

Environmental, Social and Governance

ESG



2024 Sustainability Report

Chenming Electronic Technology Corporation

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About this report

We, Chenming Electronic Technology Corporation (UNEEC), began to publish the ESG (environmental, social, and governance) Report annually in 2016 to consolidate our activities, progress, and specific performance in different aspects of corporate social responsibility, including corporate governance, environmental protection and energy conservation, employee relationship, and social engagement. In addition to addressing the 17 Sustainable Development Goals (SDGs) announced by the United Nations (UN), we have also made a general correspondence to them in the relevant sections of this Report and the relevant projects we have implemented. After materiality analysis, 11 material issues are identified, including innovation and R&D, corporate governance, customer relationship management, supplier sustainable management, climate change, green products, energy management, water management, waste management, talents attraction and retention, and social engagement. In terms of the framework of “SDGs correspondence”, “strategy and approach”, and “commitment”, our specific action plans addressing these 11 material issues and achievements are elaborated.

Editorial Principles

This report has been prepared in accordance with the GRI Standards Core option published by the Global Reporting Initiative (GRI), the standards published by the Sustainability Accounting Standards Board (SASB), and the Task Force on Climate-Related Financial Disclosures (TCFD)'s recommendations.

Reporting Scope and Boundaries

The scope of this report covers the Taipei Operational HQ in Taiwan and Dongguan and Ningbo production plants in mainland China of UNEEC. Materials issues that concern stakeholders are disclosed in the relevant sections of this report in accordance with the results of materiality analysis, with contents covering UNEEC's performance in ESG for the period from January 1, 2024 to December 31, 2024.

Operations and R&D Center

Taipei: Chenming Electronic Technology Corporation

Production Plant

Dongguan: Dongguan Chenming Electronic Co., Ltd.

Ningbo: Chenming Electronic (Ningbo) Co., Ltd.

Zhongli: Chenming Electronic Technology Corporation - Zhongli Plant

Publication Time:

UNEEC publishes the sustainability report annually. This is the 7th report the Company has published. To support energy conservation and carbon reduction, and implement paperless operation, the report will be published online on the UNEEC corporate website and available for download from the “CSR” section.

Sustainability reports are published annually

Publication date: June 1, 2025

Feedback

If you have any questions or recommendations for this Report, please feel free to contact us at:

Corporate Website: www.uneec.com

E-mail: service@tw.uneec.com

From Our Chairperson and President

In 2006 we moved into our present HQ building with a global ambition for the future. Apart from headquartering in Taiwan, we have also established two production bases in Dongguan and Ningbo, mainland China to increase our global locations so as to offer worldwide customers with prompt and flexible OEM and ODM production services. We are also a manufacturer of computer barebones familiar to all world-leading brands, and a leader in MIM component manufacturing.

We have established the “Corporate Governance Best Practice Principles”, “Ethical Corporate Management Best Practice Principles”, “Code of Ethical Conduct, and Sustainable Development Best Practice Principles” to protect the rights and interests of shareholders, strengthen Board competence, respect the rights and interests of stakeholders, and enhance information transparency. We also constantly enhancing the transparency of corporate information disclosure, strengthening interaction with stakeholders, running the business with ethics and integrity, and creating an employee-friendly workplace environment. We are also enforce the Corporate Governance Best Practice Principles and undertake our corporate social responsibility (CSR).

In terms of ESG policy implementation, we have established a full time ESG department in all plants to implement governance in accordance with international standards including ISO 45001, ISO 14001, ISO 14064, and ISO 50001. We also hold regular management review meetings to review ESG performance and create an optimal environment for sustainable development for employees, shareholders, and stakeholders through continual improvement.

Chenming Electronic Technology Corporation
Chairperson: Lin Mu-Ho

1 Organizational Profile



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1. Organization Structure
 2. Sustainable Business Development
 3. Enhance Brand Value

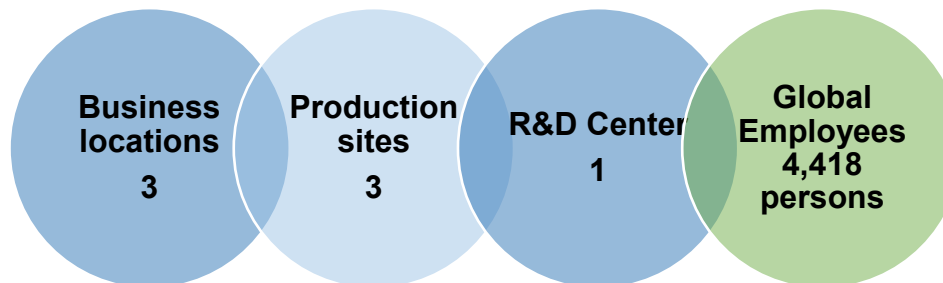


Overview

Founded in: 1997

Net revenue for 2024:

NTD 9,409,586 thousand



UNEEC is a professional global component OEM/ODM service provider. In 2006, the Company was relocated to the UNEEC HQ with a global ambition for the future. Apart from headquartering in Taiwan, we have also established two production sites in Dongguan and Ningbo, mainland China to increase our global locations and provide worldwide customers with prompt and flexible OEM and ODM production services. UNEEC is a well-known manufacturer of computer barebone systems, familiar with major international computer brands, and a leader in the industry. With a global clientèle, the company has integrated its products in recent years and actively focused on the global market. We have established dedicated R&D and manufacturing teams to provide comprehensive solutions for our customers. UNEEC hopes to contribute to the environment and society through the promotion and implementation of corporate sustainability.

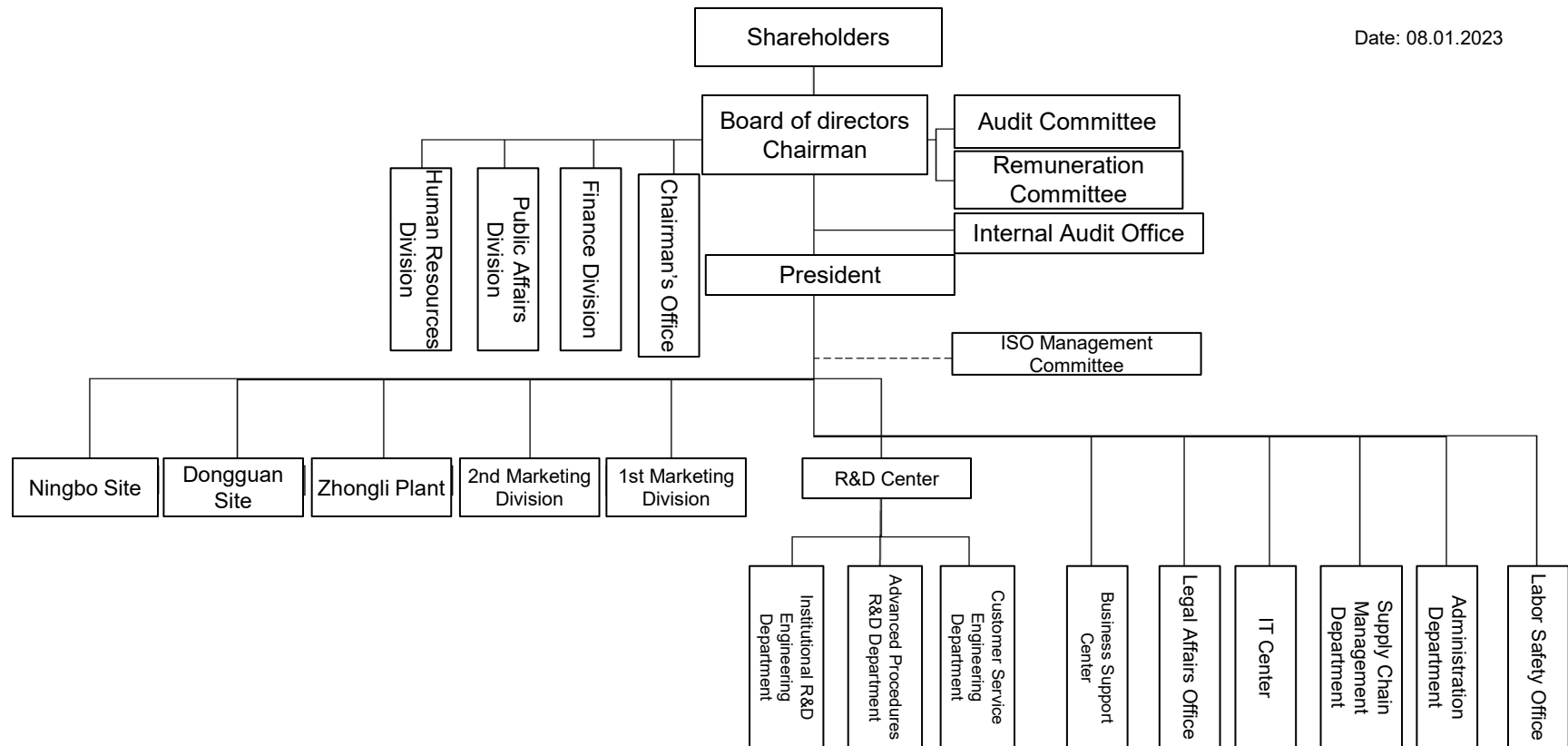
Item	2022	2023	2024	
Return on Assets	3.33%	3.80%	8.42%	
Return on Equity	8.37%	8.07%	16.42%	
Ratio in Paid-in Capital	Operating Margin	6.54%	11.62%	39.14%
	Net Income Before Tax	13.89%	14.91%	44.67%
Profit Margin	3.38%	3.92%	7.76%	
EPS	1.17	1.29	3.63	

Financial Highlights

1. In 2024 the net consolidated revenue was NTD 9,409,586 thousand, net loss was NTD 730,391 thousand.
2. Budget Execution: No external financial forecast was made for 2024.
3. Analysis of receipts, expenditures, and profitability:

1.1 Organization Structure

At Chenming Electronic (UNEEC), the Board of Directors (Board) is the highest governance body. To strengthen corporate governance, we have reserved seats for independent directors on the Board and established functional committees including the Remuneration (Compensation) Committee and Audit Committee under the Board to set performance targets and optimize the pay structure for directors and officers and effectively implement internal control and risk control to address various potential operational risks.



1.2 Sustainable Business Development

UNEEC sees corporate development as a sustainable journey, where mutual commitments are perceived as the direction for the team's efforts. With the collective endeavors of all employees, UNEEC was relocated to the new HQ in 2006, aiming to become a Taiwanese firm with global ambitions. Over the past 30 years, the management team realized a sustainable commitment for customers based on our step-by-step spirit. Based on the corporate spirit of "humanism, science, and technology integration", in the future we will continue to actively cultivate talents, engage in product innovation and R&D, and constantly create unique and differentiated trending products so as to become one of the leaders in the computer, communications, and consumer electronics industries.

Efficient Product Development

With respect to the sustainable development strategy, we divide our products into 3 main categories: "Clone Server", "Power Supplier Unit", and "Heat sink Unit" to fulfill the instant and flexible needs of OEM/ODM customers at home and abroad, develop an all-around service system, and provide customers with complete, integrated processes and solutions to help them effectively reduce R&D and manufacturing costs, save operating costs, and enhance global competitiveness. We value green product design and R&D. Whether it is design, R&D, manufacturing, or service, green products are our ultimate goal to keep up with the times. We provide customers with green and beneficial overall energy conservation solutions.



Clone Server
Computer enclosures/server enclosures, such as 2U Long/ 2UMiddle/ 3ULong/2U-U104/ 2U-U208/3U-300A, etc.



Power Supplier Unit



Heat sink Unit

Manufacturing introduction

Tooling Fabrication

Right at the beginning of design, we start with product design and process development. Based on the customer needs, we discern and capture the original design and spirit of products. Through professional mold flow analysis, we capture the optimal plastic feeding option of products before mold-making to assure the quality excellence of the newly developed product structure and mold structure so as to prevent consequential product design changes and reduce mold modifications to make mold development efficient, simple, and practical, and thereby enhance production efficiency and reduce production costs.

Prototype Center

The leading scale of our Numerical Controlled Sheet Metal factory is well known in the industry. The manufacturing process is characterized by being simple, fast, and periodic to satisfy the customer needs for prototype production. It is particularly good for low volume, high mix, high complexity mechanical design, such as high-end servers and others. Our rapid development and mass production capabilities can not only meet the customer need for customization but also provide technical, flexibility, and real-time integrated services. Stable and mature process design, mold forming, bending forming, and NCT mold development capabilities, and well-equipped sheet metal processing machinery and equipment are the solid support that enables us to get ahead of and lead the market.

Assembly Integration

A manufacturer integrating metal stamping, plastic molding, surface treatment, and assembling services, we provide customers with professional assembly integration services. Whether it is R&D, design, mold making, mass production, finished products, or shipping, we provide integrated services to fulfill customer needs. We manufacture various assembly products, including desktops, laptops, and servers, etc. We are even a leader in cloud datacenter manufacturing and technology.

1.3 Enhancing Brand Value

Our corporate value is consistent with the CSR.



Brand Pursuit

We emphasize innovation and energy conservation, and combine sales development with CSR. Facing global climate change, we set continual product R&D and technology innovation as our commitment to CSR practices. In addition to the call for self-actualization, it also is a commitment for shareholders, customers, and employees. By offering comprehensive products and services, we undertake to build a more eco-friendly and more sustainable future.

CSR Appeal for External Communication

Through two external communication channels, we communicate our positioning and commitment to the global market. On the corporate website and at any events participated in, we share our initiatives proposed for energy conservation and carbon reduction. By sharing our achievements in energy conservation and environmental protection with suppliers, customers, and stakeholders, we enable them to extend CSR influence.

Cohesion of CSR Consensus Through Internal Communication

Through internal meetings and the corporate Weixin official account, we reach a CSR consensus internally and actively share the ESG practices of each plant. Apart from enriching the reading experience of employees, the above methods also enable us to share development achievements with stakeholders! Over the past few years, we have been communicating to employees that CSR is not only a corporate culture but also the DNA of every UNEEC employee. Through various internal communication methods, we hope that each employee can endorse our CSR and practice it in every detail.



Received the 2023 "Happiest Employees Silver Award"



Honorably received the Distinguished Partner Award from FUJITSU



Honorably received the Excellent Award for Business Partner from IBM

2 Sustainable Management



-
1. Key Sustainability Performance
 2. Policy and Implementation
 3. Alignment With Global Sustainable Development

1. Key Sustainability Performance

1.1 Key Performance Indicators (KPIs)

Economical	Environment		Social
<p>Revenue</p> <p>NTD 9.41 billion </p>	<p>GHG (Scope 1&2) ¹ emissions were down year-on-year</p> <p>58.47% </p>	<p>Total rooftop photovoltaic capacity</p> <p>1366 <small>KWP</small> </p>	<p>Total number of employees worldwide</p> <p>4,418 <small>people</small> </p>
<p>Total patents granted</p> <p>21 </p>	<p>Energy-saving renovation projects</p> <p>12 </p>	<p>Energy conservation</p> <p>3,067 <small>MWh</small></p>	<p>Average training hours per person</p> <p>21.04 <small>hours</small> </p>
<p>Percentage of R&D expenses in total revenue</p> <p>1% </p>	<p>Percentage of renewable electricity</p> <p>73% </p>	<p>Subsidiaries with ISO 14001 Environmental Management System certification</p> <p>2 </p>	<p>Satisfaction survey coverage rate</p> <p>100% </p>
<p>Completion of the internal audit</p> <p>1 </p>	<p>Total Waste Amount</p> <p>6,794 <small>tons</small> </p>	<p>Wastewater recycling rate</p> <p>78% </p>	<p>Incidents of human rights abuses and discrimination</p> <p>0 </p>

1.2 Honors and Credits



2024

- Received the Best Quality Award from Shinwa.
- Awarded a silver medal by 1111 Job Bank.
- Ranked 453rd among the Taiwan Top 2000 Manufacturers by CommonWealth Magazine.



2023

- The Company was awarded the “Carbon Disclosure Leadership Award” by Cathay United Bank and CDP.
- Awarded a silver medal by 1111 Job Bank.
- Ranked 478th among the Taiwan Top 2000 Manufacturers by CommonWealth Magazine.

2022

- Ranked 546th among the Taiwan Top 2000 Manufacturers by CommonWealth Magazine.



2021

- Received Best Partner Award from Gigabyte Technology.
- Received Outstanding Partner Award from Wiwynn Corporation.
- Ranked 437th among the Taiwan Top 2000 Manufacturers by CommonWealth Magazine.



2020

- Received G20 Best Partner Award from Gigabyte Technology.
- Received a special supply guarantee certificate from Huawei.
- Ranked 447th among the Taiwan Top 2000 Manufacturers by CommonWealth Magazine.



2019

- Received the Quality Contribution Award from FUJITSU.
- Received the Outstanding Quality Award from Huawei.
- Ranked 457th among the Taiwan Top 2000 Manufacturers by CommonWealth Magazine.

2. Policy and Implementation

UNEEC's Sustainable Business Philosophy

We fulfill the expectations of stakeholders in terms of products and services, corporate governance, and sustainable development. Combined with the corporate philosophy of “corporate development as part of a sustainable journey and mutual commitments to the direction for teamwork”, we practice sustainable development in terms of human rights, environmental protection, ethics, charity, employee health, and safety.

The top management and all employees of UNEEC hereby undertake to follow and implement the sustainable development policy below. We have established the Sustainable Development Best Practice Principles and formed a cross-department sustainable development working team chaired by the group president. The four teams under the working team are: Labor and Human Rights, Health and Safety, Environmental Protection, and Professional Ethics. In human rights, environmental protection, ethics, charity, and employee health and safety, these teams perform a CSR audit and report the audit results on each department monthly. Additionally, every year these teams gather strategies, management approaches, and implementation plans relating to sustainable development and report them to the Board.

Sustainable Development

Sustainable development refers to assuming responsibilities for the interests of workers, consumers, the environment, and local communities of stakeholders in addition to creating profit to show responsibility for shareholders. To protect the legal rights and interests of workers is the core. This extensively includes, but is not limited to, non-discrimination, no child labor, no forced labor, and a safe and hygienic workplace environment and system.

