential rains and flooding occur in South China, procurement will be transferred from East China or other overseas regions. •Medium and long term: Require suppliers to conduct climate risk management: Suppliers should monitor local flood seasons/abnormal rainfall, establish comprehensive |
| Risk | Transition | Policy and legal risk | <ul style="list-style-type: none"> •Energy-intensive user requirements (chiller groups and air compressor reporting requirements) •ACES' s chiller group (with a total capacity of 1,200 metric tons or above) has an independent meter installed. •Energy users with a contracted electricity capacity exceeding 800kW, chiller system groups totaling 1,000 refrigeration tons or more, and compressed-air systems with aggregate power of 500 horsepower or more, must—starting in 2023—bear the cost of installing separate electricity meters and flow meters, and report these installation expenses accordingly | <ul style="list-style-type: none"> •Increase in operating costs | <ul style="list-style-type: none"> •Short-term: Implement ISO 50001 energy management system and digitize energy management for the headquarters building's power and utilities. •Medium-term: Achieve digital energy management for the entire plant' s power and utility equipment. •Long-term: Completion of digital energy management for all production lines |
| Risk | Transition | Changing customer demands | <ul style="list-style-type: none"> •As an electronic components brand, ACES' s products are driven by customers of the consumer electronics industry, and it is focused on carbon reduction planning and sustainability issues, which increases the cost of our sustainability transition. •Some customers have explicitly stated that future collaboration is closely linked to supplier sustainability practices. | <ul style="list-style-type: none"> •Increase in operating costs. •Increase the cost of sustainability transition | <ul style="list-style-type: none"> •Short-term: Establish greenhouse gas inventory capabilities for subsidiaries, launch annual on-site inventories, introduce an ISO 50001 energy management system, and develop product carbon footprints. •Medium and long term: The Group will obtain assurance of its GHG inventory, propose a reduction pathway, and consistently achieve progress along that pathway. |

| Category | | Type | Content description | Potential impact to operation and finance | ACES' s strategic response direction |
|----------|------------|--|---|---|---|
| Risk | Transition | Major energy user requirements (10% Renewable Energy) | <ul style="list-style-type: none"> •Due to the merger of the plants, the contract capacity has increased relatively, and as the business continues to expand, it is necessary to continuously evaluate the possibility of reaching the government's threshold for large energy users. •If the basic electricity tariff is raised and the threshold for large energy users is met, the basic electricity tariff is expected to increase significantly from the current level. •In addition, according to the government' s regulations for large power users, it is also necessary to plan and implement renewable energy-related solutions, resulting in increased operating expenses. | <ul style="list-style-type: none"> •Increase in operating costs. | <ul style="list-style-type: none"> •Short-term: Implement ISO 50001 energy management system and digitize energy management for the headquarters building's power and utilities. •Medium- and long-term: Achieve digital energy management for the entire plant' s power and utility equipment. •Long-term: Completion of digital energy management for all production lines |
| Risk | Transition | Goodwill | <ul style="list-style-type: none"> •Stakeholders may raise expectations about the Company's climate change management and request participation in international initiatives, responses to customer audits/questionnaires, and the setting of carbon reduction targets. •If climate change-related risk management and performance are inadequate and the Company fails to adequately address stakeholder expectations, its goodwill risk will increase. | <ul style="list-style-type: none"> •Damage to enterprise goodwill •Order transfer effect •Declining investor confidence | <ul style="list-style-type: none"> •Short-term: Continue fulfilling the disclosure requirements of CDP, TCFD, etc. •Medium- and long-term: Improve CDP rating, complete the Group' s carbon reduction target setting roadmap by 2027, and gradually reduce carbon emissions. |
| Risk | Market | Effective use of public--sector incentive schemes | <ul style="list-style-type: none"> •To encourage sustainable transformation, the government has proposed numerous subsidy programs. Applying for these programs can help accelerate and improve ACES' s sustainability progress. | <ul style="list-style-type: none"> •Lower the cost of sustainability transition •Enhancing corporate image •Maintaining relationships between the public and private sectors and connecting resources. | <ul style="list-style-type: none"> •Short-term: Respond to customer participation in the government' s "leading by example" program, and build internal capabilities and concepts. •Medium and long term: ACES acts as the applicant representative, assisting partners with upgrading and transformation. |
| Risk | Market | Green finance/sustainable connections loan | <ul style="list-style-type: none"> •Obtain more favorable loan interest rates by discussing key sustainability indicators with banks and achieving them within the deadline. | <ul style="list-style-type: none"> •Lower the cost of sustainability transition •Enhancing corporate image | <ul style="list-style-type: none"> •Short-term: Implement a sustainability-linked loan program with financial partners to understand the content and execution direction. •Medium to long-term: Expand the assessment of suitable green finance options to assist ACES in achieving optimal solutions. |
| Risk | Energy | Use of low-carbon energy sources | <ul style="list-style-type: none"> •Using renewable energy helps achieve net-zero emissions goals and ensures compliance with regulatory requirements, facilitating smooth production capacity expansion. | <ul style="list-style-type: none"> •Diversification of energy sources •Staged energy transition •Enhancing corporate image | <ul style="list-style-type: none"> •Short-term: Conduct environmental assessments to understand the connection between ACES' s operations and the local environment. •Medium to long-term: Consider the commitments of the environmental impact assessment and local environmental benefits, and gradually implement the low-carbon energy program. |
| Risk | Resource | Use of more efficient production | <ul style="list-style-type: none"> •Reduce production and operating costs by using more efficient production (e.g., reduced energy consumption, improved process efficiency, improved production and management processes), and increase economic efficiency | <ul style="list-style-type: none"> •Improve product quality •Increase resource efficiency •Reduce occupational safety risks | <ul style="list-style-type: none"> •Short-term: fully automated production line •Medium- and long-term: introduce smart manufacturing systems, combine energy management and precise feeding to achieve improvements in energy and resource efficiency. |
| Risk | Resource | Construction of green factories (green buildings) | <ul style="list-style-type: none"> •Convert existing and future buildings into environmentally friendly structures, improve the energy and resource efficiency of the facility, and reduce carbon emissions and operating carbon costs. | <ul style="list-style-type: none"> •Increasing resource efficiency •Enhancing corporate image | <ul style="list-style-type: none"> •Short-term: Secure a Green Building candidate certificate for the upcoming R&D headquarters building prior to completion. •Mid- to Long-term: After the building is finished, obtain the official Green Building certification and continue evaluating plans for Green Factory Certification. |

3.1.5 GHG and Energy Management

| Management policy | |
|-----------------------|---|
| Policy direction | Plan the orientations for GHG emissions reduction step by step, and set the GHG emissions reduction targets. Practice energy conservation and carbon reduction, implement water reservation throughout the factory, save power, and avoid wasting resources. |
| Core targets | <ul style="list-style-type: none"> ● Save power by 1% each year per the government' s regulations. ● Reduce the Company' s overall carbon emission volume ● Improve the recycling ● Carbon emissions to be reduced by 5% per unit of operating revenue by 2025 (2021 as the base year) (Following adjustments to our organizational boundary, the base year for the 2026 reporting cycle is expected to be 2025.) ● Towards net zero emissions by 2050 |
| Performance & results | <ul style="list-style-type: none"> ● Organizational GHG inventory in accordance with ISO 14064-1 has been ongoing in 2024, and third-party verification on the disclosed data has been completed in May 2025 |
| Action programs | <ul style="list-style-type: none"> ● Implement ISO14064-1 certification and perform the GHG emission investigation training. ● Introduce ISO 50001 to ACE TW |

| How to manage | |
|----------------------|---|
| Invested resources | <ul style="list-style-type: none"> ● Tally the HR, time & cost, training, tutorship and assurance expenses invested by various departments |
| Feedback mechanism | <ul style="list-style-type: none"> ● Convene two factories' environment and safety meeting on a monthly basis to communicate the plan to each department to have the plan in place. ● Review the planning and execution of energy-conservation projects on a yearly basis. ● Plan annual carbon emissions to be reduced, based on the GHG accounting record. |
| Evaluation mechanism | <ul style="list-style-type: none"> ● Internal audit conducted once per year. ● The Company forms its internal audit group to conduct the ISO 14064-1 self-inspection once per year. ● Periodic reports to the Board of Directors on carbon management topics and progress |

| Future planning |
|---|
| <h3>Goals for 2025</h3> <ul style="list-style-type: none"> ● Control the costs in power consumption ● Execute the energy conservation plan for production equipment, public utilities and information hardware equipment. ● Based on the significance assessment, we continue to inventory and disclose certain Scope 3 items. ● Introduce ISO 50001 to ACE TW ● Save power by 1.5% next year. |



Greenhouse Gas Management

In response to the impacts of climate change, carbon reduction, energy efficiency, and greenhouse gas mitigation have become critical concerns for companies pursuing sustainable operations. ACES Group commits to achieving net-zero emissions by 2050 and is actively moving toward a sustainable future. Since 2019, ACES Taiwan has independently conducted greenhouse gas inventories to understand its Scope1 and Scope2 emissions. To comprehensively address climate-related issues and set subsequent reduction targets, in 2021, ACES formally adopted ISO14064-1, using that year as its baseline. It expanded reporting to include Scope3 (Categories3–5) emissions, and since then, has invited impartial third-party organizations to verify the data annually. A comparison of ACES Taiwan’ s emissions in the baseline year and the last three years is shown in the table below.

In 2024, ACES Taiwan continued to expand its inventory and disclosure of Scope 3 emission sources (category 3, upstream transportation that generates indirect emissions from transportation) and optimized the data collection process covering the Group's activities. At the organizational boundary level, the Group has completed the emissions calculations for ACES Kunshan, ACES Dongguan, and ACES Longhan Philippines, and will continue to promote emissions inventory and disclosure for other overseas sites in the future. The emissions status for this year and a comparison over the past three years are as follows. In 2024, the emissions data of ACES Taiwan and the Precision Engineering Center have been verified by the third-party organization, AFNOR ASIA LTD. The slight increase in emission intensity compared to the previous year is due to the continued expansion of production capacity and increased electricity consumption, which led to an increase in Scope 2 (Category 2) emissions. In 2025, we plan to implement the ISO 50001 Energy Management System to improve high-energy-consumption hotspots.

Emissions of ACES TW and PEC in the Past Three Years

| Subject | 2021 | 2022 | 2023 | 2024 |
|--|-----------|-----------|-----------|-----------|
| Scope 1 (category 1) | 129.7515 | 218.8880 | 238.4736 | 186.3621 |
| Scope 2 (category 2) | 4214.9518 | 3900.4136 | 4216.9170 | 5210.0757 |
| Scope 1 + scope 2 (category 1 + category 2) | 4344.703 | 4119.302 | 4455.391 | 5396.4378 |
| Annual revenue (million NTD) | 3942.195 | 3446.892 | 3090.318 | 3725.418 |
| Emission strength | 1.10 | 1.30 | 1.44 | 1.45 |
| Scope 3 (category 4 - category 6) | 1266.6563 | 1262.4014 | 1529.9477 | 1803.4014 |
| Emissions from upstream raw material transportation* | - | - | 3.0283 | 7.2835 |
| Emission from employees’ commuting | 162.3264 | 355.6049 | 358.5749 | 335.2451 |
| Emission from business travel | 41.8961 | 60.4618 | 80.4559 | 119.5739 |
| Fuel and energy related activities | 777.4228 | 678.7358 | 832.6992 | 1091.5923 |
| Waste generated from operations | 7.4644 | 7.1159 | 9.5465 | 6.7132 |
| Emission from downstream leased assets | 277.5466 | 160.4829 | 248.7211 | 242.9934 |

*In 2024, the inventory boundary for upstream raw-material transport emissions was broadened to cover more raw-material types.

