



Chunon HQ, Taiwan  
芯南(總部)



Chunon, Taiwan  
芯南(總部)



Songjiang, Shanghai  
松江, 上海



Kunshan, Jiangsu  
昆山, 江蘇



Foxsemicon  
昆山, 江蘇



Foxsemicon  
34585, San Jose, California  
聖荷西, 加州



Union City, California  
聯合市, 加州



Chonburi Province, Thailand  
春武里, 泰國



Austin, Texas  
奧斯汀, 德克薩斯州



Rayong, Thailand  
羅勇, 泰國

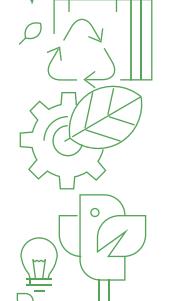
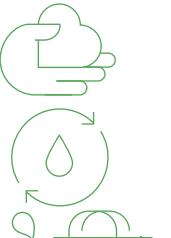
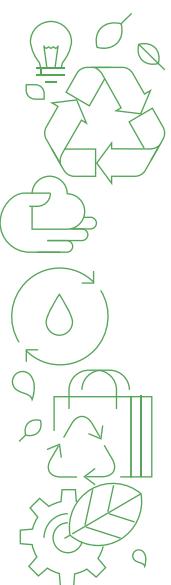
Texas, Arizona  
德州, 亞利桑那州



# 2024 Sustainability Report

Foxsemicon integrated Technology Inc.

Environmental  
Social  
Governance 



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# About The Report

Since 2018, FITI has published an annual sustainability report to demonstrate our commitment and achievements in sustainable development. This report has been prepared with reference to leading international standards, including the Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosures (TCFD), and the Sustainability Accounting Standards Board (SASB), as well as in accordance with the Regulations Governing the Preparation and Filing of Sustainability Reports by Listed Companies issued by the Taiwan Financial Supervisory Commission (FSC). It presents our sustainability governance framework, management approaches, and performance outcomes, in alignment with global issues, domestic regulatory requirements, stakeholder expectations, and the principle of double materiality.

The purpose of this report is to provide a transparent communication channel with stakeholders by disclosing our practices and performance across corporate governance, people engagement, and environmental stewardship. Feedback collected from stakeholders serves as an important input for enhancing the accuracy, balance, and transparency of sustainability disclosures and for continuously improving sustainability management.

## Internal Controls for Report Preparation

This report is prepared in accordance with Taiwan FSC's Regulations Governing the Preparation and Filing of Sustainability Reports by Listed Companies. It has been compiled under FITI's internal Sustainability Information Management Procedures. Data are collected from relevant departments by the Sustainability committee, reviewed by responsible supervisors and the Corporate Sustainability Center, and subject to annual internal audits to ensure accuracy and completeness.

## External Assurance

- ❖ This report has been prepared with reference to the GRI Standards.
- ❖ Independent third-party assurance was conducted by SGS Taiwan Ltd. in accordance with AA1000AS v3 (moderate level), confirming alignment with the GRI Standards and the completeness of disclosures.
- ❖ Financial information disclosed in this report is aligned with the Annual Report and has been independently assured by PwC to ensure accuracy and reliability.
- ❖ The GHG emission data have been independently verified by the Taiwan Electric Research & Testing Center (TERTEC) in accordance with ISO 14064-1:2018.

## Report Boundary and Scope

This report discloses sustainability information and performance for the period from January 1, 2024, to December 31, 2024. The reporting boundary covers the following entities and operations:

- ❖ **Taiwan** : Foxsemicon Integrated Technology Inc. (including Kezhong site and Keyan site) 、 Fox Automation Technology Inc. (including Kezhong site and Keyan site) 、 Frontier Integrated Global Solutions, Inc. (address: No. 108, Kezhuan 5th Rd., Zhunan Township, Miaoli County) 、 Kainova Technology Inc. (Kezhong site)
- ❖ **China** : Foxsemicon Integrated (Shanghai) Inc. (Songjiang site) 、 Shanghai EnvoFox Environment Integrated Technology Limited Inc (Songjiang site) 、 Foxconn Fuyao Precision Component (Kunshan) Co., Ltd. (Kunshan site)
- ❖ **United States** : Foxsemicon Technology, LLC (U.S. office)

Unless otherwise specified, the data presented in this report includes the above-listed operations. Financial information is consolidated unless otherwise stated.

## Compilation Basis

This report has been prepared in accordance with the GRI 2021 Standards (GRI Sustainability Reporting Standards) and with reference to the AA1000 Accountability Principles (APS), emphasizing inclusivity, materiality, responsiveness, and impact. The disclosures are also aligned with the SASB Standards for the Semiconductor Industry, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and applicable local regulatory requirements.

## Report Publication

The current edition (Chinese and English) of the report was published in August 2025. The previous report was released in August 2024, and the next report is expected to be published in August 2026.



# Message from the Chairman

Since its founding in 2001, FITI's journey has been propelled by the dedication, insight, and resilience of every team member. Amid global climate change, pandemic disruptions, and geopolitical uncertainties, our commitment to environmental and social sustainability has never wavered. Over the past 24 years, we have steadily expanded our global footprint while deepening our ESG integration. In 2024, FITI extended its operations beyond Taiwan, China, and the U.S. to Thailand. Anchored by the principles of co-creation, collaborative progress, mutual benefit, shared prosperity, and inclusiveness, we partner across borders to build a resilient and scalable collaboration model—a key enabler of long-term sustainable growth.

## Co-Creation: Driving Sustainability Together

FITI embraces the United Nations Sustainable Development Goals (SDGs) as the foundation of its ESG roadmap, applying green technology to deliver sustainable value embedded in all business operations and decision-making. We recognize that lasting progress is achieved only through the concerted efforts of governments, civil society, and supply chain partners. Through continuous resource sharing, technological collaboration, and active social engagement, we elevate operational performance and amplify our long-term sustainability impact. In 2024, we officially integrated the Sustainability Committee into our Board of Directors to intensify climate risk management and enhance corporate resilience amid mounting climate and resource challenges.

## Collaborative Progress: Advancing Excellence in Governance

Integrity and transparency stand as the cornerstones of FITI's governance. Our established policies—including the Ethical Corporate Management Best Practice Principles, Corporate Governance Best Practice Principles, and the Codes of Ethical Conduct—ensure uncompromising standards across our business and supply chain. Each achievement underscores our unwavering commitment to corporate responsibility. In 2024, FITI realized record-breaking results: consolidated revenue of NT\$16.45 billion, net profit after tax of NT\$2.61 billion, and earnings per share (EPS) of NT\$25.22—a testament to the synergy between strong ESG practices and financial performance.

## Mutual Benefit: Fostering Environmental Sustainability

Since 2017, FITI has rigorously conducted greenhouse gas inventories, deployed smart facility monitoring, and advanced water and carbon management strategies. We have set clear, time-bound carbon reduction targets: reducing emissions by 15% by 2030 (from 2022 levels), 62% by 2040, and achieving net-zero emissions by 2050. Beyond internal operations, we actively support global climate frameworks such as the Kunming-Montreal Global Biodiversity Framework. Our community initiatives—including beach cleanups and tree planting—protect marine and terrestrial ecosystems (SDGs 14 and 15) and enhance sustainable partnerships (SDG 17). We take responsibility for the ecosystems we depend on and the communities we serve.





## Shared Prosperity: Building a Green and Responsible Supply Chain

As global industries pivot toward sustainability, FITI is committed to constructing a responsible, resilient green supply chain. We champion responsible sourcing, uphold human rights, and assist suppliers in aligning with RBA standards and green management practices. Serving as a key partner in advanced process automation for high-tech sectors such as semiconductors, display panels, and optoelectronics, supply chain stability and sustainability are critical to our competitive edge. We ensure compliance with environmental, ethical, and labor standards through rigorous supplier selection and risk assessments. Leveraging international frameworks like the RBA and ISO, we collaborate closely with partners to fulfill shared social responsibilities. Moving forward, we will enhance supply chain transparency, data reporting, and promote carbon disclosure and green procurement—securing sustainability from source to product in alignment with global decarbonization goals.

## Inclusiveness: Empowering People and Communities

People are the foundation of sustainable growth. FITI offers competitive compensation and comprehensive training resources to cultivate talent with global vision and cross-cultural competence, preparing our workforce to navigate the complexities of international expansion. In 2025, FITI will reach a significant global milestone. As we establish multi-country operations and welcome new talent, we anticipate diverse challenges from markets, cultures, and regulatory environments. Through rigorous training and certification programs, we will continue to enhance employee expertise and foster an inclusive workplace. Rooted in the belief that “what we take from society, we give back to society,” the FITI Charity Club remains deeply committed to local communities—providing care and companionship, championing environmental stewardship, supporting vulnerable populations, and empowering civic engagement to build a more inclusive and thriving society.

At FITI, sustainable growth means balancing EPS and ESG. While we relentlessly pursue financial excellence, we are equally dedicated to environmental responsibility, social equity, and sound governance. With innovation and resilience as our guiding principles, we aim to elevate global competitiveness and partner worldwide to build a more prosperous, equitable, and sustainable future.





# Net Zero Vision and Roadmap

## I. Net-Zero Commitment and Pledge

In response to the global climate crisis, FITI formally announced in 2024 its net-zero goal by 2050, demonstrating our firm commitment to sustainable development. To uphold this pledge, we established the Sustainability Committee in 2023 and the TCFD Taskforce to develop a comprehensive governance framework, ensuring the effective implementation of net-zero strategies.

## 2. Carbon Accounting System

Since 2017, FITI has established a structured carbon accounting management system across the Group in alignment with ISO 14064-1 standards. The system has been progressively implemented through a phased approach, integrating independent third-party verification to ensure the accuracy, reliability, and transparency of reported data. By institutionalizing carbon accounting practices, we have strengthened our capacity to systematically measure, monitor, and disclose carbon emissions across operations. This framework provides a credible foundation for global carbon management and supports FITI's long-term commitment to climate responsibility and sustainable development.

## 3. Evolution of GHG Inventory Scope and Boundaries

### (1) (1) Phased Expansion of GHG Inventory Scope

#### • 2017-2018: Initiation Phase

Only the Kezhong site was included in the inventory, with reported emissions ranging from approximately 2,500 to 2,700 tCO<sub>2</sub>e.

#### • 2019-2022: Expansion Phase

The inventory expanded to include the Songjiang and Kunshan sites in China, with total emissions increasing to approximately 22,000 tCO<sub>2</sub>e.

#### • 2023-2024: Inventory Optimization Phase

New site (Keyan, starting 2023) and a US office were incorporated into the inventory along with Scope 1 and Scope 2 GHG emissions, establishing a more complete global GHG accounting system.

### (2) Considerations on Inventory Boundaries and Comparability

Due to variations in accounting scope and boundaries across FITI's operations, direct comparisons with historical data should be interpreted with caution, as year-on-year figures may not fully capture underlying emission trends.

## 4. Base Year Setting and Comparison Basis

### (1) Base Year

The base year for FITI's net-zero target is set as 2022. The data for the year is considered reliable and representative of FITI's current scale of operations, thereby providing a robust foundation for setting and tracking future emission reduction targets.

### (2) Inventory Scope and Boundaries by Base Year

- Taiwan: Kezhong site - Scope 1 & 2
- China: Songjiang site - Scope 1 & 2, Kunshan site - Scope 1 & 2

### (3) Base Year Total Emissions: 23,227 tCO<sub>2</sub>e.

### (4) Carbon Reduction Performance Assessment

FITI has experienced sustained operational growth in recent years, with increasing order volumes driving natural expansions and capacity enhancements across its sites. The Taiwan Keyan site commenced operations in 2023, followed by two new sites in Thailand in mid- and late 2025, alongside a domestic acquisition. These ongoing expansions and acquisitions result in continuous evolution of the Group's organizational boundaries, requiring emissions from newly added sites to be accounted for in carbon reduction calculations. Changes in inventory scope and boundaries may, in certain circumstances, necessitate adjustments to the base year in line with international standards, ensuring fair and comparable evaluation of emissions reduction performance. These dynamics highlight the complexity of managing FITI's carbon reduction efforts and underscore the importance of a flexible, forward-looking carbon management strategy.



## 5. Reduction Phased Target

Based on science-based reduction methodologies and regulatory guidance, we have established the following carbon reduction targets:

- Short-term (2025): Achieve a 12.6% reduction in carbon emissions compared to the 2022 baseline, covering Scope 1 and 2 emissions for the Kezhong site in Taiwan, the US office, and Songjiang and Kunshan sites in China.
- Medium-term (2030): Achieve a 50% reduction for all operational facilities compared to the 2022 baseline by 2030.
- Medium-term (2040): Achieve an 80% reduction for all operational facilities by 2040.
- Long-term (2050): Achieve net-zero emissions by 2050.

## 6. Net-Zero Action Plan

## (1) Optimize GHG Inventory System

Complete GHG inventory across all group facilities and operations by 2026, including all relevant Scope 3 categories. Establish an internal review and assurance mechanism to enhance data accuracy, completeness, and comparability across reporting years.

## (2) Participate in the Science-Based Targets Initiative

- Commit to joining the Science-Based Targets initiative (SBTi)
- Formulate near-term and long-term emission reduction targets based on science-based methodologies
- Disclose progress annually and ensure target achievement is subject to independent third-party verification

### (3) Strengthen Carbon Management Mechanism

- Establish a cross-departmental Taskforce to monitor performance, manage risk and opportunities, and ensure integration into corporate strategy.
- Implement energy efficiency and carbon reduction programs across all existing and newly established sites, with measurable performance indicators.
- Commit to continuous improvement in carbon management practices, including the adoption of low-carbon technologies, renewable energy procurement, and integration of climate-related considerations into supply chain engagement.



## 7. Data Transparency Statement

We adopt a progressive strategy in expanding the scope of our greenhouse gas (GHG) inventory. As a result, the organizational boundaries and categories covered may vary across reporting years, which is a common practice in corporate GHG management.

To ensure transparency and comparability, we comm

- Clear boundary disclosure: Explicitly disclose the organizational and operational boundaries of GHG inventories for each reporting year.
- Comparable performance evaluation: Provide carbon reduction performance assessments based on a consistent and comparable methodological foundation.
- Progressive coverage expansion: Continuously enhance the coverage of the GHG inventory to include additional sites, operations, and Scope 3 categories.
- Regular target review: Periodically review and adjust carbon reduction targets to ensure their scientific validity and alignment with global climate goals.

Through systematic planning, consistent execution, and transparent data disclosure, FITI reaffirms its commitment to achieving net zero emissions by 2050, thereby contributing to global climate objectives and sustainable development.

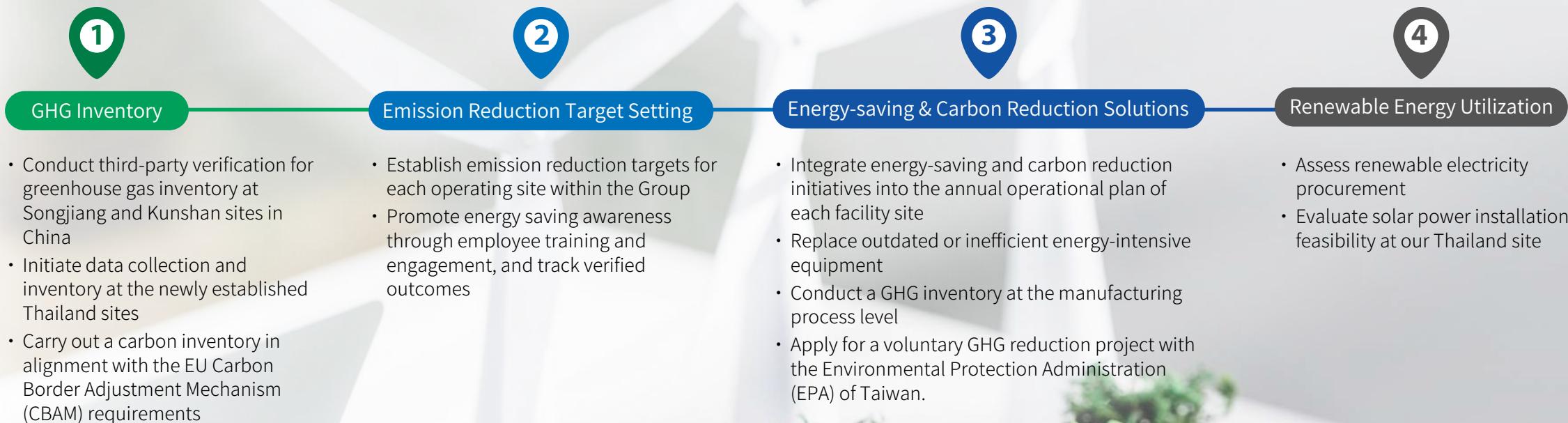
Historical Emission Data of FITI Group (2017-2024) by facility site

Year	Boundary / site	Scope 1 (tCO <sub>2</sub> e)	Scope 2 (tCO <sub>2</sub> e)	Total Emissions (tCO <sub>2</sub> e)
2017	Kezhong	87.3115	2,469.898	2557.2095
2018	Kezhong	96.6225	2,719.688	2816.3105
2019	Kezhong	112.1523	2,491.2229	2,603.375
	Songjiang	--	5,602.22	5,602.22
	Kunshan	--	9,858.6525	9,858.6525
	Kezhong	113.1315	2,675.3529	2,788.484
2020	Songjiang	--	7,139.8310	7,139.8310
	Kunshan	--	11,033.1862	11,033.1862
	Kezhong	143.8901	2,966.4932	3,110.383
2021	Songjiang	--	8,623.6402	8,623.6402
	Kunshan	--	12,440.2018	12,440.2018
	Kezhong	151.6125	3,100.7145	3,252.327
2022 (Base Year)	Songjiang	2,755.7097	6,155.0046	8,910.7143
	Kunshan	523.2870	10,540.3480	11,063.6350
	Kezhong	173.4523	3,006.603	3180.0553
2023	Keyan	282.1141	2,848.0088	3130.1229
	Songjiang	--	4,008.7152	4,008.7152
	Kunshan	--	9,841.7783	9,841.7783
	US office	13.7617	4.5381	18.2998
2024	Kezhong	170.0605	2663.671	2883.7315
	Keyan	281.4753	3754.6788	4036.1541
	Songjiang	--	5149.2168	5149.2168
	Kunshan	--	11221.7695	11221.7695
	US office	7.7288	5.0609	12.7897



# Towards 2025: FITI's Four Action Plans and Targets

## 2025 Four Key Actions



## 2025 ESG Targets

**E** Circular Economy **nvironment** Green Intelligence SDGs:7.9.13.14.15



Topic	2025 Target	2024 Actual Performance	2023 Actual Performance
<b>Circular Economy</b> <b>Water Intensity</b>	Reduce water intensity by <b>1.5%</b> compared to 2024 (≤ 0.0186 m <sup>3</sup> /NTD million).	Water intensity was 0.0189 m <sup>3</sup> /NTD million, a 13% reduction compared to 2023.	Water intensity was 0.0218 m <sup>3</sup> /NTD million, an increase compared to 2022 (0.0202 m <sup>3</sup> /NTD million)
<b>Green Intelligence</b> <b>Scope 1 and Scope 2 GHG Emissions</b>	Reduce combined Scope 1 and 2 greenhouse gas emissions by <b>12.6%</b> compared to the 2022 baseline (≤ 20,313 tCO <sub>2</sub> e) across the Kezhong, US office, Songjiang, and Kunshan sites.	The Kezhong site achieved a 9.43% reduction compared to the 2022 baseline, totaling 306.78 tCO <sub>2</sub> e.	The combined emissions of the Kezhong, Songjiang, and Kunshan sites decreased by 9.83% compared to the 2022 baseline, equivalent to a reduction of 2,282.15 tCO <sub>2</sub> e.

**S**ocial Well-being Workplace Inclusive Society SDGs:3.4.5.8.17



Topic	2025 Target	2024 Actual Performance	2023 Actual Performance
Well-being Workplace	Average Training Hours per Employee	Per employee per year <b>↑ ≥ 40 hours</b>	21.9 hours per employee per year 53 hours per employee per year
	Retention Rate of Professional and Technical Personnel	<b>↑ ≥ 92 %</b>	91% 86%
	Lost-Time Injury Frequency Rate	<b>↓ ≤1.70 cases / million working hours</b>	1.71 cases / million working hours 1.77 cases / million working hours
	Lost-Time Injury Severity Rate	<b>↓ ≤32 days / million working hours</b>	34 days / million working hours 110 days / million working hours
Inclusive Society	Annual Growth Rate of Volunteer Participation	<b>↑ ≥10 %</b>	260 cumulative volunteer hours in Taiwan
	Cumulative Volunteer Service Hours in Taiwan	<b>↑ ≥300 hours</b>	155 cumulative volunteer hours in Taiwan

# G

## Sustainability and Shared Prosperity in Governance

### overnance SDGs:12.16.17



Topic	2025 Target	2024 Actual Performance	2023 Actual Performance
Information Security Management	<b>Obtain ISO 27001 Information Security Management System (ISMS) Certification</b> by Q1 2025.	Progress made toward ISO 27001 certification through introduction of information security management mechanisms and internal audit mechanisms.	Preparation for ISO 27001 certification of the Information Security Management System.
Low-Impact Major Information Security Incidents*	<b>0 case</b>	<ul style="list-style-type: none"> <li>In January 2024, an information security incident occurred. The Company immediately engaged an external cybersecurity firm to carry out incident response, and confirmed that no customer data was compromised.</li> <li>Following the incident, penetration testing and vulnerability scanning were conducted as part of an information security assessment. All identified risks were fully remediated.</li> <li>The number of low-impact major information security incident cases: 0</li> </ul>	Penetration testing had not yet been initiated prior to 2023.
Supplier Management	<b>Zero cases of suppliers violating the company's Supplier Code of Conduct, including strict compliance with regulations and internal requirements on the prohibition of illegal sourcing and use of conflict minerals.</b>	<ul style="list-style-type: none"> <li>Conflict minerals due diligence survey conducted: 65 out of 68 critical suppliers completed the assessment (96%).</li> <li>Declarations of non-use of conflict minerals obtained: 103 out of 107 non-critical material suppliers (96%).</li> <li>No cases of suppliers found to be illegally sourcing or using conflict minerals.</li> </ul>	<ul style="list-style-type: none"> <li>Conflict minerals due diligence survey conducted: 58 out of 65 critical suppliers completed the assessment (89%).</li> <li>Declarations of non-use of conflict minerals obtained: 78 out of 85 non-critical material suppliers (92%).</li> <li>No cases of suppliers found to be illegally sourcing or using conflict minerals.</li> </ul>
Anti-competitive Behavior	<b>0 case</b>	0 case	0 case
Customer Relationship	<b>≥80%</b>	83.2%	84.8%

# Determined Commitment: Linking Executive Compensation to ESG Targets

Starting in 2025, Kingtronics will formally integrate ESG performance indicators into the compensation framework for senior executives. Performance evaluation for managers will be based on FITI's annual financial results—including revenue, profit, and earnings per share (EPS)—as well as the achievement of ESG targets.

For senior executives, variable compensation accounts for approximately 70–90% of total remuneration, with the remaining 10–30% comprising fixed salary. Within the variable component, ESG performance contributes roughly 10%, while the remainder is determined based on individual performance and company operational outcomes, such as revenue growth and profitability.

By linking ESG targets to senior executives' variable compensation, FITI aims to reinforce a top-down sustainability mindset, fulfill its ESG commitments, and drive the creation of long-term corporate value.

Item	Weight	Topic	ESG Performance Indicator	2025 Target	2024 Actual Achievement
Governance	20%	Information Security & Customer Privacy	Information Security Certification	<b>Obtain ISO 27001 Information Security Management System (ISMS) Certification</b>	ISO 27001 system established; inspections and audits in place; regular employee training completed.
Environment	16%	Water Management	Water Use Efficiency	Reduce water intensity by <b>1.5%</b> compared to 2024 ( $\leq 0.0186 \text{ m}^3/\text{NTD million}$ ).	Water intensity was $0.0189 \text{ m}^3/\text{NTD million}$ , a 13% reduction compared to 2023.
	16%	Greenhouse Gas Emissions	GHG Emissions Reduction	Reduce combined Scope 1 and 2 greenhouse gas emissions by <b>12.6%</b> compared to the 2022 baseline ( $\leq 20,313 \text{ tCO}_2\text{e}$ ) across the Kezhong, US office, Songjiang, and Kunshan sites.	The Kezhong site achieved a 9.43% reduction compared to the 2022 baseline, totaling $306.78 \text{ tCO}_2\text{e}$ .
Social	16%	Talent Attraction & Retention	Talent Retention	<b><math>\geq 92\%</math></b>	$\geq 91\%$
	16%	Employee Health & Safety	Lost-Time Injury Frequency Rate	<b><math>\leq 1.70 \text{ cases/million work hours}</math></b>	$\leq 1.71 \text{ cases/million work hours}$
	16%	Community Engagement	Volunteer Service Hours (Taiwan sites)	<b><math>\geq 300 \text{ hours}</math></b>	$\geq 260 \text{ hours}$



## Strengthening Carbon Management Capabilities in Semiconductor Manufacturing

### Highlight Project 1

#### Develop Real-Time Carbon Emission Monitoring Technology

To support Net Zero, RE100, and green supply chain initiatives, FITI's R&D developed a real-time carbon emissions monitoring system for wafer fab equipment. Sensors installed at electricity, compressed air, and vacuum inputs capture energy usage, enabling software to report hourly average emissions and cumulative emissions per equipment. The system has been successfully applied to wafer sorters, showcased at SEMICON Taiwan, and featured in the 2024 ESG Friendship Challenge with a leading wafer foundry.

### ◎ Contributions and Expected Carbon Reduction Across the Semiconductor Value Chain

In response to the global Net Zero trend and sustainable supply chain management requirements, FITI has actively implemented real-time carbon emissions monitoring technology, with the following specific contributions and anticipated benefits:

#### 1. Real-Time Carbon Emission Monitoring

New equipment integrates real-time carbon emission monitoring to provide transparent data for users and regulatory agencies, enhancing environmental information transparency.

#### 2. Data-Driven Carbon Reduction

Accurate carbon emission data enable science-based analysis and strategy planning. Using predictive models and big data analytics, emission trends and key sources are quickly identified, supporting proactive energy-saving and decarbonization measures. The system also provides early warnings for anomalies, facilitating both preventive maintenance and improved energy efficiency.

#### ESG Impact and SDG Links



Environmental (E): Enhance process transparency, optimize energy use, and mitigate climate change risks. (Supports SDGs 7, 12, 13)

#### 3. Driving Value Chain Carbon Traceability

The widespread adoption of this technology enables traceability of carbon emissions across supply chains and streamlines verification under emerging international carbon standards (e.g., ISO 14064, SBTi). Enhanced data integration improves communication efficiency and promotes transparent information sharing across the industry value chain.

#### 4. Continuous Innovation to Expand Industry Impact

FITI is committed to continuously integrating carbon emission monitoring functions into future equipment development. By collaborating with customers to validate application benefits, we seek to drive upstream and downstream partners toward low-carbon transformation, amplifying the multiplier effect of carbon reduction technologies.



Social (S): Support customers in responsible sourcing and sustainable supply chain requirements, strengthening collaboration with industry partners. (Supports SDG 17)



Governance (G): Promote more transparent environmental information disclosures and strengthen corporate governance and regulatory compliance. (Supports SDG 16)



Highlight Project 2



Smart, energy-efficient chiller replacement achieves both energy savings and carbon reduction.



Energy Saving Rate Achieved:  
**28.44%**

Annual CO<sub>2</sub> Emissions Reduced:  
**291 ton CO<sub>2</sub>e/per year**



### Smart Chiller Upgrade for Low-Carbon Transition and Carbon Credit Earning

In collaboration with a domestic energy service company, FITI implemented a high-efficiency chiller replacement project at the Kezhong site in Taiwan by the end of 2024, adopting an innovative BOO investment model (Build, Operate, Own). The existing variable-frequency screw chillers were fully upgraded to the latest magnetic levitation (maglev) variable-frequency centrifugal chillers, which leverage maglev technology to achieve high efficiency and low energy consumption, significantly improving the site's overall energy efficiency.

Preliminary estimates indicate that, following the upgrade, annual electricity consumption will decrease from approximately 2,057,525 kWh (baseline year: 2024) to 1,472,391 kWh, achieving a 28.44% energy savings. This corresponds to an annual reduction of approximately 291 tCO<sub>2</sub>e, with a ten-year cumulative carbon reduction projected at 2,911 tCO<sub>2</sub>e and total electricity savings of 5.85 million kWh.

This energy-saving project not only aligns with the Taiwan government's energy policies and anticipated carbon fee regulations but also initiates the application for voluntary carbon credits approved by the Ministry of Environment. These carbon credits are expected to form a foundation for FITI's future carbon neutrality strategy, enhancing market responsiveness within its carbon management system.

Additionally, the project reduces reliance on high-carbon facilities, lowering Scope 2 emissions, and marks a milestone in FITI's efforts toward low-carbon manufacturing and sustainable operations.

Looking ahead, FITI will continue to review low-carbon equipment upgrades, process optimization, and operational strategies in line with its medium- and long-term carbon reduction targets. Efforts will include expanding renewable energy use and incorporating carbon management performance indicators into departmental evaluations and decision-making processes, enhancing the measurability, traceability, and sustainability of our decarbonization actions. This chiller replacement project also fostered the establishment of cross-departmental energy-saving collaboration, building experience that lays a solid foundation for future large-scale low-carbon equipment upgrades and improvements in energy efficiency.

#### SDGs Links



##### SDG 7: Affordable and Clean Energy

1. Upgrade to a high-efficiency water chiller system to improve energy efficiency ; 2. Reduce energy intensity and promote renewable energy adoption.

##### SDG 9: Industry, Innovation, and Infrastructure

1. Adopt the new BOO model and promote energy-saving innovation. ; 2. Strengthen digital and smart production capabilities.

##### SDG 12: Responsible Consumption and Production

1. Achieve responsible production through equipment upgrades. ; 2. Enhance energy efficiency and extend equipment lifecycle.

##### SDG 13: Climate Action

1. Annual carbon reduction of 291 metric tons; approx. 3,000 metric tons in 10 years. ; 2. Align with the Taiwan government's carbon pricing policies and apply for carbon credits, taking concrete actions to support climate adaptation and mitigation.

##### SDG 17: Partnerships for the Goals

1. Establish the innovative BOO investment model with energy service providers. ; 2. Promote collaborative carbon reduction through private and public partnerships.

Highlight Project 3



Safeguard Habitats and Biodiversity Commitment

**SDG 14**

Life Below Water

Protecting marine ecosystems

## Safeguard Habitats and Biodiversity Commitment

FITI's Taiwan sites are located in the coastal area of Zhunan, Miaoli, which features diverse ecological zones, including mangrove forests, wetlands, and windbreak forests, providing critical spawning and nursery habitats for rare and endangered fish and shellfish. Since 2018, FITI has collaborated with local communities for six consecutive years to organize company-wide beach cleanups and ecological education, aiming for long-term conservation of local habitats—a contribution to the United Nations SDGs 14, 15, and 17.

In response to the UN Taskforce on Nature-related Financial Disclosures (TNFD) framework, FITI formally signed the “Biodiversity Protection Commitment” with the Wennei Community. We have jointly organized multiple employee training programs to raise environmental awareness and foster volunteer participation, laying the foundation for strengthened biodiversity management and advocacy.

**SDG 15**

Life on Land

Conserving terrestrial biodiversity

**SDG 17**

Partnerships for the Goals

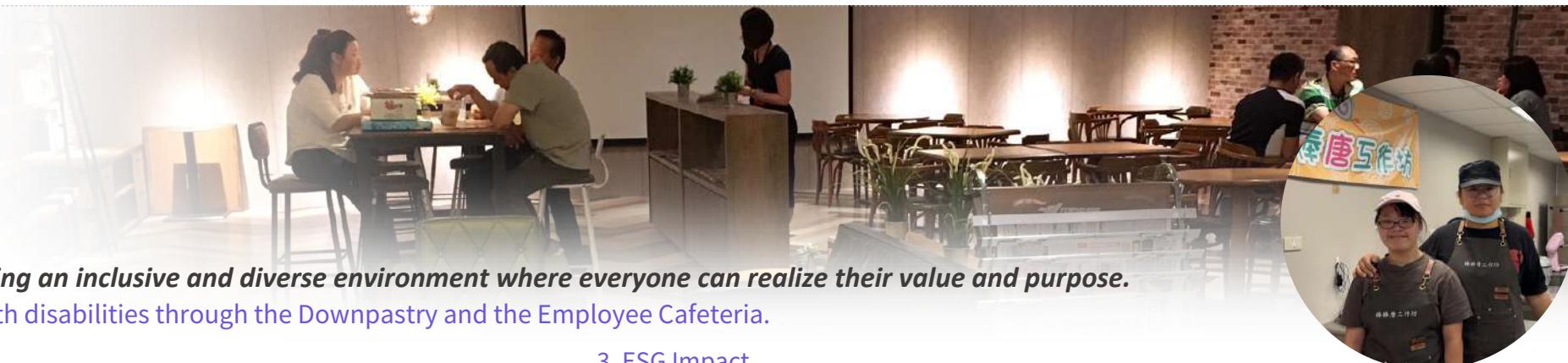
Promoting cross-sector partnerships to achieve sustainable goals





## Highlight Project 4

### Inclusive Workplace



**Sustainability also involves fostering an inclusive and diverse environment where everyone can realize their value and purpose.**

Employment support for people with disabilities through the Downpastry and the Employee Cafeteria.

#### 1. Project Overview

We believe that true sustainability includes providing opportunities for every member of society to find their stage. Since 2010, FITI has implemented the Employee Cafeteria and Downpastry projects to promote inclusive employment for people with disabilities. By integrating social initiatives into daily operations, these have become a key component of our sustainable corporate culture.

#### 2. FITI's Commitment and Action

##### (1) Employee Cafeteria

- Workplace Inclusion: FITI provides full-time positions in the Employee Cafeteria for people with disabilities through internships and direct hiring. This approach offers stable income and career development opportunities while fostering a workplace atmosphere of respect and equality.
- Skills Development: Daily operational training helps employees with disabilities build service and food & beverage management skills, enhancing their self-worth and future employability.

##### (2) Downpastry

- Background: Established in 2018, Downpastry was initiated by parents of children with Down syndrome who pooled resources to purchase baking equipment. Using space on the second floor of FITI's Zhunan Kezhong site, the Downpastry provides them with workplace adaptation and baking skills training.
- Space and Resource Support: FITI offers the free use of site space, creating a friendly and barrier-free work environment.
- Market Linkage: FITI supports the Downpastry through purchasing baked goods for shareholder meetings, client visits, and seasonal gift boxes. FITI also organizes quarterly employee baking workshops and provides fresh, below-market-priced bread daily, creating a sustainable internal consumption cycle that supports both the employees and the business.

#### 3. ESG Impact

- Environmental (E): The Downpastry uses fresh milk from a local Farm and traceable eggs, supporting local agriculture and reducing the carbon footprint of ingredient transportation, promoting sustainable consumption.
- Social (S): The Downpastry collaborates with local special education schools in Miaoli, providing students with workplace internships. In a safe and supportive environment, they develop professional skills and improve employment competitiveness.
- Economic (G): Through external sales and internal consumption, the bakery gradually establishes a self-sustaining business model that aligns with FITI's corporate social responsibility, creating value that combines commercial and social impact.

#### 4. Looking Ahead

FITI will continue to deepen collaborations, expand work and internship opportunities, and promote a replicable inclusive employment model for people with disabilities. Simultaneously, we will continuously enhance product quality and café service standards, ensuring that sustainability is not just a concept but a daily, tangible practice.

#### SDGs Links



SDG 8 : Decent Work and Economic Growth: Promote inclusive and sustainable economic growth by creating employment opportunities for people with disabilities.

SDG 10 : Reduced Inequalities: Reduce social inequalities faced by vulnerable groups through skills training and workplace support.

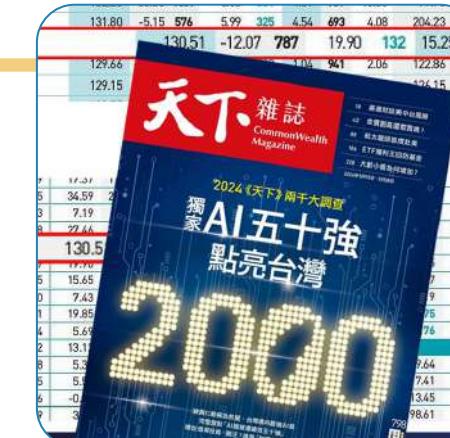
SDG 12 : Responsible Consumption and Production: Establish a sustainable model based on local sourcing and internal consumption support.



## Awards & Recognitions



TCSA Corporate Sustainability Report- Silver Award



CommonWealth Magazine  
Top 2000 Companies Survey

Ranked 28th in the  
Semiconductor Industry



2024 Dun & Bradstreet Taiwan  
Top 1000 Elite SME Awards

Kainova Technology Inc. received  
the Annual Enterprise MVP Award



2024 Taiwan FINI 100



Applied Materials Outstanding  
Supplier Award



ASM 2024 Outstanding  
Supplier Award



# About Fiti Group

## Company Profile

### FOXSEMICON INTEGRATED TECHNOLOGY INC.

- hereinafter referred to as FITI
- Company website :  
<https://www.foxsemicon.com>

Stock Code **3413TW**

Established **2001**

Chairman **Young Liu**

President/CEO **Kevin Chiu**

Global Employees **3,208**

Paid-in Capital **NT\$10.6 billion**

2024 Revenue **NT\$16.45 billion**

Information as of December 31, 2024

Founded in April 2001, FITI Group is headquartered at the Zhunan site of the Hsinchu Science Park, with manufacturing and operational facilities across the globe, including China, the United States, and Thailand. The Company specializes in the production of semiconductor equipment, automation systems, and medical device equipment, with high-performance materials development as a core foundation.

Leveraging expertise in optics, mechanics, electronics, and software innovation, FITI delivers key products to advanced technology sectors such as semiconductors, optoelectronics, display panels, energy, medical, and environmental technologies.

FITI's core capabilities extend beyond precision machining, advanced packaging, and electro-optical-mechanical integration. The Company has established strong competencies in automation equipment development, system assembly, and testing. With proven strengths in high-vacuum and ultra-clean technologies, vertical integration, and stringent process control, Kinetics continues to advance next-generation semiconductor nanometer process equipment. In addition, the Company provides comprehensive solutions in medical imaging systems, intelligent automation equipment, and inspection and testing systems.

## Global Sites





## Trajectory of FITI's Climate Risk Governance

Since the adoption of the Corporate Social Responsibility Best Practice Principles in 2014, FITI has placed strong emphasis on environmental sustainability and has actively promoted energy saving and carbon reduction initiatives. In 2017, we launched our first greenhouse gas inventory, marking a systematic approach to climate-related data management. With the intensification of extreme weather events in recent years, coupled with heightened global expectations for corporate climate action, FITI has strengthened its governance framework to address climate-related risks and opportunities.

Beginning in 2023, FITI established climate management policies and guidelines in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Climate action is coordinated by the Sustainability Committee, with the Board of Directors providing the highest level of oversight. Within the Sustainability Committee, seven specialized subgroups are responsible for developing climate risk governance strategies and transition pathways in line with domestic and international trends, corporate strategy, and industry dynamics.

Progress on climate-related management objectives and resource allocation is reviewed on a quarterly basis by the Sustainability Committee, while material climate issues are reported to the Board of Directors annually. This governance structure ensures that FITI responds in a timely manner to climate risks and leverages transition and innovation opportunities. In pursuing sustainable business growth, FITI is committed to fulfilling its responsibilities as a global corporate citizen and contributing to the collective effort of limiting global warming to 1.5°C in accordance with the Paris Agreement.



2024

承上，P17榮耀肯定說明

- Recognized with the Silver Award for TCSA Corporate Sustainability Reporting
- Ranked in CommonWealth Magazine's Top 2000 Companies Survey: 27th in the Manufacturing Industry and 28th in the Semiconductor Industry
- Received the 2024 Dun & Bradstreet Taiwan Top 1000 Elite SME Awards
- Honored with the 2024 Outstanding Supplier Award from ASM and Applied Materials
- Selected as one of the 2024 Taiwan FINI 100
- The Sustainability Committee was formally integrated into Board Oversight

2023

- Recognized with the Bronze Award for TCSA Corporate Sustainability Reporting
- CommonWealth Magazine "Top 2000 Enterprises" Survey: ranked 259th in the Manufacturing Industry and 26th in the Semiconductor Industry
- Received Excellence in Innovation and New Product Development Award and Excellence in After-Sales Service Support Award from the World's Largest Semiconductor Equipment Company
- Established TCFD Net-Zero Promotion Task Force

2022

- Achieved an average annual energy-saving rate of 1.84%, with a process water recycling rate of over 85%.
- Recognized by Business Weekly "Carbon Competitiveness Top 100" as the No. 1 company in the ranking for the largest carbon reduction within three years.
- Awarded the "Best Companies to Work for in Asia" by HR Asia.
- Honored with the 2022 Outstanding Supplier Award by Applied Materials



## Sustainability Milestone in 2022-2024

2022

- Energy Efficiency Improvement: Reduced overall energy consumption through energy-saving systems and LED lighting upgrades. From 2015 to 2022, the average annual reduction in electricity intensity reached 1.84%, effectively enhancing energy utilization.
- Leading Carbon Reduction Performance: Ranked in Business Weekly's "Carbon Competitiveness Top 100" as the No. 1 company in the ranking for the largest carbon reduction within three years, highlighting continuous excellence in corporate sustainability.
- Water Management: Increased reclaimed water usage to over 85%, effectively reducing water risk exposure.
- People-centered Workplace: Recognized by HR Asia as one of the "Best Companies to Work for in Asia," affirming corporate culture and employee engagement.
- Sustainable Supply Chain Partnership: Recognized with the 2022 Outstanding Supplier Award from Applied Materials, underscoring FITI's trusted position in the global semiconductor supply chain and its tangible contribution to supporting international customers in achieving their net-zero targets.

2023

- Enhanced Reporting Quality: Received the TCSA Taiwan Corporate Sustainability Report Bronze Award, acknowledging progress in sustainability reporting and transparency.
- Business Performance: Ranked in CommonWealth Magazine "Top 2000 Enterprises" — 259th in Manufacturing and 26th in the Semiconductor Industry.
- Innovation and Customer Satisfaction Recognized: Honored with the Excellence in Innovation and New Product Development Award and the Excellence in After-Sales Service Support Award from the world's largest semiconductor equipment customer, demonstrating FITI's dual strengths in technological innovation and product quality.
- Climate Governance Enhancement: Established a TCFD Net-Zero Promotion Task Force to strengthen climate-related risk management and develop a foundation for achieving net-zero by 2050.

