



2024 ESG Report

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About the Report

This Report is the third Sustainability Report published by PANJIT INTERNATIONAL INC. (hereinafter referred to as PANJIT), including PANJIT's strategies, management structure, and outcomes in Environmental, Social, and Governance aspects. The Report is divided into chapters of Sustainable Management, Integrity Governance, Responsible Supply Chain, Environmental Protection, People Orientation and Social Inclusion as the main structured around. PANJIT published the Sustainability Report annually and disclose its outcomes of ESG management to strengthen communication and engagement with its stakeholders.

Boundaries and Scope of the Report

The reporting period of this Report was from January 1 to December 31, 2024, with partial inclusion of information from periods before or after 2024 where appropriate. The boundary of disclosure covers PANJIT's operating bases in Taiwan (Gangshan Factory, Yongan Factory, Taipei Operation Center, Hsinchu R&D Center). The financial data presented in this Report are consistent with PANJIT's audited financial statements, which are publicly disclosed by certified public accountants (CPAs). and the currency used is New Taiwan Dollars (NTD). The scope of disclosure of this Report did not include subsidiaries and overseas bases in the consolidated statements. For relevant information of affiliated companies, please refer to [2024 PANJIT INTERNATIONAL INC. Consolidated Financial Statements of Affiliated Enterprises](#). If discrepancies in disclosure scope arise from the above or if there are instances of historical data restatements, notes will be provided in the text.

Issuance Date of the Report

PANJIT issues the Sustainability Report every year. The issuance of the Report coincides with the reporting period of the annual individual financial statements. The content is uploaded to FSC's Market Observation Post System (MOPS) and publicly published on the Company's official website.

Issuance Date: June 30, 2025

Contact Information

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[Official
website](#)

Reporting Principles

This Report was compiled in accordance with the latest GRI Standards 2021 published by Global Sustainability Standards Board (GSSB) and the regulations stipulated in the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies while sustainability indicators and initiatives such as the SASB Standards published by International Sustainability Standards Board (ISSB), Task Force on Climate-related Financial Disclosures (TCFD), and UN's Sustainable Development Goals (SDGs) were referred to as the principles for the report structure preparation and information disclosure. The index table of the above content is detailed in [Appendix I~ Appendix IV](#).

Review and Assurance of the Report

PANJIT established the ESG Sustainable Development Committee on March 1, 2022, and in January, 2024, the board of directors approved the establishment of the Sustainable Development Committee as a board-level functional committee. In response to the adjustment of the sustainable development governance structure, the ESG Corporate Sustainable Development Committee was been renamed the ESG Promotion Office, which oversees the Environmental Sustainability Steering Group, Social Responsibility Steering Group and Sustainable Governance Steering Group. The content and data of this Report were provided by the members of the ESG Promotion Office. After the department heads conducted an initial review of the content and the accuracy of sustainability performance indicators, the ESG Executive Secretary coordinated the data verification, content planning, editing and revision. Since the 2024 material topic identification was completed after that year's board meeting, the ESG Promotion Office provisionally approved the results. In the future, depending on the schedule, the Company plans to submit the results of material topic identification to the board for approval in the following year to strengthen the supervisory functions of the board.

After compilation of the Report, it was assured by SGS Taiwan, Ltd, an impartial third-party verification agency in accordance with the AA1000 Assurance Standard (AA1000 ASv3) to ensure the compliance with the principles of Inclusivity, Materiality, Responsiveness, and Impact between March 10 and April 23, 2025. The verified Sustainability Report was submitted to the Sustainability Development Committee for review, reported to the board of directors by the Sustainability Development Committee, and finalized and published upon the approval of the board of directors. The verification of the GHG emissions in 2024 will be completed in March, 2025, and it is expected to obtain the ISO 14064-1 certification in June, 2025.



Message from Top Management

In 2024, the world continued to face drastic changes. The intensifying geopolitical tensions, the restructured supply chain, and the rapid advancement of generative AI and high-performance computing were rewriting corporate business logic and the rules of sustainable competition and redefining various industrial layouts. The international community's expectations for corporate sustainability (ESG) have evolved beyond visionary statements, it is now a test of actual actions and performance of corporate value chains. At this critical crossroads, as an important supply chain partner of the global semiconductor industry, PANJIT sees sustainability as the foundation of its competitive advantage. We adhere to the core business principles of "innovation, growth, responsibility, and sustainability", comprehensively implementing ESG actions from governance structure, operating strategies to cultural connotation.

In 2024, we remained true to our core values while proactively adapting to change and moved forward amid volatility while working on innovation in the changing situation. We continued to deepen our presence in global markets, promoted sustainable governance and technological innovation, striving to seize opportunities and create value in uncertain times, create long-term value and build PANJIT into a trustworthy sustainable corporate brand.

Global Layout and Sustainable Governance

In the face of a new wave of industrial revolution driven by AI, the global semiconductor industry is undergoing a historic and transformative shift. PANJIT has actively invested in smart manufacturing and digital transformation, optimizing every stage from product R&D to process management, and has obtained multiple R&D patents and successfully introduced them into mass production to continue the strengthening of our core competitiveness and provide more stable and forward-looking solutions to our customers.

Amid the rising global political, economic, and geopolitical risks, PANJIT remains committed to deepening our global layout strategy and comprehensively strengthens our supply chain responsibility governance and strategic partner collaboration. In 2024, we have further adopted ESG as the main axis of action, expanding overseas operations and promoting localized development while integrating risk control and value co-creation into our global operation network. We completed RBA audits on 54 suppliers throughout the year, with the pass rate of 100%. Meanwhile, we also continue to push direct material suppliers to complete ISO 14064-1 inventory and ISO 50001 energy management, improve energy conservation and carbon reduction outcomes, build a green supply chain that takes into account both environmental protection and efficiency, strengthening the resilience of the overall supply chain for the implementation of common good for our partners.

In the high-risk environment of the digital age, we have systematically introduced a cybersecurity governance framework, established internal and external audit mechanisms, and officially obtained ISO 27001 Information Security Management System certification in 2024. From system design to risk management, we ensure operational transparency and safeguard stakeholders' information security, fully demonstrating our commitment and action to "uphold integrity and work together for shared success" .

Deepen Environmental Commitment, Implement Carbon Neutrality Goal

With the vision of “Strengthening green energy development for the sustainable management of PANJIT Group” , we focus on three major directions of energy conservation, waste reduction and utilization, and green energy and environmental sustainability to firmly promote the carbon neutrality goal, implement PANJIT’s commitment to environmental sustainability and stay dedicated to achieving the goal of carbon neutrality by 2040.

In addition to the ongoing development of our existing environmental system platform, we plan to actively participate in the SBTi initiative in 2024 and plan as well as implement short-, medium-, and long-term climate action plans, and ensure transparent and credible sustainable results through a third-party verification system.

In 2024, we saved 1,664,380 kWh of electricity (reducing carbon emissions by 822.20 metric tons of CO₂e), generated 181,876.55 kWh of solar power, and recovered 65,958 metric tons of

water (recovery rate of 19.20%). At the same time, we also promoted resource recycling and waste reduction, and recycled 245.94 metric tons of waste rubber for reuse, an annual increase of 92.37%. Through systematic actions and concrete results, PANJIT continues to deepen its climate resilience and built more resilient and responsible process and operating models.

In terms of environmental action, we continue to participate in environmental actions as an enterprise and combine it with environmental education, inviting local schools to continue to participate in Love the Earth- Tree Planting, the wetland tree planting activities. In addition, we also work with local organic smallholder farmers and provide healthy organic vegetables for our employees to purchase and to enjoy in the staff canteen, Moreover, through the power of education and knowledge transfer, we enhance the awareness of environmental protection among employees and stakeholders, be friendly to the environment, integrate it into life, and do our utmost for environmental sustainability.

People-oriented, Creating a Happy Corporate Culture

PANJIT believed that employees are the most solid foundation of an enterprise. Therefore, we are committed to creating a people-oriented organizational culture and a safe, healthy, respectful, and inclusive working environment. With the vision of “Creating a happy corporation that employees are proud of” , we promote human rights protection, a diverse and inclusive talent strategy and a complete welfare system to ensure that every employee can develop with peace of mind in a fair, safe, and non-discriminatory workplace.

In 2024, there were no incidents of discrimination, forced labor, or human rights violations, demonstrating the Company’s strong commitment to corporate social responsibility. We also progressed to the point of achieving the Committed Badge on EcoVadis supply chain sustainability assessment platform.

Meanwhile, we promoted ESG+ value activities internally. Guided by ESG approach that emphasizes both knowledge and health, four sessions of ESG lectures and four health courses were held to implement the concepts of sustainability and health into every family and daily lives of our employees. The employee trust launched in 2022 has achieved a participation rate of 88.66% as of the end of 2024, which further strengthened the economic security and cohesion of our employees.

Furthermore, we are firmly convinced that the corporate achievements come from social

support, and the responsibility of an enterprise should be giving back to society. We continue to promote environmental protection, foundational education, social welfare, and a culture of volunteerism, mobilizing cross-sector resources and uniting collective efforts to drive sustainable and inclusive growth. We are actively engaged in various public welfare and sustainability initiatives, From the perspective of health, we promote healthy eating and environmental consciousness through initiatives such as Vegetarian Day and the incorporation of organic vegetables into meals. These efforts encourage our employees to adopt healthier dietary habits while also supporting environmental protection.

From social perspective, we have made long-term donations for teaching equipment and nutritious lunches to five elementary schools in Gangshan. Corporate volunteers from our Company also go into schools and provide diverse courses to inspire students to pay attention to knowledge and the environment. At the same time, we continue to practice our care and humanitarian commitment to the disadvantaged groups through donating to House of the Little Angels Kaohsiung, regular blood donations by employees and volunteer participation.

Behind these achievements lies the dedication of every employee and the trust of our community partners. We firmly believe that enterprises are part of the community with a shared future for society. Only by working hand in hand can we create a truly sustainable future.

The Future has Come

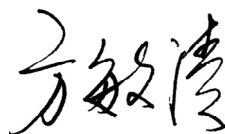
Every step PANJIT takes is based on the persistence of the original intention of corporate management and the belief in coping with future changes. From environmental sustainability to social prosperity, from technological innovation to ethical governance, we continuously embed ESG values into our operational management and decision-making culture, creating a transparent, accountable, and prosperous sustainable operating model.

Looking into the future, we will actively pay attention to major global changes, and further deepen the five core ESG strategies, and ensure that every action is sustainable, systematic, and highly relevant. We are committed to open dialogue, scientific management, and ethical governance as the foundation for accurately responding to the expectations and needs of our stakeholders. Through concrete results, we aim to fulfill our commitments to the environment, society, and corporate governance.

PANJIT is convinced that the path toward corporate sustainability is not a journey to take alone. We promise to continue working with our global supply chain partners with a higher vision and deeper social responsibility with greater confidence and stronger strength, to become a trustworthy model of sustainability in the global semiconductor supply chain, to create common prosperity, and to weave a better future together.

PANJIT INTERNATIONAL INC.

Chairman & President,
Fang, Ming-Ching




Awards and Recognition



Sustainable Performance

It is our responsibility to create a future with sustainable development.

E Environmental Aspect

- The total of energy savings in 2024 was 1,664,380kWh/ year, equivalent to an approximate greenhouse gas reduction of 822.20 tCO₂e.
- The solar power generation in 2024 was 181,876.55 kWh, with self-consumption accounting for 26,272.55kWh.
- In 2024, there was a total of 87.33 tons of hazardous industrial waste.
- The recycling rate of e-waste in 2024 was 98.77%.
- The sludge treatment amount in 2024 was 83.78 metric tons.
- The volume of waste plastic recycled into hollow bricks in 2024 reached 245.94 metric tons, a 92.37% increase over 2023.
- In 2024, there was no improper disposal of waste or incidence of shipping waste overseas for processing.
- The amount of water recovered in 2024 was 65,958 metric tons, with the recovery rate of 19.20%.
- The wastewater monitoring in 2024 was compliant with legal requirements, with no significant adverse effects on the surrounding water environment.

S Social Aspect

- There were no negative incidents of human rights violations or labor disputes in 2024.
- In 2024, female employees accounted for 63%, and they shared the same opportunity to give full play to their talents
- The number of employee arrivals and departures in 2024 remained within 5% to maintain a stable status of human resources.
- In 2024, the proportion of employees participating in employee share ownership trust plan was 88.66%.
- There were no major occupational accidents or diseases among employees and non-employee workers in 2024.
- In 2024, a total of 54 suppliers' RBA audits were completed, with the passing rate of 100%.
- In 2024, the smelting plant was 100% compliant with Commitment Not to Use Conflict Minerals.
- In 2024, all products were compliant with RoHS directive and did not violate any product health and safety-related regulations.
- There were no leakage of customer data or major cyber security incidents in 2024.
- The customer satisfaction reached 100.73% in 2024.
- In 2024, the public welfare expenditures of PANJIT reached NT\$ 750,000.

G Governance Aspect

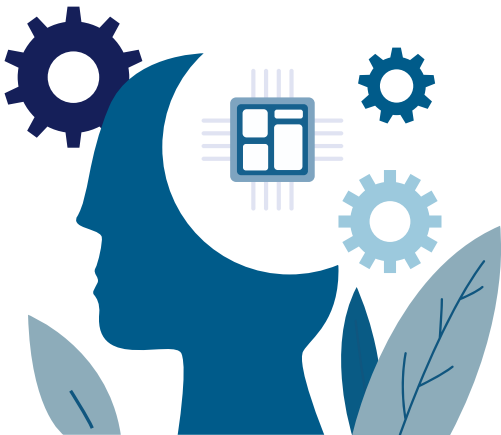
- In 2024, the consolidated operating revenue was NT\$ 12,536,212 thousand, and the net profit after tax amounted to NT\$ 1,077,404 thousand.
- In 2024, a total of 25 patent applications were filed, and as of 2024, the number of approved and currently valid patents was 47.
- The performance of SGT MOS technology platform is comparable to the top three competitors in the world.
- There were no incidents related to corruption or legal incidents and litigations in relation to anti-competitive behavior, antitrust, and monopoly behavior in 2024.
- There were no major violations or negative news in 2024.

About PANJIT



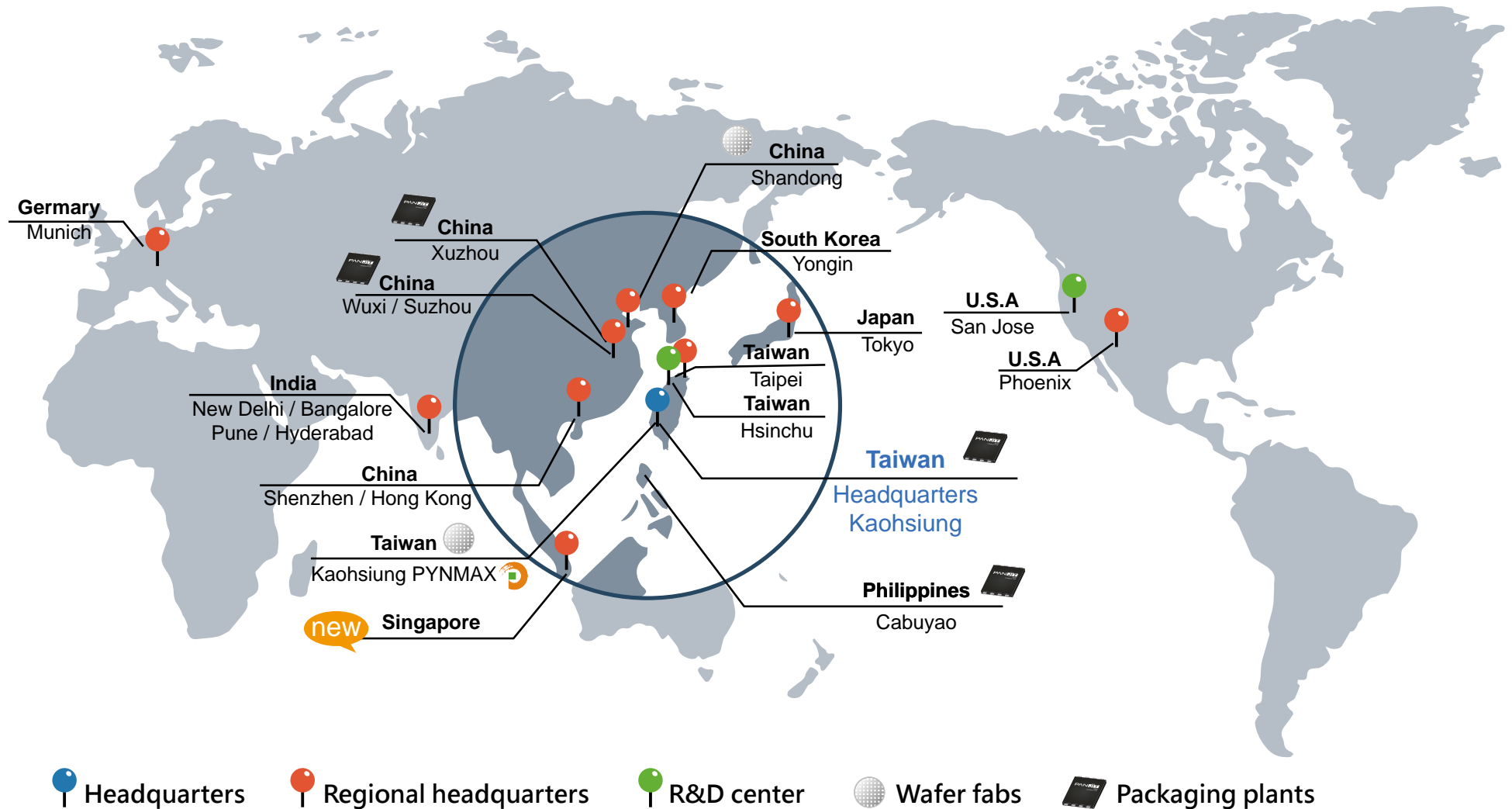
PANJIT International Inc. was founded in May 1986, and is the world’s leading semiconductor manufacturer and IDM, providing discrete products to the global community. Its services include chip design, manufacturing, packaging, along with testing and sales. With innovation, core technical capabilities and provision of solutions, PANJIT launches new generations of wafers and products with high efficiency, continues to develop thin packaging technology, expands wafer production capacity, improves R&D technology for high-power products and design capabilities of power IC design, making PANJIT a trustworthy partner for its customers.

In recent years, with its self-developed semiconductor chips and packaging advantages, PANJIT has continued to develop silicon-based power semiconductor components, such as Si Power MOSFETs, Insulated-Gate Bipolar Transistors (IGBTs), Fast Recovery Epitaxial Diodes (FREDS), and third-generation semiconductors (or wide bandgap semiconductors) silicon carbide (SiC) devices such as SiC SBDs, SiC MOSFETs, and other advanced products.

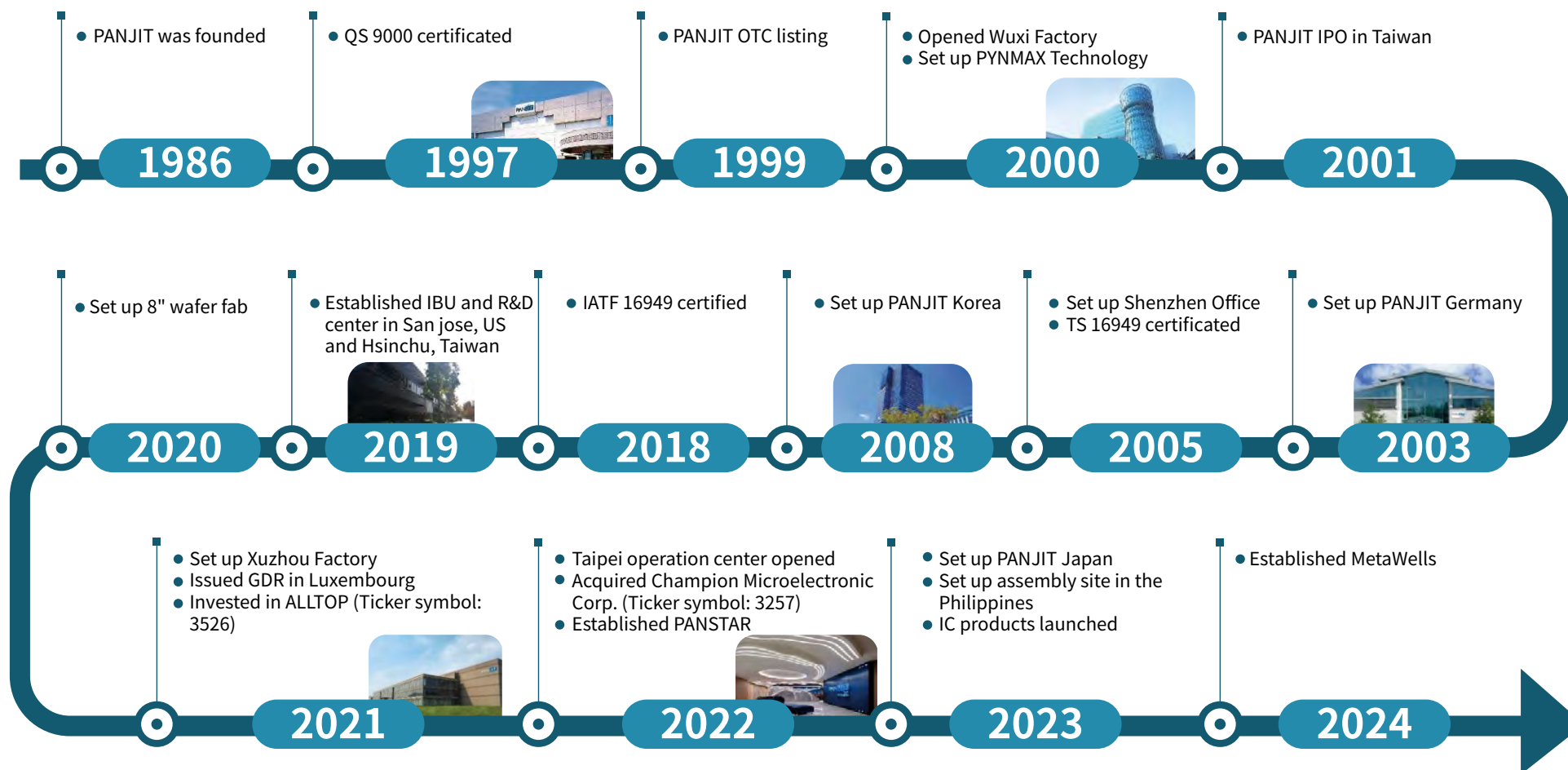


Company Profile	
Company Name	PANJIT International Inc.
Nature of the Company	Publicly listed company (Ticker symbol 2481)
Date of Establishment	May 20, 1986
Listing Date	September 17, 2001
Industry	Semiconductor industry
Main Products	PANJIT manufactures and markets discrete semiconductors, power components and control modules under its own brand, while also providing OEM services. Its product portfolio includes MOSFETs, transistors, integrated circuits (ICs), IGBTs, rectifier diodes, surge suppressors, small signal components, and third-generation semiconductors.
Share Capital	NTD 3,821 billion (as of December 31, 2024)
Number of Employees in Taiwan	1,478 people (as of December 31, 2024)
Chairman & President	Fang, Ming-Ching
Headquarters Address	No.24, Gangshan N. Rd., Gangshan Dist., Kaohsiung City in Taiwan
Contact Number	07-621-3121
Website	https://www.panjit.com.tw/en

PANJIT's Global Business Layout



Company History



Products and Services

Major Applications of Products

01

Automotive



Lighting, Body & Comfort, Infotainment, Pump, On Board Charger

02

Computing



Notebook, Motherboard, SSD, Server, Data center

03

Consumer



TV, White/Black goods, Game console, Smart watch, PC camera

04

Industrial & Green Energy



PV Inverter, DC fan, Robot, Server fan, EV charger, Motor, Medical

05

Power Supply



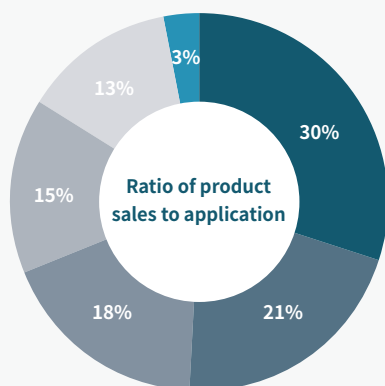
PD Charger, Power adapter, UPS, DC-DC Brick module, ATX/Server Power

06

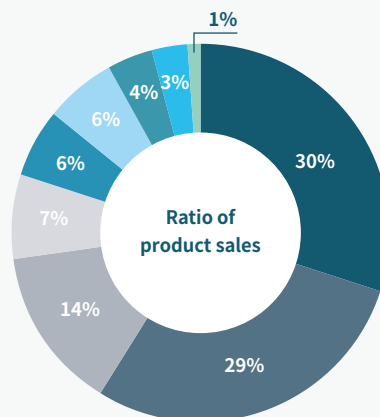
Communication



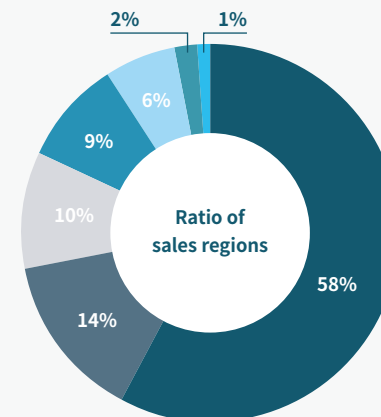
POE, Mobile, Base station



- Automotive
- Consumer Electronics
- Industrial & Green Energy
- Computing
- Power Supply
- Communication



- MOSFET
- Schottky
- Rectifier
- TVS
- Zener
- Switching
- ESD Diode
- BJT
- SiC



- China
- Taiwan
- Europe
- Korea
- Southeast Asia
- Americas
- Japan



EDS Leadership Summit 2024

The EDS Leadership Summit aims to promoting cooperation and innovation within the electronics industry. It helps participants expand their business networks and provides up-to-date, in-depth industry knowledge and insights. The event strengthens connections with industry leaders, uncovers new business opportunities, and deepens understanding of electronics industry trends.

PANJIT participated in the 2024 EDS Leadership Summit held at Resorts World, Las Vegas, from May 21 to 23. During the event, PANJIT showcased a wide range of semiconductor solutions, including ICs, IGBTs, MOSFETs, Schottky diodes, SiC devices, ultra-low forward voltage bridge rectifiers, TVS diodes and ESD protection components. These products are specially designed for automotive, power supply, and new energy sectors. PANJIT also invited key channel partners and representatives to the summit to discuss potential collaborations, explore the latest industry trends, and demonstrate the company's commitment to delivering innovative, high-performance products that meet diverse application needs.



2024 Corporate 1.5°C Forum

The Business 1.5°C Forum, organized by the Commonwealth Sustainability Forum, aims to recognize companies actively committed to the 1.5°C target of the Paris Agreement, highlighting the industry's responsibility and contribution to climate action.

In 2024, PANJIT was honored with the 19th place in the "Business 1.5°C Forum" ranking. This recognition affirms PANJIT's ongoing efforts in carbon reduction, environmental governance, and sustainable development.

PANJIT is committed to minimizing carbon emissions through process optimization, energy-efficient technologies, and the use of low-carbon materials. We also work closely with supply chain partners to advance net-zero transition. In addition to investing in the development of high-efficiency semiconductor products, PANJIT actively adopts renewable energy to reduce the environmental impact of production.

Looking ahead, we will continue to promote energy-saving and carbon-reduction technologies while collaborating with global customers and supply chain partners to realize a shared vision of green semiconductors that deliver resilient and competitive sustainable solutions for the industry.