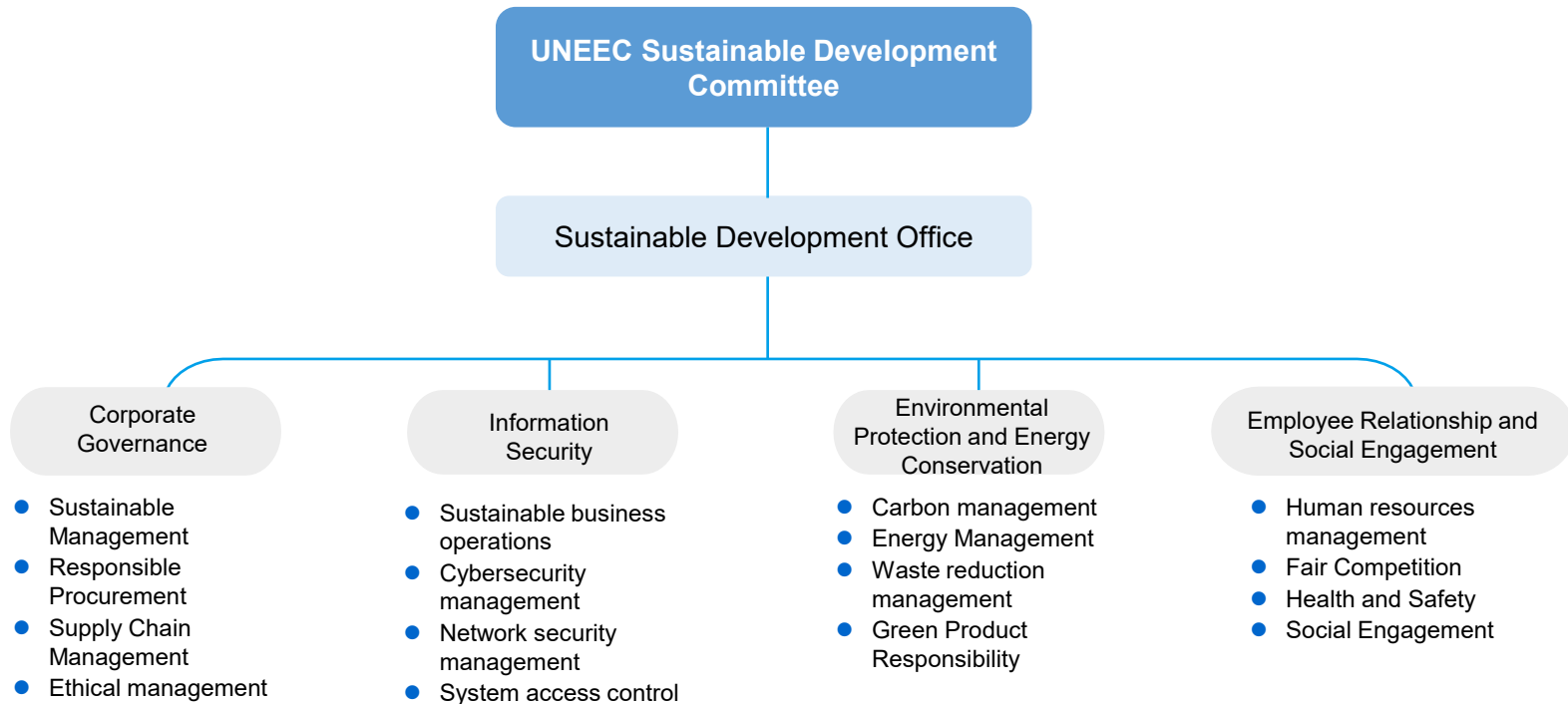
- ◆ Ensure Safety and Health: Provide safe and hygienic working and living conditions.
- ◆ Legal Wage and Benefits: Provide legal wage and benefits to meet the basic needs of employees.
- ◆ Strengthen corporate governance to improve the rights and increase the interests of shareholders.
- ◆ Respect intellectual property rights and uphold integrity and fair trade.
- ◆ Practice energy conservation and carbon reduction to reduce the impacts on the environmental load.

Sustainable Development Committee

As the top governance body for sustainable management, the Sustainable Development Committee is chaired by Chairperson Lin Mu-Ho, with members including directors who are also the vice chairperson, CEO, and COO of the Company; regional operation officers, and functional officers. Through periodic meetings, the annual ESG strategy and planning are made, the direction of operation of all functional committees is reviewed, their performance is supervised, and the results are reported to the Board.

CSR Committee

Under the CSR Committee staffing organizations and implementation units are established. The Corporate Sustainable Development Office is the secretariat taking charge of analyzing the international trends of sustainable development and the potential impacts on operations caused by climate change for adaptation and mitigation. It also discerns the needs of stakeholders and proposes the risks and opportunities in related issues. Then, it plans applied strategies and implementation plans with other functional committees, compiles the CSR report every year, and submits the report to the CSR Committee for publication.



3. Alignment With Global Sustainable Development

Respond to Global Sustainable Development Actions

We reference outstanding international cases and successful client practices to identify our own value chain activities, support the SDGs (United Nations Sustainable Development Goals), and continue to explore the contributions of our production and business activities throughout the value chain to the SDGs, as well as relevant action paths and directions.

Through discussion and resolution, the CSR Committee focused on 13 SDGs as the directions for our future development.

Focus on 13 SDGs

Corporate Governance



Environmental Protection



Social Inclusion



3

Dialogue With Stakeholders



1. Stakeholder Engagement
2. Materiality Analysis





3.1 Stakeholder Engagement

We value the interaction with stakeholders and clearly understand that only opening communication channels frankly can receive feedback and opinions from stakeholders for us to better address the expectations of the public and demonstrate our social influence on the road to sustainable development.

Based on the AA1000 Stakeholder Engagement Standards (SES) and taking consideration into the development trends of sustainability issues at home and abroad and our operational needs, the CSR Committee defined six major stakeholder groups: government and oversight institutions, employees, customers, suppliers, investors and shareholders, and communities.

We extend the environmental management policy and CSR Best Practice Principles to stakeholder management, as well as other important business partners.

Stakeholders	Concerned Issue	Response Methods
 Government and oversight institutions	<ul style="list-style-type: none"> ◆ Compliant business practices ◆ Product safety and quality ◆ Product innovation, leading the healthy development of the industry 	<ul style="list-style-type: none"> ◆ Ethical management and tax compliance ◆ Optimize product quality management system ◆ Continuous product innovation
 Shareholders and investors	<ul style="list-style-type: none"> ◆ Steady financial performance ◆ Sustainable value investment ◆ Compliant business practices and regulated governance ◆ Public and transparent company information 	<ul style="list-style-type: none"> ◆ Steady financial performance and sustainable value investment ◆ Compliant business practices and regulated governance ◆ Public and transparent company information ◆ Investor contact - Chuang Chia-Ying Email: invest@tw.uneec.com

Stakeholders

Concerned Issue

Response Methods



Customers

- ◆ Product safety, reliability, and diversity
- ◆ Protection of customer rights and privacy
- ◆ Responsible marketing

- ◆ Regularly perform business reviews with customers, customer satisfaction surveys, customer audits, and respond to customer questionnaires. Forge long-term, close, and trusting partnerships with customers, as well as meet customer requirements and audits related to environmental, product, and social responsibilities while collaborating with them to implement prevention and ongoing improvement measures.
- ◆ Sales contact Wu Ruei-Chuan Email: sales@tw.uneec.com



Employees

- ◆ Protect the rights, health, and safety of employees
- ◆ Value career development and training
- ◆ Care about employees' lives

- ◆ Provide diverse channels for employees to express their opinions and suggestions, maintain harmonious labor relations, and achieve communication and feedback through the following channels and methods: quarterly Welfare Committee meetings, reviewing and executing Welfare Committee activities, satisfaction surveys for new employees, orientation training, discussion sessions, annual free health check-ups and consultations for employees, performance reviews, etc.
- ◆ Employee contact - Lai Hsin-Lun Email: hr_tpe@tw.uneec.com



Suppliers and partners

- ◆ Just and fair cooperation
- ◆ Ethical and mutually beneficial supply relationships
- ◆ Foster joint developments in the industry

- ◆ Communicate and respond through the following channels and methods: annual supplier mentoring and evaluation programs, green product commitment statements, requiring the signing of the Conflict-free Minerals Commitment Statement, supplier awareness seminars, and green supply chain symposiums.
- ◆ Supply chain contact: Liao Shuh-Hsiang Email: vender@tw.uneec.com



General public and communities

- ◆ Assist disadvantaged groups
- ◆ Engage in public welfare
- ◆ Create employment opportunities

- ◆ Launch various public welfare activities
- ◆ Support the hiring of disadvantaged employees
- ◆ Community Contact: Lai Hsin-Lun Email: hr_tpe@tw.uneec.com

3.2. Materiality Analysis

6 Major Stakeholder Groups, 18 Sustainability Issues

Changes bring impacts. Hence, we consider the sustainable challenges and opportunities that can be practiced from the nature of operations. Every year we conduct the materiality analysis to validate and adjust sustainable issues through three major steps of identification, analysis, and validation, in terms of the reporting principles of inclusiveness, materiality, and completeness as stated in the GRI Standards. With such, we draw up the long-term sustainability goals, periodically review their implementation and effectiveness, and voluntarily disclose the effectiveness of implementation to the general public.

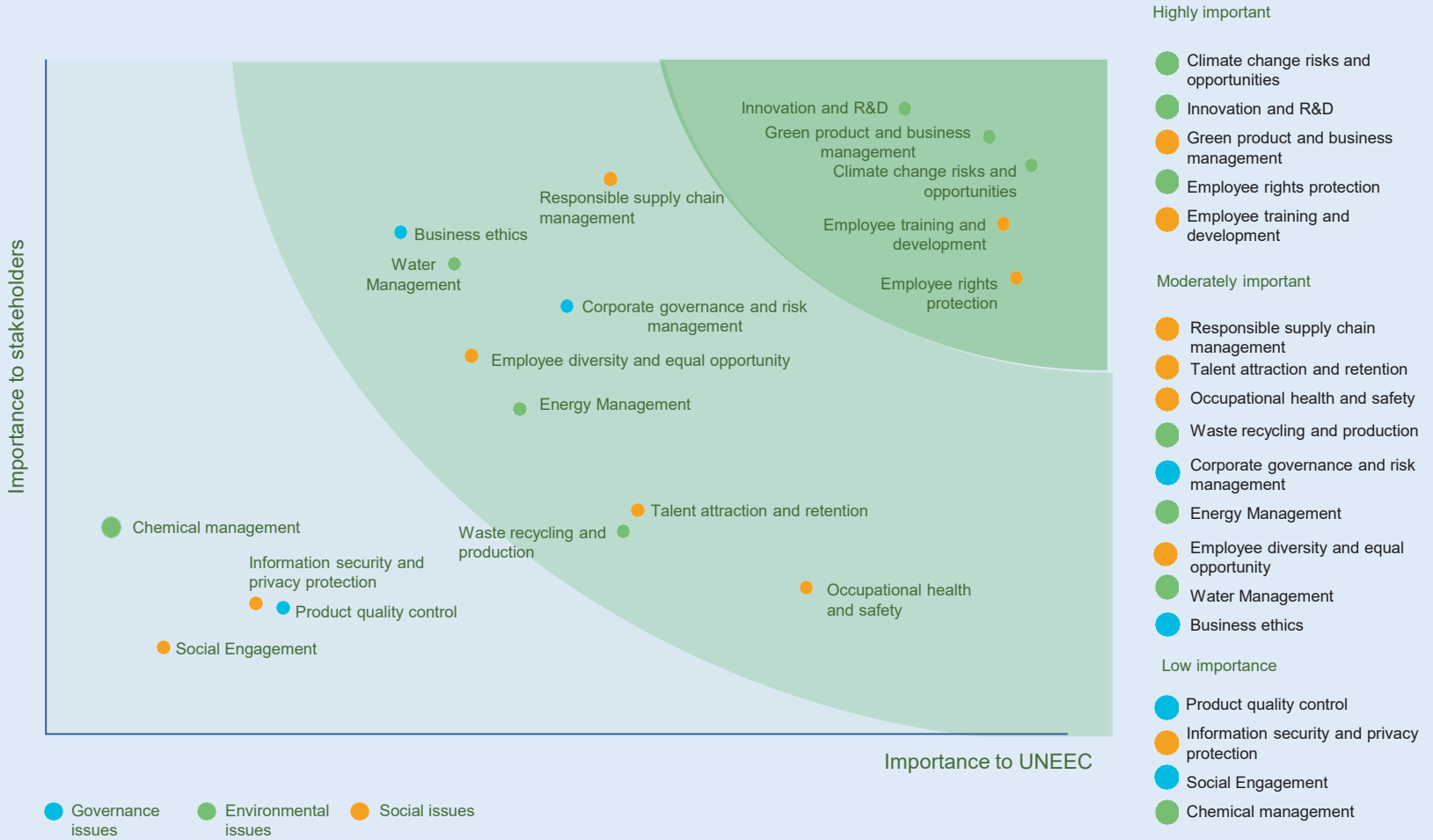


In the identification of sustainability issues, we set out from the factors that may affect sustainable business operations, including economic, environmental, and social risks and opportunities outside the organization. With respect to international sustainability standards and regulations (GRI Standards, ISO 26000 Guidance on Social Responsibility, RBA-CoC, and UN SDGs), sustainability ratings (Dow Jones Sustainability Index, DJS; Carbon Disclosure Project, CDP; and MSCI ESG Indexes), stakeholder expectations and engagement, internal operational targets, and previously disclosed sustainability information, we consolidate and integrate sustainability issues. Lastly, we concluded 18 UNEEC sustainability issues.

Based on the 18 sustainability issues identified in Stage 1, we prioritized these issues based on two principles: “level of concern” and “level of impact”, to determine the materiality of issues. In the “level of concern”, we surveyed the six groups of stakeholders with a questionnaire distributed by post to understand the content that stakeholders wanted to know most. In the “level of impact”, we assessed the level of impact of each issue on operation-related matters, such as revenue growth, environmental sustainability, customer satisfaction, and best employer. Members of the sustainability team completed the survey on the impact of each sustainability issue on our operations.

In addition to identifying the value chain impact of each of the selected material sustainability issues, we also disclosed the material topics related to our operations in accordance with the GRI Standards. While gathering internal information, data, and management approaches, we also followed their reporting requirements. Additionally, we clearly understand the implications, strategies, management approaches, and long-term goals of the materiality of each material sustainability issue. We follow up on the accomplishment rate of the annual targets and effectiveness of implementation for the reference of making dynamic adjustment of the corporate sustainability management. We also disclose the effectiveness of implementation of other potential sustainability issues in the CSR Report of each year.

2024 Sustainability Report Materiality Matrix



4 Corporate Governance



1. Key Performance
2. Improving Board Competence
3. Accumulating Innovation Energy
4. Customer Relationship Management
5. Supplier Sustainable Management
6. Risk Management
7. Comprehensive Information Disclosure and Shareholder Communication
8. Tax Management



4.1 Key Performance

2024 Group revenue

NTD 9.41 billion

Proportion of Innovation and R&D Investments in the Total Revenue

1%

Number of Announced Patents

21

Customer satisfaction score

96 points



4.2 Improving Board Competence

UNEEC's Management Team

Lin Mu-Ho	Charles Lo	Wu Ruei-Chuan	Chang Chin-Hsing	Chueh Chung-Hui	Hsiao Kuang-Chih	Chang Chu-Chih	Huang Shih-Chieh	Chuang Chia-Ying	Fan Shu-Hui
Education Attainment - MBA, Pacific Western University, USA	Education Attainment - Department of Banking and Finance, Tamkang University	Education Attainment - EMBA, National Taipei University	Education Attainment - EMBA, Sun Yat-sen University	Education Attainment - PhD, Tatung University	Education Attainment - St. John's University	Education Attainment - Hungkuo Delin University of Technology	Education Attainment - Management College, National Defense University	Education Attainment - Department of Accountancy, National Cheng Kung University	Education Attainment - Department of Political Science, National Taiwan University
Experience - Chairperson	Experience - President	Experience - UNEEC Vice President/ IBM administrative specialist	Experience - UNEEC Vice President/Tiger Power sales specialist	Experience - Vice President	Experience - UNEEC Vice President/ He Shan Jian Hao Lighting Business Division manager	Experience - UNEEC Vice President/ Getac QA senior manager	Experience - UNEEC corporate governance supervisor/ The company's Financial Department assistant manager	Experience - Senior Manager, D-Link Corporation	Experience - Special Assistant, Comvion Enterprises Ltd.

Internal Audit

UNEEC's internal audit unit is an independent unit directly under the Board of Directors. In addition to presenting reports to the routine Board meetings, the internal audit unit should report to the Chairperson or the Audit Committee monthly or as necessary.

The internal audit regulations stipulate the SOPs for the internal audit and review of the internal controls and the need to report if the design and practices of the relevant controls are appropriate, their effect, and efficiency. The scope of internal audit covers all operations within the Company and subsidiaries.

Internal audits are implemented according to the internal audit program passed by the Board. The internal audit program is established according to the identified risks. Targeted audits or reviews may be conducted as necessary.

The internal audit unit also reviews the self-inspection conducted by each unit. The scope review covers if the self-inspection is implemented and reviewed to ensure implementation quality. After integrating the results of self-inspections, the internal unit reports them to the chairperson and the Board.

We have appointed dedicated internal auditors within the internal audit unit and established the "Regulations for the Appointment, Dismissal, Evaluation, and Compensation of Internal Auditors". The appointment and dismissal of the internal audit supervisor must be approved by the Audit Committee and reported to the Board of Directors for approval. The appointment, evaluation, and compensation of internal auditors are signed by the audit supervisor and submitted to the Chairperson of the Board for approval. The relevant regulations and procedures are disclosed in the company's internal management rules.

Policy for Communication Between CPAs and Chief Internal Auditor and Independent Directors and Audit Committee

Independent directors and the chief internal auditor discuss at least once a year with CPAs. CPAs should report and explain to independent directors and the Audit Committee the financial status, gains and losses, overall operations, and internal control of the Company. CPAs should also communicate with them if the accounts are affected by any legal amendments. The chief internal auditor communicates with independent directors and the Audit Committee at least once a quarter to report the performance of internal audits and internal control. The chief internal auditor may convene an extraordinary meeting when there is a significant anomaly.

Board of Directors

Board Members	Education Attainment	Experience
Chairperson Lin Mu-Ho	MBA, Pacific Western University, USA	UNEEC Chairperson
Lin Feng-Ran Vice Chairperson	Department of Electronic Engineering, YunTech	UNEEC Vice Chairperson
Charles Lo Director	Department of Banking and Finance, Tamkang University	UNEEC President
Chen Hsiao-Chun Director	Master of Arts in Arts Administration and Management, Department of Fine Arts, National Taiwan Normal University	Xi Zhi Tang Gallery President, CCFA's 15th President
Chou Liang-Cheng Independent Director	Department of Law, Fu Jen Catholic University	Jia Hua Law Firm Attorney
Chen Hong-Cheng Independent Director	International Business Vocational School, Accounting and Statistics Department	De Jang Certified Public Bookkeeper Director, Taiwan CPB Quality Assurance Association Executive Director
Chen Chien-Chun Independent Director	Department of Finance, Southern Taiwan University of Science and Technology	Chung Cheng C.P.A. Accountant

Status of Board Diversity:

- In accordance with Article 20, Paragraph 2, of the Corporate Governance Best Practice Principles, all members of the Board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities:
 - Ability to make operational judgments;
 - Ability to perform accounting and financial analysis.
 - Ability to conduct operational management.
 - Ability to manage crises.
 - Industry Knowledge
 - International Market Perspective
 - Ability to lead.
 - Ability to make policy decisions.

- To strengthen corporate governance and promote the robust development of Board composition and structure, the operational structure, direction of business development, future trends, and other needs of the Company should be considered in Board composition. After evaluating various aspects, the current Board is composed of 7 directors, including directors Charles Lo, Chen Hong-Cheng, Chen Chien-Chun, and Chen Hsiao-Chun, specializing in industry knowledge, accounting, and finance; Chairperson Lin Mu-Ho and Director Lin Feng-Ran specializing in operational management, leadership, and decision-making; and Director Chou Liang-Cheng specializing in international market perspective and law. They are able to provide professional recommendations from different perspectives.