2024

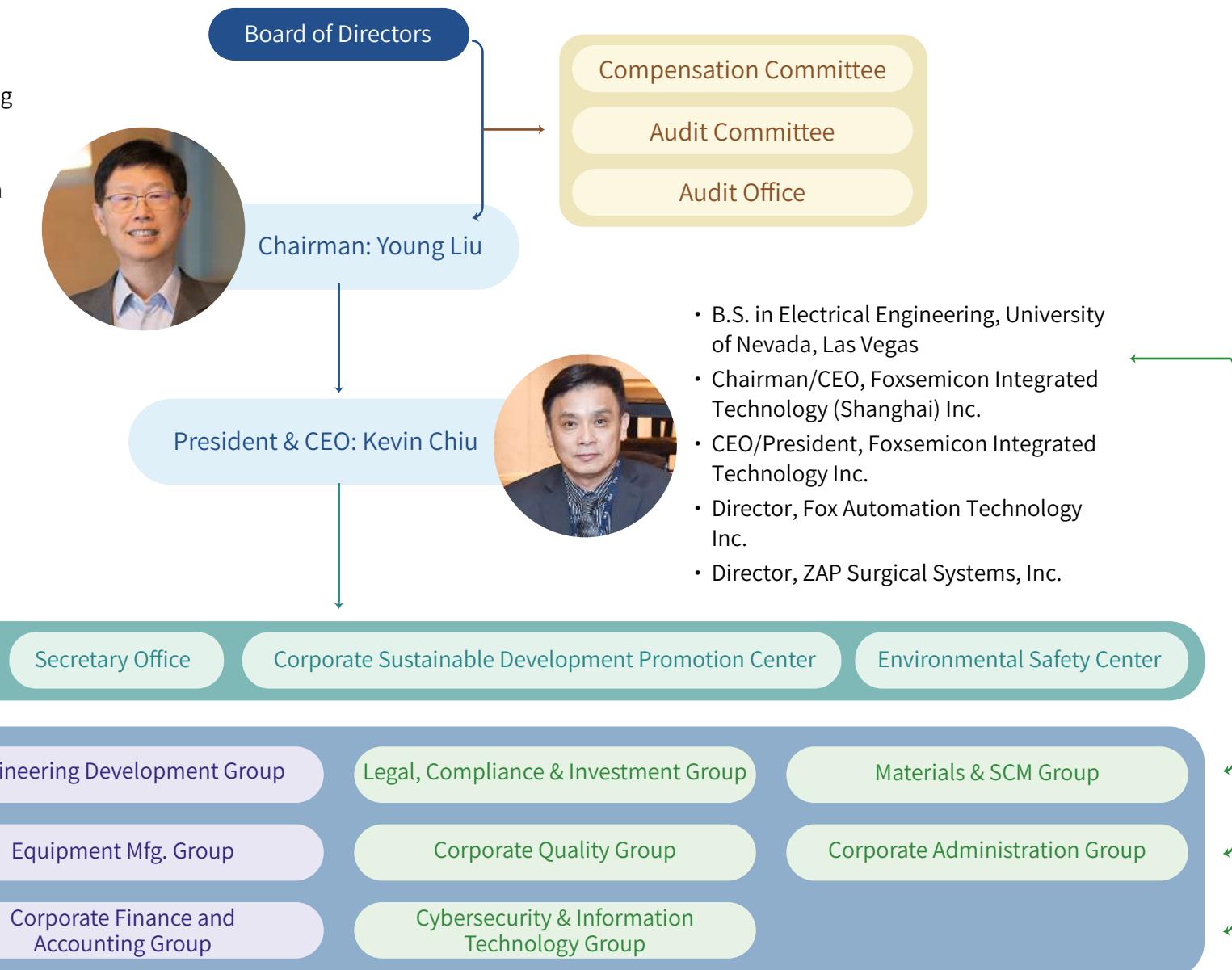
- **Corporate Governance Strengthening:**
  - The Sustainability Committee was formally integrated into the Board of Directors' oversight, ensuring ESG policies and practices are aligned with corporate governance.
  - Introduced ESG performance indicators into executive compensation to strengthen incentives for sustainability implementation.
- **Environmental Management and Energy Efficiency:**
  - Remarkable results from energy-efficient equipment replacement: The replacement of the chiller system achieved an energy-saving efficiency of 28.44%, with an estimated reduction of approximately 3,000 metric tons of CO<sub>2</sub> emissions over ten years.
  - Carbon Management Technology Innovation: Successfully developed a real-time equipment carbon emission monitoring technology, enabling wafer fabs to accurately track emission trends and implement effective response strategies.

### • Recognition and Awards:

- Awarded the TCSA Taiwan Corporate Sustainability Report Silver Award.
- Ranked in CommonWealth Magazine "Top 2000 Enterprises" — 271st in Manufacturing and 28th in the Semiconductor Industry.
- Received the 2024 Dun & Bradstreet Taiwan SME Elite MVP Award.
- Selected as one of the 2024 Taiwan FINI Top 100 Companies for Foreign Investors.
- Honored with the 2024 Outstanding Supplier Awards from Applied Materials and ASM.

# Organizational Structure

- B.S. in Electrophysics, National Chiao Tung University
- M.S. in Electrical Engineering and Computer Science, University of Southern California
- Chairman and General Manager, Hon Hai Precision Industry Co., Ltd. (Foxconn)
- Chairman, Foxtron Vehicle Technologies Co., Ltd.
- Chairman, Foxsemicon Integrated Technology Inc.
- Chairman, PowerX Semiconductor Corporation.
- Chairman, MIH Consortium



# Fiti's Role and Sustainability Responsibility in the Global Semiconductor Industry Value Chain

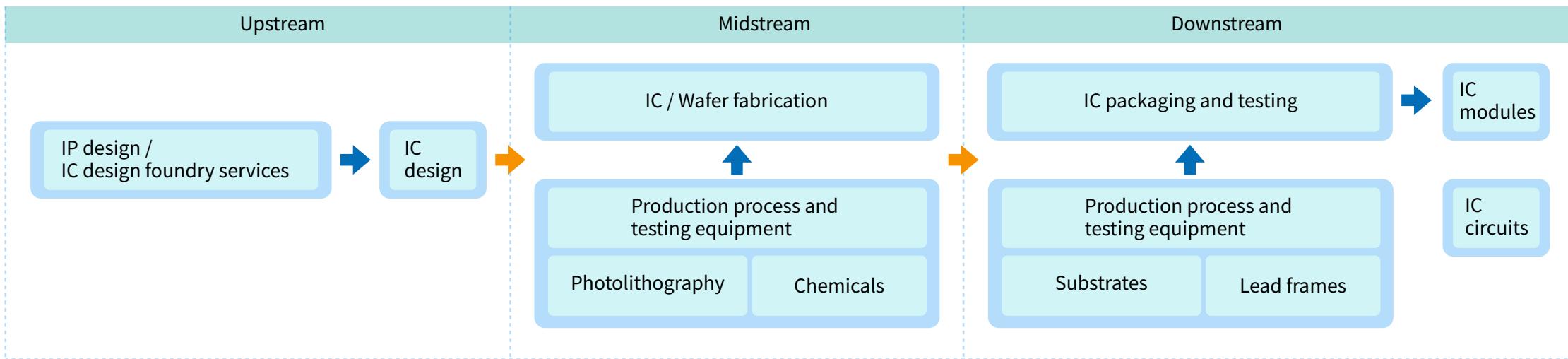
The semiconductor industry, as a highly specialized and fragmented global sector, is structured into three major segments: upstream IC design and IP development, midstream wafer fabrication and process equipment, and downstream IC packaging and testing. These segments are closely interconnected, collectively forming the global high-tech supply chain.

FITI specializes in precision semiconductor equipment, focusing on advanced semiconductor manufacturing equipment and high-efficiency automated systems research and development. The Company provides integrated solutions for global wafer foundries and manufacturers across the entire value chain.

In the upstream of the semiconductor value chain, IC design requires highly reliable products, supported by semiconductor process simulation software, EDA tools, and computing architecture. Entering the midstream, semiconductor manufacturing relies on multiple photomask processes, lithography, etching, deposition, and implantation, supported by high-precision production and testing equipment. FITI plays a key enabling role here by supplying advanced semiconductor automation equipment that improves productivity, efficiency, and yield rates.

In the downstream packaging stage, where miniaturization and stringent requirements for thermal management and performance reliability are critical, FITI provides clean automation applications and integrated equipment solutions. These help prevent contamination, reduce defects, and enhance packaging efficiency and product stability, meeting market demands for small-sized, high-performance chips with strict quality standards.

© Semiconductor Industry Value Chain Source: OTC Industry Value Chain Information Platform



Amid global supply chain disruptions and regulatory changes regarding decarbonization and environmental management, FITI has actively established localized production and service hubs across Taiwan, China, North America, and Southeast Asia. This ensures business continuity while assisting clients in addressing supply chain restructuring and compliance with carbon reduction requirements.

FITI recognizes its responsibility within the industry value chain—not only to enhance production efficiency but also to minimize equipment energy consumption, extend equipment lifecycles, and collaborate with clients and partners to reduce carbon emissions. Through continuous innovation and process optimization, FITI is committed to advancing intelligent and sustainable solutions, working with industry partners to build a resilient, low-carbon, and sustainable future.

## Organizational Participation and Responsibility in Driving Sustainability

FITI actively participates in industry associations across different countries and regions where it operates, dedicated to promoting sustainable development within the semiconductor industry value chain and strengthening collaboration and innovation among industry partners.

From a social responsibility perspective, FITI has joined the Responsible Business Alliance (RBA), committing to uphold the RBA Code of Conduct as the standard for local labor regulations, ensuring that all employees are treated with dignity and respect in the workplace, and that they enjoy a safe and inclusive working environment.

In facing the severe challenges of climate change, FITI also works proactively with industry associations and supply chain partners to support the global climate agenda, aligning with the goals of the Paris Agreement. Together, FITI strives to promote greenhouse gas reduction and advance toward a net-zero emissions sustainable future.

### FITI's Participation in Industry Associations and Non-Governmental Industry Alliances



台灣半導體產業協會  
Taiwan Semiconductor Industry Association

Taiwan Semiconductor Industry Association  
<https://www.tsia.org.tw/>



台灣電子製造設備工業同業公會

Taiwan Electronic Equipment Industry Association  
<http://www.teeia.org.tw/>



台灣科學工業園區科學工業同業公會  
THE ALLIED ASSOCIATION FOR SCIENCE PARK INDUSTRIES

The Allied Association for Science Park Industries  
<http://www.asip.org.tw/>



SEMI - International Semiconductor Industry Association  
<https://www.semi.org>



Responsible Business Alliance

Advancing Sustainability Globally

Responsible Business Alliance(RBA)  
<http://www.responsiblebusiness.org>

# Co-Creation: Driving Sustainability Together

## Highlights of This Chapter

- The Sustainability Committee has been established under the supervision and oversight of the Board of Directors
- The Organizational Charter of the Sustainability Committee and Management Procedure for Sustainability Information have been formally adopted.
- Material topics have been identified, and corresponding management approaches have been developed.

P 24 From EPS to ESG: FITI's Sustainability Blueprint

P 26 FITI's Sustainability Committee and Governance Framework

P 28 Stakeholder Engagement

P 32 Material Topics

P 42 Implementation of the United Nations Sustainable Development Goals (SDGs)



Chun'an HQ, Taiwan  
宜蘭總部



Chun'an 2A, Taiwan  
宜蘭2A



Songjiang, Shanghai  
松江, 上海



Kunshan, Jiangsu  
昆山, 江蘇



San Jose, California  
聖荷西, 加州



Union City, California  
聯合市, 加州



Chonburi Province, Thailand  
春武里, 泰國



Austin, Texas  
奧斯汀, 德克薩斯州



Rayong, Thailand  
羅勇, 泰國

Texas, Arizona  
德州, 亞利桑那州



## 1.1 From EPS to ESG: Fiti's Sustainability Blueprint

FITI upholds the ESG vision of “Advancing Green Technology, Creating Sustainable Value.” We are committed to building a sustainable value chain and promoting green living. Our ESG strategy encompasses three dimensions. In the Environmental dimension, we drive green innovation and digital transformation to achieve energy efficiency, emission reduction, and zero-pollution circularity. In the Social dimension, we foster talent development, support communities, and promote mutual sharing to expand positive impact. In the Governance dimension, we strengthen climate governance and risk management, practice responsible procurement and fair trade, and advance toward the 2050 net-zero target.





According to FITI's 2050 Sustainability Blueprint, our short-, medium-, and long-term strategies and targets across the Environmental, Social, and Governance (ESG) dimensions are as follows:

### Short-term: Establish Internal Management and Culture Foundations for Sustainability

- [E] Implement energy-saving and carbon-reduction initiatives, optimizing energy efficiency in production equipment
- [S] Develop employee care and training programs to enhance workplace well-being and strengthen community engagement
- [G] Establish climate risk assessment and sustainable procurement mechanisms to reinforce transparency in corporate governance

### Mid-term: Deepen Technology Innovation and Industry Chain Collaboration to Amplify Positive Impact

- [E] Invest in green manufacturing processes and zero-pollution circular technologies, expanding the green and smart product portfolio
- [S] Enhance employee volunteering and community engagement programs to foster inclusive social value
- [G] Adopt the latest international sustainability disclosure frameworks to strengthen stakeholder communication and governance

### Long-term: Achieve the 2050 Net-Zero Vision and Position Ourselves as a Global Leader in the Industry Value Chain

- [E] Fully implement smart manufacturing and low-carbon production models to achieve the 2050 net-zero target
- [S] Establish localized sustainability teams across countries to expand positive contributions to global society
- [G] Collaborate with suppliers to promote sustainable procurement and responsible governance, building a fair-trade ecosystem together

\* 【E】 Environmental; 【S】 Social; 【G】 Governance



## 1.2 FITI Sustainability Committee and Governance Framework

To achieve sustainable development goals and strengthen engagement with stakeholders, as well as address environmental, social, and governance (ESG) risks and opportunities, FITI has established a Sustainability Committee in accordance with Article 3, Paragraph 17 of the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Article 9-1 of the Corporate Governance Practice Principles. The Sustainability Committee and the respective management procedures are overseen by designated executive committee members to ensure the effectiveness of cross-functional discussions and promote sustainable development.

The Sustainability Committee is responsible for coordinating and supervising the company's sustainability affairs. In 2024, FITI completed the Organizational Charter of the Sustainability Committee and the Management Procedure for Sustainability Information to clearly define the committee's duties and processes. This ensures systematic governance and cross-functional integration for the implementation and supervision of sustainability management.

The Sustainability Committee is chaired by the President, who acts as the convener and directs the committee's decision-making and oversight. Each committee member is also responsible for assisting the Sustainability Development Promotion Center in integrating related activities within different divisions. The Sustainability Committee meets at least once every six months to review progress on sustainability projects, submitting reports to the board of directors.

Under the committee's oversight, seven working groups have been established: Green Manufacturing, Environmental Sustainability, Talent & Social Care, Responsible Supply Chain, Customer Relationship, Information Security Management, and Corporate Governance. Each group is led by a group head (director/manager) and is tasked with the implementation of sustainability initiatives for their focus area. Additional groups, such as the TCFD Task Force (Climate-related Financial Disclosures) and CBAM (Carbon Border Adjustment Mechanism) Working Group, are formed as needed for specific projects.



# Working Groups: Development Goals and Functional Responsibilities

## Talent & Social Engagement Working Group

## → Talent and Competency Development

Protecting human rights and fostering community engagement; cultivating sustainable corporate citizenship; promoting a diverse, equal, and inclusive workplace.

 TCFD Task Force

- Identify major climate-related risks and opportunities and propose countermeasures
- Advance scenario analysis and carbon reduction pathways; provide management guidance and set targets
- Identify climate change issues relevant to each group and provide management strategies, indicators, and targets.
- Propose climate action plans and confirm their effectiveness.
- Calculate net-zero roadmaps based on climate action plans.
- Track the effectiveness of climate action plans for each group.

 Environmental Sustainability Group

## → Moving Toward Net-zero Pathways

Comply with regulations and international initiatives, address climate action, and advance energy saving and emission reduction programs.

 Green Manufacturing Group

## → Reduction and Adaptation Production Processes

Focus on research, development, and innovation; leverage green technologies to ensure products and services comply with international standards

 Corporate Governance Group

## → Climate Risk Management

Responsible for corporate governance compliance; strengthening risk management and stakeholder communication mechanisms to achieve the company's sustainable development goals.

 Responsible Supply Chain Group

## → Building a Sustainable Supply Chain

Establishing a sustainable supply chain management mechanism to assist suppliers in meeting local and global green procurement policies.

 Customer Relationship Group

## → Net-zero Action Initiative

Addressing customer needs and providing value-added low-carbon solutions and services.

 Information Security Management Group

## → Digitalization of Carbon Data

Responsible for digital infrastructure, supporting risk management; ensuring the protection and security of customer and company data and privacy.

 CBAM Task Force

- Establish a product carbon footprint investigation process for third-party verification
- Enhance supplier carbon emission management capabilities
  - Investigate the carbon data of raw materials for products subject to EU CBAM.
  - Assist upstream suppliers in developing product carbon inventory capabilities.
  - Further collaborate with customers to develop low-carbon manufacturing processes and products.

Regarding the convening of meetings, the Sustainability Committee generally meets once per quarter, with flexibility to adjust as necessary, provided that at least one meeting is held annually. FITI has also established internal guidelines such as the ***Corporate Governance Practices Manual, Integrity in Business Conduct Guidelines, Integrity in Business Operations Procedures and Behavioral Guidelines, Ethical Conduct Guidelines, and Sustainable Development Practices Guidelines***, among other internal regulations, as the basis for implementing corporate governance and promoting sustainable development. We also continue to disclose the content of these guidelines and their actual implementation status in our Annual Reports, on the Market Observation Post System, and on FITI's website to ensure transparency of information and the implementation of responsible governance.

# 1.3 Stakeholder Engagement

FITI follows the Global Reporting Initiative (GRI) Standards and the AA 1000 SES Stakeholder Engagement Standard, and references the five principles of dependency, responsibility, influence, diverse perspectives, and tension outlined in the AA 1000 SES Standard. Stakeholders are divided into seven groups, including: customers, government, community, banks, shareholders/ investors, suppliers/contractors, and employees.

FITI places great importance on communication with stakeholders and is committed to effective stakeholder engagement through diverse communication channels to achieve the following objectives:

- Maintain professional innovation to improve customer service quality
- Strengthen information disclosure to enhance public trust
- Achieve high praise through two-way communication with shareholders, investors, and banks
- Collaborate with suppliers and contractors to build a sustainable value chain
- Convey love and care to the community and employees to enhance a sense of belonging



## 1.3.1 2024 Stakeholder Engagement Results

Through continuous communication and collaboration with stakeholders, we identify their key concerns, define our 2024 material issues, and disclose sustainability goals and management guidelines to align with stakeholder expectations while minimizing impacts.

Stakeholder Group	Means and Frequency of Communication	Material Issues	Management Approach and Stakeholder Engagement Strategy	2024 Key Performance	Reference
<b>Customers</b> <b>Importance to FITI:</b> As the primary revenue source, brand customers shape market demand and technical requirements, while placing growing emphasis on suppliers' ESG performance and compliance capabilities. Accordingly, sustaining long-term partnerships and meeting customer expectations on quality, delivery, and sustainability are essential to FITI's competitiveness	<ul style="list-style-type: none"> <li>• Phone</li> <li>• Email</li> <li>• In-person and Virtual Meetings</li> <li>• Survey</li> </ul>	<ul style="list-style-type: none"> <li>• Market Performance</li> <li>• Employee Diversity, Equity and Inclusion (DEI)</li> <li>• Climate Issues</li> <li>• Innovative and Low-carbon Products and Services</li> <li>• Human Right Protection</li> </ul>	We have established a comprehensive customer management system to safeguard customers' information security. In addition, we ensure compliance with customers' ESG-related sustainability requirements, thereby maintaining high levels of customer satisfaction	Customer Satisfaction: 2024 survey score of 4.16, exceeding the target score of 4.0	Customer Relations



Stakeholder Group	Means and Frequency of Communication	Material Issues	Management Approach and Stakeholder Engagement Strategy	2024 Key Performance	Reference
 <b>Investors and Shareholders</b>  <b>Importance to Fiti:</b> Investors' and shareholders' assessments can influence our stock price fluctuations.	<ul style="list-style-type: none"><li>Monthly Revenue Information</li><li>Investor Briefing</li><li>Shareholder Meetings</li><li>Investor Correspondence</li><li>FITI Official Website</li><li>Investor Relations Email</li></ul>	<ul style="list-style-type: none"><li>Operating Performance</li><li>Market Performance</li><li>Occupational Safety and Health</li><li>Information Security and Protection of Customer Privacy</li><li>Waste Management</li></ul>	FITI has established a dedicated Investor Relations unit to facilitate prompt and effective communication. This enables investors and shareholders to better understand the company's management strategies and financial operations.	<ul style="list-style-type: none"><li>Six investor briefings: March 13: Hosted by Yuanta Securities May 29: Hosted by Mega Securities June 12: Hosted by President Securities June 14: Topic-focused seminar on Hon Hai and its affiliated companies, hosted by Grand Fortune Securities September 6: Third quarterly forum, hosted by Cathay Securities December 10: Topic-focused seminar on Hon Hai and its affiliated companies, hosted by Grand Fortune Securities</li><li>Disclosures: A total of 134 material announcements were published in both Chinese and English.</li></ul>	Investor Relations
 <b>Government Agencies</b>  <b>Importance to Fiti:</b> Government authorities formulate industrial management regulations and require enterprises to comply with relevant laws and policies. Regular communication with government agencies is essential to understand and meet regulatory requirements, ensure compliance, and obtain public sector resources and support for sustainable development and operations.	<ul style="list-style-type: none"><li>Participate in government meetings</li><li>Respond to government surveys and audits</li><li>Public disclosures and official correspondence</li></ul>	<ul style="list-style-type: none"><li>Market performance</li><li>Employee Diversity, Equity and Inclusion (DEI)</li><li>Climate issues</li><li>Innovative and Low-carbon Products and Services</li><li>Human Rights Protection</li></ul>	FITI monitors governmental policy trends and ensures that company operations comply with all applicable regulations. We actively participate in relevant government projects and implements initiatives to meet public policy and legal requirements. Cross-departmental teams coordinate internally to adopt, execute, and enhance compliance measures.	<ul style="list-style-type: none"><li>No cases of forced labor or discrimination complaints were reported in 2024.</li><li>No environmental pollution incidents were reported in 2024.</li><li>The 2024 greenhouse gas inventory was verified by a third party in June 2025.</li></ul>	GHG, Air pollution, Talent Attraction and Retention



Stakeholder Group	Means and Frequency of Communication	Material Issues	Management Approach and Stakeholder Engagement Strategy	2024 Key Performance	Reference
<b>Employees</b>  <b>Importance to FITI:</b> Talent drives innovation and quality. Employees are a core asset for FITI's sustainable development. Comprehensive compensation, a safe work environment, and continuous training strengthen talent retention and engagement.	<ul style="list-style-type: none"><li>• Labor Management Meetings</li><li>• Employee Suggestion Box</li><li>• Employee Whistleblowing Hotline</li><li>• All Hands Meetings</li><li>• Employee Performance Evaluation Reviews</li><li>• Company Website</li><li>• Email and telephone Communication</li></ul>	<ul style="list-style-type: none"><li>• Information Security and Customer Privacy</li><li>• Occupational Health and Safety</li><li>• Operating Performance</li><li>• Market Performance</li><li>• Talent Attraction and Retention</li></ul>	Provide competitive compensation and benefits, promote diversity and inclusion, and encourage communication. Additionally, use digital systems for occupational safety, proactively prevent workplace hazards, and safeguard employees' physical and mental health.	<ul style="list-style-type: none"><li>• Labor-management meetings held: 4</li><li>• Employee Welfare Committee meetings organized: 2</li><li>• Company-wide (All Hands) meeting conducted: 1</li><li>• Employee training hours: 67,731 hours (internal), 2,604 hours (external)</li></ul>	Well-being Workplace, Employee Training and Empowerment
<b>Community</b>  <b>Importance to FITI:</b> Corporate engagement with the community supports positive interaction, conveys FITI's corporate values, and advances regional development. Community participation reinforces social responsibility and fosters sustainable operations.	<ul style="list-style-type: none"><li>• Public Welfare and Community Services</li><li>• Company Website</li><li>• FITI CSR Email and Telephone</li><li>• On-site Visit</li></ul>	<ul style="list-style-type: none"><li>• Community Engagement</li></ul>	Ensure company operations have no negative community or environmental impact; encourage employees to participate in charity and caring volunteer activities.	<ul style="list-style-type: none"><li>• Number of Partner Organizations: 14</li><li>• Community Investment Amount: NT\$626,000</li><li>• Volunteer Service Hours: 260 hours</li><li>• Beneficiaries Reached through Volunteer Activities: 2,712 individuals</li></ul>	Community Engagement





Stakeholder Group	Means and Frequency of Communication	Material Issues	Management Approach and Stakeholder Engagement Strategy	2024 Key Performance	Reference
<b>Suppliers and Contractors</b>  <b>Importance to Fiti:</b> A stable and ESG- compliant supply chain ensures product quality and delivery reliability. Collaborating with suppliers to implement sustainability management also strengthens the resilience of the overall value chain and enhances environmental responsibility performance. Comprehensive compensation, a safe work environment, and continuous training strengthen talent retention and engagement.	<ul style="list-style-type: none"><li>Supplier Assessments and Evaluations</li><li>Supplier Review Monthly Meetings</li><li>Supplier Risk Management Meetings</li><li>Supplier On-site Visits and Audits</li><li>Contractor Coordination Meetings</li><li>Contractor Worksite Inspections</li><li>Contractor Occupational Health and Safety Management System</li><li>Telephone or Email Communications</li></ul>	<ul style="list-style-type: none"><li>Ethical Management</li><li>Risk Management</li><li>Indirect Economic Impact</li><li>Product R&amp;D and Innovation</li><li>Human Rights Protection</li></ul>	FITI works closely with suppliers and contractors to build a green supply chain, implement social and environmental responsibilities, and prevent violations or unfair competition.	<ul style="list-style-type: none"><li>Conducted 33 supplier evaluations, assessing the top 10 suppliers each quarter on quality, delivery, and service. Results showed 15 suppliers rated Grade A and 18 suppliers rated Grade B.</li><li>Contractor management is subject to regular audits in compliance with the ISO 45001 Occupational Health and Safety Management System.</li></ul>	Green Supply Chain
<b>Banks</b>  <b>Importance to Fiti:</b> As key business partners, banks provide critical financial support. Establishing strong credit and maintaining transparency are essential for operational capital, project funding, and industry expansion.	<ul style="list-style-type: none"><li>Email and Telephone</li><li>On-site Visit and Meeting</li></ul>	<ul style="list-style-type: none"><li>Material management</li><li>Energy management</li><li>Employee Training and Development</li><li>Talent Attraction and Retention</li><li>Climate Change Response</li></ul>	Annually engage with banks and bondholders to disclose business and financial conditions, enhancing understanding and trust.	<ul style="list-style-type: none"><li>Expanded Credit Facilities</li><li>Identified Banks' ESG Material Concerns through Sustainability Questionnaires.</li></ul>	Investor Relations

# 1.4 Material Topics

## 1.4.1 Materiality Assessment Process

Topic Identification	Stakeholder Survey on Material Topics	Double Materiality Analysis	Material Topic Management Approach
<p>※In 2023, a total of 21 material topics were identified. Following trend analysis and industry benchmarking, the list was revised and expanded to <b>24 topics</b> in 2024, in alignment with international ESG developments.</p> <ul style="list-style-type: none"> <li>“Anti-corruption and Anti-competitive Behavior” revised to “Integrity in Business Operation”</li> <li>“Supplier Environmental Assessment” revised to “Supply Chain Management”</li> <li>“Labor/Management Relations” revised to “Talent Attraction and Retention”</li> <li>“Training and Education” revised to “Talent Attraction and Retention”</li> <li>“Non-discrimination and Employee Diversity” and “Equal Opportunity” consolidated and renamed as “Employee Diversity, Equity and Inclusion”</li> <li>New topics added: “Risk Management,” “Product R&amp;D and Innovation,” “Customer Relationship,” and “Climate Change Response.”</li> </ul> <p><b>◎ Sustainability Management Standards</b></p> <p>Our sustainability management approach integrates business operations, strategy, and industry analysis, and is guided by the following frameworks and standards:</p> <ul style="list-style-type: none"> <li>AA1000 Stakeholder Engagement Standard (AA1000 SES)</li> <li>GRI Standards 2021</li> <li>Sustainability Accounting Standards Board (SASB)</li> <li>Sustainability Disclosure Indicators and Industry-Specific Disclosure Requirements issued by the Financial Supervisory Commission (FSC), Taiwan</li> <li>United Nations Sustainable Development Goals (SDGs)</li> <li>Responsible Business Alliance (RBA) Code of Conduct</li> </ul>	<p><b>◎ Attention (Relevance) Survey</b></p> <p><b>A total of 305 questionnaires were collected:</b></p> <ul style="list-style-type: none"> <li>Employees: 211</li> <li>Contractors/Suppliers: 50</li> <li>Investors/Shareholders: 20</li> <li>Government: 6</li> <li>Customers: 6</li> <li>Communities: 6</li> </ul> <p><b>◎ Impact Assessment Survey</b></p> <p><b>A total of 22 questionnaires were collected.</b> The assessment was conducted by members and secretariat of the Sustainability Committee, as well as managers at the division level or above, evaluating the impact of each topic on the Company's operations and sustainable development.</p>	<p><b>◎ Importance Analysis:</b></p> <p>Identified the top <b>5</b> material topics of concern for <b>7</b> major stakeholder groups.</p> <p><b>◎ Impact Analysis:</b></p> <ul style="list-style-type: none"> <li>Evaluated each topic's impact and likelihood across <b>nine dimensions</b> relating to the organization's operations and sustainable development.</li> <li>The Sustainability Committee and secretariat defined both the positive and negative impacts of each topic.</li> </ul> <p><b>◎ Materiality Matrix:</b></p> <p>A three-dimensional matrix was developed, integrating stakeholder attention, operational impact, and sustainability impact. From this analysis, <b>10</b> material topics with medium-to-high significance were identified.</p>	<ul style="list-style-type: none"> <li>Candidate material topics identified through the materiality assessment were submitted to the Sustainability Committee for validation and approval.</li> <li>For the <b>10</b> prioritized material topics, the responsible departments were assigned to establish corresponding management approaches and to report progress on a regular basis to the Sustainability Committee.</li> <li>The 10 material topics were disclosed in the Sustainability Report, in alignment with the GRI Standards' materiality principles.</li> <li>The Company disclosed stakeholder concerns, engagement methods, and communication outcomes on its official website to ensure transparency and accountability.</li> </ul>

## 1.4.2 Questionnaire Results Analysis

FITI conducted its materiality assessment in accordance with the GRI Standards 2021, with reference to the Value Balancing Alliance (VBA) impact assessment methodology and the European Financial Reporting Advisory Group (EFRAG) Double Materiality principle. The assessment considered both the positive and negative impacts of our activities on external sustainable development, as well as the impacts of external sustainability issues on our operations.

A total of 305 stakeholder questionnaires on issue relevance and 22 internal questionnaires on operational and sustainability impact were collected, the latter completed by members and secretariat of the Sustainability Committee, as well as managers at the division level and above. Taking into account required disclosure items under SASB and the FSC Sustainability Disclosure Guidelines, the weight of operational impact was set at 50%. The results were categorized into five levels (Very Significant, Significant, Moderate, Minor, and Insignificant). Issues with a weighted score above 270 were identified as material topics.

Although Market Performance also exceeded the threshold score of 270, the Sustainability Committee decided not to include it as a material topic. Instead, related information is disclosed in the “Compensation and Benefits” section of this report.

The identified material topics play a critical role in FITI’s management direction, risk control, and strategic opportunities:

(1) Corporate Governance and Operations

- Operating Performance: Directly affects revenue growth and investor confidence. Stable profitability supports employee and customer trust. With capital expenditures from overseas expansion, financial impacts must be carefully evaluated alongside local environmental and social considerations.
- Information Security and Customer Privacy: A key factor for operational stability and customer trust. In response to increasing cyber risks, FITI strengthens systems and employee awareness to mitigate risks and meet stringent compliance requirements.
- Integrity in Business Operation: Strengthening internal control and regulatory compliance is fundamental to maintaining corporate reputation and reducing operational risks. Suppliers are also required to comply with integrity standards to mitigate risks across the value chain.
- Customer Relationship Management: Closely linked to customer satisfaction and market competitiveness. By proactively addressing ESG expectations, FITI enhances customer loyalty and drives supply chain partners to improve climate action and sustainability performance.

(2) Environmental Management

- GHG Emissions and Waste Management: Essential for advancing net-zero goals and regulatory compliance. While requiring capital investment in equipment upgrades, these efforts generate long-term energy-saving and carbon-reduction benefits, lower future carbon tax and environmental liability risks, and strengthen environmental resilience across the supply chain.

(3) Workplace Well-being and Talent Development

- Occupational Health and Safety: Directly impacts employee well-being and operational stability. High standards of safety management reduce workplace incidents, mitigate operational disruptions, and strengthen employee commitment and cohesion.
- Talent Attraction and Retention: Together with labor/management relations, these factors are crucial to competitiveness. Attractive compensation packages and effective communication improve retention, knowledge transfer, and workforce stability.
- Employee Training and Development: Central to fostering innovation and quality enhancement. Ongoing capacity building and career development pathways strengthen technical expertise and meet external expectations for talent sustainability.

In summary, these ten material topics represent the key risks and opportunities currently faced by FITI. Through integrated management and effective stakeholder engagement, the Company will continue to monitor trends, enhance resilience, and pursue sustainable growth in tandem with long-term corporate value creation.

Ultimately, 10 material topics with medium-to-high significance were identified:

- Occupational Health and Safety
- Integrity in Business Operation
- Labor/Management Relations
- Employee Training and Development
- Operating Performance
- Information Security and Customer Privacy
- Greenhouse Gas (GHG) Emissions
- Talent Attraction and Retention
- Waste Management
- Customer Relationship Management

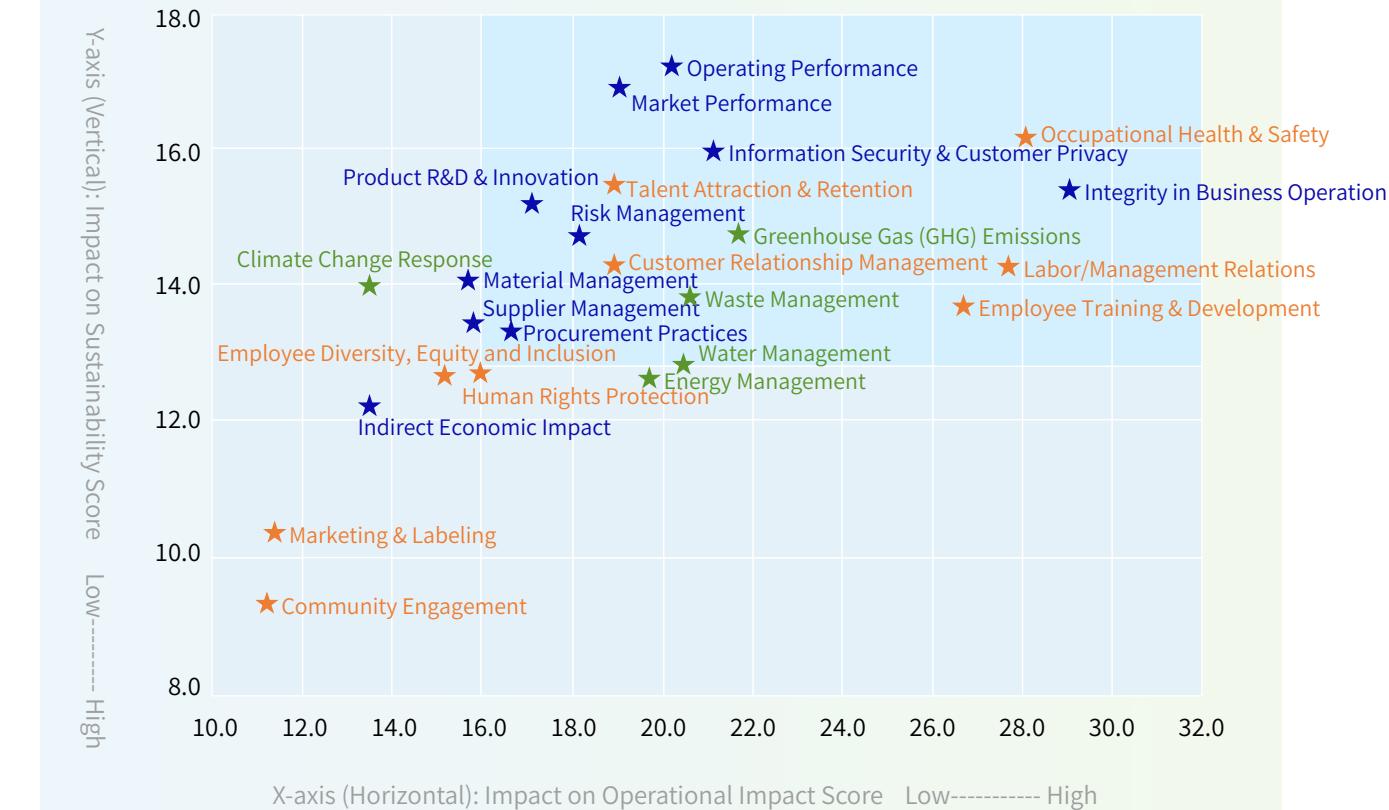


### No. Top 10 Topics for 2024, Ranked by Materiality

1. C5. Occupational health and safety
2. A5. Integrity in business operations
3. C4. Labor/Management relations
4. C3. Employee training and development
5. A1. Operating Performance
6. A6. Information security and customer privacy
7. B4. Greenhouse Gas Emission
8. C2. Talent attraction and retention
9. B5. Waste management
10. A9. Customer relationship management

E Environment S Social G Governance

### Dual Materiality Matrix



## Double Materiality—Material Issue Impact Assessment

Topic / Description	Internal Impact on Company Operation					External Impact on Sustainable Development						
	Governance	Revenue Growth	Operational Risk	Customer Satisfaction	Employee Engagement	Directions : + Positive Impact - Negative Impact	Investor Financial Performance	Technology Development	Creating Upstream Value	Environmental Sustainability	Employee Well-being	Directions : + Positive Impact - Negative Impact
<b>Integrity in Business Operation</b>		•••	•••••	•••••	•••	<ul style="list-style-type: none"> <li>+ High-standard ethical governance to effectively prevent internal corruption</li> <li>- Expanded regulatory coverage of unethical conduct by authorities increases operational risk exposure</li> </ul>	•••	••	•••	•••	••	<ul style="list-style-type: none"> <li>+ Maintaining a record of no integrity violations and requiring suppliers to follow the Code of Conduct on Ethics and Integrity to enhance investor confidence</li> </ul>
<b>Operating Performance</b>		•••••	•••••	•••	•••	<ul style="list-style-type: none"> <li>+ Stable business growth and performance driving employee and customer satisfaction</li> <li>- Capital expenditures for new facilities impact revenue and profitability</li> </ul>	•••••	•••	••	••	•••	<ul style="list-style-type: none"> <li>+ Stable business growth and performance generate investor returns while increasing upstream supply chain value</li> <li>- The environmental impact of new facilities on local ecosystems needs to be assessed</li> </ul>
<b>Information Security &amp; Customer Privacy</b>		•••••	•••••	•••••	•••	<ul style="list-style-type: none"> <li>+ Implementing cybersecurity certifications to enhance customer and employee satisfaction and reduce operational risk</li> <li>- Establishing a high-standard cybersecurity environment will increase expenditures, impacting revenue and profitability</li> </ul>	•••	•••	•••	••	••	<ul style="list-style-type: none"> <li>+ Collaborating with suppliers to protect customer privacy and enhance cybersecurity standards</li> <li>- Frequent cyberattacks and insufficient employee cybersecurity awareness may lead to personal data breaches</li> </ul>

Topic / Description	Internal Impact on Company Operation					External Impact on Sustainable Development					
	Revenue Growth	Operational Risk	Customer Satisfaction	Employee Engagement	Directions : + Positive Impact - Negative Impact	Investor Financial Performance	Technology Development	Creating Upstream Value	Environmental Sustainability	Employee Well-being	Directions : + Positive Impact - Negative Impact
<b>Governance</b>											
<b>Customer Relationship Management</b>											
<b>Customer Relationship Management</b>	•••	•••	••••	••	<ul style="list-style-type: none"> <li>+ Continuously improving customer service quality to strengthen two-way communication and satisfaction</li> <li>- Failure to address customer complaints promptly and properly may affect deliveries and increase operational risk</li> </ul>	•••	••	••	•	••	<ul style="list-style-type: none"> <li>+ Partnering with customers to take climate action and reduce environmental sustainability impacts</li> <li>- Customer ESG expectations simultaneously influence supply chain requirements and may increase supplier costs</li> </ul>
<b>Environment</b>											
<b>Greenhouse Gas Emissions</b>	••	••	••	••	<ul style="list-style-type: none"> <li>+ Aligning with international trends and regulatory requirements to enhance customer satisfaction and investor confidence</li> <li>- Capital expenditures for achieving net-zero targets will impact revenue and profitability</li> </ul>	••	••	••	••••	•	<ul style="list-style-type: none"> <li>+ Effectively controlling greenhouse gas emissions to mitigate environmental sustainability impacts. Expenditures on climate actions generate upstream industry value.</li> <li>- Failure to achieve greenhouse gas reduction targets directly impacts the environment. Requiring suppliers to conduct audits may lead to their action costs being passed on to raw material prices.</li> </ul>

Topic / Description	Internal Impact on Company Operation					External Impact on Sustainable Development						
	Environment	Revenue Growth	Operational Risk	Customer Satisfaction	Employee Engagement	Directions : ⊕ Positive Impact ⊖ Negative Impact	Investor Financial Performance	Technology Development	Creating Upstream Value	Environmental Sustainability	Employee Well-being	Directions : ⊕ Positive Impact ⊖ Negative Impact
<b>Waste Management</b>		●●	●●	●●	●●	<b>⊕</b> Complying with regulations for zero pollution, the initiative receives employee recognition and support	●●	●●	●●	●●●●	●	<b>⊕</b> Effective management mitigates environmental impacts and generates revenue for service providers. <b>⊖</b> Improper management can directly affect local air quality, and waste disposal methods may also pollute water and soil.
<b>Social</b>												
<b>Occupational Health &amp; Safety</b>	●●●	●●●	●●●	●●●●	<b>⊕</b> Effectively reducing employee capital loss, minimizing operational disruption risks, maintaining stable revenue, and enhancing employee satisfaction	●●	●●	●	●●●	●●●●	<b>⊕</b> High-standard occupational health and safety management ensures that employees' personal safety and well-being are not threatened	
<b>Labor/Management Relations</b>	●●●	●●●	●●●	●●●●	<b>⊕</b> Establishing two-way labor-management communication channels to reduce external employee complaints and mitigate operational risks	●●	●●	●	●●	●●●●	<b>⊕</b> Promoting two-way labor-management communication through multiple channels facilitates the realization of employee rights	

Topic / Description	Internal Impact on Company Operation					External Impact on Sustainable Development						
	Social	Revenue Growth	Operational Risk	Customer Satisfaction	Employee Engagement	Directions : ⊕ Positive Impact ⊖ Negative Impact	Investor Financial Performance	Technology Development	Creating Upstream Value	Environmental Sustainability	Employee Well-being	Directions : ⊕ Positive Impact ⊖ Negative Impact
Employee Training & Development		●●	●●●	●●●	●●●	<b>⊕</b> Enhancing employee skills to deliver high-quality products, generating strong revenue and high satisfaction for both employees and customers	●●	●●	●	●●	●●●	<b>⊕</b> A talent development and training system can create potential for future revenue growth, thereby attracting investor support
Talent Attraction & Retention		●●●	●●●	●●●	●●●●	<b>⊕</b> Stable employee retention and turnover rates contribute to higher employee engagement	●●	●●	●●	●●	●●●●	<b>⊕</b> Continuously improving employee compensation contributes to the advancement of employee well-being

## 1.4.3 Materiality Management Policy

Governance Environment Social

Topic	2024 Performance	2025 Target	2026 Target	2030 Target	Management Policy and Approach
<b>Integrity in Business Operation</b> <small>GRI 206</small>	<ul style="list-style-type: none"> <li>No Integrity Violations</li> </ul>	No Monopoly/ Anti-Competitive Incidents	No Monopoly/ Anti-Competitive Incidents	No Monopoly/ Anti-Competitive Incidents	Following the Code of Integrity for Listed Companies, the company has internally established a Code of Ethical Business Conduct, a Code of Ethics, and an Antitrust Management Procedure. Through a comprehensive internal audit and control system, the company enforces strict self-discipline, transparently discloses governance outcomes, and accepts public and societal
<b>Operating Performance</b> <small>GRI 201</small>	<ul style="list-style-type: none"> <li>Operating gross margin: 26%; operating net margin: 16%; earnings per share (EPS): TWD 25.22.</li> <li>Taiwan site employees participated in a total of 7 engagement sessions, including labor-management meetings, welfare committee meetings, and general mobilization meetings.</li> <li>Investors and shareholders participated in a total of 7 engagement sessions, including investor conferences and shareholder meetings.</li> </ul>	Annual budget targets approved by the Board at year-end were fully met (100%).	Annual budget targets approved by the Board at year-end were fully met (100%).	Maximizing Benefits for All Stakeholders	<ul style="list-style-type: none"> <li>The management unit is responsible for overseeing budgets and expenses, ensuring that each department maintains a balance between expenditures and returns while maximizing the company's overall benefit.</li> <li>Each committee group regularly engages with stakeholders and conducts sentiment assessments to better understand stakeholder concerns and provide concrete responses.</li> </ul>
<b>Information Security &amp; Customer Privacy</b> <small>GRI 418</small>	<p>Employee signature rate for the Customer Information Confidentiality Agreement reached 100%.</p> <p>One major cybersecurity incident occurred (please refer to the Customer Privacy and Information Security section).</p>	<p>100% of employees signed the Customer Information Confidentiality Agreement.</p> <p>No low-impact major cybersecurity incidents reported</p>	<p>No customer complaints related to privacy</p> <p>No low-impact major cybersecurity incidents reported</p>	<p>No customer complaints related to privacy</p> <p>No low-impact major cybersecurity incidents reported</p>	<ul style="list-style-type: none"> <li>Organizational adjustments were made, including the appointment of a Chief Information Security Officer and the establishment of a dedicated cybersecurity department, creating a comprehensive cybersecurity management framework.</li> <li>Planned 36 cybersecurity enhancement measures, implemented in short-, medium-, and long-term phases, with regular reporting to the committee.</li> </ul>
<b>Customer Relationship Management</b> <small>GRI 418 GRI 416</small>	Customer satisfaction score: 4.16	Customer satisfaction score of 4 or higher	Customer satisfaction score of 4 or higher	Customer satisfaction score of 4.2 or higher	<ul style="list-style-type: none"> <li>Continuously monitor customer feedback through external customer meetings, business performance evaluations, and internal management review meetings to meet customer expectations regarding product quality and ESG performance.</li> <li>In line with customer requirements, we continuously manage environmental and health risks of product components and manufacturing processes, as well as conduct carbon assessments, to minimize potential negative impacts on customer health and safety throughout the product life cycle.</li> </ul>