NEPCON Thailand 2024

In 2024, PANJIT participated in NEPCON Thailand, showcasing its latest semiconductor products and technological solutions.

NEPCON Thailand is a key electronics manufacturing exhibition in Southeast Asia, attracting numerous international exhibitors and professional visitors. PANJIT's participation aimed to expand its presence in the Southeast Asian market, strengthen regional cooperation, and highlight its innovation capabilities in the semiconductor field.

During the exhibition, PANJIT presented a range of new products and engaged in in-depth discussions with potential customers and partners, further enhancing its brand visibility and influence in the international market.



electronica India 2024

In 2024, PANJIT participated in electronica India 2024—the largest electronics industry exhibition in India—showcasing its latest technologies and product solutions in the field of power semiconductors. As a premier event for electronic components and manufacturing technologies in India and the South Asian region, the exhibition brings together global industry leaders and professionals, providing a key platform for networking and collaboration.

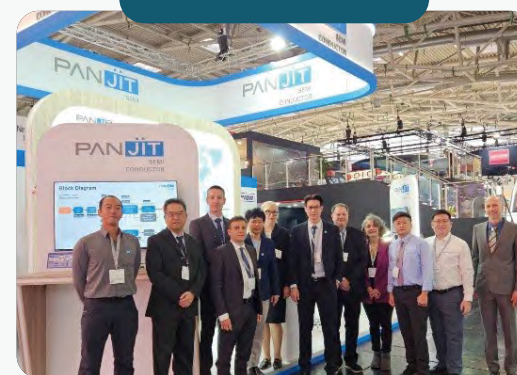
At this year's exhibition, PANJIT highlighted its innovations in power semiconductors, power management, and automotive electronics. The company introduced high-performance solutions designed to meet the specific needs of the Indian market while complying with international standards. Through this event, PANJIT not only strengthened relationships with local customers and partners but also further expanded its presence in the South Asian market, reinforcing its competitiveness in the global electronics supply chain.



electronica Munich 2024

At electronica Munich 2024, PANJIT presented a comprehensive range of semiconductor products designed for BLDC motor control, automotive electronics, and power management IC solutions. These technologies not only enhance performance but also align with global trends in energy efficiency and carbon reduction, empowering customers to develop more sustainable electronic applications.



PANJIT is committed to collaborating with global industry partners to drive the advancement of high-performance and eco-friendly electronics. Through live product demonstrations and technical exchanges at the exhibition, PANJIT provided visitors with a deeper understanding of its commitment to improving energy efficiency, reduce carbon footprint, and strengthen supply chain sustainability, working together toward a greener and more efficient future for the electronics industry.



Industrial Exchanges

PANJIT participates in industrial associations and actively engages with their members to strengthen its understanding of industry trends, market information and government regulations while improving cooperation with other enterprises and organizations to facilitate the Company's development in various fields.



Category	Association	Qualification
 Promotion of industrial economy	Taiwan Electrical and Electronic Manufacturers' Association	Member
	Taiwan Industrial Holding Association	Member
	Taiwan Ciaotou Science Park Academia Industry Consortium	Member
	Taiwan Automation Intelligence and Robotics Association	Member
	Kaohsiung Entrepreneur Association	Member
 Exchanges of professional fields	Chinese Society for Quality	Member
	Kaohsiung Personnel Representative Association (KPA)	Member
	The Institute of Internal Auditors- Chinese Taiwan	Member
	Taiwan Climate Partnership	Member
 Social sustainability services	Friends of the Police Association, Kaohsiung City	Consultant (Supervisor) (Lai, Tsun-Chien)
	The Fifth Brigade of the Volunteer Fire Brigade of Kaohsiung City	Consultant (Supervisor) (Lai, Tsun-Chien)

1 Sustainable Management

1.1 ESG STRATEGY AND IMPLEMENTATION	18
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1.1 ESG Strategy and Implementation



PANJIT's ESG Corporate Sustainability Development Committee was established on March 1, 2022. To demonstrate our determination of sustainable development and continue to improve the supervision and management of sustainability issues, it was approved by the board of directors on January 26, 2024 to establish the Sustainable Development Committee, a functional committee under the board of directors. The original ESG Corporate Sustainability Development Committee was adjusted and renamed ESG Promotion Office and maintains the original establishment. The Sustainability Development Committee is convened by the chairman of the board of directors and all independent directors serve as the committee members. By more closely linking the corporate sustainable operations with board governance, we improve our sustainable development strategies and continue to promote sustainable governance culture for the creation of long-term corporate value.

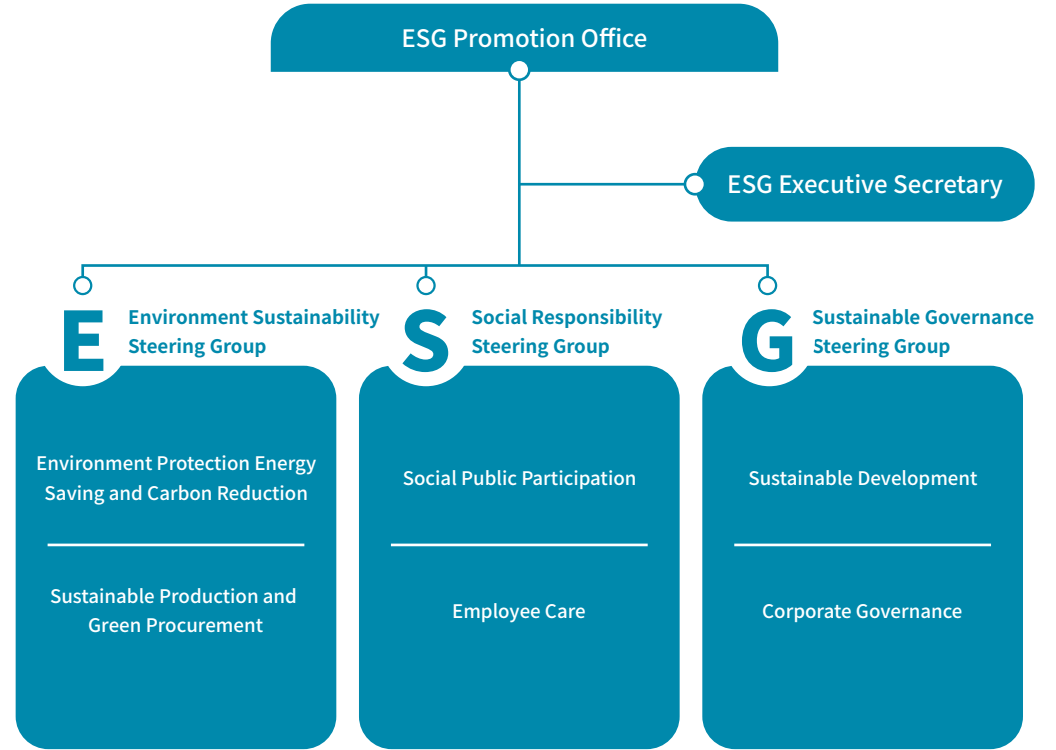
The Sustainability Development Committee is responsible for setting and developing the Company's sustainability strategies, goals, and related management approaches, leading the sustainability team to propose and implement specific promotion plans, and continuing to deepen and implement the Company's sustainable development vision. The committee meets at least once a year, and reports to the board of directors on the implementation of ESG-related issues and sustainable information results. The board of directors makes suggestions for the implementation of the management approaches, strategies, and formulation of goals and supervises the implementation of measures. PANJIT communicates with the board of directors on key major events, including material transaction proposals, ESG-related implementation status, and matters stipulated by the competent authorities. In 2024, a total of 35 proposals were resolved by the board of directors, and a total of 4 reporting matters concerning ESG-related issues were reported.

Key Points of ESG Issues Reported to the Board of Directors in 2024

Time of Report	Content of Report
March 8, 2024	<ul style="list-style-type: none"> Report on PANJIT’s GHG inventory and verification schedule progress Report on the GHG inventory and verification schedule planning of subsidiaries Report on the promotion status of integrity management
May 9, 2024	<ul style="list-style-type: none"> Approval of the Sustainability Report Report on PANJIT’s GHG inventory and verification schedule progress Report on the GHG inventory and verification schedule planning of subsidiaries Results of stakeholder communication Impacts and countermeasures of climate-related risks and opportunities The operation of risk management Intellectual property management project and implementation status
August 9, 2024	<ul style="list-style-type: none"> Report on PANJIT’s GHG inventory and verification schedule progress Report on the GHG inventory and verification schedule planning of subsidiaries
November 8, 2024	<ul style="list-style-type: none"> Report on PANJIT’s GHG inventory and verification schedule progress Report on the GHG inventory and verification schedule planning of subsidiaries

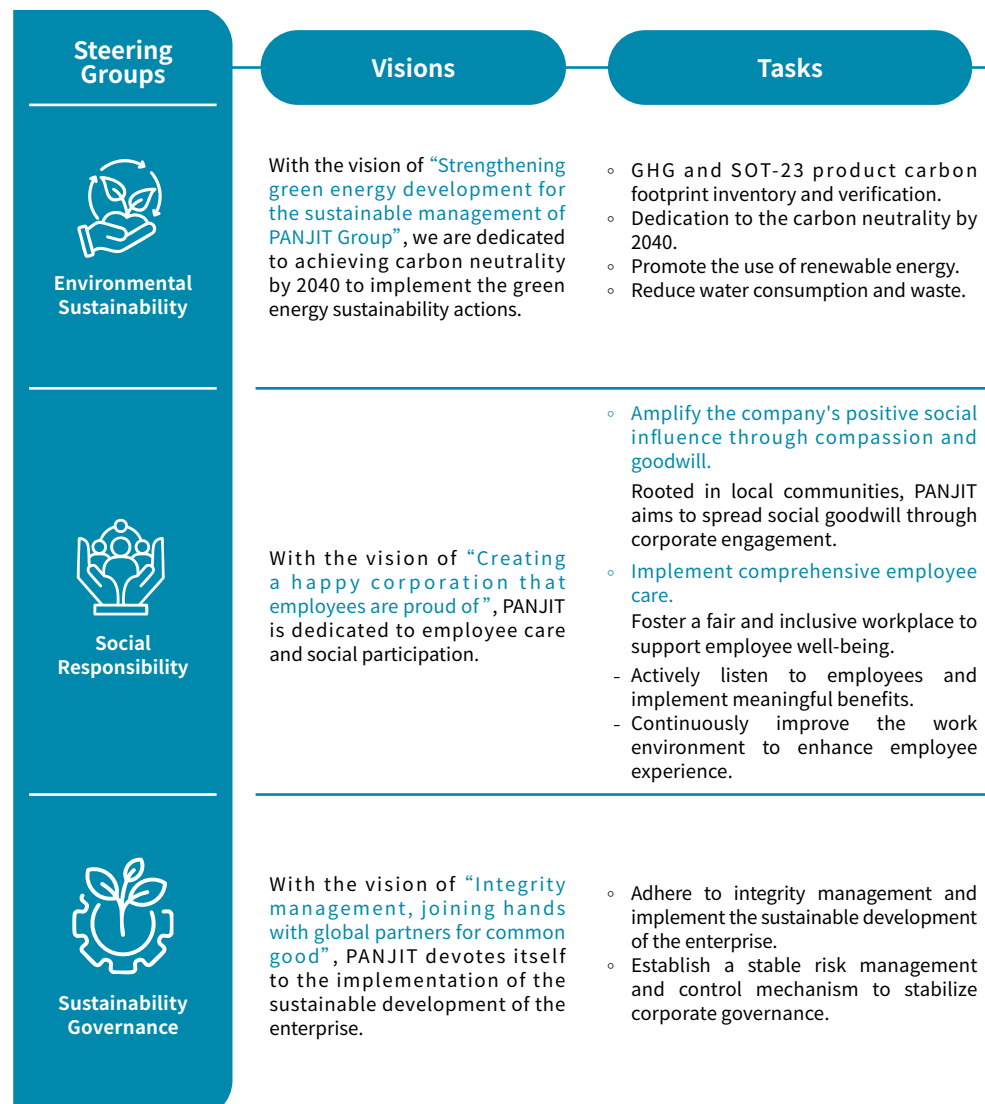
The president serves as the convener of the ESG Promotion Office, and under which are the Environment Sustainability Steering Group, Social Responsibility Steering Group and Sustainable Governance Steering Group that are in charge of the implementation of corporate sustainable development plans and the resolutions of the Sustainability Development Committee. The Executive Secretary and the heads of each promotion team report the sustainable development results to the president at least once a year, and the president will then summarize and report to the Sustainability Development Committee, which will then be reported to the board of directors on a yearly basis. We will continue to work for the achievement of ESG goals and implement ESG strategies and organize ESG development sustainably. The ESG Promotion Office framework and the sustainable operation responsibilities are as follows.

ESG Promotion Office



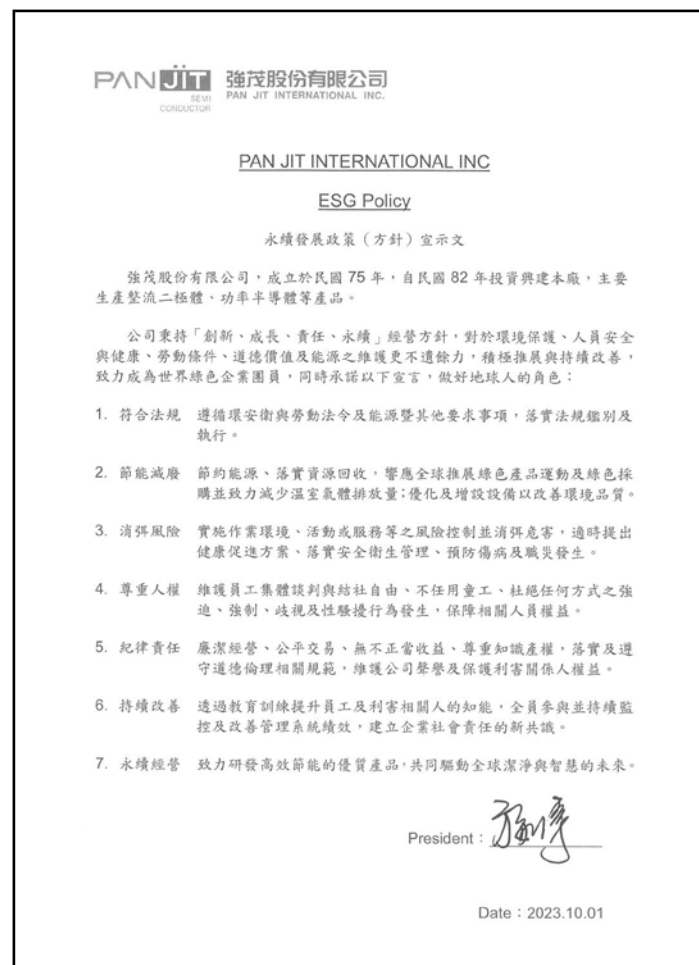
Note: This Organizational Structure of the ESG Promotion Office was announced upon the approval of the president and CHRO.

Visions and Tasks of the Three Promotion Teams of the ESG Promotion Office



Declaration of Corporate Sustainable Development Policy

PANJIT has been upholding the business principles of “innovation, growth, responsibility, and sustainability”, sparing no efforts in environmental protection, occupational safety and health, labor conditions, moral values and energy. In 2023, we formulated the Declaration of Corporate Sustainable Development Policy and published it on the website after being approved by the president.



▲ See for details

1.2 Materiality Analysis

PANJIT conducted materiality assessment in accordance with the disclosure principles of “GRI 3: Material Topics”, and conducted the impact significance assessment of the “extent of negative (positive) impact of PANJIT’s operating activities on the external environment, society (people and human rights), and economy”, and the “extent of possible negative (positive) impact of each sustainability topic on PANJIT”. We further distributed the questionnaire of stakeholder concern to learn about the level of stakeholders’ concern about each sustainability topic, and the Promotion Team members of the ESG Promotion Office had discussions with sustainability consultants to identify material topics. PANJIT then disclosed the management actions and target strategies in the form of Management Approaches based on the evaluation results. The evaluation process of material topics includes the following seven steps.

The Evaluation Process of Material Topics

1

Understand the organizational context and collect sustainability topics

We referred to sustainability standards and norms (GRI、SASB、RBA、TCFD), MSCI Sustainability Institute, UN’s Sustainable Development Goals (SDGs) and so on while at the same time collected the opinions from the stakeholders, important industry issues, domestic and foreign trends and sustainability consultants’ suggestions and summarized a total of 18 sustainability topics covering the aspects of corporate governance, environment, and society.



Sustainability Topics

E Environmental

- Climate Change Responses
- Water Resources
- Air Pollution
- Water Resources
- Biodiversity

S Social

- Talent Attraction and Retention
- Talent Cultivation
- Occupational Safety and Health
- Employee Diversity and Equal Opportunities

G Governance

- Business Performance
- Governance and Integrity
- Taxes
- Innovative R&D and Patents
- Supply Chain Sustainable Management
- Information Security Management

Note :

- 1.This year, “Human Rights” is listed as a basic topic, and relevant content is disclosed in this Report. In addition, when conducting the materiality assessment of each sustainability topic, human rights impacts have been fully put into consideration. Therefore, it is not listed as the sustainability topic for materiality assessment.
- 2.This year, “Local Community” is included in “Social Participation”, and “Integrity Management” is renamed “Governance and Integrity” to make the topic more comprehensive.



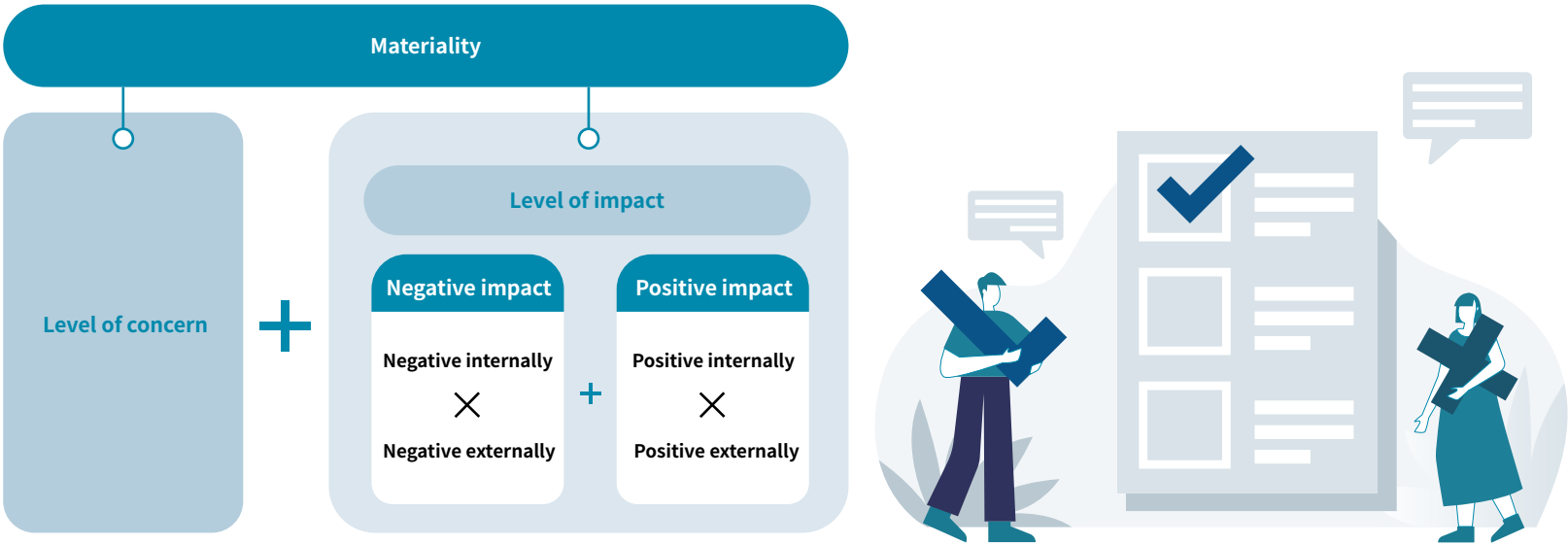
To incorporate stakeholders’ concerns into the impact assessment process, PANJIT distributed the questionnaire of stakeholder concern in 2024 to communicate with its six major stakeholders to understand their level of concern about the sustainability topics. In 2024, a total of 121 copies of questionnaires were collected, and the questionnaire scores were used as one of the evaluation parameters for material topics identification.

The Promotion Team members of the ESG Promotion Office made assessments of the negative impacts and positive impacts of the 18 sustainability topics externally (on the environment, society and economy) and internally (on PANJIT), and

- The actual and potential **severity** and **likelihood** have to be put into consideration for negative impacts.
- The actual and potential **importance** and **likelihood** have to be put into consideration for positive impacts.

The rating scale ranged from 1 to 5 points, from very low impact (1 point) to very high impact (5 points).

Note: “Severity” considers its scale, breadth, and irreversibility; “Likelihood” considers its probability or frequency of occurrence; “Importance” considers the scale and breadth of its impact.



5

Prioritize the orders of report

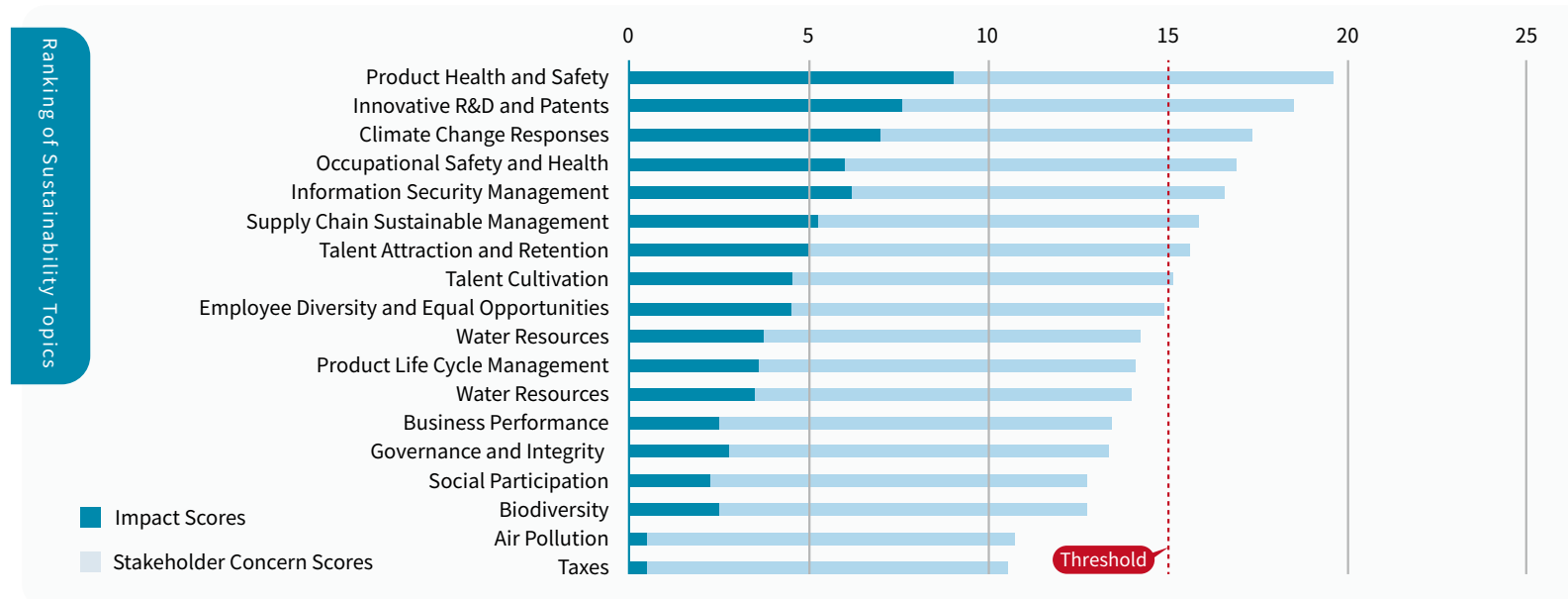
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Identification of material topics

7

Responses and management

Prioritization of the 18 sustainability topics was conducted based on the results of their significance, with an average of 15 points set as the threshold, and priority was given to discussing topics above the threshold.



After completing the prioritization of the sustainability topics, the members of the ESG Promotion Office and the sustainability consultants had discussions and considered the current operating status and integrity of the Company. Finally, eight material topics were selected for priority reporting and disclosed the information of their Management Approaches. This year, the main difference in the material topics was that there was no disclosure of the additional Management Approach of the topic of “Human Rights Management”, and the relevant information of such topic is incorporated in the corresponding sustainability topics, such as “Supply Chain Sustainable Management” and “Employee Diversity and Equal Opportunities” for disclosure.

Based on the results of the material topics identification, PANJIT’s management actions and performance results are disclosed. In addition, the short-, medium-, and long-term indicators and goals are set, with the responsible units serving as the promoters. The key points in the Management Approaches are followed, and regular review of the progress and attainment of goals is conducted on a yearly basis.

List of Material Topics

Material topics		Description of impact	Level of involvement	Corresponding sustainability standards (topics)	Corresponding chapters
Product Health and Safety	Negative Impact	ANJIT is in the semiconductor industry. If product health and safety management is inadequate, harmful substances may have a significant impact on the environment or human health. Although some of our products contain lead in their internal structures, they comply with relevant safety regulations through proper management processes and do not directly cause negative impact on the environment or human health.	● ▲	【GRI】 416 Customer Health and Safety 【GRI】 417 Marketing and Labeling (417-2)	3.1 Product Quality and Services
	Positive Effect	The Company introduced ISO 9001, IATF 16949, and IECQ QC080000 management systems and conducts risk identification regularly. There have been no negative incidents in recent years, nor have there been any violations of laws or non-conformance to customers' requirements.			
Innovative R&D and Patents	Negative Impact	If the Company lacks sufficient innovation and R&D capabilities, it may suffer economic losses and fall behind technologically, directly affecting its market position. Moreover, an incomplete patent portfolio may result in a loss of patent protection, diminish its competitive edge in the market, and even lead to patent infringement issues, causing further financial losses and damage to the Company's goodwill. PANJIT has not experienced any actual negative impact to date.	●	Custom topic	3.2 Innovative R&D and Patents
	Positive Effect	Advanced technology developed through innovative R&D can significantly enhance product performance. With a comprehensive patent portfolio, PANJIT's technologies and products are well protected, thereby strengthening the company's competitiveness and innovative standing in the market.			
Climate Change Responses	Negative Impact	Climate change may trigger climate anomalies, including extreme rainfall events, flooding (water shortage), wind disasters, and so on, which may affect the supply chain activities and the safety of factory assets and personnel. In response to the global warming issues, countries have formulated more and more stringent regulations and protocols to control the GHG emissions. If relevant management and corresponding measures are not conducted, the enterprise may have insufficient adaptability, and may be susceptible to greater losses. Business opportunities may even be lost if regulations and customer requirements are not met.	● ▲ ★	【GRI】 302 Energy (302-1, 302-3) 【GRI】 305 Emissions (305-1~305-4) 【SASB-Semiconductor】 GHG Emissions 【SASB- Semiconductor】 Energy Management in the Manufacturing Process 【MSCI- Semiconductors and Semiconductor Equipment Industry】 Clean Energy Opportunities 【TCFD】 Task Force on Climate-related Financial Disclosure	4.1 Climate Change Adaptation and Actions
	Positive Effect	Enterprises respond to climate change risks, which may also create transition opportunities. PANJIT actively develops low-carbon products, and continues to deepen its presence in the automotive market, providing solutions for electric vehicles applications and closely connecting with end customers to create corporate value. By leveraging government programs, Panjit reduces the costs of equipment replacement, and continues to implement group-wide carbon inventory to seek out carbon reduction opportunities for the provision of low-carbon products to meet customer needs.			