*Emission units of each scope: ton CO2e

*Emission intensity = (Scope 1 + Scope 2)/annual revenue of ACES TW + PEC

*Global Warming Potential (GWP): IPCC Fifth Assessment Report (AR5) was cited in 2021 and IPCC Sixth Assessment Report (AR6) was cited in 2022 to 2024.

2024 Emissions from ACES TW, PEC, ACES KS, ACES DG and MEC PH

| Scope | Unit | ACES TW and PEC | ACES KS | | ACES DG | MEC PH |
|------------|-------|-----------------|-------------|---------------|---------|-----------|
| | | | Market base | Location base | | |
| Scope 1 | tCO2e | 186.3621 | 349.54 | 349.54 | 56.25 | 3024.5220 |
| Scope 2 | tCO2e | 5210.0757 | 12395.605 | 11889.70 | 2275.54 | 1424.6165 |
| Scope 1+ 2 | tCO2e | 5396.4378 | 12745.14 | 12239.24 | 2331.80 | 4449.1385 |

*Emission factor for purchased electricity:

-In Taiwan, the 2024 electricity emission factor of 0.474 kgCO2e/kWh, as announced by the Bureau of Energy, Ministry of Economic Affairs, is adopted.

-Based on the location, ACES Kunshan uses the 2022 national average CO2 emission factor for electricity (excluding market-traded non-fossil energy) of 0.5856 kgCO2e/kWh as published by the Business Office of the Ministry of Ecology and Environment, China, and based on the market, it uses the 2022 national average CO2 emission factor for electricity of 0.5617 kgCO2e/kWh as published by the Business Office of the Ministry of Ecology and Environment, China.

-ACES Dongguan adopts the 2022 National Electricity Average CO2 Emission Factor of 0.5366 kgCO2e/kWh as published by the Business Office of the Ministry of Ecology and Environment, China.

-MEC PH adopts the CO2 emission factor of 0.7122 tCO2/kWh as published by the Philippines Department of Energy

Energy Management

ACES' s energy use is mainly for production in factories and general office purposes, and is mainly purchased electricity. Currently, the Company is evaluating energy reduction measures such as upgrading the efficiency of equipment, replacing old equipment, and optimizing production management, as well as promoting energy-saving and carbon-reduction measures in factories and offices. Through education, publicity, and policy regulations, employees are encouraged to engage in energy-saving activities on their own accord; currently, all plants in East China have adopted renewable energy (91.56% gray electricity and 8.44% solar photovoltaic energy in East China in 2024). In the future, ACES will continue to respond to the global net-zero trend, begin to evaluate the expansion of renewable energy use, and disclose further information once the action strategy has been finalized.

Statistics on Electricity Consumption of Aces TW and PEC in the Recent Three Years

| Site | 2022 | 2023 | 2024 |
|-------------------------------------|-----------|-----------|------------|
| ACES TW | 1625.8358 | 1908.9961 | 1,880.8444 |
| PEC | 6037.0594 | 6627.2731 | 9,110.8766 |
| Total electricity consumption (MWh) | 7662.8952 | 8536.2692 | 10991.7210 |
| Annual revenue (million NTD) | 3446.892 | 3090.318 | 5867.433 |
| Annual power consumption strength | 2.22 | 2.76 | 1.87 |

*Annual electricity consumption intensity = annual total electricity consumption/annual revenue of Aces TW + PEC

Energy Consumption and Energy Intensity at Key Domestic and Overseas Operating Sites

| Item | Unit | Taiwan | East China | South China | Philippines | Vietnam | Energy Equivalent | Unit |
|-------------------------------|-------|----------|------------|-------------|-------------|----------|-------------------|-----------------|
| Electricity | MWh | 12213.45 | 27877.85 | 8711.80 | 1793.34 | 1973.19 | 189,881.51 | GJ |
| Gasoline | Liter | 6552.38 | 28219.91 | 12496.72 | 4858.37 | 70.00 | 1709.99 | GJ |
| Diesel | Liter | 1259.26 | 1199.49 | 11955.50 | 24133.70 | - | 1359.97 | GJ |
| Liquefied Petroleum Gas (LPG) | Liter | - | - | 450.00 | - | 72540.00 | 2034.01 | GJ |
| Liquefied Natural Gas (LNG) | Liter | - | - | - | 4800 | - | 181.44 | GJ |
| Total energy consumption | | | | | | | 195,166.92 | GJ |
| Revenue | | | | | | | 13559.38 | NT\$ million |
| Energy intensity | | | | | | | 14.39 | GJ/NT \$million |

*According to the "Heat Content of Energy Products" of the Energy Administration, MOEA: Electricity, photovoltaic 1 kWh = 860 kcal; gasoline 1 L = 7,800 kcal; diesel 1 L = 8,400 kcal; liquefied petroleum gas (LPG) 1 L = 6,635 kcal; 1 kcal = 0.0000042 GJ

2024 Electricity Consumption and Intensity at Key Operating Locations at Home and Abroad

| Locations | Unit | Taiwan | East China | South China | Philippines | Vietnam |
|-------------------------|-------------------|----------|------------|-------------|-------------|---------|
| Electricity consumption | MWh | 12213.45 | 27877.85 | 8711.80 | 1793.34 | 1973.19 |
| Annual revenue | Million NTD | 5867.433 | 3700.938 | 2861.241 | 1009.031 | 120.737 |
| intensity | MWh / Million NTD | 2.08 | 7.53 | 3.04 | 1.78 | 16.34 |

Summarization of Energy-Conservation and Carbon-Reduction Actions

| Item | Practice |
|---|--|
| Energy conservation and carbon reduction at the office premises | <ul style="list-style-type: none"> •Set the temperature as 26~28°C in the workplace and office, and assign dedicated staff to turn on and turn off the air conditioner. •Promote the paperless project, such as e-energy conservation, garbage reduction, and recycling/reuse. Also provide the training and communications related to energy conservation and carbon reduction. •Utilize video conference/teleconferencing to reduce cross-factory carbon emissions. |
| Lighting | <ul style="list-style-type: none"> •The lighting switches are controlled by region. The lighting in public areas is controlled by time switches. The lamps have been replaced by |
| Air compressor | <ul style="list-style-type: none"> •Check the Company' s gas pipe periodically to verify if there is air leakage, and repair it timely if there is, in order to avoid increasing the load of the air compressor because of the air leakage, and also save power consumed by the air compressor. •Replace the old air compressor with the air compressor with variable speed drive. •Reduce air pressure |
| Company car | <ul style="list-style-type: none"> •Optimize the fuel consumption by the Company cars, and be prepared for car sharing arrangement. |
| Information/- software and hardware equipment | <ul style="list-style-type: none"> •Procurement energy-conservation mark-related hardware equipment •Service virtualization-oriented •Activate the energy-conservation management policy in the user' s computer. |

3.2 Environment and Resource Management

Since 2016, ACES has started to implement the ISO 14001 environmental management system. It also seeks the third-party audit unit' s assurance to ensure the effectiveness of its environmental management system. By implementing the environmental management system and adopting the environmental policies and measures, it reviews the operating performance on a yearly basis, cuts the operating cost, mitigates the environmental burden, and raises employees' awareness toward environment and legal compliance to meet the ESG commitment. ACES is committed to "coexistence with nature and is people-oriented" and "protecting the earth and employees' health." The environmental/safety impact is fully considered in the production and operating process. Based on prevention and continuous improvements, we pursue the following environmental policies and measures:

Environmental Policies

Compliance with laws and regulations, comprehensive energy conservation and waste reduction, recycling of effective resources, and improvement of environmental quality

Environmental Measures

1. Adopt new technology: use environmentally friendly materials and new production processes to reduce the environmental impact and hazard risks generated by the production process.
2. Implement hazard prevention: regularly identify environmental factors and major hazards, develop management plans and supervise execution of the latter.
3. Comply with regulations: comply with national, local and industry relevant regulations as a law-abiding enterprise.
4. Strive to recycle resources: save energy, execute wastes classification and recycling
5. Commitment to continuous improvement: continuous improvement over environmental pollution and health hazards, improve environmental and health & safety performance.
6. Implement environmental safety training: implement environmental safety education and safety management, improve environmental protection and health & safety awareness.

Environmental Management Committee

ACES' s Environmental Management Committee is responsible for planning and deciding environment-related matters, coordinating implementation across functions, and tracking and reviewing the status of environmental management at all sites. We also monitor changes in environmental laws and regulations and update our internal policies and procedures in a timely manner. The Committee meets on a regular annual schedule to address topics such as responses to new regulations, hazard prevention, and resource recycling, emerging technologies, and strengthening employee environmental awareness. In 2024, the Committee convened 11 meetings (one meeting was paused in December due to site relocation) with an attendance rate of 100%.

An Environmental Complaint Hotline (+886-3-2706568 ext. 2102), staffed by designated personnel, is available for reporting suspected environmental pollution involving ACES. Verified cases are escalated to

Environmental Improvement Program

| Category | Contents | Action |
|----------|---|---|
| 環境目標 | <ul style="list-style-type: none">●Industrial waste reduction: Waste cutting oil reduction plan goals by 5% progressively per year●Reinput 25% of re-grind resin for recycling and reuse | <ul style="list-style-type: none">●Reduce the frequency of cutting oil from 3 times to 2 times (reduced by about 20 liters)●Adjust the frequency of addition of cutting oil (no addition is required when refractometer value is more than 3%)●Control the annual consumption: For each production batch, use a feedstock mix of 75% virgin resin and 25% recycled regrind. |
| 無紙化專案 | Analyze the necessity of paper usage across departments, curb non-essential printing, and transition to electronic document approval to reduce paper consumption. | <ul style="list-style-type: none">●Reduce paper use (enable duplex printing by default)●Adopt e-signatures to streamline workflows and improve efficiency●Launch the e-seal/e-stamp system for official approvals●Install card-swipe authentication on copiers and compile departmental paper-use statistics. |

3.2.1Water Resource Management

ACES's manufacturing processes have a low dependence on water resources, with water primarily being used for equipment cooling and on-site domestic water supply. However, given that fresh water is one of the areas most severely impacted by climate change and in response to stakeholder expectations regarding water resource management, ACES has conducted surveys on water consumption at its domestic and international production and operational sites, and has promoted water conservation measures among its employees. All water used at ACES's various locations comes from municipal public water supplies, with no use of surface water or rainwater sources. The water sources for these facilities, except for the Philippines plant, which draws groundwater from the local water company, are all sourced from local basins and water diversion projects. The water is then treated by the local municipal water company before being supplied to the various locations. This includes: the Xindian River (Jade Reservoir) and Dahan River (Shimen Reservoir), Yangcheng Lake and Kuailu Lake in the East China region, Dongjiang River and Wudianmei Reservoir in the South China region, and the Thai Binh River in Vietnam.

| Water consumption | Unit | Taiwan | East China | South China | Philippines | Vietnam |
|-------------------------|--|----------|------------|-------------|-------------|---------|
| Total water withdrawal | thousand kWh | 24.23 | 123.35 | 65.21 | 18.08 | 60.88 |
| Total water discharge | thousand kWh | - | 95.82 | 53.07 | - | 49.97 |
| Total water consumption | thousand kWh | - | 27.53 | 12.14 | - | 10.91 |
| Annual revenue | NT\$ million | 5867.433 | 3700.938 | 2861.241 | 1009.031 | 120.737 |
| Water intensity | Water withdrawal volume/annual revenue | 0.004 | 0.033 | 0.023 | 0.018 | 0.504 |