Topic	2024 Performance	2025 Target	2026 Target	2030 Target	Management Policy and Approach
<b>Greenhouse Gas Emissions</b> <small>GRI 305</small>	<ul style="list-style-type: none"> <li>The performance of the Kezhong site is measured using intensity indicators</li> <li>Scope 1 and Scope 2 emission intensity at the Kezhong site decreased by 33.56% compared with 2023</li> <li>The Songjiang and Kunshan sites are expected to complete third-party assurance by the end of 2025; currently, only Scope 2 emissions are disclosed</li> </ul>	<ul style="list-style-type: none"> <li>Completed third-party verification of ISO 14064-1 for the Songjiang and Kunshan sites</li> <li>Completed self-verification of ISO 14064-1 for the UC site</li> <li>Scope 1 and Scope 2 GHG emissions from the Kezhong, U.S. Office, Songjiang, and Kunshan facilities decreased by 12.6% compared with the base year</li> </ul>	<ul style="list-style-type: none"> <li>Establish GHG reduction plans for the Group and each site</li> <li>Completed third-party verification of ISO 14064-1 for the UC site</li> <li>In response to FITI's requirement to prepare sustainability disclosures in accordance with IFRS S1 and S2 standards by 2028, planning to initiate compliant Scope 3 disclosures by category starting in 2026</li> </ul>	<ul style="list-style-type: none"> <li>Completed ISO 14064-1 third-party verification across all Group facilities</li> <li>Reduced GHG emissions by 50% compared with 2023</li> <li>Targeting an 80% reduction in GHG emissions by 2040 compared with the base year, and achieving net-zero emissions by 2050</li> </ul>	<ul style="list-style-type: none"> <li>Establish internal carbon management mechanisms, including annual reduction targets and medium-to long-term reduction goals, with continuous tracking and evaluation of emission reduction performance</li> <li>Conduct regular GHG inventories to monitor emission data</li> <li>Strictly comply with national and local regulations and standards related to GHG emissions, ensuring transparent and compliant management measures</li> <li>Provide regular employee training to enhance awareness and skills on emission reduction and low-carbon transition</li> <li>Collaborate with suppliers and partners to drive low-carbon transformation across the value chain</li> </ul>
<b>Waste Management</b> <small>GRI 305</small> <small>GRI 306</small>	The waste intensity for this reporting year was 0.1821 metric tons per NT\$ million, representing a 17.93% reduction compared with the reference value of 0.222 metric tons per NT\$ million.	Waste intensity is less than or equal to the reference value of 0.222 metric tons per NT\$ million	<ul style="list-style-type: none"> <li>Waste intensity is less than or equal to the reference value of 0.222 metric tons per NT\$ million</li> <li>Achieved 100% audit rate for waste disposal contractors</li> </ul>	Waste intensity is less than or equal to the reference value of 0.222 metric tons per NT\$ million	<ul style="list-style-type: none"> <li>Establish clear pollutant discharge targets and action plans based on national standards and FITI's operational conditions.</li> <li>Implement a comprehensive waste segregation and collection system to promote resource recovery and reuse, thereby reducing overall waste generation.</li> <li>Store, treat, and dispose of waste in compliance with applicable environmental regulations to prevent secondary pollution.</li> </ul>
<b>Occupational Health &amp; Safety</b> <small>GRI 403</small>	<p>Lost-time Injury Frequency Rate: 1.71 cases per million working hours</p> <p>Lost-time injury severity rate: 34 days per million working hours</p>	<p>Lost-time injury frequency rate <math>\leq</math> 1.70 per million working hours</p> <p>Lost-time injury severity rate <math>\leq</math> 32 days per million working hours</p>	<p>Lost-time injury frequency rate <math>\leq</math> 1.67 per million working hours</p> <p>Lost-time injury severity rate <math>\leq</math> 31 days per million working hours</p>	<p>Lost-time injury frequency rate <math>\leq</math> 1.53 per million working hours</p> <p>Lost-time injury severity rate <math>\leq</math> 29 days per million working hours</p>	<ul style="list-style-type: none"> <li>Conduct regular workplace risk assessments to systematically identify potential occupational hazards.</li> <li>Establish a hazard reporting mechanism to ensure timely detection and management of risks.</li> <li>Hold periodic safety operation and emergency response training to ensure all employees are familiar with operating procedures and emergency measures.</li> <li>Strengthen employee safety education to enable quick mastery of relevant safety regulations.</li> </ul>

Topic	2024 Performance	2025 Target	2026 Target	2030 Target	Management Policy and Approach
<b>Labor/Management Relations</b> <small>GRI 402</small>	<ul style="list-style-type: none"> <li>Human Rights Grievances:           <ul style="list-style-type: none"> <li>- Internal grievances: 0 cases</li> <li>- External grievances: 0 cases</li> </ul> </li> <li>Fines for violations of human rights or labor practices: 0 cases</li> <li>RBA (Responsible Business Alliance) training completed: 417 participants</li> <li>Freedom of Association and Communication Channels:           <ul style="list-style-type: none"> <li>- Labor-management meetings: 4 sessions</li> <li>- Employee welfare committee meetings: 2 sessions</li> <li>- Total number of employee associations/clubs: 4</li> <li>- All Hands meetings: 1 session</li> <li>- Internal communication mailbox submissions: 2 cases</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Maintain zero violations of labor regulations and zero penalty records</li> <li>Regularly convene labor-management meetings and employee assemblies to facilitate communication and consultation</li> <li>Complete training on the RBA Code of Conduct, with at least 500 participants trained annually</li> </ul>	<ul style="list-style-type: none"> <li>Promote a company-wide mechanism for assessing human rights and labor-management risks</li> <li>Implement localized gender equality and workplace-friendly policies across overseas sites</li> <li>Enhance employee participation in labor-management issues and increase employee involvement in community/association activities</li> </ul>	<ul style="list-style-type: none"> <li>Integrate human rights and labor-management communication mechanisms into the ESG risk management framework</li> <li>Strengthen internal and external labor-management grievance mechanisms, achieving a grievance satisfaction rate of over 90%</li> </ul>	<ul style="list-style-type: none"> <li>Commit to full compliance with domestic and international labor regulations, maintaining zero violations and zero penalties to safeguard employees' fundamental labor rights</li> <li>Establish diverse and open communication channels, including regular labor-management meetings, employee welfare committees, suggestion boxes, and grievance hotlines, to foster constructive dialogue between labor and management</li> <li>Continuously track and review relevant indicators, incorporating grievance handling efficiency and satisfaction into monitoring, while conducting regular employee satisfaction surveys and using the results as a basis for continuous improvement</li> <li>Emphasize the diversity and transparency of labor-management communication mechanisms, strengthening timely and effective dialogue</li> </ul>
<b>Employee Training &amp; Development</b> <small>GRI 404</small>	Average training hours per employee per year: 21.9 hours	Average training hours per employee per year $\geq$ 40 hours	Average training hours per employee per year: 50 hours	Establish a one-on-one mentoring system, with an internal trainer-to-learner ratio of 1:1	<ul style="list-style-type: none"> <li>Regularly review the compensation system to ensure market competitiveness</li> <li>Foster an open, inclusive, and trusting work environment, providing employees with opportunities to voice opinions and make suggestions</li> <li>Implement flexible work arrangements, encourage leave-taking, and promote wellness activities to enhance overall employee well-being</li> <li>Develop professional and technical talent with forward-looking vision and innovative capabilities to support business transformation and technology upgrades</li> <li>Establish internal training programs covering the latest technology trends, industry standards, and practical applications</li> <li>Design career development plans tailored to different technical roles, creating training pathways based on employees' professional competencies and development needs</li> </ul>
<b>Talent Attraction &amp; Retention</b> <small>GRI 401</small>	Turnover rate of high-performing employees: 2.65%	Turnover rate of high-performing employees $\leq$ 2%	Turnover rate of high-performing employees $\leq$ 1.8%	Turnover rate of high-performing employees $\leq$ 1.8%	<ul style="list-style-type: none"> <li>Retention rate of professional and technical talent: 91%</li> <li>Retention rate of professional and technical talent <math>\geq</math> 92%</li> <li>Retention rate of professional and technical talent <math>\geq</math> 93%</li> <li>Retention rate of professional and technical talent <math>\geq</math> 95%</li> </ul>

# 1.5 Implementation of the United Nations Sustainable Development Goals (SDGs)

Since the United Nations introduced the 2030 Sustainable Development Goals (SDGs) in 2015, global companies have increasingly focused on environmental, social, and governance (ESG) issues. Faced with more stringent international regulations regarding climate change, human rights, information security, and business integrity, as well as the accelerating trend of sustainable investing, investors and supply chain partners increasingly consider corporate sustainability strategies as a key criterion for collaboration and evaluation.

FITI, guided by the philosophy of sustainable corporate management, actively responds to the SDGs and references both domestic and international trends as well as stakeholder concerns to establish a comprehensive ESG strategy blueprint and management framework. In this reporting year, we identified ten material sustainability topics, including: Occupational Health and Safety, Integrity in Business Operations, Labor/Management Relations, Employee Training and Development, Operating Performance, Information Security and Customer Privacy, Greenhouse Gas Emissions, Talent Attraction and Retention, Waste Management, and Customer Relationship Management.

For these material topics, FITI has developed corresponding management policies and KPIs, which closely align with the United Nations SDGs, including Goal 3 (Good Health and Well-being), Goal 4 (Quality Education), Goal 8 (Decent Work and Economic Growth), Goal 12 (Responsible Consumption and Production), Goal 13 (Climate Action), and Goal 16 (Peace, Justice, and Strong Institutions). We will continue to enhance corporate governance transparency and sustainability performance through institutionalized management and internal review mechanisms, strengthening operational resilience and competitiveness, and fulfilling our corporate commitments to environmental and social responsibility.

2024 Material Topics/ Link to <i>GRI Standards</i>	Link to SDG Goals	Report Section
1.Occupational Health and Safety 	Occupational Health and Safety SDG 3 Good Health and Well-being 	Occupational Health and Safety ▾ Hazard Identification and Risk Assessment ▾ Occupational Health and Safety Communication ▾ Contractor Safety Management ▾ Work-related Injuries ▾ Safety Promotion ▾ Health Care ▾ Employee Health Screening and Care ▾ Occupational Diseases
2.Integrity in Business Operations 	Anti-competitive Behavior SDG 16 Peace, Justice and Strong Institutions 	Implement Fair Business Practices
3.Labor/Management Relations 	Labor/Management Relations SDG 8 Decent Work and Economic Growth 	Human Rights Policy and Diversity, Equity, and Inclusion ▾ Minimum Notice Period for Operational Changes
4.Employee Training and Development 	Training and Education SDG 4 Quality Education SDG 8 Decent Work and Economic Growth 	Employee Empowerment ▾ Performance Management
5.Operating Performance 	Economic Performance SDG 8 Decent Work and Economic Growth 	Climate Change Risks and Opportunities ▾ Retirement Benefits / Pension Schemes ▾ Financial Performance
6.Information Security and Customer Privacy 	Customer Privacy SDG 16 Peace, Justice and Strong Institutions 	Customer Privacy and Information Security

2024 Material Topics/ Link to <i>GRI Standards</i>	Link to SDG Goals	Report Section
7.Greenhouse Gas Emissions  <b>GRI 305</b> Emissions	SDG 13 Climate Action 	Greenhouse Gas Emission
8.Talent Attraction and Retention  <b>GRI 401</b> Employment	SDG 8 Decent Work and Economic Growth 	Compensation and Benefits、Parental Leave、Talent Attraction and
9.Waste Management  <b>GRI 306</b> Waste	SDG 12 Responsible Consumption and Production  SDG 3 Good Health and Well-being 	Waste
10.Customer Relationship Management  <b>GRI 416</b> Marketing and Labeling <b>GRI 418</b> Customer Privacy	SDG 12 Responsible Consumption and Production  SDG 16 Peace, Justice and Strong Institutions 	Customer Relationship、Sustainable Products and Services

# Collaborative Progress: Advancing Excellence in Governance

## Highlights of This Chapter

- Independent directors occupy 57% of board seats
- EPS (Earnings Per Share) reported at NT\$25.22
- Customer satisfaction score: 4.16

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Chunon HQ, Taiwan  
 Chunon (總部)



Chunon 2A, Taiwan  
 倍爾(總部)



Songjiang, Shanghai  
 松江(上海)



Kunshan, Jiangsu  
 昆山(江蘇)



San Jose, California  
 聖荷西(加州)



Union City, California  
 聯合市(加州)



Chonburi Province, Thailand  
 呂武里(泰國)



Austin, Texas  
 阿斯汀(德克薩斯州)



Rayong, Thailand  
 瑞勇(泰國)



Texas, Arizona  
 德州·亞利桑那州

## 2.1 Corporate Governance Objectives

FITI complies with the Company Act, Securities and Exchange Act, and relevant stock exchange listing regulations. We implement robust corporate governance practices, proactively adapting to changes in the external environment. Four primary governance strategies and procedures are established to protect shareholder rights, enhance stakeholder interests, and pursue sustainable growth.



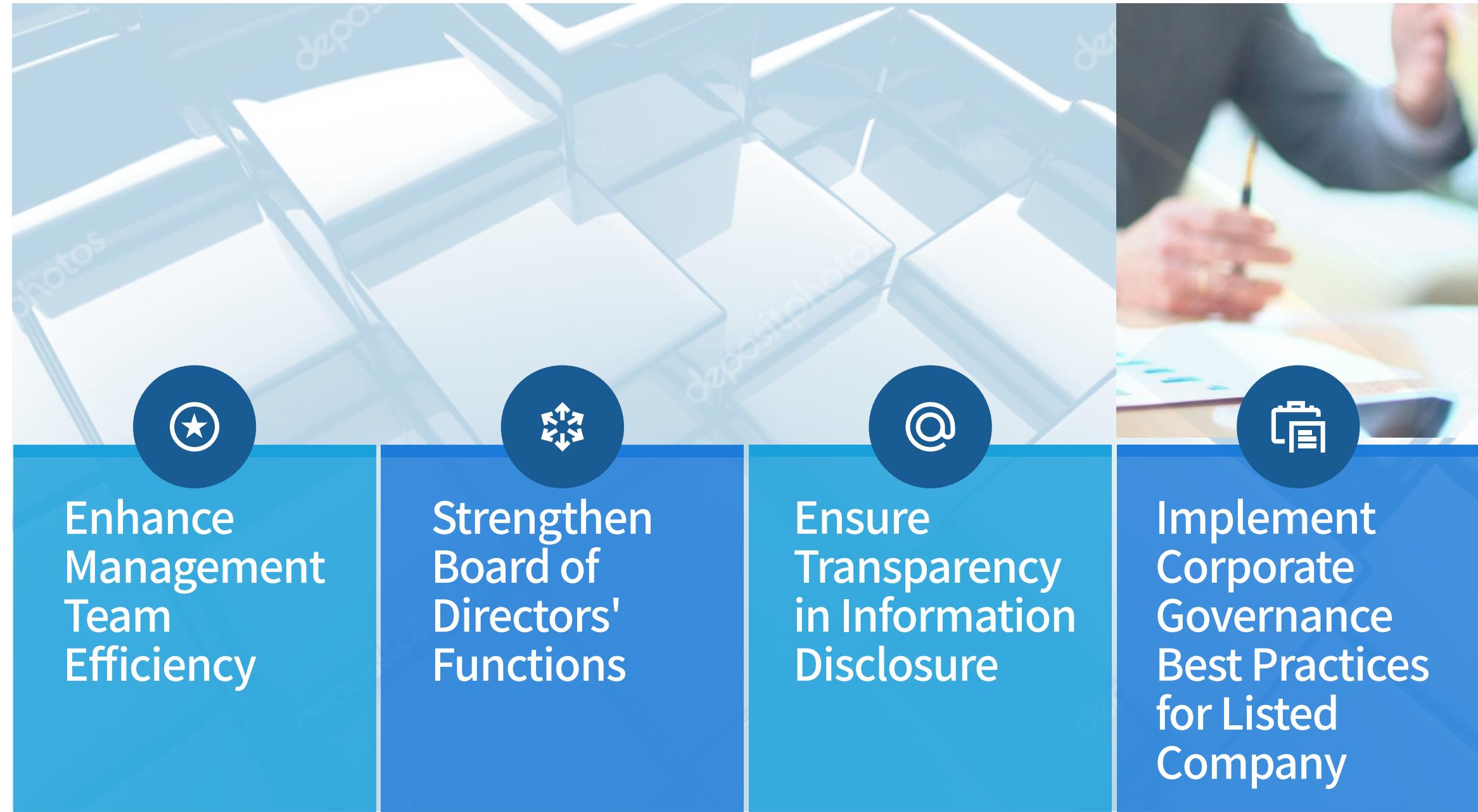
### Governance Charter

- Articles of Incorporation
- Sustainability Practice Guidelines
- Corporate Governance Practice Guidelines
- Code of Integrity in Business Operations
- Operational Procedures and Conduct Guidelines for Integrity in Business
- Code of Ethical Conduct
- Rules of Procedure for Shareholders' Meetings
- Rules of Procedure for Board of Directors Meetings
- Board Performance Evaluation Guidelines
- Scope of Duties for Independent Directors
- Audit Committee Charter
- Compensation Committee Charter
- Insider Trading Prevention Operational Procedures
- Workplace Anti-Corruption and Disciplinary Management Measures

※ For details on governance outcomes, refer to FITI's latest Corporate Governance Evaluation results: <https://webline.sfi.org.tw/CGE/index.asp>.



## 2.2 Corporate Governance Strategy



## 2.3 Board of Directors

The Board of Directors is the highest governance unit in FITI, responsible for appointing and supervising managers and conducting internal and external audits to ensure effective operations and regulatory compliance. The board's work is governed by law and internal rules.

FITI has established both an Audit Committee, consisting of four independent directors, and a Compensation Committee, consisting of three independent directors. These committees help reinforce internal controls, financial transparency, risk management, as well as the appointment and dismissal of key personnel and auditors, and the determination of remuneration.

### 2.3.1 Board Members

As stipulated in the Articles of Incorporation, the Board consists of seven directors, including four independent directors. The current term is from May 30, 2023, to May 29, 2026.

The Board of Directors implements a diversity policy, with members possessing extensive academic backgrounds and professional experience in fields such as engineering, finance, and medicine. Mr. Young Liu, the Chairman, externally represents FITI and oversees all significant corporate matters. Mr. Kevin Chiu serves concurrently as FITI's General Manager and Chief Executive Officer, leading the Company's operations toward sustainable growth.

Name/ Title	Gender / Age	Attendance Rate	Committee Membership		
			Audit Committee	Compensation Committee	Sustainability Committee
Liu, Young / Chairman	Male / 61-70	80%			
Chiu, Kevin / Director	Male / 51-60	100%			
Huang, Jung-Ching /Director	Male / 71-75	100%			
Lee, Frank / Independent Director	Male / 61-70	100%	●	●	
Chen, Hsi-Chih / Independent Director	Male / 41-50	100%	●	●	
Wu, Shu-Hui / Independent Director	Female / 61-70	100%	●	●	
Huang, Ya-Hui / Independent Director	Female / 51-60	100%	●		

For details on the educational background of Board members, please refer to the company's official website:

[http://www.foxsemicon.com/zh-tw/ir\\_cg\\_director.aspx](http://www.foxsemicon.com/zh-tw/ir_cg_director.aspx)

For the qualifications for selecting independent directors, please refer to the company's official website:

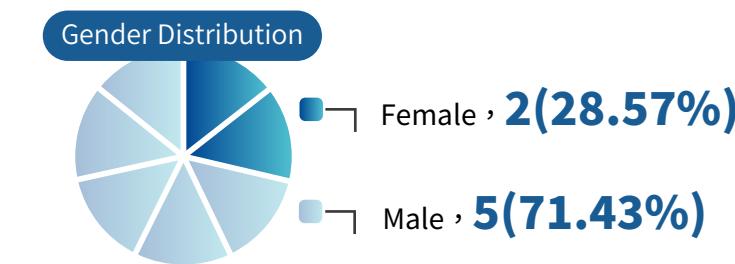
[https://www.foxsemicon.com/zh-tw/ir\\_cg\\_director.aspx](https://www.foxsemicon.com/zh-tw/ir_cg_director.aspx)

### 2.3.2 Board Diversity Policy

On August 23, 2019, the Board of Directors resolved to amend the Company's Corporate Governance Practice Guidelines. Chapter 3, Section 1 stipulates that the composition of the Board shall emphasize gender equality and that members shall generally possess the knowledge, skills, and expertise necessary to perform their duties. To achieve FITI's corporate governance objectives, the Board as a whole is expected to possess the following core competencies:1.Business judgment, 2.Accounting and financial analysis, 3.Management capability, 4.Crisis management, 5.Industry knowledge, 6.Global market perspective, 7.Leadership, 8.Decision-making .

The Company's Board of Directors currently consists of seven members, including three Directors and four Independent Directors, with extensive professional backgrounds in finance, business, management, medicine, and law.

Furthermore, the Company places strong emphasis on gender equality in board composition. Among the seven Directors, two are female, representing 28.57% of the Board, demonstrating the Company's commitment to board diversity.



### 2.3.3 Directors' Continuing Education To enhance the professional competency of Board members, each Director undertakes at least 6 hours of continuing education annually.

Position	Name	Training Date	Organizer	Training Topic	Training Hours
Director	Young Liu	Nov. 22, 2024	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Law: Executives' Awareness of Regulatory Oversight in Listed Companies	3 hrs
		Nov. 22, 2024	Corporate Operating and Sustainable Development Association	Global Political-Economic Dynamics and M&A Strategies of Taiwanese Businesses	3 hrs
Director	Kevin Chiu	Nov. 22, 2024	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Law: Executives' Awareness of Regulatory Oversight in Listed Companies	3 hrs
		Nov. 22, 2024	Corporate Operating and Sustainable Development Association	Global Political-Economic Dynamics and M&A Strategies of Taiwanese Businesses	3 hrs
Director	Jung-Ching Huang	Nov. 22, 2024	Securities and Futures Institute	2024 Legal Compliance Seminar on Insider Trading of Shareholdings	3 hrs
		Oct. 4, 2024	Securities and Futures Institute	2024 Regulatory Awareness Seminar on Insider Trading Prevention	3 hrs
Independent Director	Hsi-Chih Chen	Nov. 22, 2024	Corporate Operating and Sustainable Development Association	Analysis of Sustainability ReportsUpdates	3 hrs
		Aug. 27, 2024	Corporate Operating and Sustainable Development Association	ESG Trends, Practices and Regulatory Updates	3 hrs
Independent Director	Frank Lee	Nov. 27, 2024	Taiwan Corporate Governance Association	Analysis of Practical Disputes in Board Governance	3 hrs
		Oct. 18, 2024	Taiwan Corporate Governance Association	2024 Regulatory Awareness Seminar on Insider Trading Prevention	3 hrs
Independent Director	Shu-Hui Wu	Nov. 22, 2024	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Law: Executives' Awareness of Regulatory Oversight in Listed Companies	3 hrs
		Nov. 22, 2024	Corporate Operating and Sustainable Development Association	Global Political-Economic Dynamics and M&A Strategies of Taiwanese Businesses	3 hrs
Independent Director	Ya-Hui Huang	Nov. 22, 2024	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Law: Executives' Awareness of Regulatory Oversight in Listed Companies	3 hrs
		Nov. 22, 2024	Corporate Operating and Sustainable Development Association	Global Political-Economic Dynamics and M&A Strategies of Taiwanese Businesses	3 hrs

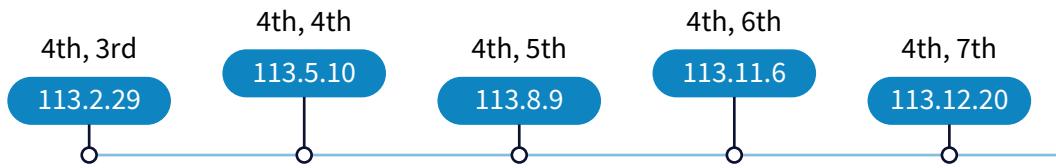
### 2.3.4 Board Performance Evaluation

FITI adopted the Regulations for Board Performance Evaluation on November 11, 2016. The Board revised the Regulations and its evaluation methodology on February 25, 2022. The evaluation results for that year rated all Directors as "Excellent." On February 26, 2025, the Board reported the results of the 2024 Board Performance Evaluation and disclosed the evaluation results on the Company's website. In 2024, the Board of Directors convened a total of 5 meetings, with an attendance rate of 94.29% (33/35). For the dates and details of significant resolutions, please refer to pages 15 and 43–44 of the Annual Report.

## 2.4 Audit Committee

In accordance with Article 14-4 of the Securities and Exchange Act and Article 4 of the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies, the Company, with the resolution of the shareholders' meeting on June 25, 2014, voluntarily established the 1st Audit Committee. The Company is now in its 4th term of the Audit Committee. The current Audit Committee was approved by the resolution of the shareholders' meeting on May 30, 2023, and is composed entirely of independent directors, namely Mr. Frank Lee, Mr. Hsi-Chih Chen, Ms. Shu-Hui Wu, and Ms. Ya-Hui Huang. The term of office is from May 30, 2023 to May 29, 2026.

**In 2024, there were five Audit Committee meetings, with a participation rate of 95% (19/20).**



### ■ Key Issues and Resolutions of the Audit Committee Meetings:

- **113.2.29 Third Audit Committee Meeting of the Fourth Term**
  - 1.Appointment of Certified Public Accountants, Determination of Remuneration, and Evaluation of Independence.
  - 2.Internal Audit Report.
  - 3.Annual Business Report, Individual Financial Statements, Consolidated Financial Statements, and Profit Distribution.
  - 4.Assessment of the Effectiveness of the Internal Control System and the Internal Control Statement for the Fiscal Year.
  - 5.Revision of the Company's Internal Control Procedure for Fixed Asset Acquisition.
  - 6.Approval to Lift Restrictions on Directors' Competition Prohibition.
- **113.5.10 Fourth Audit Committee Meeting of the Fourth Term**
  - 1. Internal audit report.
  - 2. Approved the 2024 first quarter consolidated financial statements.
  - 3. Approved the company's 100% owned subsidiary UniEQ Integrated Technology Co., Ltd. lease contract case.
  - 4. Proposal to Approve the Engagement of the Certified Public Accountant Firm and Its Affiliates to Provide IT, Cybersecurity, and Data Privacy Services to the Company and Its Subsidiaries.
- **113.8.9 Fifth Audit Committee Meeting of the Fourth Term**
  - 1. Internal audit report.
  - 2. Approved the 2024 second quarter consolidated financial statements.
  - 3. Approved the "Internal Audit Evaluation Report."
  - 4.Revised the company "Audit Committee Organizational Charter."
  - 5.Amended the company's "Technical Limit Table."
  - 6.Capital Expenditure Budget Proposal for UniEQ Integrated Technology Co., Ltd., a 100% Wholly-Owned Subsidiary of the Company in Thailand
  - 7.Proposed Capital Injection for UniEQ Integrated Technology Co., Ltd., a 100% Wholly-Owned Subsidiary of the Company in Thailand
  - 8.Proposed Cancellation of the Equipment Purchase Plan for Foxconn Fuyao Precision Component (Kunshan) Co., Ltd., a 100% Wholly-Owned Subsidiary of the Company
- **113.11.6 Sixth Audit Committee Meeting of the Fourth Term**
  - 1. Internal audit report.
  - 2. Approved the 2024 third quarter consolidated financial statements.
  - 3.Approved the 2024 annual audit plan.
  - 4.Amended the company's "Board Meeting Rules and Procedures."
  - 5.Amended the "Procedures for Derivative Transactions of FITI Subsidiaries."
  - 6.Amendment to the capital increase amount of the company's 100% owned Thai subsidiary, UniEQ Integrated Technology Co., Ltd.
  - 7.Proposal for the sale of equipment by the company's 100% owned subsidiary, Foxconn Fuyao Precision Component (Kunshan) Co., Ltd.
- **113.12.20 Seventh Audit Committee Meeting of the Fourth Term**
  - 1.Establish the company's "Sustainability Committee Charter."
  - 2.Establish the company's "Procedures for Managing Sustainability Information."
  - 3.Approved a capital increase case of the company's 100% owned subsidiary UniEQ Integrated Technology Co., Ltd.

## 2.5 Compensation Committee

In accordance with the "Regulations Governing the Appointment and Exercise of Powers of Remuneration Committees of Companies Whose Stock is Listed on the Stock Exchange or Traded Over the Counter," and Article 14-6-2 of the Securities and Exchange Act, FITI established its first Remuneration Committee by board resolution on December 20, 2011. The current, fifth-term committee members are independent directors Frank Lee, Hsi-Chih Chen, and Shu-Hui Wu. Their term is from May 30, 2023, to May 29, 2026.

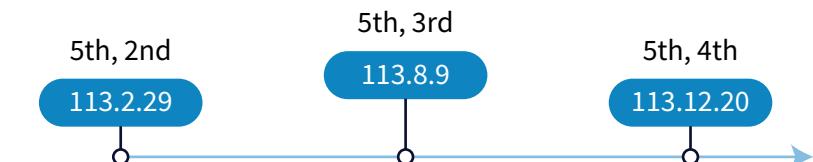
### 2.5.1 Senior Management Compensation Policy

FITI's senior management Compensation policy is determined annually by the Compensation Committee, reviewed and approved by the Board, and aims to ensure governance effectiveness and corporate competitiveness. The policy includes fixed salary, variable incentives, and differentiated employee bonuses. Variable remuneration is determined based on company and individual performance; if overall performance is below 90% or an ESG score is below 100%, the bonus payout is reduced. Senior management evaluation focuses on the consistency between organizational ESG results and company targets to drive long-term value. Remuneration disclosure follows the law, and all information is published in annual reports as required, including risk assessments of senior management pay.



Details of the senior management remuneration and incentive system are disclosed in the annual report (refer to sections 10-14, 25-26).

**In 2024, three Compensation Committee meetings were convened, with an attendance rate of 100%.**



#### ■ Major Agenda Deliberated and Resolutions in 2024:

- February 29, 2024, Second Meeting of the Fifth Term Remuneration Committee
  1. Approved 2023 employee and manager compensation distribution.
  2. Reviewed the 2023 compensation and employee, manager compensation allocation proposals.
  3. Reviewed and approved the 2024 Managerial Performance Targets and Bonus Calculation Method.
- August 9, 2024, Third Meeting of the Fifth Term Remuneration CommitteeReview and approve the 2024 Executive/Managerial Salary Adjustment Proposal.
- December 20, 2024, Fourth Meeting of the Fifth Term Remuneration CommitteeReviewed and approved the implementation of the Employee/Executive Shareholding Trust Plan.

## 2.6 Financial Performance

FITI strives to realize company value and maximize stakeholder interests in financial management, maintaining transparency, integrity, and sustainable growth.

## Management Strategies

FITI proactively enhances operational transparency, ensuring effective communication among management, agents, investors, and shareholders. Investment relationships and shareholder equity are managed prudently, with operations and financial strategies closely monitored for optimal outcomes. Strengthened investor and company relations further improve transparency.

## Mid- and Long-Term Developments

FITI prioritizes differentiated products and aims for technological innovation and cross-sector integration. In pursuing sustainable operations, we combine profit growth, employees' livelihood, and social responsibility, striving for comprehensive performance. By intensifying R&D and global layout, we strengthen our supply chain resilience and improves competitiveness in new technologies and equipment.

## 2024 Performance

In 2024, capital expenditure, cash flow, and inventory turnover were affected by industry inventory corrections and global external environments. We responded with strategic sales, efficient inventory management, and strict cost controls, leading to improved profitability and returns for shareholders.

## 2024 Operating Results

<b>16,454 million</b> (NT\$) Consolidated Operating Revenue	<b>2,612 million</b> (NT\$) Operating Profit	<b>16%</b> Operating Profit Margin
<b>2,662 million</b> (NT\$) Net Profit after Tax	<b>16%</b> Post-tax Return on equity	<b>25.22</b> (NT\$) EPS of

2021-2024 Operating Results ▶

(Unit: NT\$ 1,000)

Item	2024	2023	2022	2021
Operating Revenue	16,454,476	13,051,357	14,843,221	12,246,437
Operating Costs	12,165,987	9,636,790	10,399,687	9,153,770
Gross Profit	4,288,489	3,414,567	4,443,534	3,092,667
Operating Profit	2,662,203	2,030,033	2,951,060	1,988,339
Income Tax Expense (Benefit)	602,010	521,961	546,339	396,092
Net Profit after Tax	2,612,643	1,990,468	2,344,363	1,518,523
Basic Earnings per Share (EPS)	25.22	20.48	24.64	17.01
Capital Expenditure	1,751,765	618,418	970,509	737,956
Employee Welfare Expenses (including salary and compensation)	3,261,979	2,625,137	2,724,668	2,090,050
Research and Development Expenses	565,253	508,787	547,100	436,634
Annual Depreciation	23,128,519	19,369,723	19,690,192	14,179,634
Total Annual Shareholder Dividends	1,077,941	974,393	970,509	879,064
Payments to Suppliers	1,173,260	1,339,609	840,021	613,013
Payments to Government	628,479	538,007	552,777	398,302
Community Investment	142	881	1,261	480
Government Grants and Subsidies Received	24,595	41,036	16,964	32,788

## 2.7 Integration of ESG into Corporate Governance

Beyond complying with domestic regulations and establishing corporate governance frameworks, FITI also references international trends and global norms related to human rights, social issues, and environmental protection. We set policies for the governance of company operations, social responsibility, and environmental sustainability to promote high-quality management and accountability. At the same time, in accordance with RBA management guidelines, we place emphasis on protecting human rights, enhancing workplace health and safety, preventing environmental pollution, and ensuring product quality and safety. These measures help form a robust and resilient value chain inside and outside the organization, promoting sustainable growth.

### Integrity Policy

Based on Listed Company Integrity Management Best Practice Principles, an integrity-centered corporate culture is promoted. Integrity regulations are established, whistleblower systems are implemented, and educational training and communication mechanisms are continuously strengthened to prevent unethical practices and ensure adherence to ethical standards.

### Risk Management Policy

Based on Listed Company Risk Management Best Practice Principles, internal and external environment analyses are conducted, alongside risk assessment and preventive planning. Risk management mechanisms are regularly reviewed and improved to mitigate the impact of new trends on operations and to strengthen crisis management and organizational resilience.

### Diversity and Equal Opportunity Policy

FITI references international human rights standards, and collaborates with suppliers and partners to implement global ESG and human rights initiatives. These include: Universal Declaration of Human Rights (UDHR) ; United Nations Global Compact (UNGC) ; UN Guiding Principles on Business and Human Rights (UNGPs) ; Responsible Business Alliance (RBA) Code of Conduct.

### Quality & Environmental, Occupational Health and Safety Management Policy

FITI provides high-quality products and build a safe workplace, with the goal of fostering a friendly environment and achieving zero defects.

### RBA Management Policy

FITI collaborates with our suppliers to make progress in environmental protection, labor rights, and occupational health and safety.

### Customer Privacy Management Policy

FITI has established the Confidential Information and Intellectual Property (CI-IP) Management Regulations, the Customer Property Management Procedures, and the Privacy Policy, and we comply with the laws and regulations of our operating locations to uphold the highest standards in safeguarding privacy and ensuring the proper protection and handling of personal data.

### Information Security Management Policy

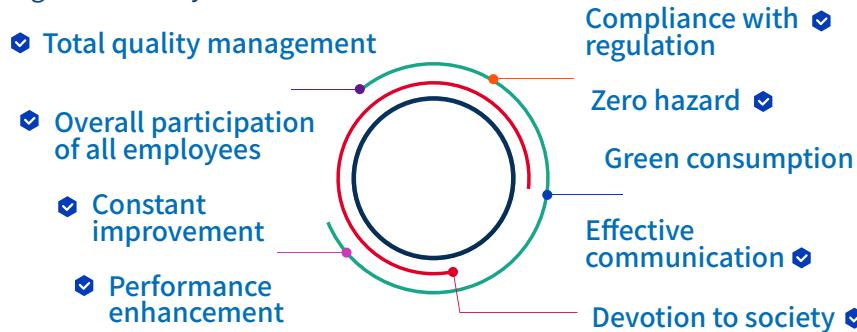
FITI has established comprehensive internal regulations that all employees must follow. For clients' confidential information and projects, project personnel are required to sign separate Non-Disclosure Agreements (NDAs). We have implemented a 'New Intelligent Information Management System' with controlled access permissions, along with robust information security measures to enforce protection and internal area access controls. In addition, regular training and awareness programs are conducted to strengthen personnel's responsibilities in safeguarding client privacy, ensuring the highest standards of data protection and privacy compliance.

### Human Rights Policy

FITI is committed to fostering a workplace that respects, embraces, and actively promotes diversity, inclusion, and equality. Our guiding principles are simple yet powerful: embrace Diversity, pursue Equality and promote Inclusion. By upholding these values, we strive to create an environment where every individual feels valued, empowered, and able to contribute to their fullest potential.

Quality and customer satisfaction are core responsibilities for FITI. We emphasize the quality and safety management of products, manufacturing, and services, working closely with both internal and external parties to continuously improve and meet customer and regulatory expectations. In recent years, by strictly assessing supplier quality, we ensure only reliable materials enter our supply chain. Through process control, we maintain quality, eliminate defects, and achieve customer satisfaction, while also complying with environmental and legal regulations. FITI has built a comprehensive quality and safety management system, aligning with global certifications and continually enhancing risk and incident response. We promote constant improvement to foster a sustainable partnership with the environment, customers, and society, ultimately benefiting all stakeholders.

## 2.7.1 Quality & Environmental, Occupational Health and Safety Management Policy



## Quality & Environmental, Occupational Health and Safety Management System Certifications

FITI has been certified to ISO 9001, ISO 14001, and ISO 45001, as well as CNS 45001, covering R&D, design, manufacturing, processing, installation, and sales. All production plants and key offices passed these certifications, continually improving management. We promote employee training and internal audits to enhance quality and ensure customer satisfaction with strong process oversight and risk management.



## Quality & Environmental, Occupational Health and Safety Management Policy

- Compliance with regulation:** Adhering to domestic and international laws and management system standards.
- Total quality management:** Providing training and encouraging full participation to ensure everyone is involved in management activities.
- Zero hazard:** Proactively addressing risks, strengthening equipment management, and implementing green processes including pollution prevention and resource recycling.
- Green consumption:** Committing to green procurement, recycling, and promoting environmental communications to achieve corporate social responsibility.
- Overall participation of all employees:** Involving all employees, suppliers, and customers in continuous improvement, promoting risk prevention and quality management together.
- Constant improvement:** Implementing regular system reviews and process improvement to ensure the quality and safety management system is up to date.
- Performance enhancement:** Broadening research in new technologies and methods to improve effectiveness, strengthening cross-departmental collaboration.
- Effective communication:** Facilitating transparent communication internally and externally to pursue the shared goal of sustainability.
- Devotion to society:** Upholding system integrity and social responsibility, with an emphasis on community engagement and value creation.

## 2.7.2 Human Rights Policy and Diversity, Equity & Inclusion

FITI values corporate responsibility and the human rights of all employees and stakeholders, referencing the "UN Universal Declaration of Human Rights," "UN Guiding Principles on Business and Human Rights," and "Responsible Business Alliance Code of Conduct (RBA)." Training and promotion of human rights are enforced, ensuring equal rights for all employees—including suppliers' workers—regardless of ethnicity, thought, religion, political stance, marriage, gender, sexual orientation, age or disability. All are treated fairly and with respect.

### FITI Human Rights Management Mechanism

#### Improvement and Advancement

Reduce risks of human rights violations and drive continuous improvement.



#### Issue Identification

Identify human rights issues within the company's operations in accordance with the Human Rights Policy.

#### Communication and Survey

Establish transparent communication and feedback channels.

#### Risk Management

Regularly review and respond to possible human rights risks, adjusting management strategies as needed.

### FITI Human Rights Policy

- Prohibit forced labor
- Prohibit child labor
- Establish equal opportunity policies
- Build a diverse and inclusive, respectful, and humane working environment
- Provide employees a safe and healthy workplace
- Grant equal pay for equal work
- Ensure mechanisms for fair compensation, including for contract and dispatched workers, indigenous peoples, migrants, women, and minorities
- Ban discrimination based on gender, sexual orientation, marital status, age, religion, political views, or disability
- Provide multiple channels for appeal and anti-retaliation

### (1) Human Rights Management and Diversity Implementation Measures

FITI complies with labor and employment laws across all operating locations and upholds gender equality. In addition to internal human rights protection mechanisms, we foster diversity by safeguarding safety, supporting freedom, and promoting a healthy atmosphere. Human rights management and risk assessment for our supply chain are top priorities.

#### Internal Management Measures

- Provide safe and healthy workplace facilities, satisfying the needs of all staff, and renew employee health resources, including general practitioners, nurses, and health management professionals as required by law.
- Offer inclusive work-life balance benefits, such as parental leave, breastfeeding rooms, and flexible working hours.
- Prevent harassment (including sexual harassment), install emergency complaint mechanisms, and conduct educational training for all employees.
- Conduct regular employee opinion surveys and incorporate feedback and suggestions to improve the workplace.
- Enforce non-discrimination and anti-bullying policies. Complaints are handled with procedures ensuring confidentiality and employee protection.
- Train management staff in cultural and inclusive leadership to strengthen team diversity, teamwork, and inclusion.

#### External Management Measures

- Require suppliers and contractors to comply with FITI's human rights management principles and sign responsible business and human rights declarations.
- Conduct periodic supplier audits and risk assessments of labor, human rights, and environmental issues, with immediate corrections required for non-compliance.
- Clearly communicate FITI's human rights policies and labor standards to suppliers and regularly review their implementation and improvement progress.

### FITI's Human Rights Policy and Regulations

- Employee Handbook
- Work Rules
- Recruitment and Employment Procedures
- Sexual Harassment Prevention Policy
- Protection Measures Against Unlawful Acts During Job Duties
- Religious Belief Respect Management Procedures
- Labor and Ethical Risk Assessment / Investigation of Irregular Incidents and Relevant Regulations
- Grievance and Whistleblowing Procedures



FITI embraces diversity, pursues equality, and fosters a culture of inclusiveness. We recognize and respect employees' differences in gender, ethnicity, religion, nationality, cultural background, and physical or mental status, aiming to create a fair, safe, and friendly workplace and to drive sustainable business development.

**Applications** ➤ This policy applies to, but is not limited to:

01 Employee Recruitment and Selection	05 Employee Well-being and Communication
02 Employee Training and Development	06 Stakeholder Collaboration and Engagement
03 Employee Compensation and Benefits	07 Social and Community Participation
04 Work Environment and Culture Building	08 Customer and Market Services

## (2) Actions and Results: Human Rights Management Outcomes in 2024

Human Rights Grievance Cases		Penalties for Breaches of Human Rights or Labor Standards	RBA Internal Audit	RBA Human Rights Training	Assembly		
Internal <b>0</b> Case	External <b>0</b> Case	<b>0</b> Case	No Non-Compliance Cases	<b>417</b> hours	Labor-management meeting <b>4</b> meetings	Social welfare committee meeting <b>2</b> meetings	Total Number of Clubs <b>4</b>

## About Changes in Organizational Operations

To safeguard working rights, whenever FITI faces major operational changes or adjustments—such as labor contract terminations, organizational restructuring, or layoffs—FITI complies with Article 16 of Taiwan's Labor Standards Act, providing advance notice and severance as required by law. No such situations occurred during the reporting period.



## 2.7.3 RBA Management Policy

As a responsible member of the Responsible Business Alliance (RBA), FITI follows RBA's standard framework and code of conduct. We require suppliers to meet requirements in environmental protection, labor rights, workplace health and safety, and act in accordance with investor and stakeholder expectations to foster mutual trust.