Material topics		Description of impact	Level of involvement	Corresponding sustainability standards (topics)	Corresponding chapters
Occupational Safety and Health*	Negative Impact	Four occupational injuries occurred in 2024. PANJIT has promptly optimized the work area markings and equipment management specifications, and also strengthened safety awareness among the personnel to prevent similar situations from happening.	●	【GRI】 403 Occupational Health and Safety (403-1~403-7) 【SASB- Semiconductor】 Employee Health and Safety 【SDG】 8.8 Protect Labor Rights and Promote Safe and Secure Working Environments	5.6 Employee Health and Safety
	Positive Effect	Through the implementation of preventive measures, safety drills and education training, PANJIT ensures that employees are familiar with the process in response to emergencies and are equipped with necessary protective skills, creating a stable and safe working environment that helps enhance employees' trust in the Company, reduce the occurrence of occupational accidents, and thereby increasing the overall work efficiency.			
Information Security Management	Negative Impact	With the increasing sophistication of cyber attacks and frequent data breaches, information security has become a critical issue that companies must prioritize. Failure to strengthen cybersecurity measures in a timely manner may result in the leakage of confidential business information or the destruction of important data, leading to severe negative consequences for the Company.	● ▲	【GRI】 418 Customer Privacy	2.5 Information Security Management
	Positive Effect	In January, 2024, the Information Security Management Committee was established, and in June of the same year, we obtained the ISO 27001 verification to implement and supervise information safety. In addition, we set up comprehensive information security policy, strengthen information security monitoring mechanisms, comprehensively improve employees' awareness of cybersecurity and professional knowledge, establish highly-efficient cybersecurity incident handling and response measures to ensure the security and stability of information, thereby enhancing customers' trust in PANJIT's information security.			
Supply Chain Sustainable Management	Negative Impact	When suppliers fail to uphold labor rights, environmental standards, or ethical conduct, the company may face legal consequences or fines. This can negatively impact the company's brand image and will further weaken its competitiveness in the market.	● ▲	【GRI】 204 Procurement Practices 【GRI】 301 Materials (301-1, 301-3) 【GRI】 308 Supplier Environmental Assessment 【GRI】 414 Supplier Social Assessment 【SASB-Semiconductor】 Raw Material Procurement 【MSCI- Semiconductors and Semiconductor Equipment Industry】 Controversial Procurement	3.3 Sustainable Supply Chain Management
	Positive Effect	As an RBA member, PANJIT requires the supply chain to conduct ESG due diligence and sign the Supplier Social Responsibility Commitment. We conduct regular documentation audits and on-site inspections using the Corporate Social Responsibility (CSR) Assessment Checklist to ensure stable delivery performance. We also conduct conflict mineral investigations and have had no violations so far.			

Material topics	Description of impact	Level of involvement	Corresponding sustainability standards (topics)	Corresponding chapters
Talent Attraction and Retention	<p>Negative Impact</p> <p>Employees are important assets and the foundation of a company's operation. If talents cannot be continuously introduced and retained, PANJIT will face multiple challenges such as insufficient innovation capabilities, damaged brand image, difficulty in achieving sustainable development goals, increased operating costs, corporate culture gaps, and regional economic development obstacles.</p>	●	<p>【GRI】 202 Market Presence 【GRI】 401 Employment 【GRI】 402 Labor-Management Relations 【SASB-Semiconductor】 Recruit and Manage Global Professional Talent 【MSCI- Semiconductors and Semiconductor Equipment Industry】 Human Resources Development</p>	<p>5.3 Recruitment and Employment</p> <p>5.4 Compensation and Welfare</p>
Talent Cultivation	<p>Positive Effect</p> <p>Comprehensive training and career development programs are beneficial for attracting and retaining talent. They not only enhances a company's competitiveness, but also effectively boosts the prosperity of local industries, helps ensure compliance of local laws and regulations, respect for human rights improvement, and improvement of working conditions and employee benefits.</p>	●	<p>【GRI】 404 Training and Education 【MSCI- Semiconductors and Semiconductor Equipment Industry】 Human Resources Development 【SDG】 4.5 Eliminate Gender Disparities in Education</p>	<p>5.3 Recruitment and Employment</p> <p>5.5 Talent Development</p>

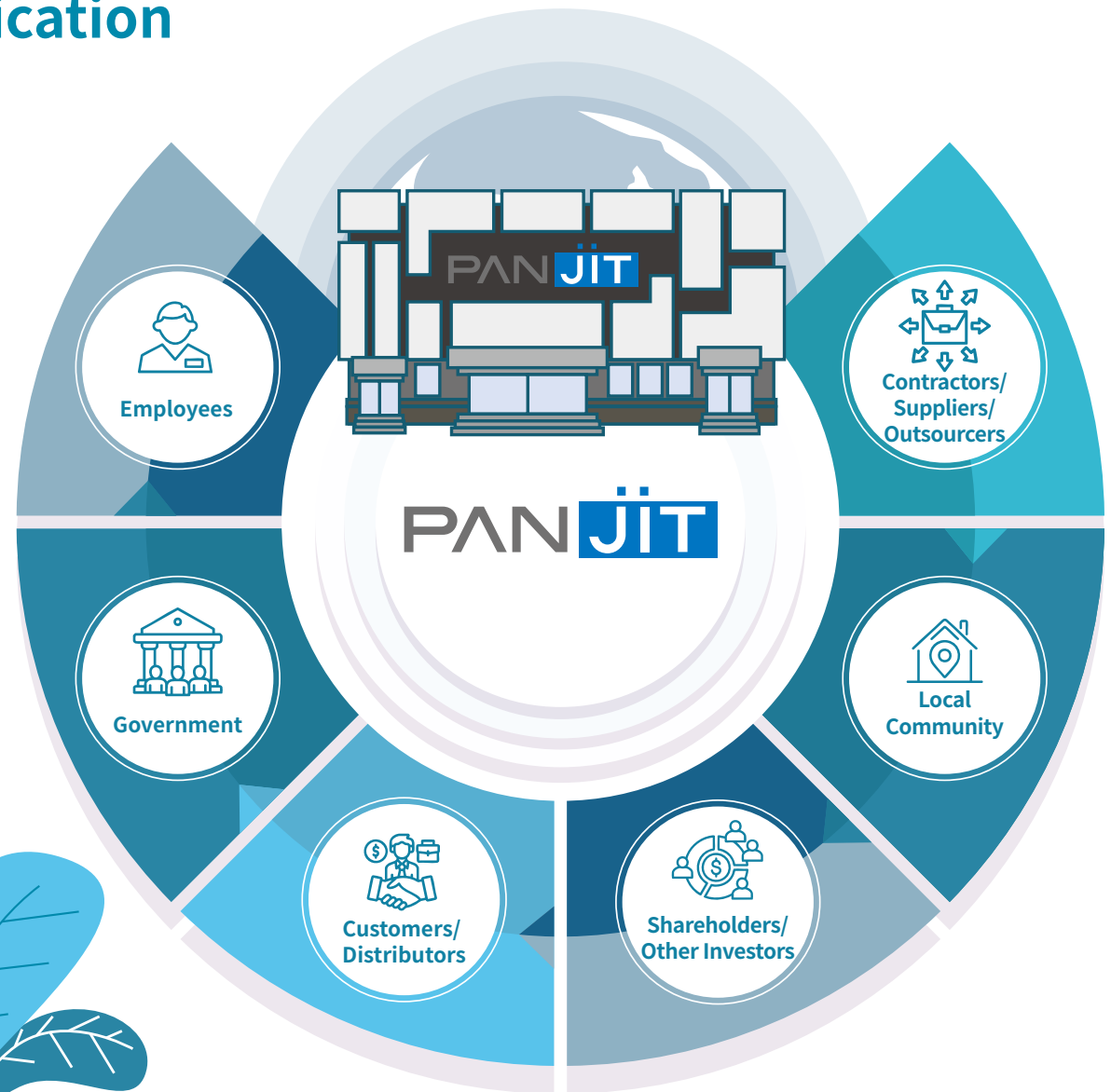
Note :

- 1.Level of involvement if there is occurrence of incidents with actual negative impact ● Causing ▲ Contributing ★ Directly related
- 2.“★” are the incidents with the actual occurrence of negative impacts in recent years. Please see the management approaches for the description of incidents and measures for remedies.









1.3 Stakeholder Communication

PANJIT adopted the AA1000 Stakeholder Engagement Standard (AA1000 SES) to conduct stakeholder identification and confirm the stakeholders' significance to PANJIT through five principles of Dependency, Responsibility, Tension, Influence, and Diverse Perspective. ESG Promotion Office members had discussions in the meeting, and referred to the stakeholder identification results of the previous year and also considered the actual communication status of each unit to finally determine the major stakeholders. The stakeholders identified for 2024 include Employees, Government, Customers/Distributors, Shareholders/Other Investors, Local Community, and Contractors/Suppliers/Outsourcers. PANJIT continues the communication with its stakeholders through different channels and media to understand the stakeholders' expectations, and appropriately respond to their expectations to achieve the intended communication outcomes.



Stakeholder Communication Channels and Results

Stakeholders	Significance to PANJIT	Issues of Concern	Communication Channels and Frequency	Communication Outcomes
 Employees	<p>Employees are important assets and the foundation of corporate operation. Employees expect the company to continue operating in a positive manner and pay attention to their own labor rights, work safety, benefits, communication, and work-life balance.</p>	<p>Talent Attraction and Retention Talent Cultivation Business Performance Employee Diversity and Equal Opportunities Occupational Safety and Health</p>	<ul style="list-style-type: none"> Internal announcements (Occasionally) President Talk Time (Quarterly) Labor-Management Committee (Quarterly) Employee Welfare Committee (Quarterly) Employee Opinion Mailbox, Publicity posters, Sexual Harassment Compliant Mailbox (Immediately) Stakeholder Questionnaire (Occasionally) 	<ul style="list-style-type: none"> 3 sessions of President Talk Time 4 Labor-employment meetings 4 Employee Welfare Committee meetings
 Government	<p>Comply with relevant laws and regulations of government agencies, actively cooperate with the policy implementation, and cooperate and interact with government agencies through transparent communication.</p>	<p>Social Participation Occupational Safety and Health Water Resources Biodiversity Waste Management Innovative R&D and Patents</p>	<ul style="list-style-type: none"> Policy publicity meetings of competent authorities (Occasionally) Inspection by competent authorities (Occasionally) Telephone communication (Immediately) Official documents and letter orders (Occasionally) Market Observation Post System (MOPS) (Immediately) Annual Shareholders' Meeting Report, Sustainability Report (Annually) Corporate Governance Evaluation (Annually) Stakeholder Questionnaire (Occasionally) 	<ul style="list-style-type: none"> There were no deficiencies asked to be corrected by the competent authorities. 2 labor inspections, and no violations of audit items were found. About 16 times of official documents exchanges
 Customers/ Distributors	<p>Customers are the important partners for corporate operations. Improve the quality and service capabilities of the Company to meet customer needs.</p>	<p>Business Performance Innovative R&D and Patents Product Life Cycle Management Supply Chain Sustainable Management</p>	<ul style="list-style-type: none"> PANJIT's official website, phone, and e-mail (instant) Business meetings (Quarterly) ESG questionnaire (occasionally) Technical seminar (Quarterly) Customer audit (Occasionally) Customer satisfaction survey (Annually) Stakeholder Questionnaire (Occasionally) 	<ul style="list-style-type: none"> Introduced Sales force system to record and track visit data. Participated in 4 international electronic exhibitions, including NEPCON Thailand, CES in Las Vegas, electronica China, and electronica India to increase exposure Customer questionnaire/audits: 23 times Customer satisfaction: 94.69 points Granted the highest honor of EE Awards Asia

Stakeholders	Significance to PANJIT	Issues of Concern	Communication Channels and Frequency	Communication Outcomes
 Shareholders/ Other Investors	<p>Investors provide stable source of funds for the company, and are the solid supporters for PANJIT's sustainable development. PANJIT discloses its operating information in a transparent manner and present the operating results to enhance investors' support, stabilize funds and create investment value.</p>	<p>Innovative R&D and Patents Business Performance Governance and Integrity Taxes Talent Cultivation Talent Attraction and Retention</p>	<ul style="list-style-type: none"> ◦ Shareholders' meeting (Annually) ◦ Investor Conference (Occasionally) ◦ Company website (Immediately) ◦ Market Observation Post System (MOPS) (Immediately) ◦ Stakeholder Questionnaire (Occasionally) 	<ul style="list-style-type: none"> ◦ Convened 1 shareholders' meeting ◦ Convened 3 investor conferences ◦ Released 23 material information
 Local Community	<p>Residents in the areas where the company operates and manufactures have relevant concerns and expectations in terms of the corporate operation, employment opportunities, environmental protection, community feedback and so on. We seek for co-prosperity, common good, and mutual benefits with community residents and avoid any protests and disputes.</p>	<p>Social Participation Product Health and Safety Occupational Safety and Health</p>	<ul style="list-style-type: none"> ◦ Neighborly activities and visits on festivals (Occasionally) ◦ Company website and phone contact (Immediately) ◦ Employment service station or employee referral information (immediately) ◦ Town Hall Meeting and opinion exchanges (Occasionally) ◦ Stakeholder Questionnaire (Occasionally) 	<ul style="list-style-type: none"> ◦ Two times of village activities and interactions and visits on festivals ◦ 3 times of public recruitment information
 Contractors/ Suppliers/ Outsourcers	<p>Personnel providing product research and development, manufacturing quality, and other services in the value chain are in a mutually beneficial relationship with the Company for the resources and support services in terms of manufacturing, quality, sustainability, environment safety and health and so on.</p>	<p>Business Performance Supply Chain Sustainable Management Innovative R&D and Patents Information Security Management Occupational Safety and Health</p>	<ul style="list-style-type: none"> ◦ New supplier review operation (Occasionally) ◦ Supplier audits (annually) ◦ Contractor management system (occasionally) ◦ Telephone/Mail/In-person visit (immediately) ◦ Stakeholder Questionnaire (Occasionally) 	<ul style="list-style-type: none"> ◦ 100% of suppliers signed the Commitment of Supplier Social Responsibility Commitment ◦ Distributed self-evaluation questionnaires to 54 suppliers, with 100% response rate ◦ Completed RBA audits of 54 suppliers, with 100% passing rate ◦ The response rate of contractor system feedback reached 100%.

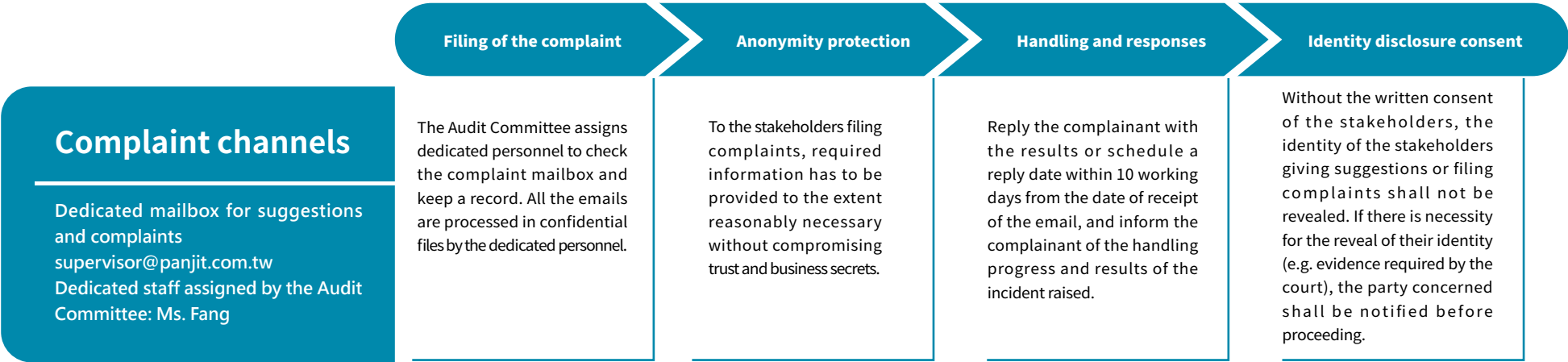
Stakeholder Communication Channels

Our stakeholders can continue to follow PANJIT's updates via social media and give us valuable opinions and suggestions.



Grievance and Reporting Channels

PANJIT has established the “Measures for Handling Stakeholders’ Suggestions and Complaints” and “Whistleblower Protection and Anti-Retaliation Management Procedures” to establish a fair and transparent system for the protection of the stakeholders’ rights and interests. Our stakeholders can propose any suggestions or file complaints anonymously concerning human rights, products, environment, and business governance through the communication channels on the company’ s official website. The Audit Committee will assign dedicated personnel for handling and the principle of confidentiality is adhered to protect the whistleblower from being retaliated or punished. In addition, PANJIT also established the Corporate Social Responsibility Communication Management Procedures in the RBA System, specifying the management mechanism for employee complaints, and there is a dedicated unit to receive and handle all the complaint cases, thereby ensuring that all employees can be able to voice their concerns in a fair and transparent environment. In 2024, there were no employee suggestion cases and no complaint cases.



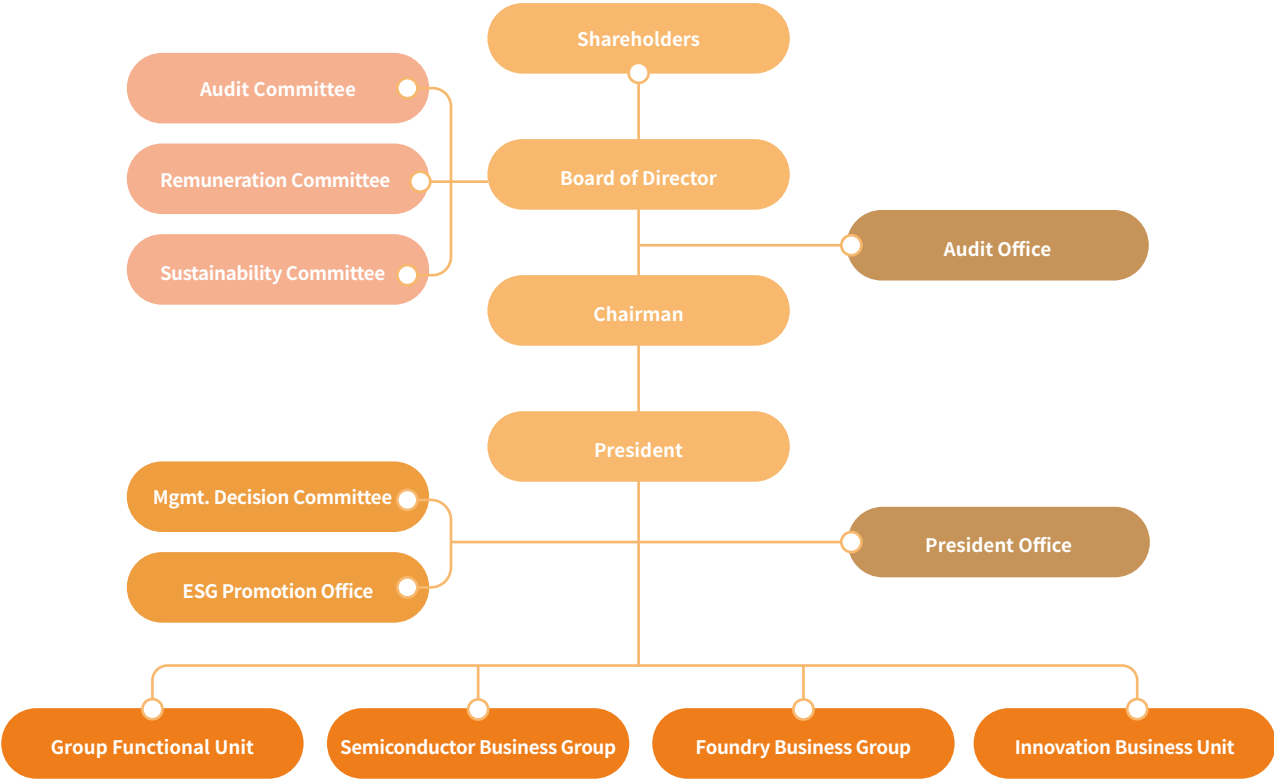
2 Integrity Governance

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2.1 Corporate Governance

Organizational Structure of PANJIT



Board Composition

PANJIT complies with the Rules for Election of Directors for the nomination and selection process of board members, adopts a candidate nomination system, and puts into consideration the diversity, professionalism, and experience of the board members to ensure the suitability of board members. To improve corporate governance, during the comprehensive re-election of the board of directors in June, 2023, the number of director seats was increased from seven to ten, among them the seats for independent directors were increased from three to four. The current board of directors is composed of ten directors with different professional backgrounds to be in charge of the Company’ s operation and supervision. There are four seats of independent directors, three seats of juristic-person directors, and three seats of natural person directors, with a term of three years. All the board members are males and with Taiwanese nationality. Due to the operational and management needs, the chairman of the board, Mr. Fang, Ming-Ching concurrently serves as the president for the improvement of operating efficiency and the execution of decision-making.



To improve the supervisory function of the board of directors, strengthen the management functions, and to be compliant with the corporate governance spirit, the company has implemented the following specific measures.

● Implement the Board Diversity Policy:

1. Implement the Board Diversity Policy:

- Chairman Fang, Ming-Ching, Director Zhong, Yun-Hui, Director Fang, Ming-Tsung, Director Lin, Chun-Hsiang and Independent Director Fan, Liang-Fu have years of experience in semiconductor industry and can provide abundant industrial knowledge and management experience in the semiconductor industry.
- Director Chen, Tso-Ming previously served as the president of the Greater China Operations at a publicly listed semiconductor company and currently serves as the Chief Operating Officer (COO) of the Company, and possesses professional capabilities in market layout and business promotion.
- Director Lin, Hung-Kang used to be the chairman of Ernst & Young Taiwan and currently serves as an independent director of a listed company in the banking industry, assisting the company with the financial and tax planning and providing rigorous risk management suggestions in the banking industry.
- Independent Director Chen, Yi-Chen serves as the CFO of a listed company in the semiconductor industry and has abundant financial experience, assisting the company with investment and financing decisions as well as the planning and suggestions for relevant risk management.
- Independent Director Tai, Yih-Chi used to serve as the Chief Investment Officer (CIO) of a listed company in the semiconductor industry, the president of the Industrial Technology Investment Corporation, and the head of several investment companies and management consulting companies, providing strategies for investment planning and management decision-making.
- Independent Director Chu, Chun-Hsiung serves as the managing partner of Quanying International Law Firm, and provides our Company with legal strategies, compliance and management decision-making opinions and related risk management planning and suggestions.

2. To increase women's participation in decision-making and improve the structure of the board of directors, the Company will elect at least one female director in the next director election.

● Improve the independence of the board of directors:

There are four seats of independent directors. None of the current independent directors have served for more than three consecutive terms, and two-thirds of the directors do not concurrently hold the positions of employees or managers of the company. Two directors exist a spousal relationship and a familial relationship within the second degree of kinship, which does not exceed half of the company's directors.

● Set up functional committees:

There are the Audit Committee and the Remuneration Committee composed of all independent directors to assist the board of directors make major decisions. To implement the sustainable development plan, the Company's board of directors approved the establishment of the Sustainable Committee on January 26, 2024.

● Establish Clauses of Avoidance of Conflict of Interest:

Clauses of avoidance of conflict of interest have been set up in the Rules of Procedure for Board of Directors Meetings, Audit Committee Charter, Remuneration Committee Charter, and Sustainable Committee Charter. When a director has a personal interest in any agenda item, the director shall explain the essential content of the interest. If the director's personal interest is likely to prejudice the interest of the company, the director member may not participate in discussion and voting, and shall recuse himself or herself from the discussion and voting, and also may not exercise voting rights as a proxy for any other director member.

● Revise Procedures for Prevention of Insider Trading:

To prevent insider trading, protect investors, and safeguard the rights and interests of the Company, the board of directors approved the revision of the Procedures for Prevention of Insider Trading on November 9, 2023, stipulating that directors shall not trade the Company's stocks during the closed period of 30 days before the announcement of the annual financial report and 15 days before the announcement of the quarterly financial report. When the secretarial unit of the board released in November 2024 the dates and schedules of the board meetings in 2025, it also reminded the closed period of each quarterly financial report to prevent the directors from accidentally violating the stipulations.

The board meetings were convened 5 times in 2024, and all independent directors attended the board meeting in person each time to perform their supervisory function. The average attendance rate of the directors was 100%. Please see [P22-P23 of PANJIT' s 2024 Annual Report for detailed information of the board operation and the recusal status.](#)

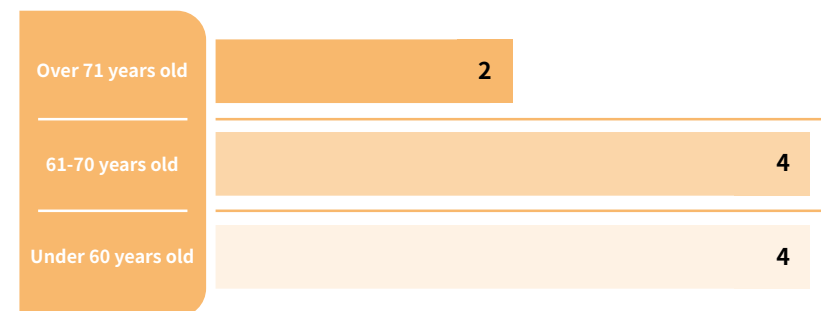
Board Members

Title	Name	Professionalism					Employee status
		Industry or technology	Business decision-making and management	Financial analysis and decision-making	Legal practices	Risk management	
Chairman	Fang, Ming-Ching	●	●			●	●
Director	Zhong, Yun-Hui	●	●			●	
Director	Fang, Ming-Tsung	●	●			●	●
Director	King Mao Investment Co., Ltd. Representative: Lin, Hong-Kang		●	●		●	
Director	King Mao Investment Co., Ltd. Representative: Lin, Chun-Hsiang	●	●			●	
Director	King Mao Investment Co., Ltd. Representative: Chen, Tso-Ming	●	●			●	●
Independent Director	Fan, Liang-Fu	●	●			●	
Independent Director	Chen, Yi-Cheng	●		●		●	
Independent Director	Chu, Chun-Hsiung				●	●	
Independent Director	Tai, Yih-Chi			●		●	

Note:

- For more information of the professional capabilities of the board members, please refer to [P9-P11 of PANJIT' s 2024 Annual Report.](#)
- None of the current four seats of independent directors have served for more than three consecutive terms.

Age Distribution of Board Members



Operations of Functional Committees

Functional Committee	Operational Status
Audit Committee	The Audit Committee was established on June 13, 2017, and is composed of four committee members, all independent directors. The term of the current committee members is from June 14, 2023 to June 13, 2026. The committee was convened 4 times in 2024, and the average attendance rate of committee members was 100%.
Remuneration Committee	The Remuneration Committee was established on November 30, 2011, and is composed of four committee members, all independent directors. The term of the current committee members is from June 14, 2023 to June 13, 2026. The committee was convened 4 times in 2024, and the average attendance rate of committee members was 100%.
Sustainable Committee	Established on January 26, 2024. There are 5 committee members, and the committee is composed of the chairman and 4 independent directors. The term of the current committee is from January 26, 2024 to June 13, 2026. A total of one meeting was convened in 2024, with a 100% average attendance by all committee members.

Remuneration Policy for Directors and Managers

The remuneration of the directors and managers at PANJIT is handled in accordance with the Articles of Association. The remuneration of the directors and managers have to be reviewed and approved by the Remuneration Committee before submitted to the board of directors for discussion. The Remuneration Committee makes regular discussions on the annual and longterm performance targets of the directors and managers and the policy, system, standards, and structure of the remuneration. In addition, the goal attainment status of the directors and managers are also evaluated for the determination of the content and amount of their individual remuneration.