- Among all directors, 29% are also employees of the Company and 43% are independent directors. In terms of gender equality, 29% are female. The seniority of all 3 independent directors is under 6 years, 4 directors have more than 6 years of seniority; 1 director is aged over 70 years, 2 directors are aged 60-70 years, 3 directors are aged 50-59 years, and 1 director is aged under 50 years.

- The Company has met its management targets of having at least one-third of independent directors on board and having less than one-third of directors concurrently serving as managers. The Company also has plans to increase the number of independent director seats to more than half of the board. In terms of gender equality, the Company plans to have female directors accounting for more than 40% of board members in the future.

Board Members

Core Item	Gender	Part time as the Company's employees	Age				Industry knowledge	Finance and Accounting	Operational Management	Leadership and Decision-Making	International Market Perspective	Law
			> 70 Years	60-70 Years	50-59 Years	< 50 Years						
Name of Directors												
Lin Mu-Ho	Male		V				V		V	V	V	
Lin Feng-Ran	Male	V			V		V		V		V	
Chen Hsiao-Chun	Female			V			V		V		V	
Charles Lo	Male	V			V		V	V	V	V	V	
Chou Liang-Cheng	Female				V		V		V		V	V
Chen Hong-Chang	Male			V			V	V	V		V	
Chen Chien-Chun	Male					V	V	V	V		V	

Audit Committee

The company established an Audit Committee on June 12, 2020, which consists entirely of independent directors. Furthermore, at least one of them must possess accounting or finance-related specialized skills. The purpose of the Audit Committee is to assist the Board in overseeing the company's quality and ethics

In terms of accounting, auditing, financial reporting procedures, and financial control. The duties and key functions of the Audit Committee are:

1. Establish or revise the internal control system according to Article 14-1 of the Securities and Exchange Act.
2. Assess the effectiveness of the internal control system.
3. Formulate or revise procedures for major financial and operational activities such as the acquisition or disposal of assets, engaging in derivative transactions, lending funds to others, and providing endorsements or guarantees for others according to Article 36-1 of the Securities and Exchange Act.
4. Affairs involving the personal interests of directors.
5. Material asset or derivatives transactions.
6. Material monetary loans, endorsements, or provisions of guarantee.
7. The offering, issuance, or private placement of any equity-type securities.
8. The hiring or dismissal of an attesting certified public accountant, or the compensation given.
9. The appointment or removal of a financial, accounting, or internal auditing executive.
10. Annual financial reports signed or stamped by the Chairperson, managers, and accounting executives, as well as the Q2 financial reports requiring audit certification by accountants.
11. Other matters so determined by the company or required by any competent authority overseeing the company.

Remuneration Committee

Duties of the Remuneration Committee

The purpose of the Remuneration Committee is to help the Board execute and evaluate the company's overall remuneration and welfare policy, as well as the management's remuneration. Directors' remuneration and employee bonuses are determined based on the operating performance of the fiscal year and allocated according to the company's organizational charter and distributed according to the regulations set by the Board.

According to the articles of organization, the Remuneration Committee holds at least two regular meetings annually. For details on the convening of these meetings and the attendance rate of each member, please refer to the following:

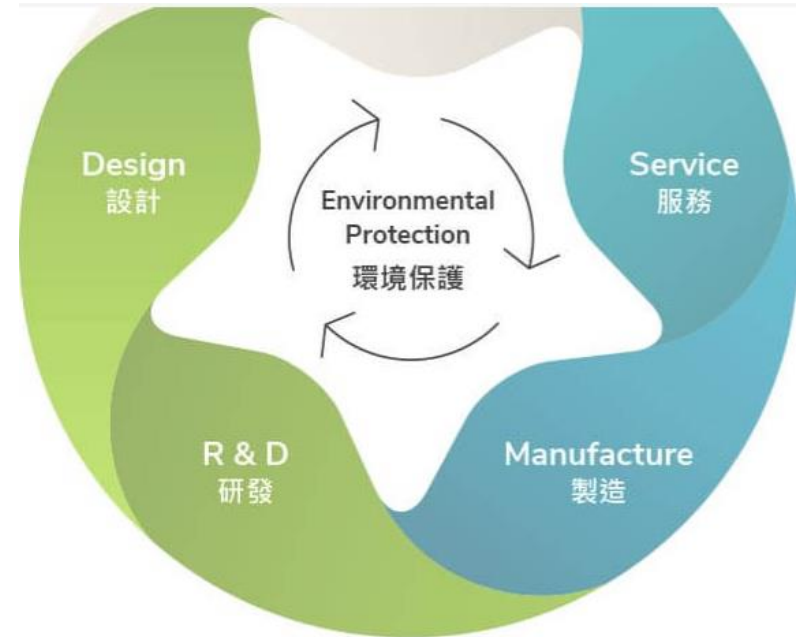
Remuneration Committee members

Members	Education Attainment	Experience
Chen Hong-Cheng Independent Director	International Business Vocational School, Accounting and Statistics Department	De Jang Certified Public Bookkeeper Director
Chou Liang-Cheng Independent Director	Department of Law, Fu Jen Catholic University	Jia Hua Law Firm Attorney
Chen Chien-Chun Independent Director	Department of Finance, Southern Taiwan University of Science and Technology	Chung Cheng C.P.A. Accountant

4.3 Accumulating Innovation Energy

Value Eco-friendly Product Designs and R&D

We value green product design and R&D. Whether it is design, R&D, manufacturing, or service, green products are our ultimate goal to keep up with the times. Our design team plans and manages all production matters, from product conceptualization, industrial and mechanism design, prototype manufacturing, to new product introduction. With perfect system integration capability, our team makes real-time quick responses to customer demands. In response to different market segmentations, we also provide project planning service to meet with the marketing strategy and demand of customers.



Patent Applications and Rewards for Patent Awards

Innovation is the motor of development, hence we actively engage in innovation to accumulate innovation energy. Whether it is highly strategic planning, organization positioning, or annual target setting, innovation is always there so as to develop the innovation power exclusive to UNEEC.

We also encourage employees to engage in R&D and actively apply for patents to the competent authorities of the ROC or WTO member states; establish IP patent reward regulations; and assist all business units to consolidate the IP risk map. By 2024, we were awarded 21 patents.

We participate in industry and technology forums and conferences from time to time to keep up with the latest technology and connect with the world and actively discover our gap with the world-leading technology so as to speed up innovation with our most efforts.

- ✓ Completed the development of 1U and 2U Nvidia MGX AI Server and 2U Edge AI chassis designs.
- ✓ Completed the development of small tower and mid-tower Gaming PC products which were showcased at Computex 2024.
- ✓ Development of standardized immersion cooling equipment.
- ✓ Completed the development of 30KW liquid cooling cabinet/energy-saving cabinet which was showcased at Computex 2024.
- ✓ Development of heat transfer, heat dissipation test verification and heat dissipation countermeasures.
- ✓ R&D and intellectual property
- ✓ Energy-saving and carbon-reducing product design

4.4 Customer Relationship Management

Strategy and Approach

Improve product functions, optimize services, and earn customer recognition based on customer satisfaction analysis.

Commitment

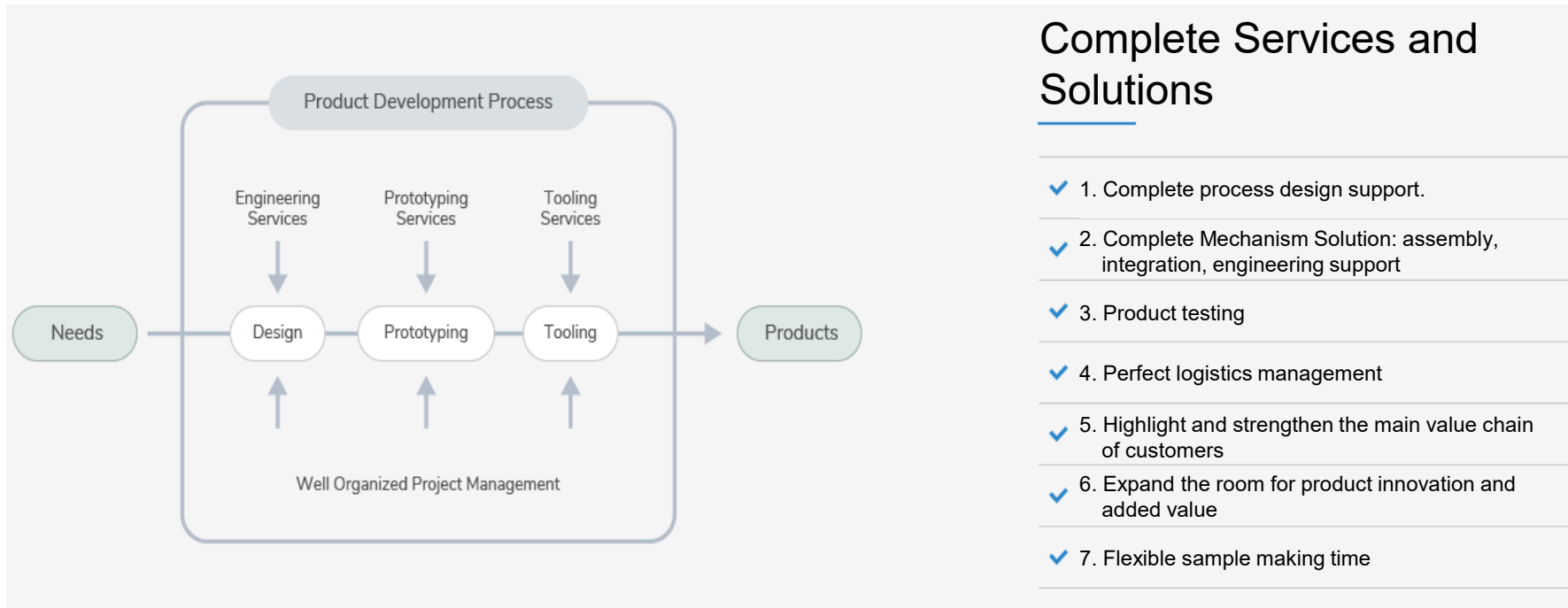
We value green product design and R&D. Whether it is design, R&D, manufacturing, or service, green products are our ultimate goal to keep up with the times. Our design team plans and manages all production matters, from product conceptualization, industrial and mechanism design, prototype manufacturing, to new product introduction. With perfect system integration capability, our team makes real-time quick responses to customer demands. In response to different market segmentations, we also provide project planning service to meet with the marketing strategy and demand of customers.

Project Services

Active global deployment and logistics building with professional OEM/ODM services.

UNEEC relies on a comprehensive R&D innovation center and manufacturing sites in Taiwan and China to provide fast and versatile services to customers worldwide. UNEEC is equipped with a comprehensive, robust R&D technical team that has accumulated a wealth of experience. The team consistently completes the tasks assigned by customers thanks to the strong partnership and trust it has established with them. Based on this foundation, we have repeatedly created market-leading, innovative, and differentiated products, thereby generating win-win opportunities for both parties.

Allowing our customers to focus on future market plans and deployment.



Customer Satisfaction Survey

Understand customer needs and problems, observe the operating environments and habits of users, constantly search for the possibility of improvement, and propose the most appropriate solutions. Through focus group and individual interviews, we analyze customer needs and expectations in depth for the reference of technology R&D, system design, and solution improvement. We accept customer and supply comments with a humble heart and make continual improvements as advised by customers. Improve product designs to keep closer to customer needs and thereby establish a win-win partnership to surpass customer expectations for us.

The average score of the overall satisfaction in the 2024 customer satisfaction survey was 96, suggesting that customers are highly satisfied with our products and services.

4.5 Supplier Sustainability Management

Upholding the role of corporate citizens in CSR, we seek sustainable development for both the business and environment and constantly implement the CSR management system in supply chain management (SCM). Most of the 424 suppliers who had business with us in 2024 were manufacturers and authorized dealers from Taiwan, mainland China, the USA, Europe, and Japan.

Supplier Selection and Evaluation

In supplier selection, in addition to considering the technical capability, quality, delivery time, price competitiveness, and product and customer requirements, we also ensure if they are legally registered, their reputation, facility capacity, and CSR performance. In terms of supplier management, therefore, we conduct standardized evaluation of suppliers according to the internal supplier management procedures to ensure that their quality system, environmental safety requirements, and green product requirements comply with the standards of the CSR management system.

Supplier Green Product Management

To reduce the environmental and ecological impacts of products, fulfill the corporate responsibility for environmental maintenance, comply with customer requirements for compliance with international green product standards, and enhance green product competitiveness. Based on the internal green procurement SOPs, suppliers are requested to comply with the EU's hazardous substance control codes, such as REACH and RoHS, and to sign the environmental protection declaration to ensure continual fulfillment of their commitments.

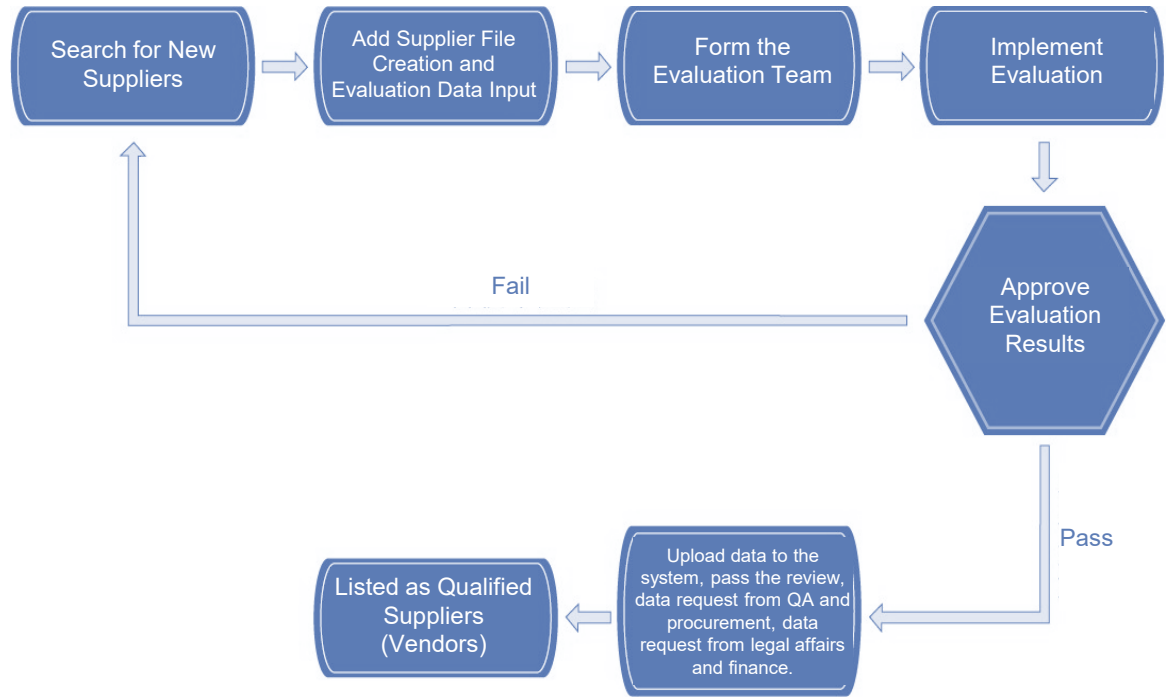
In 2024, another 49 suppliers either signed or declared the green product commitment.

The major contents of supplier evaluation are as follows: quality management, hazardous substance management, environmental protection and occupational health and safety, environmental protection declaration (green procurement), conflict-free mineral commitment, CSR commitment, energy conservation and emission reduction, and so on. The contents of corresponding standards and international conventions are as follows:

To ensure information integrity and verity, supplier evaluation is implemented mainly at the beginning of supplier screening. Through the concerted effort of the QA, engineering, and procurement departments, on-site evaluation is performed to ensure data verity. Only suppliers passing the evaluation will become the qualified suppliers (vendors) for transactions. In addition to the initial evaluation, the QA and procurement departments draw up the annual evaluation plan for major procurement items and conduct on-site evaluation as necessary to ensure the continued compliance with various quality requirements and the CSR commitment of suppliers. Through the above supplier evaluation process, we actively request suppliers to abide by the laws and regulations of their locations and perform CSR right at the beginning of business operations so as to contribute to social welfare maintenance and environmental and ecological sustainable development.

Evaluation Item	Basis and Content
Quality Management	Compliance with ISO 9001 and IATF 16949 quality management systems.
Hazardous Substance Management	Compliance with international hazardous substance control regulations, such as EU RoHS and REACH, to prevent suppliers from using restricted hazardous substances and compounds.
Environmental Protection and Occupational Health and Safety	Validation for compliance with and abidance with ISO 14001 EMS and ISO 45001 OH&SMS.
Environmental Protection Declaration	Compliance with EU's RoHS and UNEEC's latest green procurement standards in the design and manufacturing of raw materials and parts provided by suppliers.
Conflict-free Minerals Commitment	No use of gold (Au), tantalum (Ta), tungsten (W), and tin (Sn) from the Democratic Republic of Congo and the neighboring conflict areas in materials provided by suppliers and compliance with the conflict-free sourcing (CFS) plans and protocols of the US Dodd-Frank Act, GeSI, and RBA.
CSR Commitment	Compliance with RBA-CoC, ISO 14001 EMS, ISO 45001 OH&SMS, and local laws and regulations; respect for labor human rights and provision of a healthy and safe work environment for workers; undertaking environmental responsibility; compliance with the highest ethical standard and anti-corruption laws and regulations.
Energy Conservation and Emissions Reduction	Compliance with ISO 14001 EMS and active engagement in energy conservation and emissions reduction management.

To exactly perform our environmental protection and social responsibilities, we have been manufacturing green products through collaboration with suppliers. While implementing well self-management, we also actively promote the systematic management of green products within the supply chain and encourage suppliers to sign the environmental protection commitment and improve their green product management capability. We screen new suppliers stringently, believing that only a healthy supply chain can provide materials and products for sustainable operations.



In addition to quality, price competitiveness, and local availability, new suppliers are selected according to the following:

- Valid business licenses issued by the local industry and commerce authorities and the corresponding scope of services.
- A good reputation and healthy financial management system.
- Obtained valid ISO9001 Quality Management System certification and ISO140001 & 450001 system certifications.
- Stationary production venues and complete equipment/facilities.

Supply Chain CSR Management

UNEEC began to include CSR in new supplier selection and management in 2015 and request all suppliers to sign the UNEEC Supplier CSR Commitment and make corrections for all non-conformities. In 2017, we started effectively carried out supply chain CSR management, made continual improvement of the supplier CSR management standard, and supervised suppliers to constantly abide by the relevant laws and regulations and our supplier CSR management requirements.

Supplier Code of Conduct

UNEEC is committed to implementing ethical business behavior and active CSR. By implementing RBA-CoC, we propose CSR requirements for suppliers in terms of ethics, legal compliance, respect for human rights, employment, health and safety, environmental protection, and business ethics. We request every supplier, particularly long-term, focus suppliers, to comply with RBA-CoC and the relevant laws and regulations of the place where it operates.