### Labor Policy

- Prohibit forced labor
- Prohibit child labor
- Work hours
- Working environment
- Prohibit discrimination, harassment, or inhumane treatment
- Freedom of association

### Ethical Policy

- Conduct All Business Interactions with Integrity:
- Strictly prohibit activities that conflict with the company's interests
- Gifts or entertainment must be appropriate and reasonable
- Strictly forbid bribery, corruption, extortion, and misappropriation of funds
- Ensure that publicly disclosed information is accurate and complete
- Safeguard personal privacy and protect the business information of clients and suppliers
- Maintain confidentiality of all company-owned information
- Respect intellectual property rights
- Prohibit retaliation against whistleblowers or reporters
- Promote ethical behavior and integrity standards

### Supplier Ethics Policy

- Adhere to Honesty and Integrity:
- Strictly comply with confidentiality policies
- Protect intellectual property security
- Ensure that all provided qualifications and certifications are truthful and valid
- Commit to executing contracts reasonably and lawfully
- Ensure that the company, its affiliates, employees, and agents do not engage in direct or indirect bribery
- Strictly prohibit extortion, retaliation, or any form of intimidation
- Strictly comply with the company's safety regulations and facility rules

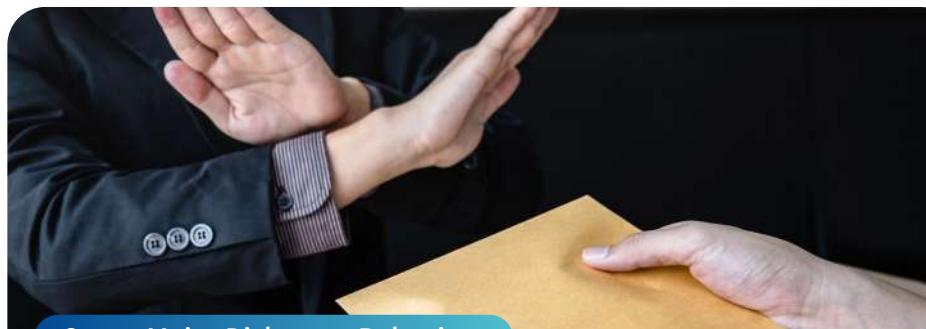




## 2.8 Ethics and Integrity

FITI follows the corporate integrity management rules for listed companies, establishing an ethical corporate culture. Under the supervision of the Human Resources Department and dedicated responsible units, the company implements integrity management, and the Board of Directors annually reviews the effectiveness of the integrity governance results.

FITI has established comprehensive integrity governance policies and guidelines, built a whistleblower mechanism, and provides ongoing training to reinforce the awareness of honest practices. These measures aim to prevent dishonest conduct, covering all directors, managers, supervisors, and employees, as well as suppliers and partners, to ensure the company operates transparently and in line with stakeholders' interests.



### Seven Major Dishonest Behaviors

- Giving or accepting bribes.
- Offering illegal political donations.
- Improper charitable donations or sponsorships.
- Providing improper gifts or hospitality, or accepting such benefits from other parties.
- Insider trading or securities trading against the law.
- Using company information for self-interest, or disclosing it unlawfully to harm FITI's reputation or assets.
- Manufacturing or service processes that infringe upon stakeholders' rights, interests, health, or safety.

### FITI Integrity Management Strategy

#### → Investigation and Audit

- Investigate alleged dishonest acts.
- Report review results to management.
- Implement internal control systems.



#### → Education and Training

- Employee code of conduct and ethics training.
- Annual regular training for employees.
- All staff and suppliers are required to sign a commitment to integrity.

#### → Policy and Governance

- Integrity management rules: avoid unethical conduct.
- Handling integrity issues per compliance regulations.
- Clear operational procedures and honest conduct guidelines.
- Conduct risk identification and design controls for work scenarios prone to dishonest behavior.

#### → Whistleblower Mechanism

- Dedicated anti-corruption reporting mailbox: [fiti.speakup@foxsemicon.com](mailto:fiti.speakup@foxsemicon.com)
- FITI ethics and compliance reporting mailbox: [fiti.csr@foxsemicon.com](mailto:fiti.csr@foxsemicon.com)
- Other reporting channels: [fiti.stock@foxsemicon.com](mailto:fiti.stock@foxsemicon.com)

To ensure the effective implementation of relevant policies, FITI conducts internal audits and annual reviews of integrity governance effectiveness. Results are periodically communicated to the Board of Directors and functional committees, and key issues and suggestions are relayed to management and all staff. Additionally, the Board oversees the company's compliance with integrity regulations and issues operational guidelines regarding integrity management for major cases or identified risks. Suppliers and contractors are required to sign the "Supplier Integrity Pledge" to jointly uphold fair, honest, and legal business conduct, as well as to reject bribery, corruption, and any collusion.

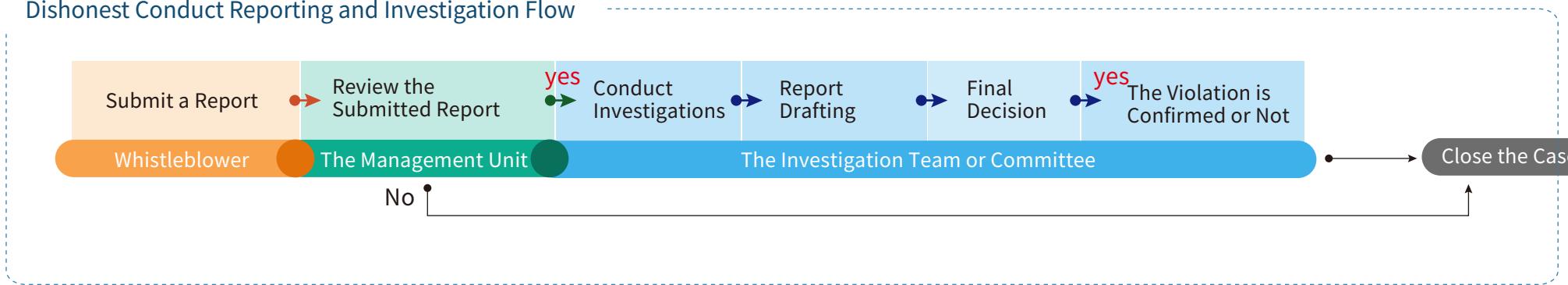
FITI has set up a multi-channel whistleblower system, providing all employees and external stakeholders transparent and secure reporting options. All cases are reviewed and managed by the responsible department, ensuring confidentiality and protection against retaliation. For more information about our integrity mechanisms, please refer to the "FITI Code of Integrity Management" and "Reporting Management Regulations," and relevant announcements on the company website.

## 2.8.1 Dishonest Conduct Reporting and Investigation Mechanism

FITI requires those engaged in operational activities to avoid using their positions to commit dishonest acts or influence judgments, as well as large-scale fraud or illegal conduct. In cases of suspected violations, the investigation process is confirmed according to standard procedures. Following FITI's internal protocols, the responsible unit will conduct investigations. Complaints may be raised confidentially or anonymously, and each report is handled in accordance with the established process. Investigation outcomes and disciplinary actions are submitted to supervisors and the whistleblower.

### → In 2024, there were zero incidents violating integrity principles.

#### Dishonest Conduct Reporting and Investigation Flow



#### © 2024 Integrity Management Performance

Complaints of Dishonest conduct received	Trainings			Commitment	
	New Employee Training	Annual Training	Supplier Training	New employees	Specific Employees
<b>0</b> Case	<b>173</b> staff participated	Integrity management training covered <b>419</b> employees, and RBA (Responsible Business Alliance) courses reached <b>417</b> employees.	Online Session <b>1</b>	<b>218</b> ( <b>100%</b> completion rate) Integrity, Anti-Corruption, and Intellectual Property Agreement- Project Confidentiality Agreement	<b>182</b> employees ( <b>100%</b> completion rate) High- IP Confidential Smart Product- Project Confidentiality Agreement

## 2.9 Regulatory Compliance

FITI abides by the Corporate Governance Best-Practice Principles for Publicly Listed Companies and related laws and regulations. Internally, the company has established a complete internal control system and promotes compliance awareness through regular legal compliance training and audits to ensure robust corporate governance. The company regularly reviews regulatory changes and internal policies, systematically implements compliance audits and improvements, and ensures that all departments comply with legal requirements, including regulations related to operational safety, environment, product quality, and sustainability. FITI follows ISO9001, ISO14001, and ISO45001 management systems and ensures that all legal obligations and relevant compliance measures are fully implemented through management system operations and annual audits.

All significant regulatory information and updates from regulatory authorities are regularly collected, interpreted, and passed on to relevant business units and senior management as references for risk identification and management. FITI has an established mechanism for identifying and regularly reviewing key regulatory risks, and any significant changes or major regulatory amendments are escalated to the board for discussion and response, ensuring compliance with all relevant laws and regulations.

To strengthen compliance, the company schedules regular compliance audits, monitors internal control effectiveness, and actively organizes risk management training and knowledge sharing with relevant departments to enhance overall compliance awareness. Related information is publicly disclosed on the FITI Corporate Governance website.

### 2.9.1 Prevention of Unfair Trade Practices

The company strictly prohibits any abusive or unfair business conduct. FITI ensures open and fair competition, maintaining ethical relationships with suppliers and customers, and does not engage in price manipulation or monopolistic practices. FITI upholds supplier consultation and communication channels, managing supplier relationships with principles of fairness, transparency, and anti-corruption. If an employee is found to have violated policies related to fair transaction, the company will take appropriate disciplinary action according to internal audit standards. Going forward, FITI will continue refining its compliance process to protect suppliers and customers' rights, promote fair trade, and foster a sound operating environment. Key policies include:

- Formulating and publicizing the “Fair Trade Policy,” ensuring competition is fair, open, and transparent, and opposing any monopolistic conduct or market manipulation.
- Prohibiting collusion, price fixing, bid rigging, and any exclusionary or restrictive trade practices.
- Strengthening compliance and audit mechanisms to improve monitoring capability.
- Prohibiting improper transfer or misappropriation of benefits; employees must not use confidential information or business opportunities to obtain personal gain.

### 2.9.2 Observance of Labor Laws

FITI strictly obeys labor laws for all operating sites to ensure employees have appropriate coverage, stable relationships, and a healthy, safe working environment. All employment contracts, working conditions, and labor transactions are in compliance with legal requirements. The company implements transparent employment policies, and there have been no violations of labor laws or regulations. FITI keeps pace with regulatory amendments and new requirements, ensuring up-to-date compliance and protecting employees' rights. Seasonal or temporary workers' employment practices are also reviewed to ensure they comply with legal standards.

**In 2022 and 2023, FITI recorded zero fines for labor law violations. The statutory maximum fine for 2022 is NT\$150,750, with the same amount for 2023. The two years' main labor compliance status did not result in any penalty, with no significant cases or fines recorded. 2024 Government Regulatory Violations and Fines – Total Amount: NT\$150,750**





◎ Fines and sanctions for non-compliance with laws and regulations in 2024

→ **The total amount of fines for non-compliance with laws and regulations was NT\$150,750.**

Official Notice / Citation	Non-compliance with Laws and Regulations	Description of Violation	Amount of Fines (NT\$)	Remedial / Corrective Actions
<b>Taiwan Stock Exchange Corporation Official Letter, April 26, 2024 Ref. No. TSEC-11318001789</b>	Article 5 Rules Governing Establishment of Internal Control System by Public Companies Article 11 Rules Governing Establishment of Internal Control System by Public Companies Article 38 Rules Governing Establishment of Internal Control System by Public Companies Article 4 Paragraph 1 Subparagraph 26 Procedures for Verification and Public Disclosure of Material Information by Listed Companies	FITI and its U.S. subsidiary experienced a cybersecurity incident involving a hacker attack on their information systems. The internal control system of FITI was found, in both its design and implementation as well as in its supervision and management of its subsidiary, to be inconsistent with the requirements set forth in Articles 5, 11, and 38 of the Regulations Governing Establishment of Internal Control Systems by Public Companies. In addition, the U.S. subsidiary of FITI was subject to a hacker attack targeting its servers and encrypted documents on January 8, 2024. Upon review, the incident was determined to fall under the circumstances described in Article 4, Paragraph 1, Subparagraph 26 of the Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities of the Taiwan Stock Exchange. However, FITI delayed entering the relevant material information into the Market Observation Post System. Accordingly, this case is handled pursuant to Article 9, Paragraph 2 of the Procedures for Auditing Internal Control Systems of Listed Companies and Article 4, Paragraph 1, Subparagraph 26 of the Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities.	<b>NT\$100,000</b>	Please refer to Information Security section for details
<b>National Science and Technology Council, Hsinchu Science Park Bureau Official Letter, June 4, 2024 Ref. No. HSPB-1130018230</b>	Paragraph 1 Article 387 of the Company Act of the Republic of China (Taiwan)	The amendment to the Articles of Incorporation resolved at the 2022 shareholders' meeting was not filed for corporate change registration within the statutory deadline.	<b>NT\$50,000</b>	Include amendment registration items resolved at shareholders' meetings in the checklist to ensure that responsible personnel complete the required filings without omission.
<b>Ministry of Finance, Central Taiwan National Taxation Bureau Administrative Penalty Notice, September 23, 2024 Ref. No. CTNTB-2024 46113100739</b>	Paragraph 3 Article 89 of the Income Tax Act of the Republic of China (Taiwan)	Failure to file the certificate of exemption from withholding tax within the statutory deadline	<b>NT\$750</b>	Enhance the review and verification process going forward to ensure that all data submissions are complete and accurate.

## 2.10 Risk Management

### 2.10.1 Risk Management Process

Due to global supply chain changes, climate risks, and various operational risk events, FITI incorporates Listed Company Risk Management Best Practice Principles into the management process and integrates risk management into organizational operations. Through internal and external environment analysis, risk identification, and assessment, the company continues to strengthen crisis prevention and enhance its competitiveness and resilience.

FITI adopts four main steps for risk management: identification, prevention, response, and monitoring. Department heads lead annual risk identification and assessment, with each unit preparing responses and regularly reviewing internal risks based on departmental differences and criticality. Units responsible for particularly significant risks designate responsible personnel and committees to take charge of preventive measures and controls. When necessary, they must propose improvement actions in response to risk exposure. If a major or material risk emerges, discussions and improvements are jointly coordinated by the Sustainable Development Committee.



## 2.10.2 Risk Identification and Response

Risk Category	Item/ Description	Mitigation Measures	Stakeholders
Strategy	Economic Condition	Continuously manage expenses and reduce costs, enhance operational efficiency, and mitigate the impact of economic fluctuations and uncertainties	Client Supplier
	Geopolitical Risks	Monitor global regulations, political, and economic conditions, and adjust production capacity and allocation accordingly	
	Market Changes	Establish strategic partnerships with customers and allocate products in a timely manner according to demand	
Operation	New Facility Site Development	Monitor market demand and technological developments, continuously improve operational processes, adjust manpower allocation, and engage external experts as needed	Client Supplier
	Supply Chain Management	Develop a diversified supply chain and establish mutually beneficial and trusted relationships with suppliers	Supplier
	Talent and Skills	Strengthen training resources for technical professionals and enhance managerial capabilities of supervisors	Employee
	Information Security	Review and enhance cybersecurity control processes and implement ISO 27001 certification management system	Employee Client Community
Finance	Credit Risk	Implement a credit limit control mechanism, assess customer credit limits based on financial status and order history, and continuously follow up on outstanding receivables	Client
	Property Risk	Assess costs and insurance premiums, and transfer appropriate risks to third parties (risk-bearing institutions)	Supplier Subcontractor
	Foreign Exchange Risk	Monitor foreign exchange information, have relevant personnel track the company's foreign currency positions, and maintain close communication with banks to effectively manage exchange rate fluctuations	Government Bank
	Liquidity Risk	FITI monitors capital movements and overall liquidity planning to ensure financial soundness and prevent impacts on operations.	Bank

\* For risk opportunities and identification of climate-related risks and causes, please refer to Section 3.1.1.

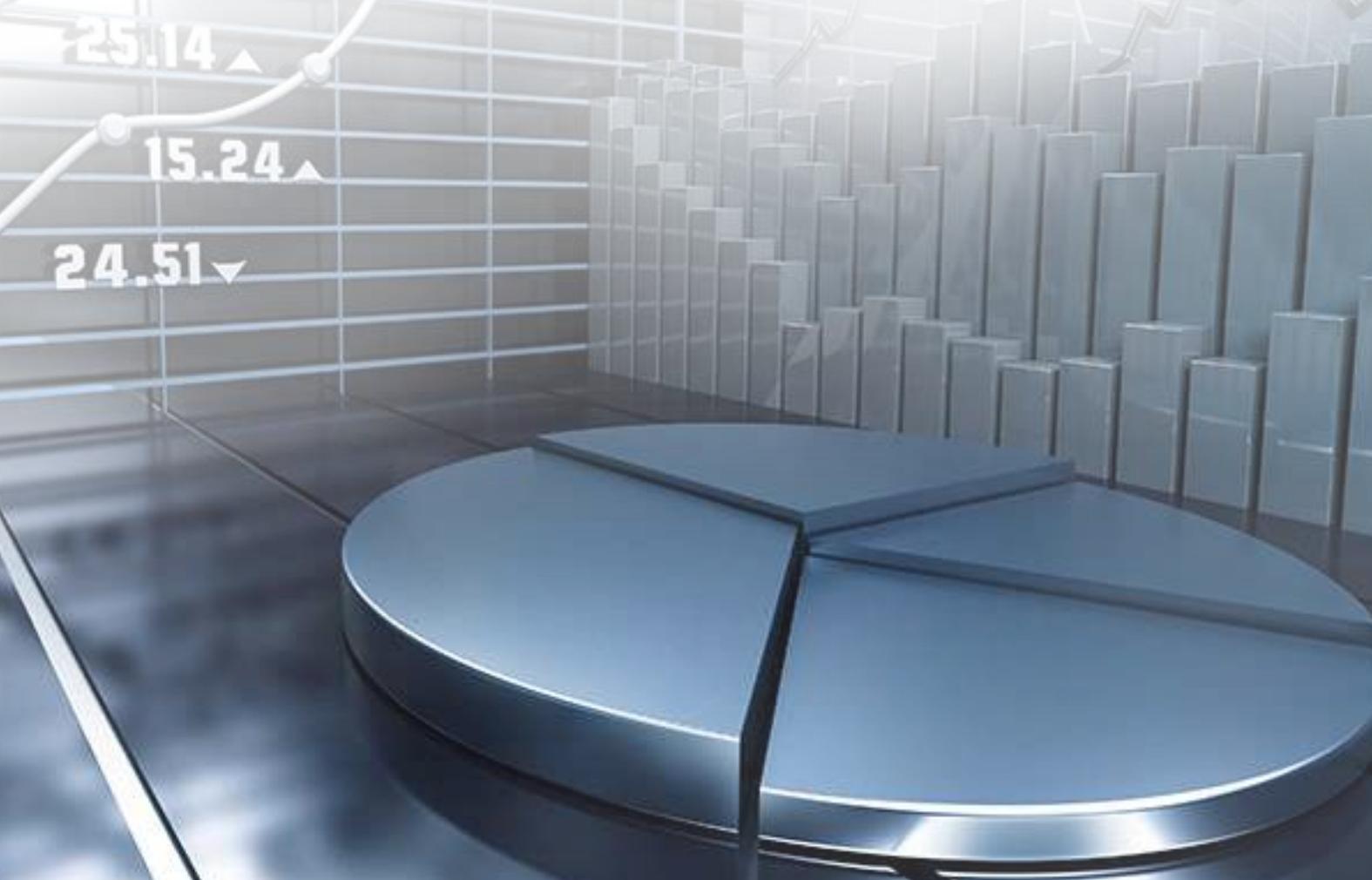


## 2.11 Investor Relations

FITI adheres to the principles of sustainable value creation, fairness, and transparent information disclosure to ensure accurate and timely responses to shareholders and investors. Through the release of financial and operational information, FITI holds annual shareholders' meetings and regularly organizes legal conferences for domestic and foreign institutional investors. In 2024, FITI organized six such meetings, providing investors with updates on company governance, operations, and future directions. Additionally, a dedicated investor relations team is in place, responsible for regularly updating financial and business information and ensuring that public disclosures are prompt and transparent through announcements on the company's official website.

FITI emphasizes communication with investors via spokespersons and agents, ensuring the timely provision of correct and complete information to investors and the market. In addition, the company delegates professional agents to handle shareholders' meeting affairs to protect shareholder rights.

FITI builds trust with investors through transparent disclosure of major information, deepening investor relations, reinforcing corporate governance, and committing to sustainable management to create stable and long-term returns for shareholders.



## 2.12 Customer Relations

FITI aims to fully understand customer needs and enhance satisfaction in both products and services. We continually optimize products and technological innovation, maintain multiple service channels, and complete satisfaction surveys to provide a basis for service improvement and long-term partnership strategy, protecting customer interests and information security.

Satisfaction of every customer and the protection of rights are key. To improve service quality and strengthen trust and cooperation, FITI conducts satisfaction surveys every year to understand customer expectations and assessments. Regular reporting on survey results and feedback enables immediate improvement actions and enhances the effectiveness of services, achieving a positive cycle between customer feedback and company optimization.

### → 2024 Customer Satisfaction Score: **4.16**

**Customer Satisfaction Channels**



- Customer service mailbox (feedback received daily)
- Customer visits and direct interviews
- Business or technical hotline services
- Dedicated staff for urgent handling (immediate support and feedback)
- Opinion collection mailbox (anonymous or direct feedback)



**Customer questionnaire**



- Product and delivery quality
- After-sales service
- Sales and technical team service
- Problem response speed
- Product information and documentation
- Sustainability and ESG cooperation





# 2.13 Customer Privacy and Information Security

## 2.13.1 Customer Privacy Management

To protect customer privacy and personal data, FITI has established the “Customer Privacy and Intellectual Property (CI-IP) Management Policy,” and the “Customer Confidential Data Handling SOP.” The policy covers aspects such as business process privacy, customer confidential document management, regular education and training (including privacy protection), as well as information security monitoring, data backup, and incident response procedures. In addition to mandatory checks and management protocols for employees who handle customer privacy and confidential information, FITI strictly implements customer data security management to prevent unauthorized access, leakage, or abuse. The company provides comprehensive training for all newly hired and incumbent staff who need to access confidential data, and regularly reviews and updates related policies and measures, aiming to eliminate any mismanagement. FITI also arranges for employees to sign confidentiality agreements as required, fully carrying out customer data and privacy protection, and has set up a customer complaint channel, promising to investigate and handle any customer privacy or information security disputes and respond as quickly as possible.

→ **In 2024, there were zero cases of customer privacy complaints, either from external parties or regulatory authorities, categorized as privacy or data breach incidents.**

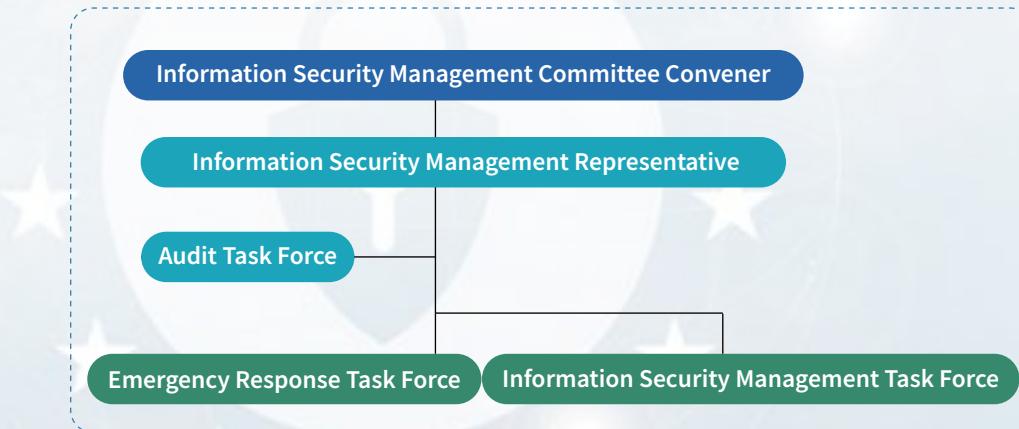
## 2.13.2 Information Security Management

### (1) Information Security Management Committee

FITI established the company’s Information Security Management Committee in 2024. Led by the Chief Information Security Officer (CISO), the committee consists of members from each major department who are responsible for developing, promoting, and implementing information security strategies and key projects. The committee is also responsible for risk assessment, planning mitigation measures, and reviewing the effectiveness of various information security actions. The committee meets every quarter to examine current information security risks, handle emergency notifications and information security incident responses, ensuring timely resolution and notification. In addition, the committee strengthens the company’s information security policies and compliance, and regularly reports to the Sustainable Development Committee and the Board of Directors for governance oversight.

### FITI Confidential and Information Security Management Measures

- Confidential Information and Intellectual Property (CI-IP) Management Policy: Establishes management procedures for the company’s confidential information and intellectual property.
- Customer Property Management Procedures: Provides protection for tangible and intangible assets of the company, customers, and suppliers.
- New Intelligent Resource Management System: Manages customer drawings and documents.
- Access Control Management Procedures: Manages information related to people, vehicles, and materials within the facilities.
- Information Systems Management Procedures: Governs the management of computer software, hardware, and networks.





## (2) Information Security Management Mechanism

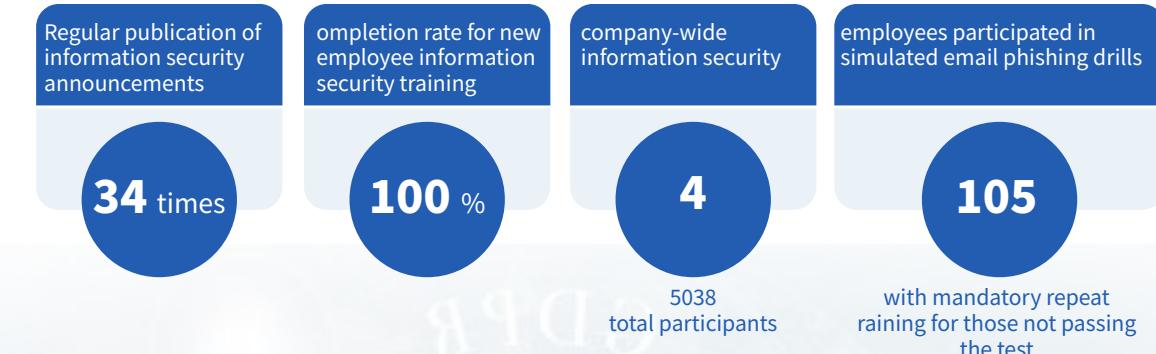
FITI adopts the ISO/IEC 27001 as the framework for information security management, implementing an Information Security Management System (ISMS). The specific control measures and the main scope of information security management are as follows:

Endpoint Security Protection	Application Security Protection	Network Security Protection	Data Security Protection	Operational Continuity Plan	ISO 27001 Certification
<ul style="list-style-type: none"><li>All mainframes and endpoints are equipped with MDR (Managed Detection and Response) and antivirus software, providing 24/7 real-time threat detection and incident response.</li><li>Security patch management includes regular OS updates (Windows Update) and the latest antivirus software deployment/service.</li><li>Scheduled full scans and cleaning are performed, and virus databases are updated promptly.</li></ul>	<ul style="list-style-type: none"><li>Comply with secure software development principles, including prohibiting the use of insecure design techniques, writing secure code, and identifying common vulnerabilities.</li><li>Use only legally licensed software. The use of any illegal or unauthorized software for system development or project work is strictly prohibited.</li><li>Conduct code reviews and vulnerability scans for system development or functional changes, and ensure all identified issues are remediated before deployment.</li><li>Establish a privileged account management and monitoring system to track and audit high-privilege account activities in real time.</li></ul>	<ul style="list-style-type: none"><li>Next-generation firewalls are deployed; firewall systems and email security gateways are installed at key junctions for 24/7 security monitoring and threat event response.</li><li>Remote work VPNs are encrypted and multi-factor authentication (MFA) is enabled for access security management.</li><li>Network connections are monitored and analyzed in real time, with early warning capabilities for external cyberattack attempts or abnormal behavior.</li><li>Collaborative warnings through participation in the TWCERT/CC (Taiwan Computer Emergency Response Team/Coordination Center) network, and SP-ISAC (Semiconductor Industry-specific Information Sharing and Analysis Center).</li></ul>	<ul style="list-style-type: none"><li>Implement file encryption and outbound control systems to protect sensitive documents, preventing data leakage and unauthorized access.</li><li>Perform daily backups of critical data and files, following the 3-2-1 backup principle. Conduct at least one data restoration test annually to verify the availability and reliability of backup data.</li></ul>	<ul style="list-style-type: none"><li>Regularly conduct operation continuity flow reviews and drills; set an acceptable Maximum Tolerable Downtime (MTD) and Recovery Time Objective (RTO) for key operational services.</li><li>Annual review and update of the Business Continuity Plan (BCP), with comprehensive scenario simulation and response drills. The latest review completed in October 2024, meeting ISO/IEC 27001 requirements. Two operation continuity drills are completed annually, with summary improvement reports.</li></ul>	<p>To ensure the effectiveness and international credibility of the information security system, FITI has obtained ISO/IEC 27001 certification. The scope covers information security policy, management organization, IT system and equipment management, access control, incident response, and personnel training. The certification ensures consistent operation, ongoing improvement, and compliance with relevant laws and customer contract requirements, creating long-term value and benefits for clients and all stakeholders.</p> 



### (3) Information Security Culture

To enhance employees' awareness and prioritization of information security, FITI regularly organizes information security risk education and training, holds themed business seminars, and conducts practice drills, all of which require 100% pass rates. Additionally, FITI updates internal security posters and runs simulated email attack drills (including social engineering phishing), with results reviewed by training managers. Staff who fail assessments are required to undergo



### (4) 2024 Information Security Incident Description

#### Reason

In January 2024, a wave of global email-based cyberattacks surged. After internal investigation and aid from an external professional information security consultant, FITI completed incident handling. No significant loss or unauthorized disclosure of confidential information was found; all cases were contained effectively.

#### Further Improvement Items

For suppliers and external partners with information systems that may affect the company, FITI will continue regular information security management and conduct at least one audit or review per year to ensure compliance.

#### Reinforcement Measures

- Strengthened organization: established a dedicated information security department, appointed a chief officer, and reinforced the information security team
- Segregated duties: divided responsibilities, increased investment in information security, and planned 36 additional risk control measures to be completed by the end of 2024
- Established a comprehensive information security management system, including regular training and reviews

# Mutual Benefit: Fostering Environmental Sustainability

## Highlights of This Chapter

- The GHG Emission intensity at the Kezhong Site was decreased by 33.56% in 2024 compared to 2023.
- The FITI Group's Water Usage Intensity in 2024 was reduced by 13.3% compared to 2023.
- At the Kezhong Site, the energy-saving water chillers were replaced, improving energy efficiency by 28.44%. This is expected to reduce carbon emissions by nearly 3,000 metric tons over the next decade.

P67 Climate Change Risks and Opportunities

P72 Greenhouse Gas (GHG) Emissions

P78 Energy Management

P80 Water Management

P82 Waste Management

P86 Air Emissions

P87 Sustainable Products and Services



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Songjiang, Shanghai  
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昆山(江蘇)



San Jose, California  
聖荷西, 加州



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Chonburi Province, Thailand  
春武里, 泰國



Austin, Texas  
奧斯汀, 德克薩斯州



Rayong, Thailand  
羅勇, 泰國



Texas, Arizona  
德州, 亞利桑那州



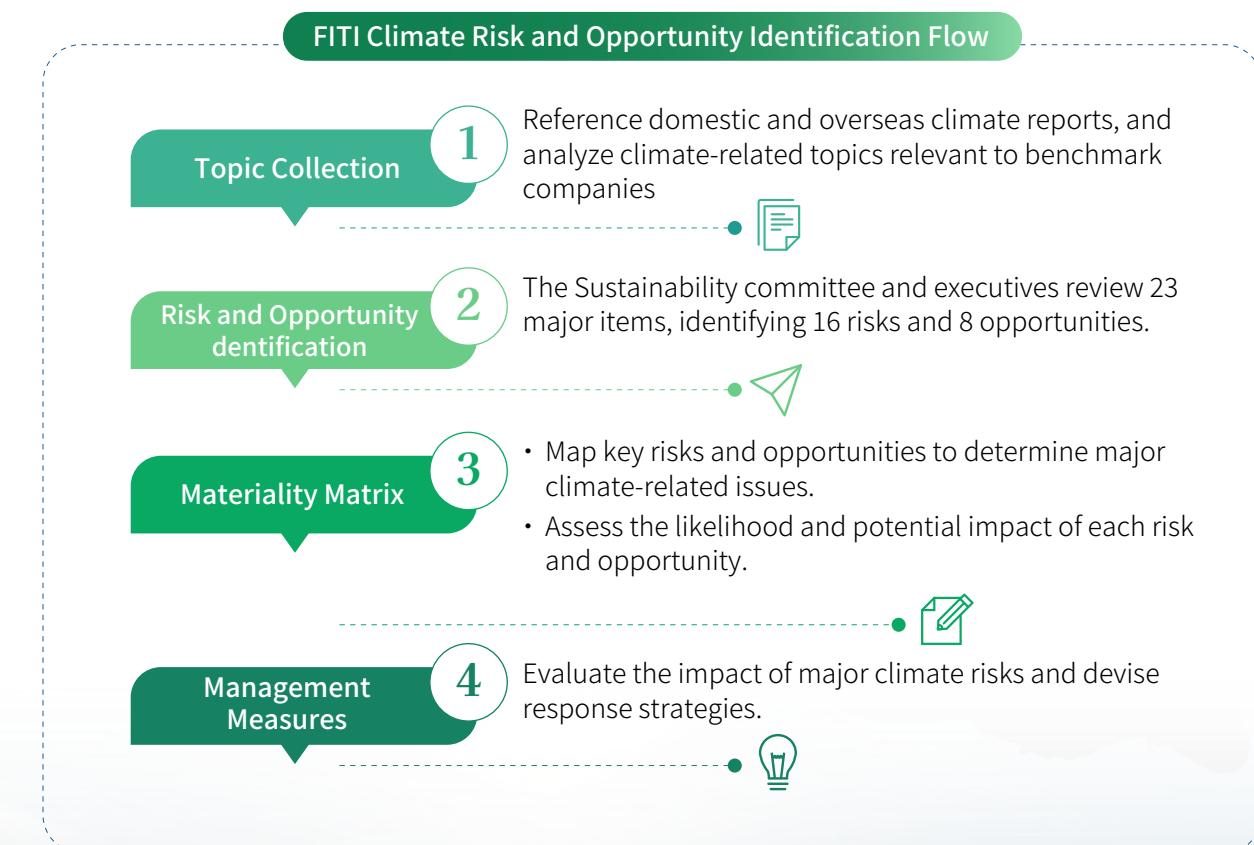
# 3.1 Climate Change Risks and Opportunities

## 3.1.1 Climate-related Risk and Opportunity Identification Process

In response to the impacts of climate change, including physical and transition risks as well as related opportunities, FITI adopts the Task Force on Climate-related Financial Disclosures (TCFD) framework. We also reference major international and domestic climate change assessment reports, such as the IPCC Sixth Assessment Report (AR6) and the World Energy Outlook (WEO), to evaluate potential climate risks and opportunities in 2024.

As FITI moves toward net-zero carbon emissions, risks related to regulations, litigation, and operational costs may rise. Therefore, climate-related risks and opportunities are regularly identified and evaluated across policy, technology, and market aspects to ensure:

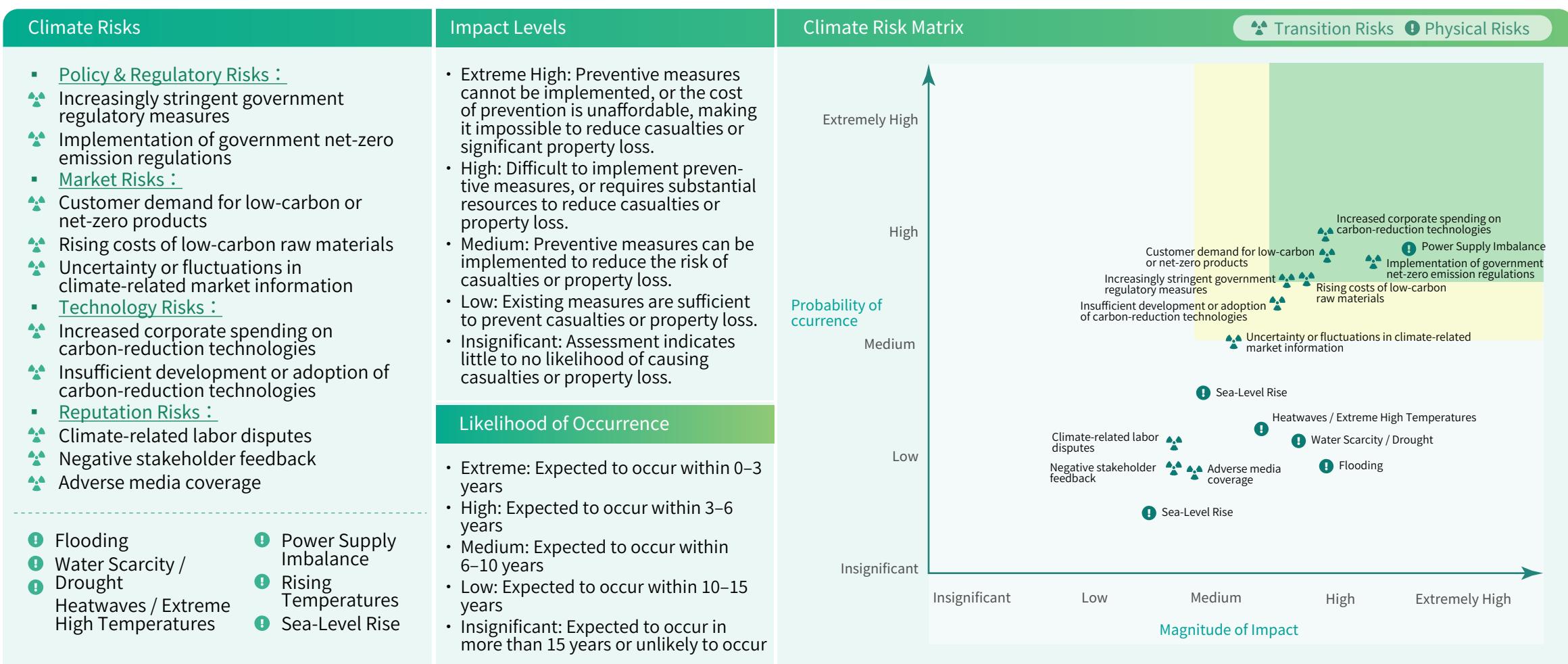
- **Compliance with Laws and Market Trends** : Aligning with international regulations and market developments for a low-carbon economy.
- **Long-term operational resilience** : Reducing tax and resource costs, improving adaptability to financial and operational risks.
- **Stronger capital market and investor support** : Responding to ESG requirements and attracting responsible investment.
- **Greater business opportunities** : Leveraging climate initiatives and investment in renewable energy for regulatory and market advantages.



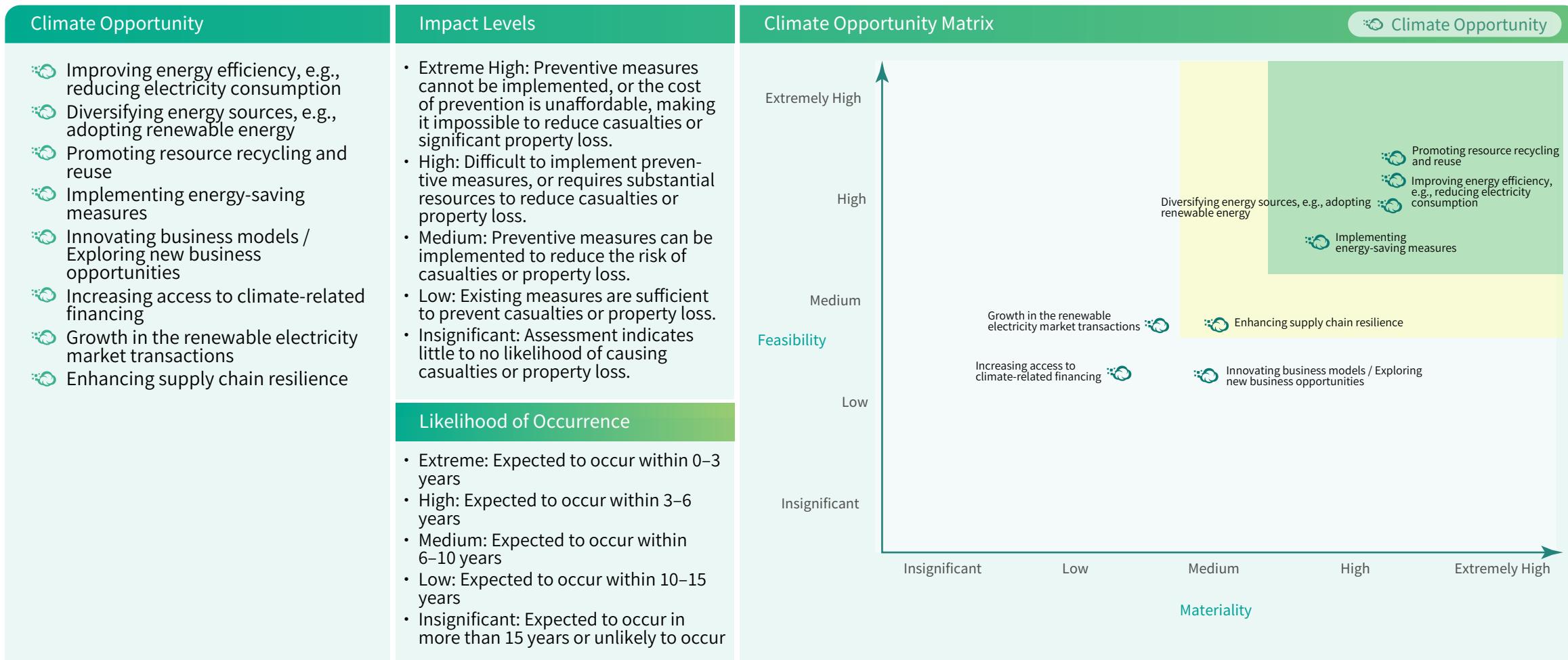
### 3.1.2 Identification Results

FITI Group's Sustainability Committee referenced recent themes discussed at the United Nations Climate Change Conferences, as well as climate actions implemented by benchmark industries, to identify 16 climate risk topics and 8 climate opportunity topics. Through participation in climate risk and opportunity assessment surveys by committee members, the TCFD task force, and senior management, a risk-opportunity matrix was created to determine the company's significant climate risks and opportunities. Appropriate mitigation and response measures were subsequently formulated to ensure that all identified significant risks and opportunities are properly managed.

The impact of climate risk topics is evaluated based on the severity of potential consequences and the likelihood of occurrence, categorized into five levels: Extreme, High, Medium, Low, and Negligible. According to the matrix, 8 topics fall within Medium-High or above, ranked as follows: Imbalance in electricity supply and demand; Government implementation of net-zero emission regulations; Increased corporate investment in carbon-reduction technologies; Customer demand for low-carbon or net-zero products; Rising costs of low-carbon raw materials; Increasingly stringent government regulatory measures; Insufficient development of corporate carbon-reduction technologies; Uncertainty or fluctuations in climate-related market signals.



The prioritization of climate-related opportunity issues is based on the importance and feasibility of each opportunity scenario. These opportunities are classified into five levels: Extremely High, High, Medium, Low, and Negligible, as shown in the matrix diagram. A total of four issues were identified as being of medium to high priority or above, listed in order as follows:



### 3.1.3 Annual Management Approach for Material Climate Risk Issues

Description of Climate Risk Scenarios		Impact Levels	Time Horizon	Financial Impact	Management Approach
<b>Physical Risks</b>	 <b>Power Supply Imbalance</b> • Rising industrial electricity rates; an increasingly strained power grid have led to outages that disrupt operations.	● ● ●	Within 1-2 years	● ● ●	Establish production backup mechanisms and emergency power generation equipment.
<b>Policy &amp; Regulatory Risks</b>	 <b>Implementation of government net-zero emission regulations</b> Taiwan's Carbon Fee Scheme; EU Carbon Border Adjustment Mechanism (CBAM) Reporting Requirements; Regulatory Requirements for Renewable Energy Adoption in Specific Manufacturing Sectors.	● ● ●	Within 3-4 years	● ●	Proactively plan voluntary carbon reduction programs; collaborate with energy consultants to develop green energy investment projects targeting low-carbon process transformation for carbon-regulated products.
	 <b>Increasingly stringent government regulatory measures</b> The government has raised the standards for wastewater recycling and energy-saving requirements.	● ● ●	Within 2-3 years	● ●	Actively monitor government regulations and legislation progress on energy and resource management worldwide; set energy-saving targets that exceed legal standards with continuous yearly improvements.
<b>Technology Risks</b>	 <b>Increased corporate spending on carbon-reduction technologies</b> Excessive capital spending resulted from the large-scale replacement of outdated energy equipment.	● ● ●	Within 1-2 years	● ● ●	Identify significant energy use improvements within plants and prioritize upgrades or renewals to reduce carbon emissions and secure long-term returns.
	 <b>Insufficient development or adoption of carbon-reduction technologies</b> • Insufficient capacity in low-carbon product development technologies, energy management transformation technologies, and the cultivation of carbon expertise and skills across departments.	● ● ●	Within 2-3 years	●	Systematically implement ISO 14067 and ISO 50001 standards; cultivate carbon experts, energy management auditors, and related skillsets.
	 <b>Customer demand for low-carbon or net-zero products</b> Clients require disclosure of Scope 3 carbon emissions data and the use of a specified percentage of renewable energy.	● ● ●	Within 1-2 years	● ●	Establish net-zero targets and pathways; plan net-zero initiatives and investment forecasts early to assess financial impacts, and gather relevant government subsidy information.
<b>Market Risks</b>	 <b>Rising costs of low-carbon raw materials</b> • Suppliers are required to have greenhouse gas inventory capabilities, leading to cost pass-through in raw materials; the number of qualified suppliers is reduced due to low-carbon evaluation criteria.	● ● ●	Within 2-3 years	● ●	Support suppliers in developing greenhouse gas inventory capabilities; continuously enhance supplier evaluation criteria to promote their carbon reduction capacity.
	 <b>Uncertainty or fluctuations in climate-related market information</b> The U.S. withdrawal from the Paris Agreement and changes in net-zero targets and energy policies in multinational corporations or regional markets impact corporate budgeting and expenditure controls.	● ●	Within 3-4 years	●	Continuously monitor international climate trends and issues; maintain the 2050 net-zero target and flexibly adjust corporate expenditures in response to market policies to maximize the effectiveness of climate action investments.