3.2.2Waste

Management policy

| | | |
|-----------------------|---|--|
| Policy direction | Our have established the "Waste Management Procedures" to ensure the effective and proper disposal of industrial waste, strengthen waste management, monitor waste flow, and implement waste classification. This aims to prevent environmental pollution and achieve waste resource recovery, stabilization, detoxification, and economic utilization. | |
| Core targets | <ul style="list-style-type: none"> ●To complete waste reporting in accordance with regulatory requirements, on time and with accuracy ●Zero leakage of hazardous waste | <ul style="list-style-type: none"> ●To ensure all waste collectors and treatment providers are fully compliant contractors |
| Performance & results | <ul style="list-style-type: none"> ●Regulatory reporting completed in full compliance ●No leakage of hazardous waste | <ul style="list-style-type: none"> ●100% compliance rate among waste collectors and treatment providers |
| Action programs | <ul style="list-style-type: none"> ●Promote a 'paperless' initiative ●Statistically quantify and categorize the types and volumes of waste generated each month | <ul style="list-style-type: none"> ●Compile and archive the previous year' s monthly online reporting records at the beginning of each year |

How to manage

| | |
|----------------------|---|
| Resource investment | <ul style="list-style-type: none"> ●Implement and maintain ISO 14001 or other environmental management systems; establish processes for waste registration, tracking, and disposal applications ●Set up designated waste classification and storage areas to ensure proper management of various types of waste |
| Feedback mechanism | <ul style="list-style-type: none"> ●Internal: employee complaint mailbox ●External: to pass ISO 14001 verification every year ●External: Unscheduled on-site inspections by external parties (including customers), such as RBA VAP or CMA |
| Evaluation mechanism | <ul style="list-style-type: none"> ●Monitor local waste regulations to ensure compliance with local legal requirements |

Future planning

Goals for 2025

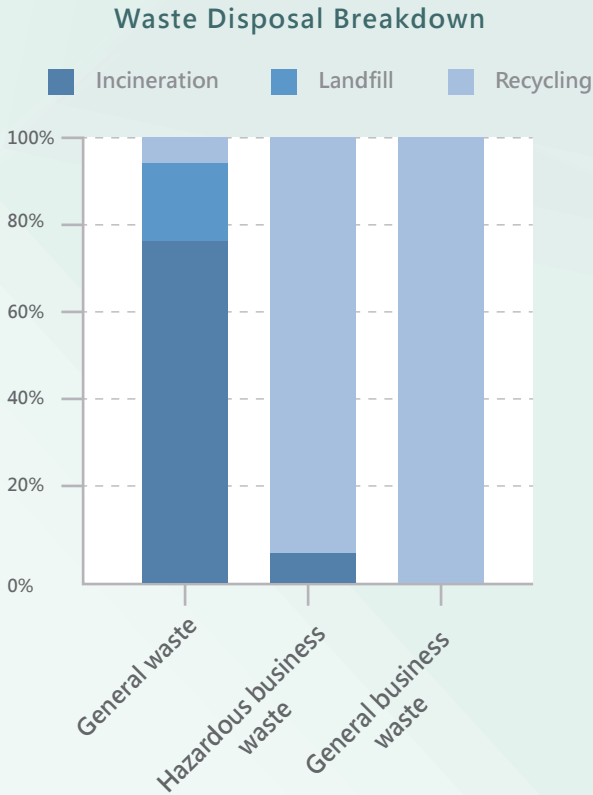
Update and revise the industrial waste disposal plan based on current operational conditions.



In order to minimize waste and reduce production costs, ACES has improved its manufacturing process and operation management to reduce scrap waste. Through the waste management program, the metal wastes generated from the manufacturing process are effectively recycled and sold to waste recyclers to reduce the waste of resources; all of ACES's waste is disposed of off-site. In 2024, due to the completion of the new R&D headquarters building and the relocation of the main office, the total waste generated by ACES Taiwan increased by 9.9% compared to the previous year.

To enhance focus on ACES' s waste agenda, the Company expanded its waste reporting in 2024 to include key overseas locations. In addition to broadening the scope of disclosure, it further investigated and disclosed waste disposal methods. ACES Group' s waste is primarily general industrial waste, such as metal and plastic scraps (66.31%), followed by hazardous waste (including electronic components, carbon waste, etc.) at 20.08%, and general household waste at 13.60%. Disposal methods include incineration, landfill, and recycling, all carried out by licensed contractors in accordance with local regulations for each operational site, including handling, reporting, and waste transport.

| Category | Unit | Taiwan | East China | South China | Philippines | Vietnan | ACES |
|--------------------------|------|--------|------------|-------------|-------------|---------|---------|
| General business waste | t | 23.63 | 14.39 | 109.55 | 36.75 | 27.72 | 212.03 |
| Hazardous business waste | t | 2.95 | 169.25 | 2.90 | 1.78 | 136.18 | 313.06 |
| waste | t | 14.68 | 491.20 | 433.12 | 85.84 | 8.88 | 1033.72 |
| Total | t | 41.25 | 674.83 | 545.57 | 124.37 | 172.78 | 1558.81 |



04 Happy Workplace



Diverse
Hiring Rate

19.51%



Average Training
Hours per Employee

11.6hours



Academia-Industry
Collaboration
Participants

35persons



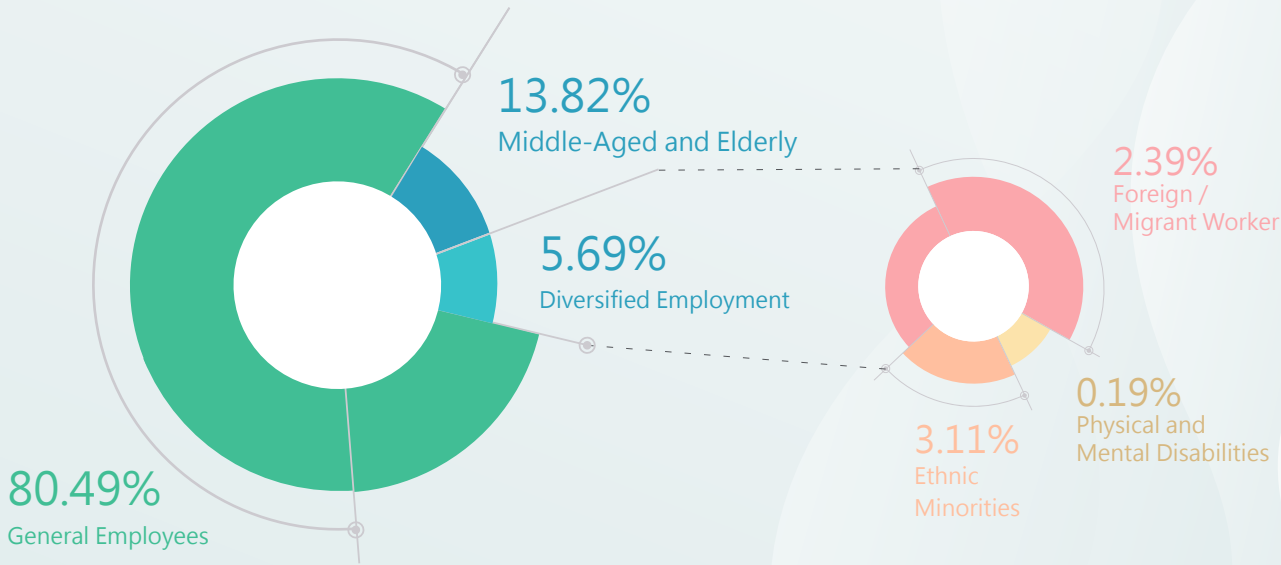
4.1 Employees of ACES

At ACES, employees are regarded as the company's most valuable asset. Therefore, ACES uses its best effort to build a friendly and comfortable office environment to provide employees with a respectful and safe working environment. Meanwhile, it implements an employment diversity policy, equality in remuneration and promotion opportunities, and ensures that employees are not discriminated against, harassed, or treated differently due to race, gender, religion, age, political affiliation and any other circumstances protected by laws. In addition, we have a well-established human resource management system, a sound remuneration and welfare system, and provide rich and diversified educational resources for the cultivation of talents, so that employees can continue to enhance their strength and competitiveness. In order to ensure the safety of the workplace and the health of employees, the factory nurses and relevant personnel regularly organize education and training activities and health promotion activities, so as to provide employees with a healthy and safe workplace.

The majority of ACES employees are employed on a permanent basis. The ratio of male to female employees at our key operating locations is 1:1.13, which is roughly equivalent. The Company also focuses on the issue of diversity in the workplace and employs ethnic minorities, physically and mentally challenged, and middle-aged and elderly staff, thus demonstrating the results of ACES's commitment to equal employment. In 2024, ACES Group employed a total of 4,654 staff across its key domestic and overseas operational sites. In addition, there were 787 non-employee personnel—including security, cleaning staff, and contractors. Regarding the hiring and management of contractors, ACES is committed to protecting labor rights and ensuring transparency and legality. It also requires strict compliance with relevant laws and regulations in contractor contracts to ensure that wages and benefits comply with legal requirements. In the future, we will continue to evaluate and improve our relationship with non-employees to ensure that their rights and interests are treated equally and valued.

| Category | Gender | Taiwan | East China | South China | Philippines | Vietnam | Total |
|--------------------------------|--------|--------|------------|-------------|-------------|---------|-------|
| Number of employees | Male | 457 | 817 | 549 | 285 | 81 | 1,672 |
| | Female | 406 | 979 | 540 | 463 | 104 | 1,753 |
| Permanent employment | Male | 457 | 43 | 73 | 255 | 23 | 1,097 |
| | Female | 406 | 59 | 79 | 406 | 40 | 1,221 |
| Temporary workers | Male | 0 | 774 | 476 | 30 | 58 | 575 |
| | Female | 0 | 920 | 461 | 30 | 64 | 532 |
| non-guaranteed hours employees | Male | 0 | 14 | 142 | 0 | 0 | 1,655 |
| | Female | 0 | 8 | 114 | 0 | 0 | 1,747 |
| Full-time employees | Male | 439 | 803 | 407 | 285 | 81 | 17 |
| | Female | 402 | 971 | 426 | 463 | 104 | 6 |
| Part-time employees | Male | 18 | 0 | 0 | 0 | 0 | 226 |
| | Female | 4 | 0 | 0 | 0 | 0 | |

*Statistics on the number of employees are based on the number of employees still in service as of December 31, 2024
 *Part-time employees are those whose average weekly working hours are less than 40 hours.



4.1.1 New and Departed Employees

In 2024, a total of 4,147 people were newly recruited, and 4,445 people left the company at key locations both at home and abroad. ACES is happy to see new blood joining us and recruiting professional talents to inject new energy into the Company. For departing employees, department heads seek to understand the reasons for departure, and then, recruiting personnel conduct exit interviews to further understand the reasons for departure and analyze the information, which will be used as the basis for talent retention and improvement, in order to provide a better workplace environment.

| Category | Age | Gender | Taiwan* | | East China | | South China | | Philippines | | Vietnam | |
|--------------------|-------|--------|------------------|------------|------------------|------------|------------------|------------|------------------|------------|------------------|------------|
| | | | Number of person | Percentage | Number of person | Percentage | Number of person | Percentage | Number of person | Percentage | Number of person | Percentage |
| New recruits | ≥51 | Male | 4 | 4.44% | 1 | 4.76% | 1 | 4.55% | 1 | 5.88% | 1 | 33.33% |
| | | Female | 1 | 1.69% | 2 | 13.33% | - | 0% | - | 0% | - | 0% |
| | 31~50 | Male | 45 | 18.75% | 267 | 52.98% | 405 | 110.96% | 26 | 15.76% | 20 | 31.75% |
| | | Female | 78 | 26.26% | 371 | 57.43% | 366 | 97.86% | 13 | 4.98% | 25 | 35.21% |
| | ≤30 | Male | 53 | 47.32% | 563 | 192.81% | 725 | 447.53% | 104 | 100.97% | 10 | 66.67% |
| | | Female | 28 | 44.44% | 524 | 164.78% | 422 | 301.43% | 78 | 66.67% | 13 | 44.83% |
| Turnover employees | ≥51 | Male | 16 | 17.78% | 5 | 23.81% | 3 | 13.64% | - | 0% | - | 0% |
| | | Female | 4 | 6.78% | 17 | 113.33% | 1 | 3.85% | - | 0% | - | 0% |
| | 31~50 | Male | 70 | 29.17% | 392 | 77.78% | 336 | 92.05% | 18 | 10.91% | 14 | 22.22% |
| | | Female | 76 | 25.59% | 515 | 79.72% | 312 | 83.42% | 7 | 2.68% | 22 | 30.99% |
| | ≤30 | Male | 52 | 46.43% | 699 | 239.38% | 700 | 432.10% | 76 | 73.79% | 7 | 46.67% |
| | | Female | 37 | 58.73% | 618 | 194.34% | 387 | 276.43% | 50 | 42.74% | 11 | 37.93% |



*Hiring / turnover rates of male (female) new / departed employees of the respective age groups = Number of new/ departed male/female persons of the respective age groups in the whole year / Total number of male/female persons in employment of the respective age groups in the whole year
 *Description of the turnover rate in Eastern China: The turnover rate is higher due to the characteristics of the local labor market and the manpower rationalization policy in Eastern China.
 *Description of the turnover rate in Southern China: In response to the Group's strategy, the subsidiaries in Southern China are expected to be merged into the newly built Zhuhai plant in 2027, and a survey on the willingness of employees to relocate was launched in 2024.