Stringent and Impartial Supplier Evaluation

We insist on implementing a stringent and impartial supplier evaluation system and risk assessment system. Through the acceptance review and annual review, we urge suppliers to make continual improvement of the SCM standard in order to enhance the CSR standard of the supply chain. Based on the supplier risk assessment criteria, every year we assess the risk of existing suppliers in terms of factory location, factory scale, capital nature, principal production activities, sales volume, and CSR certification to determine the risk level of suppliers.

In 2024, 367 non-conformities were identified. Corrective actions were implemented for each non-conformity within the required timeframe, and the effectiveness of these actions was verified before closure.

In 2024, no child labor was found in the Company and supplier audits.

Supplier Audit

With respect to RBA-CoC and IEC Q080000, we establish the supplier code of ethics that covers the following five aspects: hazardous substance management, labor, health and safety, environment, business ethics, and management systems. Every year we assess the annual risky suppliers through the risk assessment criteria and implement the supplier CSR audit program.

Plant	Number of deficiencies	Labor	Environment	Health and Safety	Business ethics	Management Systems	Closure rate
UNEEC Dongguan	27	8	5	8	4	2	100%
UNEEC Ningbo	16	0	0	0	0	16	100%
Total	43	8	5	8	4	18	100%



In 2024, we conducted on-site evaluations for 59 suppliers. Suppliers found to be non-compliant or identified with deficiencies were required to make improvements within a specified period or face disqualification to ensure all requirements are met effectively.

In the 2024 ESG audit results, the main deficiencies were in the areas of human rights and safety, health, and environmental protection. These issues were addressed through communication and follow-up actions.

Supplier Conflict Mineral Management

Since the 1990s, the Democratic Republic of Congo and its neighboring countries and areas have been financing local armed conflicts with mining activities, leading to the long-lasting instability and severe human rights and environmental problems in the local region. In 2012 the U.S. Securities and Exchange Commission requested securities issuers engaging in tantalum, tin, tungsten, and gold industries to disclose the sources of these four minerals used in the production process. These four conflict minerals are extensively used in the ICT product manufacturing industries.

As an electronics manufacturer, it is inevitable for us to get involved with the conflict mineral issue during product manufacturing. Hence, we proactively publicize the no use of minerals from the conflict areas or high-risk areas. We also hope to promote a conflict-free mineral supply chain with our leadership in the supply chain. Through the continual improvement of the conflict mineral system, we request all suppliers to sign the Conflict-Free Minerals Commitment to ensure no procurement and use of metal minerals from the conflict areas or high-risk regions.

In 2024 another 50 suppliers signed the Commitment or made own declarations on no use of conflict minerals. They also agreed to cooperate with customers to investigate the status of conflict mineral use of downstream suppliers with the Conflict Mineral Reporting Template (CMRT). We hereby declare and undertake to strictly follow the relevant regulations of international organizations and businesses to neither accept nor use conflict minerals from the Democratic Republic of Congo and its neighboring countries and areas. Additionally, we also requested our suppliers to assume their CSR to trace the sources and relevant information of "conflict minerals" that may be contained in all products, including gold (Au), tantalum (Ta), tin (Sn), and tungsten (W).

Supplier Social and Environmental Responsibility Management

We request suppliers to comply with RBA-CoC, ISO 14001 EMS, ISO 45001 OH&SMS, and local laws and regulations; respect labor human rights and provide them with a healthy and safe work environment; undertake environmental responsibility; and comply with the highest ethical standard and anti-corruption laws and regulations. Through the on-site inspection and commitment execution, we ensure that suppliers understand the contents of social responsibility and make continual improvement.



4.6 Risk Management

The Board articles of organization also stipulate that while exercising their powers, committees should not lead directors and officers to engage in behavior exceeding the company's risk appetite for the pursuit of pay and remuneration. Except for Audit Committee members under the Board who engage in actions beyond the company's risk appetite in pursuit of pay and remuneration. In addition to the Audit Committee established under the Board to supervise the Company's existing or potential risk control, an independent internal audit unit has also been established to supervise internal control and the completion of the annual audit program, report the results to the Board, and follow up on the improvement. Additionally, to communicate the internal control concept across the organization, we develop supervisors with audit knowledge and capabilities through the internal audit rotation system.

In risk identification and management, all functional units implement detailed risk identification by the division of specialty on principle and draw up management strategies and response plans to lower, transfer, or avoid risks so as to effectively lower the Company's operational risk. When an emergency or major event breaks out, we will activate the crisis handling mechanism, with the CEO being the commander of the crisis handling team to convene the legal affairs, financial, sales, HR, and business intelligence departments to an emergency handling meeting in the form of a task force. The team also assess the affected areas and draws up and publishes communication messages to ensure information transparency and timeliness.

④ Management of Financial Risks

Implement stringent controls and compliant tax planning, credit risk management, and financial crisis prediction models to reduce risks. Conduct periodic assessments of market liquidity and bank interest rates to prudently determine financing methods, and adopt hedging measures to manage exchange rate fluctuations.

④ Management of Environmental Protection Risks

Prioritization of internal and external environmental impacts and corrective actions in consideration of legal requirements and management status, and setting and periodical review and assessment of targets, indicators, management plans.

④ Management of Business Investment Risks

Assessment of medium- and long-term benefits of investments, actively search for strategic targets in collaboration with BUs, and handle non-core investment items in a timely manner. Assessment, review, supervision, and management of re-investments to strategically reduce, transfer, or avoid risks.

④ Management of Occupational Health and Safety Risks

Identification of risk levels in consideration of legal requirements and in terms of the likelihood of occupational hazards, frequency of employee operation, and severity of occupational hazards, as well as the establishment of preventive and control measures according to the risk level.

4.7 Comprehensive Information Disclosure and Shareholder Communication

Before the relevant laws and regulations take effect, we start the trend to voluntarily hand over the half-yearly consolidated financial statements to the CPAs for certification and announcement.

Additionally, we also immediately complete all matters announced by the TWSE. In addition to establishing the investor section on the corporate website for investors to freely download the letter to shareholders by the chairperson, annual reports, financial statements, corporate governance regulations, stock price and dividend information, and investor conference, we have also added the articles of organization of the relevant functional committees. We also provide synchronous bilingual (Chinese and English) information on the corporate website to facilitate domestic and foreign investors to access our real-time information at the same time. In addition to explaining the status of operations to foreign investors, our investor relations team listens to positive recommendations regarding operations, finance, and corporate governance made by stakeholders. Additionally, we fully cooperate with the visits of domestic and foreign investors and irregularly take corporate investors to visit our worldwide production bases.

4.8 Tax Management

UNEEC upholds its social responsibility in fulfilling its tax obligations and adheres to government regulations. The company achieves sustainable development through prudent tax planning.

Tax policy:

- Compliance - Comply with local tax laws and file tax returns accordingly
- Information disclosure - Tax disclosures are conducted in accordance with relevant regulations and standards
- Ethical communication - Engage in mutually trusting and honest communication with tax authorities
- Risk management - Carefully review tax risks and response measures

Proportion of income tax expenses - By country	2023	2024
Republic of China	48%	74%
Asia	52%	26%

Unit: NTD thousand

Tax information from the last 2 years	2023	2024
Pre-tax income	292,166	916,457
Income tax expense	39,022	186,066
Income tax rate	13.36%	20.30%
Income taxes paid	37,198	58,408

5

Commitment to Environmental Protection and Energy Conservation



-
1. Key Performance
 2. Climate Change
 3. Energy Management
 4. Water Management
 5. Waste Management
 6. Green Product Responsibility
 7. Environmental Management



5.1 Key Performance

Carbon emissions
(Scope 1 & 2) reduction

58.47%

Percentage of
renewable electricity

73.23%

Equipment energy
efficiency

26%

Environmental protection
expenditure

**NTD 2.58
million**

Waste Recycling Rate

88.46%

Wastewater, waste gases,
and solid waste are properly
treated and disposed of

100%

5.2 Climate Change

Currently, stakeholders have high concerns about the impact of environmental issues on corporate sustainable development. To mitigate ecological and environmental deterioration and to lower the greenhouse effect and global warming so as to consume the least amount of resources and produce the least waste, we have established the environmental protection policy to constantly improve technology. We also insist on self-control and continuously introduce high-efficiency pollution prevention technology and equipment, hoping to achieve co-existence and co-prosperity with the environment and sustainable development of the Earth.

- **Strategy for Climate Risk Assessment**

We identify and assess climate-related risks every year to screen high-risk items and corresponding opportunities in terms of the likelihood and impact of risks. To ensure that the outcomes of identification meets with the actual condition, we review the results every six months to ensure their suitability.

- **Commitment**

We have established the environmental protection first principle right at the beginning of establishment. In addition to striving to comply with international and local environmental protection laws and regulations, we also consider environmental sustainability as a long-term goal so as to extend our corporate responsibility for environmental protection and Earth sustainability.

Climate-related Risks and Opportunities

To adapt to the impact of climate change, we identify the climate-related risks and opportunities according to the status of operations, local laws and regulations, customer requirements, the development of international trends, and research reports. Then, we propose corresponding management measures to optimize the identification and assessment mechanisms of climate-related risks and opportunities and develop our environmental sustainability culture.

Short-, mid- and long-term climate-related risks and opportunities identified by UNEEC			
Duration	Short-term	Medium-term	Long-term
Transition Risk	Voluntary standards (SBT commitments), market information uncertainty	Strengthened emission reporting obligations, the cost of transitioning to a low-carbon economy, changes in customer behavior, increased stakeholder concerns and negative feedback, and evolving requirements and regulations for products and services.	Increased prices for GHG emissions (cap-and-trade/carbon tax/energy tax)
Physical Risks of Climate Change	Typhoons, Floods, and Droughts Extreme Weather Events	Average temperature is rising.	Average temperature is rising.
Risk Impacts	Decreased or Disrupted Capacity, Asset Offset and Replacement	Increased costs of low-carbon transition	Increased operating costs
Opportunities of climate change	Improved response to extreme weathers	Enhance energy efficiency and use low-carbon energy	Enhance energy efficiency and use low-carbon energy.
Opportunity Impacts	Reduced Capacity and Loss of Materials	Reduce enterprise operational costs and decrease the volume of GHG emissions	Reduce enterprise operational costs and decrease the volume of GHG emissions
Description	Our plants are located in the coastal area. This may lead to reduced or disrupted capacity and disrupted product transportation. Strengthening the response to extreme weather events can reduce risks and maintain business continuity.	UNEEC is fully implementing a lean management program and driving intelligent production by quantifying production data. A war room has been established to monitor and improve production efficiency, and low-carbon production methods are being used to reduce the carbon footprint per unit of product.	Enhancing energy efficiency and using clean energy allows UNEEC to reduce this portion of operating costs.
Response Measures and Market Opportunities	We have established an emergency response (contingency) plan and made relevant preparations to reduce the risks from extreme weather events. Use low-emission energy sources, transition to distributed energy production, develop or expand low-carbon products and services, invest in research and development and innovation of new products and services, and implement supportive policy incentives.	Move towards greater building efficiency, secure incentive measures from the public sector, and forge new market partnerships.	Develop plans to reduce greenhouse gas emissions and replace equipment with inefficient energy use. Expand photovoltaic power generation facilities and increase green power consumption. Purchase and use green electricity to lower carbon emissions.

Impacts of climate-related risks and opportunities on business, strategy, and financial planning

The major climate risks facing the Company stem primarily from demands by key stakeholders – including customers and investors – for reductions in corporate GHG emissions and adherence to product energy efficiency standards. Climate change also presents opportunities, particularly in the realm of products and services. The Company’s product lines aligned with sustainability trends are likely to qualify for supportive policy incentives, and its energy-saving and waste-reducing offerings are well-positioned to meet market needs and open up new markets.

Major Transition Risks	Major Physical Risks	Major Climate Opportunities
<p>In response to risks arising from evolving legal and green standards, the Company proactively aligns with international norms and consistently strives to exceed them, thereby mitigating renewable energy cost risks.</p> <p>We are actively developing green designs and solutions with high energy conversion rates and low-carbon products to help our customers reduce costs and improve efficiency. Green design is based on life-cycle thinking, integrating the 3R principles – Recycle, Reuse, and Reduce – into product development to create eco-friendly products that are non-toxic, easy to assemble and disassemble, and energy-efficient.</p>	<p>To mitigate the impact of drought, relevant facilities have been progressively investing in water conservation infrastructure, enhancing water resource recycling, and expanding insurance coverage. Simultaneously, emergency response plans are being developed to minimize operational losses resulting from disaster risks.</p>	<p>The Company has built a strong foundation in sustainability through years of dedicated effort and maintains long-standing, close relationships with its customers. By actively leveraging its core expertise in optics and electricity and proactively investing in R&D driven by market needs, the Company is well-positioned to capitalize on the growing sustainability trend and gain a competitive edge in the expanding market for green products and solutions, ultimately driving revenue growth.</p>
<p>Referencing the 2°C scenario published by the International Energy Agency (IEA), we simulate and analyze the impact of future climate change, formulate science-based targets (SBTs) for GHG reduction, and estimate future carbon reduction as a reference for adjusting our operational strategy.</p>		

We strive to address climate-related risks and promote low-carbon transformation and climate adaptation through the following four directions:

- Approve climate-related visions and strategies by top management and report to the Board from time to time.
- Unfailingly implement strategies, carry out mitigation and adaptation actions, provide low-emission manufacturing technologies, and lead the supply chain to enhance green competitiveness.
- Include climate change in enterprise risk management and quantify the financial impacts of climate-related risks and opportunities.
- Measure the severity and international trend of climate change, set performance indicators and targets, and review and disclose effectiveness periodically.

Upholding the belief in business growth and ecological and environmental co-prosperity, we hope to continuously enforce climate change management, energy management, and water management in routine operations by implementing green manufacturing, producing green products, introducing green innovation, and developing green management so as to actively promote the sustainable development of the Earth.

Governance

Established the sustainable operations team consisting of the Chairperson and the management team to approve climate change-related visions, strategies, and long-term goals, take related actions, and report to the Board quarterly.

Strategy

Mitigation: Promote sustainable manufacturing, use renewable energy, and enhance energy and resource efficiency.
 Adaptation: Strengthen climate resilience.
 Provide energy-efficiency technology.
 Build a low-emission supply chain.

Risk Management

Include climate-related risk in the enterprise risk management(ERM) process.
 Identify climate-related risks and opportunities.
 In the value chain, assess their financial impacts, and draw up responsive strategies.

Metrics and Targets

Set climate-related performance metrics and targets, follow up on performance periodically, and transparently disclose the long-term goals of “Achieve Carbon Neutrality by 2030 and Zero Emissions by 2060” externally.

Risk Management

Climate-related Risk Identification and Assessment Processes

Based on the "Risk Management System and Guidelines," UNEEC's Sustainable Development Committee gathers external market, regulatory, technological, and physical trends related to climate change. It then lists the climate-related risks and opportunities the Company may encounter and identifies material climate risks and opportunities by assessing their potential impact and likelihood. The relevant climate risks are then converted into financial figures, and items with the potential to cause financial impacts exceeding NTD 10 million annually are identified as significant risks and opportunities. These are prioritized based on their likelihood and severity, and corresponding countermeasures are developed. For risks assessed as high, a separate climate scenario analysis is carried out to estimate the potential financial impacts, taking into account the Company's current operational configuration.

Climate-related Risk Management Processes

After identifying key risks, the Sustainable Management Committee discusses relevant countermeasures with the Company's various business units. The risk assessment is then simultaneously submitted to the Sustainable Development Committee and the Audit Committee for oversight. The Audit Committee Chair regularly reports to the Board of Directors on the findings of the risk management and assessment.

How are climate-related risk identification, assessment, and management processes integrated into the company's overall risk management system?

Incorporate climate change into the Company's material sustainability issues and key risks. Implement risk management plans across all facilities, and develop response strategies for operations, products, and supply chain management. Based on the risk management system, the PDCA cycle is implemented to continuously improve environmental climate change risk management and integrate it with the overall corporate risk management system.

Metrics and Targets

In terms of climate change mitigation, the Company uses GHG emissions as a key quantitative metric and also sets targets for renewable energy usage, electricity consumption, and water consumption. In the process of developing low-carbon products and services, we are committed to improving energy and resource efficiency for both our company and our customers, setting Science-Based Targets (SBTs), and establishing waste reduction and water conservation goals to comprehensively minimize our environmental impact. Since 2024, relevant climate indicators have been linked to manager KPIs (see Manager Performance Evaluation for details).

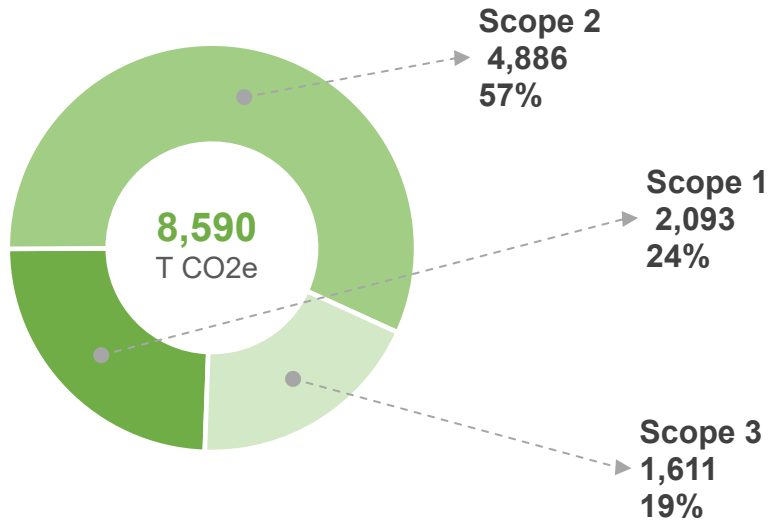
Carbon Emission and Energy Management Targets	Product Efficiency Improvement Management Targets	Waste Management Targets	Water Management Targets
With 2024 as the base year, carbon emissions will be reduced by 10% in 2025. Carbon neutrality by 2030 and net-zero emissions by 2060. The proportion of green power usage will reach 90% in 2025.	With 2024 as the base year, increase product energy efficiency by 2% in 2025.	With 2024 as the base year, absolute waste will be reduced by 10% in 2025.	With 2024 as the base year, absolute water consumption will be reduced by 6% in 2025.

GHG Inventory

UNEEC Dongguan signed up to IPE in 2016 to disclose its GHG emissions. References have been made to the requirements in ISO 14064-1 for setting organizational boundaries: 100% control. Activities, equipment, and processes within the boundaries are wholly owned by UNEEC Dongguan. The boundaries of operations cover the sources of direct and indirect GHG emissions. UNEEC Dongguan, UNEEC Ningbo, and Taipei HQ began commissioning third-party vendors for report verification and issuance of third-party verification reports in 2020, 2022, and 2024, respectively.