### 3.1.4 Annual Management Approach for Material Climate Opportunity Issues

Description of Climate Opportunity Scenarios	Impact Levels	Time Horizon	Financial Impact	Management Approach
<b>Implementing energy-saving measures</b> <ul style="list-style-type: none"> <li>Promote energy-saving and carbon reduction campaigns and proposal competitions at each site.</li> <li>Utilize automated control systems, such as sensor-based lighting and smart temperature control systems, to automatically regulate energy output.</li> </ul>	● ● ●	● ● ●	● ●	<ul style="list-style-type: none"> <li>Regularly conduct energy-saving education and training sessions to enhance employees' awareness of energy conservation and promote behavioral changes that improve energy efficiency.</li> <li>The Net-Zero Steering Committee holds regular proposal meetings to encourage departments to develop initiatives, offering rewards for outstanding plans.</li> </ul>
<b>Improving energy efficiency, e.g., reducing electricity consumption</b> <ul style="list-style-type: none"> <li>Review and improve production processes by adjusting workflows and equipment operating parameters to reduce energy consumption and minimize waste during production.</li> <li>Replace machinery and equipment with high-efficiency models; upgrade HVAC and lighting systems to reduce energy loss.</li> </ul>	● ● ●	● ● ●	● ●	<ul style="list-style-type: none"> <li>Collaborate with energy consulting firms to identify significant energy use improvements within plants and prioritize upgrades or replacements.</li> <li>Establish a product carbon assessment task force to calculate process-related emissions, enabling the identification of high-energy-efficiency processes for producing tariff-controlled products.</li> </ul>
<b>Diversifying energy sources, e.g., adopting renewable energy</b> <p>Invest in renewable energy facilities such as solar, wind, and geothermal to partially substitute traditional energy sources and reduce reliance on conventional electricity.</p>	● ● ●	● ● ●	● ●	<ul style="list-style-type: none"> <li>Evaluate the feasibility of installing solar power systems and achieving building carbon neutrality for new plant sites.</li> <li>Plan small-scale green electricity procurement projects.</li> </ul>
<b>Promoting resource recycling and reuse</b> <ul style="list-style-type: none"> <li>Conduct regular monitoring and evaluation of energy consumption and waste generation to identify improvement opportunities and enhance resource utilization efficiency.</li> <li>Integrate "green design" principles during product development by selecting recyclable and reusable materials, and simplifying disassembly processes to achieve resource reuse throughout the product life cycle.</li> </ul>	● ● ●	● ● ●	●	<ul style="list-style-type: none"> <li>Promote waste reduction initiatives at plant sites.</li> <li>Work with upstream suppliers to introduce circular packaging materials.</li> </ul>
<b>Enhancing supply chain resilience</b> <ul style="list-style-type: none"> <li>Leverage IoT, big data, and artificial intelligence to establish supply chain monitoring systems that rapidly detect anomalies and enhance real-time visibility and early warning capabilities across the supply chain.</li> <li>Support suppliers in improving their climate action governance capabilities to mitigate cost increases caused by net-zero targets impacting raw material procurement.</li> </ul>	● ●	● ●	●	<ul style="list-style-type: none"> <li>Develop a digital platform for supplier evaluation systems.</li> <li>Provide supplier carbon data training courses and leverage supplier conferences to unite suppliers in supporting climate action and net-zero goals.</li> </ul>



## 3.2 Greenhouse Gas (GHG) Emissions

### 3.2.1 GHG Inventory Policy

FITI Group conducts its greenhouse gas (GHG) inventory and disclosure in accordance with the ISO 14064-1:2018 standard and referencing the Greenhouse Gas Protocol (GHG Protocol). Through the inventory process and results, we aim to accurately monitor its GHG emissions and are committed to future GHG reduction efforts, fulfilling our responsibility as a global citizen to mitigate global warming trends.

The organizational boundary is defined based on operational control. The inventory covers four main greenhouse gases: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), and hydrofluorocarbons (HFCs). Due to the inclusion of the new site in the organizational boundary in 2023, FITI's GHG emissions changed by more than the materiality threshold of 5%. Additionally, with a new overseas plant nearing completion and operation, the baseline year is planned to be adjusted to better reflect the actual carbon emissions.

The CO<sub>2</sub> equivalent emissions of the seven major greenhouse gases for 2024 from the Kezhong (including dormitories), Keyan, and the U.S. office are shown in the table below. The GHG Inventory is attached in Appendix 1. Third-party verification was completed by the Taiwan Power Research Institute on April 10, 14, and 29, 2025. The total emissions for 2024 amount to 16,832.715 metric tons of CO<sub>2</sub>e.

(1)2024 Overall Emission Analysis (Kezhong, Keyan, US Office) → The total emissions from Kezhong, Keyan, and the US Office in 2024 amounted to **16,832.715** metric tons of CO<sub>2</sub>e.

#### 【Category 5 / Scope 3: Product-Related】

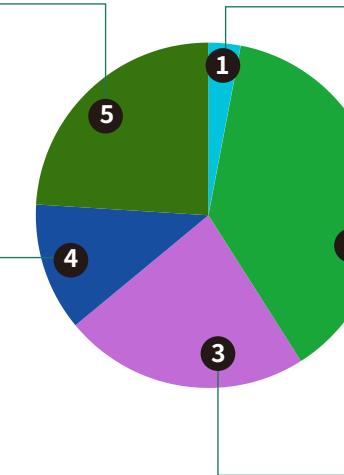
Emissions **3,862.6407** tCO<sub>2</sub>e (**22.95%**)

※ Compared to 2023 emissions (**4,349.0549** tCO<sub>2</sub>e),  
a **11.18% decrease**.

#### 【Category 4 / Scope 3: Organizational Use of Products】

Emissions **2,137.5271** tCO<sub>2</sub>e (**12.70%**)

※ Compared to 2023 emissions (**1,633.8775** tCO<sub>2</sub>e),  
a **30.93% increase**.



#### 【Category 1 / Scope 1: Direct Emissions】

Emissions **459.2641** tCO<sub>2</sub>e (**2.73%**)

※ Compared to 2023 emissions (**469.3281** tCO<sub>2</sub>e),  
a **2.14% decrease**.

#### 【Category 2 / Scope 2: Purchased Energy】

Emissions **6,423.3807** tCO<sub>2</sub>e (**38.15%**)

※ Compared to 2023 emissions (**5,859.1499** tCO<sub>2</sub>e),  
a **9.63% increase**.

#### 【Category 3 / Scope 3: Transportation】

Emissions **3,949.9028** tCO<sub>2</sub>e (**23.47%**)

※ Compared to 2023 emissions (**7,244.7353** tCO<sub>2</sub>e),  
a **45.48% decrease**.

Emission Hotspot Analysis: Input energy (electricity) and transportation-related emissions constitute the majority, accounting for over 60%, making them the primary targets for carbon reduction efforts.

Comparison of Total Emissions from Kezhong, Keyan, and US Office (2023 vs. 2024)

**16,832.7154** tCO<sub>2</sub>e

2024

※ Decrease from 2023 to 2024

**2,723.4303** tCO<sub>2</sub>e

about ↓ 13.93%

**19,556.1457** tCO<sub>2</sub>e

2023

The primary reason for the overall emissions reduction, based on the inventory results, was a significant decrease in Category 3 transportation emissions.

In particular, Category 3.1 – Upstream (Raw Material) Transportation showed the greatest reduction, dropping from approximately 7,092 metric tons CO<sub>2</sub>e in 2023 to 3,587 metric tons CO<sub>2</sub>e in 2024. Category 3.1 refers to transportation emissions generated from the company's self-financed overseas procurement and import of raw materials.

Category 1: The reduction in emissions was mainly due to the U.S. office switching from gasoline-powered to electric vehicles for business use in 2024.

Category 2: Electricity and energy activity data were sourced from utility bills provided by facility management units. In addition, Taiwan's electricity emission factor decreased from 0.494 kg CO<sub>2</sub>e/kWh to 0.474 kg CO<sub>2</sub>e/kWh, contributing to the reduction.

Category 3: The decline in emissions was primarily attributed to Category 3.1–transportation emissions related to company-financed overseas procurement of imported raw materials.

Category 4: This includes Category 4.1–upstream emissions from purchased goods, which currently covers upstream emissions from tap water, electricity, and fuel (gasoline/diesel). It also includes Category 4.3–waste treatment, calculated based on waste generation statistics compiled by the EHS department, and is related to plant production capacity.

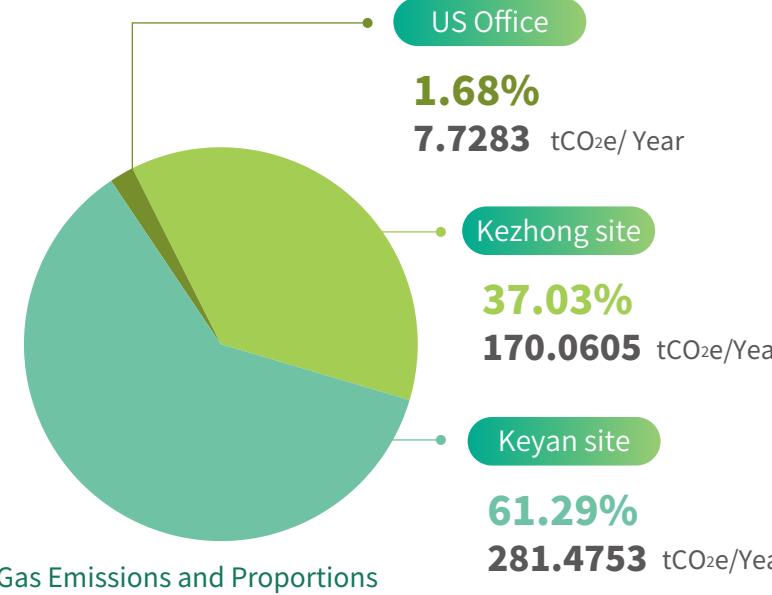
Category 5: Covers Category 5.3–downstream leased assets, specifically the tap water and electricity used by tenants, GIS, and FIT-CIDA in the leased areas of the Kezhong Site. Keyan does not have any leased assets during this period.

• Greenhouse Gas Emission Statistics for Kezhong, Keyan, and US Office (Categories 1-3)

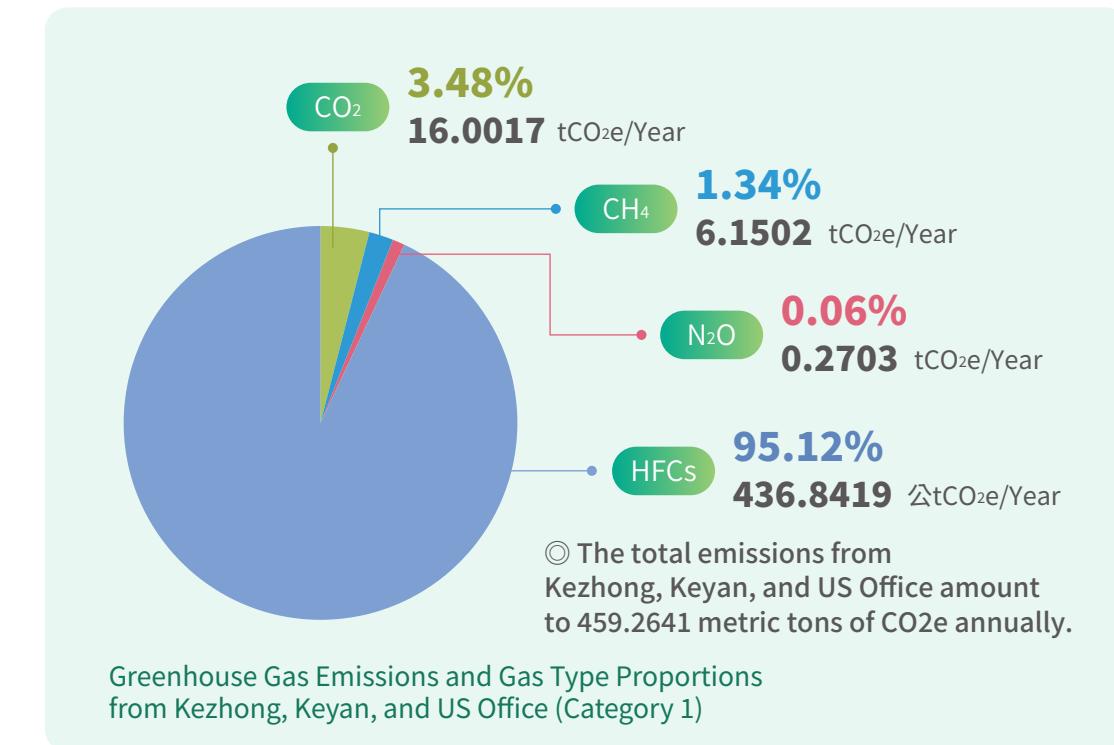
Site	Emissions	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	HFCs	PFCs	SF <sub>6</sub>	NF <sub>3</sub>	Total	Site-%
Kezhong	tCO <sub>2</sub> e/Year	11,758.6543	4.5153	0.2671	155.7581	0.0000	0.0000	0.0000	11,919.195	70.81%
	%	98.65%	0.04%	0.00%	1.31%	0.00%	0.00%	0.00%	100.00%	
Keyan	tCO <sub>2</sub> e/Year	4,615.8676	0.0004	0.0009	281.0831	0.0000	0.0000	0.0000	4,896.952	29.09%
	%	94.26%	0.00%	0.00%	5.74%	0.00%	0.00%	0.00%	100.00%	
US Office	tCO <sub>2</sub> e/Year	14.9311	1.6345	0.0023	0.0007	0.0000	0.0000	0.0000	16.569	0.10%
	%	90.12%	9.87%	0.01%	0.00%	0.00%	0.00%	0.00%	100.00%	
All Sites Combined	tCO <sub>2</sub> e/Year	16,389.453	6.1502	0.2703	436.8419	0.0000	0.0000	0.0000	16,832.7154	100.00%
	%	97.36%	0.04%	0.00%	2.60%	0.00%	0.00%	0.00%	100.00%	

## (2)Category 1: Direct Emissions

In 2024, the total direct greenhouse gas emissions (Category 1) from Kezhong (including dormitories), Keyan, and the U.S. Office amounted to 459.2641 metric tons of CO<sub>2</sub>e, accounting for 2.73% of the total emissions. The primary emission source within Category 1 is fugitive emissions, mainly from HFCs used in the air conditioning systems, which represent 95.12% of Category 1 emissions. The second largest source is CO<sub>2</sub>, accounting for 3.48% (as shown in the figure on the right).



US Office	Kezhong site	Keyan site
CO <sub>2</sub> :6.0908 (78.81%)	CO <sub>2</sub> :9.5200 (5.60%)	CO <sub>2</sub> :0.3909 (0.14%)
CH <sub>4</sub> :1.6345 (21.15%)	CH <sub>4</sub> :4.5153 (2.66%)	CH <sub>4</sub> :0.0004 (0%)
N <sub>2</sub> O:0.0023 (0.03%)	N <sub>2</sub> O:0.2671 (0.16%)	N <sub>2</sub> O:0.0009 (0%)
HFCs:0.0007 (0.01%)	HFCs:155.7581 (91.59%)	HFCs:281.0831 (99.86%)
Total:7.7283 tCO <sub>2</sub> e/	Total:170.5605 tCO <sub>2</sub> e/Year	Total:281.4753 tCO <sub>2</sub> e/Year



The calculation of the Group's greenhouse gas (GHG) emissions primarily adopts the emission factor method. For Taiwan, emission factors are referenced from the Ministry of Environment's "Greenhouse Gas Emission Factors" (announced on 2024/02/05). For the United States, emission factors are sourced from the US EPA's GHG Emission Factors Hub (last modified: 2025/01/15). The global warming potential (GWP) values used for calculation are based on the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6, 2021) for various greenhouse gases.

The quantification formula is as follows:

GHG emissions (CO<sub>2</sub>e) = Activity Data × Emission Factor × IPCC 2021 AR6 Global Warming Potential (GWP)

Source of emission factors: The Ministry of Environment "Greenhouse Gas Emission Factors" (announced on 2024/02/05).



### (3)Category 2: Indirect GHG Emissions from Imported Energy

In 2024, the energy indirect GHG emissions (Category 2) from Kezhong (including dormitories), Keyan, and the U.S. Office amounted to 6,423.3807 metric tons of CO<sub>2</sub>e, accounting for 38.15% of the Group's total emissions. The main source of indirect emissions is purchased electricity. Both Kezhong and Keyan procure electricity from Taiwan Power Company, while the U.S. Office purchases electricity from Pacific Gas and Electric Company (PG&E). This version of the Sustainability Report is issued in August 2025. As the Songjiang and Kunshan sites are scheduled to complete third-party verification of their GHG inventories under ISO 14064 in Q4 2025, relevant data will be disclosed in next year's Sustainability Report.

As shown in the table on the right, Category 2 (Scope 2) emissions from two China sites (Songjiang + Kunshan) account for 71.82%, while Category 2 emissions from Taiwan sites and the U.S. Office account for only 28.18%. This indicates that the majority of the Group's electricity-related carbon emissions are concentrated in its China-based facilities.

#### Electricity-Related Emissions Comparison by Site: 2023 vs 2024

From 2023 to 2024, Category 2 emissions increased by approximately 15.65%, equivalent to an increase of 3,084.72 metric tons of CO<sub>2</sub>e.

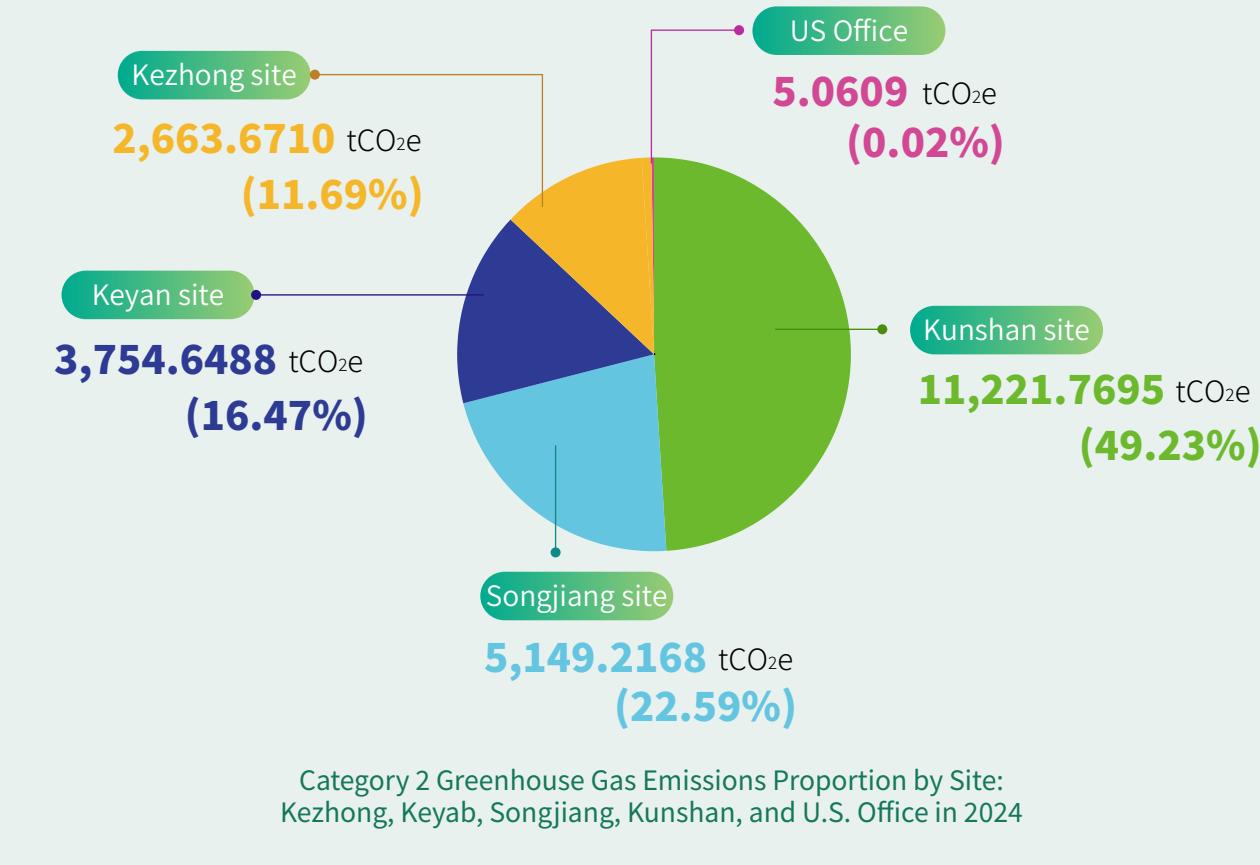
Among all sites, only the Kezhong site showed a slight decrease in emissions, while all other facility sites experienced an upward trend in both electricity consumption and emissions. The primary reason for the increase is the overall growth in electricity usage and production output across the sites in 2024. The data indicate a positive correlation between electricity consumption and production volume.

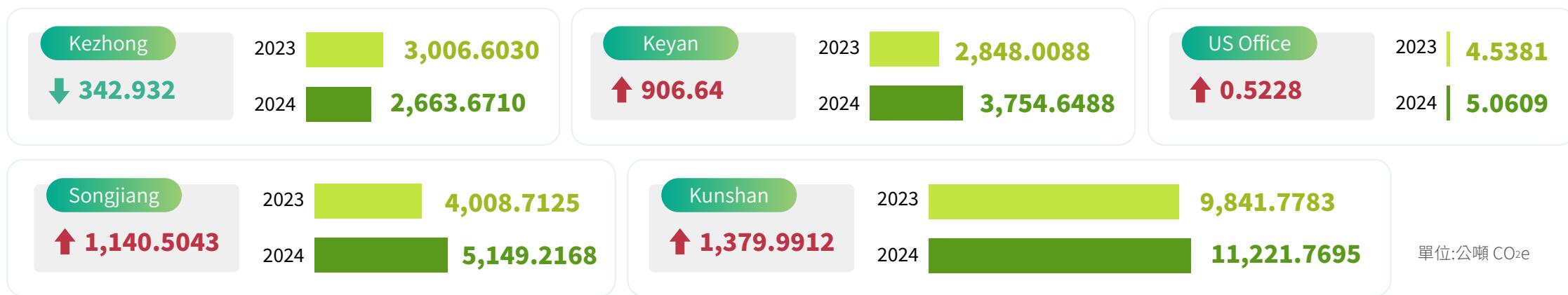
Kezhong·Keyan·Songjiang·Kunshan·US Office

↑ 3,084.7236

Unit: tCO<sub>2</sub>e

2023		19,709.6434
2024		22,794.3670

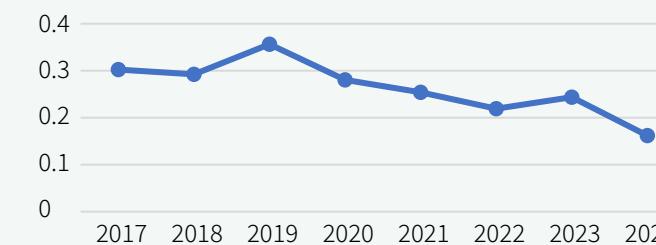




#### (4) Scope 3: Other Indirect Greenhouse Gas Emissions (Categories 3-6)

These emissions are mainly owned or controlled by other companies. The Group conducts materiality assessment and disclosure in accordance with ISO14064-1:2018. In 2024, other indirect emissions for Kezhong, Keyan, and the US Office were 9,950.0706 metric tons CO<sub>2</sub>e, accounting for 59.12% of total emissions.

Unit: Greenhouse Gas Emission Intensity



Note 1: For Categories 3 to 6, the CO<sub>2</sub> equivalent emissions are calculated as follows: CO<sub>2</sub>e = Activity Data × Emission Factor × Global Warming Potential (GWP)

Note 2: Sources of Emission Factors: IPCC 2021 AR6-Global Warming Potentials (GWP); Environmental Protection Administration (Taiwan), "Greenhouse Gas Emission Factors" (Announced on 2024/02/05); EPA Taiwan-Carbon Footprint Database; Bureau of Energy, Ministry of Economic Affairs-2023 Energy Statistics Handbook; US EPA-GHG Emission Factors Hub (Last Modified: 2025/01/15)

#### Greenhouse Gas Emission Intensity at Kezhong

Year	Revenue	Emissions (tCO <sub>2</sub> e)	Emission intensity (tCO <sub>2</sub> e / NT\$ million)	Change in Emission Intensity(%)
2017	8,168	2,469.898	$3.0238 \times 10^{-1}$	--
2018	9,305	2,719.688	$2.9228 \times 10^{-1}$	-3.34
2019	7,306	2,603.375	$3.5634 \times 10^{-1}$	21.92
2020	9,942	2,788.484	$2.8047 \times 10^{-1}$	-21.29
2021	12,246	3,110.383	$2.5398 \times 10^{-1}$	-9.44
2022	14,843	3,252.327	$2.1911 \times 10^{-1}$	-13.73
2023	13,051	3,180.055	$2.4366 \times 10^{-1}$	11.2
2024	16,455	2,663.671	$1.6188 \times 10^{-1}$	-33.56

Notes:

1. Emission Intensity = (Category 1 + Category 2 Emissions) / Annual Revenue (NTD million)
2. To maintain consistency with historical data trends established since 2017, this table currently only includes emissions data from the Kezhong site.
3. Technical Limitations of This Calculation:
  - (1) Inconsistent Scope: The numerator includes only the emissions from a single site, while the denominator represents the entire Group's revenue, resulting in a mismatch in scope.
  - (2) Underestimation of Emission Intensity: Since the denominator (Group-wide revenue) is significantly larger than the numerator (emissions from a single site), the calculated emission intensity is understated.
4. Once the Group's greenhouse gas inventory is more comprehensive, the calculation will be adjusted to use Group-wide emission data as the numerator. This will ensure a more accurate and internationally aligned emission intensity indicator for sustainability performance reporting.



## Top 3 Scope 3 Emission Sources at the Kezhong, Keyan, and US Office sites (2023 v.s. 2024)

Upstream and downstream transportation emissions are the main Category 3 sources within FITI's organizational boundaries (Kezhong, Keyan, US Office). Although these emissions decreased by about 44.3% from 2023 to 2024, they remain the group's primary Category 3 emission source and are closely related to supply chain management and carbon reduction strategies. Downstream leased assets are the second-largest Scope 3 emission source, originating from water and electricity supplied by FITI's tenants GIS and FIT • CIDA at the Kezhong site. Keyan has no such leasing situation.



### (5)Greenhouse Gas Reduction Program

In 2024, about 59.12% of GHG emissions at Kezhong, Keyan, and the US Office originated from Scope 3, about 38.15% from purchased electricity (Scope 2), and about 2.73% from Scope 1. Kezhong began voluntary GHG inventories for 2015~2016, then followed ISO14064-1:2006 standards for 2017~2019, and ISO14064-1:2018 for 2020~2023. All inventories were third-party verified. The 2024 verification report is not yet available. GHG inventories serve as benchmarks for group emission targets and reduction performance. Kezhong continues to set an annual 1% electricity-saving goal and implements energy-saving actions. In 2024, specific measures included chiller and lighting upgrades (see energy chapter for details). Emission intensity for Scope 1 and 2 in 2024 dropped by  $8.1780 \times 10^2$  (metric tons CO<sub>2</sub>e/NT\$ million) from 2023, a 33.56% reduction.

## 3.3 Energy

FITI upholds the spirit of corporate sustainability and has long been committed to addressing environmental issues, including energy conservation, carbon reduction, wastewater, air emissions, noise, solid waste, and soil and groundwater pollution. To implement its environmental management policy of “Green Consumption, Sustainable Operations, and Continuous Improvement,” we not only continuously upgrade environmental protection and facility systems, but have also actively promoted carbon dioxide (CO<sub>2</sub>) inventory initiatives in recent years, while setting clear carbon reduction targets. In addition, FITI is committed to enhancing operational experience and technical skills in equipment management and replacing high-energy-consuming equipment, aiming to achieve its environmental protection goals.

### 3.3.1 Disclosure Item

FITI primarily relies on electricity supplied by power companies and diesel used in generators for main power transmission at its facilities. Electricity is mainly consumed by production equipment and facility systems, and is managed and analyzed through the site reporting system. This system enables real-time monitoring, allowing the company to respond promptly to any abnormal electricity usage and ensure that every kilowatt-hour is used efficiently, minimizing energy waste. Diesel is primarily used for emergency generators, which are only activated during annual maintenance or power transmission disruptions, and is not a regularly used energy source in daily operations. Natural gas is mainly used to operate the Group’s boilers, as it allows for clean combustion and serves as a replacement for more polluting fuels. We are committed to adopting cleaner energy sources as part of our efforts toward environmental sustainability.

#### Energy Usage in 2024

Disclosure Item	Kezhong	Keyan	Songjiang	Kunshan	Total
Electricity (GJ)	42,588.00	28,516.32	44,136.14	71,921.61	18,716.07
Diesel (GJ)	15.11	5.27	224.93	281.16	526.47
Natural Gas (GJ)	0	0	42,999.99	0	42,999.99
LNG (GJ)	0	0	0	0	0
Renewable Energy	0	0	0	0	0

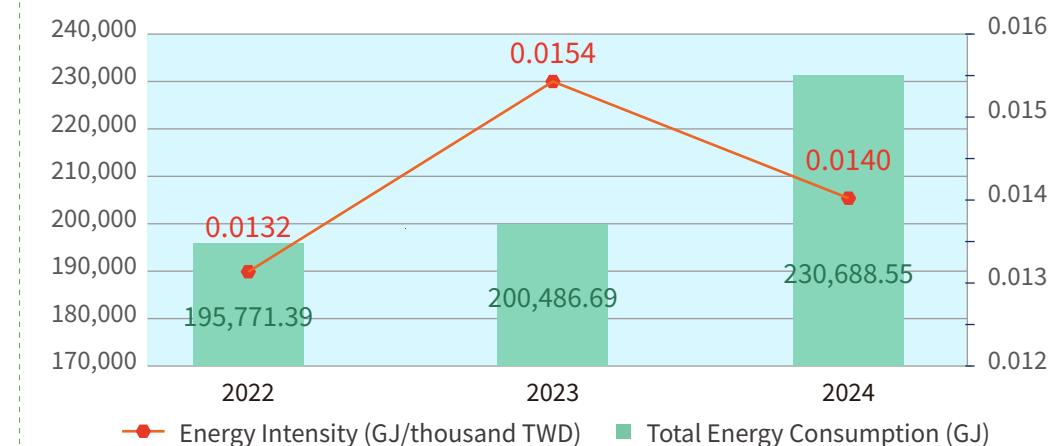
Data Sources:

1. Electricity and natural gas consumption are based on the aggregated monthly utility bills or invoices.

2. Diesel consumption is primarily based on actual usage statistics.

3. Annual revenue data are derived from consolidated financial statements, expressed in thousands of New Taiwan Dollars (TWD).

#### Energy Intensity by Year



Disclosure Item	2022	2023	2024
Group Revenue (thousand TWD)	14,843,221	13,051,357	16,454,476
Total Group Energy Consumption (GJ)	195,771.39	200,486.69	230,688.55
Group Energy Intensity (GJ/thousand TWD)	0.0132	0.0154	0.0140
Change in Group Energy Intensity (%)	--	16.67	-9.09

Notes:

1. Energy intensity data is based on the past three years, during which data collection and analysis have been more complete.

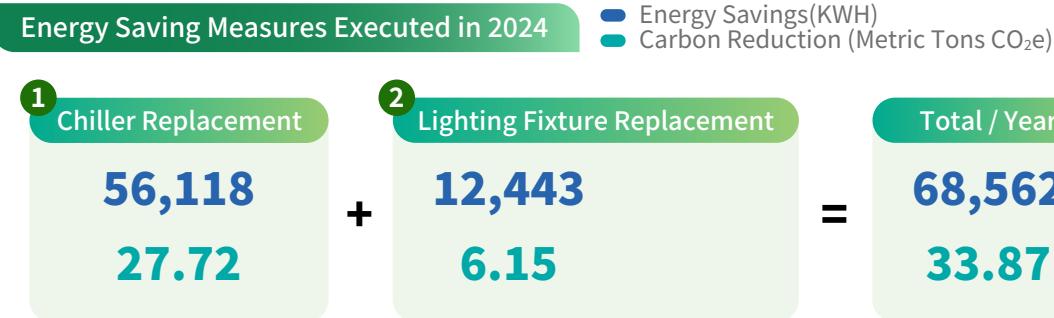
2. Annual revenue figures are sourced from each year’s consolidated financial statements and are expressed in thousand TWD.

3. Total group energy consumption includes electricity, diesel, and natural gas, measured in GJ.

4. Energy intensity is calculated by dividing the total electricity consumption of the Group by the consolidated revenue for each respective year.

5. From 2022 to 2024, energy intensity has shown a downward trend due to capacity expansion and growth in revenue.

### Energy Saving Measures Executed in 2024



### Average annual electricity savings rate from 2015 to 2024

**1.75%** Based on data reported from the Energy Audit Network.

#### Notes:

- 1.The emission factor used is 0.474 kg CO<sub>2</sub>e/kWh, as announced by Taiwan Power Company for the current year.
- 2.The average annual electricity savings rate is based on data reported to the Energy Audit Network.
- 3.The average electricity savings rate of 1.75% from 2015 to 2024 exceeds Taiwan's energy regulation requirement of 1%.

### 3.3.2 Facility Monitoring System

At the Taiwan site, an intelligent monitoring system has been implemented to effectively oversee and manage real-time energy usage data. Through real-time monitoring of the power system, air conditioning equipment, air compressors, and water usage, combined with alarm notifications for abnormal data, the system helps reduce the occurrence of irregularities. The use of real-time data and trend analysis enables a clearer understanding of the annual energy consumption proportions across the plant. By collecting and analyzing this data, improvement plans for electricity usage and energy efficiency enhancement can be developed, contributing to energy conservation and carbon reduction.

On the energy-saving front, the Taiwan site has introduced high-efficiency chillers to replace outdated units, achieving improved power efficiency. Additionally, cooling towers have been upgraded with energy-saving controls to enhance their efficiency, effectively reducing chiller electricity consumption.

Each site will prioritize replacing high-energy-consuming equipment and optimizing electrical devices, while strengthening energy-saving management measures for air conditioning, air compressors, and production processes. In response to the global emphasis on energy conservation policies, FITI recognizes the necessity to collect, analyze, and improve energy resource data at the plant level, aligning with relevant energy policies and corporate social responsibility commitments.



## 3.4 Water

FITI is continuously planning in response to current water resource policies. In addition to aligning with government regulations by implementing phased energy and water-saving measures and setting internal water-saving targets, we actively evaluate and plan relevant management systems. WE also leverage existing resources and site conditions to achieve the goals of energy conservation, water saving, and waste reduction.

### 3.4.1 Water Resource Management

Fiti utilizes the Water Risk Assessment Tool from the World Resources Institute (WRI) to identify the water risk levels of its various plant locations. It was determined that the Taiwan sites are situated in a low-to-medium risk area, while the facilities in China (Songjiang and Kunshan) are located in medium-to-high risk areas. We will continue to implement relevant water resource management measures within these facilities.

Regarding water usage, FITI is committed to improving water efficiency following the hierarchy of "reduce→recycle→reuse." The water sources for the Taiwan and China sites are third-party-supplied fresh tap water. Major water uses include process water, domestic water, and water for surrounding site facilities. The Songjiang site is located within a water source protection area, where discharge is controlled by relevant systems to avoid impacting the local water supply. Neither the Taiwan nor the Kunshan sites are situated near ecological protection zones; therefore, their water supply and discharge do not directly affect the surrounding ecological environment.

#### 2024 Factory Water Usage Statistics

Unit: Million Liters

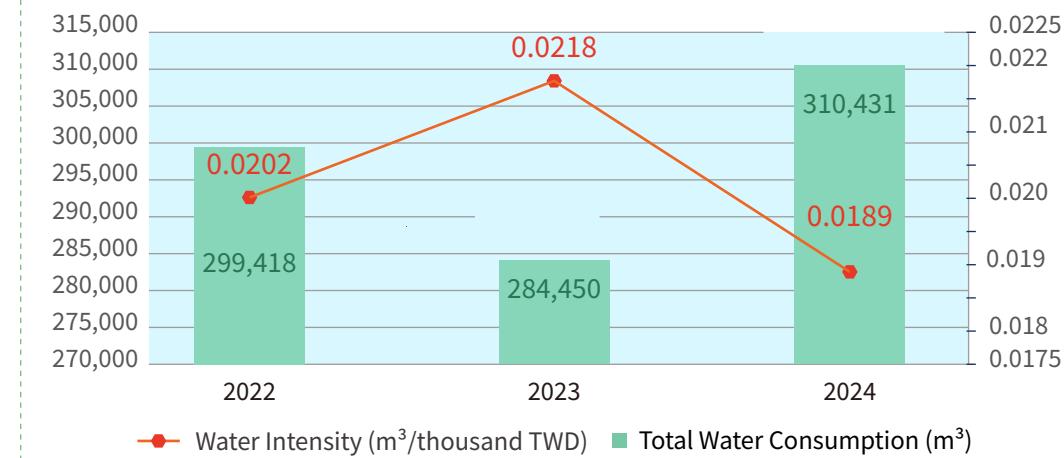
Water Resource Utilization Status	Kezhong	Keyan	Songjiang	Kunshan	Total
Tap Water	58.94	62.02	134.45	55.02	310.43
Water Intake	58.94	62.02	134.45	55.02	310.43
Wastewater Discharge	35.91	41.90	77.55	19.82	175.18
Water Consumption	23.03	20.12	56.90	35.2	135.25
Domestic Sewage	9.05	5.41	21.07	15.71	51.24
Process Wastewater	26.86	36.49	56.48	4.11	123.94
Proportion of Domestic Sewage in Total Wastewater Discharge	15.35%	8.72%	15.67%	28.55%	16.51%

Note 1. The water intake consists only of third-party supplied water, specifically tap water, and all of it is freshwater.

Note 2. The water consumption is calculated as: Water Consumption = Water Intake – Water Discharge.

Note 3. The proportion of domestic sewage to the company is calculated as: Domestic Sewage ÷ Water Intake.

#### Annual Water Intensity



Disclosure Item	2022	2023	2024
Group Revenue (thousand TWD)	14,843,221	13,051,357	16,454,476
Total Group Water Consumption (m³)	299,418	284,450	310,431
Group Water Intensity (m³/thousand TWD)	0.0202	0.0218	0.0189
Change in Group Water Intensity (%)	--	7.92	-13.3

Notes:

1. Water intensity is based on the past three years, as data collection and analysis are more complete.

2. Revenue figures are sourced from the annual consolidated financial reports, unit: thousand TWD.

3. Group water consumption is the total water usage aggregated annually, unit: cubic meters (m³).

4. Water intensity is calculated as the total annual water consumption divided by the annual consolidated revenue.

5. From 2022 to 2024, water intensity shows a decreasing trend due to capacity expansion and revenue growth.

## Annual Water Consumption Statistics

Unit: Million Liters (ML)

Water Resource Utilization Status	2022	2023	2024
Total Water Intake	299.418	284.450	310.431
Total Wastewater Discharge	188.140	173.973	175.181
Total Water Consumption	111.008	110.477	135.250

Due to the rapid expansion in recent years — including increases in production capacity and production lines — FITI's overall water consumption has shown an upward trend. In response, we have implemented corresponding water resource management strategies, starting with strengthened water conservation awareness and usage control measures at each site. At the Kezhong site in Taiwan, we continue to evaluate the reuse of reclaimed ultrapure water to effectively reduce tap water consumption and promote water recycling. At the Keyan site in Taiwan, following the commencement of mass production, reclaimed water pipelines have been added, and operational parameters have been optimized to improve the overall efficiency of the water recycling system. The Kunshan and Songjiang sites in China continue to enhance water supply efficiency and optimize the reuse of available water resources.

Note: The increase in total water consumption in 2024 is primarily due to the expansion of capacity and workforce at the newly established Keyan site.

### 3.4.2 Wastewater Management

All process wastewater and domestic sewage generated by each site are collected separately through segregated pipelines. After proper treatment via wastewater treatment facilities to meet the regulatory discharge standards, the treated water is discharged to the respective industrial park's centralized wastewater treatment plant. To ensure compliance and minimize environmental impact on surrounding water bodies, FITI not only conducts internal sampling and testing of effluent water quality but also regularly commissions certified third-party laboratories to perform water quality testing. Discharge is only permitted when it is confirmed that the effluent poses no significant impact on the receiving water environment.

2024		Kezhong	Keyan	Songjiang	Kunshan
1 Wastewater Volume (m <sup>3</sup> )		35,902	41,900	77,553	19,820
Wastewater Quality Indicators (mg/L)					
2 Chemical Oxygen Demand (COD)	H1	6	25.1	190	93.5
	H2	<6	<6	99	148
3 Suspended Solids (SS)	H1	2.4	4	69	6.0
	H2	2.7	12.9	114	10.0
Planned Discharge					
1 Discharge Destinations		Zhunan Science Park - Zhunan Wastewater Treatment Plant		Western Wastewater Treatment Plant	Northern Wastewater Treatment Plant
2 Regulated Industry Categories and Treatment Methods		Metal Surface Treatment, Chemical Coagulation Method, Biological Treatment Method			
3 Discharged Water Volume (M <sup>3</sup> )	Process Wastewater	26,856	36,486	56,484	4,114
	Domestic Sewage	9,046	5,414	21,069	15,706

→ In 2024, no major leakage or overflow incidents were reported at any of the facility sites, and FITI recorded zero environmental complaints or penalties.

# 3.5 Waste

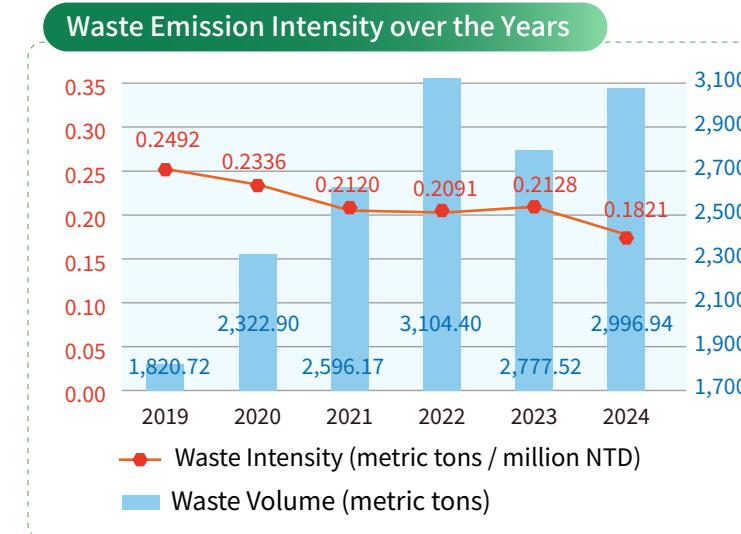
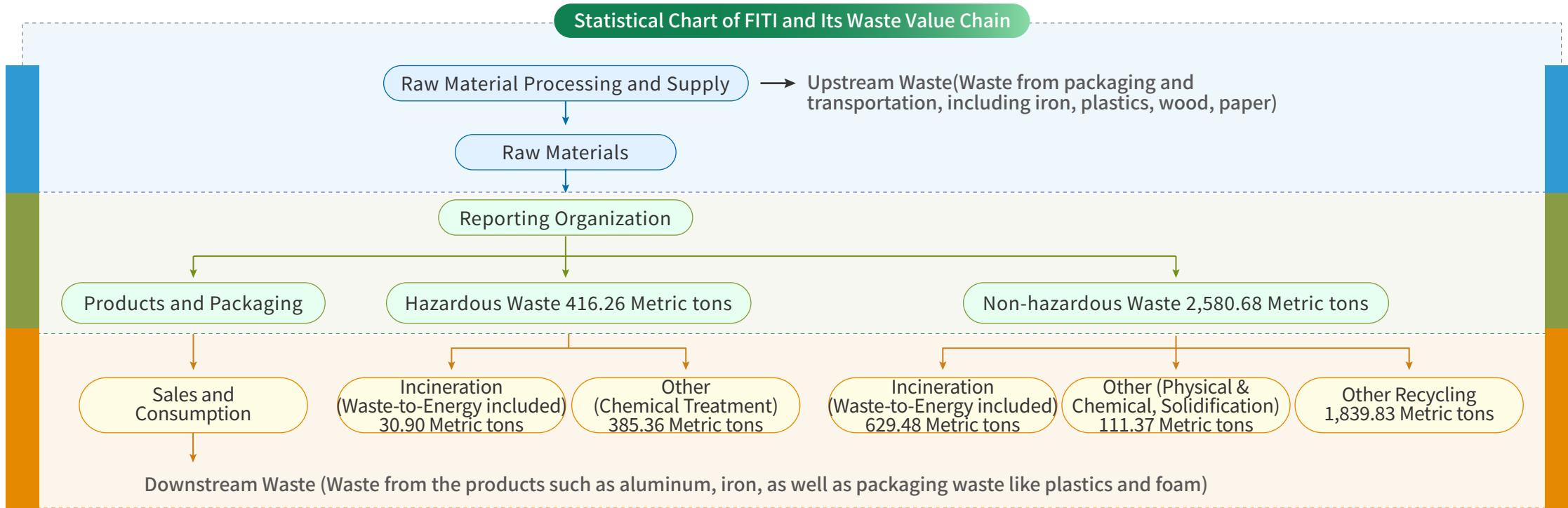
## 3.5.1 Disclosure Item

In 2024, the total waste amounted to approximately 2,996.94 metric tons. Waste generated from production processes was properly classified into general and hazardous industrial waste in accordance with regulations. Through the ISO 14001 management system, FITI effectively monitors waste sources and quantities, and adheres to the principles of localized, resource-efficient, decentralized, and maximized recycling and reuse in its waste management practices. Starting in 2024, FITI has committed to pursuing the UL 2799 Zero Waste to Landfill goal. We continue to collaborate with vendors to identify recycling and reuse channels for materials such as wood pallets, used cutting oil, and plastic waste. Additionally, general industrial waste from production lines and employees has been incorporated into the company's annual waste classification training programs, aiming to reduce the environmental impact and risks associated with waste.