4.2 Employment Relations

Management policy

| | |
|-----------------------|---|
| Material topic | Employment relations |
| Policy direction | For the business management, the Company uses the best effort to build the amicable circumstance in which the labors and management trust each other. Meanwhile, it applies the positive and open management model to create a challenging but comfortable working environment. |
| Core targets | Continue to maintain fair Labor/Management Relations |
| Performance & results | <ul style="list-style-type: none"> •Hold quarterly labor-management coordination meetings, and maintain a grievance mechanism—including a dedicated email inbox and hotline—to enable transparent communication. •Continue to convene the labor-management coordination meeting on a quarterly basis, and set up the complaint mailbox and hotline as the transparent communication channels in the relationship with employees. •Conducted an employee satisfaction survey, with an average score of 3.1 out of 5. •Recognized long-service employees and presented Outstanding Employee awards during the annual recognition program. •Value the employees' safety at work, arrange the annual health checkup, commend outstanding senior employees of the year, and organize the award ceremony for excellent employees |
| Action programs | <ul style="list-style-type: none"> •Convene the labor-management coordination meeting on a quarterly basis. •Set up the employee complaint mailbox to have dedicated staff process the feedback from employees. •Organize the employee commendation ceremony to thank employees for the efforts on work. |

How to manage

| | |
|----------------------|---|
| Invested resources | •HR invested by various departments |
| Feedback mechanism | <ul style="list-style-type: none"> •Labor-management meeting •Employee opinion mailbox (tangible/online) •Complaint channel •Employee Satisfaction Survey •Staff meeting |
| Evaluation mechanism | •Convene the review meeting periodically |

Future planning

Goals for 2025

The response rate of the Employee Satisfaction Survey reached 25%.



4.2.1 Human Rights Policy and Management

To fulfill our corporate social responsibility, ACES aligns with international standards including the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR) (collectively, the Two Covenants), the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the UN Global Compact, and International Labour Organization conventions and guidance. Based on these, we have established a Corporate Social Responsibility (CSR) Policy and a CSR Code of Conduct, which are signed by the Group President and promulgated across the Group. We are committed to respecting and protecting the fundamental human rights of employees, customers, and suppliers, upholding the principles of non-discrimination and the prohibition of child and forced labor, and we strengthen employee awareness of human-rights issues through ongoing education and training.

With respect to human-rights due diligence, we conduct an annual Hazard Identification and Risk Assessment (HIRA) under the RBA framework at our Taiwan headquarters and convene Social Responsibility Management Review meetings to regularly identify and track high-risk issues. Assessment results and control measures are reported to senior management as a basis for strategic adjustments and risk management to mitigate potential human-rights impacts. Employees may raise human-rights-related concerns through a human-rights hotline, physical or online employee mailboxes, or the President' s dedicated mailbox. All cases are handled in accordance with the Procedures for Reporting and Handling Illegal, Unethical, or Unfaithful Conduct, within defined timelines, with the complainant' s personal data protected.

In 2024, no incidents of discrimination, harassment, child labor, or forced labor occurred at any of ACES' s operating locations, and no human-rights-related complaints or significant adverse human-rights impacts were reported. At ACES Taiwan, total human-rights training hours reached 2,416, further strengthening the organization' s understanding of and proactive engagement with human-rights issues.

Human Rights Complaint Channel:

External Complaint Hotline:
 phone: +886-3-4632808 #6062
 Mail: audit@acesconn.com
 Internal Staff Suggestion Mailbox:
 suggestion_tw@acesconn.com

2024 Human Rights-Related Education and Training of ACES

| Name of course | Number of trainees | Total training hours |
|--|--------------------|----------------------|
| Social responsibility awareness training for new recruits | 202 | 1616 |
| Labor ethics & interest and environmental protection awareness training | 400 | 400 |
| Training for infringement prevention and communication skills in workplace | 400 | 400 |

4.2.2 Employee Communication

Facing the labor challenges and structural changes brought by Taiwan' s transition into a super-aged society in 2025, ACES continues to strengthen human resource management and employee engagement mechanisms, striving to build an open, respectful, and trusting work environment. In 2024, ACES TW conducted a comprehensive employee satisfaction survey, collecting 161 responses (22.21% response rate) with an overall average satisfaction score of 3.1 out of 5. The results showed positive feedback regarding the work environment, training resources, and company operational performance. However, there is room for improvement in areas such as salary and benefits, promotion opportunities, and management systems. Relevant suggestions have been incorporated into the HR department' s annual plan for system enhancements.

Regarding labor-management relations, although no collective agreements have been signed with labor unions to date, ACES places great importance on institutionalizing employee rights and labor-management communication. In the event of major operational adjustments or organizational changes in the future, the Company will follow internal procedures to communicate thoroughly with employees, ensuring job stability and participation rights. In 2024, a total of four labor-management coordination meetings were held, each attended by five representatives from management and five from labor. These meetings served as a platform for discussing policies, employee benefits, and workplace issues, fostering internal consensus and organizational stability. Additionally, both physical and online employee suggestion boxes were established as channels for employees to submit suggestions and express opinions, thereby strengthening two-way communication and feedback mechanisms. No complaints were received through the employee suggestion mailboxes of ACES, and no major labor disputes occurred in 2024. We will continue to deepen employee engagement, implement transparent communication, and regularly review the effectiveness of communication mechanisms to enhance organizational cohesion and employee satisfaction, moving toward an inclusive and resilient sustainable workplace.

4.3 Salary and Welfare

Management

| | |
|-----------------------|--|
| Material topic | Compensation and Benefits |
| Policy direction | According to ACES "Salary Management Procedure," ACES employee salary policy shall adhere to the "equal pay for male and female workers" philosophy and apply the principle of impartiality, and feed back rewards subject to performance and target contribution. Meanwhile, the Company takes into account the employees' long-term well-being as the ultimate factor when striving for and promoting excellent talents, in order to achieve a win-win operating cycle for both of the employees and Company. Continue to maintain the salary of all full-time employees not less than the living wage and the basic wage according to the local living standards in Taiwan. |
| Core targets | Maintain the competitive strength, recruit and retain talents, and become the first priority for job seekers. |
| Performance & results | Percentage of regular employees receiving subsistence wages in 2024: 100 % |
| Action programs | Pay the salary, raise and bonus according to the Articles of Incorporation, and also provide the remuneration, incentives and benefits better than the general enterprises. |

How to manage

| | |
|----------------------|--|
| Invested resources | <ul style="list-style-type: none"> •Performance bonus •Employee welfare measures |
| Feedback mechanism | <ul style="list-style-type: none"> •Labor-management meeting •Pension Benefit Committee •Worker Welfare Committee •Employee opinion mailbox and complaint channel |
| Evaluation mechanism | <ul style="list-style-type: none"> •Convene the review meeting periodically •Review the peer pay level in the industry periodically to ensure that the Company' s pay level is commensurate to the competitiveness. •Analyze the causes for the employee' s resignation as the basis for adjustment on salary and benefits. |

Future planning

Goals for 2025

Feed the corporate operating performance back to employees, and make every endeavor to maintain the same pay level as the peer pay level to ensure that the remuneration and benefits provided by the Company are commensurate to the competition level in the industry.



4.3.1 Employee Compensation

The employee compensation policy is based on the Company' s "Personnel and Salary Management Procedures" and "Social Responsibility Management Manual," ensuring that job grading, promotions, and salary decisions follow clear and consistent guidelines. Compensation is not lower than the legal minimum wage and is applied equally to all employees, with no differences based on gender, race, skin color, religion, political affiliation, sexual orientation, age, marital status, pregnancy, disability, blood type, or astrological sign. Compensation primarily consists of a fixed salary, various allowances, and overtime pay. In addition, the Company has established incentive systems for performance bonuses, year-end bonuses, and employee profit-sharing. According to Article 24 of ACES' s Articles of Incorporation, at least 1% of the Company' s annual profit is allocated as employee compensation. Operational profits are shared with employees based on their sustained performance, allowing employee earnings to grow in tandem with the Company' s success. ACES also maintains a fair, just and transparent salary and incentive system. The standard salary for junior staff of different genders meets the statutory minimum salary level of 1:1 ("basic salary" means the starting salary level, which is a guaranteed, short-term, fixed cash remuneration and does not include any additional remuneration, such as overtime pay or bonuses; "junior staff" refers to the lowest level of employees, and the salary of trainees or apprentices is not included in this definition). In 2024, the total annual compensation ratio at ACES Taiwan was 11.55, with a year-over-year change rate of 0%. The highest-paid individual was the Chairman of the Board.

Below is the salary information for full-time employees not in managerial positions at ACES Taiwan over the past three years:

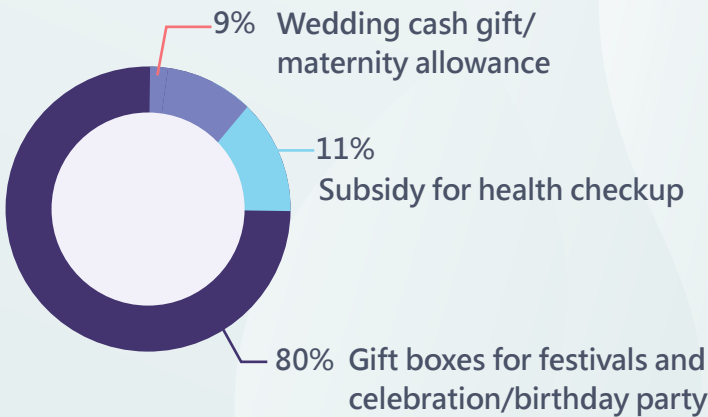
| Full-time employees in non-managerial positions | Unit | 2022 | 2023 | 2024 | Reporting report Change from previous year |
|---|-------------|------|------|------|--|
| Average salary | \$ thousand | 795 | 740 | 747 | ▲ 0.94% |
| Median of the salary | \$ thousand | 605 | 583 | 622 | ▲ 6.27% |

Note: The disclosure boundary is ACES Taiwan and the Precision Engineering Center
 Note: In accordance with Article 4-2 of the Taiwan Stock Exchange Corporation' s "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies," listed companies are required to enhance disclosure of "salary information for full-time employees not holding managerial positions" and to disclose such information by means of indexing.