GHG emissions in 2024



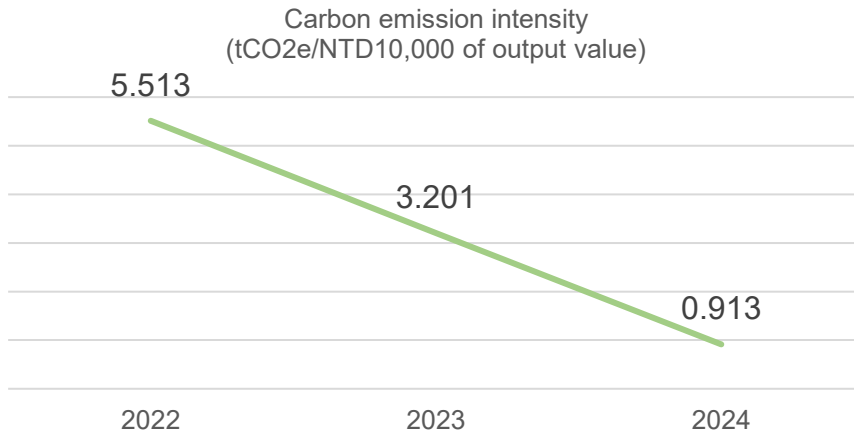
Various GHG emissions in 2024

Unit: Tons of CO2 equivalent (tCO2e)

CO2	8,302.63
CH4	47.841
N2O	4.34
HFCs	235.32
PFCs	-
SF6	-
NF3	-
Total	8,589.71

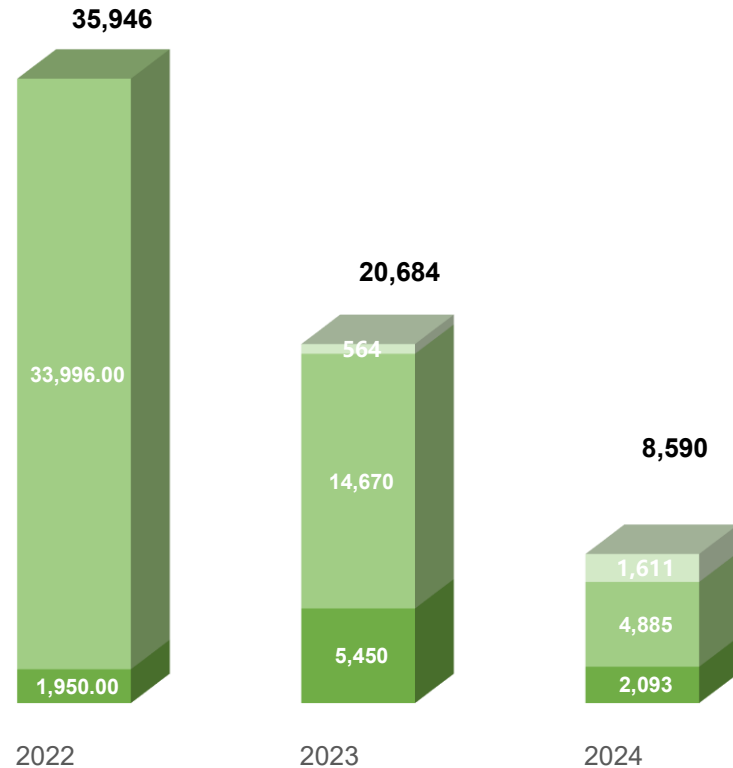
Direct emissions and energy-related indirect emissions (Scope 1 and 2). Based on historical GHG inventories, Scope 1 and 2 GHG emissions are primarily from Scope 2 (representing over 90%). Consequently, UNEEC’s GHG reduction strategy focuses on energy management, with renewable energy adoption as a supplement.

The total direct emission and indirect GHG emission between the energy and the carbon dioxide equivalent were 8,590 metric tons in 2024, a 58% decline compared to the previous year. By continuously implementing energy efficiency projects and elevating the renewable electricity percentage, UNEEC achieved a renewable electricity ratio of 73% in 2024, with a goal of reaching 90% in 2025.



GHG emissions (tCO2e)

■ Direct emissions ■ Indirect energy emissions ■ Other indirect



5.3 Energy Management

To enhance industrial capacity and increase corporate value, while boosting economic benefits, we aim to lower energy consumption and GHG emissions during production. Some production facilities have adopted ISO 50001 energy management systems, focusing on two key areas: self-directed energy saving and the use of renewable energy. They have established energy performance indicators and regularly review the progress of energy conservation initiatives and carbon reduction efforts to minimize the environmental impact of their operations. Energy management training is offered periodically to enhance employees' energy-saving awareness.

Energy Management and Performance

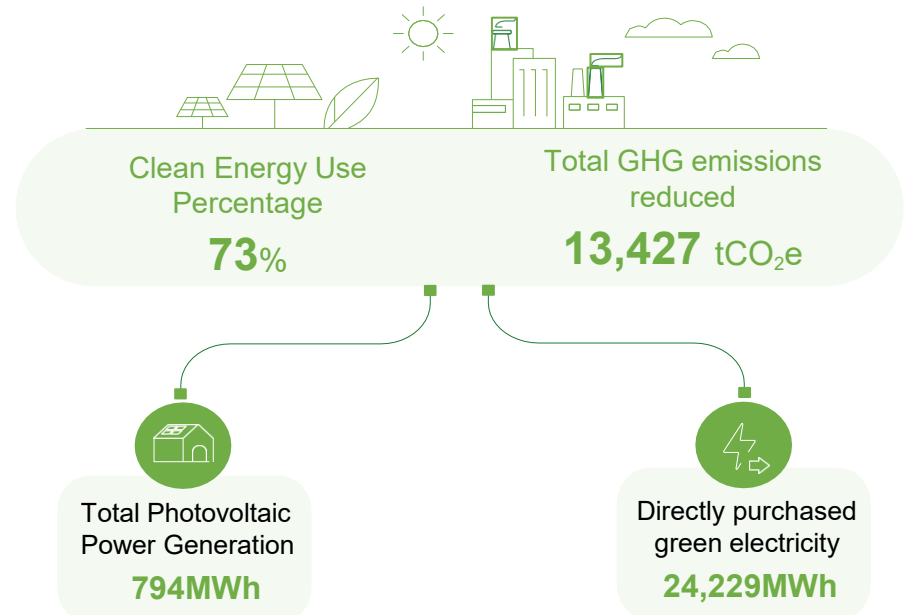
Through various methods such as energy planning, efficiency analysis, consumption analysis, and equipment management, we can understand energy usage and load characteristics to optimize equipment operation and improve power efficiency. At UNEEC Dongguan, we use both fossil fuels (e.g., natural gas, diesel, petroleum, and liquefied petroleum gas) and purchased electricity as the energy for production. Fossil fuels are mainly used for forklifts, company vehicles, and facilities like employee dormitories and cafeterias.

Renewable energy (MWh)	25,023
Non-renewable energy (MWh)	9,146
Natural gas m ³	714,299
Gasoline (L)	37,375
Diesel (L)	12,979
LNG (kg)	43,932

Renewable Energy Use

Using renewable energy is key to UNEEC achieving its carbon neutrality goals. We continue to expand our use of clean energy and reduce carbon dioxide emissions through rooftop solar installations, direct green power purchases, and other means.

In 2024, the Company's total electricity consumption was 34,169 MWh, with clean energy accounting for 73% of its use. As of the end of the reporting period, total rooftop solar capacity reached 1366 kwp.



UNEEC Dongguan Energy Conservation Projects

UNEEC continuously advances its energy conservation projects through the implementation of an online energy monitoring information system. It has enacted resource management procedures, replaced six air compressors with top-tier (Level 1) energy-efficient models, and retired low-efficiency electromechanical devices. Departments have appointed energy consumption officers, created an energy conservation proposal, and promoted turning off lights, shutting down unused machines, setting summer A/C to 26°C, and switching entirely to LED lamps.

◆ Installed New PV Generation Systems

Utilizing idle plant space effectively reduces the Company's power consumption and achieves energy-saving targets. Current solar installed capacity is 1366kwp, with an expansion of 646.39kwp planned for 2024. Annual power generation is 790,000 kWh, equivalent to 97.6 tce, reducing GHG carbon emissions by approximately 452tCO₂-e.



◆ Modifications for Energy-saving Air Compressors

Replaced the existing air compressors with inverter energy-saving air compressors, achieving 26% energy efficiency, saving 1,598,000 kWh yearly, equivalent to 196 tce, and reducing GHG carbon emissions by about 911tCO₂-e.



◆ UNEEC Dongguan Purchased Green Electricity

Signed a contract with Qingneng Power Technology Co., Ltd. to purchase 70% green electricity from January to July and 90% from August to December, using 16.488 million kWh of green power annually, which is expected to reduce GHG carbon emissions by about 9403 tCO₂-e.



◆ Establish An Energy Management System

Lower production energy consumption. We plan to establish an ISO 50001 energy management system in 2024, supported by external guidance and training for energy management personnel to help implement the system and define energy-saving performance goals. Third-party review and certification are scheduled for completion in 2025.



UNEEC Ningbo Energy Conservation Projects

Continue to promote turning off lights and shutting down machinery and equipment during break times, as well as setting air conditioning to 16°C (winter) and 26°C (summer), and completely replacing office area lighting with LED lights.

◆ Installed New PV Generation Systems

Installed solar lights throughout the plants to lower the company's energy consumption at night and realize the goal of energy conservation and carbon reduction.



◆ Modifications for Energy-saving Injection Molding Machines

Completed energy-saving modifications for servo motors on 3 injection molding machines in the Plastics Department, thereby reducing production costs and saving approximately 330,000 kWh of electricity annually.



◆ UNEEC Ningbo Purchased Green Electricity

Signed a contract with Ningbo Economic & Technical Development Zone Thermolectricity Company to purchase 7.5 million kWh of green electricity in a bid to promote green energy production.



◆ Diesel Forklifts Canceled

The diesel-powered forklifts in the factory are replaced with electric forklifts, reducing carbon dioxide emissions by approximately 40 tons annually.



UNEEC Ningbo Energy Conservation Projects

◆ Replacement of Freezer in the Plastics Department

Small chiller model: wind-cooled 8HP replacement
 Original chiller model: KT6000E
 Small chillers are compact and portable, allowing placement right next to machinery. They require no additional equipment, offer convenient and efficient operation when used close to the machine, and are energy-saving.



◆ Modifications for Energy-saving Injection Molding Machines

Completed energy-saving modifications for servo motors on 3 injection molding machines in the Plastics Department, thereby reducing production costs and saving approximately 330,000 kWh of electricity annually.



◆ Plant Energy Consumption Dashboard

The factory energy consumption dashboard provides real-time monitoring and analysis of energy usage, helping to identify energy-saving opportunities and optimize energy distribution.



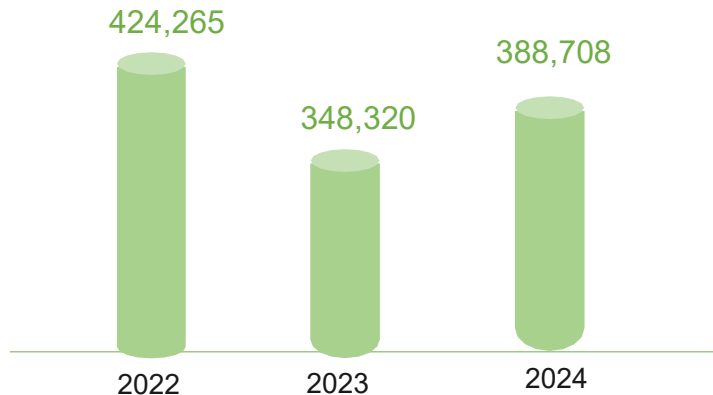
◆ Replace Air Compressors

The original 148KW air compressor was replaced with a 110KW air compressor in 2024, increasing air production capacity and saving energy, resulting in an annual savings of RMB 113,924.

5.4 Water Management

Our plant is located in the Xiagang Industrial Park in Changan Town, a place that is not an environmental protection area as required by law. However, we still comply with the local legal requirements. Due to the industry’s characteristics, the major manufacturing processes include stamping, injection molding, and surface coating. Overall, water consumption is low, except for the coating process. The primary water consumption is divided equally between circulating water for basic plant facilities such as air conditioning and air compression systems, and employee domestic water use. Tap water is our major water source. No water is withdrawn from rivers, lakes, or groundwater to cause significant impact to water sources and community water supply.

UNEEC Dongguan Plant-wide water consumption (m³/year)



- The total wastewater treatment in 2024 was 47,087 tons, including 36,916 tons that were recycled for reuse. Reclaimed water accounts for 78% of the total wastewater treated.
- In 2024, no significant spill or sanction by local environmental protection authorities was reported.
- Through methods including publicity, technology and administration, we enhanced water management and water efficiency to prevent the waste of water. The total water consumption in 2024 was about 388,708 tons, which is an 11.6% increase over 2023. This was primarily due to the expansion of operations, more production orders, and a higher demand for production and domestic water.
- With 2024 as the base year, reduce water consumption by 6% in absolute terms in 2025.

5.5 Waste Management

For the effective management of production and domestic waste, we have been looking for methods and principles to reduce waste production. By minimizing hazardous waste production, we adopted methods including waste sorting, resource recycling, waste prevention, and pollution prevention to sort general industrial waste and hazardous waste for centralized disposal. Through prevention, reduction, recycling, and reuse, we significantly reduced waste production to lower our environmental impact. Goal: Achieve a 10% absolute reduction in waste by 2025, using 2024 as the baseline year.

Full-Process Waste Management Procedure

Classification

Identify and classify solid waste generated during production in accordance with national standards, including the National Hazardous Waste List and standards for solid waste identification.

Storage

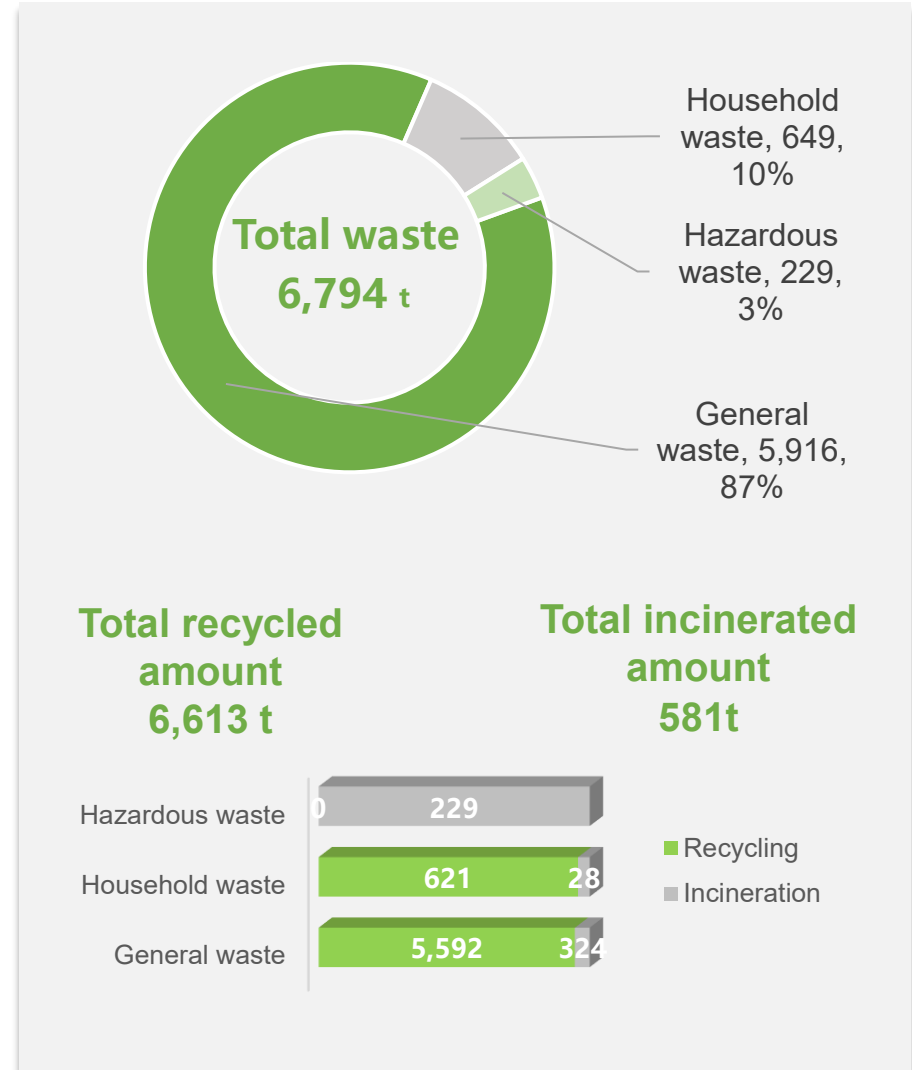
Construct storage facilities in accordance with general industrial solid waste storage and disposal standards, as well as hazardous waste storage standards, to prevent waste from causing secondary pollution of the surrounding environment and groundwater.

Legal handling

Strictly in accordance with environmental management requirements, industrial solid waste and hazardous waste must be handed over to qualified third-party contractors for proper disposal.

Ledger

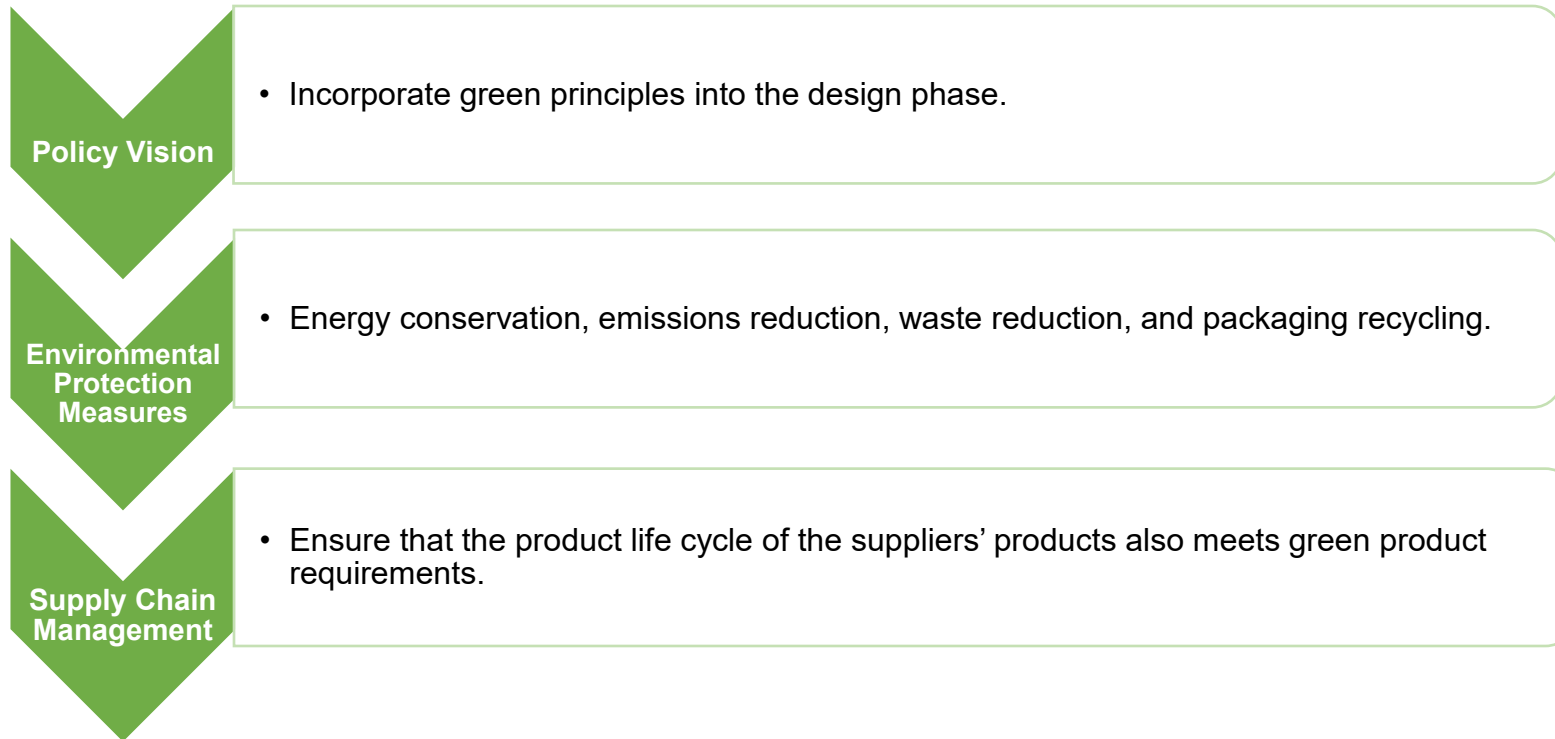
Create a solid waste ledger to keep detailed records of waste types, quantities, transportation methods, and disposal methods, enabling traceability.