The current remuneration structure of senior managers at PANJIT is highly related to the performance of the company. Every year, the managers' remuneration proposal is decided based on the performance evaluation results of the company. After being reviewed by the Remuneration Committee, the proposal is submitted to the board of directors for resolution. In addition to motivating senior managers to pursue the achievement of the company's financial goals such as the company performance and profits, the company also encourages them to pay attention to the company's long-term competitiveness in sustainability. PANJIT plans to develop and implement a strategy that links rewards to the sustainable indicators, linking the variable rewards of senior managers with the company's financial indicators and ESG sustainable indicators by 2030.



Remuneration Policy

Directors' Remuneration

As prescribed in Article 16 of the Articles of Association, the remuneration of all directors, regardless of operating profits or losses, shall be authorized to the board meeting for determination in accordance with the normal standards in the industry. It is stipulated in Article 19 of the Articles of Association that if there are profits during the year, no more than 2% shall be allocated as the directors' remuneration. However, if there are accumulated losses, the company shall reserve the amount to make up the losses in advance. Directors and independent directors receive the travel allowances based on the actual number of board meetings attended.

Managers' Remuneration

01

The managers' remuneration is determined based on the company's overall market positioning, the remuneration standards in related industries, and the comprehensive consideration of the managers' goal attainment status, degree of contribution, and so on.

02

The managers' annual remuneration includes salary, bonus, year-end bonus, and employee remuneration as well as the pensions allocated and welfare funds, etc., with no retrieval mechanism.

03

The amount of remuneration distributed to managers will be reasonable amount after taking into account the company's business performance, personal duties and contributions of the year. The Human Resource Business Unit proposes the proposal, which is reviewed by the Remuneration Committee before submitted to the board of directors for approval.



Continuing Education for Directors

To strengthen the functions and knowledge of the board members, PANJIT arranges education and training courses from time to time every year. The secretarial unit of the board continuously provides information of continuing education for directors and assists directors to sign up for the courses. In 2024, the total hours of external training for directors amounted to 84hours, with an average of 8 training hours. The content of the training included integrity management, compliance, risk management, environmental sustainability, information security management and so on. In addition, the company conducts internal online education and training on “prohibition of insider trading” for all directors and employees at the manager level and above. In 2024, the training program was further extended to include executives at the manager level and above. The curriculum covered key elements of insider trading, penalties for violations, and guidance on how to avoid inadvertent breaches. In addition, the training emphasized the inclusion of the content in Article 9-2 of PANJIT’ s Procedures for Prevention of Insider Trading, stipulating that directors are prohibited from trading company shares during the financial reporting blackout period. To enhance the sustainability skills of the board of directors and strengthen the supervision of the Company’ s sustainability policy promotion, PANJIT has planned to hire external lecturers to give relevant lectures on new trends in sustainability. Please see [P35-P36 of PANJIT's 2024 Annual Report](#) for details of the external training for directors in 2024.

Board Performance Evaluation

To improve the functions and enhance the operating efficiency of the board of directors, PANJIT has established the Rules for Performance Evaluation of Board of Directors and Functional Committees. The performance evaluation of the Board of Directors and Functional Committees (including the Audit Committee, Remuneration Committee and Sustainable Committee), as well as the individual board members are carried in accordance with the rules on a yearly basis, and the evaluation results will be reported to the board of directors. The evaluation results of the board performance are as follows. Relevant outcomes have been reported to the board meeting on March 7, 2025.

Scope	Method	Content of Evaluation	Results
Board performance evaluation	Internal self-evaluation of the board of directors	<ol style="list-style-type: none"> 1. The degree of participation in the company's operations 2. Improvement in the quality of decision making by the board of directors 3. The composition and structure of the board of directors 4. The election of the directors and their continuing professional education 5. Internal controls 	The overall evaluation results were above the standards, showing that the overall operation of the board of directors is perfect and in line with the spirit of corporate governance.
Individual board member performance evaluation	Self-evaluation of board members	<ol style="list-style-type: none"> 1. Their grasp of the company's goals and missions 2. Their recognition of director's duties 3. Their degree of participation in the company's operations 4. Their management of internal relationships and communication 5. Their professionalism and continuing professional education 6. Internal controls 	The overall evaluation results were above the standards. The evaluation results show that the directors have positive comments on the efficiency and effectiveness of the operation of the assessment indicators.
Functional Committee performance evaluation (Audit Committee, Remuneration Committee, Sustainable Committee)	Internal self-evaluation of functional committees	<ol style="list-style-type: none"> 1. Their degree of participation in the company's operations 2. Their recognition of the duties of the functional committee 3. Improvement in the quality of decision making by the functional committee 4. The composition of the functional committee, and election and appointment of committee members 5. Internal control 	The overall evaluation results were above the standards. The evaluation results show that the Audit Committee and Remuneration Committee and Sustainable Committee have positive comments on the efficiency and effectiveness of the operation of the evaluation indicators.

Note: The evaluation results are divided into three levels: above the standards (91-100 points), meeting the standards (81-90 points), and still room for improvement (under 80 points).

2.2 Operating Performance

The main revenue items of PANJIT are divided into small signal packaging and higher power packaging; the former is mainly used in AI applications in the consumer, computer and home appliance markets. As the demand for AI applications gradually increases and the end market continues to consume inventory levels, we are optimistic about the growth rate of the sales of small signal packaging products. In terms of higher power packaging products, since they correspond to industrial control, electric vehicles, renewable energy and power management, the market benefits from the net-zero emission policies promoted by various countries, and the growth momentum is expected to be stronger than that of small signal packaging products.

To continue the investment and strategic layout in the field of power semiconductors through diversified product lines for more complete Power Solutions, PANJIT has established two major strategies for development. First, to continue the deep plowing of the automotive market, provide solutions for e-vehicle-related applications, and connect with end customers closely to stabilize supply to grow together. The second strategy is to respond to green energy related applications derived from climate change, expand the product layout of charge piles, energy storage systems and solar energy. The two major axes for development are planned to respond to the current market demands and future market expansion, so as to reach the long-term goal of increasing market share and achieve sustainable development.

PANJIT' s Consolidated Financial Performance over the Past Three Years

Unit: NTD 1,000

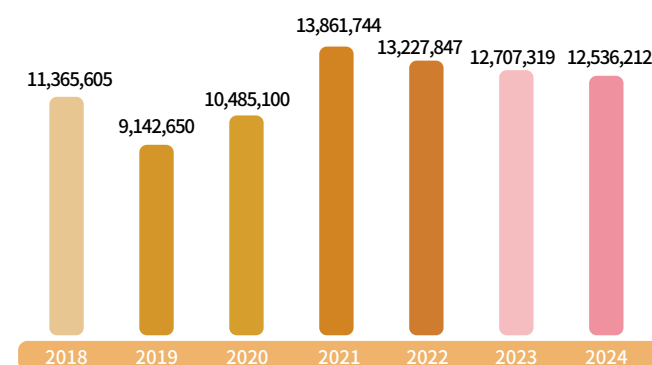
Item	2022	2023	2024
Operating revenue	13,227,847	12,707,319	12,536,212
Non-operating income and expenses	460,269	331,362	454,684
Operating costs	9,232,010	9,499,258	8,939,137
Net profit after tax	1,757,904	1,012,951	1,077,404
Employee salaries and benefit expenses	2,632,017	2,456,408	2,727,462
Income tax expense	333,438	152,145	190,201
Community investment (donation)	2,629	1,081	765
Payment to investors	1,146,345	1,146,345	458,538
Earnings per share (NTD)	4.60	2.15	2.40
Undistributed earnings	4,339,691	4,026,560	4,467,978

Note:

1. Please refer to the parent company only financial statements for details of [individual financial performance](#).
2. Employee salaries and benefit expenses include directors' remuneration and travel allowances.

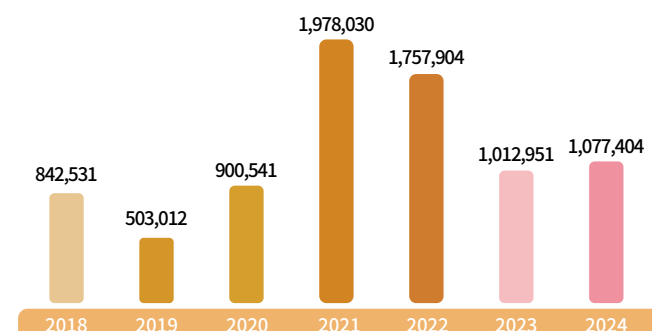
PANJIT' s operating revenues over the years

Unit: NTD 1,000



PANJIT' s net profit after tax over the years

Unit: NTD 1,000



Financial Subsidies from the Government

The financial subsidies PANJIT obtained from the government can be divided into financial subsidies, investment subsidies, R&D subsidies, and other related subsidies. The total amount reached NT\$87,658,682 in 2024.

Subsidizing Unit	Item	Subsidy Amount (NTD)
Workforce development agency, Kaohsiung-Pingtung-Penghu-Taitung Regional Branch	Subsidy for 2023 Assisting Enterprises Program to Upgrade Human Resources	344,750
Workforce development agency, Kaohsiung-Pingtung-Penghu-Taitung Regional Branch	Subsidy for On-the-Job Training Under the Pre-Employment Program for College and University Youths	197,325
Workforce development agency	2023 Youth Employment Flagship Program	296,000
National Taxation Bureau of Kaohsiung	Energy Efficiency Subsidy and Tax Rebate	13,600
Economic Development Bureau, Kaohsiung City Government	Kaohsiung City Investment Subsidy for the Promotion of Industrial Development	446,144
National Development Council, Executive Yuan	Project for Overseas Taiwanese Businesses to Return to Invest in Taiwan	8,553,569
Ministry of Finance	Reinvested earnings to offset undistributed earnings tax	32,151,848
Ministry of Finance	R&D Investment Deductions	26,190,744
Ministry of Finance	Crediting the funds invested in smart machines against tax payable	19,366,619
Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)	Subsidy for the participation in electronica India	61,500
Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)	Subsidy for the participation in NEPCON Thailand	36,583
Total		87,658,682

2.3 Ethics and Integrity

Integrity Management Policy

Based on the business philosophy of integrity, transparency, and responsibility, the company has established policies based on integrity approved by the board of directors for the establishment of good mechanisms of corporate governance and risk management and control to create a business environment for sustainable development.



The core value of PANJIT is integrity management, and we have been committed to improving transparency and building a credible and responsible corporate image. We have formulated the Corporate Governance Best Practice Principles, Ethical Corporate Management Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, and Codes of Ethical Conduct, established an internal control and supervision mechanism to actively prevent dishonest conduct. In addition, the Integrity Management Promotion Team was also established under the board of directors to report to the board of directors its integrity management policies, plans for dishonest conduct prevention, and the implementation of supervision at least once a year. All the directors of the Company are required to sign a Statement of Code of Ethics on the day they take office, which stipulates that the directors shall not engage in any dishonest, unlawful, or breach of fiduciary duty behavior during their official term.

The company has established an assessment mechanism for the risk of dishonest conduct. When preparing the annual audit plans, the level of impact of the risk of dishonest conduct is also included in the assessment items to make regular analysis and evaluation of the business activities with higher risks of dishonest conduct within the scope of business, and the annual audit operations are planned based on the risk assessment results. It is aimed to prevent conducts with potentially higher risks of dishonesty.

To implement integrity management, PANJIT not only evaluates the integrity records of its suppliers, but also requires these suppliers to sign a “Supplier Anti-corruption and Anti-bribery Commitment”. In addition, the clause on integrity and ethics has also been added to the contract terms, specifying the requirements for the adherence to integrity and compliance with ethics in business activities. Moreover, the company also requires personnel related to business activities with higher risks of dishonesty (such as sales representative and purchasing agent) to sign the Anti-corruption and Anti-bribery Commitment, and publicity is also conducted through announcements, education and training as well as the bulletin boards to ensure the personnel abide by ethics and policies. The company also provides education and training on corporate social responsibility and integrity management to new employees in the orientation to demonstrate the company’s determination in integrity management.

Furthermore, the company has also established the Measures for the Management of Stakeholders’ Suggestions and Complaints. A service contact for stakeholders’ suggestions and complaints has also been set up on the company’s official website as the grievance channel for stakeholders when their rights and interests are infringed. The handling status of the stakeholders’ suggestions and complaints is also reported to the Audit Committee on a quarterly basis. Meanwhile, other internal reporting channels such as the contact, physical mailbox, and email boxes have been set up in accordance with the Ethical Management Procedures to maintain the rights and interests of the stakeholders and the company. All the reported incidents are handled, investigated and recorded by a dedicated unit based on the

principle of confidentiality. When the incident is found true after investigation, measures and legal actions including the termination of the business relationship or employment contracts would be implemented based on the severity of the case and in accordance with the Work Rules.

The Company conducts internal online education and training on “Prohibition of Insider Trading” for all directors and managers every year. In 2024, the teaching objects were extended to managers and higher-level position holders. The anti-corruption communication channels and results in 2024 are shown as follows. Except for education and training on “Prohibition of Insider Trading” and “Anti-corruption”, the ratio of other communication/ training reached 100%. The Company will continue to make insider trading prevention training materials available on the online learning platform to allow employees to complete the training according to their schedule. Since some new hires could not make it to complete the anti-corruption education and training by the end of 2024, we will continue to strengthen anti-corruption education and training and urge all personnel to attend the courses, and we will continue to move toward the goal of reaching full (100%) coverage in anti-corruption education and training. In 2024, the company did not have any relevant corruption incidents, and was not involved in any legal incidents or litigations involving anti-competitive behavior, antitrust, and monopolistic behavior.

Anti-corruption Communication Channels

Communication Method	Objects	Times of Communication	Total Number of Times	Communication / Training Ratio
Sign a Statement of Code of Ethics	Board members	10	10	100%
Training Course of Prohibition of Insider Trading	Board members and employees at the manager level and above	84	87	97%
Anti-corruption education and training	All employees	1,148	1,478	78%
Anti-corruption communication-bulletin board/Portable CSR policy (guidelines) card	All employees	1,478	1,478	100%
Signing of the anti-corruption and anti-bribery commitment (indirect personnel) ^{Note}	New employees	121	121	100%
	Current employees (managerial positions)	273	273	100%
	Current employees (non-managerial positions)	458	458	100%

Note:

1. Considering the job responsibilities, the signing of anti-corruption and anti-bribery commitment mainly targets at indirect personnel.
2. Definition of managerial positions: Managerial positions are categorized into senior executives (director level and above), and general managers (all other non-senior managerial positions).

Compliance

PANJIT regards compliance as the basic principle of corporate operations and ensures the legality of all operating activities through the process and mechanism of internal control. For possible illegal activities, investigation and prevention measures are taken to reduce the risk of legal violation. In addition to the compliance with relevant laws and regulations, the company also keeps abreast of policy and legal changes at home and abroad and promptly develop response measures when needed to meet the operational needs of the company. No violations of laws or regulations occurred in 2024.

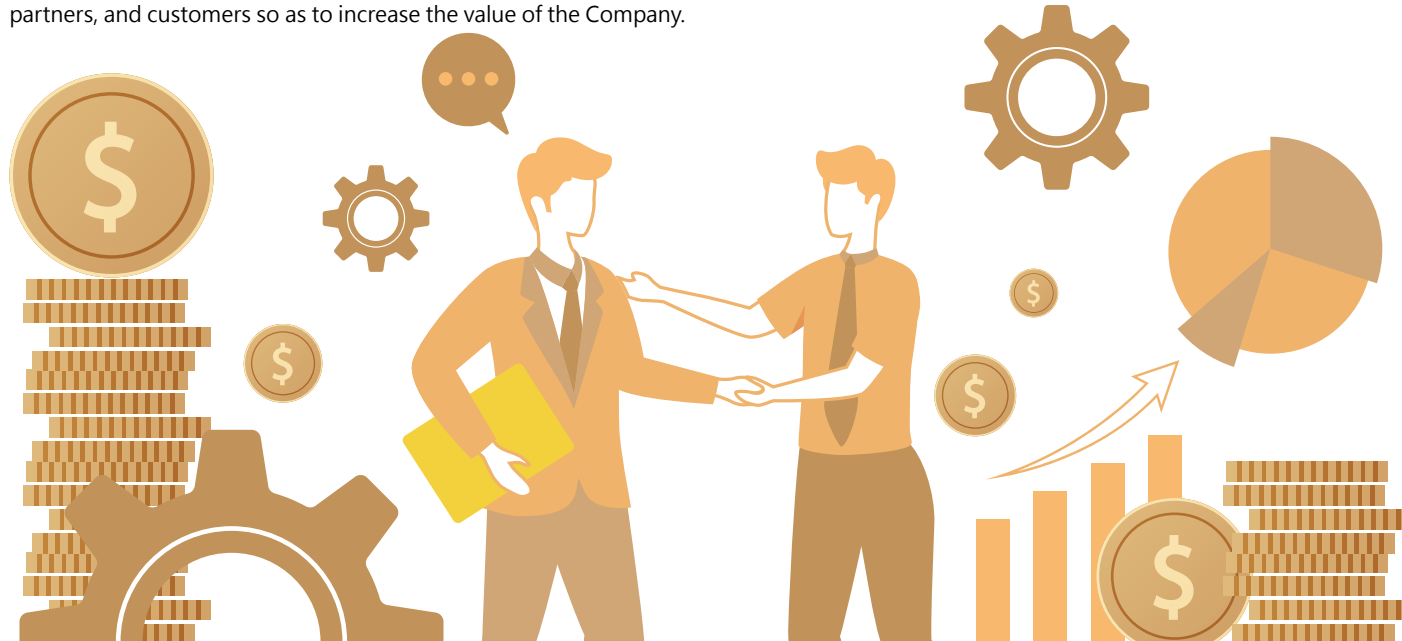
Note:

1. The statistics of violations of laws and regulations are based on the date of sanction, serving as a basis for annual statistics and disclosure in the Sustainability Report.
2. In accordance with Paragraph 26 of Article 4 of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities, material violation is defined as the occurrence of any of the following situations (1). Where the company incurs a material loss or impact; (2) where a relevant authority orders suspension of work, suspension of business, termination of business, or revokes or voids a permit pertaining to pollution; and (3). Where the administrative fines for one single event have accumulated of NT\$ 1 million or more.

2.4 Risk Management

To fulfill the company' s obligations for sustainable governance and to grasp the internal and external potential risks of operations, the board of directors approved the Risk Management Measures in 2021 to define various risks according to the company' s overall operating policy and establish a mechanism for early identification, accurate measurement, effective supervision and strict control of risk management. PANJIT prevents possible losses within the acceptable range and continuously adjusts and improves the best risk management practices in accordance with changes in the internal and external environment to protect the interests of the employees, shareholders, partners, and customers, increase the company value, and achieve the principles of optimization of the resource allocation of the company. The scope of risk evaluation includes but is not limited to market risk, operational risk, financial risk, hazard risk, or other risks that may cause significant losses to the company.






In addition, after the Company referred to domestic and international standards and specifications (GRI, SASB, TCFD), internal and external stakeholder communication issues, and integration of the Company' s internal organizational information, the Company' s overall operating policy is used to identify various risks. The Company continues to make adjustments and improvements for the best risk management strategies based on the internal and external environmental changes to protect the interests of our employees, shareholders, partners, and customers so as to increase the value of the Company.



Risk Outcomes and Response Measures

Risk Type	Risk Item	Content of Risk	Response Strategy
Market Risk	Market Product Competition	The production and sales of the Company are highly interconnected with consumer electronics products. If the overall economic environment is unstable, it will affect the end market demand and the revenue performance. The continuous leadership of technological innovation in emerging applications within the semiconductor industry presents challenges that the Company has to carefully address to enhance our future competitiveness.	To build core technical capabilities of high-end application products, increase the proportion of high value-added products such as automotive and industrial control applications, enhance the product structure, actively develop green energy products (e-vehicles, energy storage, solar energy) and expand the new energy market.
	Geopolitics	Frequent geopolitical conflicts (such as wars, border blockades, trade barriers, etc.) and the increasingly complex and diversified geopolitical risks not only impact global economic growth but also increase the uncertainty of the future operation and investment of the Company.	In addition to keep deep plowing of the market in Taiwan, we also continue to expand our overseas markets. Through the integration of the group's business and the development of the local niche markets, we gradually increase the overseas profit contribution to enhance the regional diversity and diversify the sources of profits.
Financial Risk	Interest rate and exchange rate risk	Due to the drastic change in the global financial markets, fluctuations in exchange rates and interest rates may jeopardize the profits of the company.	We use the natural hedging method of balancing foreign currency assets and liabilities, combined with the operation of forward foreign exchange, options, and other derivatives for substantial risk hedging to reduce exchange rate risks. In terms of interest rate risks, market capital conditions and bank interest rates are regularly assessed to reduce the impact of interest rate fluctuations on the Company.
	Information security	It is so frequent to see cases of heavy losses due to ransomware incidents for many well-known companies in Taiwan and even the world. Cyberattacks may not only expose the company to the risk of data leakage and blackmail but also cause interruption of the production system that will lead to operational losses.	The company set up a cyber security action team. Through the establishment of internal control system such as firewalls, intrusion detection, and anti-virus systems to strengthen the cyber security defense capability, we also use education and training and publicity of information security to build awareness among all employees so that the information security is everyone's responsibility becomes the consensus to maintain the information security of the company. The Information Security Management Committee was established in 2024 and obtained ISO 27001 certification in June of the same year to ensure the implementation of information security and continuous supervision. Please refer to 2.5 Information Security Management for detailed description of information security.
Operational Risk	Talent Attraction and Retention	Talents are the most important asset and the foundation of sustainable management of an enterprise. If the human resources are not sufficient, there will be a shortage of core talents and poor team stability, affecting the normal operation of a company.	Through diversified recruitment channels, key talent cultivation program, a comprehensive education and training system and a friendly workplace environment are provided to enable employees to keep making contributions and grow within the organization, thereby building high-quality human capital. Please refer to 5.3 Recruitment and Employment and 5.5 Talent Development for detailed information on talent attraction and retention.
	Occupational Health and Safety	Potential risks of increased workplace accidents due to unsafe working conditions and insufficient employee awareness of operational safety could endanger both employee health and safety and also corporate assets.	Continue to maintain ISO 45001 and CNS 45001 system verification to ensure the effective operation of the occupational safety and health management system. Every year, we carry out hazard identification and risk assessment, and take appropriate preventive measures to control various risks to an acceptable level, and provide employees with safety and health education and training on a regular/irregular basis to improve employees' knowledge of safety and health and disaster response capabilities.
Hazard Risk			Please refer to 5.6 Employee Health and Safety for detailed description of hazard risks.
Climate Change	Carbon Neutral Issue	In response to the global wave net zero emissions, countries in the world continue to set net-zero emission targets and revise relevant environmental laws and regulations, which will increase corporate operating costs.	Actively carry out energy conservation and carbon reduction measures, reduce energy consumption in production and daily operations, and integrate the concept of green production into the daily management of the enterprise. Please refer to 4.1 Climate Change Adaptation and Actions for detailed description of climate change risks.

2.5 Information Security Management

Management Approach of Information Security Management		Material Topic: Information Security Management		
<div> Purpose of Management</div>	In the modern digital economy, information is the core resource for business operations and economic development. However, with the increasing frequency of cyberattacks and data leaks, information security has become a key issue that companies cannot ignore. Complete information security management not only helps protect business assets and customer data, but also effectively reduces operational risks and economic losses, prevents data leakage and damage to corporate image, thereby enhancing customer trust and brand reputation. The Company implements the requirements of ISO 27001 Information Security Management System to ensure the confidentiality, integrity, and availability of information assets through continuous improvement and monitoring. Building upon this foundation, the Company has established clear information security management targets to strengthen its overall cybersecurity management and ensure the protection of information assets, systems, equipment, and network communications, thus reducing the risks of human error, malicious attacks, equipment malfunctions, and natural disasters.			
<div> Policy</div>	Please refer to the Information Security Policy .			
<div> Remediation Mechanism</div>	If the Company is attacked by cybersecurity and cannot make timely protection, remedial measures will be taken in accordance with the Operational Standards for Emergency Response Measures and the Operational Standards for System Recovery and Backup Plans. In July, 2024, CrowdStrike released an abnormal update, which caused computer and virtual machine failures of a large number of customers around the world, resulting in large-scale service interruptions, which became the most serious IT failure in history. Our IT Team and security consultants promptly formed an incident response team for cross-departmental collaboration, and immediately suspended all CrowdStrike updates to isolate the affected devices for the prevention of the fault from spreading. Information security consultants provided remediation solutions, prioritizing the restoration of core business systems to promptly stabilize business operations and protect corporate reputation.			
<div> Management Review</div>	<ul style="list-style-type: none">Through regular internal audits, we check software, systems, procedures, operating conditions, and conduct external security audits to continuously evaluate the effectiveness and compliance of information security measures, and set up as well as implement improvement plans based on the audit results.The Audit Office is the audit unit for information security supervision. If any deficiencies are found during audits, the audited unit will be required to submit relevant improvement plans and report to the board of directors. Regular monitoring of the effectiveness of the improvements is also conducted on a regular basis to mitigate internal cybersecurity risks.We passed the ISO 27001 Information Security Management System (ISMS) certification and continuously perform relevant operations and undergo regular external audits to maintain compliance and provide continuous improvement.			
<div> Goal</div>	Goals for 2024	Goal Attainment Status for 2024	Short-term Goals (2025~2026)	Medium- and Long-term Goals (2027~2031)
	<ul style="list-style-type: none">System backup rate to reach 100%.100% participate rate for information security training courses.No occurrence of information security incidents.96% pass rate of social engineering drills.Set up a dedicated information security manager and at least one information security staff member.Pass the third-party information security audit.Conduct at least one security incident response drill every quarter.	<ul style="list-style-type: none">✓ System backup rate to reach 100%.✓ 100% participate rate for information security training courses.✓ No occurrence of information security incidents.✓ The pass rate of social engineering drills was 97.26%.✓ Set up a dedicated information security manager and at least one information security staff member.✓ Obtained ISO 27001 certification in June, 2024✓ A total of four security incident response drills were carried out.	<ul style="list-style-type: none">Improve the security infrastructure: Upgrade and strengthen the security infrastructure within 2 years, including firewalls, intrusion detection systems, encryption technology and security monitoring tools.Implement comprehensive safety training: Carry out a comprehensive security awareness enhancement plan to ensure that all employees understand the fundamental information security knowledge and best practices.ISO 27001 regularly reviews and updates information security policies to ensure they are consistent with business targets and the external environment. Ensure policies remain aligned with changes of laws, regulations and standards.Conduct regular safety audits: Establish a regular security audit process to continue the identification and handling of security vulnerabilities.	<ul style="list-style-type: none">Establish a mature risk management framework: Develop a comprehensive information security risk management framework within five years that include continuous risk assessment, management and mitigation measures.Implement advanced threat detection and prevention systems: Invest in AI and machine learning technologies to improve detection and defense against advanced persistent threats (APTs).Establish strong third-party partner security management: Ensure all partners and suppliers meet the strict security standards to reduce supply chain risks.Establish a comprehensive business recovery plan: Develop a comprehensive business continuity and disaster recovery plan to ensure that the business can recover immediately after any major security incidents.