4.3.2 Welfare and Care

ACES has adopted its work rules and related personnel management regulations. The employee work rules expressly state the basic salary, working hours, leave, pension payment, labor insurance/national health insurance benefits, and compensation for occupational accidents. All related regulations satisfy the requirements of the Labor Standards Act. To demonstrate its commitment and responsibility toward employee health and safety, ACES requires all new employees to complete a health examination and undergo comprehensive occupational safety and health training. Regular health checkups are also arranged for current employees. In addition, the company proactively provides group accident and medical insurance for its staff. In 2024, total group insurance expenses amounted to NT\$1,622,400. All employees who were eligible for and willing to undergo health examinations successfully completed their regular checkups. In addition, ACES places great importance on psychological safety and a culture of respect in the workplace. In addition to publishing a "Written Statement Prohibiting Sexual Harassment in the Workplace," the Company has established diverse and confidential channels for complaints and reporting, aiming to foster a fair, respectful, and secure working environment. In addition, ACES Taiwan, through its Employee Welfare Committee, organizes various welfare activities such as employee trips and birthday gift allowances for employees, demonstrating the Company' s care and appreciation for its staff. In 2024, total welfare-related expenditures by the Welfare Committee of ACES Taiwan amounted to NT\$9,774,109. The breakdown of expenditure items and their respective proportions is as follows.

Main benefit expenditure of ACES in 2024



Parental Leave

In order to enable the employees to take care of their families and business at the same time, ACES provides employees with parental leave so that the employees may take time to take care of their families. In 2024, a total of 206 employees applied for the leave without pay.

| | Taiwan | | East China | | South China | | Philippines | | Vietnan | |
|--|--------|--------|------------|--------|-------------|--------|-------------|--------|---------|--------|
| | Male | Female | Male | Female | Male | Female | Male | Female | Male | Female |
| Number of employees entitled to parental leave | 23 | 33 | 54 | 62 | 10 | 29 | 7 | 19 | 0 | 0 |
| Number of people who actually took the parental leave | 8 | 17 | 54 | 62 | 10 | 29 | 7 | 19 | 0 | 0 |
| Number of persons reinstated after the leave without pay | 5 | 10 | 54 | 48 | 9 | 23 | 7 | 16 | 0 | 0 |
| Reinstatement rate after the leave without pay | 61% | 66% | 100% | 74% | 83% | 79% | 100% | 84% | 0% | 0% |
| Employees who have been reinstated for 12 months and are still in employment | 5 | 8 | 40 | 31 | 10 | 24 | 7 | 3 | 0 | 0 |
| Retention rate after the leave without pay | 100% | 50% | 67% | 57% | 100% | 82% | 100% | 16% | 0% | 0% |



*The number of persons qualified for applying for parental leave refers to the number of employees who applied for maternity leave and paternity leave

*The re-preparation of information shall cover the number of persons who should be reinstated, the actual number of persons who have been reinstated and the number of persons for more than one year in current year. The actual number of persons who have been reinstated recognized due to the statistical method are not estimated.

Retention rate=(the number of persons who have been reinstated for more than one year in current year/the number of persons who have been reinstated in the previous year)x100%

Employee Shareholding Trust

Employees are always the strongest backup for ACES’ long-term management. In order to help the colleagues participate in the Company’ s business and acquire and manage the Company’ s stocks through long-term investment to achieve long-term savings and share the operating results, ACES established the “ACES Employees’ Shareholding Association” on September 16, 2015 to offer the employee shareholding trust operations. The participation rate for the employees’ shareholding trust reached 21.86% in 2024.

Retirement Plan

The pension system planned by ACES for all colleagues includes the benefit plan adopted in accordance with the “Labor Standards Act” of Taiwan (old system), and the contribution plan adopted under the “Labor Pension Act” of Taiwan promulgated on July 1, 2005. The Company deposits the pension reserve pursuant to laws, and also retains actuaries to provide the actuarial report on the pension reserve each year, in order to protect the colleagues’ interest and right in claiming pension and ensure that full pension contributions are made. The retirement contribution status of ACES' Taiwan sites in 2024 is summarized as follows:

1. Adopt employee retirement regulations according to the “Labor Standards Act;” contribute to the pension reserve subject to the total salary on a monthly basis and deposit the same to the exclusive account maintained at the Bank of Taiwan, which showed the balance as NT\$26,703,011 on December 31, 2024.
2. For each of the employees who apply the “Labor Pension Act,” ACES has to contribute 6% of the employee’ s salary on a monthly basis, and deposit the same into the employee’ s personal pension account maintained at the Bureau of Labor Insurance. Until December 31, 2024, the employer has contributed NT\$24,611,910 under the new pension system.
3. ACES will retain the employees’ service seniority. When any employee meets the retirement conditions, his/her pension will be calculated based on his/her seniority under the new and old systems.

4.4 Talent Development and Retention

Management policy

| | |
|-----------------------|--|
| Material topic | Talent cultivation |
| Policy direction | Cultivation of employees' correct |
| Core targets | Annual training hours>5.5 hours/person |
| Performance & results | Each employee took the education and training hours amounted to 12.72 hours averagely in 2024. |
| Action programs | <ul style="list-style-type: none">•Encourage employees to participate in internal training/external training courses proactively.•Provide diversified learning channels (online courses, and digital courses applicable to employees by type and job rank•Organize management courses to help employees acquire the required skills during the identity transition |

How to manage

| | |
|----------------------|--|
| Invested resources | <ul style="list-style-type: none">•Department/training unit training expenses•Digital learning platform construction, purchase and maintenance expenses•HR, time and cost invested in self-production of digital courses.•Regularly purchasing books for our employees to borrow free of charge |
| Feedback mechanism | After-class satisfaction survey |
| Evaluation mechanism | <ul style="list-style-type: none">•Training hours•After-class test report•After-class satisfaction survey |

Future planning

Goals for 2025

- Annual training hours>5.5 hours/person
- Continue to train employees and provide diversified learning and development channels, including internal general education courses and professional training courses, diversified digital courses, and external training courses to improve their professional skills.
- Establishing an education and training system for the implementation of the Functional Map



4.4.1 Training and Education

ACES is committed to talent development and provides an open, inclusive learning environment. With a comprehensive training system for both new hires and existing employees, ACES continually strengthens professional competencies and enhances employee satisfaction. Employees are encouraged to pursue continuous growth by participating in internal and external training, learning from managers and peers, and borrowing books from the company library each month to spark new ideas. In addition, ACES integrates career planning with career development through job grade/band planning, job rotation, project assignments, and overseas postings, aiming to help employees gain a sense of accomplishment and grow through their work.

According to ACES' s Training Management Procedure, training is structured into three core categories based on the competencies and skills needed for the Group' s growth:

For the management: Continue to arrange the courses and activities related to leadership, organizational operation and teamwork, in order to improve the senior management' s ability and leadership.

For marketing staff: Continue to arrange the related professional competence training on products or sales to improve the sales representatives' marketing skills.

For R&D staff: Practice the professional courses, such as product development and design, APQP, problem analysis and solution, etc.

To enhance mid- and senior-management capabilities, ACES launched a Mid-Level Management Program in 2024, inviting experts and scholars from the College of Management, National Central University to deliver a series of competency-based courses for mid-level leaders. The program is designed to strengthen our succession pipeline, ensure leadership continuity, address leadership bench gaps, and promote cross-functional collaboration, while cultivating capabilities in innovation and change management. In parallel with our future operating roadmap, ACES introduced the ACES Advanced Precision Micro R&D Center Series. We designate specialist staff for external training programs to bring back the latest market technologies and emerging trends, thereby enhancing the R&D team' s innovation and problem-solving capabilities and sustaining our competitive edge in R&D.

To keep pace with changing needs, the training programs not only enhance employees' professional capabilities and overall quality, but also aim—through a structured talent-development system—to further lift ACES' s business performance. In line with ACES' s global expansion, we also offer language courses and encourage employees to strengthen their language skills. In accordance with the annual training plan, we implement the following programs:

(1) New-Hire Orientation/ Pre-Employment Training :

ACES operates a Mentor System under which each newcomer is guided by a designated mentor to complete a structured orientation program. The curriculum covers Group culture, policies and procedures, and basic systems/operations, alongside role-specific briefings and professional-skills training, enabling new hires to quickly become familiar with the organization and transition smoothly into their roles. Group-wide onboarding courses are centrally arranged to accelerate familiarity with ACES' s structure and key information.

(2) Professional Training :

A.Internal training: Department heads or senior staff serve as instructors to deliver courses tailored to the technologies and professional skills required by each function. These programs strengthen technical capabilities, improve productivity and efficiency, cultivate the right work attitudes and mindsets, and inspire responsibility and a spirit of challenge—thus broadening career development pathways.

B.External training. Each year we budget for external programs and assign employees to reputable training institutions to acquire the latest technologies, market developments, and professional knowledge. This injects new momentum for innovation. We also encourage continuous on-the-job learning to enhance individual competencies.

(3) Knowledge sharing

Through the Knowledge Management section on the corporate intranet, ACES provides a knowledge-sharing platform that facilitates cross-departmental exchange. By promoting internal knowledge sharing, we stimulate diverse learning and strengthen employees' innovation capabilities.

(4) ACES Academy (Online Learning Platform)

Since 2019, ACES Academy has offered a diverse catalog of online courses—including languages, sales & marketing, product introductions, and EHS. The platform enables employees to learn or review content anytime, anywhere, expanding access and flexibility while ensuring that every colleague who is motivated to grow has the opportunity to develop their potential.

2024 Training by Category and Region

| Category | Taiwan | | East China | | South China | | Philippines | | Vietnam | |
|----------------------|-------------|-------|-------------|--------|-------------|---------|-------------|-------|-------------|-------|
| | Attendance* | Hours | Attendance* | Hours | Attendance* | Hours | Attendance* | Hours | Attendance* | Hours |
| Management | 173 | 1192 | 38 | 404 | 103 | 1680 | 17 | 145 | 11 | 88 |
| Technical | 3399 | 9111 | 533 | 71032 | 156 | 1964 | 554 | 134 | 1 | 8 |
| General | 105 | 342 | 1743 | 689343 | 2419 | 9561.5 | 597 | 290.5 | 164 | 1312 |
| New-Hire Orientation | 214 | 1640 | 1811 | 4291 | 1569 | 12095.5 | 222 | 1776 | 0 | 0 |

*The unit of information is “person-times” due to operational requirements in Taiwan.

Statistics on Training Hours by Job Level and Gender in 2024

| Training Hours Job Level | | Taiwan | | East China | | South China | | Philippines | | Vietnam | |
|-----------------------------|---|--------|--------|------------|--------|-------------|--------|-------------|--------|---------|--------|
| | | Male | Female | Male | Female | Male | Female | Male | Female | Male | Female |
| Management | Executives (C-level & Senior Management) | 103 | 24 | 0 | 0 | 0 | 5 | 2 | 2 | 1 | 0 |
| | Middle Management (incl. product-line managers) | 2538 | 1919 | 6713 | 6003 | 1135 | 727.5 | 24 | 22 | 13 | 6 |
| Non-Management | Professional/Technical | 1616 | 1460 | 117508 | 82777 | 1227.5 | 794 | 36 | 52 | 0 | 0 |
| | Other Staff | 1402 | 909 | 87523 | 103500 | 5165.5 | 4883.5 | 188 | 334 | 59 | 93 |



| Average Training hours Job Level | | Taiwan | | East China | | South China | | Philippines | | Vietnam | |
|-------------------------------------|---|--------|--------|------------|--------|-------------|--------|-------------|--------|---------|--------|
| | | Male | Female | Male | Female | Male | Female | Male | Female | Male | Female |
| Management | Executives (C-level & Senior Management) | 3.22 | 3.43 | 0 | 0 | 0 | 5.00 | 0.67 | 2.00 | 1.00 | - |
| | Middle Management (incl. product-line managers) | 32.96 | 37.63 | 59.41 | 61.26 | 14.55 | 13.99 | 0.92 | 0.96 | 1.00 | 1.00 |
| Non-Management | Professional/Technical | 6.46 | 6.40 | 464.46 | 383.23 | 10.58 | 9.23 | 0.82 | 0.88 | - | - |
| | Other Staff | 14.45 | 7.51 | 194.50 | 155.87 | 14.59 | 12.18 | 0.89 | 0.95 | 0.88 | 0.95 |

Note 1: The senior management refers to the managers at the division level (inclusive) or above. The middle management refers to managers/assistant managers.