5.6 Green Product Responsibility

By establishing a stringent hazardous substance management policy and ensuring its own compliance, UNEEC also requires its entire supply chain to adhere to relevant regulations, including EU RoHS and REACH.

UNEEC ensures the quality and safety of its green products, complying with relevant environmental standards and regulations to provide customers with safer, more recyclable, and highly efficient options.

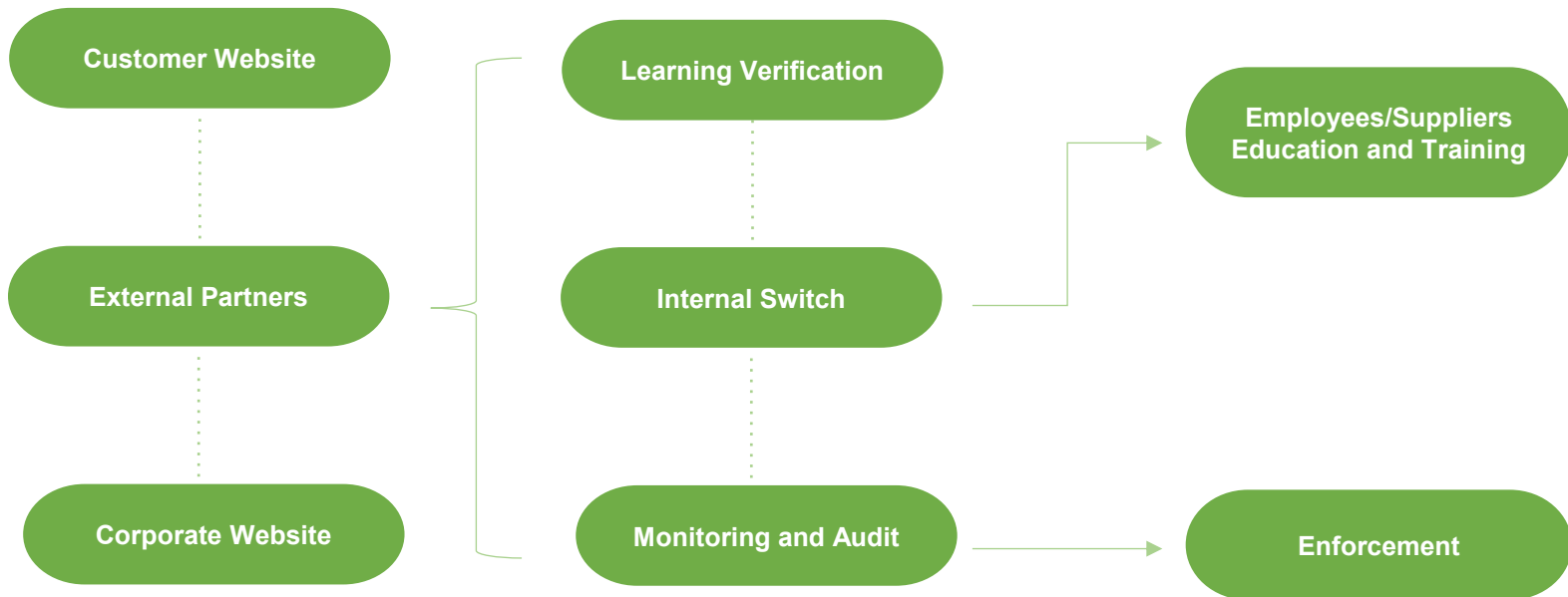


Education and Training for Product Hazardous Substances

With new employee and annual education and training, we implement strict surveillance on all parts of manufacturing, such as material incoming, production, shipping, and others through a well-established QA system so as to keep negative materials outside of the company and negative products within the company. Additionally, in addition to requesting the entire supply chain to comply with the relevant regulatory requirements, such as EU’s REACH and RoHS, we also make the capability of hazardous substance management an important indicator for supplier selection.

We also arrange timely internal education and training for the latest legal trends and updates of environmental protection regulations to communicate them to all employees. We organize hazardous substance training to constantly improve employee capability and strengthen hazardous substance management and implementation.

Customer- and Legal-oriented Process



Green Product Innovation

In the face of the global challenges of biodiversity loss and ecosystem degradation, UNEEC is reassessing the environmental impact of our products by evaluating the relationship between our value chain and natural capital across all stages – from product design and manufacturing to use and disposal. To make a substantial contribution to biodiversity, deforestation, and land protection, UNEEC require key packaging material suppliers to obtain FSC™CoC (Forest Stewardship Council™ Chain of Custody) certification. By 2024, we have achieved the use of FSC™-certified paper materials in our carton formulations, replacing the original PE plastic bags with 100% recycled materials, and are working towards the goals of plastic elimination and reducing the use of natural resources.

Key Actions

Formulate Policies

- Establish a screening mechanism to prioritize suppliers who are willing and able to become certified.

Driving innovation

- The focus on green product innovation encourages suppliers to actively pursue FSC certification.

Cooperation and Supervision

- Establish partnerships with suppliers and regularly monitor certification progress and implementation.



5.7 Environmental Management

Air Pollution Control and Management

UNEEC Dongguan meets the local environmental requirements to obtain an emissions permit and apply the optimal, feasible treatment technology by pollutant type to minimize the load on the surrounding environment. It also arranges periodic gas monitoring at the outlet of the plant's discharge channels. Currently, pollutants from production activities include volatile organic compounds (VOCs).

Total volatile organic pollutants (TVOC) for 2024 were calculated using local monitoring report values and operating time. TVOC emissions mainly came from the hardware coating and plastic coating processes.

To effectively reduce VOC emissions, we implement controls at the source. The RTO waste gas treatment facility was introduced for surface treatment and metal coating in 2024, and the online monitoring system was installed to enhance control over fugitive emissions in the engineering process, strengthen the management of end governance facilities, and ensure compliance with the environmental requirements of VOC collection rate and handling rate through integrated governance and even achieve emission reductions as to protect the environment.

Environmental Expenditures and Investments

As a responsible business, we protect the Earth and the environment and make continual improvement of environmental performance through active measures our unchanged pursuit. Hence, we set environmental investment as one of the important indicators for continual reduction of environmental impacts.

In 2024, our total environmental investments were NTD 2.58 million. The money was mainly spent on the treatment and monitoring of environmental pollutants such as waste gases, wastewater, noise, and solid waste to minimize the local environmental impact of business activities.

Wastewater	Waste Gases	Noise	Solid Waste	Management System
Water Quality Examination	Waste gas engineering modification	Noise detection	Hazardous waste treatment fee	System Certification
Wastewater Discharge	Waste gas discharge	Noise Reduction	General solid industrial waste treatment fee	Education and Training
Wastewater Treatment and Correction	Waste Gas Test	Projects		Environmental Science Magazines
Wastewater treatment operation	Waste Gas Environmental Protection Tax			Environmental Protection Projects Inspection and Acceptance
	Waste Gas Treatment Operation			Efficiency Enhancement Projects

6

Employee Relationships and Social Engagement



1. Key Performance
2. Equal and Diverse Employee Team
3. Talent Attraction and Retention
4. Learning and Development for Talents
5. Protection of Human Rights
6. Care for Employees
7. Social Engagement
8. Occupational Safety and Health



6.1 Key Performance

Percentage of female executives
3.5%

Total employee training hours
91,042 hours

Average training hours per person
21.03 hours

Return to work rate for parental leave
90%

Investments in occupational health and safety management
NTD 2.9 million

Occupational injury rate
1.74

6.2 Equal and Diverse Employee Team

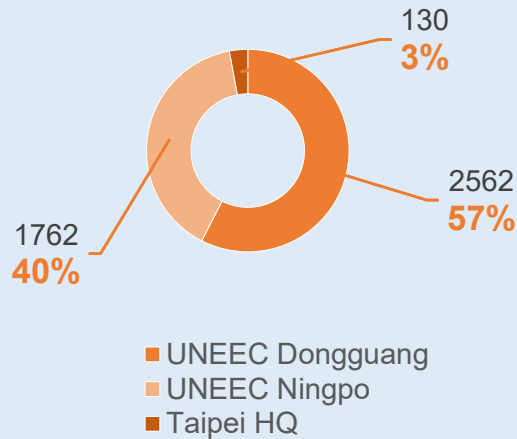


Total number of UNEEC Employees

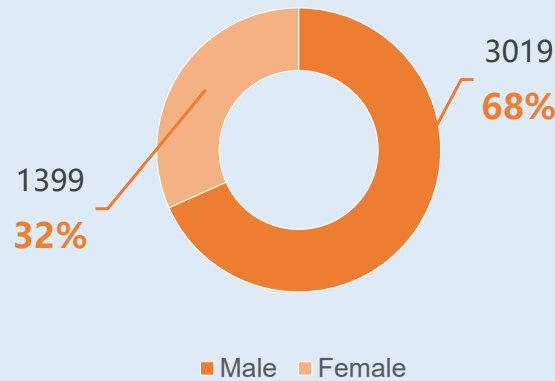
Within the Reporting Period
4,418



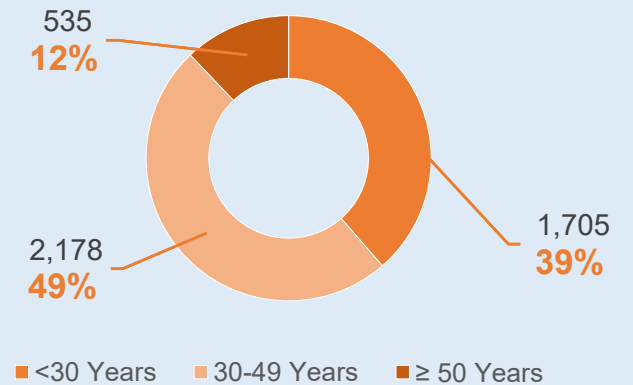
Total Employee Number by Region






Total Employee Number by Gender



Total Employee Number by Age



Distribution of total employees by region, gender, and type

		UNEEC Dongguang		UNEEC Ningpo		Taiwan		Total		Percentage
		Male	Female	Male	Female	Male	Female	Male	Female	
 Contract	From time to time	500	499	673	428	0	0	1,173	927	48%
	Regularly	1378	185	390	235	78	52	1,846	472	52%
 Employment	Full-time employees	1,878	684	1,063	663	78	52	3,019	1,399	100%
	Part-time Employees	0	0	0	0	0	0	0	0	0
 Category	Management	190	96	115	42	23	15	328	153	11%
	Indirect employees	338	155	203	173	35	32	576	360	21%
	Direct employees	1,350	433	745	448	20	5	2,115	886	68%

Note 1: No employees without guaranteed hours or employment contracts are hired.

Note 2: Irregular and Fixed-Term Contracts: "Irregular" means an employee contract without a fixed termination date.

Note 3: Full-time and part-time: Full-time employees are those who work hours as defined by local or statutory regulations, while part-time employees work fewer hours than full-time employees.

Note 4: Management refers to managers at or above the section chief level, indirect personnel refers to employees in supporting roles for production, and direct personnel refers to employees directly involved in production.

Number of new employees and new hire rate: Statistics of all employees are categorized by region, gender, and age group

Item		UNEEC Dongguang		UNEEC Ningpo		Taiwan		Total	
Gender	Age	Number of Persons	New hire rate	Number of Persons	New hire rate	Number of Persons	New hire rate	Number of Persons	New hire rate
Female	<30 Years	138	5.39%	204	11.82%	5	4%	347	8%
	30-49 Years	218	8.51%	178	10.31%	15	12%	411	9%
	≥ 50 Years	3	0.12%	29	1.68%	1	1%	33	1%
Male	<30 Years	630	24.56%	465	26.94%	13	10%	1,108	25%
	30-49 Years	333	12.98%	222	12.86%	23	18%	578	13%
	≥ 50 Years	130	5.06%	23	1.33%	5	4%	158	4%
Total		1,452		1,121		62			

Number of resigned employees and turnover rate: Statistics of all employees are categorized by region, gender, and age group

Item		UNEEC Dongguang		UNEEC Ningpo		Taiwan		Total	
Gender	Age	Number of Persons	Turnover rate	Number of Persons	Turnover rate	Number of Persons	Turnover rate	Number of Persons	Turnover rate
Female	<30 Years	136	5.31%	95	4.48%	0	0%	231	5%
	30-49 Years	144	5.62%	136	6.42%	5	4%	285	6%
	≥ 50 Years	119	4.64%	20	0.94%	1	1%	140	3%
Male	<30 Years	193	7.53%	341	16.08%	3	2%	537	12%
	30-49 Years	189	7.38%	216	10.19%	12	9%	417	9%
	≥ 50 Years	131	5.11%	11	0.52%	6	5%	148	3%
Total		912		819		27			

Note 1: The statistics for new employees and resignations represent the monthly average numbers. The monthly average number for each value is calculated by dividing the total annual number by 12 and rounding up to the nearest whole number. These statistics do not include the following involuntary resignations: those who terminated employment due to retirement, layoffs, dismissals, expiration of contracts, or internships. Furthermore, they do not include operators (including production line collaborators) who resigned within 30 days of employment or professional technical and management personnel who resigned within 90 days of employment.

Note 2: The monthly average new hire rate = average monthly number of new employees/average annual number of employees. The annual average number of employees is defined as: (number of employees at the beginning of the period + number of employees at the end of the period)/2, where the number of employees at the beginning of the period is the number of employees at the end of the previous period (last year).

Note 3: The monthly average new hire rate = average monthly number of new employees/average annual number of employees. The annual average number of employees is defined as: (number of employees at the beginning of the period + number of employees at the end of the period)/2, where the number of employees at the beginning of the period is the number of employees at the end of the previous period (last year).

6.3 Talent Attraction and Retention

Continue to enhance the management system, enrich talent reserves, and provide employees with clear career development paths. Refine the promotion process and establish a fair, just, and transparent remuneration system, as well as implement scientific performance appraisal policies and offer employees comprehensive benefits, thereby allowing them to share the company's development achievements. This approach inspires employee potential and enthusiasm, in turn comprehensively enhance the company's competitiveness.

Remuneration Standards

Provide competitive for employees to “attract, retain, motivate, and accomplish talents”. We uphold the principle of “equal pay for equal work” and align salary levels with industry standards. This ensures that employee remuneration is on par with market standards and is not lower than the statutory minimum wage in their respective operating locations, thereby highlighting the company's people-oriented development philosophy.

Performance Appraisal

Establish a performance appraisal system for all employees, including a regular performance appraisal system, comprehensive appraisal criteria, and clear appraisal processes. The system aims to obtain an objective measurement of employees' workplace performance and development conditions as the basis for annual performance appraisals. Performance evaluation items include business objectives and key tasks. The specific evaluation content depends on the department and position responsibilities. During the evaluation process, employees must communicate with their supervisors repeatedly to clarify the performance appraisal objectives, obtain feedback, and develop corresponding improvement plans. The 2-tier approval system, involving re-evaluation and supervisor approval, ensures the objectivity and fairness of the performance appraisal outcome. By applying a scientific and reasonable performance appraisal system, we can continuously reinforce human resources management, improve the performance feedback process, as well as enhance employee motivation and long-term retention rates.



Promotion System

UNEEC has established clear management and professional dual career development paths for employees and continues to refine its promotion processes and policies. This approach maximizes employee potential and ensures fair, just, and reasonable employment practices, thereby elevating employee motivation and a sense of belonging. The company has established a transparent promotion process and set 3 main promotion principles to create a scientific and reasonable promotion system.

Number of promotions through the management channel

51 people

Number of promotions through the professional channel

143 people

Promotion Principles

Attitude and Performance

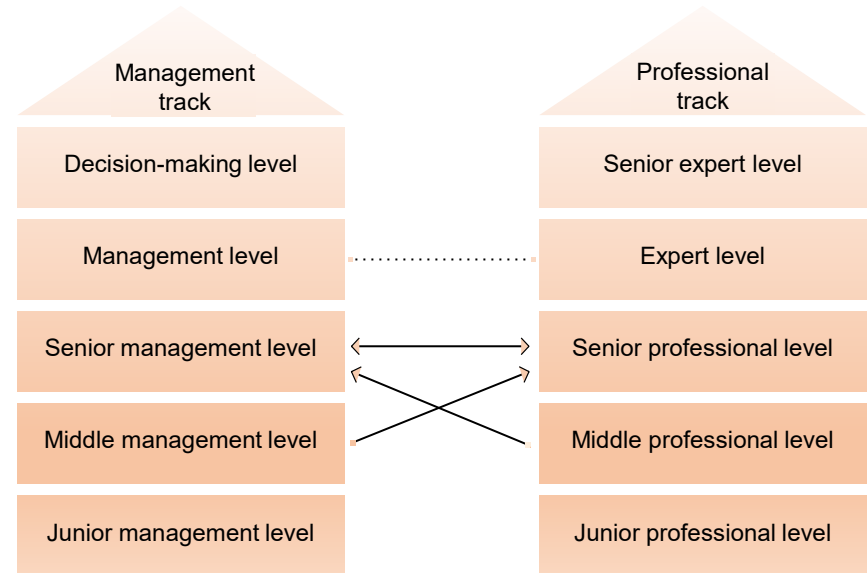
Comprehensively consider employees' personal qualities, abilities, and achievements in their work.

Promotion and Demotion Principles

Promotion and demotion are carried out based on performance.

The principle of combining step by step promotions with cross-level promotions

Employees advance sequentially within their promotion track, but those with exceptional performance or significant contributions to the company may be eligible for cross-level promotions.



6.4 Learning and Development for Talents

The company firmly believes that talent is key to business development, hence we coordinate diverse resources to offer a wide range of training programs to promote employees' career development and help them unleash their potential, while striving forward with the company.

Employee Training System

UNEEC has established and implemented a comprehensive talent development system for all employees, complemented by a training curriculum that covers various dimensions including corporate culture, EHS, human rights and diversity training, information security, and business ethics. The training system spans every stage of employee growth, aiding their ongoing development and progress.