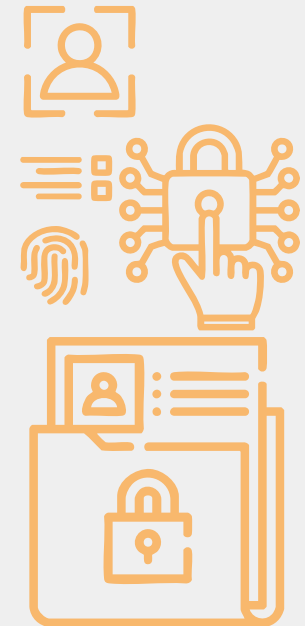


Action and Results

- Carry out regular vulnerability scans, fix identified weakness, and ensure that all systems, applications, and devices are consistently updated with the latest security patches and versions.
- A total of 12 monthly information security meetings were held in 2024 to plan, implement, and promote information security awareness, and regularly review information security policies.
- A total of 4 information security incident response drills were held in 2024 to enhance employees' alertness and responsiveness to sudden incidents.
- There were no customer data leaks or cybersecurity incidents in 2024.
- A total of 29 ISO 27001 project introduction meetings were held in 2024 to establish, implement, and maintain an effective Information Security Management System (ISMS). In June, ISO 27001 certification was successfully obtained to implement information security execution and supervision.
- The total information security education training reached 1,635.5 hours in 2024.

Information Security Policy

- 01 Each department of our company must comply with relevant government regulations (such as the Patent Law, Copyright Law, Personal Data Protection Act, Enforcement Rules of the Personal Data Protection Act, etc.) when conducting business operations.
- 02 Establish an Information Security Management Committee responsible for the establishment and promotion of the company's information security management system.
- 03 Establish an organizational panorama evaluation mechanism to define the policy of information security and the scope of implementation of the information security management system, and understand the needs and expectations of the organizational panorama and stakeholders.
- 04 Establish document control procedures to legally regulate the formulation, modification, encoding, issuance, etc., of documents related to the information security system.
- 05 Establish a management mechanism for information assets to coordinate the allocation and effective utilization of limited resources to address critical security issues.
- 06 Establish risk assessment management methods and identify risks associated with various assets to take appropriate risk treatment measures, control, and reduce risks to an acceptable level.
- 07 Regularly conduct business-related information security education and training to promote information security policies and related implementation regulations.
- 08 Establish physical and environmental security protection measures for data centers and regularly perform relevant maintenance and upkeep.
- 09 Clearly define the permissions for the use of information systems, network services, and sensitive information to prevent unauthorized access.
- 10 Develop and implement internal audits of information security to enforce the information security management system and implement corrective measures for any deficiencies.
- 11 Develop information security business continuity plans and conduct practical drills to ensure the continuity of business operations in the event of unforeseen incidents.
- 12 All personnel of our company are responsible for maintaining information security and should understand and comply with relevant information security management regulations, implementing them in their job responsibilities.



As the operation of PANJIT increasingly rely on systematization and internet-based processes, information security has become a critical challenge. In response to the growing global cybersecurity threat, the Company actively strengthens its information security defenses by establishing effective security management mechanisms to avoid resource waste, reputational damage, and impacts on corporate image, while also striving to improve operational workflows and enhance overall efficiency. In 2024, there were no customer data leakage or major information security incidents.

To realize its vision of establishing a strong and effective cybersecurity defense network, the Company has committed to allocating resources annually since 2020 to strengthen information security through measures such as social engineering drills, vulnerability scans, security policy promotion, USB disablement, and the deployment of multi-factor authentication, with the goal of minimizing operational disruption risks, aiming at becoming an enterprise with outstanding maturity in terms of information security. We attach great importance to data security and adopt the 3-2-1 backup strategy for the backup and storage of the system data, so as to reduce the risks of data losses and damage. Our goal is to reach 100% system backup rate to restore the system operation as soon as possible when damage occurs.

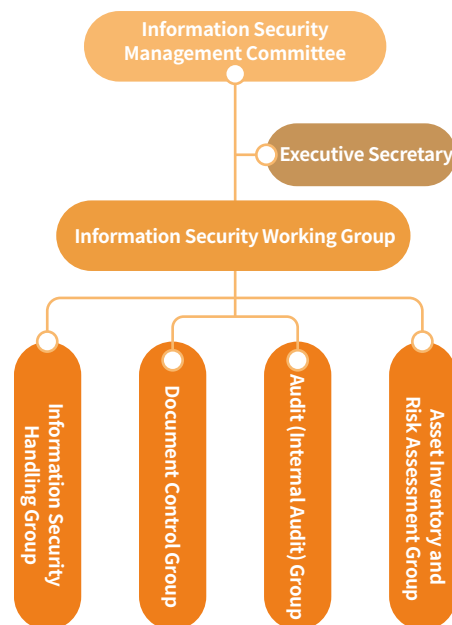
Information Security Management Framework

The Company set up the information security action team in 2022, which was officially implemented in 2023 upon approval of the president. The information security action team is in charge of the planning, implementation, and promotion of information security management affairs, promotion of information security awareness, and regular discussion on information security policies. In addition, the Audit Office serves as the audit unit for the information security supervision. If deficiencies are found in the audit, the inspected unit will be asked to propose improvement plans and submit them to the board of directors, and the improvement results are regularly tracked, so as to reduce internal information security risks. To continue to strengthen the information security framework and comply with regulatory requirements, a dedicated information security manager and at least one information security staff member have been set up in 2023. In 2024, the Information Security Management Committee was established, and in June of the same year, the ISO 27001 certification was obtained to ensure the implementation and continuous supervision of information security.



ISO 27001:2022 Certificate

Organizational Structure of the Information Security Management Committee



Information Security Training and Drills

The education and training for new employees when they report to the job includes the publicity of information security awareness. In addition, employees are also informed of the importance of information security and best practices in the employee information security training and the social engineering drills on a regular basis to reduce risks of internal risks and man-made errors.

To respond to possible information security incidents, the company has formulated contingency plans and conducted regular drills and tests to ensure complete prevention from attacks and actual recovery of damaged systems. We carry out internal and third-party information security audits on a regular basis for the assessment of the effectiveness and compliance of the security measures. The ultimate goal is to achieve zero occurrence of information security incidents. We will try our best and strengthen internal supervision and external security collaboration to achieve the goal of zero information security incidents every year.



Information security education and training

Item	Content	2024 Accomplishments	
Onboarding Training	<ul style="list-style-type: none"> Onboard cybersecurity awareness training. Information security protects the Personal Data Protection Act, prevents hackers externally, and prevents leaks internally. 	Number of Participants: 339 Total Hours: 169.5	New employee education and training coverage rate 100%
Information Security Training for Existing Employees	<ul style="list-style-type: none"> Regularly carry out information security training to enhance the capability to prevent internal threats and human errors. 	Number of Participants: 733 Total Hours: 1,466	On-the-job information security training coverage rate 100%
social engineering drills	<ul style="list-style-type: none"> Test employees' ability to deal with social engineering attacks and enhance their awareness of protection. The target pass rate reached 96%. 	First participation: 727 participants, 97.25% pass rate Second participation: 733 participants, 97.27% pass rate	Annual pass rate 97.26%
Measures for Employees Failing Social Engineering Drills	<ul style="list-style-type: none"> Conduct repetitive education and training to ensure employees understand best practices for responding to attacks. 	Conducting Information Security Training Courses	Social engineering drill retraining rate 100%
Information Security Incident Response Plan	<ul style="list-style-type: none"> Establish a plan to respond to information security incidents and conduct regular drills and tests to ensure prevention attacks and 	A total of 4 drills were conducted, covering <ol style="list-style-type: none"> Primary and secondary system backup and restoration drills Primary and secondary system backup mechanism testing Information room fire drill 	times of information security contingency plan 4
Emergency Response Test Results	<ul style="list-style-type: none"> The test complies with the requirements of the Operational Standards for Emergency Response Measures and the Operational Standards for System Recovery and Backup Plans. 	Emergency response and system recovery capabilities ensure the continuity and stability of system operations, and all goals are attained.	Emergency response compliance rate 100%
Internal and Third-Party Audits	<ul style="list-style-type: none"> Carry out internal and external security audits regularly to comprehensively evaluate the effectiveness and compliance of information security measures. 	Implement information security execution and supervision, improve security, and achieve zero information security incidents.	Audit completion rate 100%
Information Security Objectives	<ul style="list-style-type: none"> zero information security incidents every year 	Strengthen internal supervision and external security collaboration to reduce risk. There were no customer data leaks or cybersecurity incidents in 2024.	No occurrence of information security incidents.

Response Measures for Information Security Risks

The main focus of responding to information risks at PANJIT is to strengthen the software and hardware prevention mechanism. Priority is given to strengthening network security, infrastructure protection, and disaster recovery. As for the control measures in terms of information security, corresponding measures is conducted in accordance with documents such as the Network Communication and Operation Management Procedures, Security Incident Management Procedures, and Software Installation Operation Specifications. If the company encounters information security attacks and is unable to make timely protection, relevant measures will be carried out in accordance with the Operational Standards for Emergency Response Measures and the Operational Standards for System Recovery and Backup Plans.

2024 Information Security Management Measures







Item	Information Security Management Measures	Information Security Remediation Measures
Risk assessment and management	Carry out regular risk assessments and develop risk management plans	Launch emergency response plans when risks occur, update risk assessments and control measures
Access control	Set roles and permissions, multi-factor authentication, and regularly review access permission lists	After detecting unauthorized access, block suspicious accounts and reallocate access rights
Information security awareness and education	Provide employee information security training and conduct email and social engineering tests	After the occurrence of human negligence, strengthen relevant education and optimize education plans
System and network security	Deploy firewalls, IDS/IPS, and regularly update vulnerability patch	When an attack is discovered, block the source, perform system patching and comprehensive scanning
Data protection and encryption	Data classification and labeling, use robust encryption technology to protect data	After a data breach, notify relevant parties and improve data loss prevention (DLP)
Incident response and emergency response	Formulate emergency response plans and regularly practice response procedures	Launch emergency response plans to respond to incidents, review processes, and make improvements
Backup and restoration	Automated backup strategy, regular testing of restore capabilities	After data is damaged or attacked, use backup to restore normal operation
Monitoring and log management	24/7 monitoring and regular analysis of log data	After discovering abnormal activities, track logs, analyze and solve the root cause of the problem

3 Responsible Supply Chain

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3.1 Product Quality and Services

Management Approach of Product Health and Safety		Material Topic: Product Health and Safety			
 Purpose of Management	PANJIT cooperates with the seven major management principles, process orientation and the PDCA approach to establish the quality management framework and conducts management of hazardous substances and provides clear product labeling to ensure the quality of products are compliant with regulations and customer requirements. In addition, management reviews are conducted on a regular basis to ensure the effectiveness of the quality management system and the hazardous substance management system. Our corporate responsibility is to provide high-quality products and services and incorporate the concept of green production into daily corporate management to reduce current and potential risks, avoid losses in business and market opportunities, and establish a good corporate image and reputation.				
 Policy	Please refer to the Quality Policy.				
 Remediation Mechanism	<ul style="list-style-type: none">When there are doubts about product safety, PANJIT will handle it in accordance with the abnormal product handling and customer compliant procedures. If abnormality occurs in the customer’s property, the salesperson will be notified to report to the customer and handle the situation in accordance with the customer’s requirements. If there are defective products shipped or product abnormalities with hazardous substances, we will notify our customer within 24 hours after discovery and dispatch personnel to the customer’s site for inspection or recall for replacement as needed.When customers raise concerns that production processes and process changes do not comply with the requirements in the Instructions for Management of Environmentally Related Chemical Substances, PANJIT will implement and propose appropriate solutions for hazardous substance management in accordance with the Process Control Operation Procedure.				
 Management Review	<ul style="list-style-type: none">Conduct PDCA reviews on a regular basis in accordance with ISO 9001, IATF 16949, and IECQ QC080000 management procedures.Require suppliers to submit third-party test reports every year and update the ingredient list information every three years.Review complaints and feedback from customers (including stakeholders) on a yearly basis.Conduct the customer satisfaction survey before October every year on customers whose business with the company account for 80% of the revenue in the previous year.Review of the internal and external (customer audit or verification agency) audit status and improvement results.Review the existing operational changes or new facilities or the assessment results of the feasibility of manufacturing new products.				
 Goal	Goals for 2024	Goal Attainment Status for 2024	Short-term Goals (2025)	Medium- and Long-term Goals (2026~2028)	
	<ul style="list-style-type: none">Employees must complete 100% of hazardous substance education and training before officially starting work.Operator education and training attainment rate to reach 100%.To achieve a 100% submission rate of third-party test reports by suppliers annually.100% compliance for suppliers to update information on the ingredient lists every three years.99% of suppliers comply with RoHS (Regulations on Hazardous Substances).	<ul style="list-style-type: none">✓ Achieved a 100% completion rate for annual hazardous substance training.✓ XRF operator education and training attainment rate reached 100%.✓ Achieved a 100% submission rate of third-party test reports by suppliers annually.✓ The compliance rate for suppliers to update information on the ingredient lists every year reached 100%.✓ 99% of suppliers complied with RoHS (Regulations on Hazardous Substances).	<ul style="list-style-type: none">To maintain 100% completion rate for annual hazardous substance training.To meet customer and international regulatory requirements, continue to improve the system, and keep the certificate valid.To achieve a 100% submission rate of third-party test reports by suppliers annually.To achieve 100% compliance rate for suppliers to update ingredient list information every three years.To improve customer satisfaction with product compliance with RoHS to more than 90 points.The suppliers’ compliance rate of no hazardous substances to be over 99%.	<ul style="list-style-type: none">To collaborate with suppliers to find alternative materials to produce lead-free products.To strengthen the long- term cooperative relationships with customers to promote the establishment of a green supply chain for customers.To meet the system requirements, continue to improve the systems and maintain the validity of certificates.	
 Action and Results	<ul style="list-style-type: none">In 2024, XRF analysis was applied to conduct statutory hazardous substance testing.There were no violations of product health and safety related regulations in 2024.In 2024, the compliance with RoHS, REACH, PPW, SONY SS00259, UL and other product safety regulations reached 100%.In 2024, there were 0 reports of abnormal hazardous substances.In 2024, there was no occurrence of hazardous substance contamination incidents due to equipment maintenance.In 2024, there were no complaints from customers regarding hazardous substances.				

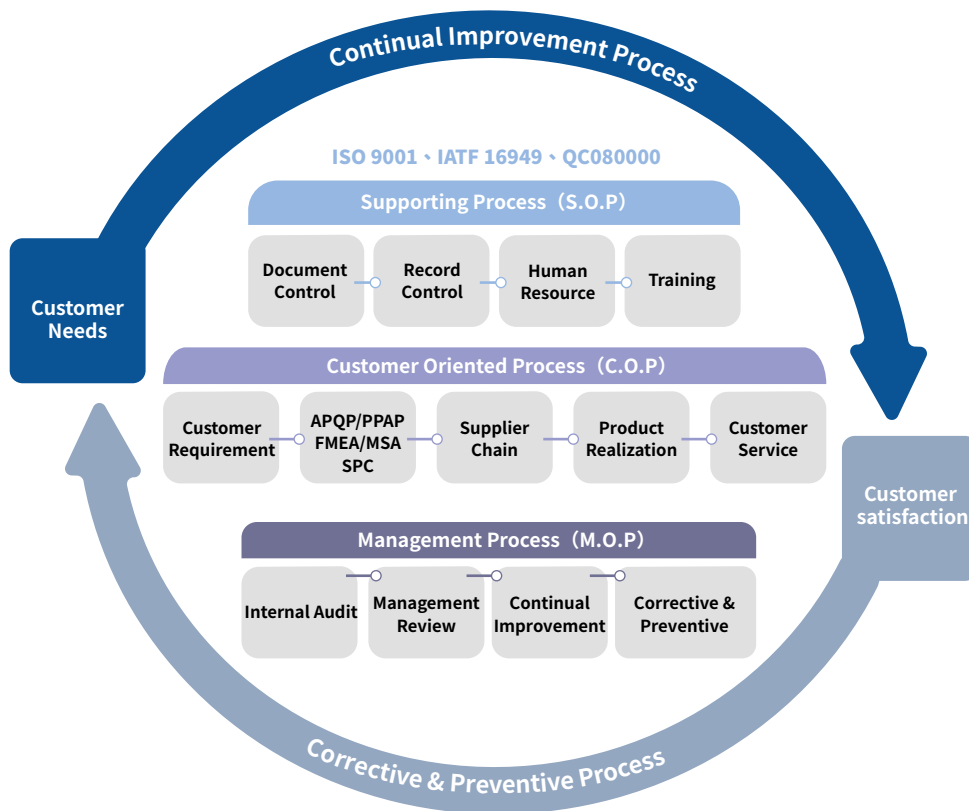
Quality Management



To ensure that the product quality is compliant with regulations and customer requirements, PANJIT has established a quality management framework and has successively imported QS 9000, ISO 9001, IATF 16949, QC080000, ESD S20.202 and other quality management systems to conduct comprehensive impact assessments related to product quality/ health and safety of all products of Gangshan Factory to reduce the impact of products on human body and the global environment. Through the Total Quality Management (TQM) thinking, we implement the Customer-Oriented Process (COP), Supporting Oriented Process (SOP) and Management Oriented Process (MOP). Through the quality system, the customer needs and customer feedback are connected to the inside of the factory. The quality policy the company has been upholding is like the chip core of every product that closely links with every employee. The quality first concept is like the tripod and wires each product is covered with. The quality goals can be seen as the molding glue, working for firm combination of the systems and policies to achieve the state of Zero Defect. The internalization of quality awareness means that during the production process of each product, every employee implements the accurate operation methods to ensure that every component delivered to customers meets the specifications.

ISO 9001	IATF 16949	ESD S20.20	IECQ QC080000
Valid until 2026.12.26	Valid until 2026.12.26	Valid until 2026.03.19	Valid until 2026.09.24

Comprehensive Quality Management Process



Supporting Oriented Process (SOP)	Each main process derives one or multiple supporting processes, including document/record control, human resources, education and training, etc.
Customer-Oriented Process (COP)	Relevant process is established with customer needs as the core. The process starts from the customer needs, and through correct product development, validation, and strict process control, the process is ensured to meet customer needs and expectation.
Management Oriented Process (MOP)	The process of organizational and quality system management includes internal audit, management review, correction and prevention, and continuous improvement.

Hazardous Substance Management

The company has introduced the IECQ QC080000 Hazardous Substances Management System. The raw materials of finished products and the packaging raw materials strictly comply with product safety regulations such as RoHS, REACH, PPW, SONY SS00259, etc., and the concentration is also compliant with the allowable concentration of hazardous substances proscribed in the Instructions for Management of Environmentally Related Chemical Substances. When customers raise concerns that production processes and process changes do not comply with the requirements, PANJIT will implement and propose appropriate solutions for hazardous substance management.

At the incoming material stage, manufacturing stage, and prior to shipping, PANJIT uses XRF measuring devices to inspect hazardous substances such as cadmium, lead, mercury, chromium, bromine, and chlorine. All test reports include information such as the equipment model, product name, product number, date of testing, and name of the tester to facilitate traceability and future reference.

Regarding substance management under the IEC 62474 standard, certain controlled substances are excluded due to their uses falling outside the scope of our product applications. Products that comply with halogen-free specifications can fully (100%) meet the IEC 62474 requirements. Although the lead-free requirement under RoHS cannot be fully met, the relevant applications fall under exemption conditions. An abatement plan has been established, and disclosures are made to customers in accordance with REACH regulatory requirements.



Abatement Plan

PANJIT has formulated hazardous substance abatement plans. The high-temperature solder paste and leaded glass used in the manufacturing process are classified as exempted items under the RoHS 2 directive. Due to current technological limitations, there are no viable alternative materials or technologies available at this time. However, PANJIT will continue to actively collaborate with suppliers to explore potential substitutes in the future. As for lead materials regulated under REACH, no alternatives are currently available. PANJIT will continue to strictly manage the use of raw materials and disclose the lead content in its products to customers to ensure compliance with REACH regulatory requirements. In addition, years ago, PANJIT replaced PVC pipes in packaging materials with PS materials to further reduce the use of hazardous substances.









Product Safety Regulations	PANJIT' s Management Results
HF	100% compliant with halogen-free requirements.
RoHS	Applicable to exemptions from lead-free requirements and are defined in the abatement plan.
REACH	<ul style="list-style-type: none">Under Article 33 of REACH Regulation (EC) No 1907/2006, if a finished product contains a substance of very high concern (SVHC) at or above 0.1% (w/w), the manufacturer or importer must communicate this information along the supply chain and provide customers and suppliers with sufficient safety information for its use.PANJIT only manufactures products that are compliant with REACH standards. These products do not release any hazardous substances under normal or reasonably foreseeable conditions of use. We will continue to monitor developments in REACH legislation and remain committed to fulfilling our environmental protection responsibilities.
PPW	100% compliant with packaging material requirements.
SONY SS00259	Possess Sony Green Partner certification and is 100% compliant with SONY' s material requirements.
UL	Both finished products and molding adhesives comply with UL safety certification.

For hazardous substances management in raw materials, PANJIT requires new suppliers to provide a material specification declaration, safety data sheet (SDS), conflict mineral statement, and third-party test reports as part of the qualification process. Only upon passing the review can a supplier be approved as qualified. Additionally, suppliers must submit third-party test reports annually and update ingredient list information every three years. Designated procured items must be managed in accordance with the 'Standards for Hazardous Substance Management' specified in the 'Guidelines for the Management of Environmentally Related Chemical Substances.' If a qualified supplier makes any changes that may affect the material characteristics of the product, relevant documentation must be submitted to the technical department for sample verification and approval. After signing the material specification declaration, if either PANJIT or its customers find that the material exceeds the hazardous substance limits defined in the standard, the supplier will be required to submit a time-bound improvement and abatement plan. Upon completion of corrective actions, a reassessment will be conducted to determine whether the supplier' s materials can be accepted. If improvements cannot be made, the supplier must immediately cease delivery.

PANJIT requires its suppliers to affix appropriate hazardous substance labels on the external cartons of raw materials upon delivery to facilitate identification. Upon receipt, all materials must be clearly labeled and stored in designated areas. Outgoing finished products must adhere to applicable packaging standards. In cases where customers specify alternative labeling on outer cartons, the warehouse staff in charge of finished goods shall follow the customer-defined labeling and packaging procedures during packaging and shipment. In 2024, there were no incidents of violations of health and safety regulations in relation to products and services, product labeling regulations, customer complaints, or voluntary agreements.

3.2 Innovative R&D and Patents

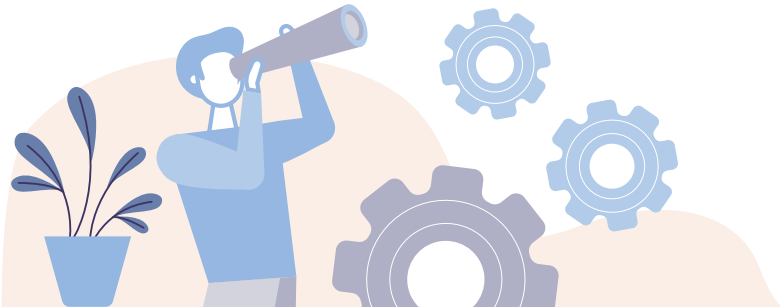
Management Approach of Innovative R&D and Patents		Material Topic: Innovative R&D and Patents		
<div></div> <div>Purpose of Management</div>	A well-developed innovation and R&D management system can cultivate more professional talents to ensure effective management of the R&D process and proper use of resources to achieve innovation goals as scheduled to open up new markets for the Company. The management of patents and intellectual property rights can effectively protect creativity and strengthen the connection between patents and technological innovation. Technical orientation of the product market can be referred to for the prediction of the investment layout and further analysis of potential risks to avoid patent infringement lawsuits.			
<div></div> <div>Policy</div>	Please refer to the corporate sustainable development policy- Regulatory Compliance, Disciplinary Responsibility, Sustainable Management			
<div></div> <div>Remediation Mechanism</div>	<ul style="list-style-type: none">There have never been incidents with actual negative impacts on PANJIT. When a patent infringement complaint is received, personnel from the legal office will conduct preliminary intervention, contact relevant professionals to conduct problem analysis, and entrust a patent firm to conduct infringement case analysis, follow-up handling of the incident and related remedial measures.There is already an NPR mechanism that combines with market demands and an R&D capability evaluation system before the development of the technology platform to conduct early feasibility analysis of each R&D project to reduce the risks of failure.			
<div></div> <div>Management Review</div>	<ul style="list-style-type: none">The internal Risk Assessment Form for the Feasibility of Product Development focuses on the investigation of whether there is any violation of legal provisions and intellectual property rights in the early stages of product development.Patent engineers conduct patent search of the existing patents for the company’ s patent application proposals, and also conduct patent investigation to address concerns about patent infringement.Encourage patent proposals, and patent review meetings are held from time to time based on demand.Implement a KPI system to quantitatively assess the performance of R&D personnel and projects and evaluate the project progress and technical results.			
<div></div> <div>Goal</div>	<div>Goals for 2024</div> <ul style="list-style-type: none">Proposed 10–15 innovative ideas.Filed 10 new patent applications.Pass 8-10 Taiwan Patents.Released 12 power semiconductor technology platforms.	<div>Goal Attainment Status for 2024</div> <ul style="list-style-type: none">✗ Proposed 8 innovative ideas.✗ Filed 2 new patent applications.✓ Pass 12 Taiwan Patents.✗ Released 10 power semiconductor technology platforms.	<div>Short-term Goals (2025)</div> <ul style="list-style-type: none">More than 2 new patent applications filed.At least 1 patent successfully commercialized.At least 6 Taiwan patents granted.Released 10 power semiconductor technology platforms.	<div>Medium- and Long-term Goals (2026~2030)</div> <ul style="list-style-type: none">More than 2 new patent applications filed.At least 1 patent successfully commercialized.At least 6 Taiwan patents granted.Release 10 power semiconductor technology platforms annually.
	<div></div> <div>Action and Results</div> <ul style="list-style-type: none">As of 2024, a total of 143 patent applications have been filed, including patent application in Taiwan, China, USA, and other countries.As of 2024, the number of currently valid and certified patents was 47.A total of 25 patent applications in different countries have been filed in 2024, and 16 patents (in Taiwan, China, and USA) were granted and certified.In 2024, we released 10 power semiconductor technology platforms, including IGBT technology platform and MOS technology platform that are ranked among the top three competitors in the world.In 2024, we upgraded high-voltage third-generation semiconductor technology platform, including FRED and SiC diodes.			

PANJIT is equipped with the capability to integrate with the upstream and downstream semiconductors and IDM design technology, and also has its own wafer manufacturing plant and advanced lines. We mainly produce rectifiers, power semiconductors, suppressors and other discrete component products, and continue to pay attention to the market trends and launch thin packaging products meeting market demands.

PANJIT’ s management has been upholding the corporate philosophy of sustainable management and constantly investing in the R&D and equipment. Through the R&D and process teams specializing in different professional fields, the years of experience in manufacturing technology in the semiconductor industry has been applied to focus on the improvement in production efficiency, which is useful for process simplification and even optimization. Moreover, the automation of production through advanced equipment not only lowers the production costs but also improves the product quality, which further effectively improves operational efficiency and market competitiveness.