### 2024 Waste Categories by Weight

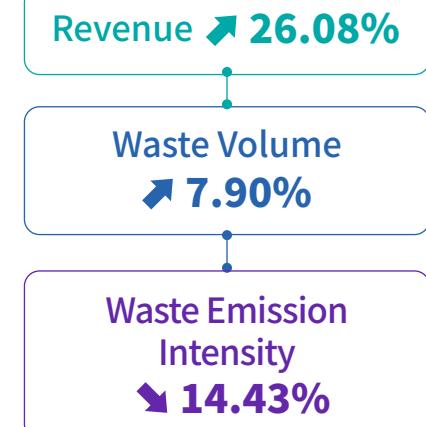
Unit: Metric Tons

Category	Kezhong	Keyan	Songjiang	Kunshan	Total
General Industrial Waste	681.17	316.72	775.12	807.66	2,580.67
Domestic Waste	62.96	39.72	52.45	244.82	399.95
Recyclables	570.95	196.04	510.00	562.84	1,839.83
Others	47.26	80.96	212.68	--	340.9
Category	Kezhong	Keyan	Songjiang	Kunshan	Total
Hazardous Industrial Waste	3.42	0.17	237.62	175.05	416.26
Waste Acids and Alkalies	3.42	0.17	134.58	6.80	144.97
Others	--	--	103.04	168.25	271.29
Category	Kezhong	Keyan	Songjiang	Kunshan	Total
<b>Total (General + Hazardous)</b>	<b>684.59</b>	<b>316.89</b>	<b>1,012.75</b>	<b>982.71</b>	<b>2,996.94</b>



Note: Waste Intensity is calculated as the total waste generated divided by the company's revenue (per million NTD).

Year	Annual Revenue (million NTD)	Waste Volume (metric tons)	Waste Intensity (metric tons / million NTD)	Change in Group Waste Intensity (%)
2019	7,305.825	1,820.72	0.2492	--
2020	9,942.056	2,322.90	0.2336	-6.26
2021	12,246.437	2,596.17	0.2120	-9.25
2022	14,843.221	3,104.40	0.2091	-1.37
2023	13,051.357	2,777.52	0.2128	1.77
2024	16,454.504	2,996.94	0.1821	-14.43



### 3.5.2 Waste Treatment

FITI classifies and stores waste in accordance with the Standards for Storage, Clearance, and Treatment Methods and Facilities of Industrial Waste. All waste is categorized and stored accordingly and handled by qualified waste disposal contractors. Regular audits are conducted to verify the compliance of contractors. We do not generate any hazardous industrial waste requiring export for treatment; all waste is processed domestically. In the event that a contractor is found to engage in improper or unlawful practices, we will immediately terminate cooperation and replace the contractor. Other waste that cannot be treated internally is outsourced to qualified external contractors for clearance. In compliance with regulations, manifests are issued through the government website for tracking and control. The outsourced and self-treated waste volumes for 2024 are presented in the table below.

→ **No waste leakage incidents occurred in 2024.**

### 3.5.3 Waste Composition

Unit: metri tons

Category	Amount									
	Kezhong		Keyan		SongJiang		Kunshan		Total	
	Transferred for Disposal	Direct Disposal								
<b>Hazardous Industrial Waste</b>										
Waste Acids and Alkalies	--	3.42	--	0.17	--	134.58	--	6.80	--	144.97
Waste Detergents	--	--	--	--	--	--	--	71.05	--	71.05
Waste Oil	--	--	--	--	--	0.21	--	83.20	--	83.41
Sludge	--	--	--	--	--	84.76	--	4.42	--	89.18
Contaminated Hazardous Materials (e.g., rags, PPE)	--	--	--	--	--	14.58	--	--	--	14.58
Others	--	--	--	--	--	3.49	--	9.58	--	13.07
<b>Subtotal</b>	<b>0.00</b>	<b>3.42</b>	<b>0.00</b>	<b>0.17</b>	<b>--</b>	<b>237.62</b>	<b>--</b>	<b>175.05</b>	<b>--</b>	<b>416.26</b>
<b>General Industrial Waste</b>										
Waste Oil	--	46.87	--	78.74	--	--	--	--	--	125.61
Sludge	--	0.39	--	2.22	--	--	--	--	--	2.61
Waste	546.28	--	30.29	--	16.20	--	222.76	--	815.53	0.00
Waste Iron	1.24	--	0.1	--	264.90	--	260.26	--	526.50	0.00
Waste	11.30	--	111.63	--	56.69	--	57.6	--	237.22	0.00
Waste	0.07	--	--	--	75.00	--	2.8	--	77.87	0.00
Waste Paper	12.06	--	54.02	--	97.21	--	16.36	--	179.65	0.00
Others	--	62.96	--	39.72	--	265.13	3.06	244.82	3.06	612.63
<b>Subtotal</b>	<b>570.95</b>	<b>110.22</b>	<b>196.04</b>	<b>120.68</b>	<b>510.00</b>	<b>265.13</b>	<b>562.84</b>	<b>244.82</b>	<b>1,839.83</b>	<b>740.85</b>
<b>Total</b>	<b>570.95</b>	<b>113.64</b>	<b>196.04</b>	<b>120.85</b>	<b>510.00</b>	<b>502.75</b>	<b>562.84</b>	<b>419.87</b>	<b>1,839.83</b>	<b>1,157.11</b>
		<b>684.59</b>		<b>316.89</b>		<b>1,012.75</b>		<b>982.71</b>		<b>2,996.94</b>
					<b>2,996.94</b>					

Note 1. Transferred for Disposal: Waste that does not directly enter the final disposal process (e.g., incineration, landfilling), but is instead subject to reuse, recycling, or other recovery operations.

Note 2. Direct Disposal: Waste that directly enters the final disposal process.



### 3.5.4 Waste Treatment

The waste generated at the Kezhong, Keyan, Songjiang, and Kunshan sites is disposed of off-site, with contractors handling the waste through both direct disposal and transfer-for-disposal methods. Since 2019, there have been no records of violations of environmental regulations. In line with the Group's Environmental, Health, and Safety (EHS) policies, efforts are made to reduce waste and promote resource reuse in order to comply with legal requirements and fulfill commitments related to environmental protection. For transferred waste, general industrial waste is primarily treated through recycling, demonstrating proactive promotion of circular use. This approach supports ongoing environmental performance reviews and, through proper waste classification, enables more effective waste management.

#### Direct Disposal Volume in 2024

Unit: metric tons

Category/ Treatment Method	Kezhong	Keyan	Songjiang	Kunshan	Total
<b>Hazardous Industrial Waste</b>					
Incineration (including energy recovery)	1.23	0.17	18.28	11.22	30.90
Others-Recycling	--	--	--	--	--
Others-Chemical Treatment	2.19	--	219.34	163.83	385.36
<b>Subtotal</b>	<b>3.42</b>	<b>0.17</b>	<b>237.62</b>	<b>175.05</b>	<b>416.26</b>
<b>General Industrial Waste</b>					
Incineration (including energy recovery)	73.65	45.88	265.13	244.82	629.48
Others-Physical/Chemical Treatment	36.18	72.98	--	--	109.16
Others- Solidification Treatment	0.39	1.82	--	--	2.21
<b>Subtotal</b>	<b>110.22</b>	<b>120.68</b>	<b>265.13</b>	<b>244.82</b>	<b>740.85</b>
<b>Total</b>	<b>113.64</b>	<b>120.85</b>	<b>502.75</b>	<b>419.87</b>	<b>1,157.11</b>

#### Transferred for Disposal Volume in 2024

Unit: metric tons

Category/ Treatment Method	Kezhong	Keyan	Songjiang	Kunshan	Total
<b>Hazardous Industrial Waste</b>					
Preparation for Reuse	--	--	--	--	--
Recovery / Recycling	--	--	--	--	--
Other Recovery	--	--	--	--	--
<b>Subtotal</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>General Industrial Waste</b>					
Preparation for Reuse	--	--	--	--	--
Recovery / Recycling	--	--	--	--	--
Other Recovery	570.95	196.04	510.00	562.84	1,839.83
<b>Subtotal</b>	<b>570.95</b>	<b>196.04</b>	<b>510.00</b>	<b>562.84</b>	<b>1,839.83</b>
<b>Total</b>	<b>570.95</b>	<b>196.04</b>	<b>510.00</b>	<b>562.84</b>	<b>1,839.83</b>





## 3.6 Air Pollution

The U.S. Environmental Protection Agency's 1990 Clean Air Act defines Hazardous Air Pollutants (HAPs) as any air pollutants that may cause cancer or other serious health effects, such as reproductive effects, physiological defects, or adverse environmental and ecological impacts. Based on this definition and social responsibility considerations, FITI follows the Ministry of Environment's 2019 "List of the First Batch of Hazardous Air Pollutants and Emission Limits for Stationary Sources", identifying 73 HAPs from stationary sources to manage the Group's emissions. These emissions are monitored by the Zhunan Science Park Monitoring Station to ensure no air pollution incidents occur.

In line with governmental environmental policy development, we regularly review air pollution control requirements. In response to the national Solid Recovered Fuel (SRF) policy, the Group monitors potential HAPs emissions and their impacts, and reviews source control and end-of-pipe emission standards to achieve the co-benefits of carbon reduction, waste minimization, and pollution control.

### Highlights of HAPs Control for Stationary Source



#### HAPs Control for Stationary Sources

- ▶ Strengthen Standards
- ▶ Monitor Concentrations
- ▶ Ensure Adequate Tools
- ▶ Ensure Adequate Tools



## 3.7 Sustainable Products and Services

In response to the global decarbonization trend and regulatory requirements for toxic substance control, FITI actively collaborates with our clients to manage environmental and health risks in product composition and manufacturing processes, as well as conducting carbon footprint assessments. This ensures that potential negative impacts on customer health and safety throughout the product life cycle are minimized. We continuously strengthen environmental and health risk management for product materials and manufacturing processes, including:

- Carbon Auditing and Disclosure under the EU Carbon Border Adjustment Mechanism (CBAM): Carbon footprint assessments and information disclosure are conducted for high-carbon raw materials such as steel, aluminum, and screws. Preliminary inventory indicates that among the steel and aluminum products listed under CBAM, we have approximately 38 items used with suppliers, accounting for 20.77% of the CBAM-classified steel and aluminum products. We continue to monitor and update our practices in line with the latest EU regulatory requirements, recording carbon footprint data for these controlled products.
- PFAS Investigation and Risk Assessment under the U.S. Toxic Substances Control Act (TSCA): We perform surveys and risk assessments for per- and polyfluoroalkyl substances (PFAS) in compliance with TSCA requirements.

Additionally, to reduce potential impacts on users and the environment during product use and disposal, we collaborate with suppliers to prioritize low-risk local materials, integrate energy-saving technologies and equipment into manufacturing processes, and develop low-energy, low-carbon production methods. These efforts continuously enhance the safety and sustainability value of our green products.



# Shared Prosperity: Building a Green and Responsible Supply Chain

## Highlights of This Chapter

- 100% completion rate for high-risk supplier audits
- 96% verification coverage rate for suppliers declaring non-use of conflict minerals
- 96% supplier declaration rate for the RBA Code of Conduct Commitment
- 95% verification coverage rate for suppliers declaring non-use of hazardous substances
- 100% annual coverage rate for supplier random audits and human rights training

P88 Supply Chain Management Strategy

P89 Supplier Selection and Risk Identification

P90 Supplier Code of Conduct

P93 Sustainable and Local Procurement

P94 Contractor Management



Chunan HQ, Taiwan  
欣南(總部)



Chunan 2A, Taiwan  
欣南(2A)



Bengjiang, Shanghai  
松江, 上海



Kunshan, Jiangsu  
昆山, 江蘇



San Jose, California  
聖荷西, 加州



Union City, California  
聯合市, 加州



Chonburi Province, Thailand  
春武里, 泰國



Austin, Texas  
奧斯汀, 德克薩斯州

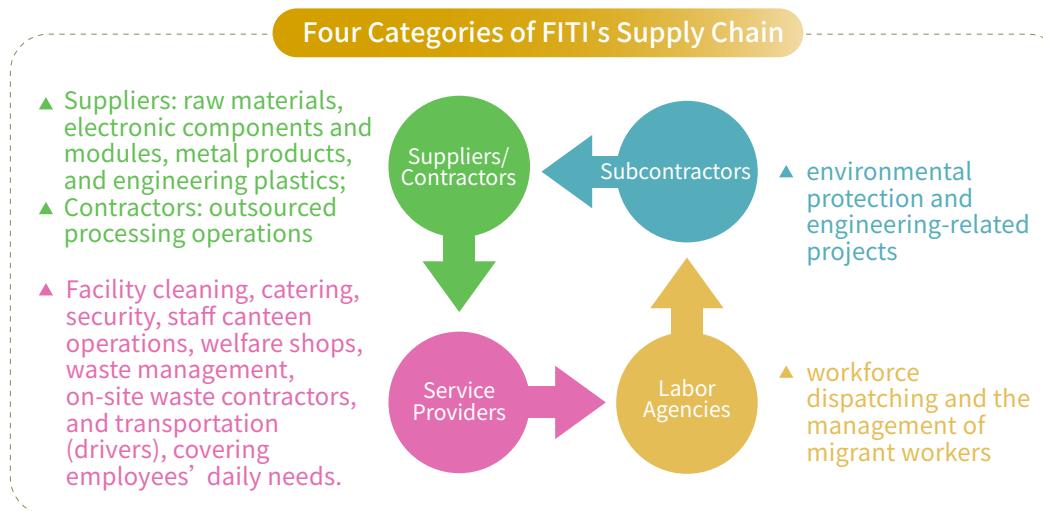


Rayong, Thailand  
羅勇, 泰國



Texas, Arizona  
德州, 亞利桑那州

Suppliers and contractors are among FITI's most important stakeholders. Cooperation with them enhances corporate social responsibility, strengthens supply chain resilience, reduces operational risk, and forms the core of our supply chain management strategy. Our internal and external supply chains are divided into four categories based on the supplied products and services: Suppliers/Contractors provide raw materials, electronic components and modules, metal products, and engineering plastics; Subcontractors responsible for environmental protection and engineering-related projects; Labor Agencies support workforce dispatching and the management of migrant workers; Service Providers deliver essential site services including facility cleaning, catering, security, staff canteen operations, welfare shops, waste management, on-site waste contractors, and transportation (drivers), covering employees' daily needs.



Upholding the concept of shared prosperity with supply chain partners, FITI's supply chain management strategy encompasses five areas: initial selection evaluation, risk management mechanisms, regulatory compliance, compliance with RBA human rights standards, ensuring raw materials meet international norms, regular supplier audits, and encouraging daily cooperation and exchange to achieve mutual goals for sustainability. Rational and flexible supplier and contractor management, with a focus on collaborative benefit-sharing, enables FITI to ensure legal compliance and establish a flexible, preventive management system, jointly building a sustainable value chain.

## 4.1 FITI's Supply Chain Management Strategy

### Supplier Selection and Risk Control

Comprehensive assessment of operational capability, financial status, system/brand, technological capabilities, and product/raw material categories.

### Supplier Raw Material Use

Investigate and verify sources of all purchased raw materials to maintain supply chain integrity and fulfill environmental responsibilities.

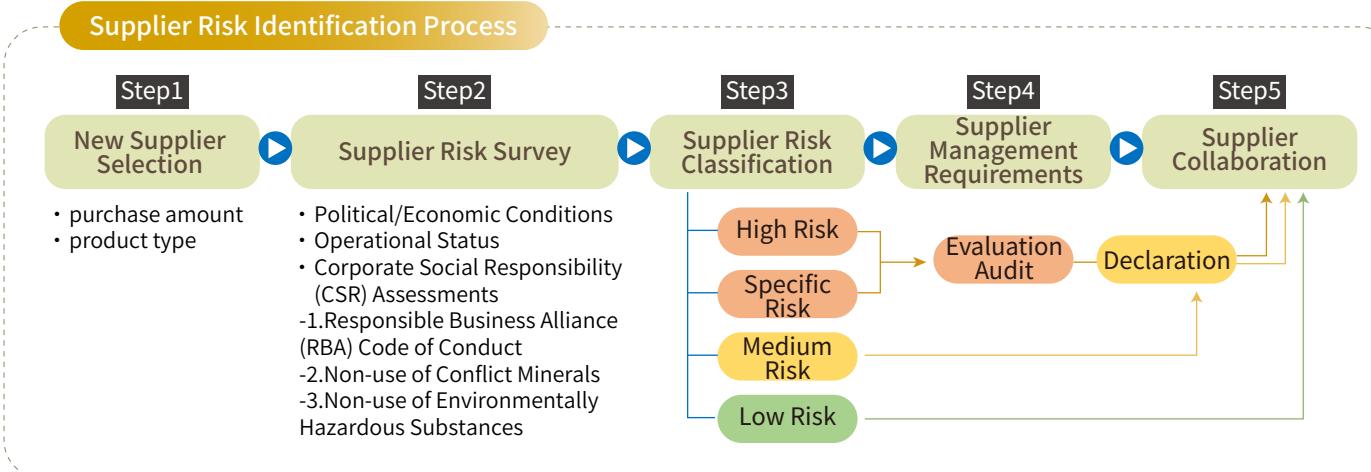
### Supply Chain Sustainability Enhancement

Guidance on raw material carbon disclosure and voluntary carbon reduction initiatives.



## 4.2 Supplier Selection and Risk Identification

FITI Group has established a rigorous standard process for onboarding new suppliers. The initial selection considers local political, economic, and legal conditions, purchase amount, and product type, assessing five key criteria: finance, quality, technology, cost, and sustainability, ensuring the supplier system meets qualification requirements and satisfies future procurement strategies. In line with global sustainability trends, FITI has established Supply Chain Management Procedures, investigating supplier practices in environment, labor rights, health and safety, and raw material sourcing. Suppliers are required to fulfill corporate social responsibilities, including the non-use of conflict minerals and environmentally harmful substances.



### 2024 New Supplier Selection Result

→ In 2024, a total of 74 new suppliers passed the selection process.

Low risk	Medium risk	High risk
<b>45</b> companies	<b>9</b> companies	<b>20</b> companies

### Supplier Commitment Documents

- Sustainability management and social responsibility commitment
- Supplier social and environmental responsibility commitment
- Declaration of non-use of conflict/extended minerals
- Hazardous substance non-use guarantee

To enhance suppliers' risk awareness and further promote supplier risk management systems, FITI conducts five core supplier risk assessments, designating high-risk suppliers internally. In addition to requiring signature of commitment and guarantee documents, suppliers' various pledges are linked to our supply chain regulations, RBA code, health, safety, and environmental standards. Suppliers are reviewed for compliance and for declarations of non-use of hazardous/toxic or conflict minerals, and improvement actions are requested to achieve supply chain risk management and reduction objectives.

### 2024 Supplier Risk Identification Results



## 4.3 Supplier Code of Conduct

FITI bases its supplier management standards on the core steps of RBA international human rights, issuing a "Supplier Social and Environmental Responsibility Commitment Letter" and requiring suppliers to sign off on labor rights, health and safety, occupational health, and environmental responsibility, in line with expectations and commitments. Oversight procedures ensure transparency and regulatory compliance, emphasizing integrity in sourcing and conducting annual audits. High-risk suppliers are required to return signed commitments and undergo on-site audits annually. Major operating sites are audited item by item according to international labor conventions, RBA, social/environmental responsibility norms, ISO14001, ISO45001, and ISO14064-1, thereby fulfilling ESG social and environmental duties. Apart from audits based on RBA requirements, we strengthen management tools to foster supplier self-management capabilities, promote localized management policies, and enhance transparency of supply chain data. Supply chain management tools are applied in daily operation sites for regulatory compliance and industry governance, consolidating integrated operations, audits, and performance management.

### 4.3.1 Realization of Human Rights Values: Statement on the Prohibition of "Conflict Minerals"

In recent years, social and environmental issues associated with raw materials and manufacturing processes have drawn increasing global attention. Among them, minerals originating from the Democratic Republic of the Congo (DRC) have triggered severe armed conflicts. To uphold human rights values, we support the international consensus to prohibit the use of conflict minerals and require all suppliers to comply. The requirements take the form of signing a commitment letter, publishing commitments on official websites, or providing written confirmation via email. In addition, the prohibition of conflict minerals has been incorporated into our Supplier Green Product Policy and stipulated within our purchase order contract clauses, ensuring that our products fully practice responsible sourcing and human rights values.

Key requirements on conflict minerals include:

- Suppliers of FITI must assume responsibility for social and environmental protection.
- FITI does not accept conflict minerals originating from the Democratic Republic of the Congo and its adjoining countries and regions.
- Suppliers must trace the sources of all products containing gold (Au), palladium (Pd), tantalum (Ta), tin (Sn), and tungsten (W) to ensure that these metals are not sourced from conflict-affected areas.
- Starting from 2024, suppliers are also required to disclose sourcing information of "extended minerals," including cobalt (Co) and natural mica, and declare the non-use of materials extracted from illegal mining areas.

#### • 2024 Audit Status

Facility Site	Number of suppliers surveyed for conflict minerals			Number of suppliers declaring non-use of conflict minerals		
	Required Completion	Actual Completion	Completion Rate (%)	Required Completion	Actual Completion	Completion Rate (%)
Kezhong	16	16	100%	37	36	97%
Keyan	0	0	NA	8	8	100%
Songjiang	21	21	95%	30	29	97%
Kunshan	30	28	93%	32	30	94%
Total	68	65	96%	107	103	96%



### 4.3.2 Safe Working Environment and Labor Dignity: Conforming to the Responsible Business Alliance (RBA) Policy

The Responsible Business Alliance (RBA) aims to ensure safe working environments in the electronics industry supply chain, respect and dignity for workers, and honest, lawful corporate operations. Suppliers should publicly endorse the RBA and implement management consistent with RBA guidelines. Suppliers must maintain robust internal management and ensure their own suppliers also comply with RBA requirements. RBA covers both labor, health & safety, and environmental protection, appropriate management standards, and business ethics principles. All activities of suppliers must comply with local laws and regulations in host countries/regions. We work systematically with suppliers to advance RBA implementation, aiming to provide a humanized, safe, and sustainable working environment. RBA standards are included in our supplier quality systems or requirements, promoting the sustainability of the supply chain suppliers.

- Implementation Status as of End-2024

Facility Site	Suppliers declaring compliance with the RBA Code of Conduct		
	Required Completion	Actual Completion	Completion Rate (%)
Kezhong	40	38	95%
Keyan	9	9	100%
Songjiang	21	20	95%
Kunshan	29	28	97%
Total	99	95	96%

### 4.3.3 Environmental Protection and Green Sustainability: Product Environmental Management Standards and Material Requirements

FITI formulates green and hazardous substance environmental guidelines for use by all suppliers in the supply chain. In addition to demanding suppliers comply with Foxsemicon's environmental rules, such as the prohibition of specific hazardous and F-grade substances, continuous monitoring is performed on products in design, manufacturing, assembly, and sourcing (parts, assemblies, components, equipment), and suppliers failing to meet legal standards will be eliminated. To align with customer green-line requirements, Foxsemicon advances green supply chain management, ensuring materials and products meet clients' environmental requirements. Partnership mechanisms are built with suppliers, promoting green risk assessment and pre-audit, to drive suppliers' foundational sustainability capabilities and promote traceability of raw materials and components to enable future circular supply chains.

- Implementation Status as of End-2024

Facility Site	Suppliers declaring compliance with the non-use of hazardous substances		
	Required Completion	Actual Completion	Completion Rate (%)
Kezhong	33	31	94%
Keyan	6	6	100%
Songjiang	19	19	100%
Kunshan	35	32	91%
Total	93	88	95%

#### 4.3.4 Supplier Annual/Unscheduled Audit Management

FITI conducts quarterly supplier evaluations and audits. The top ten key suppliers are assessed in terms of delivery, quality, and service performance. For suppliers with failing grades, a supplier management meeting is held to discuss corrective action. Suppliers are required to propose improvement measures and solutions. Regular audits are used to continuously monitor supplier system effectiveness to achieve management goals. For sustainability purposes, FITI audits the top ten outsourced suppliers in annual transaction value per plant each year. The audit covers resilience, engineering capability changes, quality stability, and last year's quality performance. If major environmental issues or regulatory changes arise, unscheduled audits will be conducted. The table below shows annual execution; in 2025, FITI plans to audit 26 major suppliers in Songjiang and Kunshan sites, and 4 major suppliers in Taiwan. The audit will cover company status, quality systems, operational management, and technical exchanges to ensure the supplier's sustainability.

##### • 2024 Audit Implementation Status

Facility Site	Number of suppliers audited		
	Planned Completion	Actual Completion	Completion Rate (%)
Kezhong	3	3	100%
Keyan	2	2	100%
Songjiang	6	6	100%
Kunshan	22	22	100%

##### Main Findings

- Emergency safety plans were not fully comprehensive.
- Implementation of health and safety management measures was insufficient.
- Records of production and operations management were incomplete.

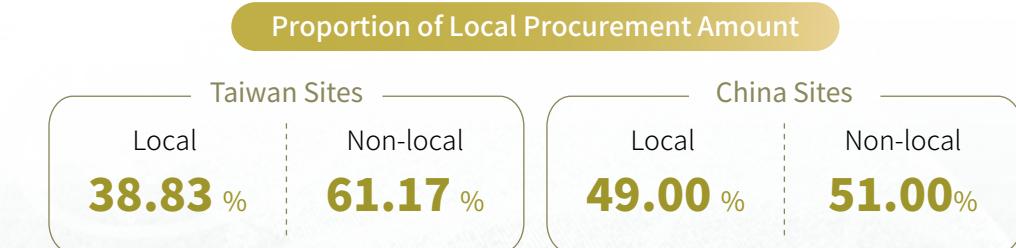
##### Improvement Measures

Supplier audits have expanded the scope of emergency safety planning with formal documentation. Further follow-up on health, safety, and operational management records will be implemented. All deficiencies identified will be key focal points for subsequent audits.



## 4.4 Sustainable and Localized Procurement

Localized procurement is a strategy whereby FITI gives preference to local or nearby suppliers during procurement. Therefore, Foxsemicon establishes procurement points at each site and prioritizes local sourcing for raw materials and subcontracting. This approach reduces unnecessary air and sea freight costs and the extensive carbon emissions from long-distance transportation, while also strengthening the company's ties to local communities and economies. In line with principles of sustainable resource use and internal insurance standards, Foxsemicon complies with green procurement guidelines promoted by local authorities at each site, giving purchasing priority to eco-labeled or low-impact products. For example, dining halls and offices at each site procure local food ingredients, products, and services for daily and festive needs, supporting FITI's goal to promote local economies and create sustainable employment.



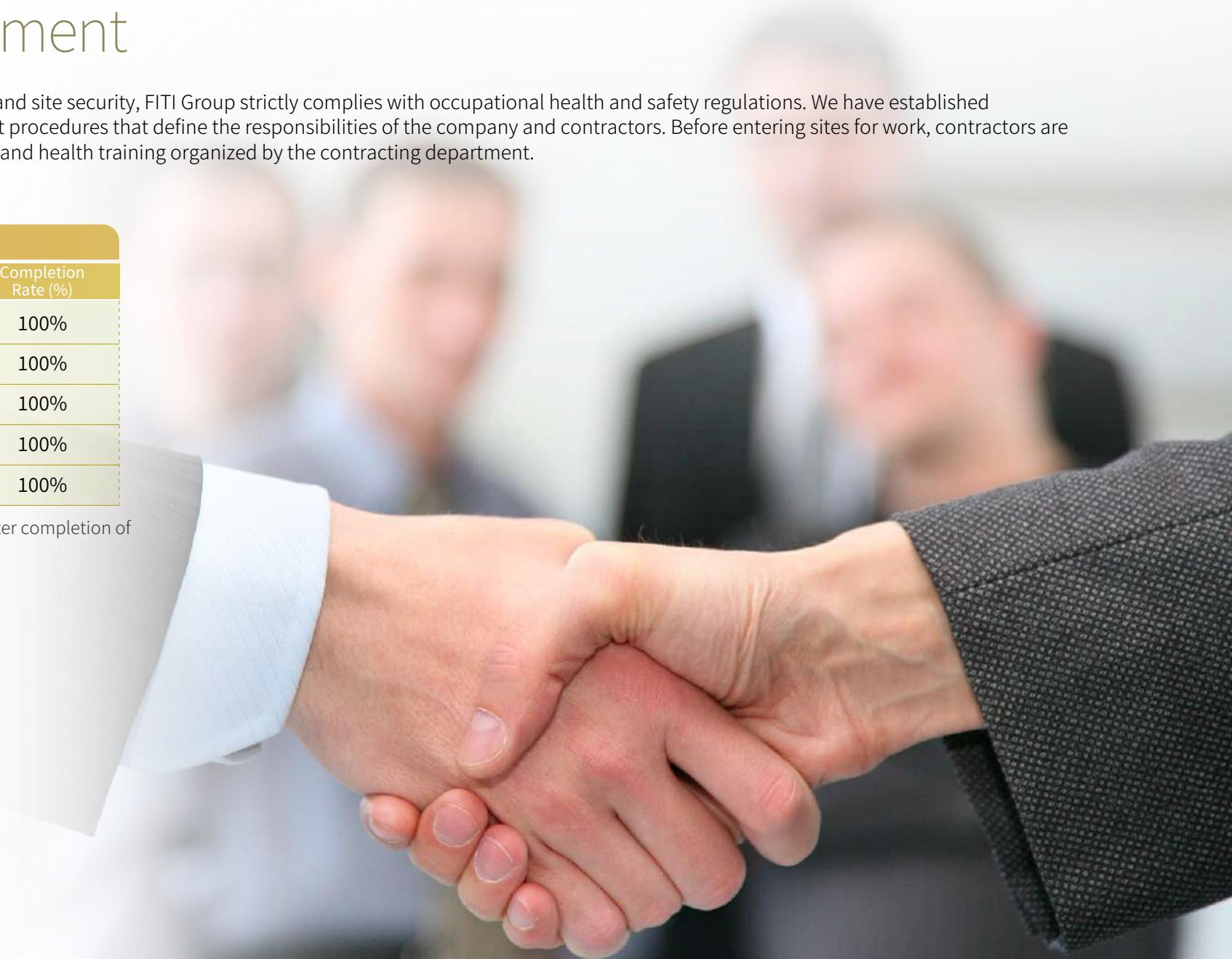
## 4.5 Contractor Management

To ensure the safety of contractor personnel, FITI employees, and site security, FITI Group strictly complies with occupational health and safety regulations. We have established contractor EHS (environment, health, and safety) management procedures that define the responsibilities of the company and contractors. Before entering sites for work, contractors are required to sign related commitment letters and attend safety and health training organized by the contracting department.

- 2024 Implementation Status

Facility Site	Contractor Training		
	Required Completion	Actual Completion	Completion Rate (%)
Kezhong	862	862	100%
Keyan	1,136	1,136	100%
Songjiang	467	467	100%
Kunshan	318	318	100%
Total	2,783	2,783	100%

Note: Contractor training is counted as at least 1 hour per person after completion of hazard notification and training at the job site.



# Inclusiveness: Empowering People and Communities

## Highlights of This Chapter

- **Retention Rate of Professional and Technical Personnel: 91%**
- **Employee Training Hours in Total: 70335 Hours**
- **Cumulative Volunteer Service Hours in Taiwan: 260 Hours**
- **The Beneficiaries of volunteer service at the Taiwan sites reached: 2,712 people.**

P95 Compensation and Benefits

P101 Talent Attraction and Retention

P103 Employee Training and Empowerment

P106 Occupational Health and Safety (OHS)

P113 Employee Health and Well-being

P118 Community Engagement and Social Impact



Chiaonan HQ, Taiwan  
介南總部



Chiaonan 2A, Taiwan  
介南(2A)



Bengjiang, Shanghai  
松江·上海



Kunshan, Jiangsu  
昆山·江蘇



San Jose, California  
聖荷西·加州



Union City, California  
聯合市·加州



Chonburi Province, Thailand  
春武里·泰國



Austin, Texas  
奧斯汀·德克薩斯州



Rayong, Thailand  
羅勇·泰國



Texas, Arizona  
德州·亞利桑那州

# 5.1 Compensation and Benefits

Employees are the most valuable assets of FITI. Upholding a people-oriented philosophy and drawing on Maslow's hierarchy of needs, we provide comprehensive and holistic employee well-being programs across dimensions such as working environment, corporate culture, physical and mental health, and self-fulfillment. We are committed to fostering a positive working atmosphere. In addition to holding regular quarterly labor-management meetings to enhance dialogue and coordination between both parties, all regular employees of FITI Taiwan, Fati Taiwan, Frontier Integrated Global Solutions Inc. Taiwan, and Kainova Taiwan are entitled to benefits beyond monthly salaries. These include festival bonuses (Dragon Boat Festival, Mid-Autumn Festival, and year-end), group insurance, and travel accident insurance.

The Company also extends care to employees' family members, who may join the corporate group insurance plan under preferential terms compared with external market offerings. Furthermore, the Employee Welfare Committee provides birthday bonuses, holiday gift vouchers, educational scholarships, travel subsidies, and various allowances such as for childbirth, marriage, illness or injury, bereavement, and health examinations. In particular, the Company offers health check-up programs that exceed regulatory requirements.

Employee Restaurant at the Kezhong Site



Charity Basketball Game



## Growth and Development and Self-fulfillment

- The Promotion and Incentive System
- Opportunities for Community Service and Volunteering



## Caring for Physical and Mental Well-being Support Mechanisms

- Comprehensive Employee Benefits Policy
- High-standard Health Care and Wellness Programs

Employee Trip



Corporate Fitness Center



At the Songjiang and Kunshan sites, in addition to statutory social security contributions (Five Insurances and One Fund), all regular employees receive annual health check-ups, commercial insurance coverage, and festive gifts for occasions such as Lunar New Year, Dragon Boat Festival, Mid-Autumn Festival, and birthdays. We also provide meals and accommodation, as well as consolation packages for employees working in non-air-conditioned areas, in recognition of their dedication. Based on business performance and individual contributions, employees are further rewarded through performance bonuses and profit-sharing schemes.

In Taiwan, beyond establishing a free, fully equipped fitness center comparable to external gyms, FITI has also set up various clubs and activities to enhance employees' physical, mental, and spiritual well-being. These include sports, cultural, and charity-related initiatives, as well as diverse recreational events.

FITI also places great emphasis on employees' family lives and the care of the next generation. Family members are invited to participate in Company activities, while employees are granted childbirth subsidies to encourage parenting. In compliance with relevant regulations, all employees are entitled to maternity leave, paternity leave, and parental leave, with guaranteed reinstatement rights upon return, ensuring peace of mind for new parents to focus on family life.

To promote work-life balance, relieve work-related stress, and strengthen cohesion, FITI encourages employees to voluntarily form clubs. These cover a wide range of interests including sports, DIY crafts, arts and culture, language learning, music, leisure, and volunteering. Any group of 15 or more colleagues may apply to establish a club. The Employee Welfare Committee further provides subsidies and seasonal sponsorship for club activities, encouraging employees to engage in exercise, relaxation, and shared hobbies alongside their professional responsibilities.

## Safe and Caring Working Environment

- Comfortable Workplace and Campus Facilities
- Safe and Secure Working Environment

## Diversity, Equity, and Inclusive Culture

- Open and Transparent Communication
- Equal Treatment and Respect for Differences

## (1) Compensation Design Guidelines

FITI Group implements internal management review procedures in accordance with ISO 45001, the Responsible Business Alliance (RBA) Code of Conduct, the Occupational Safety and Health Act, and the Labor Standards Act. We regularly conduct PDCA (Plan–Do–Check–Act) evaluations and verification to assess the effectiveness of its management measures.

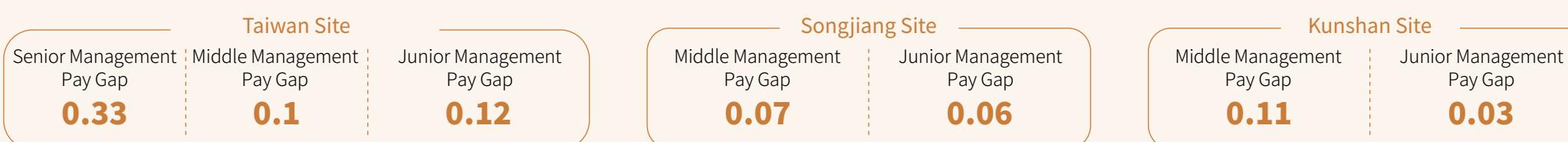
A comprehensive and well-structured compensation and benefits system is a key priority for FITI Group. The Company provides a total remuneration package that balances external competitiveness and internal equity, while fostering a challenging, high-quality, and healthy working environment. The total compensation package includes base salary, allowances, bonuses, and performance-based incentives. Annual salary adjustments are planned and executed according to the Company's operational goals and profitability, with performance bonuses awarded based on individual professional skills, job responsibilities, and performance outcomes.

In addition, FITI Group has established a mid- to long-term employee stock option incentive program to retain and motivate outstanding talent, aligning individual interests with our long-term growth.

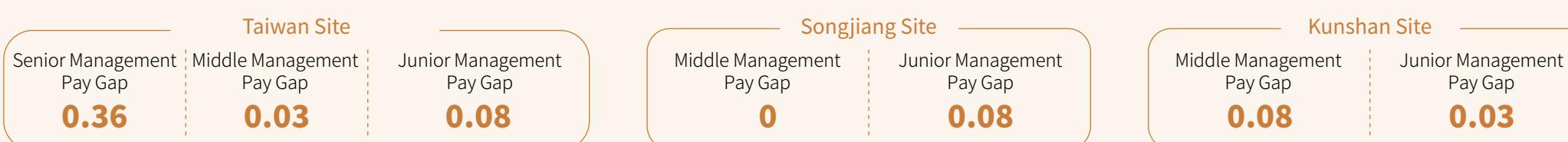
## (2) Compensation and Benefits Review

FITI periodically participates in market surveys to review and update its compensation policies. Salary determinations are based on the employee's role, educational background, and professional expertise, without discrimination based on gender, age, race, nationality, religion, or other personal characteristics. To ensure internal equity, we conduct annual performance evaluations. The results of these evaluations serve as the basis for annual salary adjustments and the allocation of various bonuses.

### • Gender Pay Ratio by Job Category (Base Salary)



### • Gender Pay Ratio by Job Category (Total Compensation)



Note: The observed differences reflect variations in job levels and experience distribution, and are not attributable to gender. For senior management, data from the Songjiang (Shanghai) and Kunshan (Jiangsu) sites are unavailable and therefore cannot be compared. Additionally, the analysis focused on standard base salaries, all of which exceed local minimum wage requirements, with no gender-based disparities observed.

	Job Category (Note 2)	2022		2023		2024	
		Male (註4)	Female	Male	Female	Male (註3)	Female
Taiwan Site Base Pay Ratio (Note 1)	Senior Management	--	--	1	1.39	1	1.33
	Middle Management	1	0.92	1	0.93	1	0.90
	Junior Management	1	0.89	1	0.92	1	0.88
	Junior Staff	1	0.90	1	0.89	1	0.89
	Direct/Operational Staff	1	1.01	1	1	1	0.98
	Foreign Staff	--	--	--	--	--	--
Songjiang Site Base Pay Ratio	Senior Management	--	--	--	--	--	--
	Middle Management	1	0.99	1	0.98	1	0.93
	Junior Management	1	1.11	1	1.13	1	1.12
	Junior Staff	1	1.08	1	1.06	1	1.06
	Direct/Operational Staff	1	0.96	1	0.99	1	0.97
	Foreign Staff	--	--	--	--	--	--
Kunshan Site Base Pay Ratio	Senior Management	--	--	--	--	--	--
	Middle Management	1	1.06	1	1.07	1	1.11
	Junior Management	1	0.97	1	0.98	1	0.97
	Junior Staff	1	0.95	1	0.98	1	0.97
	Direct/Operational Staff	1	0.80	1	0.80	1	0.82
	Foreign Staff	--	--	--	--	--	--

Note 1: Base Pay is defined as the sum of monthly base pay and fixed allowances.

Note 2:

- Senior Management: Department-level managers and above
- Middle Management: Assistant Manager to Deputy Department Manager
- Junior Management: Section Manager
- Junior Staff: Non-managerial employees
- Foreign Staff: All male; comparison not applicable.

Note 3: All senior management personnel are male; comparison not applicable.

Note 4: Starting from 2022 ESG reporting, the average value of each category is used, with male employees as the denominator.



	Job Category (Note 2)	2022		2023		2024	
		Male (註4)	Female	Male	Female	Male	Female
Taiwan Site Total Compensation Ratio (Note 1)	Senior Management	--	--	1	1.50	1	1.36
	Middle Management	1	0.99	1	1.01	1	1.03
	Junior Management	1	0.87	1	0.92	1	0.92
	Junior Staff	1	0.92	1	0.90	1	0.91
	Direct/Operational Staff	1	1.02	1	0.98	1	0.96
	Foreign Staff	--	--	--	--	--	--
Songjiang Site Total Compensation Ratio	Senior Management	--	--	--	--	--	--
	Middle Management	1	1.09	1	1.01	1	1.00
	Junior Management	1	1.10	1	0.99	1	1.08
	Junior Staff	1	1.07	1	0.94	1	1.05
	Direct/Operational Staff	1	0.97	1	0.97	1	0.97
	Foreign Staff	--	--	--	--	--	--
Kunshan Site Total Compensation Ratio	Senior Management	--	--	--	--	--	--
	Middle Management	1	1.09	1	1.04	1	1.08
	Junior Management	1	0.97	1	0.90	1	0.97
	Junior Staff	1	0.95	1	0.89	1	0.97
	Direct/Operational Staff	1	0.79	1	0.76	1	0.80
	Foreign Staff	--	--	--	--	--	--

Note 1: Total Compensation is defined as the sum of monthly base salary, managerial allowances, and various bonuses.

Note 2:

- Senior Management: Department-level managers and above
- Middle Management: Assistant Manager to Deputy Department Manager
- Junior Management: Deputy Team Leader to Specialist Manager
- Junior Staff: Non-managerial employees
- Foreign Staff: All male; comparison not applicable.

Note 3: The Company has no senior management personnel; comparison not applicable.

Note 4: Starting from the 2022 ESG report, the average value of each category is used, with male employees as the denominator.

### • Ratio of Standard Base Pay to Local Minimum Wage for Junior Staff



### (4) Parental Leave

FITI Group places great emphasis on employees' family life and care for the next generation. In addition to providing childbirth subsidies to encourage parenting, we grant all employees 7 days of paid maternity leave, 7 days of paid paternity leave, and the option to apply for parental leave. These measures ensure employees' job protection during and after leave, allowing them to focus on caring for their newborns with peace of mind.