Training projects	Training targets	Training content
Orientation training	New employees	Company profile, regulations, quality requirements, fundamental knowledge of environmental protection/EHS/social responsibilities, human rights and diversification, business ethics, and information security.
On the job training	Learning new job requirements	Position-specific knowledge, product knowledge, quality knowledge, EHS, corporate code of conduct, business ethics, social responsibility knowledge, information security, and various specialized training programs.
Job transfer training	Help employees understand new requirements	New job-specific knowledge and participate in the annual training program for new job requirements.

Case | 8D Problem Analysis and Resolution

Master the core eight steps, processes, and techniques of 8D problem analysis and resolution, adopt the concepts and practical workflows of problem management, and learn to write and review 8D reports.



Case | Total Quality Management (TQM)

Study representative quality accident cases to extract quality improvement concepts and methods, learn to leverage characteristics and pay attention to daily details for daily quality control, effectively cultivate quality awareness among all employees, and thereby improve employee competence and work efficiency.



Average Education and Training Hours Per Person and Total Training Hours



Total expenditure on employ training projects

NTD **500,000**

Total employee training hours approximately

91,042 hours

Average training hours per person

21.03 hours

Employee category	Gender	UNEEC Dongguang			UNEEC Ningpo			Taiwan		
		Number of trainees	Total hours	Average hours	Number of trainees	Total hours	Average hours	Number of trainees	Total hours	Average hours
Management	Male	190	3,420	18.00	115	2760	24.00	14	224	16
	Female	96	1,728	18.00	42	1008	24.00	4	66	16.5
Direct employees	Male	1,350	32,400	24.00	745	18625	25.00	62	186	3
	Female	433	10,392	24.00	173	4325	25.00	28	84	3
Indirect employees	Male	338	6,048	17.89	203	3654	18.00	145	313	2.1
	Female	155	2,790	18.00	155	2790	18.00	80	229	2.9

6.5 Protection of Human Rights

We insist on the legality, fairness, impartiality, equality, autonomy, and the principle of good faith, communicate the employee code of conduct and human rights policy through the employee portal and education and training, review the opportunities for improvement through internal and external audits, undertake to comply with the RBA-CoC and national laws and regulations, optimize the HR regulations and systems, protect the legal rights and interests of employees, provide a safe and healthy workplace environment according to the local legal requirements, respect all employees, implement CSR and demonstrate the core value of integrity, and revise our Labor and Ethical Management Manual from time to time as the basic standards and mutual commitment for employees to follow at work and in business activities.

Human rights due diligence and mitigation measures

Human rights policy	Identification target and human rights issues	Evaluate management risks	Apply risk mitigation measures	Regular follow-ups and improvements
Concerned Issue	Targets and Actions	Management and Mitigation Measures		
Working Hours and Wages	<ul style="list-style-type: none"> ◆ Our remuneration complies with regulatory requirements, including minimum wage, overtime, and statutory benefits, and UNEEC does not use wage deductions as a disciplinary measure. ◆ We look after our employees' physical and mental health well-being by managing extended working hours and ensuring our overtime pay is higher than regular hourly rates. ◆ Provide detailed salary information during every pay cycle ◆ Hire temporary workers, dispatched employees, and outsourced labor in accordance with local laws ◆ No salary discrimination based on gender, age, race, etc. 	<ul style="list-style-type: none"> ✓ Develop an effective recruitment plan based on production and sales meetings, update recruitment status daily, and prepare human resources reserves in advance. ✓ Gradually increase production line manpower to achieve a 6-day workweek with 1 day off. Rigorously control weekly working hours to under 60 hours and implement system control with advance email notifications for overtime. ✓ Contribution base for social insurance as required by local regulations ✓ Meetings may not be arranged before business hours 		
Prohibit Forced Labor	<ul style="list-style-type: none"> ◆ Establish policies on human rights, codes of conduct, and employment management regulations to stipulate employment freedom and prohibit involuntary labor. ◆ Regulate and promote the policy of freedom of movement in the workplace. ◆ Implement a no child labor policy and prohibit human trafficking, the use of any form of slavery (including modern slavery), forced labor, debt bondage, indentured labor, or prison labor. 	<ul style="list-style-type: none"> ✓ Bolster human rights management and implement the zero recruitment fee policy ✓ Optimize the hiring process. ✓ Prohibit the hiring of child labor. During the recruitment and daily inspection stages, the company manually verifies ID cards, relevant certificates issued by local public security authorities, and other documents to confirm the employee's age. We also implement a control module in the HR system that automatically issues an alert if the entered ID number of a potential new employee does not meet the legal age requirement. 		
Diversity Hiring and Anti-discrimination	<ul style="list-style-type: none"> ◆ Respect religious freedom, identify whether the company has human rights risks related to gender, racial, and religious discrimination. 	<ul style="list-style-type: none"> ✓ Hire minority employees ✓ Hire employees with disabilities 		
Freedom of Association	<ul style="list-style-type: none"> ◆ Create an environment conducive to free expression and communication, and employees have the legal right to form, join, or refuse membership in associations and collective agreements 	<ul style="list-style-type: none"> ✓ All employees have the right to freely join or organize unions, as well as engage in collective negotiations with the company as union representatives or members 		
Health and Safety	<ul style="list-style-type: none"> ◆ The ISO 45001 management system has been implemented in main production plants to promote preventive safety and health management ◆ Emphasize occupational safety and health, dedicated to creating a safe and healthy workplace 	<ul style="list-style-type: none"> ✓ Post GHS chemical hazard signs ✓ Protective equipment should be stored in the designated temporary storage area, while wearing and storage regulations are also promoted ✓ Establish an EHS bulletin board that is updated monthly to ensure the employee policies are kept up to date. 		

Remuneration Policies

We pay salary employees by duty, competence, academic achievements, work experience, and professional knowledge and skills, regardless of gender, race, religion, policy affiliation, and marital status. In Taiwan, the starting pay is higher than the minimum wage prescribed in the Labor Standards Act. We survey the pay of the relevant industries every year to ensure that our pay can keep up with the overall market standard. Additionally, raises and bonuses are subject to change based on the Company's status of operations and the performance, duties, and contribution of individual employees to encourage employees to work hard and contribute, and attract, retain, and encourage employees with outstanding performance.

Wage System

We optimize our wage and bonus policies based on the changes in the local wage standard to keep employee wages up with corporate development. Additionally, to promote a harmonious and steady labor-management relationship, we offer job allowances, performance bonuses, full attendance rewards, and bonuses on traditional festivals, such as Women's Day, for direct labor of plants. For employees with parental needs, we offer substantial care. These include paid maternity leave and paternity leave, arrangement for leave of absence, career planning, and related benefits and subsidies. We also retain jobs for these employees.

Wage and Benefits

Our major locations of operations include Taiwan and mainland China. Hence, we strictly abide by the local labor laws and regulations, establish a normal and legal labor relationship with employees, give them equal employment and promotion opportunities, offer them the same treatment and benefits, actively promote the mutual development of the Company and employees, and protect their legal rights and interests. According to the Employee Welfare Fund Act, we establish the employee welfare committee to take charge of various employee welfare matters and contribute welfare funds to the committee every month by law. Additionally, we arrange the Labor Insurance and National Health Insurance for all workers according to the Labor Insurance Act and National Health Insurance Act, and employees are entitled to various benefits under Labor Insurance. Our benefits include: birthday cash gift, marriage and funeral subsidies, Spring Festival gift, employee travel and activities, Spring Festival bonus, access to magazines and books, year-end party lucky draw, Labor Insurance and National Health Insurance, group insurance, and annual health checkups. To ensure total respect for the interests of employees, we arrange social security insurance by law for employees in mainland China, including endowment insurance, medical insurance, employment injury insurance, unemployment insurance, and maternity insurance. We also make our contribution for the provident fund of employees.

Leave System

We establish the leave management regulations according to Taiwan's Labor Standards Act and mainland China's Labor Law of the People's Republic of China to include public holidays, statutory holidays, personal leave, sick leave, work-related sick leave, marriage leave, antenatal checkup leave, maternity leave, paternity leave, annual leave, and compassionate (bereavement) leave. In addition to granting all types of leave by law, we offer time off in lieu (TOIL) or compensatory leave to employees working on non-holiday memorial days. Additionally, besides the statutory parental leave of absence, employees in need of a long leave due to severe injuries or illnesses or continuing education may also apply for the leave of absence and then reinstatement after the leave to balance personal and family care needs.

Comprehensive Insurance System:

In addition to the Labor Insurance (including employment insurance) and National Health Insurance, the Taipei HQ also offers group insurance with coverage including life, critical illness, medical, accident, cancer, and travel safety insurance for business trips to protect the work and life security of employees. We also introduce optional dependent group insurance for employees to protect their family.

Sound Retirement System:

We have established the Pension Reserve Supervisory Committee in accordance with the Labor Standards Act and make our contributions to the reserve every month for management by the committee. Additionally, on July 1, 2005 we began to deposit our pension contribution under the Labor Pension Act in the employee's personal pension account at the Bureau of Labor Insurance. To stabilize the later life of employees so as to boost their work motivation before retirement, we have established the Employee Retirement Regulations according to the Labor Standards Act and Labor Pension Act to stipulate the criteria for retirement, pension standards, application, and disbursement. In addition to contributing 6% of the salary of employees qualified for the pension scheme under the Labor Pension Act every month, we have also established the Labor Pension Supervisory Committee to contribute the reserve and deposit it in the statutory financial institutions each month. For employees in mainland China, we arrange the five social insurances and one housing fund according to the relevant laws and regulations of mainland China.

Maternity Benefits and Care

We offer concern and care for female employees better than those legal requirements. Hence, we have established the Female Employee Labor Protection Management Regulations based on the 3 stages of female employees (pregnancy, delivery, and breastfeeding) so as to control risks through system implementation. Hence, the rate of employees retained a year after parental leave was **90%** in 2024, and the retention rate for employees who continued working for one year after returning to work in 2023 was **100%**. Additionally, besides the statutory parental leave of absence, employees in need of a long leave due to severe injuries or illnesses or continuing education may also apply for a leave of absence and then reinstatement after the leave to balance personal and family care needs.

Parental Leave of Absence Statistics

Item	UNEEC Dongguang		UNEEC Ningpo		Taiwan HQ	
	Male	Female	Male	Female	Male	Female
Number of eligible applicants in 2024	10	11	10	11	0	0
Actual number of applicants in 2024	10	11	10	11	0	0
Number of employees expected to return to work in 2024	10	11	10	11	0	0
Actual number of applicants in 2024	10	10	9	11	0	0
Return-to-work rate	100%	90%	90%	100%	0	0
Actual number of applicants in 2023	9	6	11	10	0	0
Actual number of applicants who continued to work for a year after returning to work in 2023	9	6	11	10	0	0
Retention rate	100%	100%	100%	100%	0	0

Note 1: Number of employees who applied for parental leave of absence is defined as those who took at least one day of maternity or paternity leave between 2024/1/1 and 2024/12/31.

Note 2: The number of employees who returned to work from parental leave of absence in 2023 and continued working for more than one year.

Employee Rights and Communication

Upholding the humanistic management philosophy featuring “respect and democracy”, we integrate our respect for employees with all management activities to create a vibe and culture emphasizing mutual respect, democracy, and harmony to benefit both parties. In addition to establishing a labor union and holding staff and workers’ congress in a timely manner, we respect the employee’s right to freedom of association, seeking representation, and participation in and organization of labor unions. We equip each plant with a suggestion box and grievance hotline as channels for employees to express opinions and give feedback more conveniently. The labor union holds periodic forums, reports to management the problems of employees, and follows up on the resolutions. We have also created a WeChat official account, “UNEEC Home”. These diverse communication channels are established to provide timely feedback and effectively address employee concerns. In 2024, UNEEC Dongguan handled 35 internal communication cases, and there were three labor standards complaints and appeals-related cases, with no incidents of sexual harassment or other discrimination complaints. All complaints were addressed promptly and relevant improvement measures were implemented.

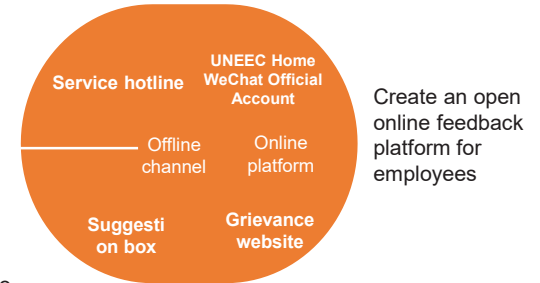
6 Major Modules of Employee Communication



Factory Communication Channel

Provide employees with system consultations, psychological counseling, and support. Employee suggestions and issues are promptly received and resolved.

Union volunteers at the grassroots level can gather employee needs, assist in resolving or provide feedback to the company to address employee needs promptly and effectively.



Communication Channel	UNEEC Dongguang	UNEEC Ningpo	Taipei HQ	Total
Suggestion box	6	2	0	8
Union meetings	2	1	0	3
Service hotline	5	4	0	9
Online platform	14	1	0	15

6.6 Care for Employees

We undertake to realize harmonious labor-management relations, enrich the later life of employees, build a healthy and happy workplace, maintain work-life balance for employees, and organize various activities for total participation so as to demonstrate the vigor of the youth of employees.

Humanistic management, free choice of employment, a safe, healthy, comfortable, and happy workplace and living environment for employees. Every year we organize various wonderful events, such as the year-end party, end-of-year banquet, environmental safety knowledge competition, and so on. We have also established a basketball court in the Company for all employees to feel at home at UNEEC, work happily, and live happily, so as to take care of the mental health of employees by providing them with a sound entertainment and learning environment and thereby create a relaxing life atmosphere.





In November 2024, the company held a fun sports event that not only improved employee physical fitness but also boosted team cohesion, strengthened corporate culture, and enriched employees' leisure lives.



A birthday party is held monthly, while birthday cash gifts, cakes, and beverages are prepared for employees celebrating their birthdays.



On the day of the Lantern Festival, sweet rice balls are served for the entire staff, symbolizing a sense of reunion as they return to work after the New Year. The gesture was well-received and appreciated by all the employees.

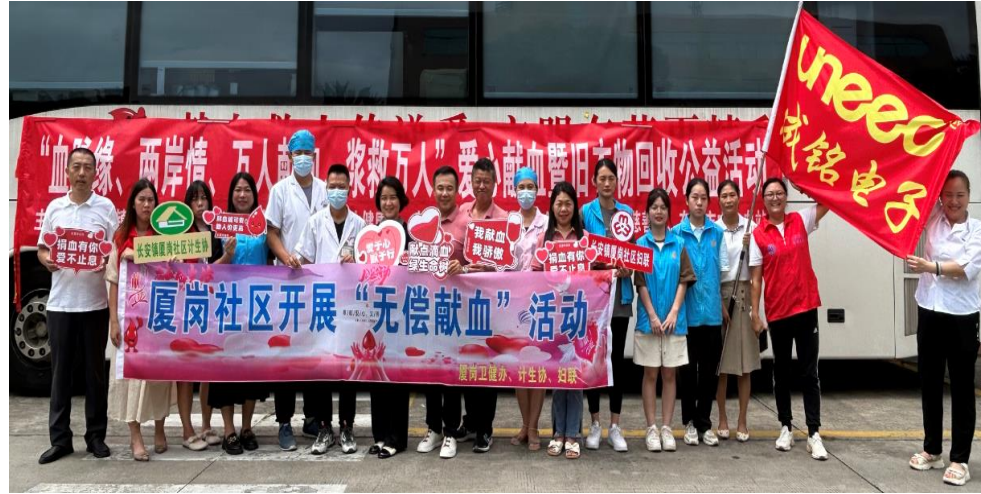


The year-end party was held, and through this traditional event, the company showed appreciation for employees' hard work and conveyed optimism for the future.

6.7 Social Engagement

UNEEC Dongguan Blood Drive

UNEEC Dongguan organized a CSR blood drive in collaboration with local communities. Under the leadership of the UNEEC Labor Union, colleagues actively participated in the event. Every year, UNEEC Dongguan teams up with the community to conduct voluntary blood drives at the company to demonstrate our humanitarian spirit and contribute to alleviating blood supply shortages.



Fun Sports Day

The organization's employees actively participated in the fun sports day hosted by the Changan Town General Labor Union.



To provide jobs for people with disabilities, the company has employed sign language teachers for them to ensure barrier-free communication. Pink vests are customized to improve visibility so that they can receive assistance.



Repurchase of products for gift to employees, to encourage employees to use food with the concept of sustainable operation.

6.8 Occupational Safety and Health

Occupational Health and Safety Management System

Providing employees with a safe and healthy workplace environment is one of our basic obligations. UNEEC Dongguan and Ningbo have passed the ISO 14001:2015 and ISO 45001:2018 certification for the EMS and OH&SMS and established a CSR Team to direct, review, coordinate, and recommend matters for OH&S management. Each department also assigns CSR management personnel to promote and audit OH&S management within the plant.

Key discussion topics of the Occupational Safety and Health Committee in various regions in 2024

Business location	UNEEC Dongguang	UNEEC Ningpo
Key Discussion Issues	<ul style="list-style-type: none"> ◆ Robotic arms are installed for positions prone to occupational hazards ◆ Complete infrared inspections of electrical cabinets and electrical boxes monthly. ◆ Phasing out UV photolysis equipment for exhaust gases ◆ Replace the powder coating booth and dust collection system with explosion-proof and leak detection devices. ◆ Replaced two old elevators 	<ul style="list-style-type: none"> ◆ The Surface Treatment Department added a combustible gas shut-off valve and backup power supply. ◆ The Sheet Metal Department has added automatic welding machine operation as an occupational hazard. ◆ Each production department has installed security cabinets to store hazardous materials. ◆ Replace manual production in the stamping department with robotic production ◆ Replaced old signs in three confined spaces
Employee representative ratio	20%	20%

Risk management and hazard prevention

To prevent occupational hazards, we spare no efforts in strengthening preventive action such as engineering control and operation management. Through control at the source, such as safety assessment before machinery and equipment purchase, increase in safety protection features, replacement of high-hazard chemicals with low-hazard chemicals, and others, we ensure the safety of employees and plants. Every year we identify hazards and assess the risks in the operating procedures and control risks beyond our appetite. We also request for the advance application of operations with higher hazard risk and severity. Such operations can be implemented only after the approval of the relevant units.

Environmental Monitoring

Based on the actual status of hazards and legal requirements, each plant commissions monitoring organizations to implement environmental monitoring periodically to capture the status of hazard factors in the operating environment and improve on-site operations based on the monitoring results to reduce the likelihood of work-related ill health. In the major production areas of plants in mainland China, the physical monitoring items include noise, lighting, and dust. Additionally, a small number of employees in the plant engage in high-temperature and radioactive operations. To prevent employees from work-related exposure to various hazard factors that result in health hazards, we arrange special health checkups for workers engaging in hazardous work and implement graded health management for them based on checkup results.

In 2024 external monitoring of work-related hazard factors was conducted on 292 points, including 49 work-related hazard factors such as noise, dust, monoaromatic hydrocarbons, high temperatures, laser, and others. Except for noise and lighting that exceeded the relevant standards, all other hazard factors fell within the contact limit, with a passing rate of 86%. For noise levels that exceed the standard, the departments that exceed the standard are required to realign the work hours of their employees, supervise the employees to wear personal labor protection equipment (earplugs or earmuffs), and make engineering improvements to the equipment, such as adding sound insulation protection, to reduce the harm of noise to the body.