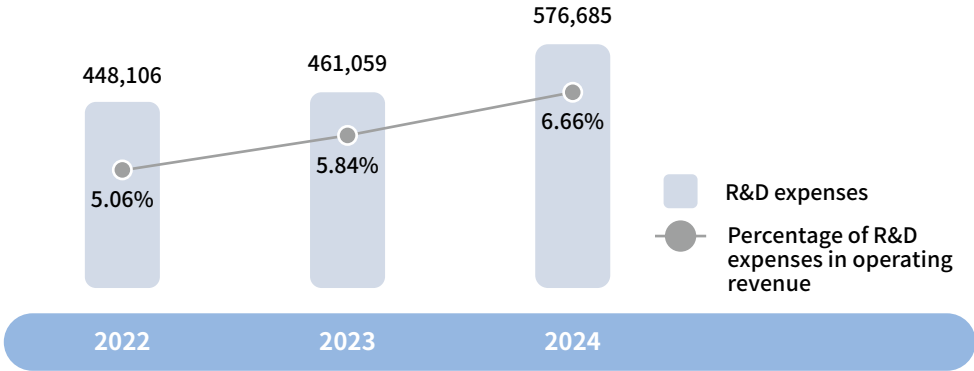
PANJIT continues to implement its medium- to long-term strategy for high-power components (such as MOSFET and SiC), and has successively launched SiC diodes, medium- and low-voltage SGT MOSFETs, and Super Junction MOSFETs. These developments serve as a foundation and pilot for the future development of SiC MOSFETs, paving the way for PANJIT to expand into target application markets.

PANJIT has completed the development and released 89 discrete semiconductor devices, including HV MOSFETs, MV MOSFETs, SiC SBDs, and FREDs. From the perspective of semiconductor device technology, the manufacturing technologies for the 650V Super Junction (SJ) MOSFET Gen.2, 100V Medium Voltage Shielded Gate Trench (MV SGT) MOSFET Gen.2, 650V/1200V SiC Schottky Barrier Diodes (SiC SBDs) Gen.3, and 600V/1200V Fast Recovery Epitaxial Diodes (FREDs) Gen.1 have been fully developed and commercialized.

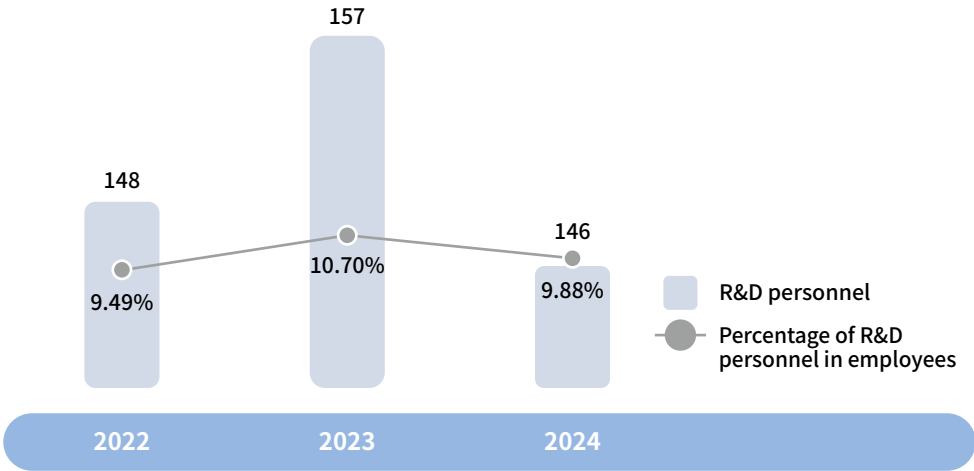


PANJIT’ s R&D Expenses in the Past 3 Years

Unit: NTD 1,000



PANJIT’ s R&D Manpower in the Past 3 Year



Note: R&D expenses and manpower are from PANJIT’ s individual information.

Future R&D Projects




Discrete devices are widely used in various electronic devices, and their main applications include frequency conversion, rectification, voltage transformation, power amplification, and power control. They are the foundation of the electronics industry. With advances in technology and changes in industries, there is an increasing demand for discrete devices in the market. In addition, the Company has a comprehensive product line and actively invests in the R&D of various high-performance high-power discrete devices to cater the market trends and enhance our competitiveness.

With the forward-looking thinking that is combined with the industrial trends and market trends, PANJIT will be devoted to R&D in the coming years to enhance product predominance and market competitiveness. The future R&D projects for our products include the followings.

Product Line	Future R&D Projects
HV MOSFETs	RDS-ON and capacitance are lowered to improve the component efficiency by using the trench structure design and other technologies, such as Ciss, Coss, and Crss, so as to increase the switching speed. In addition, these types of high-voltage power components will be used in power systems or charging facilities. Therefore, the focus of the R&D is to enhance thermal conductivity/reducing thermal dissipation with the component structure design, packaging material and thermal path design.
MV MOSFETs	The design direction of medium voltage products is oriented toward achieving improved FOM (Figure of Merit) for high performance solutions. The future market trend will be toward 48V system to achieve high power density solutions for automotive market, AI server, industrial power supply, etc., bringing higher market demand for MV MOSFET.
SiC SBDs	To respond to the market's high power density solutions, PANJIT will focus on improving the two key capabilities of Low Forward Voltage and Robustness (IFSM / Eas) in the design of SiC SBDs products to meet the market demands for high performance and provide products with higher reliability.
SiC MOSFETs	Silicon carbide (SiC) is a wide bandgap semiconductor material with high voltage resistance and high electron mobility. It is used and is often the best material for high-level application under high frequency, high pressure, and high temperature, such as electric vehicle, green energy and so on. The target of the R&D is the structure design of this component and the exclusive process development.

Product Energy Conservation Benefits

In the development of power semiconductors, market applications are trending toward higher current handling capability, lower on-resistance, reduced thermal generation, faster heat dissipation, and more compact form factors. In addition to its chip process integration design capabilities, PANJIT also continuously improves packaging technology. In addition to having a stable quality standard in the manufacturing of traditional semiconductor discrete devices, we also have the development and mass production capabilities of wafer-level chip scale packaging (WLCSPP) and panel-level packaging (PLP). The panel-level packaging (PLP) components newly developed by PANJIT not only have excellent electrical performance, but also can improve energy efficiency within a limited packaging volume, reducing conduction energy loss and achieving rapid heat dissipation. Compared with power components of the same specifications, the system volume is minimized through chip and component integration design. In terms of power density, our PLP components deliver over three times the power efficiency of competing products within a fixed space.

	Competing products 01	Competing products 02	PLP Device
Top view			
Product dimensions	16.25x11x2(mm)	11.9x10.1x1.6(mm)	11.9x10.1x1.2(mm)
Product volume	357.5mm ³	192.3mm ³	144.2mm ³
Weight	-	0.48g	0.77g
A/cc (Power density)	7 A/cc	4.1 A/cc	20.8 A/cc
A/cc ratio (Power density ratio)	0.33x	0.19x	1.00x

ITEM	SKY	Zener	TED/TVS	Bridge	MOSFET
PD(For Tj max)	◎	○	○	○	◎
Peak Pulse Current (Forward surge)	◎	○	-	◎	◎
Repetitive Peak Forward Current (Reverse surge)	○	○	○	○	-
UIS	-	-	-	-	○
Io(For Tj max)	◎	◎	○	○	◎
Vf(Rated Current If(Io))	◎	-	-	○	-
Id(for Tj max)	-	-	-	-	◎
RDSON	-	-	-	-	◎

Note: “◎” indicates that this type of products attaches great importance to the corresponding electrical properties in the Item; “○” shows a strong relation between this type of products and the corresponding electrical properties in the ITEM.

With the emerging applications of artificial intelligence (AI) and High-performance computing (HPC), the demand for high-speed data transmission is growing, making it critical to ensure energy consumption control of high-speed transmission interfaces. With over 38 years of experience in semiconductor, PANJIT developed ultra-low capacitance ESD protection components to provide powerful electrical protection in high-density terminal assembly design.

PANJIT’ s ESD protection components won the highly anticipated “Best Discrete of the Year” Award at the 2024 EE Award Asia. Our ESD protection components excel in key areas such as ultra-low capacitance, low clamping voltage, and high surge protection, ensuring protection for advanced interfaces such as USB4, Thunderbolt 5, and PCIe Gen 6. In the future, PANJIT will prepare the mass production of these breakthrough components for the market. It is expected that the newly developed low energy loss (Low Rdson) and low traditional parasitic loop inductance (Low Cj) product line will be able to achieve fruitful results.

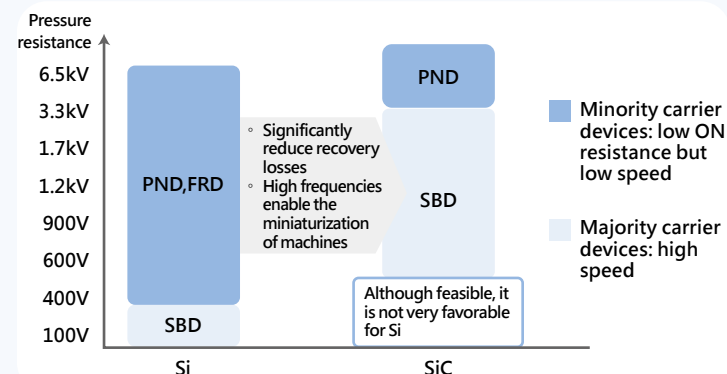
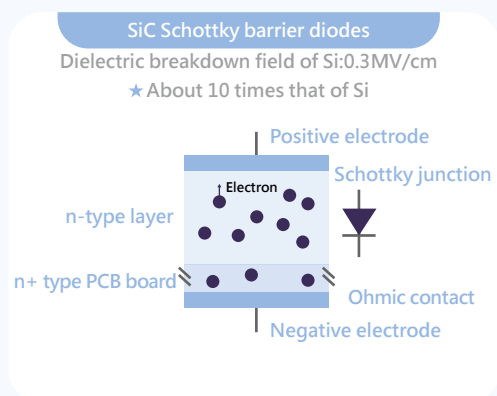
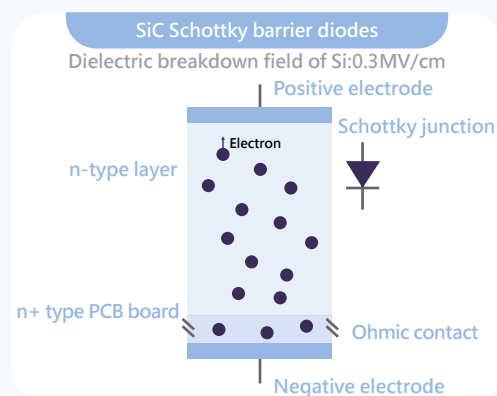


SiC Schottky barrier diodes (SiC SBDs)

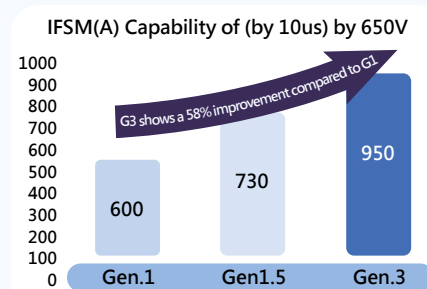
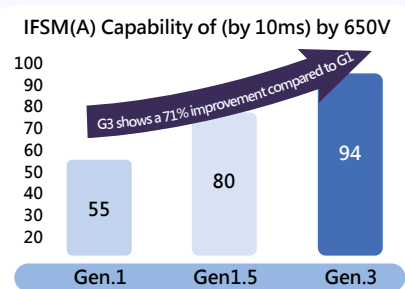
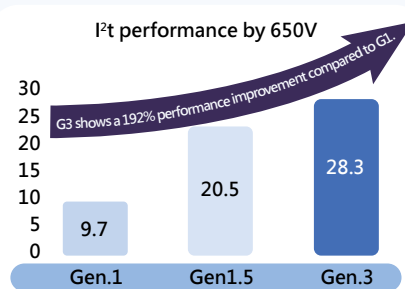
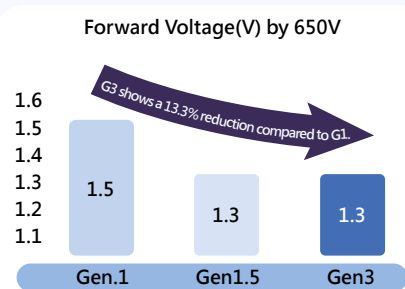
SiC Schottky barrier diodes (SiC SBDs) are similar to the traditional Si-SBD structure. Through forming a Schottky barrier by bonding metal and SiC semiconductor, the newly developed SiC SBDs achieves high switching speed. Compared to Si materials, SiC's significantly higher electric breakdown field enables SiC-SBD to withstand much higher voltages up to 650V, 1200V, or 1700V, perfect for high-efficiency applications.

Compared with Si-PN junction diodes, SiC-SBD has advantages in high withstand voltage and high speed. PN junction diodes need to use positive hole and electron flow to achieve high withstand voltage, yet it will cause the speed of the diode to slow down. However, SiC-SBDs combine high-speed operation with enhanced voltage tolerance, effectively minimizing reverse recovery energy (Err) and supporting higher switching frequencies, making it highly advantageous for compact and high-performance system designs.

The advantages of SiC diodes include extremely fast recovery time, increased switching speed, and reduced component size, which enhances the power density of the end product, while improved thermal performance and efficiency enable operation at higher temperatures, further advancing overall product performance and stability.

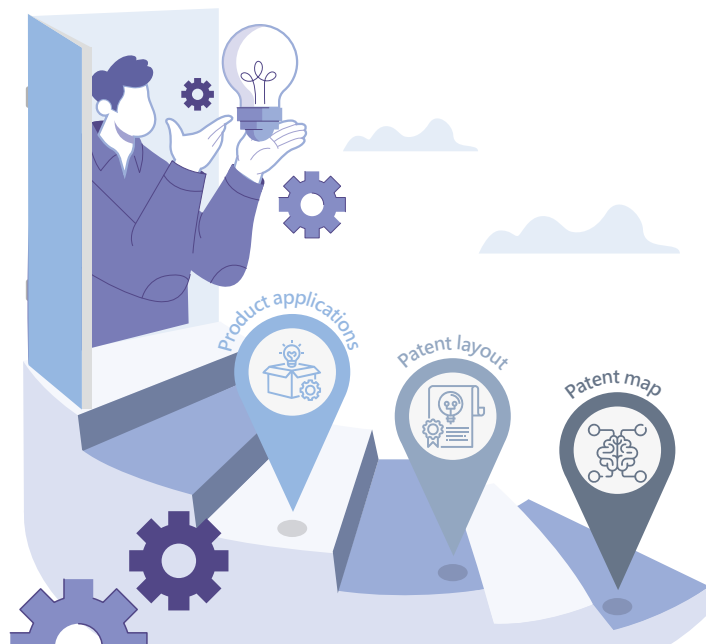


PANJIT's SiC Diode products have been developed to the third generation (Gen.3). Compared with the previous two generations, the specifications and performance of this generation are improved, including that the forward voltage (VF) reduced by 13.3%, that the I_{2t} increased by 192%, and that the maximum impact current (IFSM @10ms & 10us) increased by 71% and 58% respectively, making the third-generation SiC Diode more competitive in performance and able to meet higher-demand application requirements.



Patent Layout

The Company integrates the operational goals with R&D and legal resources. Each business unit follows the operational objectives and takes into account the quality and quantity of intellectual property to conduct research and development and innovation of different products and technology types on a yearly basis to strengthen our competitive edge and establish the company's image of innovative research and development. Externally, we continue to build a robust intellectual property portfolio in accordance with the company's product development strategy. Internally, we motivate employees to conceive and propose inventions by implementing incentive programs for patent applications in multiple countries. In addition, to align with the sustainability goals and strengthen the configuration of our product portfolio, PANJIT strategically obtains authorized transfers of specific technologies from domestic and foreign R&D companies and engages in collaborative development with cross-industry partners in both upstream and downstream sectors to optimize production efficiency. The intellectual property management plan specifically includes the followings.



Inspiring Innovation in R&D

PANJIT encourages innovation. The R&D unit regularly meets to present internal proposals and make discussions every week and holds cross-departmental meetings from time to time every quarter to motivate employees to submit invention applications. The Company has established "Patent Management Measures" (originally the Patent Application, Maintenance, and Incentive Management Measures) and has specially designed two stages of different inventive bonuses (Application Bonus, Patent Grant Bonus) to enhance the Company's R&D capacity and the leading status in technology.

Patent Management

To take into account both the patent quality and approval efficiency, patent engineers will convene meetings with external firms and internal R&D units from time to time to discuss and plan the scope of patent applications for technologies and develop strategies for handling rejections and responses to expedite patent approval. Different patent systems in different countries are further understood for the assessment of the needs of our patent layout in other countries. In 2024, a complete patent application process was established, covering prior art analysis, patent infringement investigations, and a review by the inventing unit. Only after obtaining approval from the Patent Review Committee may the patent application be formally submitted. Therefore, the old version of "Patent Review, Application, Maintenance, and Incentive Management Measures" have been replaced by the revised version of "Patent Management Measures". The process forms and patent inventory maintenance that should be followed in the regulations are all controlled by the Legal Office. To avoid patent infringement in the early stages of product development, there is an ISO form titled "Patent Application and Infringement Confirmation Form" to be used for the implementation of patent infringement confirmation procedure. Such form is submitted by the product development unit, and the "Patent Search Request Form" of the Patent Management Measures is filled in and submitted to the Legal Office for the assessment of the risk of patent infringement.

Trademark Management

The cooperative trademark firm conducts trademark monitoring across various countries from time to time to carry out trademark applications in different places promptly in response to the layout of our business activities. As of 2024, PANJIT has obtained trademark certificates from 16 countries. For existing trademarks, evidence of use is preserved every year and use declarations are regularly issued as prescribed in local trademark regulations.

Business Secret Protection

PANJIT established the Business Secret Management Measures in 2015 to strengthen the management of confidential information. In addition, all the employees' awareness of business secret protection is strengthened through education and training. The IT Department has also strengthened preventive measures for information security. Phishing emails are sent through internal network from time to time to enhance the employees' sensitivity to cybersecurity.

Patent Layout Under Environmental Strategies



To align with the trend of green technology orientation and the sustainable development of the industry, PANJIT's patent application will cooperate with the R&D units to make layouts in the direction of low cost and high-energy efficiency.

At the same time, in coordination with the primary product applications, PANJIT also demands a complete patent layout in response to the high level of market development and changes. Among them, to comply with the increasing demand of consumer electronics applications, the patent layout of high-power semiconductors will be the key target. Meanwhile, the patent layout will also be carried toward SiC MOSFET to meet the needs of industrial applications. Coupled with the recent rise in the demand for new energy vehicle (NEV) applications, the patent layout of high-voltage electronic components is also one of the main development directions. In addition, we also plan the patent layout of low, medium, and high voltage electronic components to cater to the needs of 5G communication applications. PANJIT will attach more importance to high-efficiency, heat dissipation, and lightweight and thin technology out of the original intention of environmental protection and invest in patent costs.

In terms of patent management, as of 2024, there are a total of 143 patents, including pending applications and granted patents, under maintenance at PANJIT, among which 48 are from Taiwan, 42 from China, 52 from the USA, and 1 from India. In the future, we will consider filing patent applications in Europe, Japan, India and other countries based on the product application fields. As of 2024, there are currently 47 granted patents, and 96 under review. Based on statistics of patent application and grants in recent years. The implementation between 2022 and 2024 of the ideas emerged in the early years gradually resulted in consistent rise in the number of patent applications filed for three consecutive years, laying a solid foundation for future product development and market expansion.

Social Responsibility of Intellectual Property Rights



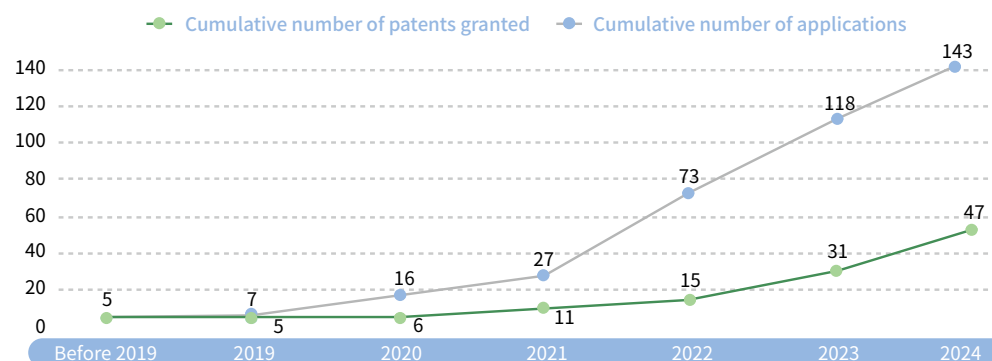
PANJIT continuously improves technological innovation and actively invests in joint development and cooperation with academic institutions to further use the intellectual property right as an important tool for the innovation of the company and the resource base for the enterprise to achieve sustainable goals. The intellectual capital that includes patents and other intellectual property rights is effectively applied to achieve ESG goals, including but not limited to addressing industry demands by innovating green technologies and applying for patents to protect technologies or methods related to energy conservation and carbon reduction, green energy, carbon neutrality, and so on. To effectively promote the development of ESG indicators, PANJIT is dedicated to establishing management systems and layout decisions, including patent layout, intellectual property management, intellectual property commercialization, and the ability to develop green intellectual property, so as to establish technological advantages and reduce legal risks while at the same time protect the technologies through business secrets to achieve the purpose of green R&D investment and employees' creations. In addition, the company's image of environmental protection and social responsibility can be demonstrated by registering and using trademarks.

Intellectual Rights Management Affects Corporate Governance









In addition to managing patents, trademarks, and copyrights, the scope also covers trade secrets, customer relationships, organizational culture, and corporate reputation to conduct management and utilization of intangible assets. In terms of corporate governance, we aim to avoid the occurrence of potential risks for the establishment of a corporate image of integrity management and creation of additional value for the enterprise. PANJIT's intellectual property management attaches great importance to avoiding the risk of infringement. It will refer to the TWSE's newly revised intellectual property management evaluation indicators and incorporate the PDCA Intellectual Property Management Cycle System into the corporate governance framework and develop it from five aspects, including (1) formulation of policy objectives, (2) acquisition/ protection/ maintenance/utilization of the establishment of management systems, (3) provision of resources, (4) response to risks or opportunities, and (5) audit improvement. Our legal unit will also take regular inventory of the patent rights to avoid the risks of infringement and being infringed upon.

Historical statistics on patent applications and grants

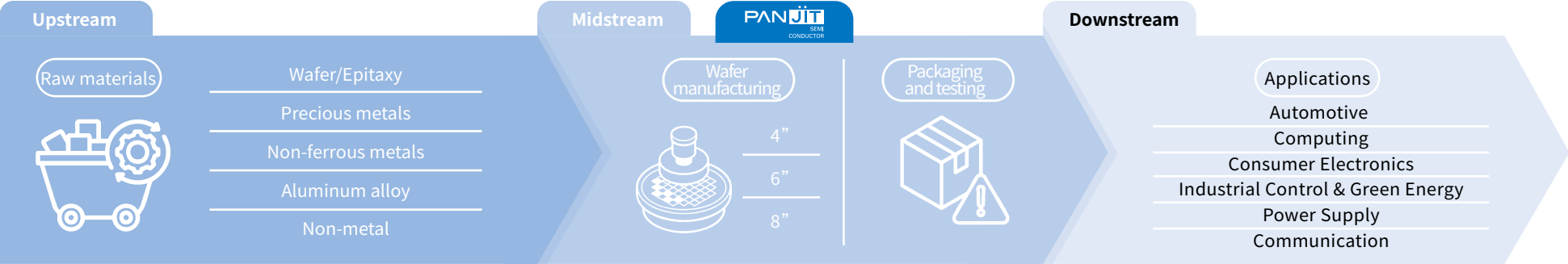


3.3 Sustainable Supply Chain Management

Management Approach of Supply Chain Sustainable Management		Material Topic: Supply Chain Sustainable Management			
 Purpose of Management	PANJIT requires its suppliers to comply with all relevant laws, and social and environmental standards in the management and treatment of employees. We manage our suppliers in accordance with the RBA principles and relevant standards, regularly review the labor rights issues of our supplier partners, and investigate whether they uphold the concept of environmental protection, occupational safety and health and corporate responsibility to fulfill their responsibility as corporate citizens.				
 Policy	Please refer to the corporate sustainable development policy				
 Remediation Mechanism	There were no actual incidents with negative impacts. PANJIT has established the Operating Procedures for Supplier Assessment, Counseling, and Development and other management measures. If incidents with actual negative impacts occurs, remedial plans will be made for individual events to lower the negative impacts.				
 Management Review	<ul style="list-style-type: none">◦ Regularly arrange annual supplier audits to ensure that the supplier systems meet the requirements of quality, EHS, and CSR/RBA standards.◦ Conduct management review on a yearly basis in accordance with ISO 9001 & IATF 16949 requirements, and monthly supplier evaluation and annual audit evaluation are actually carried out.				
 Goal	Goals for 2024	Goal Attainment Status for 2024	Short-term Goals (2025~2030)	Medium- and Long-term Goals (2030~2050)	
	<ul style="list-style-type: none">◦ 100% of suppliers sign the Commitment of Supplier Social Responsibility Commitment.	<ul style="list-style-type: none">✓ 100% of suppliers signed the Commitment of Supplier Social Responsibility Commitment.	<ul style="list-style-type: none">◦ Automotive direct material suppliers to complete VDA6.3 audit.◦ To provide guidance and oversight to direct material suppliers for them to be completely (100%) compliant with RBA requirements and ISO certification (ISO 16949, ISO 14001, ISO 45001).◦ To achieve 100% response rate for the ESG issue questionnaire distributed to supplier partners.◦ 100% of suppliers sign the Commitment of Supplier Social Responsibility Commitment.◦ To achieve 100% completion rate of CMRT and EMRT due diligence across all suppliers.	<ul style="list-style-type: none">◦ 100% of suppliers sign the Commitment of Supplier Social Responsibility Commitment.◦ To achieve 100% completion rate of CMRT and EMRT due diligence across all suppliers.	
 Action and Results	<ul style="list-style-type: none">◦ Continued to provide guidance to direct material suppliers to complete ISO 14064-1 inventory and ISO 50001 to reach the goal of energy conservation, carbon reduction and corporate green environment.◦ In 2024, a total of 4 new qualified suppliers were added. A 100% signing rate for the Conflict Minerals Commitment was reached, and no conflict minerals were identified in use.◦ In 2024, the RBA audit of 54 automotive and direct material suppliers was completed, with the pass rate of 100%.◦ In 2024, the self-evaluation questionnaires were distributed to 54 automotive and direct material suppliers, and the response rate reached 100%.◦ Mineral Reporting Template (EMRT) reached 100%.				

Note: Automotive direct material suppliers refer to suppliers whose raw materials are supplied to automobile manufacturers after processing; direct material suppliers refer to suppliers whose raw materials are delivered to customers along with the products; indirect suppliers refer to suppliers that provide raw materials required for the production process but are not final products; general suppliers refer to suppliers other than direct material suppliers and indirect suppliers.

Industrial Value Chain



Note:

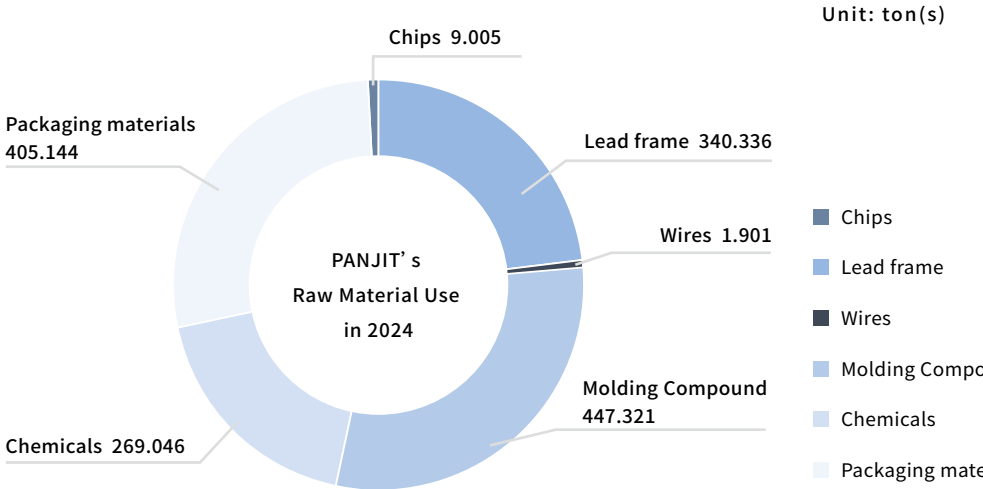
1. For information of other affiliated companies, please refer to [PANJIT 2024 Consolidated Business Report of Affiliates](#).