The junior management refers to directors/deputy section chiefs/section chiefs. The professional personnel refers to engineers/management specialists.

Note 2: The average hours were calculated based on the total number of active employees on December 31, 2024 as the denominator.

Note 3: In the table above, “0” indicates that employees of the specified level had no training hours during the year, while “-” indicates that the operating location had no personnel in that category.

4.4.2 Performance Appraisal

ACES’ s performance management system is designed to assess employees’ work performance, provide coaching to support development, and align individual objectives with company goals to enhance competitiveness and operating results. ACES conducts annual performance evaluations for all employees—regardless of gender, position, or function—and the results inform decisions on promotions and salary adjustments. In 2024, 100% of ACES employees completed a performance appraisal.

4.4.3 Industry-Academia Collaboration

ACES has actively pursued industry–academia collaborations, primarily with departments in mechanical and electronics fields. We offer flexible arrangements in line with school and program requirements so students can balance course-work and internships. Some interns transition to full-time employment upon completion of their internships, enabling a smooth school-to-work pathway.

To support local education and help mitigate population outflow, we prioritize partnerships with universities near our sites, deepening ties with neighboring institutions. In 2024, partner schools included: National Central University (4 students), Chien Hsin University of Science and Technology (10), and Yuan Ze University (6).

We also collaborated with other leading institutions—Fu Jen Catholic University, Tamkang University, National Kaohsiung University of Science and Technology, Ming Chi University of Technology, National Formosa University, China University of Science and Technology, and National Changhua University of Education. In total, 35 students participated in ACES’ s industry–academia programs in 2024.



| Industry-academia cooperation in 2024 | | |
|---------------------------------------|---|--------|
| District | School | Person |
| Taipei City | Tamkang University | 1 |
| | Fu Jen Catholic University | 1 |
| | China University of Science and Technology | 1 |
| New Taipei City | Ming Chi University of Technology | 3 |
| Taoyuan City | National Central University | 4 |
| | Yuan Ze University | 6 |
| | Chien Hsin University of Science and Technology | 10 |
| Taichung City | Chaoyang University of Technology | 1 |
| Changhua County | National Changhua University of Education | 1 |
| Yunlin County | National Formosa University | 6 |
| Kaohsiung City | National Kaohsiung University of Science and Technology | 1 |
| 合計 | | 35 |

4.5 Occupational Health and Safety

| Management policy | |
|-----------------------|---|
| Major topic | Occupational health and safety |
| Policy direction | People-oriented, prevention first, continuous improvement, full participation, and legal compliance. |
| Core targets | Complete the external audit on occupational safety honestly each year |
| Performance & results | <div> <ul style="list-style-type: none"> •ISO 45001 third-party certification successfully obtained •100% completion rate for environment, health, and safety management programs •100% completion rate for occupational safety training for new employees •92% coverage rate for regular health checkups (560 employees) </div> <div> <ul style="list-style-type: none"> •15 employees trained in first aid, with a coverage rate of 2.46% •2 fire drills conducted, with 57 total participants •7 recordable occupational injury cases, with no major incidents; achieving a 100% improvement completion rate </div> |
| Action programs | <ul style="list-style-type: none"> •Implement and continuously operate the ISO 45001 Occupational Health and Safety Management System •Conduct regular hazard identification and risk assessments •Develop and enforce operational control standards for high-risk tasks •Establish annual occupational health and safety objectives with tracking mechanisms •Provide occupational safety and health training for new and current employees •Conduct fire drills and emergency response exercises to enhance on-site preparedness •Enforce occupational injury reporting and cross-departmental improvement mechanisms |

| How to manage | |
|----------------------|--|
| Resource investment | Launch the internal and external audits periodically each year to achieve effective system management. Occupational Health and Safety Committee consists of 37 members. Add the internal auditors' courses as needed from time to time to ensure compliance with certification requirements and validity |
| Feedback mechanism | Provide workers with the channel to participate in consultations (e.g. tangible opinion mailbox and e-mail complaint channel via the intranet). |
| Evaluation mechanism | The Company forms its internal audit group to conduct the ISO 45001 self-inspection once per year. The Company contracts the independent third party, DQS, to conduct the ISO 45001 audit once per year. |

| Future planning | |
|---|--|
| Goals for 2025 | |
| <ul style="list-style-type: none"> •Consistently pass ISO 45001 certification and maintain effective system operations •Strengthen standard operating procedures and on-site inspections for high-risk tasks •Establish a tiered training system, with an average of 4 training hours per employee per year •Regularly host diverse health promotion seminars to enhance employee physical and mental well-being •Promote a digital safety and health proposal system to encourage employee participation •Reduce the recordable incident rate (RIR) to ≤ 4.5 | |

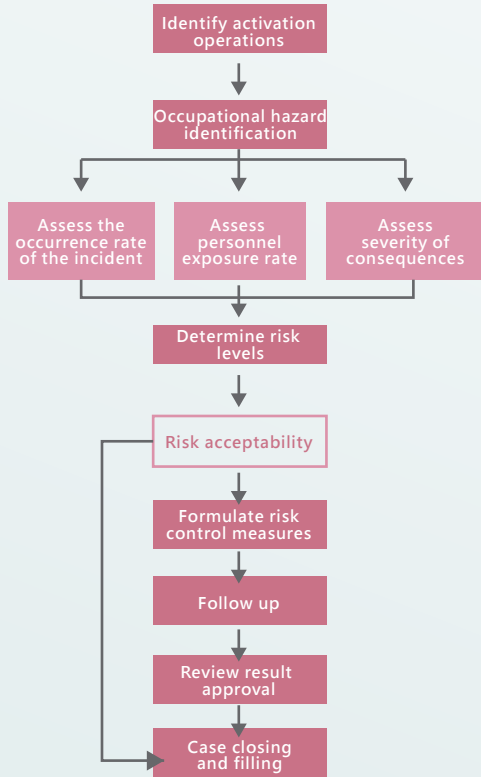


*The table presents ACES Taiwan' s 2024 occupational safety and health performance results

4.5.1 Occupational Safety Management

In fulfilling its core commitment to occupational safety and health, ACES has implemented the ISO 45001 Occupational Health and Safety Management System, establishing a structured and sustainable management mechanism. This system covers all personnel within the Company' s operational scope, including full-time employees, contractors, visitors, suppliers, and partner vendors, ensuring comprehensive protection of their safety and health in the workplace. External contractors are required to comply with ACES' s "Contractor Environmental Health and Safety Management Procedure." Before entering ACES premises, they must sign the "Occupational Safety and Health Commitment Letter" and the "Hazard Notification Form," ensuring clear understanding of potential risks and operational guidelines. In the event of a potential accident risk, according to the "Incident Reporting and Investigation Control Procedure," both employees and contractors are allowed to evacuate the site without penalty, prioritizing personal safety. Subsequently, the Occupational Safety and Health Office, in collaboration with relevant departments, will investigate the incident and initiate corrective actions.

To further manage operational risks, ACES has established the "Hazard Identification and Risk Assessment Control Procedure," which clearly defines the roles and responsibilities of the Occupational Safety and Health Office, departmental representatives, and occupational safety management representatives. A cross-departmental collaboration mechanism has also been introduced to assess potential risks through a severity and likelihood matrix, enabling the development or optimization of protective measures, standard operating procedures, or contingency plans. In 2024, ACES conducted two rounds of workplace environment monitoring covering chemical agents in the air, dust, and noise, as well as 17 formal risk identification and assessment activities, achieving 100% coverage. Additionally, unscheduled project assessments are initiated prior to major operational changes, the introduction of new equipment, new processes, or the use of new chemicals. Within the ACES Group, six operational locations—ACES Taiwan, ACES Kunshan, MEC Kunshan, ACES Dongguan, MECHPT Dongguan, and ACES Vietnam—undergo annual external third-party occupational safety audits. In 2024, these sites achieved a 100% pass rate and continue to drive internal continuous improvement. Additionally, MEC Philippines plans to implement and obtain ISO 45001 occupational safety management system certification in 2025.



ACES'hazard identification and risk assesment flowchart

- Commitment to provide the healthy and safe working conditions to prevent work-related injuries and disease, and in line with the organization' s purpose, scale, scenario, and specific characteristics of occupational health and safety risk and opportunities.
- ① Commitment to provide the healthy and safe working conditions to prevent work-related injuries and disease, and in line with the organization' s purpose, scale, scenario, and specific characteristics of occupational health and safety risk and opportunities.
 - ② Provide the framework for formulation of the occupational health and safety targets.
 - ③ Commitment to perform the requirements under laws and others.
 - ④ Commitment to remove risks and mitigate the occupational health and safety risks.
 - ⑤ Commitment to improve the occupational health and safety management system continuously.
 - ⑥ Commitment to consult and engage with workers and their representatives.

Occupational Safety and Health Committee

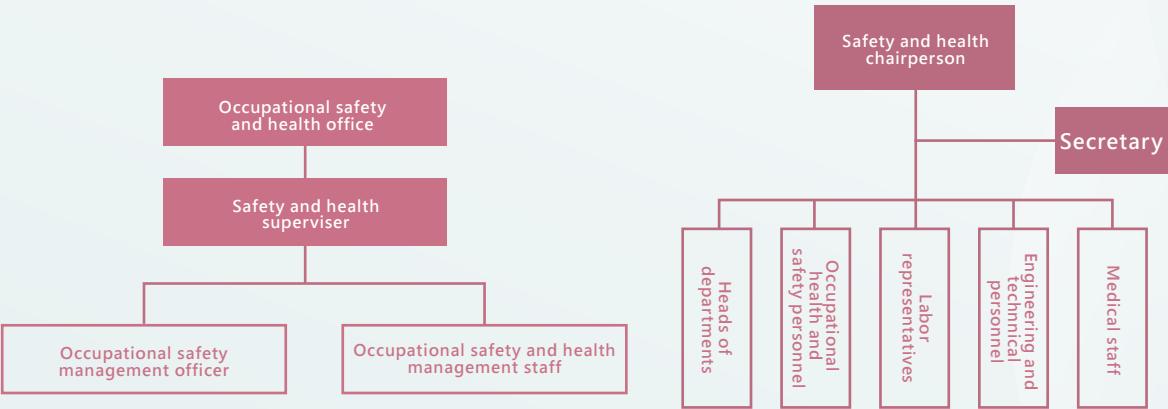
ACES places great importance on collaboration and consensus between labor and management in occupational safety and health management. In accordance with the Occupational Safety and Health Act, the Company has established an "Occupational Safety and Health Committee" to serve as a central platform for coordinating and making decisions on internal safety policies and management systems. The committee is composed of representatives from both labor and management, with labor representatives accounting for at least one-third of all members. In 2024, the committee comprised a total of 32 members, including 12 labor representatives and 20 management representatives, fully reflecting the principle of participation.

The ACES Occupational Safety and Health Committee holds regular quarterly meetings, with a total of four meetings conducted in 2024. The main discussion topics included workplace safety management, progress of training programs, results of environmental monitoring, occupational disease prevention strategies, health promotion initiatives, and follow-up on improvements to help identify potential risks. In addition to its decision-making and supervisory functions, the committee also provides all employees with an open and transparent channel for suggestions and participation.

The Company further clarifies the roles and responsibilities of each department within the safety and health management system through its internal "Environmental Health and Safety Organizational Roles and Responsibilities Control Procedure." A dedicated Safety and Health Office serves as the central unit for implementing the system and coordinating cross-departmental collaboration, ensuring that related initiatives are carried out efficiently and consistently.