Employees who have completed at least six months of service may apply for parental leave until their youngest child reaches three years of age, with a maximum duration of two years. For employees with two or more children (e.g., twins), the total parental leave period is calculated cumulatively, with the maximum limit being two years from the youngest child's birth. Upon completion of parental leave, we arrange for employees to return to their original positions or assist with placement in suitable roles.

Note 1: For the Taiwan sites, in 2024, the number of employees eligible for parental leave is defined as those who applied for childbirth subsidies in the past three years, in accordance with the Parental Leave Implementation Guidelines. There is no relevant parental leave legislation in the China sites, and therefore no statistics are reported.

Note 2: In 2023, seven employees applied for parental leave and returned to work, resulting in a return-to-work rate of 67% and a retention rate of 100%.

#### Taiwan Site

##### FITI Group Parental Leave Applications: Statistics & Analysis

Item	Female	Male	Total
Number of Employees Eligible for Parental Leave in 2024	27	32	59
Number of Employees Applying for Parental Leave in 2024	3	2	5
A. Expected Number of Employees Returning from Parental Leave in 2024	3	2	5
B. Actual Number of Employees Returning from Parental Leave in 2024	2	1	3
C. Number of Employees Returning from Parental Leave in 2023 and Still Employed	7	0	7
D. Number of Employees Returning from Parental Leave in 2023	7	0	7
Return-to-Work Rate (B/A)	67%	50%	60%
Retention Rate (C/D)	100%	--	100%

### (3) Retirement Plans

FITI Group complies with government-mandated retirement plan policies, including contributions under Taiwan's Labor Standards Act, the Labor Pension Act, and contribution schemes in accordance with local regulations at overseas operational sites. Retirement plans are designed in accordance with applicable labor laws and pension regulations in each location. In addition to statutory contributions, we commission external professional actuarial firms annually to perform pension fund valuations. These assessments review the sufficiency of funds under the old pension system and ensure compliance with financial disclosure requirements for publicly listed companies, safeguarding employees' future pension rights. As of January 1, 2024, there were 31 employees covered under the old pension system, with a cumulative account balance of NT\$45,382,832. Under the new pension system, 6% of the insured's monthly salary is contributed each month, with full compliance with statutory contribution requirements.

#### China Site

##### Employee Leave Overview: Maternity, Parental, Paternity, and Nursing Leave

Item	Female	Male
Maternity Leave	24	33
Parental Leave	47	170
Paternity /Care Leave	17	157
Parental Leave	73	327

##### Note 1: Maternity Leave

Eligible married female employees are entitled to 98 days of maternity leave plus 60 days of extended maternity leave in accordance with applicable laws and regulations. In cases of difficult labor, an additional 15 days are granted. For multiple births, an additional 15 days is granted for each additional child. Extended maternity leave does not include statutory holidays.

##### Note 2: Paternity / Nursing Leave

Employees whose spouses give birth are entitled to paternity or nursing leave during the spouse's maternity leave period. At the Songjiang site, male employees are entitled to 10 days of paternity leave, while at the Kunshan site, male employees are entitled to 15 days of nursing leave. Paternity/nursing leave includes weekends but excludes statutory holidays. (Note: Leave entitlements differ due to local regulations at each site.)

##### Note 3: Parental Leave

In accordance with applicable laws and regulations, employees who have given birth or whose spouse has given birth are entitled to parental leave until their child reaches three years of age. Employees at the Songjiang site may take 5 days of parental leave per year, while employees at the Kunshan site may take 10 days per year. (Note: Leave entitlements differ due to local regulations at each site.)



## Internal Communication Mechanisms

FITI encourages open communication to promote teamwork and has established multiple channels for two-way communication with employees. At the Taiwan sites, labor-management meetings are held quarterly to discuss jointly negotiated matters, enhancing communication and collaboration between employees and management. In addition, quarterly all-hands meetings are conducted to convey important company information, including safety initiatives, quality policies, and upcoming events.



## 5.2 Talent Attraction and Retention

- Total Employees
- 2024 Employee Composition by Age, Gender, and Region

**3208** Employees

Female

Male

FITI Group upholds a merit-based principle in talent recruitment and development, without discrimination based on age, gender, or ethnicity. Employees are selected based on competence and suitability for the role, enabling their strengths to be fully utilized. The Company provides competitive compensation and benefits to enhance employee engagement and loyalty.

In line with strategic business directions, FITI designs a rational organizational structure and conducts talent planning. Recruitment processes comply with relevant laws and regulations and are conducted fairly and transparently to select suitable candidates.

At the Taiwan sites, in addition to hiring local talent, the Company employed 3 Indian nationals and 104 Filipino nationals. In 2024, the Taiwan sites hired 10 employees with disabilities, representing 1.3% of the total workforce, exceeding statutory requirements. At the China sites, 10 employees with disabilities and 61 minority employees were hired, representing 0.41% and 2.52% of the site's total workforce, respectively. FITI Group continues to fulfill its corporate social responsibility by providing employment opportunities for minority groups and safeguarding their workplace rights.

FITI also supports government initiatives promoting employment for middle-aged and older workers. In 2024, one mid-career employee and one re-employed senior worker were hired, contributing to the creation of an inclusive, age-friendly, and diverse work environment.

Site	Regular Employees	Foreign Staff	Contract/Fixed-Term Employees	Seconded/Agency Employees	Number of Employees	Proportion
Taiwan Sites	222	0	1	1	224	6.98%
China Sites	409	0	0	28	437	13.62%
<b>Subtotal</b>	<b>631</b>	<b>0</b>	<b>1</b>	<b>29</b>	<b>661</b>	<b>20.60%</b>
Taiwan Sites	451	107	4	3	565	17.61%
China Sites	1,641	0	0	341	1,982	61.78%
<b>Subtotal</b>	<b>2,092</b>	<b>107</b>	<b>4</b>	<b>341</b> (Note 1)	<b>2,547</b>	<b>79.40%</b>
<b>Total</b>	<b>2,723</b>	<b>107</b>	<b>5</b>	<b>373</b>	<b>3,208</b>	<b>100.00%</b>

Note:

1: Employee counts are as of December 31, 2024. Seconded/agency employees are engaged in production line work.

2: Contract employees are those employed under fixed-term agreements.

3: At the China (Mainland) sites, the number of male agency employees is 341, exceeding local regulatory limits by more than 10%. The Company will conduct routine verification and process applications for conversion of agency employees to regular employment based on active employment ratios to ensure compliance. The next scheduled review is in June 2025.

- 2024 Non-Employees by Facility Sites

Site	保全	團膳	清潔	承攬商
Taiwan Sites	12	3	13	56.9*
China Sites	10	17	15	54.4*
Kunshan Sites	0	0	10	50.5*
<b>Total</b>	<b>22</b>	<b>20</b>	<b>38</b>	<b>161.8*</b>

Note: Full-Time Equivalent (FTE) method is applied. One FTE is calculated based on 8 working hours per day and 220 working days per year, and headcount is derived accordingly.

## 2024 New Hires and Employee Turnover

The global semiconductor market experienced a recovery in 2024, and FITI Group achieved significant revenue growth. With increasing attention on AI, data centers, and autonomous driving applications, coupled with wafer fabs actively expanding production and heightened demand for critical consumables, we responded to market changes by creating additional job openings. As a result, the number of new hires in 2024 increased compared with 2023.

In 2023, following the lifting of COVID-19 restrictions, China experienced a rapid economic rebound, resulting in abundant job opportunities across the region. Consequently, many employees at the China sites left their positions to return to hometown employment. In 2024, economic growth in China slowed, and external opportunities were more limited. To retain top talent and support company growth, FITI continued to implement onboarding programs and employee care initiatives. This contributed to stable turnover rates at the Taiwan sites and decreased turnover at the China sites, leading to an overall increase in total workforce.

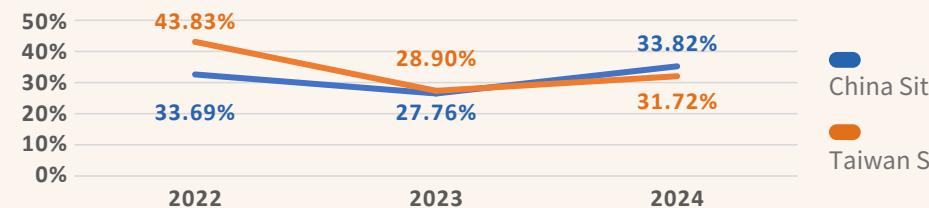
### 2024 New Hires

Site	<30 y/o		30 ~ 50 y/o		>50 y/o		Total
	Female	Male	Female	Male	Female	Male	
<b>Taiwan Site</b>	26	60	46	104	4	9	249
Year-end Employee Count	44	115	163	384	16	63	785
<b>New Hire Rate</b>	59.1%	52.2%	28.2%	27.1%	25.0%	14.3%	31.7%
<b>China Site</b>	55	340	51	372	0	0	818
Year-end Employee Count	142	610	295	1,350	0	22	2,419
<b>New Hire Rate</b>	38.7%	55.7%	17.3%	27.6%	0.0%	0.0%	33.8%

Note: 2024 New Hire Rate = (Total New Hires at Taiwan Sites ÷ Year-End Total Employees at Taiwan Sites) × 100%

Note: 2024 New Hire Rate = (Total New Hires at China Sites ÷ Year-End Total Employees at China Sites) × 100%

### Table of New Hire Rate



### 2024 Employee Turnover

Site	<30 y/o		30 ~ 50 y/o		>50 y/o		Total
	Female	Male	Female	Male	Female	Male	
<b>Taiwan Site</b>	4	9	18	39	2	10	82
Year-end Employee Count	44	115	163	384	16	63	785
<b>Employee Turnover Rate</b>	9.1%	7.8%	11.0%	10.2%	12.5%	15.9%	10.5%
<b>China Site</b>	30	118	23	111	1	0	283
Year-end Employee Count	142	610	295	1,350	0	22	2,419
<b>Employee Turnover Rate</b>	21.1%	19.3%	7.8%	8.2%	0.0%	0.0%	11.7%

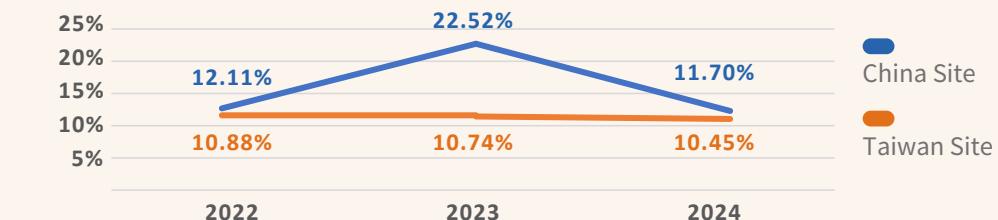
Note 1: 2024 Employee Turnover Rate = (Total number of employee departures at the Taiwan site / Total number of employees at year-end in the Taiwan site) × 100%.

Note 2: Employee departures at the Taiwan site exclude employees with a tenure of less than three months.

Note 3: 2024 Employee Turnover Rate = (Total number of employee departures at the China site / Total number of employees at year-end in the China site) × 100%.

Note 4: Employee departures at the China site exclude employees with a tenure of less than three months from the calculation.

### Table of Employee Turnover Rate



## 5.3 Employee Training and Empowerment

With the vision of fulfilling its responsibility as a global corporate citizen, FITI Group respects and cares for life. Through lecture-based, interactive, and experiential learning approaches in general and managerial competency training, the company helps employees clarify values and concepts, while promoting awareness of human rights, respect for human dignity, and related issues.

To enhance technology and quality, safeguard employee and workplace safety, and advance management capabilities, we emphasize the development of professional skills, safety training, and managerial competencies. By providing a wide range of training programs, we strengthen our overall R&D, production, quality, and management capabilities, thereby improving employee productivity and enhancing organizational competitiveness.

In 2024, the average annual training hours per employee reached 15.3 hours or above at the Taiwan site and 23.8 hours or above at the China site.

For details on average training hours by employee category and site, please refer to the chart “Training Hours by Site and Employee Category.”

### • Training Hours by Site and Job Category

Site	Management		Direct Employees		Indirect Employees		Total
	Female	Male	Female	Male	Female	Male	
Taiwan Site	14.5	13.7	15.2	13.6	27.7	19.2	15.3
China Site	9.3	16.3	13.2	23.4	24.4	27.0	23.8

### 5.3.1 Career Development Training

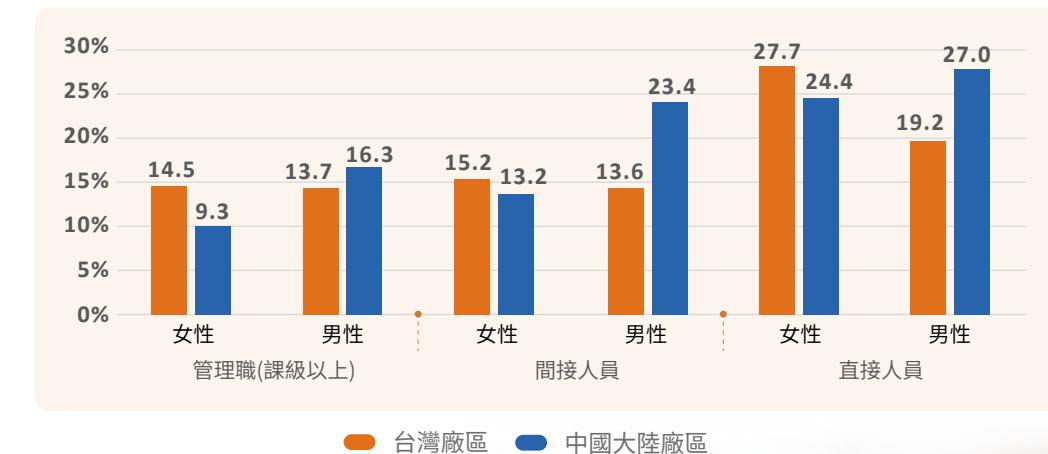
FITI Group has diligently implemented the human-centered core values through comprehensive onboarding training.

In 2024, total training hours for onboarding programs were 1,254 hours (9.8% of total training hours) at the Taiwan site and 1,648 hours (2.9% of total training hours) at the China site. Employees are encouraged to actively participate in various training programs, with particular attention to regulatory compliance, certification requirements, and workplace safety awareness. Safety training hours reached 3,565.5 hours (27.8% of total training hours) in Taiwan and 12,447.5 hours (21.6% of total training hours) in China.

Regarding professional skills training, Taiwan conducted 7,125.5 hours (55.5% of total training hours), while China conducted 42,859.5 hours (74.5% of total training hours).

Average internal training hours per employee at the Taiwan site were: Female: 15.9 hours; Male: 15.1 hours. Average external training hours per employee were: Female: 0.8 hours; Male: 1.1 hours. At the China site, internal training hours per employee were: Female: 16.2 hours; Male: 24.5 hours, and external training hours per employee were: Female: 0.1 hours; Male: 0.9 hours.

For management training in 2024, in January, the company invited professional lawyers from a practicing law firm to conduct a lecture on “Scope of Trade Secrets and Reasonable Confidentiality Measures”, combining legal provisions with practical case studies to deepen the legal awareness of front-line employees handling client drawings and other trade secrets. In October, investigators from the Miaoli County Investigation Office were invited again to deliver a seminar titled “Potential Threats to Enterprises – Trade Secrets and Cybersecurity Protection.”



• Total Training Hours by Employee's Job Category

Site	Internal Training		External Training		Internal Training		External Training	
	Female	Male	Female	Male	Female	Male	Female	Male
Onboarding Training	350.5	320.0	903.5	1,328.0	--(註1)	--	--	--
Safety Training	971.5	854.5	1,917.0	11,193.0	75.0	40.0	602.0	360.0
Professional/Technical Training	1,855.0	5,849.0	5,270.0	35,602.5	--	--	--	1,408.0
Management Training	73.5	0	148.5	0	45.0	--	23.0	--
Other Training	288.0	44.0	255.0	507.0	51.0	--	--	--
Total Training Hours	3,539.0	7,067.5	8,494.0	48,630.5	171.0	40.0	625.0	1,768.0
Average Training Hours Per	15.9	16.2	15.1	24.5	0.8	0.1	1.1	0.9

Note 1: Indicates Not Applicable (N/A).

(1)New employees are not required to attend external onboarding training.

(2)Management Training – External: Participants are primarily professional managers, and training hours are based on Taiwan regulatory requirements; there are no corresponding regulations at the China site, therefore N/A.

(3)Other Training – External: Participants include Audit Office staff and occupational health personnel attending regulatory courses; there are no corresponding regulations at the China site, therefore N/A.

Note 2: Calculated as an example for Taiwan onboarding training: Taiwan New Employee Training Hours ÷ Total Training Hours in Taiwan.

• Proportion of Total Training Hours by Course Category



### 5.3.2 Performance Management

FITI Group implements Performance Management in accordance with regulatory standards. Since 2010, we have carried out performance evaluations for 14 consecutive years. In addition to routine management records and supervisor-employee review mechanisms to ensure objective evaluations, we use evaluation results to design differentiated promotion, salary adjustment, and bonus schemes, achieving the goal of “identifying talent and developing talent.”

In 2024, a total of 727 employees from FITI Taiwan, FATI Taiwan, Frontier Integrated Global Solutions, Inc. Taiwan, and Kainova Taiwan were eligible for performance evaluation, and all 727 employees participated, with approximately 71% male and 29% female. At the Songjiang and Kunshan sites in China, 2,250 employees were eligible for performance evaluation, and all 2,250 employees participated, with approximately 81% male and 19% female.

Employees who are still within the probationary period or not yet qualified, those on unpaid leave exceeding six months during the evaluation period, employees with work-related injury leave exceeding six months within the year, foreign migrant workers, and contract employees are not required to participate in performance evaluation at the Taiwan sites. At the China sites, only employees still within the probationary period or not yet qualified are exempt from performance evaluation.

- Number of Employees Participating in Regular Performance Evaluations, by Job Category and Gender

Taiwan Site	Female	Male	Total
Senior Management	2	25	27
Middle Management	27	55	82
Junior Management	7	21	28
Other Indirect Staff	149	167	316
Direct/Operational Staff	24	250	274
<b>Total</b>	<b>209</b>	<b>518</b>	<b>727</b>

China Site	Female	Male	Total
Senior Management	0	0	0
Middle Management	7	37	44
Junior Management	68	227	295
Other Indirect Staff	219	437	656
Direct/Operational Staff	126	1,129	1,255
<b>Total</b>	<b>420</b>	<b>1,830</b>	<b>2,250</b>



## 5.4 Occupational Health and Safety (OHS)

To establish a safe and healthy working environment, prevent occupational accidents, and ensure regulatory compliance, FITI Group has been operating a management system since 2017. At the FITI Kezhong site, the ISO 45001 Occupational Health and Safety Management System (OHSMS) / CNS 45001 Taiwan OHSMS (TOSHMS) underwent regular surveillance in 2024. The FITI Keyan site has not yet met the conditions for ISO 45001 implementation and therefore does not follow the Kezhong site's management system. The Songjiang site passed the Level 3 Safety Standardization System assessment in December 2015, underwent a second reassessment in 2023, and successfully passed the reassessment in 2024. It was included in the official "Confirmed Safety Standardization Enterprises" list (Note 1 & Note 2). The Kunshan site initially passed the Level 3 Safety Standardization System assessment in March 2014, passed the Level 2 on-site assessment in August 2023, and was included in the graded enterprise list in April 2024, with an announcement on the government website (Note 3). All occupational health and safety management systems cover both employees and non-employees at the respective sites.

Note 1: Safety Production Standardization: According to the "Basic Specifications for Enterprise Safety Production Standardization," enterprises establish a safety responsibility system, formulate safety management systems and operating procedures, identify and mitigate hazards, monitor major risk sources, and implement preventive mechanisms. Production activities are standardized to ensure compliance with relevant safety laws, regulations, and standards, maintaining people, machinery, materials, and the environment in good operational condition. Continuous improvement is pursued to strengthen enterprise safety standardization. The evaluation standard is divided into three levels (Level 1-3).

Note 2: Songjiang Site: The issuance date of the safety production standardization certificate has not been determined. Currently, only the enterprise list is announced on the government website.

Note 3: Kunshan Site: No certificate is issued for Level 2 safety standardization. Only the enterprise list is announced on the government website.

### 5.4.1 Hazard Identification and Risk Assessment

To strengthen the company's safety risk management and promote a shift toward a proactive safety governance model, the Taiwan Kezhong site annually reviews its Hazard Identification and Risk Assessment (HIRA) system established under the Occupational Health and Safety Management System. This process helps identify potential hazards and risks in each operational unit, enabling timely improvements.

In 2024, a total of 982 hazards were identified. Three improvement management plans were implemented, including: upgrading lighting in the 5F joint office area, improving the temporary waste storage area door stop, and installing drip trays (including leak detection). Other identified hazards were controlled through standard operating procedures, ensuring employees can work in a safe and healthy environment.

#### • Hazard Identification and Risk Assessment Process (Kezhong Site)



1. In the first half of 2024, the illuminance in certain areas of the 5F joint office measured 239 lux, below the regulatory standard. After engineering improvements, 16 measurement points were re-evaluated, and all locations met the regulatory requirement of 300 lux.

2. The track safety stop had corroded and broken, causing the sliding door to detach from the guide rollers and fall. Through engineering improvements, a track stopper was added to ensure the sliding door remains securely in place.

3. There was a leakage issue from blind-sealed pipelines above the parking spaces. Through engineering improvements, drip trays with leak detection were installed to prevent hazards to personnel and vehicles caused by leakage.



The two China sites conduct annual safety risk assessments in accordance with government requirements. Safety risks are classified into four levels based on the likelihood of a production safety incident occurring and the severity of its consequences: Critical Safety Risk, Major Safety Risk, General Safety Risk, and Low Safety Risk.

• **Hazard Identification and Risk Assessment Process (Songjiang and Kunshan Sites)**



In 2024, a total of 555 hazards were identified across the two sites. Among them: Critical Safety Risks: 0; Major Safety Risks: 12; General Safety Risks: 185; Low Safety Risks: 358. Identified risks are controlled according to their risk level through five types of measures: Technical measures – e.g., use of safety equipment, engineering improvements; Management measures – e.g., formulation of management systems; Training and education measures – e.g., regular employee training; Personal protective equipment (PPE) measures – e.g., provision of PPE; Emergency management measures – e.g., development of specialized emergency plans. These measures help ensure that employees operate in a safe and controllable work environment.

FITI Group has established an Incident Reporting and Investigation Procedure. When an incident occurs, it must be reported within 10 minutes, followed by a legally compliant investigation recorded in the incident investigation system. The process includes identifying the root causes, developing corrective measures, and reporting the results to prevent recurrence.

**Incident Reporting and Investigation Process**

**Incident Occurrence → Incident Reporting → Incident Investigation → Corrective Measures to Prevent Recurrence**

Additionally, if employees face immediate hazards while performing their duties, they have the right to stop work and move to a safe location to protect themselves. At Taiwan sites, FITI Group fully respects the right to withdraw from danger under the Occupational Safety and Health Act. Employees who exercise this right or report occupational hazards will not be subject to dismissal, reassignment, withholding of pay, or any other adverse actions.





## 5.4.2 Occupational Health and Safety Communication

At FITI Group's Taiwan sites, an Occupational Safety and Health Center is established under the General Manager, while the China sites have an Environment and Safety Office. These offices are responsible for the operation of the company's internal occupational health and safety management, taking into account and assessing potential hazards and risks in operations to reduce the likelihood of incidents.

At the Taiwan sites (Kezhong and Keyan), a Quarterly Occupational Safety and Health Committee is convened in accordance with the Occupational Safety and Health Management Regulations. Committee members meet legal requirements; for example, the Kezhong site has 17 members, with labor representatives accounting for at least one-third of the members. The Keyan site, not yet meeting the establishment requirements, participates jointly with Kezhong in the committee meetings. During each quarterly meeting, the committee reviews topics including objectives, safety and health management plans, health management, and health promotion, and ensures the implementation, evaluation, and improvement of relevant measures.

### Taiwan Site(Teams Meeting)



### Songjiang Site(Teams Meeting)



### Kunshan Site(Teams Meeting)



At the China sites (Songjiang and Kunshan), a Quarterly Occupational Safety and Health Committee is convened in accordance with the "Basic Specifications for Enterprise Safety Production Standardization." The committee consists of 33 members, including department management representatives, 2 executive members, and 1 labor union representative. During the quarterly meetings, the committee reviews topics such as objectives, safety and health management plans, health management, and health promotion, ensuring the implementation, evaluation, and improvement of related measures.

## 5.4.3 Contractor Safety Management



▲ Annual Contractor Coordination Meeting at the Taiwan Sites



▲ Annual Contractor Joint Inspections

FITI Group emphasizes workplace safety and environmental protection requirements for contractors and has established Contractor Safety, Health, and Environmental Regulations to enforce control over high-risk operations. Contractors are required to provide proof of 6 hours of safety and health training, and additional training for supervisors or specialized equipment (e.g., mobile cranes, forklifts) must also be verified. For operations involving such equipment, contractors must provide legally required professional licenses before entering the site.

Following the launch of the Web-based Contractor OHS Management System, contractor site access control has been optimized and made more user-friendly. At Taiwan sites, annual contractor coordination meetings are held both onsite and online to increase participation. During these meetings, FITI Group conducts promotion, consultation, and communication, including topics related to contractor human rights, with 57 contractors participating. At the China sites, contractors receive hazard education training before entering the sites, and annual safety agreements are signed to ensure site safety.

Additionally, Taiwan sites conduct monthly inspections with tenants to prevent occupational health and safety risks associated with business operations. To avoid inspection blind spots, multiple perspectives are combined to identify potential OHS risks within the site. After inspections, relevant units are notified to implement corrective actions. In 2024, a total of 18 risk points were identified, and all have been remediated.

### • Contractor Site Entry Application Process



#### 5.4.4 Occupational Injuries

The Environment and Safety Offices conduct regular and ad hoc safety inspections at the sites. Findings and the status of corrective actions are communicated and posted to raise employee awareness and encourage constant attention to operational safety, with the goal of achieving a zero-incident workplace.

The 2024 occupational injury statistics are as follows:

- Kezhong Site: Recordable occupational injury rate 1.34 (male); injury type: burn, total 1 case.
- Keyan Site: Recordable occupational injury rate 5.79 (male); injury types: fall and trip, total 2 cases.
- Songjiang Site: Recordable occupational injury rate 4.82 (male), 1.36 (female); injury types: struck by object, machinery-related, and others (pinch, fall, cut, sprain), total 14 cases.
- Kunshan Site: Recordable occupational injury rate 2.11 (male); injury types: struck by object, fire-related, and others (pinch, fall, cut, sprain), total 6 cases.

##### 2024 Employee Occupational Injury Statistics

Item/Site	Male				Female			
	Kezhong Site	Keyan Site	Songjiang Site	Kunshan Site	Kezhong Site	Keyan Site	Songjiang Site	Kunshan Site
Total Hours Worked	744,417	345,456	2,699,701	2,837,565	314,291	115,106	737,985	389,095
Number of Recordable Injuries (cases)	1	2	13	6	0	0	1	0
Recordable Injury Rate	1.34	5.79	4.82	2.11	0	0	1.36	0
Number of Severe Injuries (cases)	0	0	0	0	0	0	0	0
Severe Injury Rate	0	0	0	0	0	0	0	0
Number of Fatalities (cases)	0	0	0	0	0	0	0	0
Fatality Rate	0	0	0	0	0	0	0	0

Note: Data Boundaries – Regular Employees

- Total Hours Worked: Sum of annual scheduled working hours and annual overtime hours. Male and female hours are calculated by multiplying total hours by the proportion of male and female employees, respectively.
- Recordable Injuries: Includes fatalities, injuries causing lost workdays, restricted work, or job transfer, injuries requiring medical treatment beyond first aid, loss of consciousness, or serious injuries or illnesses diagnosed by a physician or other licensed healthcare professional, even if they do not result in lost workdays, restricted work, job transfer, or require medical treatment beyond first aid.

- Recordable Injury Rate (RIR): Number of Recordable Injuries  $\times 1,000,000 \div$  Total Hours Worked
- Severe Injuries: Occupational injuries that result in fatalities or injuries that prevent or make it difficult for the worker to recover to pre-injury health within six months.
- Severe Injury Rate (excluding fatalities): Number of Severe Injuries (excluding fatalities)  $\times 1,000,000 \div$  Total Hours Worked
- Fatality Rate: Fatality Rate = Number of Work-Related Deaths  $\times 1,000,000 \div$  Total Hours Worked

## ➡ Number of Work-Related Fatalities – FITI Group Employees, 2024: Zero

### 2024 Contractor

#### Occupational Injury Statistics

Male

項目/廠別	Kezhong Site	Keyan Site	Songjiang Site	Kunshan Site	Kezhong Site	Keyan Site	Songjiang Site	Kunshan Site
Total Hours Worked	55,400	41,870	88,488	82,536	5,230	4,806	0	0
Number of Recordable Injuries (cases)	0	0	0	0	0	0	0	0
Recordable Injury Rate	0	0	0	0	0	0	0	0
Number of Severe Injuries (cases)	0	0	0	0	0	0	0	0
Severe Injury Rate	0	0	0	0	0	0	0	0
Number of Fatalities (cases)	0	0	0	0	0	0	0	0
Fatality Rate	0	0	0	0	0	0	0	0

- Note: Data Boundaries – Contractors
- Total Hours Worked: Kezhong and Keyan Sites: Calculated based on contractor check-in/check-out times recorded in the system. Songjiang and Kunshan Sites: Calculated as total number of contractor entries  $\times$  8 hours.
- Recordable Injuries: Includes fatalities, injuries resulting in lost workdays, restricted work, or job transfer, injuries requiring medical treatment beyond first aid, loss of consciousness, or serious injuries or illnesses diagnosed by a physician or other licensed healthcare professional, even if they do not result in lost workdays, restricted work, job transfer, or medical treatment beyond first aid.
- Recordable Injury Rate (RIR): Number of Recordable Injuries  $\times$  1,000,000  $\div$  Total Hours Worked
- Severe Injuries: Occupational injuries that result in fatalities or injuries that prevent or make it difficult for the worker to recover to pre-injury health within six months.
- Severe Injury Rate (excluding fatalities): Number of Severe Injuries (excluding fatalities)  $\times$  1,000,000  $\div$  Total Hours Worked
- Fatality Rate: Number of Work-Related Deaths  $\times$  1,000,000  $\div$  Total Hours Worked

## 5.4.5 Occupational Safety Promotion

FITI Group aims to foster a culture where everyone values occupational safety and pays attention to the safety of themselves and others. Training is designed to be interactive, engaging, and hands-on, allowing employees and non-employees to practice safety principles in real scenarios. In 2024, the Taiwan sites completed approximately 1,254 training participations, while the China sites recorded 5,966 training participations.

Kezhong & Keyan Sites – Training Programs



## ► Firefighting Drill



## ▲ Chemical Spill D



### ▲ Emergency Evacuation Drill (Daytime)



## ▲ Emergency Evacuation Drill (Nighttime)

#### • Employee Training Participation Statistics

New Employee Occupational Health & Safety Training			
Taiwan	Songjiang	Kunshan	Total
<b>159</b>	<b>180</b>	<b>276</b>	<b>615</b>
Hazard Identification and Risk Assessment Training			
Taiwan	Songjiang	Kunshan	Total
<b>22</b>	<b>181</b>	<b>276</b>	<b>479</b>
Firefighting Drill (Hands-On)			
Taiwan	Songjiang	Kunshan	Total
<b>518</b>	<b>181</b>	<b>187</b>	<b>886</b>
Emergency Evacuation Drill (Daytime & Nighttime)			
Taiwan	Songjiang	Kunshan	Total
<b>511</b>	<b>2,230</b>	<b>2,394</b>	<b>5,135</b>
Chemical Spill Drill			
Taiwan	Songjiang	Kunshan	Total
<b>19</b>	<b>40</b>	<b>21</b>	<b>80</b>
6S Auditor Training			
Taiwan	Songjiang	Kunshan	Total
<b>25</b>	<b>0</b>	<b>0</b>	<b>25</b>
Total			
Taiwan	Songjiang	Kunshan	Total
<b>1,254</b>	<b>2,812</b>	<b>3,154</b>	<b>7,220</b>

## Safety Training at the Songjiang and Kunshan Sites



▲ Firefighting Drill (Songjiang)



▲ Chemical Spill Drill (Songjiang)



▲ Firefighting Drill (Kunshan)



▲ Chemical Spill Drill (Kunshan)

FITI Group emphasizes collective safety awareness. During emergency evacuation drills, non-employees are also invited to participate, enabling them to become familiar with emergency response procedures and designated assembly points.

In addition, the Group organizes special operations safety training. For example, at the Kezhong and Keyan sites in Taiwan, fixed cranes, forklifts, hazardous chemicals, etc.; at the Songjiang and Kunshan sites in China, welding, forklifts, cranes, hazardous chemicals, etc. All such trainings are regularly conducted at certified training institutions to ensure that participants refresh their knowledge and maintain valid qualifications.

## Contractors' Safety Training



▲ Taiwan Site



▲ Songjiang Site



▲ Kunshan Site

### Number of Non-Employee Participants in Safety Training

Contractor Safety Training		Emergency Evacuation Drill		Fire Protection System Training		Total	
Taiwan	Songjiang	Kunshan	Songjiang	Kunshan	Songjiang	Kunshan	Total
<b>4,733</b>	<b>467</b>	<b>318</b>	<b>0</b>	<b>0</b>	<b>81</b>	<b>3</b>	<b>5,518</b>
<b>10</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>102</b>	<b>0</b>	<b>102</b>
<b>18</b>	<b>81</b>	<b>3</b>	<b>548</b>	<b>321</b>	<b>5,630</b>	<b>0</b>	<b>5,630</b>
Total		Total		Total		Total	

# 5.5 Employee Health and Well-being

## 5.1.1 Health Promotion

### Taiwan Site Health Care System

FITI's health examination program exceeds the requirements of Taiwan's Labor Health Protection Regulations. According to current government regulations in Taiwan, employees aged 65 and above must undergo a health examination annually; those aged 40 to 64, once every three years; and those under 40, once every five years.

In contrast, we require all employees with at least one year of service, regardless of age, to receive a free annual health examination. In addition, employees are entitled to a subsidy of up to NT\$15,000 per person, which allows them to choose advanced health check-up items beyond the standard examination. In 2024, a total of 416 employees benefited from this enhanced program.

Furthermore, we provide preferential health examination programs for employees' family members, extending health management from the workplace to households to safeguard the well-being of both employees and their loved ones.

For positions with potential health risks, FITI implements a comprehensive program that includes pre-employment and on-the-job training, periodic work observation and environmental monitoring, enhanced health check-ups, monthly on-site physician consultations, ad-hoc workplace visits, hazard control, and risk assessment. These measures aim to achieve the goal of zero occupational disease diagnoses. In 2024, the occupational disease incidence rate at the Taiwan site was 0%.

In line with statutory requirements, we work with occupational medicine specialists to manage issues related to ergonomic hazards, maternity protection, and workload overload through an abnormality classification system. Follow-up actions are carried out by the nursing staff, occupational safety unit, and HR department, with physician evaluations arranged when necessary. In 2024, all reported abnormal cases were properly addressed with improvements and follow-up completed.

### → Medical and Nursing Personnel Organization by Site:

In compliance with local regulations, FITI has assigned a total of four medical staff members, with full-time personnel in Taiwan and part-time personnel in China.

**Kezhong Site** In compliance with legal requirements, one full-time nurse is assigned.

**Keyan Site** In compliance with legal requirements, one full-time nurse is assigned.

**Songjiang Site** One part-time nurse is assigned

**Kunshan Site** One part-time nurse is assigned

In 2024, Songjiang Site had no employees with abnormal results from occupational health examinations. At Kunshan Site, some employees showed abnormal findings in occupational health examinations, and corresponding follow-up protective measures were implemented.

### Annual Employee Health Examination Results

Kunshan Site	Number of Employees Eligible for Health Check	Number of Employees Actually Examined	Health Check Participation Rate
Management Health Check	225	225	100%
Employee Health Check	518	518	100%
Employee Occupational Disease Health Check	470 (including 3 radiation-exposed employees)	470	100%

Songjiang Site	Number of Employees Eligible for Health Check	Number of Employees Actually Examined	Health Check Participation Rate
Management Health Check	142	142	100%
Employee Health Check	637	637	100%
Employee Occupational Disease Health Check	572	572	100%

### China Site Health Care System

Kunshan and Songjiang sites also conduct regular health examinations in accordance with local regulations and provide pre-employment, on-the-job (annual), and exit physical examinations for employees in positions with occupational disease risks. In the event that an occupational disease is diagnosed, the medical office will handle the case in compliance with relevant occupational disease regulations. We strictly review pre-employment and on-the-job examination results, making job adjustments or declining employment for individuals with potential occupational disease risks, thereby safeguarding employee health and reducing risks.

The Songjiang and Kunshan sites additionally provide annual health examinations for all employees, daily emergency response for work injuries and sudden illnesses, medical assistance, weekly health education bulletins, emergency preparedness and awareness campaigns for various diseases, psychological care training, on-site health consultation seminars (including traditional Chinese medicine consultations), routine health consultation, provision of personal protective equipment, and health-related emergency response measures.

### Taiwan Sites

To enhance employee health and further strengthen corporate competitiveness, ensuring success for both the organization and its employees, the Company provides all employees with an annual health examination that exceeds regulatory requirements.

Screening and assessment items include: Blood glucose metabolism screening, 10-year cardiovascular disease risk assessment, High-sensitivity C-reactive protein (hs-CRP), Hepatitis virus screening, Rheumatoid factor, and Electrolyte analysis. Advanced examination items include: Bone mineral density (X-ray), Resting electrocardiogram (ECG), Ultrasound for various body parts, Cardiovascular and cerebrovascular assessment, Advanced imaging (e.g., chest and coronary CT scan), Gastrointestinal examination (painless endoscopy), and Tumor marker screening.

### Kunshan Site

To maintain employee health, promptly detect and eliminate potential health risks, and demonstrate FITI's care while fostering a healthy work environment, we provide all employees with a comprehensive annual health examination.

The examination items are tailored according to employees' gender, age, and length of service, and mainly include: Blood tests (liver function, kidney function, blood glucose, blood lipids, etc.); Urine tests; Ultrasound examinations (abdominal organs including liver, gallbladder, spleen, pancreas, kidneys, bladder, uterus, breast, thyroid, carotid arteries, etc.); Chest X-ray; Electrocardiogram (ECG); Bone density measurement; Cardiovascular and cerebrovascular disease assessments; Tumor marker screening.

### Songjiang Site

To maintain employee health, promptly detect and eliminate potential health risks, and demonstrate FITI's care while fostering a healthy work environment, we provide all employees with a comprehensive annual health examination. The examination categories are determined based on employees' positions and length of service.

The specific items may vary slightly according to gender, age, and years of employment, and mainly include: Blood tests (liver function, kidney function, blood glucose, blood lipids, etc.); Urine tests; Ultrasound examinations (abdominal organs including liver, gallbladder, spleen, pancreas, kidneys, bladder, uterus, breast, thyroid, carotid arteries, etc.); Chest X-ray; Electrocardiogram (ECG); Bone density measurement; Cardiovascular and cerebrovascular disease assessments; Tumor marker screening.

## 5.5.2 Employee Health & Wellness Programs

Corporations play a critical role in promoting employees' physical and mental well-being, which not only affects individual happiness and personal growth but also directly impacts organizational productivity and innovation. In addition to providing comprehensive group insurance and regular health examinations, FITI Group implements health promotion programs to ensure employees receive timely support when facing health challenges, thereby reducing the risk of absenteeism and decreased work efficiency. Based on the results of the 2024 employee health examinations, overweight and abnormal blood pressure remain key health concerns. To address these, we organized a variety of activities and services, including health seminars, cancer screenings, and blood donation campaigns. Additionally, we invited medical institutions to provide free on-site influenza vaccinations to enhance group immunity during the flu season.

### Taiwan Sites



▲ Group Cancer Screening Event



▲ Blood Donation



▲ Earth Day: Changing the World Through Plant-Based Eating



▲ On-Site Free Influenza Vaccinations

### Songjiang/Kunshan Site



▲ Blood Donation (Kunshan)



▲ Harbor of the Mind: Wellness Program (Songjiang)

### 5.5.3 Maternal Health Hazard Risk Management

In recent years, the government has enacted multiple regulations to ensure the welfare and protection of female workers. Following the Occupational Safety and Health Act, FITI Group considers gender differences and pregnancy-related health risks, implementing necessary maternal worker health protection and risk management measures. Execution results are reported quarterly to the Occupational Safety and Health Committee. In 2024, maternal health interviews were conducted for 16 employees, with health risk classification completed. Follow-up examinations and care were provided for medium- and high-risk cases.

#### Taiwan Sites

- 1 In alignment with the Ministry of Labor's provisions on parental leave with job protection and allowance, as well as enhanced prenatal rest and family care leave entitlements, FITI Group has established corresponding health protection measures. Referring to the Ministry of Labor's Guidelines for Workplace Maternal Health Protection, we have developed internal Standard Operating Procedures. For female employees returning to work within one year after pregnancy or childbirth, health risk assessments are conducted, hazards are controlled, risks communicated, and work adjustments implemented as necessary.
- 2 Pregnant employees receive health guidance during pregnancy and lactation, and dedicated lactation rooms are provided. Upholding the principles of maternal protection and equal employment rights, FITI Group fosters a female-friendly working environment.



#### China Sites

- 1 To protect maternal health, FITI has established the "Maternal Health Protection Measures for Female Employees", implementing health risk assessments, hazard control, risk communication, and health guidance for pregnant and lactating employees, with work adjustments provided as needed to create a supportive and caring environment for female employees.
- 2
  - Pregnant employees receive pregnancy-related health guidance and access to restrooms, and are granted paid prenatal examination leave for regular health check-ups in accordance with the law.
  - Female employees are entitled to paid maternity leave during childbirth and enjoy maternity insurance benefits as mandated by law.
  - Lactating employees receive lactation-related health guidance and access to lactation rooms, and are granted paid nursing leave in compliance with legal requirements.



## 5.5.4 Occupational Diseases

Through the establishment of the Employee Health Management Guidelines, FITI provides clear implementation procedures and health protection information. Based on the TOSHMS and ISO45001 Occupational Health and Safety Management Systems, and with reference to relevant international practices and resources, we conduct health risk assessments to evaluate potential health hazards associated with various job types. This approach enhances employees' awareness of occupational health risks and promotes proactive health protection in the workplace.

→ In 2024, FITI reported no cases of occupational diseases caused by work. Additionally, there were no cases classified as occupational diseases through any assessment or certification process under the Occupational Accident Labor Protection Act.

### Main Types of Occupational Hazards

- Noise: Operating air guns, product machining, polishing operations, facility machine room inspections
- Tetrachloroethylene: Masking/sealing operations
- Dust: Grinding operations
- Chromic acid: SNP operations
- Nickel: Nickel brushing operations

### Implementation, Follow-up, and Health Management Measures

- Implementation Approach at the Taiwan Sites : Occupational environment monitoring is conducted semi-annually, and the results are announced to all employees. Appropriate personal protective equipment (PPE) is provided to employees engaged in relevant tasks. →Health Management: Abnormal health findings are analyzed, classified, and tracked for improvement, with regular follow-up conducted by occupational physicians and nurses.
- Implementation Approach at the Kunshan Site: Occupational hazard factor assessments are conducted annually by the Environmental & Safety (E&S) unit. Based on the hazard types and work locations provided by E&S, the General Affairs department arranges corresponding occupational health examinations.
- Implementation Approach at the Songjiang Site: Occupational hazard factor assessments are conducted annually by the Environmental & Safety (E&S) unit. Based on the hazard types and work locations provided by E&S, the General Affairs department arranges corresponding occupational health examinations.

The Group implements health risk management in accordance with relevant regulations, specifically for work types involving particular health hazards. Hazard risk assessments are conducted, and management measures are applied based on the type of hazard. These measures include: Provision of personal protective equipment (PPE); Pre-employment and on-the-job training; Implementation of occupational environment monitoring; Regular health examinations (including examinations for special operations); Classification and management of health examination results; On-site consultations with occupational physicians; Medical referrals; Promotion of diverse health and wellness activities. These initiatives help employees maintain and improve their health.

### Health Check Results for Special Hazardous Operations at the Taiwan Sites

Employees with Level 2 or higher health management results receive personalized health guidance and on-site physician consultations.

Hazardous Operation	Inspection Item	Level 2 Managed Employees	Level 4 Managed Employees
Noise	97	3	0
Tetrachloroethylene	34	1	0
Dust	15	0	0
Chromic Acid	5	0	0
Nickel	53	0	0

(Level 4 refers to reclassification by occupational physician after Level 3 follow-up examination.)

### 2024 Follow-up on Abnormal Results from Special Hazardous Operations Health Checks

- Mandatory use of hearing protection during noise-related tasks.
- Regular monitoring of individual noise exposure levels, with adjustments to work rotations as needed to reduce overall exposure.
- Periodic health check follow-up to monitor hearing status and detect any early signs of hearing impairment.