2. There were no important changes in the upstream and downstream business relationships compared with the previous year.

Use of Raw Materials

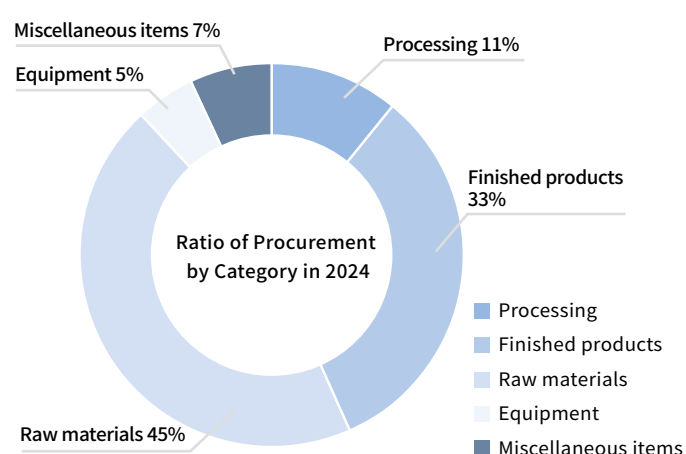
The main raw materials used in PANJIT include chips, Lead Frame, wires, molding compound and chemicals are all non-renewable raw materials. To reduce the environmental impacts, the packaging materials are mainly reusable ones, and the suppliers voluntarily recycle these packaging materials for reuse. PANJIT also requires its suppliers to use stainless steel trolleys to transport the packaging materials and use plastics boxes for the arrival of goods.

Category	Recycling methods for packaging materials
Chips	Recycle empty boxes
Lead frame	Recycle empty reels <div>100% recycled</div>
Wires	Recycle empty reels <div>100% recycled</div>
Molding Compound	Use reusable plastic boxes
Chemicals	Recycle empty barrels
Packaging materials	Transport with stainless steel trolleys <div>100% recycled</div> Use reusable plastic boxes

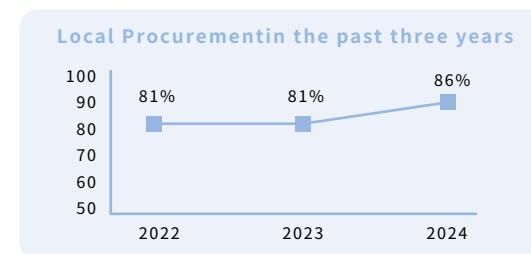


Local Procurement

The types of procurement at PANJIT include processing, finished products, raw materials, equipment, and miscellaneous items. The procurement areas include Taiwan, Japan, China, and so on. Among them, raw materials account for the majority of procurement, accounting for 45% of the overall purchase amount. PANJIT has been upholding the principle of local procurement to improve the economic development locally while reducing the carbon emissions during the product life cycle. The number of suppliers totaled 516 in 2024, and the local procurement of raw materials accounted for 86% of the total amount of raw materials.



Region	Raw materials	
	Number	Ratio of raw materials procurement amount
Taiwan	54	86%
Overseas	10	14%

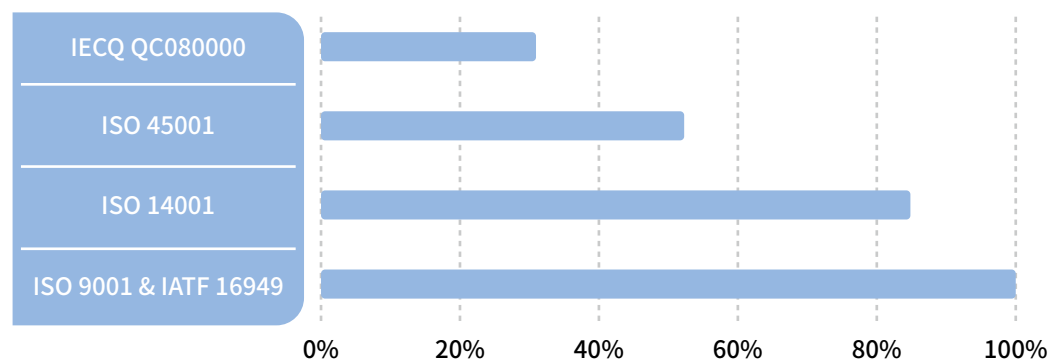


Selection of New Suppliers

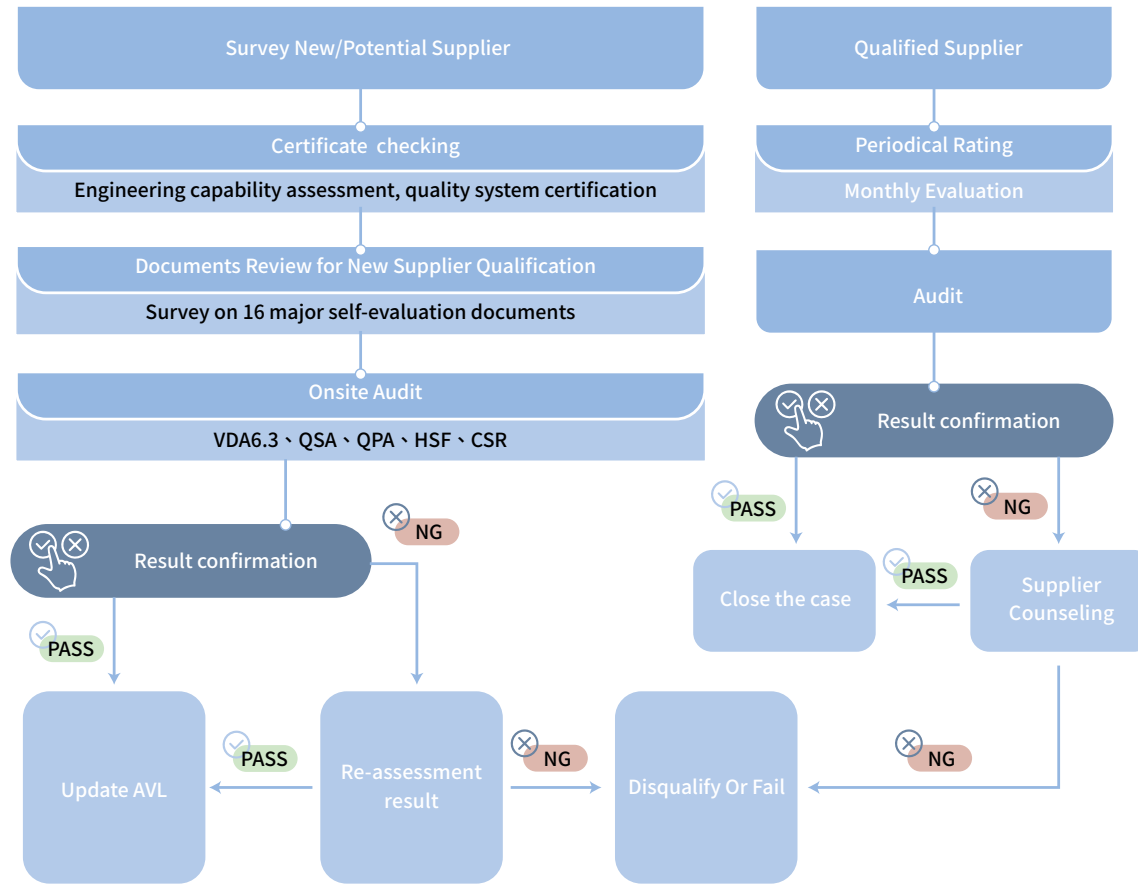
PANJIT complies with the Operating Procedures for Supplier Assessment, Counseling, and Development when evaluating new suppliers and conducting due diligence on the suppliers in accordance with the purpose of RBA and relevant standards to investigate whether they uphold the concept of environmental protection, occupational safety and health and corporate responsibility to fulfill their responsibility as corporate citizens, and whether there were any records of impacts on the environment, occupational safety and health, and society. If there are relevant records, the suppliers will be required to submit reports and improvement results, and actual implementation status will also be confirmed.

The content of new supplier evaluation includes four major aspects, including engineering and technical capabilities, quality management system, price and services (including production capacity and delivery commitments), and industrial performance (including green products and safety and health), to make comprehensive evaluation of the risks of introduction of such suppliers. The review standards adopted are targeted at new suppliers of major raw materials, and the status of their relevant international quality system certifications are also confirmed, such as ISO 9001, ISO 14001, IATF 16949, ISO 45001, etc. Review is conducted targeting at the process management, green products, implementation of RBA standards and safety and health management to ensure the suppliers can meet the requirements in terms of product quality, relevant restrictions of hazardous substances, employee protection and other environmental and labor practices. In 2024, the number of newly added qualified suppliers was 4. All of the suppliers are required to sign the Commitment of Supplier Social Responsibility Commitment. As of the end of 2024, the signing rate reached 100%.

Proportion of Supplier Management System Passing Verification



Process of New Supplier Selection



16 major self-evaluation documents	
Automotive direct material suppliers	Anti-bribery Commitment Letter HSF, CSR, VDA 6.3, BCP Declaration on Conflict-Free Minerals Commitment of Supplier Social Responsibility PANJIT's Supplier Quality Agreement
Direct material suppliers	Anti-bribery Commitment Letter HSF, QSA, QPA, CSR, BCP Declaration on Conflict-Free Minerals Commitment of Supplier Social Responsibility
Indirect suppliers	Anti-bribery Commitment Letter QSA, HSF, CSR Commitment of Supplier Social Responsibility
General suppliers	Anti-bribery Commitment Letter QSA, CSR Commitment of Supplier Social Responsibility

If the results of the above evaluation items of the new suppliers are conditionally qualified, the new suppliers have to propose an improvement plan within 30 days after receiving the audit report. The company will then decide whether to recognize the new suppliers as temporarily qualified after discussing with relevant departments. Rearrangement of audit confirmation will be made for temporarily qualified new suppliers when improvements are completed. If there shows no actual improvement or invalid improvement, such new suppliers will be listed as unqualified suppliers, and relevant departments will be notified of the audit confirmation results. Unqualified suppliers can provide a comprehensive improvement plan within 3 months after receiving the audit report, and apply for supplier audit evaluation review after the improvement is completed. For the supplier who is recognized as unqualified after two reviews, such supplier's qualification will be cancelled, and shall not apply for a second review within one year from the receipt of the review results.

Supplier Evaluation

PANJIT conducts hierarchical management of suppliers in accordance with the Operating Procedures for Supplier Assessment, Counseling, and Development, and divide suppliers into automotive direct material suppliers, direct material suppliers, indirect, and general suppliers. The supplier evaluation and management is conducted in accordance with different levels. The company has been dedicated to expanding the scope of corporate social responsibility to the supply chain. In the management aspect of the supply chain quality, environment, occupational safety and health, and labor rights, the regular evaluations, audits and supplier self-evaluations are made to continuously collect information concerning the implementation status and compliance of relevant codes of conduct in different aspects. The suppliers have to make improvements and provide supporting information within one month after receiving the audit deficiency report. If supporting information of improvements cannot be presented within two month, a plan with detailed schedule of improvements and estimated date of completion has to be provided. The management unit of suppliers will schedule the review of the deficiencies in the current year after the audit is completed.

The company follows the Operating Procedures for Supplier Assessment, Counseling, and Development for the monthly and annual audit of suppliers. The supplier evaluation documents include VDA 6.3 Process Audit, Quality System Assessment (QSA), Hazardous Substance-Free (HSF) Management System Assessment, Corporate Social Responsibility (CSR) Assessment and Quality Process Capability Assessment and Audit Form (QPA), Business Continuity Planning (BCP). Regular audit operations are made in correspondence with the characteristics of each supplier, and the monthly evaluation operation is carried out to monitor the quality status of the suppliers. In 2024, a total of 54 suppliers were audited, and in addition to the above-mentioned documents, the content of audits also included RBA audits, and the results were all qualified. There were no suppliers with actual or potential negative impacts on the environment and society.

To ensure that suppliers' supply capabilities can remain stable and continuous under various potential risks, PANJIT will add a supplier BCP (Business Continuity Planning) assessment in 2025 to identify and reduce supply chain disruption risks, strengthen the Company's overall risk management capabilities, and thereby improving our market competitiveness.

Evaluation Methods	Automotive Direct Material Suppliers	Direct Material Suppliers	Indirect Suppliers	General Suppliers
Supplier evaluation	Conduct monthly evaluation on quality, delivery, services, and so on to ensure the overall performance of the suppliers meets the requirements, and the results are also summarized as the basis for the annual evaluations.			
On-site (including document) audit	<ul style="list-style-type: none"> Once a year. Conduct document audits using VDA 6.3, HSF, CSR, and BCP. When the procurement months or volume of raw material suppliers exceed a certain number, when there is abnormal yield, or when the CSR self-evaluation score is below 70 points, on-site audits will be arranged. The evaluation result must reach Grade A (90–100%). 	<ul style="list-style-type: none"> Once a year. Conduct document audits on VDA6.3\QSA\QPA\HSF and CSR. When the procurement months or volume of raw material suppliers exceed a certain number, when there is abnormal yield, or when the CSR self-evaluation score is below 70 points, on-site audits will be arranged. The evaluation result must reach Grade A (90–100%). 	<ul style="list-style-type: none"> Once every two years. Conduct document audits on QSA, HSF, CSR and QPA. On-site audits for domestic suppliers that we have made procurement from for more than six months. On-site audits are arranged for domestic raw material agents based on department needs. 	<ul style="list-style-type: none"> Once every three years. Conduct document audits on QSA, HSF, CSR and QPA. On-site audits are implemented to domestic suppliers that we have made procurement from for more than six months.
Document audit	<ul style="list-style-type: none"> Document audits are conducted to raw materials from which the procurement months and volume are lower a certain number, and the yield rate is normal, the CSR self-evaluation score is higher than 70 points. The evaluation result must reach Grade A (90–100%). 	<ul style="list-style-type: none"> Document audits are conducted to raw materials from which the procurement months and volume are lower a certain number, and the yield rate is normal, the CSR self-evaluation score is higher than 70 points. 	<ul style="list-style-type: none"> Document audits are arranged for raw material suppliers from which the procurement months and volume are lower than a certain number. 	<ul style="list-style-type: none"> Document audits are arranged for raw material suppliers from which the procurement months and volume are lower than a certain number.
Audit exemption	<ul style="list-style-type: none"> Suppliers rated as A-level in the current year or those with no procurement records can be exempted from the audit in the following year. When domestic suppliers that suffer from uncontrollable disasters (earthquakes/fires/floods, etc.), they will be exempt from audits during the recovery period. 			

Risk Management of Key Materials

To effectively grasp the status of key materials, PANJIT classified its raw material suppliers by levels. Automotive direct material suppliers, direct material suppliers, indirect suppliers, and general suppliers are defined according to the quality system for each supplier. Raw materials provided by automotive direct material suppliers are defined as key raw materials, and evaluations and tracking are conducted to automotive direct material suppliers.

To reduce the risk of supply chain disruption, PANJIT has the following corresponding measures: (1) Actively build a diversified supply chain (2nd source); (2) Provide guidance to suppliers for them to invest in automation technology research so as to reduce demands for and reliance on labor; (3) Establish a safety stock level mechanism; Promote a comprehensive BCP framework to ensure the continuity and stability of the operations. Moreover, PANJIT also conducts ESG evaluation and sustainable risk assessment of suppliers with high risks and continue the follow-ups for improvement.



Survey on Conflict Minerals

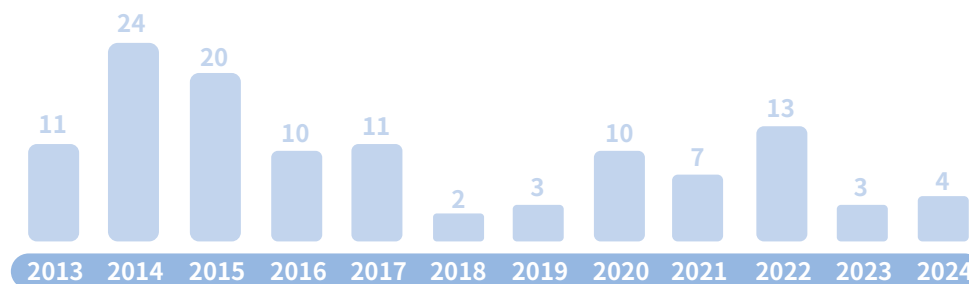
Commitments to Conflict-free Minerals



- 01 Never purchase conflict metals produced in conflict areas.
- 02 Require suppliers to refuse the use of conflict metals from conflict areas and submit the letter of commitment.
- 03 Require suppliers to inform its upstream suppliers of such requirement.

PANJIT requires all direct material suppliers to ensure that they do not use minerals from conflict areas and to submit Conflict Minerals Reporting Template (CMRT) and the Expanded Mineral Reporting Template (EMRT). During the new supplier selection phase, in addition to requiring suppliers to provide relevant supporting information based on the assessment documents, we also require direct material suppliers to sign a letter of commitment guaranteeing that they do not use metals produced in conflict areas to ensure that they comply with relevant regulations. Since 2013, PANJIT has conducted investigations on the existing qualified direct material suppliers on a yearly basis in accordance with the RBA standards and implemented the Non-use of Conflict Minerals Policy. In addition to requiring the direct material suppliers to sign the Declaration on Conflict-Free Minerals, suppliers are also required to submit the CMRT and EMRT to ensure that the gold, tungsten, tin, tantalum, cobalt and other metals used in the supply chain are all from legal mining areas. To fulfill its due diligence obligations, PANJIT refers to the list of qualified certified smelters published on the RMI (Responsible Minerals Initiative) website on a monthly basis to check the list of smelters submitted by suppliers. If any smelter is found not listed on the current list of certified facilities, we will proactively notify the supplier to remove it, thereby ensuring that no conflict materials are introduced into the materials. In 2024, an investigation was carried out on 4 newly qualified suppliers, and none was found to use minerals sourced from conflict-affected areas. All suppliers have signed the "Conflict Free Metal Declaration", and the submission rate of the CMRT and EMRT reached 100%.

Number of Suppliers Surveyed for Conflict Minerals over the Years



**100% Compliant
with the Non-use of
Conflict Minerals**

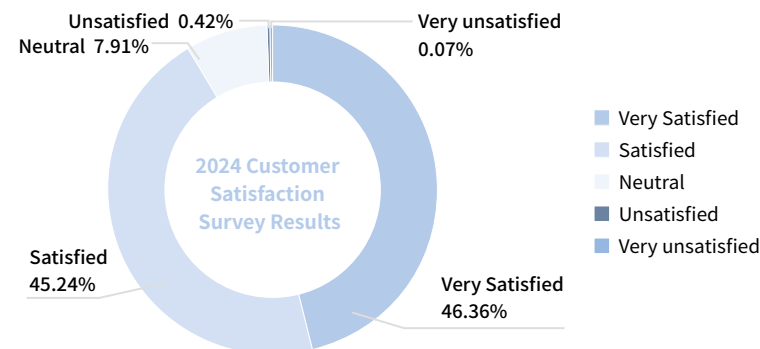
3.4 Customer Relationship Management (CRM)

Customer Communication and Service

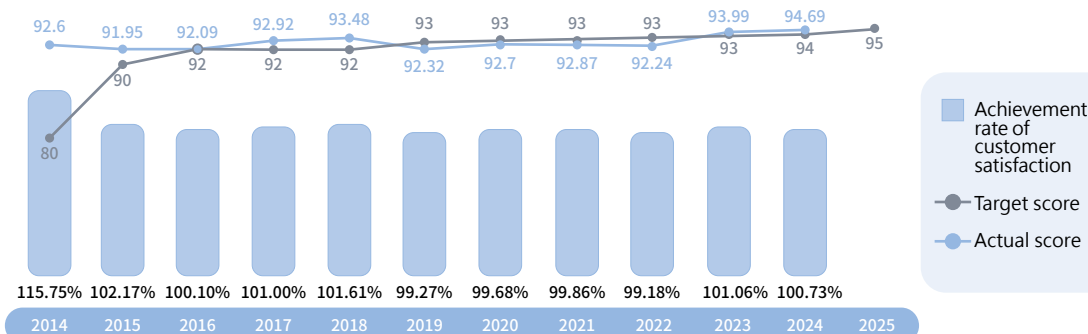
PANJIT places a high value on customer opinions and feedback, and every year we conduct customer satisfaction survey to understand customer needs, which includes both customer satisfaction ratings and self-evaluation of customer satisfaction, for us to promptly identify and address any potential issues our customers may have, while also gaining insight into their needs and expectations regarding our products and services that can serve as a reference for us to formulate future development strategies and improvement plans.

Every year, PANJIT conducts a satisfaction survey on its customers whose business with the company account for 80% of their revenue of the year, and the survey items include 1. Product quality and reliability; 2. Response speed and effectiveness; 3. Brand positioning and image; 4. Customization capabilities; 5. Product delivery; 6. Price; 7. Product manufacturing technology; 8. Product application technology; 9. Customer complaint handling process; 10. Professional capabilities and skills of salespeople; 11. Validity of data on the information platform; 12. The design of the website meeting the needs; 13. Customer relations; 14. Correctness of information provided on products without hazardous substances, and comprehensive suggestions.

A total of 102 customer satisfaction questionnaires were collected in 2024. According to the survey results, "the professional capabilities and image of sales personnel," "accuracy of information provided on products free from hazardous substances," and "customer relations" ranked among the top three satisfaction items, receiving high recognition from customers while "Product delivery time", "Price", and "Customization capabilities" scored lower. Due to the impact of production process factors in 2024, the proportion of customer complaints increased and the delivery rate did not meet expectations, affecting the overall satisfaction results. In response to this, PANJIT immediately took actions for improvement and actively enhanced its customization capabilities to meet customer need with more flexibility. We also continue to monitor product delivery status while paying close attention to market supply and demand changes and cost adjustments for pricing to actively improve customer satisfaction with PANJIT.



Customer Satisfaction Achievement Rate over the Years



Note: Customer Satisfaction Achievement Rate: Actual Satisfaction/Target Satisfaction

Customer ESG Audit

PANJIT also receives customer audits from time to time. The audit content includes items in the aspects of quality, environment, and human rights, and the audit is carried out by means of document audit, on-site audits, and disclosure of Self-Assessment Questionnaire (SAQ) information on the RBA platform. In 2024, a total of 41 customers of ours conducted RBA-related audits on the company. Corresponding improvement measures were completed within the specified period of time as required by our customers for the items need improving. The final results were all compliant with customers' requirements.







4

Environmental Protection

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4.2 ENERGY AND EMISSIONS	74
4.3 WATER RESOURCES MANAGEMENT	77
4.4 WASTE MANAGEMENT	80



4.1 Climate Change Adaptation and Actions

Management Approach of Climate Action		Material Topic: Climate Change Adaptation		
<div> Purpose of Management</div>	Faced with the climate change and global warming, the stakeholders' awareness of green procurement is increasing. To meet the market demands and fulfill the commitment of environmental sustainability, PANJIT is actively promoting different energy/resources inventories and management, striving to be compliant with the goals of low pollution, low energy consumption and energy conservation in terms of the manufacturing process, and continues to make investment in the establishment of green energy facilities and waste recycling to align with the trend of carbon reduction and ultimately achieve the long-term goal of carbon neutrality.			
<div> Policy</div>	Please refer to the corporate sustainable development policy- Regulatory Compliance, Energy Conservation and Waste Reduction, Continuous Improvement			
<div> Remediation Mechanism</div>	<ul style="list-style-type: none">◦ The company has set up emergency response measures and purchased adequate property insurance so that when disasters occur, timely response can be made, and damage can be lowered.◦ Establish a crisis communication plan for timely communication with suppliers, customers, and other stakeholders to ensure that all parties understand the situation and assist in collaborative response to the impact of disasters.			
<div> Management Review</div>	<ul style="list-style-type: none">◦ Conduct the review of the PDCA in accordance with ISO 14001 and ISO 50001 management procedures on a regular basis.◦ Conduct ISO 14064-1 GHG inventory every year and pass third-party verification.			
<div> Goal</div>	Goals for 2024	Goal Attainment Status for 2024	Short-term Goals (2025~2027)	Medium- and Long-term Goals (2028~2040)
	<ul style="list-style-type: none">◦ Using 2022 as the baseline year, the target for 2024 is to achieve an annual electricity savings rate exceeding 1%.◦ Using 2022 as the baseline year, the target for 2024 is to achieve a carbon reduction of more than 1% at the Gangshan Factory.◦ Maintain an annual RO process wastewater recovery rate of over 50%◦ Waste recycling rate \geq 80%.	<ul style="list-style-type: none">✓ Annual power saving rate 3.36% .✓ Carbon reduction at Gangshan Factory reached 4.81%.✗ RO wastewater recovery rate 39.01%.✓ Waste recycling rate 90.25%.	<ul style="list-style-type: none">◦ GHG emissions to reduce by more than 1% compared with the base year (2024) (Scope 1 + Scope 2).◦ Annual carbon intensity < 9 (tonCO₂e/NT\$ million).◦ Maintain a process wastewater recovery rate of 15% or above.◦ Waste recycling rate \geq 80%.◦ Annual electricity consumption intensity < 35 (GJ/NT\$ million).	<ul style="list-style-type: none">◦ Using 2022 as the baseline year, achieve a 10% carbon reduction by 2030◦ Achieve carbon neutrality by 2040.
<div> Action and Results</div>	<ul style="list-style-type: none">◦ The total of energy savings in 2024 was 1,664,380 kWh/ year, equivalent to an approximate greenhouse gas reduction of 822.20 tCO₂e.◦ The solar power generation in 2024 was 181,876.55 kWh, with self-consumption accounting for 26,272.55kWh.◦ The volume of recycling and reprocessing electronic waste wafer scraps in 2024 amounted to 1.32 tons.◦ The amount of waste liquid recovered and reprocessed in 2024 was 6.54 tons.◦ The volume of sludge treated was 83.78 tons in 2024.◦ The volume of waste plastic recycled into hollow bricks in 2024 reached 245.94 metric tons, a 92.37% increase over 2023.◦ The water recovered in 2024 was 65,958 tons, with the recovery rate of 19.20%.◦ The wastewater monitoring in 2024 was compliant with legal requirements, with no significant adverse effects on the surrounding water environment.			

Governance

In the face of an increasingly severe business environment, companies cannot ignore the regulatory requirements and the climate actions brought about by global warming. PANJIT has paid long-term attention to climate change, and is dedicated to the promotion of sustainable governance. To respond to the Financial Supervisory Commission' s "Sustainable Development Roadmap" and the National Development Council' s "Taiwan' s Pathway to Net-Zero Emissions in 2050" , PANJIT refers to the Task Force on Climate-related Financial Disclosures (TCFD) Framework and the recommendations from Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies to assess and identify climate change risks and opportunities.

PANJIT' s ESG Promotion Office reports to the board of directors on the schedules and progress of the GHG inventory and verification schedule progress on a quarterly basis. The content of the 2023 climate-related report covers the GHG inventory progress and planning, the risk management operations (including climate change risks), etc. Through the operation of ESG Promotion Office and the reports and discussions on related climate issues, better response strategies can be formulated to promote the sustainable management of PANJIT.