At the same time, ACES encourages employees to actively participate in building a workplace safety culture. Besides raising concerns through labor representatives, employees can directly engage in the committee or use internal reporting mechanisms to report potential risks, irregularities, or suggest improvements. To establish a communication environment free from retaliation or punishment, the Company explicitly safeguards the rights of all employees who submit complaints or suggestions. All cases are fully resolved through closed-loop processes, with regular follow-up to monitor the effectiveness of improvements.

ACES regards the Occupational Safety and Health Committee as a vital platform for all employees to engage in workplace safety governance. Through institutionalized and regular meetings and communication channels, the Company ensures that every voice is heard and every risk is managed, continuously building a lasting safety culture and a healthy work environment.



Training and Education

ACES follows the "Occupational Safety and Health Education and Training Rules " and related legal requirements to establish a training system that enhances the response capabilities and workplace safety awareness of new hires, current employees, and personnel engaged in special operations.

From their first day on the job, ACES ensures that 100% of new employees complete occupational safety and health training. The training includes the Company' s safety management system, occupational safety behavior standards, key risk identification, accident case analyses, and initial emergency response measures. This is designed to help new hires quickly become familiar with the work environment and develop a strong safety mindset. In 2024, a total of 202 sessions of new employee safety training were completed (general training).

Current employees are required to regularly participate in various occupational safety and health courses to reinforce foundational knowledge and strengthen disaster response capabilities. In 2024, training programs conducted included fire safety education, advanced first aid skills training, and annual general occupational safety and health courses, with a total participation of 1,154 person-times throughout the year. To address industry and process-specific hazards, ACES also planned specialized professional training covering categories such as physical hazards, ergonomics, chemical hazards, biological hazards, psychosocial factors, and other occupational safety-related topics. These training courses aim to enhance the on-site risk response capabilities of personnel engaged in specialized operations. In 2024, a total of 9,302 participants attended these sessions. Practical exercises and assessments were incorporated to ensure employees possess the regulatory-required operational knowledge and response skills.

| Category | Taiwan | | East China | | South China | | Philippines | | Vietnam | |
|------------------------------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|--------------|-------|
| | Participants | Hours | Participants | Hours | Participants | Hours | Participants | Hours | Participants | Hours |
| Physical | 577 | 1731 | 1789 | 37136 | 1483 | 19731 | 242 | 323 | - | - |
| Ergonomic | - | - | - | - | 1387 | 21544 | 242 | 323 | - | - |
| Chemical | 577 | 1731 | 518 | 8176 | 1262 | 20469 | 242 | 323 | 47 | 376 |
| Biological | - | - | - | - | - | - | - | - | - | - |
| Psychosocial | 20 | 30 | 50 | 90 | 670 | 335 | - | - | - | - |
| Related to work-organization | - | - | 17 | 66 | 50 | 100 | - | - | 129 | 1032 |

Emergency Hazard Response Management

To strengthen occupational injury prevention and accident response capabilities, ACES' s "Emergency Response Control Procedure" covers scenarios such as earthquakes, fires, and chemical spills. Regular on-site drills are conducted to enhance the practical response skills of employees. When disasters occur, first aid and emergency response abilities are critical to minimizing occupational safety incidents. Through annual first aid personnel training, establishing real-time on-site response networks, and ensuring qualified staff are on duty across all shifts—including day and night—ACES strives to build immediate emergency response capabilities for any unforeseen incidents. In total, ACES conducted 2 fire drills in 2024, with 57 participants. Additionally, 15 employees were trained as first aid responders, representing 2.07% of the workforce.

Implementation of Occupational Injury Prevention and Management

When an occupational injury occurs, it is accurately documented in accordance with the "Incident Reporting and Investigation Control Procedure," and a cross-departmental investigation is initiated. Led by the Safety and Health Office, relevant supervisors and on-site units jointly review and analyze the causes, then submit concrete improvement plans to the Occupational Safety and Health Committee for ongoing monitoring and control. In 2024, ACES recorded a total of 7 occupational injury incidents involving employees, of which 6 were minor injuries and 1 was a case of temporary disability. The majority of incidents were cuts, accounting for 6 cases in total. No major injuries, fatalities, or occupational disease cases occurred. There were no occupational injury incidents involving non-company employees. All injured employees have returned to work after receiving medical treatment. The recordable occupational injury rate stands at 5.89, with zero incidents of major occupational injuries or occupational disease-related deaths. The implementation rate of corrective actions for each case has reached 100%. In cases of occupational injury incidents involving employees, ACES not only promptly provides necessary workers' compensation leave but also, through the Welfare Committee and in accordance with the "Employee Welfare Management Procedure," offers appropriate condolence payments, demonstrating care and commitment to its employees.

4.5.2 Health Protection and Promotion

In order to protect employee health and keep them safe from the impact posed by illness or injury, ACES utilizes the the basic health information of employees to verify their health status, so that the Company may assign jobs most suitable to each individual to prevent occupational diseases and mitigate labor-management disputes. Based on the "Labor Standards Act," "Occupational Safety and Health Act" and "Regulations of the Labor Health Protection," ACES has established reasonable employee health management regulations; in 2024, there were no cases of occupational diseases among ACES employees.

Health Checkup

Health examinations at ACES are planned and organized in accordance with legal requirements by occupational health nurses, and include the following:

- 1.Pre-employment physical Checkups: All new employees are required to complete a physical checkup before their first day and submit the medical report to the occupational health nurse within three months of joining. In 2024, to simplify the onboarding process, all new hires were allowed to undergo their physical exams directly at designated medical institutions listed in the ACES offer letter. This arrangement eliminated the need for employees to pay upfront and go through reimbursement procedures, significantly reducing administrative burdens and earning positive feedback from employees.
- 2.Regular health checkups: Employees who have been with the company for at least three months are eligible for a company-subsidized health checkup every two years. The examination items are conducted in accordance with the "Occupational Safety and Health Act" and the "Regulations on Labor Health Protection. In 2024, all eligible employees completed their annual health checkups, with a total of 560 participants, achieving a coverage rate of 92%.
- 3.Special operations personnel health check: In accordance with regulations, an annual health examination is conducted, with medical institutions providing classification information and health reports. The occupational health nurse manages health classifications (levels 1 to 4) based on the reports and submits the results online. Case management is carried out according to the examination results, and then reported.

| Category | Taiwan | East China | South China | Philippines | Vietnan |
|----------------|--------|------------|-------------|-------------|---------|
| Management | 74 | 20 | 17 | 41 | 5 |
| Non-management | 640 | 982 | 169 | 597 | 139 |

| Special Hazard Health Examinations | Taiwan | East China | South China | Philippines | Vietnan |
|------------------------------------|--------|------------|-------------|-------------|---------|
| Noise | 49 | 881 | 124 | 0 | 0 |
| n-Hexane | 11 | 0 | 0 | 0 | 0 |
| Ionizing Radiation | 4 | 3 | 6 | 0 | 0 |
| Dust | 10 | 89 | 49 | 0 | 0 |
| Others (Electrical Work) | 0 | 2 | 5 | 0 | 0 |

Health Promotion

ACES implements four pillar programs:

1.Ergonomics Program. Occupational physicians conduct on-site walkthroughs of production and office areas and provide direct health guidance to employees engaged in poor-posture, prolonged, or repetitive work. 2.Maternity Protection Program. We protect every employee who is pregnant or within one year postpartum. Workplace visits and hazard-risk assessments are performed to identify suspected or potential risks. 3.Long-Working-Hours Health Management. Employees with extended working hours complete an overwork/burnout screening (e.g., Maslach Burnout Inventory) and a 10-year cardiovascular disease (CVD) risk score assessment, followed by a one-on-one consultation with an occupational physician to identify stressors and receive health guidance and recommended improvements. 4.Workplace Violence Prevention. Senior leadership has issued a written Zero-Tolerance Statement. We conduct workplace risk assessments, environment and job design reviews, and fitness-for-work (job suitability) assessments to build a healthy workplace, prevent occupational injuries and illnesses, meet diverse needs of both the company and workers, and ultimately improve productivity.

| Workplace employee health protection program practices | |
|---|--|
| Ergonomics control procedure | In 2024, 462 employees completed the musculoskeletal questionnaire, with 110 reporting musculoskeletal pain, resulting in an abnormality rate of 23.8%. Through occupational physician and nurse health education and on-site visits, appropriate ergonomic adjustments were recommended to help employees alleviate muscle pain caused by repetitive, sustained, and poor posture-related activities. After three months of evaluation, 58 employees reported improvement, achieving a recovery rate of 52.7%. |
| Workplace maternity health protection control procedure | In 2024, there were 12 female employees who were pregnant or within one year postpartum. From the start of their pregnancy until delivery, each employee received 2 to 3 interviews to assess the risk levels between pregnancy and their work. Workplace visits confirmed that the environment posed no harm to maternal health, no night shifts were assigned, and supportive and friendly space was provided. Employees who are breastfeeding within one year postpartum receives at least one interview to demonstrate the Company' s commitment to maternal protection. |
| Abnormal workload-triggered disorder prevention and control procedure | In May 2024, a total of 462 employees completed the workload assessment questionnaire, with 22 identified as experiencing high work-related strain. After occupational physicians evaluated the job suitability of these 22 employees and provided practical recommendations, a follow-up assessment was conducted in November of the same year. Among them, 19 employees reported significant improvements in work-life balance. |
| Workplace infringement prevention and control procedure | In 2024, ACES recorded a 0% incidence rate of workplace violence and continues to uphold a strict "zero tolerance" policy toward any form of workplace violence. |
| Measures for sexual harassment prevention and complaint handling | In 2024, ACES had no reports of sexual harassment or gender discrimination. ACES revised its Sexual Harassment Prevention and Complaint Handling Procedures by adding standardized operating processes and clear reporting channels. Simultaneously, nine internal and external complaint committee members were selected. Mandatory training on preventing sexual harassment and gender discrimination was implemented for all employees and supervisors, demonstrating ACES' s strong commitment to this issue. |

Additional provisions

1. Serious illness. Any employee diagnosed during employment with a catastrophic illness (as defined by Taiwan' s National Health Insurance), a chronic disease, or an infectious disease requiring long-term or lifelong treatment should proactively inform their department head so that job reassignment or other reasonable accommodations can be coordinated.

2.Pregnancy, postpartum, and breastfeeding. For employees who are pregnant, within one year postpartum, or breastfeeding, ACES enforces the Maternity Health Protection Procedure, providing hazard assessments, physician consultations, and job accommodations to safeguard physical and mental health.

3.Fitness for special operations. If a health examination indicates an employee is not fit for specific hazardous operations, the occupational health nurse will notify the department head and recommend appropriate measures.



05 Social participation



Community
Donation Amount
4.1million



Community
Clean-up Collected
66kg



Mobile Library Donation

ACES Group has long been donating ambulances and rehabilitation buses to remote areas in the name of its excellent employees in order to give back to society. During the decade from 2008 to 2018, the Company donated more than 40 ambulances in total. Based on the idea that children in remote areas of Taiwan should be able to experience the joys of reading, ACES Group has been donating mobile libraries named after its outstanding employees to remote county/municipal governments since 2016, in an effort to close the gap between urban and rural areas in Taiwan in terms of reading resources.

In 2024, ACES Group donated 5 mobile libraries to Nantou County ShuiLi Township, Hsinchu County Wufeng Township, Yilan County Government, Nantou County Government, and Taoyuan City Government, at a total expense of \$4.1 million. We hope set a model example when it comes to public welfare, so that the children in remote villages can swim in a sea of books, improve their reading power, and promote the idea of inspiring children through the power of reading.