OH&S Audit

To ensure employee and plant safety and prevent work-related injuries and property losses, all plants perform self-inspection according to the government requirements and the Company's work standards. After running routine audits, plant safety management personnel include the audit results in the performance evaluation. Management personnel with outstanding performance will be rewarded with bonuses to encourage their involvement in occupational safety management. Auditors will follow up and verify the improvement of audited defects to eliminate **204 items** of hidden danger. All employees participate in the hidden danger inventory to provide powerful protection for the Company's safety management. In 2024, the accumulated bonuses for outstanding CSR management personnel of UNEEC Dongguan were **RMB 12,175**.

Safety Response Drills -UNEEC Dongguan

Identify hazards in each production plant and develop multiple emergency response plans. Conduct various emergency drills such as fire drills, machinery injury response drills, chemical spill drills, and flammable gas (natural gas) leak drills, to enhance employees' emergency response capabilities and promote relevant safety knowledge. In 2024, there were no major leakage incidents, and UNEEC did not receive any penalties for violating environmental laws.



Organize first aid training for first responders to improve participants' skills to rescue themselves and others, thereby decreasing casualties from emergencies. The training covers topics such as CPR, trauma care, common emergencies, sudden incidents, and accidental injuries.



Conduct annual fire drills and complete 8 emergency response drills throughout the year to improve employees' disaster awareness and reinforce their skills to rescue themselves and others.



Safety Response Drills - UNEEC Ningbo

Organize emergency fire drills and training in May and November 2024 to raise employees' fire prevention awareness and enhance their ability to deploy fire safety equipment.



In December 2024, emergency personnel from the city's labor union came to the company to provide first aid training, improving employees' first aid knowledge and response skills.



Education Training and Communication Publicity

To improve employee’s knowledge and literacy of OH&S, we develop the hazard awareness and prevention in workplace environments and prevention concept in employees through education and training, the UNEEC Home WeChat official account, emails, bulletins, and posters. In addition to organizing environmental safety knowledge competitions and online quizzes regularly, we also communicate safety knowledge in a timely manner to employees of all plants and collect the recommendations of the CSR management personnel and employees of all departments over the UNEEC Home WeChat official account to minimize work-related injuries and develop a sound corporate image.



In January 2024, 120 managers from the Dongguan plant participated in ESG training



In September 2024, two workplace safety production awareness training sessions were held



Case Sharing on Safe Production

In January 2024, a lecture was held on air cooling, water cooling, and immersion cooling technologies and the current market trends. The lecture focused on forecasting the development of immersion cooling systems to help attendees understand economic developments and potential shifts in the immersion cooling market, thereby reducing uncertainty and minimizing risks in decision-making to ensure successful outcomes.



In July 2024, the organization conducted global ICT industry analysis training. Enable employees to master the ICT skills needed in the industry through training, thereby improving work efficiency and quality. Promote corporate innovation and development to enhance corporate competitiveness.

In October 2024, the organization sent employees to attend the "Gangcheng Youqing" Engineer Safety Production Training Class hosted by the Beilun District Bureau of Human Resources and Social Security. Enhance employees' awareness of potential disaster risks, improve their ability to respond to emergencies, and thereby ensure the smooth continuation of production and employee safety!



Effectiveness of Occupational Safety Management

In 2024, UNEEC employees accumulated a total of 12,659,769 working hours. The table below illustrates the occupational injury and disease occurrences across different regions. There were zero fatalities or cases of occupational diseases this year, and the rate of severe occupational injuries was also zero, with an occupational injury rate of 1.74%. In the Dongguan plant, the main types of injuries were bruises and contusions. To prevent mechanical hazards to personnel, we have implemented source management for machinery, requiring the installation of safety protection devices when purchasing equipment and including them in daily inspections. In the future, the company will regulate occupational health and safety management to achieve the goals of “zero occupational fatalities and diseases”.

During the reporting period, there were **22** occupational injuries. The incidence of machinery-related injuries has dropped by **11%** compared to the previous year. Investments in occupational health and safety management **NTD 2.9** million.

2024 Occupational Injury and Disease Statistics

	UNEEC Dongguang	UNEEC Ningpo	UNEEC Taipei	Group
Fatality rate due to occupational injuries	0	0	0	0
Severe occupational injury rate	0	0	0	0
Occupational injury rate	2.85%	0.5%	0	1.74%
Fatality rate due to occupational diseases	0	0	0	0
Occupational disease rate	0	0	0	0

Note 1: Total working hours include overtime.

Note 2: Occupational injuries do not include commuting accidents.

Note 3: The incidence rate is rounded to 2 decimal places, with the third decimal place rounded to the nearest value.

Equation

- ◆ Occupational injury fatality rate = Number of fatalities due to occupational injuries/total working hours * 1,000,000
- ◆ Severe occupational injury rate = Number of occupation injuries/total working hours * 1,000,000.
- ◆ Occupational injury fatality rate = Number of fatalities due to occupational injuries/total hours worked * 1,000,000.
- ◆ Occupational disease fatality rate = Number of fatalities due to occupational diseases/total working hours * 1,000,000.
- ◆ Occupational disease rate = Number of occupation diseases/total working hours * 1,000,000

7 Appendix



1. GRI Standards Indicator Index
2. Sustainability Accounting Standards Board (SASB) Content Index



7.1 GRI Standards Indicator Index

UNEEC has published its 2024 Sustainability Report in accordance with GRI standards, covering data from January 1, 2024, to December 31, 2024. With reference to the “GRI Sustainability Reporting Standards (2021)” issued by the Global Reporting Initiative (GRI), specifically GRI 1: Foundation 2021.

GRI Standards	Disclosure Item	Report Section	Page	Description
GRI 2: General Disclosures 2021				
2-1	Organizational details	1. Overview	P6	
2-2	Entities included in the organization’s sustainability reporting	About this report	P3	
2-3	Reporting period, frequency and contact point	About this report	P3	
2-4	Restatements of Information	About this report	P3	
2-5	External Assurance	About this report	P3	
2-6	Activities, value chain and other business relationships	1. Overview	P6	
2-7	Employees	6.2 Equal and Diverse Employee Team	P65	
2-8	Workers who are not employees	6.2 Equal and Diverse Employee Team	P65	
2-9	Governance structure and composition	1.1 Organization Structure	P7	
2-10	Chair of the Highest Governance Body	4.2 Improving Board Competence	P24	
2-11	Chair of the highest governance body	4.2 Improving Board Competence	P24	
2-12	Role of the highest governance body in overseeing the management of impacts	4.2 Improving Board Competence	P24	
2-13	Delegation of responsibility for managing impacts	4.2 Improving Board Competence	P24	
2-14	Role of the highest governance body in sustainability reporting	4.2 Improving Board Competence	P24	
2-15	Conflicts of Interest	3.1 Stakeholder Engagement	P18	
2-16	Communication of critical concerns	3.1 Stakeholder Engagement	P18	
2-17	Collective Knowledge of Highest Governance Body	4.2 Improving Board Competence	P24	
2-18	Evaluating the Highest Governance Body’s Performance	4.2 Improving Board Competence	P24	
2-19	Remuneration Policies	6.5 Protection of Human Rights	P72	
2-20	Process to determine remuneration	4.2 Improving Board Competence	P24	
2-21	Annual Total Compensation Ratio		-	Confidentiality mechanisms, with limited disclosure.
2-22	Statement on sustainable development strategy	From Our Chairperson and President	P4	
2-23	Policy commitments	2.2 Policy and Implementation	P14	
2-24	Embedding policy commitments	2.2 Policy and Implementation	P14	
2-25	Processes to remediate negative impacts	3.1 Stakeholder Engagement	P18	

GRI Standards	Disclosure Item	Report Section	Page	Description
2-26	Mechanisms for seeking advice and raising concerns	3.1 Stakeholder Engagement	P18	
2-27	Compliance with laws and regulations	4.6 Risk Management	P41	
2-28	Membership of Associations	2.3 Alignment With Global Sustainable Development	P16	
2-29	Approach to stakeholder engagement	3.1 Stakeholder Engagement	P18	
2-30	Collective Bargaining Agreements	6.5 Protection of Human Rights	P72	
GRI 3: Material Topics 2021				
3-1	Process of determining material topics	3.2 Materiality Analysis	P20	
3-2	List of material topics	3.2 Materiality Analysis	P20	
3-3	Management of material topics	3.2 Materiality Analysis	P20	
GRI 201: Economic Performance 2016				
201-1	Direct Economic Value Generated and Distributed	-	-	
201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change	5.2 Climate Change	P46	
201-3	Defined benefit plan obligations and other retirement plans	-	-	
201-4	Financial assistance received from government	-	-	
GRI 202: Market Presence 2016				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	6.3 Talent Attraction and Retention	P68	
202-2	Proportion of senior management hired from the local community	6.3 Talent Attraction and Retention	P68	
GRI 203: Indirect Economic Impacts 2016				
203-1	Infrastructure Investments and Services Supported	-	-	
203-2	Significant indirect economic impacts	-	-	
GRI 204: Procurement Practices 2016				
204-1	Proportion of Spending on Local Suppliers	4.5 Supplier Sustainable Management	P35	
GRI 205: Anti-corruption 2016				
205-1	Operations assessed for risks related to corruption	4.2 Improving Board Competence	P24	
205-2	Communication and Training About Anti-corruption Policies and Procedures	4.2 Improving Board Competence	P24	
205-3	Confirmed incidents of corruption and actions taken	4.2 Improving Board Competence	P24	
GRI 206: Anti-competitive Behavior 2016				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	4.5 Supplier Sustainable Management, 4.6 Risk Management	P35, P41	
GRI 207: Tax 2019				
207-1	Approach to tax	4.8 Tax Management	P43	
207-2	Tax governance, control, and risk management	4.8 Tax Management	P43	
207-3	Stakeholder engagement and management of concerns related to tax	4.8 Tax Management	P43	
207-4	Country-by-country reporting	4.8 Tax Management	P43	

GRI Standards	Disclosure Item	Report Section	Page	Description
GRI 301: Materials 2016				
301-1	Materials Used by Weight or Volume	4.5 Supplier Sustainable Management	P35	
301-2	Recycled input materials used	4.5 Supplier Sustainable Management	P35	
301-3	Reclaimed Products and Their Packaging Materials	4.5 Supplier Sustainable Management	P35	
GRI 302: Energy 2016				
302-1	Energy Consumption Within the Organization	5.3 Energy Management	P53	
302-2	Energy Consumption Outside of the Organization		-	Missing information, accurate disclosure is impossible
302-3	Energy Intensity		-	Missing information, accurate disclosure is impossible
302-4	Reduction of energy consumption	5.3 Energy Management	P53	
302-5	Reductions in Energy Requirements of Products and Services		-	Missing information, accurate disclosure is impossible
GRI 303: Water and Effluents 2018				
303-1	Interactions with water as a shared resource	5.4 Water Management	P57	
303-2	Management of water discharge-related impacts	5.4 Water Management	P57	
303-3	Water Withdrawal	5.4 Water Management	P57	
303-4	Water discharge Disclosure	5.4 Water Management	P57	
303-5	Water Consumption	5.4 Water Management	P57	
GRI 304: Biodiversity 2016				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		-	
304-2	Significant impacts of activities, products, and services on biodiversity		-	
304-3	Habitats protected or restored		-	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		-	
GRI 305: Emissions 2016				
305-1	Direct (Scope 1) GHG Emissions	5.2 Climate Change	P46	
305-2	Energy Indirect (Scope 2) GHG Emissions	5.2 Climate Change	P46	
305-3	Other Indirect (Scope 3) GHG Emissions	5.2 Climate Change	P46	
305-4	GHG emissions intensity	5.2 Climate Change	P46	
305-5	Reduction of GHG Emissions	5.2 Climate Change	P46	
305-6	Emissions of ozone-depleting substances (ODS)	5.2 Climate Change	P46	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	5.7 Environmental Management	P62	
GRI 306: Waste 2020				
306-1	Waste generation and significant waste-related impacts	5.5 Waste Management	P58	
306-2	Management of significant waste-related impacts	5.5 Waste Management	P58	
306-3	Waste generated	5.5 Waste Management	P58	
306-4	Waste diverted from disposal	5.5 Waste Management	P58	
306-5	Waste directed to disposal	5.5 Waste Management	P58	

GRI Standards	Disclosure Item	Report Section	Page	Description
GRI 308: Supplier Environmental Assessment 2016				
308-1	New suppliers that were screened using environmental criteria	4.5 Supplier Sustainable Management	P35	
308-2	Negative environmental impacts in the supply chain and actions taken	4.5 Supplier Sustainable Management	P35	
GRI 401: Employment 2016				
401-1	New Employee Hires and Employee Turnover	6.2 Equal and Diverse Employee Team	P65	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	6.2 Equal and Diverse Employee Team	P65	
401-3	Parental Leave	6.5 Protection of Human Rights	P72	
GRI 402: Labor/Management Relations 2016				
402-1	Minimum notice periods regarding operational changes	6.5 Protection of Human Rights	P72	
GRI 403: Occupational Health and Safety 2018				
403-1	Occupational Health and Safety Management System	6.8 Occupational Safety and Health	P81	
403-2	Hazard Identification, Risk Assessment and Incident Investigation	6.8 Occupational Safety and Health	P81	
403-3	Occupational Health Services	6.8 Occupational Safety and Health	P81	
403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	6.8 Occupational Safety and Health	P81	
403-5	Worker Training on Occupational Health and Safety	6.8 Occupational Safety and Health	P81	
403-6	Promotion of Worker Health	6.8 Occupational Safety and Health	P81	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6.8 Occupational Safety and Health	P81	
403-8	Workers Covered by an Occupational Health and Safety Management System	6.8 Occupational Safety and Health	P81	
403-9	Work-related Injuries	6.8 Occupational Safety and Health	P81	
403-10	Work-related Ill Health	6.8 Occupational Safety and Health	P81	
GRI 404: Training and Education 2016				
404-1	Average Hours of Training Per Year Per Employee	6.4 Learning and Development for Talents	P70	
404-2	Programs for upgrading employee skills and transition assistance programs	6.4 Learning and Development for Talents	P70	
404-3	Percentage of employees receiving regular performance and career development reviews	6.4 Learning and Development for Talents	P70	
GRI 405: Diversity and Equal Opportunity 2016				
405-1	Diversity of Governance Bodies and Employees	6.2 Equal and Diverse Employee Team	P65	
405-2	Ratio of basic salary and remuneration of women to men		-	Confidentiality mechanisms, with limited disclosure.

GRI Standards	Disclosure Item	Report Section	Page	Description
GRI 406: Non-discrimination 2016				
406-1	Incidents of Discrimination and Corrective Actions Taken	No discrimination incident was reported.	-	
GRI 407: Freedom of Association and Collective Bargaining 2016				
407-1	Operations and Suppliers in Which the Right to Freedom of Association and Collective Bargaining May be at Risk	6.5 Protection of Human Rights	P72	
GRI 408: Child Labor 2016				
408-1	Operations and Suppliers at Significant Risk for Incidents of Child Labor	6.5 Protection of Human Rights	P72	
GRI 409: Forced or Compulsory Labor 2016				
409-1	Operations and Suppliers at Significant Risk for Incidents of Forced or Compulsory Labor	6.5 Protection of Human Rights	P72	
GRI 410: Security Practices 2016				
410-1	410-1 Security personnel trained in human rights policies or procedures	6.4 Learning and Development for Talents	P70	
GRI 411: Rights of Indigenous Peoples 2016				
411-1	Incidents of violations involving rights of indigenous peoples	None	-	
GRI 413: Local Communities 2016				
413-1	Operations with local community engagement, impact assessments, and development programs	6.7 Social Engagement	P79	
413-2	Operations with significant actual and potential negative impacts on local communities	None	-	
GRI 414: Supplier Social Assessment 2016				
414-1	New Suppliers That Were Screened Using Social Criteria	4.5 Supplier Sustainable Management	P35	
414-2	Negative social impacts in the supply chain and actions taken	4.5 Supplier Sustainable Management	P35	
GRI 415: Public Policy 2016				
415-1	Political Contributions	No political contribution was made.	-	
GRI 416: Customer Health Safety 2016				
416-1	Assessment of the health and safety impacts of product and service categories	4.4 Customer Relationship Management	P33	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	None	-	
GRI 417: Marketing and Labeling 2016				
417-1	Requirements for product and service information and labeling	-	-	
417-2	Incidents of non-compliance concerning product and service information and labeling	-	-	
417-3	Incidents of non-compliance concerning marketing communications	-	-	
GRI 418: Customer Privacy 2016				
418-1	Substantiated complaints regarding concerning breaches of customer privacy and losses of customer data	None	-	

7.2 Sustainability Accounting Standards Board (SASB) Content Index

SASB Topic	Criteria code	Disclosure criteria	Content summary	Report Section	Page
GHG emissions	TC-SC-110A.1	GHG emissions	Total emissions amounted to 8,590.3 tCO ₂ e (Scope 1: 2,093 tCO ₂ e, Scope 2: 4,886 tCO ₂ e, Scope 3: 1,611 tCO ₂ e).	5.2 Climate Change	P46
GHG emissions	TC-SC-110A.2	Performance In GHG reduction	The capacity of self-built solar power generation facilities is 1366 KWP, generating 794 MWh of electricity in 2024 and reducing GHG carbon emissions by tCO ₂ -e. Replacing the old air compressor with a variable frequency energy-saving model saved 1598 MWh of electricity in 2024 and reduced carbon emissions by 911 tCO ₂ -e per year.	5.3 Energy Management	P53
Energy Management	TC-SC-130A.1	Energy consumed	<ol style="list-style-type: none"> 1. UNEEC's natural gas consumption was 714,300 cubic meters (m³). 2. Electricity consumption totaled approximately 34,169 Mwh, including 25,023 Mwh from renewable sources. 3. Gasoline consumption: 37,375 liters (L); Diesel consumption: 12,979 liters (L) 	5.3 Energy Management	P53
Water management	TC-SC-140a.1	<ol style="list-style-type: none"> 1. Total water consumption 2. Wastewater treatment, recycling, and reuse. 3. Water sources and risks 	<ol style="list-style-type: none"> 1. Total water consumption was about 388,708 tons (T) 2. The total volume of wastewater treated was 47,087 tons, of which 36,916 tons were recycled for reuse, resulting in a wastewater discharge of 10,171 tons. The recycled water accounted for 78% of the total wastewater treated. 3. Tap water is our major water source. No water is withdrawn from rivers, lakes, or groundwater to cause significant impact to water sources and community water supply. 	5.4 Water Management	P57
Waste Management	TC-SC-150a.1	Waste generation, hazardous waste ratio, waste recycling ratio	Total waste volume of 6,794 tons (general waste 5,916 tons, household waste 649 tons, hazardous waste 229 tons) 97% of waste gas is recycled, and hazardous waste makes up 3.4% of the total.	5.5 Waste Management	P58
Employees Health and Safety	TC-SC-320a.1	Provide a healthy and safe workplace	The company upholds the principles of legality, fairness, impartiality, equality, non-compulsion, and integrity. The company's education and training promote the employee code of conduct and human rights policy, ensuring the protection of employees' legal rights. Furthermore, UNEEC complies with local regulations to provide a safe and healthy working environment.	6.5 Protection of Human Rights	P72