### Health Management Implementation Results

For employees classified as Level 3 or above in health management results, a re-examination is conducted, and an occupational medicine specialist assists in re-evaluating and re-classifying the risk level. The specialist also provides personal health guidance and ensures the implementation of the relevant follow-up measures mentioned above. In 2024, three employees were initially classified as Level 3 in the special-hazard health check. After assessment by the occupational medicine specialist, all three were re-classified as Level 2.

## Kunshan and Songjiang Sites: Unified Operational Model

In accordance with Article 36 of the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Songjiang (Shanghai) and Kunshan Sites conduct occupational health examinations for employees exposed to occupational hazards prior to job assignment, during employment, and upon leaving the position.

Targeted occupational health checks are carried out based on the characteristics of the hazards, along with the implementation of various management measures, including: Reducing occupational hazards at the source; Providing appropriate personal protective equipment (PPE); Strengthening employee training on occupational hygiene; Conducting annual occupational health examinations for employees in hazardous positions, with immediate reassignment if any occupational contraindications are identified; Commissioning third-party vendors annually to measure occupational hazard factors; Submitting occupational hazard factor reports to the government as required; Engaging qualified evaluation companies every three years to assess the current occupational hygiene status and filing reports with the government. These measures aim to achieve a zero confirmed occupational disease rate throughout the year.

Kunshan Site: Inspections and evaluations are conducted in accordance with the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases and the Measures for the Administration of Occupational Health Examinations.

Songjiang Site: Inspections follow the same regulations and aim for a zero occupational disease incidence rate across the site.

### 2024 Follow-up on Abnormal Results from Occupational Health Examinations for Special Hazardous Work

#### Kunshan Site:

1: Seven employees showed abnormalities in the audiometry test. It is recommended to strengthen hearing protection. Action Taken:

Employees were immediately notified of their examination results and confirmed via signature; Departments were briefed on the importance of wearing and managing protective equipment; Training sessions during morning and evening shifts reinforced proper use of hearing protection; Environmental Safety (EHS) and Administrative departments conducted regular safety inspections and audits to ensure compliance with protective equipment use.

2: One employee was found to have an occupational contraindication after re-examination.

Occupational contraindication: Any conductive hearing loss in either ear with an average speech-frequency hearing loss  $\geq 41\text{dB}$ , requiring removal from noisy workstations. Action Taken: The employee was immediately notified of the result and signed an "Occupational Contraindication Acknowledgment." An internal "Job Transfer Form" was processed to remove the employee from occupational hazard positions. HR, EHS, and all relevant supervisors were informed.

3. Regular follow-up health examinations were scheduled.

Songjiang Site : All in-service occupational health examinations showed no abnormalities in 2024.



## 5.6 Community Engagement and Social Impact

While striving to enhance corporate value, FITI Group also demonstrates its responsibility toward society and the environment. We actively promote social welfare initiatives and established the “FITI Love & Care Club” in 2016. Guided by the United Nations Sustainable Development Goals (SDGs) 4, 8, 13, 14, 15, and 17, FITI developed the “LOVE FITI Care Program”, collaborating with government agencies, local communities, and other partners to provide services such as compassionate companionship, disadvantaged employment support, sustainable citizenship education, and environmental stewardship. The program also creates opportunities for employees to participate in social service activities, embodying FITI Group’s mission of fostering a caring society while promoting sustainable and green lifestyles.

2024 Corporate Social Responsibility Contribution Results			
Partner Organizations	Donations (NT\$)	Volunteer Service Hours	Number of Beneficiaries
<b>14</b>	<b>62 ten thousand</b>	<b>260 hour</b>	<b>2,712</b>



 LOVE



Christmas Dream Fulfillment – LOVE Initiative  
SDG 4: Quality Education, SDG 17: Partnerships



Actions

- For nine consecutive years, FITI has supported the Christmas Dream Fulfillment activity at the Taiwan Fund for Children and Families in Miaoli. Each year before Christmas, employees are invited to fulfill children's Christmas wishes by donating gifts. In 2024, a total of 100 gifts were collected and delivered to the center on Christmas Day, bringing warmth and joy to the children.
- A total of 80 employees participated in this event, with the donated gifts valued at approximately NT\$100,000.

Social Impact

- Provides children in rural areas with a warm holiday experience and emotional support, contributing to their psychological well-being and social connection.
- Strengthens collaboration between employees and social welfare organizations (Taiwan Fund for Children and Families), enhancing the connection between the company and local communities.

 Volunteer



Support "Plant the Seeds of Reading – A Bright Future for Children" Charity Program

SDG 4: Quality Education, SDG 10: Reduced Inequalities, SDG 12: Responsible Consumption and Production, SDG 13: Climate Action



Actions

- Since 2018, FITI has donated magazines published by CommonWealth Magazine to 12 elementary and middle schools in Zhunan.
- In 2024, in addition to donating magazines, we also selected children's books and donated to a total of 8 charitable organizations and rural schools.
- Donated 153 reusable cups to rural elementary schools in Miaoli and local social welfare organizations.

Social Impact

- Strengthens the reading abilities of children in rural areas, helping to narrow the gap in educational resources.
- Promotes the concept of reuse, reducing the use of single-use plastic products.
- Enhances environmental awareness among children and social welfare groups, supporting a low-carbon lifestyle.
- Encourages students to broaden their international perspective and civic literacy, cultivating future talents for sustainable development.

 Earth



Beach Cleanup and "Slow Fish" Marine Ecology Guided Tour

SDG 13: Climate Action, SDG 14: Life Below Water, SDG 15: Life on Land



Actions

- Collaborated with the Zhunan Wenpei Community Development Association to organize a beach cleanup and ecological guided tour, allowing participants to gain a deeper understanding of the land we share.
- Designed a hands-on fish cooking experience, helping participants recognize the importance of environmental conservation for ecological sustainability.
- A total of 57 participants joined the activities, collecting 26.9 kg of general waste and 52.8 kg of recyclable materials.

Social Impact

- Reduces coastal waste and improves the quality of the marine environment.
- Enhances public understanding of the relationship between oceans and sustainable diets, fostering ecological conservation awareness and action.

## Opportunity



Down Syndrome Kids Support Program

SDG 8: Decent Work and Economic Growth, SDG 10: Reduced Inequalities, SDG 17: Partnerships



### Actions

- At the Zhunan Plant in Taiwan, FITI established the “Downpastry,” the first of its kind among Taiwan Science Park companies. The bakery not only employs individuals with intellectual and physical disabilities as staff but also provides free space for families with children with Down syndrome to create their own bakeries. Through employee purchases and company gift support, the project creates employment opportunities for children with Down syndrome and helps them develop practical skills.
- FITI’s annual dinner performance also invites the children to perform, a long-standing tradition that serves as the opening act, subtly instilling the positive influence of charitable care into employees and encouraging them to include support for vulnerable groups in their daily lives.

### Social Impact

- Provides stable employment and skill training for people with disabilities, fostering opportunities for social inclusion.
- Promotes a diverse and inclusive workplace culture while deepening employees’ awareness and participation in public welfare.

## Sponsorship of Miaoli Special Education School Cheerleading Team Participation

SDG 4: Quality Education SDG 10: Reduced Inequalities



### Actions

- Provided funding to support the Miaoli Special Education School cheerleading team in participating in the 2024 World Cheerleading Championships.
- The team won the gold medal at the 2024 World Cheerleading Championships.

### Social Impact

- Supports students with special needs in participating in international competitions, enhancing their confidence and sense of social engagement.
- Strengthens values of educational equity and social inclusion.

## Mid-Autumn Charity Market

SDG 1: No Poverty

SDG 8: Decent Work and Economic Growth

SDG 17: Partnerships for the Goals



### Actions

- Invited all employees to participate in a second-hand goods charity sale, with all proceeds donated to the Taiwan Fund for Children and Families in Miaoli.
- Invited Miaoli Genesis Social Welfare Foundation, Youan Care Institution, and a blind massage organization to set up booths to sell charitable goods and services, and donated NT\$20,000 to each organization.

### Social Impact

- Supports local social welfare organizations in generating income.
- Enables employees to participate in social resource redistribution through second-hand sales, promoting sustainable consumption practices.

## Support for Genesis Social Welfare Foundation’s “Love Theatre Together” Fundraising Campaign

SDG 1: No Poverty

SDG 3: Good Health and Well-Being

SDG 17: Partnerships for the Goals



### Actions

- Fundraising for the Hualien Branch of a care home for underprivileged vegetative patients in remote areas. In addition to purchasing 30 charity gift boxes during the Zhongyuan Festival (total amount NT\$ 18,000), employees were encouraged to bring their children to participate in the ticket-purchasing fundraising, with the company subsidizing half of the ticket cost (total subsidy NT\$1,500).

### Social Impact

- Supports the construction of a care facility for vegetative patients in rural areas, alleviating the caregiving burden on disadvantaged families.
- Encourages parent-child participation in charitable activities, fostering sustainable and compassionate values.

# Appendix: Reference Information and Disclosure Index

- P121 2023 and 2024 GHG Inventories
- P123 Occupational Hazard Inspections and Personnel
- P125 GRI 2021 Standard and Disclosure Index
- P128 SASB/ FSC Industry Sustainability Disclosure Standards
- P130 External Assurance Statement



Chunon HQ, Taiwan  
芯南(總部)



Chunon 2A, Taiwan  
芯南(2A)



Songjiang, Shanghai  
松江, 上海



Kunshan, Jiangsu  
昆山, 江蘇



San Jose, California  
聖荷西, 加州



Union City, California  
聯合市, 加州



Chonburi Province, Thailand  
春武里, 泰國



Austin, Texas  
奧斯汀, 德克薩斯州



Rayong, Thailand  
羅勇, 泰國



Texas, Arizona  
德州, 亞利桑那州

# Annex 1: 2023 and 2024 GHG Inventories

## 2024 GHG Inventories

Site		Kezhong		Keyan		US Office		Total	
Scope	Category	Emissions (tCO <sub>2</sub> e)	Percentage %						
Scope 1: Direct GHG Emissions	Category 1: Direct GHG Emission	170.0605	1.42%	281.4753	5.75%	7.7283	46.65%	459.2641	2.73%
	1.1 Direct Emissions from Stationary Combustion	1.1244	0.01%	0.3922	0.01%	4.4481	26.85%	5.9646	0.04%
	1.2 Direct Emissions from Mobile Combustion	8.7485	0.07%	註1	--	1.6473	9.94%	10.3959	0.06%
	1.3 Direct Process Emissions and Removal from Industrial Processes	no emission	--						
	1.4 Direct Fugitive Emissions from the Release of GHGs in Anthropogenic Systems	160.1876	1.34%	281.0831	5.74%	1.6329	9.86%	442.9036	2.63%
	1.5 Direct Emissions and Removal from Land Use, Land Use Change and Forestry (LULUCF)	no emission	--						
Scope 2: Electricity Indirect GHG Emissions	Category 2: Indirect GHG Emissions from Imported Energy	2,663.6710	22.35%	3,754.6488	76.67%	5.0609	30.54%	6,423.3807	38.15%
	2.1 Indirect Emissions from Imported Electricity	2,663.6710	22.35%	3,754.6488	76.67%	5.0609	30.54%	6,423.3807	38.15%
	2.2 Indirect Emissions from Imported Energy	no emission	--						
	Category 3: Indirect GHG Emissions from Transportation	3,948.2662	33.13%	1.6366	0.03%	註2	--	3,949.9028	23.47%
	3.1 Emissions from Upstream Transport and Distribution for Goods	3,586.9991	30.09%	註3	--	no emission	註4	3,586.9991	21.31%
	3.2 Emissions from Downstream Transport and Distribution for Goods	267.4792	2.25%	1.6366,註5	0.03%	no emission	註4	269.1158	1.60%
Scope 3: Other Indirect GHG Emissions	3.3 Emissions from Employee Commuting	non-significant	--	non-significant	--	non-significant	--	non-significant	--
	3.4 Emissions from Client and Visitor Transport	non-significant	--	non-significant	--	non-significant	--	non-significant	--
	3.5 Emissions from Business Travel	93.7879	0.79%	註3	--	註2	--	93.7879	0.56%
	Category 4: Indirect GHG Emissions from Products and Services used by an Organization	1,274.5564	10.69%	859.1913	17.55%	3.7794	22.81%	2,137.5271	12.70%
	4.1 Emissions from Purchased Goods	561.3787	4.71%	785.2616	16.04%	3.7794	22.81%	1,350.4197	8.02%
	4.2 Emissions from Capital Goods	non-significant	--	non-significant	--	non-significant	--	non-significant	--
	4.3 Emissions from the Disposal of Solid and Liquid Waste	713.1777	5.98%	73.9297	1.51%	註6	--	787.1074	4.68%
	4.4 Emissions from the Use of Assets are generated through equipment leased	non-significant	--	non-significant	--	non-significant	--	non-significant	--
	4.5 Emissions from the Use of Services that are not described in the above	non-significant	--	non-significant	--	non-significant	--	non-significant	--
	Category 5: Indirect GHG Emissions Associated with the Use of Products from the Organization	3,862.6407	32.41%	non-significant	--	no emission	--	3,862.6407	22.95%
	5.1 Emission from the Use Stage of the Product	non-significant	--	non-significant	--	no emission	--	non-significant	--
	5.2 Emissions from Downstream Leased Assets	no emission	--						
	5.3 Emissions from End of Life Stage of the Product	3,862.6407	32.41%	no emission	--	no emission	註7	3,862.6407	22.95%
	5.4 Emissions from Investments	no emission	--						
Category 6 Indirect GHG Emissions from Other Sources	no emission	--	no emission	--	no emission	--	no emission	--	--
	6.1 Others	no emission	--						
Total :		11,919.195	100.00%	4,896.952	100.00%	16.569	100.00%	16,832.715	100.00%
Percentage		70.81%		29.09%		0.10%		100.00%	



## 2023 GHG Inventories

Site		Kezhong		Keyan		US Office		Total	
Scope	Category	Emissions (tCO <sub>2</sub> e)	Percentage %						
Scope 1: Direct GHG Emissions	Category 1: Direct GHG Emission	173.4523	1.09%	282.1141	5.61%	13.7617	58.86%	469.3281	2.40%
	1.1 Direct Emissions from Stationary Combustion	1.2289	0.01%	1.0310	0.01%	7.3398	31.39%	9.5997	0.05%
	1.2 Direct Emissions from Mobile Combustion	9.1575	0.05%	註1	--	4.4848	19.18%	13.6423	0.07%
	1.3 Direct Process Emissions and Removal from Industrial Processes	no emission	--						
	1.4 Direct Fugitive Emissions from the Release of GHGs in Anthropogenic Systems	163.0659	1.03%	281.0831	5.60%	1.9371	8.29%	446.0861	2.28%
	1.5 Direct Emissions and Removal from Land Use, Land Use Change and Forestry (LULUCF)	no emission	--						
Scope 2: Electricity Indirect GHG Emissions	Category 2: Indirect GHG Emissions from Imported Energy	3,006.6030	19.02%	2,848.0088	76.52%	4.5381	19.41%	5,859.1499	29.96%
	2.1 Indirect Emissions from Imported Electricity	3,006.6030	19.02%	2,848.0088	76.52%	4.5381	19.41%	5,859.1499	29.96%
	2.2 Indirect Emissions from Imported Energy	no emission	--						
	Category 3: Indirect GHG Emissions from Transportation	7,243.5588	45.81%	1.1765	0.04%	註2	--	7,244.7353	37.05%
	3.1 Emissions from Upstream Transport and Distribution for Goods	7,091.8106	44.85%	註3	--	no emission	註4	7,091.8106	36.26%
	3.2 Emissions from Downstream Transport and Distribution for Goods	74.6280	0.47%	1.1765 ,註5	0.04%	no emission	註4	75.8045	0.39%
Scope 3: Other Indirect GHG Emissions	3.3 Emissions from Employee Commuting	non-significant	--	non-significant	--	non-significant	--	non-significant	--
	3.4 Emissions from Client and Visitor Transport	non-significant	--	non-significant	--	non-significant	--	non-significant	--
	3.5 Emissions from Business Travel	77.1202	0.49%	註3	--	註2	--	77.1202	0.39%
	Category 4: Indirect GHG Emissions from Products and Services used by an Organization	1,038.3432	6.57%	590.4548	15.86%	5.0795	21.73%	1,633.8775	8.35%
	4.1 Emissions from Purchased Goods	610.2141	3.86%	570.6297	15.33%	5.0795	21.73%	1,185.9233	6.06%
	4.2 Emissions from Capital Goods	non-significant	--	non-significant	--	non-significant	--	non-significant	--
	4.3 Emissions from the Disposal of Solid and Liquid Waste	428.1291	2.71%	19.8251	0.53%	註6	--	447.9542	2.29%
	4.4 Emissions from the Use of Assets are generated through equipment leased	non-significant	--	non-significant	--	non-significant	--	non-significant	--
	4.5 Emissions from the Use of Services that are not described in the above	non-significant	--	non-significant	--	non-significant	--	non-significant	--
	Category 5: Indirect GHG Emissions Associated with the Use of Products from the Organization	4,349.0549	27.51%	non-significant	--	no emission	--	4,349.0549	22.24%
	5.1 Emission from the Use Stage of the Product	non-significant	--	non-significant	--	no emission	--	non-significant	--
	5.2 Emissions from Downstream Leased Assets	no emission	--						
	5.3 Emissions from End of Life Stage of the Product	4,349.0549	27.51%	no emission	--	no emission	註7	4,349.0549	22.24%
	5.4 Emissions from Investments	no emission	--						
Category 6 Indirect GHG Emissions from Other Sources	Category 6 Indirect GHG Emissions from Other Sources	no emission	--						
	6.1 Others	no emission	--						
Total :		15,811.012	100.00%	3,721.754	100.00%	23.379	100.00%	19,556.146	100.00%
Percentage		80.85%		19.03%		0.12%		100.00%	

Note 1: Category 1.2 emissions from the Kezhong site are mainly attributed to office vehicles and forklifts; currently, there is no related equipment at the Keyan site.

Note 2: Category 3.5 emissions from the UC SITE are solely from outsourced shipments, and these are included in the clearing within the Kezhong site.

Note 3: Category 3.1 & 3.5 emissions from the Keyan site pertain to process outsourcing, and these are currently included in the clearing within the Kezhong site.

Note 4: The UC SITE serves as an administrative office only and therefore has no Category 3.18 & 3.2 emissions.

Note 5: Category 3.2 emissions from the Keyan site previously involved statistical calculation of waste transportation; other downstream product transportation businesses are not included, and these are counted as clearing within the Kezhong site.

Note 6: UC SITE emissions from office equipment are negligible and thus do not generate Category 4.3 emissions.

Note 7: The Keyan site and UC SITE currently have no properties leased out, so there are no Category 5.3 emissions.

## Annex 2: Occupational Hazard Inspections and Personnel

Item	Taiwan Sites	Songjiang Site	Kunshan Site
Noise	163	0	0
Dust	76	0	0
Perchloroethylene (Tetrachloroethylene, PCE)	76	0	0
Chromic acid	76	0	0
Nickel	76	0	0
Isopropanol (IPA)	0	95	0
Aluminum alloy dust, Noise	0	74	0
Welding fume, Nitrogen oxides (NOx), Manganese and its inorganic compounds, Nickel and its compounds, Carbon monoxide (CO), Chromium trioxide (CrO <sub>3</sub> ), Ozone (O <sub>3</sub> ), Welding arc radiation, High-frequency electric field, Noise, Grinding wheel dust	0	39	0
Aluminum alloy dust, Aluminum, Noise	0	41	0
Noise, Iron and its compound dust	0	22	0
Noise	0	13	0
Tin dioxide (SnO <sub>2</sub> )	0	12	0
Soluble nickel compounds, Chromates, Dichromates (hexavalent chromium, Cr(VI)), Hydrogen fluoride (HF), Nitrogen oxides (NOx), Sodium hydroxide (NaOH), Oxalic acid, Sulfuric acid and sulfur trioxide (SO <sub>3</sub> ), Potassium hydroxide (KOH), Sodium carbonate (Na <sub>2</sub> CO <sub>3</sub> ), Noise	0	10	0
Perchloroethylene (Tetrachloroethylene, PCE), Toluene	0	9	0
Sodium hydroxide (NaOH), Nitrogen oxides (NOx), Hydrogen fluoride (HF), Chromates, Dichromates (hexavalent chromium, Cr(VI)), Soluble nickel compounds, Phosphoric acid (H <sub>3</sub> PO <sub>4</sub> ), Sulfuric acid and sulfur trioxide (SO <sub>3</sub> ), Noise	0	9	0
Soluble nickel compounds, Chromates, Dichromates (hexavalent chromium, Cr(VI)), Hydrogen fluoride (HF), Nitrogen oxides (NOx), Sodium hydroxide (NaOH), Chromates, Dichromates, Noise	0	8	0
Sodium hydroxide (NaOH), Nitrogen oxides (NOx), Hydrogen fluoride (HF), Chromates, Dichromates (hexavalent chromium, Cr(VI)), Soluble nickel compounds, Phosphoric acid (H <sub>3</sub> PO <sub>4</sub> ), Sulfuric acid and sulfur trioxide (SO <sub>3</sub> ), Noise	0	8	0
Welding fume, Carbon monoxide (CO), Nitrogen oxides (NOx), Ozone (O <sub>3</sub> ), Welding arc radiation, High-frequency electric field, Noise, Aluminum oxide dust, Aluminum alloy dust, Grinding wheel dust	0	8	0
Welding fume, Nitrogen oxides (NOx), Carbon monoxide (CO), Manganese and its inorganic compounds, Metallic nickel and insoluble nickel compounds; nickel and its compounds, Chromium trioxide (CrO <sub>3</sub> ), Ozone (O <sub>3</sub> ), High-frequency electric field, Welding arc radiation, Noise	0	7	0
Titanium dioxide dust (TiO <sub>2</sub> dust)	0	6	0
Acidic and alkaline chemicals	0	6	0
Metallic nickel and insoluble nickel compounds, Phosphoric acid (H <sub>3</sub> PO <sub>4</sub> ), Hydrogen chloride (HCl) / Hydrochloric acid (HCl), Chromates, Sulfuric acid and sulfur trioxide (SO <sub>3</sub> ), Fluorine and its compounds, Iodine (I <sub>2</sub> )	0	5	0
Noise, Laser radiation, Aluminum oxide dust, Aluminum, Aluminum alloy dust, Iron and other compound dust, Manganese and its inorganic compounds, Metallic nickel and insoluble nickel compounds, Nickel and its compounds, Chromium trioxide (CrO <sub>3</sub> )	0	5	0
Hydrogen fluoride (HF), Ammonia (NH <sub>3</sub> ), Nitrogen oxides (NOx), Sodium hydroxide (NaOH), Soluble nickel compounds, Chromates, Dichromates (hexavalent chromium, Cr(VI)), Noise	0	4	0
Sodium hydroxide (NaOH), Nitrogen oxides (NOx), Hydrogen fluoride (HF), Chromates, Dichromates (hexavalent chromium, Cr(VI)), Soluble nickel compounds, Noise	0	4	0
Sulfuric acid and sulfur trioxide (SO <sub>3</sub> ), Sodium hydroxide (NaOH)	0	4	0
Noise, Stainless steel and other compound dust	0	4	0
Power-frequency electric field, Noise	0	3	0
Methyl ethyl ketone (MEK)	0	3	0
Isopropanol (IPA), Isophorone	0	3	0
Isopropanol (IPA), Noise	0	3	9
Sulfuric acid and sulfur trioxide (SO <sub>3</sub> ), Nitrogen dioxide (NO <sub>2</sub> ), Nickel and its compounds, Phosphoric acid (H <sub>3</sub> PO <sub>4</sub> ), Chromium and its compounds, Hydrogen fluoride (HF), Ammonia (NH <sub>3</sub> )	0	3	0



Item	Taiwan Sites	Songjiang Site	Kunshan Site
Soluble nickel compounds, Chromates, Dichromates (hexavalent chromium, Cr(VI)), Hydrogen fluoride (HF), Nitrogen oxides (NOx), Sodium hydroxide (NaOH), Phosphoric acid (H <sub>3</sub> PO <sub>4</sub> ), Sulfuric acid and sulfur trioxide (SO <sub>3</sub> ), Noise	0	1	0
Formic acid (HCOOH), Sodium hydroxide (NaOH), Hydrogen fluoride (HF), Nickel and its compounds, Hydrochloric acid (HCl)	0	1	0
Isopropanol (IPA), Acetone	0	6	0
Noise, Iron and other compound dust, Sodium chloride (NaCl), Hydrochloric acid (HCl), Sodium citrate, Citric acid ethyl ester (Ethyl citrate), Zinc formate, Ethylenediamine (EDA), Formic acid (HCOOH), Sodium hydroxide (NaOH)	0	6	0
Titanium dioxide (TiO <sub>2</sub> ), Toluene, Ethyl acetate, Xylene	0	2	0
Power-frequency electric field	0	0	0
Benzene, Toluene, Xylene, Methyl ethyl ketone (MEK), Ethyl acetate, Isopropanol (IPA)	0	0	0
Sulfuric acid and sulfur trioxide (SO <sub>3</sub> ), Nitrogen dioxide (NO <sub>2</sub> ), Nickel and its compounds, Phosphoric acid (H <sub>3</sub> PO <sub>4</sub> ), Chromium and its compounds, Hydrogen fluoride (HF), Ammonia (NH <sub>3</sub> ), Noise	0	0	0
Noise, Aluminum oxide dust, Iron and other compound dust	0	0	0
Sodium carbonate (Na <sub>2</sub> CO <sub>3</sub> ), Sulfuric acid and sulfur trioxide (SO <sub>3</sub> ), Hydrochloric acid (HCl), Fluorine and its compounds (excluding hydrogen fluoride), Phosphoric acid (H <sub>3</sub> PO <sub>4</sub> ), Sodium hydroxide (NaOH)	0	0	0
Diethanolamine (DEA), Monoethanolamine (MEA), Ammonium bicarbonate, Aqueous ammonia / Ammonium hydroxide, Fatty alcohol ether, Non-ionic surfactants, Carbonates, Potassium hydroxide (KOH), Acrylic acid, Silicates, Dicarboxylic acids	0	0	0
Titanium dioxide dust (TiO <sub>2</sub> dust)	0	0	0
Chloroform, Noise	0	0	0
Carbon monoxide (CO), Acetone, Nitrogen dioxide (NO <sub>2</sub> ), Ozone (O <sub>3</sub> ), Ultraviolet radiation (UV radiation)	0	0	3
Carbon monoxide (CO), Acetone, Nitrogen dioxide (NO <sub>2</sub> ), Ozone (O <sub>3</sub> ), Ultraviolet radiation (UV radiation), Welding fume	0	0	19
Carbon monoxide (CO), Nitrogen dioxide (NO <sub>2</sub> ), Ozone (O <sub>3</sub> ), Ultraviolet radiation (UV radiation), Welding fume	0	0	10
Ethanol, Noise	0	0	66
Nitric acid (HNO <sub>3</sub> ), Isopropanol (IPA), Fluorine and its inorganic compounds (excluding hydrogen fluoride), Noise	0	0	0
Noise, Power-frequency electric field	0	0	6
Noise, Laser radiation, Other dusts / Other particulate matter	0	0	0
Noise, Laser radiation, Other dusts	0	0	14
Noise, Other dusts / Other particulate matter	0	0	93
X-ray radiation, Acetone, Welding fume, Nitrogen dioxide (NO <sub>2</sub> ), Carbon monoxide (CO), Ozone (O <sub>3</sub> ), Ultraviolet radiation (UV radiation)	0	0	2
X-ray radiation, Acetone, Noise	0	0	1
Noise, Nitric acid (HNO <sub>3</sub> ), Hydrofluoric acid (HF), Isopropanol (IPA)	0	0	15
<b>Total Number of Occupational Health Examinations for Special Hazard Operations</b>	<b>467</b>	<b>435</b>	<b>470</b>
<b>Complete Rate</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

# Annex 3: GRI 2021 Standard and Disclosure Index

Usage Statement: FITI has reported information referenced in the GRI Content Index for the period from January 1 to December 31, 2024, with reference to the GRI Standards.

GRI Version: GRI 1: Foundation 2021

Applicable GRI Sector Standards: None

GRI Standard	Disclosure Item	Corresponding Chapter/Section	Note on Omissions	Page
<b>General Disclosures</b>				
	2-1 Organizational details	About FITI Group		P18
	2-2 Entities included in the organization's sustainability reporting	About the Report/ About FITI Group		P1、P18
	2-3 Reporting period, frequency and contact point			--
	2-4 Restatements of information	About the Report	There are no restatements of information or corrections, nor any supplementary explanations	P1
	2-5 External assurance			P1
	2-6 Activities, value chain and other business relationships	Shared Prosperity: Building a Green and Responsible Supply Chain		P88-P94
	2-7 Employees	Inclusiveness: Empowering People and Communities		P95-P118
	2-8 Workers who are not employees			P95-P118
	2-9 Governance structure and composition	About FITI Group/ Organizational Structure		P18、P44-P51
	2-10 Nomination and selection of the highest governance body			P44-P51
	2-11 Chair of the highest governance body			P44-P51
	2-12 Role of the highest governance body in overseeing the management of impacts	FITI Sustainability Committee and Governance Framework, Board of Directors		P44-P51
	2-13 Delegation of responsibility for managing impacts			P26
	2-14 Role of the highest governance body in sustainability reporting		The highest governance body holds the responsibility for reviewing and approving the information disclosed in the report.	P26
	2-15 Conflicts of interest	Ethics and Integrity, Regulatory Compliance	For disclosed information, please refer to pages 15-16 of the 2024 Annual Report.	P56-P59
	2-16 Communication of critical concerns		In 2024, a total of 5 board meetings were held, covering 23 key matters, of which 2 were related to the promotion of corporate sustainability. For details, please refer to page 15 of the 2024 Annual Report.	-
	2-17 Collective knowledge of the highest governance body	Board of Directors		P46
	2-18 Evaluation of the performance of the highest governance body	Board Performance Evaluation	For disclosed information, please refer to pages 20 of the 2024 Annual Report.	P47
	2-19 Remuneration policies		For disclosed information, please refer to the Preface and pages 14 of the 2024 Annual Report.	-
	2-20 Process to determine remuneration	Compensation Committee		P49
	2-22 Statement on sustainable development strategy	Message from the Chairman		P2
	2-23 Policy commitments	Integration of ESG into Corporate Governance		P51
	2-24 Embedding policy commitments	Regulatory Compliance		P56-P59
	2-25 Processes to remediate negative impacts	Ethics and Integrity, Regulatory Compliance		P56-P58
	2-26 Mechanisms for seeking advice and raising			P56-P58
	2-27 Compliance with laws and regulations			P56-P58
	2-28 Membership associations	Organizational Participation and Responsibility in Driving Sustainability		P23
	2-29 Approach to stakeholder engagement	Stakeholder Engagement		P28-P31
	2-30 Collective bargaining agreements		As no labor union currently exists, there are no collective bargaining agreements in place.	-

GRI Standard	Disclosure Item	Corresponding Chapter/Section	Note on Omissions	Page
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Topics		P32-P41
	3-2 List of material topics			P32-P41
<b>GRI 201: Economic Performance 2016</b>				
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics			
201-1	Direct economic value generated and distributed	Financial Performance		P50
201-2	Financial implications and other risks and opportunities due to climate change	Climate Change Risks and Opportunities		P67
201-3	Defined benefit plan obligations and other retirement plans	Compensation and Benefits		P95-P99
201-4	Financial assistance received from government	Financial Performance		P50
<b>GRI 206: Anti-competitive Behavior 2016</b>				
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics			
206-1	Legal actions for anti-competitive behavior, antitrust, and monopoly practices	Regulatory Compliance	No relevant events occurred during 2024.	P58、P59
<b>GRI 302: Energy 2016</b>				
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics			
302-1	Energy consumption within the organization	Energy		P78、P79
302-2	Energy consumption outside of the organization	N/A	Not applicable.	
302-3	Energy intensity	Energy		P78、P79
302-4	Reduction of energy consumption			P78、P79
302-5	Reductions in energy requirements of products and services	N/A	The information is not yet complete, as SBTi data is under development and collection.	
<b>GRI 305: Emissions 2016</b>				
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics			
305-1	Direct (Scope 1) GHG emissions			P72-P77
305-2	Energy indirect (Scope 2) GHG emissions			P72-P77
305-3	Other indirect (Scope 3) GHG emissions	GHG		P72-P77
305-4	GHG emissions intensity			P72-P77
305-5	Reduction of GHG emissions			P72-P77
305-6	Emissions of ozone-depleting substances (ODS)	N/A	No ozone-depleting substances are generated during the manufacturing process.	-
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		No nitrogen oxides (NOx), sulfur oxides (SOx), or other significant gaseous emissions are produced during the manufacturing process.	-
<b>GRI 303: Water and Effluents 2018</b>				
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics			
303-1	Interactions with water as a shared resource			P80、P81
303-2	Management of water discharge-related impacts			P80、P81
303-3	Water withdrawal	Water		P80、P81
303-4	Water discharge			P80、P81
303-5	Water consumption			P80、P81

GRI Standard	Disclosure Item	Corresponding Chapter/Section	Note on Omissions	Page
<b>GRI 306: Waste 2020</b>				
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics			
306-1	Waste generation and significant waste-related impacts			P82-P85
306-2	Management of significant waste-related impacts			P82-P85
306-3	Waste generated	Waste		P83
306-4	Waste diverted from disposal			P85
306-5	Waste directed to disposal			P85
<b>GRI 401: Employment 2016</b>				
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics			
401-1	New employee hires and employee turnover	Talent Attraction and Retention		P102
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Compensation and Benefits		P95
401-3	Parental leave			P99
<b>GRI 402: Labor/Management Relations 2016</b>				
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics			
402-1	Minimum notice periods regarding operational changes	Integration of ESG into Corporate Governance		P51-P55
<b>GRI 403: Occupational Health and Safety 2018</b>				
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics			
403-1	Occupational health and safety management system			P106
403-2	Hazard identification, risk assessment, and incident investigation			P106 ▶ P107
403-3	Occupational health services			P113
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety (OHS), Contractor Management		P108
403-5	Worker training on occupational health and safety			P111 ▶ P112
403-6	Promotion of worker health			P114
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships			P106
403-9	Work-related injuries			P109
403-10	Work-related ill health			P116 ▶ P117
<b>GRI 404: Training and Education 2016</b>				
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics			
404-1	Average hours of training per year per employee			P103
404-2	Programs for upgrading employee skills and transition	Employee Training and Empowerment		P103 ▶ P104
404-3	Percentage of employees receiving regular performance and career development reviews			P105
<b>GRI 416: Customer Health and Safety 2016</b>				
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics			
416-1	Assessment of the health and safety impacts of product and service categories	Customer Relations, Sustainable Products and Services		P63 ▶ P87

GRI Standard	Disclosure Item	Corresponding Chapter/Section	Note on Omissions	Page
<b>GRI 418: Customer Privacy 2016</b>				
GRI 3: Material Topics 2021	Disclosure 3-3 Management of material topics			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Privacy and Information	No cases of legal non-compliance or complaints occurred during 2024.	P64

# Annex 4: SASB/ FSC Industry Sustainability Disclosure Standards

## FSC Industry Sustainability Disclosure Standards- Semiconductor

No	Accounting Metrics	Nature	Unit of Measure	Chapter/Page
1.	Total energy consumed, percentage grid electricity, percentage renewable		Gigajoules (GJ), Percentage (%)	Energy P78
2.	Total water withdrawal and consumption		Thousand cubic meters (m <sup>3</sup> )	Water P80
3.	Hazardous waste generated and percentage recycled		Metric tons (t), Percentage (%)	Waste P82-P85
4.	Description of occupational injury categories, number of cases, and rates		Number, Percentage (%)	Occupational Health and Safety (OHS) P109
5.	Product lifecycle management: weight of end-of-life products and e-waste, and percentage recycled (including scrap sold or other recovery methods). Disclosure shall describe risk management strategies related to the use of critical materials, identification of material risks in operations, types of risks, mitigation measures, and confidentiality considerations.	Quantitative	Metric tons (t), Percentage (%)	Waste P82-P85
6.	Description of risk management related to the use of critical materials	Qualitative	Not applicable	N/A
7.	Total monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations (including price-fixing, antitrust, patent misuse, or other anticompetitive practices)		Reporting currency (e.g., NTD, USD)	Regulatory Compliance P58
8.	Production volume by major product categories	Quantitative	Varies by product category	Refer to Annual Report, p.84
9.	Greenhouse Gas (GHG) Emissions Inventory 1.GHG emissions over the past two years, including absolute emissions, emissions intensity, and reporting boundary Unit of Measure: Metric tons CO <sub>2</sub> e; Metric tons CO <sub>2</sub> e per million NTD revenue 2.Direct emissions (Scope 1), energy indirect emissions (Scope 2), and other indirect emissions (Scope 3) 3.Disclosure boundary for Scope 1 and Scope 2 emissions in accordance with Taiwan Stock Exchange requirements (Article 4-1, Paragraph 2 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" ); Scope 3 disclosure is voluntary 4.GHG accounting standards applied: GHG Protocol or ISO 14064-1 GHG emissions intensity: per unit of product/service or Unit of Measure: Metric tons CO <sub>2</sub> e per million NTD revenue, with revenue intensity disclosed as metric tons CO <sub>2</sub> e per million NTD	Quantitative	Metric tons CO <sub>2</sub> e Intensity: Metric tons CO <sub>2</sub> e per million NTD	GHG P72-P77

## Sustainability Accounting Standards Board (SASB)–Semiconductors Sustainability Accounting Standard

| Industry Standard | Version 2023-12

Topic	Metric Code	Unit of Measure	Category/type	Disclosure Metric	Chapter/Page	Notes
GHG Emissions	TC-SC-110a.1	Metric tons CO <sub>2</sub> e	Quantitative	1. Total Scope 1 Greenhouse Gas (GHG) Emissions 2. Total Emissions from Perfluorinated Compounds (PFCs)	GHG P72	
	TC-SC-110a.2	Not applicable	Qualitative	Discussion of long-term and short-term strategies or initiatives to manage Scope 1 emissions, emission reduction targets, and performance against those targets.		
Energy Management	TC-SC-130a.1	Gigajoules (GJ), Percentage (%)	Quantitative	1. Total Energy Consumption 2. Percentage of Total Energy from Grid Electricity Percentage of Total Energy from Renewable Sources	Energy P78	Use of Renewable Energy Currently in Planning
Water Management	TC-SC-140a.1	Thousand cubic meters (m <sup>3</sup> ), Percentage (%)	Quantitative	1. Total Water Withdrawal, and Percentage in Areas with High or Extremely High Baseline Water Stress 2. Total Water Consumption, and Percentage in Areas with High or Extremely High Baseline Water Stress and in Water-Stressed Regions	Water P80	Percentage of Total Water Withdrawal 0% and Consumption in Water-Stressed Regions 0%
Waste Management	TC-SC-150a.1	Metric tons CO <sub>2</sub> e, Percentage (%)	Quantitative	1. Weight of Hazardous Waste Generated in Manufacturing 2. Percentage of Waste Recycled	Waste P82	
Employee Health & Safety	TC-SC-320a.1	Not applicable	Qualitative	Description of efforts to assess, monitor, and reduce employee exposure to human health hazards	Occupational Health and Safety (OHS) P116	
	TC-SC-320a.2	Reporting currency (e.g., NTD, USD)	Quantitative	Total Monetary Losses as a Result of Legal Proceedings Associated with Employee Health & Safety Violations		
Workforce Recruitment & Management	TC-SC-330a.1	Percentage (%)	Quantitative	Percentage of Employees Requiring Work Visas		
Product Lifecycle Management	TC-SC-410a.1	Percentage (%)	Quantitative	Percentage of Product Revenue from Products Containing Declarable Substances under IEC 62474	0%	Percentage of Products Free of Declarable Substances under IEC 62474
	TC-SC-410a.2	Varies by Product Category	Quantitative	System-Level Processor Energy Efficiency for: 1. Servers, 2. Desktop Computers, and 3. Notebook Computers	N/A	Not applicable
Materials Sourcing	TC-SC-440a.1	Not applicable	Qualitative	Description of Risk Management Related to the Use of Critical Materials	Shared Prosperity: Building a Green and Responsible Supply Chain P88	
IP Protection & Competitive Behavior	TC-SC-520a.1	Reporting currency (e.g., NTD, USD)	Quantitative	Total Monetary Losses as a Result of Legal Proceedings Associated with Anticompetitive Behavior Regulations	Ethics and Integrity P58	In 2023, FITI Group incurred no monetary losses as a result of legal proceedings associated with anti-competitive behavior.
Activity Metrics	TC-SC-000.A	--	Quantitative	Total Production	Refer to the Annual Report P84	Production Volume of Major Products by Product Category
	TC-SC-000.B	Percentage (%)		Percentage of Production Produced In-House		All Products Produced In-House



# Annex 5: External Assurance Statement

**SGS**

## ASSURANCE STATEMENT

**SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE FOXSEMICON INTEGRATED TECHNOLOGY INC.'S SUSTAINABILITY REPORT FOR 2024**

**NATURE AND SCOPE OF THE ASSURANCE**  
SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by Foxsemicon Integrated Technology Inc. (hereinafter referred to as Fit) to conduct an independent assurance of the Sustainability Report for 2024 (hereinafter referred to as the Report). The assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standard v3 Type 1 Moderate level during 2025/04/24 to 2025/05/29. The boundary of this report includes Fit Taiwan and overseas operational and production or service sites. SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

**INTENDED USERS OF THIS ASSURANCE STATEMENT**  
This Assurance Statement is provided with the intention of informing all Fit's Stakeholders.

**RESPONSIBILITIES**  
The sustainability information in the Fit's Sustainability Report of 2024 and its presentation are the responsibility of the directors and management of Fit. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance based upon sufficient and appropriate objective evidence.

**ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE**  
The assurance of this report has been conducted according to the AA1000 Assurance Standard (AA1000AS v3), a standard used globally to provide assurance on sustainability-related information across organizations of all types, including the evaluation of the nature and extent to which an organization adheres to the Accountability Principles (AA1000AP, 2018).

Assurance has been conducted at a type 1 moderate level of scrutiny.

**SCOPE OF ASSURANCE AND REPORTING CRITERIA**  
The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

**Reporting Criteria Options**

- 1 AA1000 Accountability Principles (2018)
- 2 With reference to the GRI Universal Standards 2021

- AA1000 Assurance Standard v3 Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018) is conducted at a moderate level of scrutiny, and therefore the reliability and quality of specified sustainability performance information is excluded.
- The evaluation of the report against the requirements of GRI Standards is listed in the GRI content index as material in the report and is conducted with reference to the Standards.

**ASSURANCE METHODOLOGY**  
The assurance comprised a combination of desktop research, interviews with relevant employees, superintendents, Sustainability committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant.

**LIMITATIONS**  
Financial data drawn directly from independently audited financial accounts, Task Force on Climate-related Financial Disclosures (TCFD), SASB, The Taskforce on Nature-related Financial Disclosures (TNFD) have not been checked back to source as part of this assurance process.

**INDEPENDENCE AND COMPETENCE**  
The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from Fit, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with professional qualifications such as ISO 26000, ISO 20121, ISO 50001, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

**FINDINGS AND CONCLUSIONS**  
**ASSURANCE OPINION**  
On the basis of the methodology described and the assurance work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the AA1000 Accountability Principles (2018).

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

**ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)**

**INCLUSIVITY**  
Fit has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, CSR experts, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns.

**MATERIALITY**  
Fit has established effective processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

**RESPONSIVENESS**  
The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

**IMPACT**  
Fit has established processes to understand, measure, evaluate and manage the sustainability impacts that are applied across the organisation under the governance of senior management, including key cross-functional involvement. Impacts that encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services were identified with qualitative, quantitative or monetised measurements. Details on how impacts are expected to be managed through existing target-settings may be further described in future reports.

**ADHERENCE TO GRI**  
The report, Fit's Sustainability Report of 2024, is reporting with reference to the GRI Universal Standards 2021. The significant impacts were assessed and disclosed with reference to the guidance defined in GRI 3: Material Topic 2021 and the relevant 200/300/400 series Topic Standard related to the material topics claimed in the GRI content index. The report has properly disclosed information related to Fit's contributions to sustainability development. To strengthen the transparency and completeness of the sustainability report, it may be beneficial to report on GRI 2-21, which can help ensure the report meets best practices and stakeholder expectations in the future.

**Signed:**  
For and on behalf of SGS Taiwan Ltd.

  
Stephen Pao  
Business Assurance Director  
Taipei, Taiwan  
18 June, 2025  
[WWW.SGS.COM](http://WWW.SGS.COM)

  
AA1000  
Licensed Report  
000-8/V3-GRYJG

# Sustainability Report

<https://www.foxsemicon.com>



This report is published on the official website of FITI Group for interested stakeholders' reference. If you have any questions or suggestions, please feel free to contact us.

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