Supporting Local Colleges and Universities—Warm-hearted Assistants

In order to support local education institutions and sports events, ACES Group announced in December 2024 that it would sponsor scholarships for the Chien Hsin University of Science and Technology Basketball Team to support their advancement of the UBA College Basketball League, which is a heartwarming way to help the team. We hope the players shine on the court and encourage schools to cultivate more outstanding basketball players. We also hope to see more young players compete on the international stage in the future.



Strolling and Gathering Blessings—Care for ACES

With the aim of maintaining the environment of the community and the company, we organized the “Strolling and gathering blessings—care for ACES” event in November 2024, inviting all employees and their family members to pick up garbage bring cleanliness and beauty to all ACES facilities. In total, 66 kg of garbage was collected (53 kg of general waste, 1.2 kg of steel and aluminum cans, 5.7 kg of plastic, and 5.9 kg of glass).

Warmth in Winter · Love at ACES Gift

We cooperated with the local charity, Chensenmei Social Welfare Foundation, to sell coins. At the same time, the Company also collected second-hand goods from its employees and held the “Warmth in Winter · Love at ACES Gift” event to give new owners to old things. The proceeds from the event totaled NTD\$90,000, which was donated to the Chensenmei Social Welfare Foundation to help intellectually challenged children grow up healthily and happily.



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| Topic | Code | Category | Metric | Corresponding Chapters | Directions | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Product Security | TC-HW-230a.1 | Discussion /Analysis | Description of approach to identifying and addressing data security risks in products | Key Results & Recognitions 2.1.1 Green Development 2.2.3 Restricted substance control (RoHS) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Employee Diversity & Inclusion | TC-HW-330a.1 | Quantitative | 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 | - | <div>1. 【By Gender】<table><tr><th>Category</th><th>Male</th><th>Female</th></tr><tr><td>(a)</td><td>79.2%</td><td>20.8%</td></tr><tr><td>(b)</td><td>57.2%</td><td>42.8%</td></tr><tr><td>(c)</td><td>53.0%</td><td>47.0%</td></tr><tr><td>(d)</td><td>41.9%</td><td>58.1%</td></tr></table></div> <div>2. 【Diversity Group】<table><tr><th>Category</th><th>Middle-aged and elderly</th><th>Ethnic minorities</th><th>Physical and mental disabilities</th></tr><tr><td>(a)</td><td>100%</td><td>0%</td><td>0%</td></tr><tr><td>(b)</td><td>30.4%</td><td>0.9%</td><td>0.2%</td></tr><tr><td>(c)</td><td>21.4%</td><td>1.5%</td><td>0.3%</td></tr><tr><td>(d)</td><td>11.4%</td><td>5.5%</td><td>0.2%</td></tr></table></div> | Category | Male | Female | (a) | 79.2% | 20.8% | (b) | 57.2% | 42.8% | (c) | 53.0% | 47.0% | (d) | 41.9% | 58.1% | Category | Middle-aged and elderly | Ethnic minorities | Physical and mental disabilities | (a) | 100% | 0% | 0% | (b) | 30.4% | 0.9% | 0.2% | (c) | 21.4% | 1.5% | 0.3% | (d) | 11.4% | 5.5% | 0.2% |
| Category | Male | Female | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (a) | 79.2% | 20.8% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (b) | 57.2% | 42.8% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (c) | 53.0% | 47.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (d) | 41.9% | 58.1% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Category | Middle-aged and elderly | Ethnic minorities | Physical and mental disabilities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (a) | 100% | 0% | 0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (b) | 30.4% | 0.9% | 0.2% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (c) | 21.4% | 1.5% | 0.3% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (d) | 11.4% | 5.5% | 0.2% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Product Lifecycle Management | TC-HW-410a.1 | Quantitative | Percentage of products by revenue that contain IEC 62474 declarable substances | 2.2.3 Restricted substance control (RoHS) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | TC-HW-410a.2 | Quantitative | Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalen | - | ACES product(B2B) is not applicable for EPEAT | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | TC-HW-410a.3 | Quantitative | Percentage of eligible products, by revenue, certified to an energy efficiency certification | - | Not applicable for ACES's product(B2B). | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | TC-HW-410a.4 | Quantitative | Weight of end-of-life products and e-waste recovered; percentage recycled | - | The data collection is challenged for ACES's B2B product. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supply Chain Management | TC-HW-430a.1 | Quantitative | Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities | 2.2 Supply chain management | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | TC-HW-430a.2 | Quantitative | Tier 1 suppliers’ (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority nonconformances and (b) other nonconformances | 2.2 Supply chain management | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Materials Sourcing Management | TC-HW-440a.1 | Discussion /Analysis | Description of the management of risks associated with the use of critical materials | 2.2 Supply chain management | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Activity Metrics | TC-HW-000.A | Quantitative | Number of units produced by product category | 1.2.1 Operating Performance | Connector 42,509,825 Thousand pcs Cable 95,664 Thousand pcsMetal stamping parts 205,154 Thousand pcs Others 169,330 Thousand pcs | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | TC-HW-000.B | Quantitative | Area of manufacturing facilities | Aces's Profile | For ACES's geographical distribution, see 1.1 Aces's Profile; the number of total square metres is regarded as trade secrets and cannot be disclosed. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | TC-HW-000.C | Quantitative | Percentage of production from owned facilities | | This section involves trade secrets and cannot be disclosed. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

The United Nations Global Compact Comparative List

| Category | 10 principles | Corresponding chapters | Page No. |
|-----------------|--|-------------------------------|----------|
| Human rights | Businesses should support and respect the protection of internationally proclaimed human rights. | 4.2 Employment Relations | 49 |
| | Business should make sure not to be complicit in human rights abuses. | 4.2 Employment Relations | 49 |
| Labor | Business should uphold the freedom of association and the effective recognition of the right to collective bargaining. | 4.2 Employment Relations | 49 |
| | The elimination of all forms of forced and compulsory labor. | 4.2 Employment Relations | 49 |
| | The effective abolition of child labor. | 4.2 Employment Relations | 49 |
| | The elimination of discrimination in respect of employment and occupation. | 4.2 Employment Relations | 49 |
| Environment | Business should support a precautionary approach to environmental challenges. | 3. Environmental Friendliness | 33 |
| | Undertake initiatives to promote greater environmental responsibility. | 3. Environmental Friendliness | 33 |
| | Encourage the development and promotion of eco-friendly technologies | 3. Environmental Friendliness | 33 |
| Anti-corruption | Business should work against corruption in all its forms, including extortion and bribery. | 1.1.2 Ethical Management | 19 |

Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies Appendix 1-12 Sustainability Disclosure Indicators - Electronic Parts / Components Industry

| NO. | Indicator | Indicator Type | Annual Disclosure | Unit | Remarks |
|-----|--|---------------------|---|--|--|
| 一 | Total energy consumption, percentage of purchased electricity, utilization rate(renewable energy) | Quantitative | Energy Consumption 195166.92 Purchased Electricity 100 Renewable Energy Utilization 4.36 | Gigajoules (GJ) percentage (%) percentage (%) | consistent with the disclosurescope of this Report |
| 二 | Total water withdrawn, total water consumption | Quantitative | Water Withdrawn 345304.89 Total Water Consumption - | Thousand cubic meters (m3) Thousand cubic meters (m3) | consistent with the disclosure scope of this Report Calculation methodology under evaluation. |
| 三 | Total hazardous waste generated and percentage recycled | Quantitative | Hazardous Business Waste 313.6 Recycling 94.31 | Metric tons (t) percentage (%) | consistent with the disclosurescope of this Report |
| 四 | Types of, number of employees in and rate of occupational accidents | Quantitative | Types of occupational accidents: cuts high-consequence work-related injury 1 0.63 recordable work-related injuries 7 4.44 | - person Percentage (%) person percentage (%) | The scope of statistics is limited to Taiwan. |
| 五 | Product Lifecycle Management Disclosure: including weights of scraps and electronic waste and percentage recycled (Note 1) | Quantitative | - | Metric tons (t), percentage (%) | As most of the ACES' s products are B2B, relevant information is difficult to obtain. |
| 六 | Description of the management of risks associated with the use of critical materials | Discussion/Analysis | refer to 2.2 Supply Chain Management | Not applicable | - |
| 七 | Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations | Quantitative | 0 | NTD | consistent with the disclosure scope of this Report |
| 八 | Production by product category | Quantitative | Connector 42,509,825 Cable Assembly 95,664 Metal Stamping Parts 205,154 Others 169,330 | a thousand unit a thousand unit a thousand unit a thousand unit | consistent with the disclosures in ACES Group' s consolidated financial statements |

ISO 26000 Comparative List

| Paragraph No. | Article | Corresponding chapters and sections | Page No. |
|---------------------------|--|--|----------|
| Organizational governance | A system that makes decision & implements decision at the time of execution of targets | 1.1 Corporate Governance | 017 |
| Human rights | Audit on legal compliance & avoidance of risk arising from human rights issues | 1.1.2 Ethical Management | 019 |
| | Human right risk situation | 4.2.1 Human Rights Policy and Management | 050 |
| | Avoidance of complicity - Direct Interest and Silence as Complicity | 1.1.2 Ethical Management | 019 |
| | Resolving grievances | 4.2 Employment Relations | 049 |
| | Discrimination and vulnerable groups | 4.2 Employment Relations | 049 |
| | Civil and political rights | 4.2 Employment Relations | 049 |
| | Economic, social and cultural rights | 4.2 Employment Relations | 049 |
| | Fundamental rights at work | 4.2 Employment Relations | 049 |
| Labor practices | Employment and employment relationships | 4.2 Employment Relations | 049 |
| | Conditions of work and social protection | 4.2 Employment Relations | 049 |
| | Social dialogue | 4.2 Employment Relations | 049 |
| | Health and safety at work | 4.5 Occupational Health and Safety | 058 |
| | Human development and training in the workplace | 4.4 Talent Development and Retention | 054 |
| Environment | Prevention of pollution | 3.2 Environment and Resource Management | 042 |
| | Sustainable resource use | 3.2 Environment and Resource Management | 042 |
| | Climate change mitigation and adaptation | 3.1 Climate Management and Disclosure | 033 |
| | Protection of the environment, biodiversity and restoration of natural habitats | 3.2 Environment and Resource Management | 042 |

| Paragraph No. | Article | Corresponding chapters and sections | Page No. |
|--------------------------------------|---|--------------------------------------|----------|
| Fair management practices | Anti-corruption | 1.1.2 Ethical Management | 019 |
| | Responsible political involvement | 1.1.2 Ethical Management | 019 |
| | Fair competition | 1.1.2 Ethical Management | 019 |
| | Promoting social responsibility in the sphere of influence | 1.1.2 Ethical Management | 019 |
| | Respect for property rights | 2.1.2 Patented Technology | 025 |
| Consumer issues | Fair marketing, factual and unbiased information and fair contractual practices | 2.1.3 Product Quality | 026 |
| | Protecting consumers' health and safety | 2.1.3 Product Quality | 026 |
| | Sustainable consumption | 2.1.3 Product Quality | 026 |
| | Consumer service, support, and complaint and dispute resolution | 2.1.3 Product Quality | 026 |
| | Consumer data protection and privacy | 1.1.3 Information Security | 020 |
| | Access to essential services | 2.1.3 Product Quality | 026 |
| | Education and awareness | 2.1.3 Product Quality | 026 |
| Social participation and development | Community involvement | 1.1 Corporate Governance | 016 |
| | Education and culture | 5. Social Welfare | 063 |
| | Employment creation and skills development | 4.4 Talent Development and Retention | 054 |
| | Technology development and access | 4.4 Talent Development and Retention | 054 |
| | Wealth and income creation | 2.2 Supply Chain Management | 029 |
| | Health | 4.5 Occupational Health and Safety | 058 |
| | Social investment | 1.2.1 Operating Performance | 021 |

TÜV Independent Assurance Statement – AA1000



AFNOR Verification Statement– ISO 14064-1





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