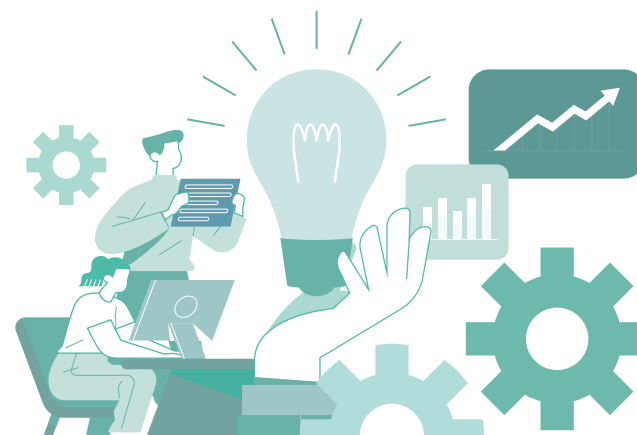
2024 Highlights of Climate-related Issues Reported to the Board of Directors

Time of Report	Content of Report
March 8, 2024	<ul style="list-style-type: none"> Report on PANJIT' s GHG inventory and verification schedule progress Report on the GHG inventory and verification schedule planning of subsidiaries
May 9, 2024	<ul style="list-style-type: none"> Report on PANJIT' s GHG inventory and verification schedule progress Report on the GHG inventory and verification schedule planning of subsidiaries The operation of risk management (including climate change risks) Impacts and countermeasures of climate-related risks and opportunities.
August 9, 2024	<ul style="list-style-type: none"> Report on PANJIT' s GHG inventory and verification schedule progress Report on the GHG inventory and verification schedule planning of subsidiaries
November 8, 2024	<ul style="list-style-type: none"> Report on PANJIT' s GHG inventory and verification schedule progress Report on the GHG inventory and verification schedule planning of subsidiaries

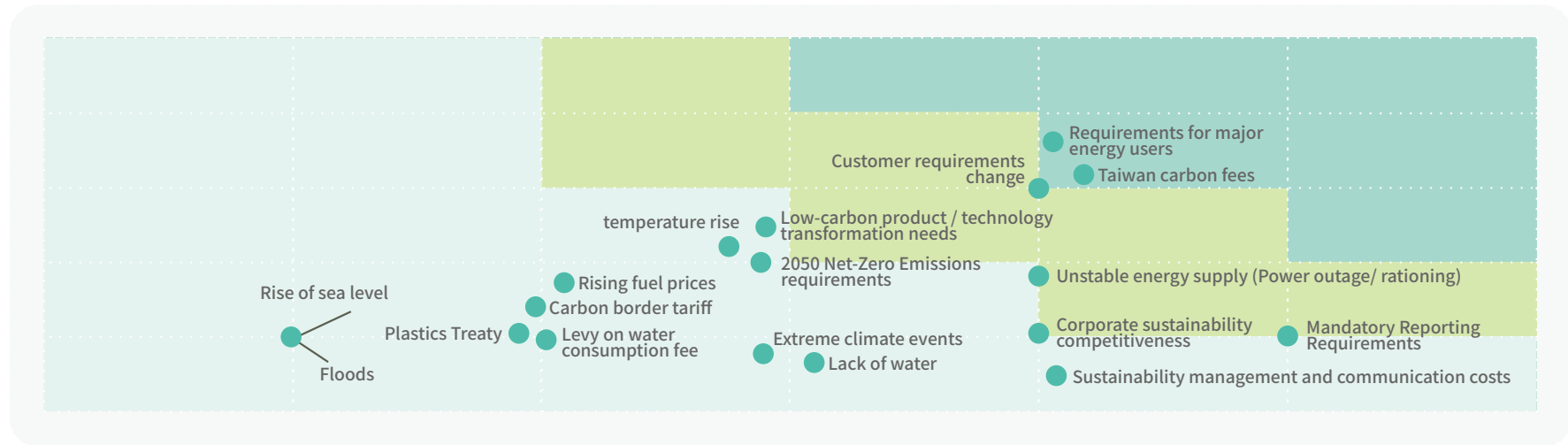
Risk Management

PANJIT referred to the sources of climate risks and opportunities as recommended by the TCFD. Through meetings and discussions, potential risks, including transition risk (policies and regulations, technology, market, reputation" and physical risks (immediate, long-term), as well as sources for opportunities are identified. The scope of scenarios for different topics is defined, the risks/opportunities are identified, and the level of risks and opportunities for PANJIT is evaluated with likelihood (occurrence probability, frequency) and level of impact. At the same time, the expected timetable for the issue is assessed and divided into short-term (2025- 2027), medium-term (2028-2032), and long-term (2033-2040) for further formulation of response strategies.

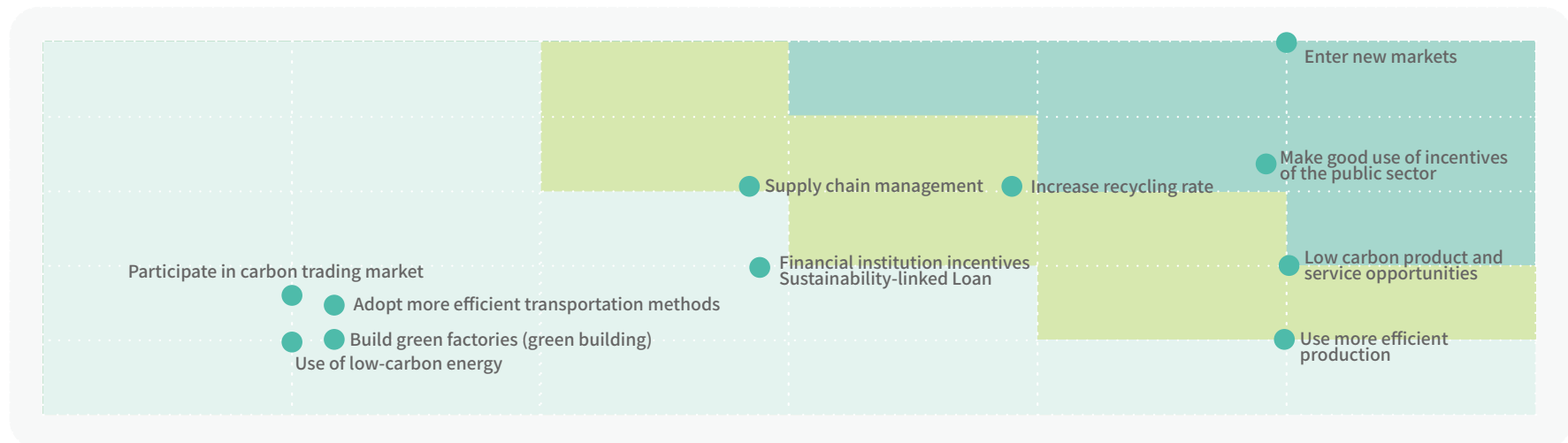
After the discussion and evaluation between Promotion Team members of the ESG Promotion Office and the sustainability consultants at the meeting, based on the evaluation results, medium and high risks/opportunities were further discussed as the priority issues. Finally, a total of 3 risks and 3 opportunities were identified. Relevant risk/opportunity response measures were formulated based on the identification results, and a management mechanism was established to improve response to the challenges brought by climate change and maintain corporate operational resilience.



Climate Change Risk Matrix



Climate Change Opportunity Matrix



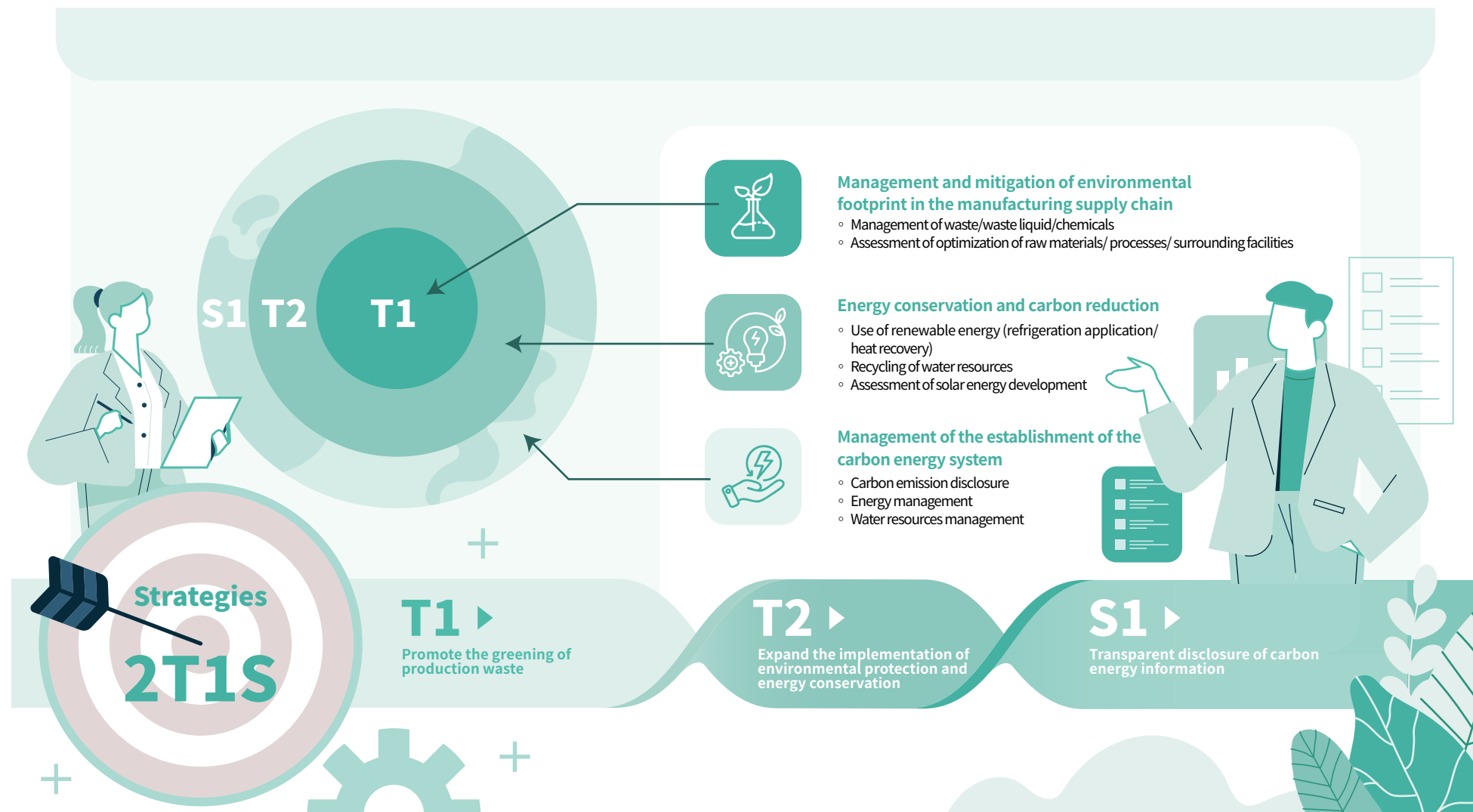
Description of Climate Change Risks, Opportunities, and Impacts

Risk Category	Risk Topics	Impact on PANJIT	Potential financial impact	Opportunity Category	Opportunity Topics	Corresponding Strategies
Market	Customer requirements change	In response to the attention on global climate change issues, corporate climate commitments have driven changes in the entire markets and customer demands, including the use of renewable energy, low carbon products and technologies, and green supply chains. Failure to meet these market transition needs may lead to customer attrition and a reduction in market share, directly impacting the company operations. PANJIT has been actively developing green supply chain products such as energy storage system, and e-vehicles. Through technological innovation and strategic market development, the Company has expanded into emerging sectors such as renewable energy, smart grid, and high-efficiency power management. In addition, the Company is focusing on the development more efficient energy-saving products to reduce energy consumption for end users.	<ul style="list-style-type: none"> Increased operating costs Decreased operating income revenue Increased operating income 	Market	Enter new markets	Enhancement of the R&D and Application of Green Energy Market Products <ul style="list-style-type: none"> Continue the investment and strategic layout in the power semiconductor field and provide a more complete Power Solution through diversified product lines. Continue the deep exploration of the automotive market, provide solutions for e-vehicle related applications, and closely connect with end customers to achieve stable supply and common growth. To respond to green energy-related applications derived from climate change, we will expand our product layout of charging piles, energy storage systems, and power management. In the short-term, we will increase the revenue ratio of the green energy supply chain (energy storage systems/e-vehicles) through the existing product lines. In the medium and long term, we will develop a new generation of product power components through new generation of independent development technology, so as to provide more effective products in the green energy industry and achieve the effect of energy conservation. Develop high-performance IC products to meet the needs of new energy applications (such as e-vehicles and energy storage devices). Increase market penetration by providing customers with complete IC solutions. Develop ultra-thin, small-size packaging technologies to enhance product performance and applicability. Increase capacity utilization, reduce unit production costs, and improve market competitiveness.
	Possible timetable				Possible timetable	
	Medium				Short	
Policies/Regulations	Requirements for major energy users	Despite that PANJIT does not meet the requirements for major energy users under the Renewable Energy Development Regulations (contract capacity above 5,000kW), local autonomous regulations are under consideration to tighten compliance thresholds. As regulations become stricter, PANJIT may need to either implement renewable energy solutions or purchase green electricity to align with regulatory requirements.	<ul style="list-style-type: none"> Increased operating costs 			Enhancing renewable energy utilization and transition to sustainable energy <ul style="list-style-type: none"> Installation of solar power generation systems for self-consumption. Assessment and purchase of green energy.
	Possible timetable				Possible timetable	
	Medium					
Policies/Regulations	Taiwan carbon fees	According to Climate Change Administration, carbon fees will imposed starting in 2026, with the fee collection threshold gradually lowered each year. The collection of carbon fees will affect corporate operating costs and changes in market competition patterns. PANJIT is not currently subject to taxation based on the regulations, but will have to pay an additional carbon fee every year after the taxation threshold is lowered in the future.	<ul style="list-style-type: none"> Increased operating costs 			Carbon fee response strategy and carbon reduction action plan <ul style="list-style-type: none"> Establishment of a carbon management system. Implementation of internal carbon pricing. Promotion of carbon reduction plans targeting at emission hotspots. Procurement of green electricity and carbon credits.
	Possible timetable				Possible timetable	
	Medium					

Risk Category	Risk Topics	Impact on PANJIT	Potential financial impact	Opportunity Category	Opportunity Topics	Corresponding Strategies
-	Possible timetable	As a part of the supply chain of the global semiconductor industry, PANJIT has the responsibility to work with its global supply chain partners to step toward net-zero emissions and carbon reduction. PANJIT actively strengthens the sustainable management of the supply chain, cooperates with relevant government incentive policies, and works together with suppliers to promote low-carbon manufacturing and jointly set the GHG reduction targets to step toward net-zero emissions and enhance sustainability competitiveness.	<ul style="list-style-type: none"> Increased operating costs Decreased operating income Decreased operating costs Increased operating income 	Market	Make good use of incentives of the public sector Possible timetable Short	Collaborating with the Supply Chain for the Promotion of GHG Emission Goals <ul style="list-style-type: none"> Participate in the energy conservation and carbon reduction related subsidy projects of the Industrial Development Administration, MOEA. Achieve the ultimate goal of carbon neutrality and net-zero emissions.
-	Possible timetable	PANJIT strives to increase the recycling ratio and continues to recycle e-waste (waste rubber, metal scraps, scrap products) and waste liquids in the plant. In addition to reducing the environmental impact of new resource extraction, the waste disposal costs can also be reduced, and bring additional revenue, enhancing the corporate image and customers' favor.	<ul style="list-style-type: none"> Increased operating income Decreased operating costs 	Resource Efficiency	Increase recycling rate Possible timetable Short	Enhancement of the Efficiency and Rate of Resource Recovery and Reuse <ol style="list-style-type: none"> Establish a recycling mechanism and continue to increase the recycling and reuse rates of e-waste (metal scraps, scrap products), waste plastic, and waste liquid. <ul style="list-style-type: none"> E-waste (metal scraps, scrap products). After recycling, chip waste can be refined into high-purity precious metal such as gold and silver. Waste plastic recycling: Collaborate with qualified outsourced suppliers to produce hollow bricks, promoting circular reuse of waste materials and reducing environmental impact. Recycle waste liquids: After reprocessing the waste acid liquid containing heavy metal produced during the process, the industrial raw material, nickel sulfate, can be produced for reuse. Continue to evaluate the feasibility and applicability of recycling/regeneration with downstream recycling manufacturers.



Actions and Strategies



Indicator Targets

To lower the impact on operations brought by climate change, the company has set short-, medium-, and long-term management goals for GHG emissions, renewable energy use, energy intensity management, wastewater recycling, waste reduction and so on as the regular review and evaluation of the goal achievement status and for the establishment of corresponding improvement plans.



Climate-related Indicators

Indicator	Short-term (2025~2027)	Medium-term (2028~2032)	Long-term (2033~2040)
Greenhouse Gases	<ul style="list-style-type: none"> ◦ Reduce GHG emissions by more than 1% compared with the base year (2024) (Scope 1 + Scope 2) ◦ Annual carbon intensity < 9 (tonCO₂e/NT\$ million) 	<ul style="list-style-type: none"> ◦ Carbon reduction by 2030 to be larger than 10% compared with that of the base year (2022)) ◦ Annual carbon intensity < 9 (tonCO₂e/NT\$ million) 	<ul style="list-style-type: none"> ◦ Achieve carbon neutrality ◦ Annual carbon intensity < 9 (tonCO₂e/NT\$ million)
Installation of renewable energy	<ul style="list-style-type: none"> ◦ Increase the installation of solar energy facilities, with the contractual capacity of about 100 kwp. 	<ul style="list-style-type: none"> ◦ Assessment of additional installation of solar energy facilities 	<ul style="list-style-type: none"> ◦ Assessment and purchase of green energy
Energy intensity management	<ul style="list-style-type: none"> ◦ Annual electricity consumption intensity < 35 (GJ/NT\$ million) 	<ul style="list-style-type: none"> ◦ Annual electricity consumption intensity < 35 (GJ/NT\$ million) 	<ul style="list-style-type: none"> ◦ Annual electricity consumption intensity < 35 (GJ/NT\$ million)
Waste reduction	<ul style="list-style-type: none"> ◦ Waste recycling rate ≥ 80% 	<ul style="list-style-type: none"> ◦ Waste recycling rate ≥ 80% 	<ul style="list-style-type: none"> ◦ Waste recycling rate ≥ 80%
Recovery rate of process wastewater	<ul style="list-style-type: none"> ◦ Process wastewater recovery rate ≥ 15% 	<ul style="list-style-type: none"> ◦ Process wastewater recovery rate ≥ 15% 	<ul style="list-style-type: none"> ◦ Process wastewater recovery rate ≥ 15%
R&D of green products	<ul style="list-style-type: none"> ◦ Products that have been mass-produced to enter the green energy supply chain. ◦ Plan and develop the green application market and transfer to mass production after certification. 	<ul style="list-style-type: none"> ◦ Add products into the green market application certification and increase the market share. 	<ul style="list-style-type: none"> ◦ Continuously update the technology platforms and increase the product performance and market share in green application market.

4.2 Energy and Emissions

Use of Energy

The energy consumption at Gangshan Factory includes purchased electricity, gasoline, diesel, and liquefied petroleum gas (LPG), among which, purchased electricity is the major energy used, accounting for 99.60% of total energy use, which is used for process power, air compressors and other electrical facilities. The remaining energy consumption is used for company cars, forklifts and cafeterias. The total energy consumption of the Gangshan Factory in 2024 was 173,228.13 GJ. To effectively manage energy use and improve energy performance, PANJIT has introduced ISO 5001 in October, 2022, and passed the verification in 2023 and 2024, showing the stability and effectiveness of the energy management system. To meet regulatory requirements, we have completed the installation of electricity and flow meters on critical energy-consuming systems, along with the deployment of real-time energy monitoring platform to drive greater efficiency and more accurate energy management.

In addition, the Company installed solar panels in the plant. In 2024, the solar installation capacity reached 183.89kW in 2024, generating a total of 181,876.55 kWh (about 654.75 GJ) of electricity, and 154.63 kW of capacity was sold in bulk to Taiwan Power Company. The 29.26 kW capacity is for self-consumption, with a total generation of 26,272.55kWh (about 94.58GJ). In the future, the Company will continue to raise the proportion of renewable energy use to achieve effective reduction of carbon emissions.

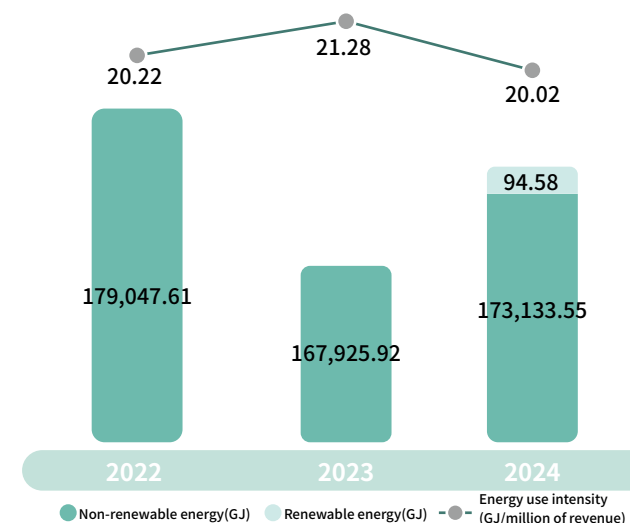
Note: The self-generated electricity consumption for the year is an estimate, calculated as: installed capacity × effective sunlight hours (hours/day) × 365 days × system efficiency.

Non-renewable energy use in the past three years

Unit: GJ

Energy type		2022	2023	2024
Non-renewable energy	Gasoline	20.20	56.43	40.65
	Diesel fuel	43.12	35.8	94.52
	Liquefied petroleum gas (LPG)	453.15	355.56	459.01
	Purchased electricity	178,531.14	167,478.13	172,539.37
Total non-renewable energy		179,047.61	167,925.92	173,133.55
Renewable energy	Electricity - Solar	-	-	94.58
	Total renewable energy	-	-	94.58
Total energy usage		179,047.61	167,925.92	173,228.13
Energy use intensity (GJ/million of revenue)		20.22	21.28	20.02
Individual revenue (NT\$ million)		8,855.79	7,889.88	8,654.54

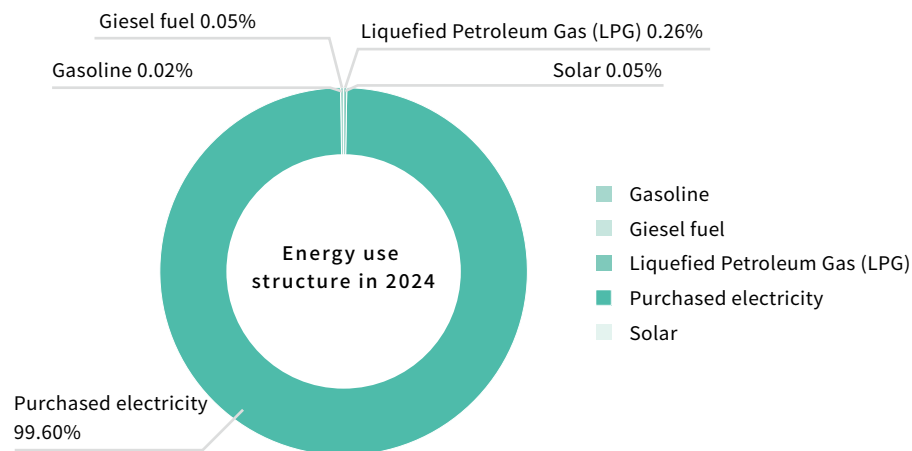
Energy consumption in the past three years



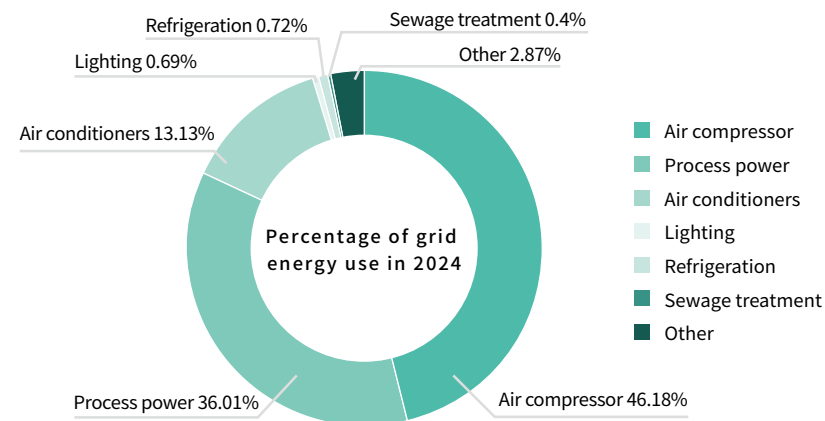
Note:

1. Energy disclosure and monitoring data for 2022, 2023, and 2024 are primarily derived from the Gangshan Factory.
2. The 2023 GHG inventory was completed and verified in August 2024, so the 2023 energy usage data was simultaneously revised to the externally verified data.
3. Source of data: Purchased electricity (kWh) was based on the data listed in the monthly electricity bills of Taiwan Power Company; data for the liquefied petroleum gas (kg), gasoline (liter), and diesel (liter) were mainly based on the invoice documents.
4. Energy conversion coefficient: Electricity=3,600 kJ/kWh; diesel=8,400 kcal/L; gasoline=7,800 kcal/L; liquefied petroleum gas=6,635kcal/L (density=0.55L/kg) ; 1cal=4.184J. The GHG emission coefficients for gasoline and diesel in 2024 was based on the Ministry of Environment's announcement on February 5, 2024 (and referring to the Ministry of Environment's announcement on February 13, 2025, which stated that the lower calorific value of gasoline for motor vehicles in 2024 is 7,609 kcal/L, and that of diesel for motor vehicles was 8,642 kcal/L).

Energy use structure in 2024



Percentage of grid energy use in 2024



Energy conservation measures and performance

PANJIT works in line with the Ministry of Economic Affairs' project "Regulations on Setting Energy Conservation Objectives and Execution Plans for Energy Users" to promote the energy conservation plans, and a series of energy conservation actions with the goal of reaching more than 1% of average energy saving rate between 2015 and 2024. As far as PANJIT is concerned, the main energy use is from purchased electricity. Between 2023 and 2024, an energy monitoring system for plant-wide utilities (including single-system air compressors with a total power of 500 horsepower or more, with total air flow meters and independent electricity meters) was introduced. As of the end of 2024, the air compressor room's corresponding annual electricity consumption was reduced by approximately 2% (approximately eight months after the introduction), resulting in a total annual electricity savings of approximately 295,085.93 kWh/year, equivalent to a GHG reduction of approximately 145.77 metric tons of CO₂e.

Note:

1. The electricity conservation data was calculated in accordance with the equipment specifications and usage scenarios.
2. The calculation of GHG reduction was conducted by using the 2023 electricity carbon emission factor of 0.494 kg CO₂e/kWh announced in 2024 for conversion.



GHG Management

To strengthen GHG management, PANJIT conducted the inventory of the in-plant GHG emissions in accordance with the ISO 14064-1:2018 standard in 2024, and the scope of the inventory was expanded to include the three business sites at PANJIT's Headquarters. A third-party verification was completed in March, 2025, and the post-verification 2022 emissions will serve as the baseline year to ensure accurate monitoring of the company's greenhouse gas emissions. The scope of inventory includes Scope 1, Scope 2, and Category 3-6.

GHG emissions in the past three years

	Unit: tCO ₂ e		
Year	2022	2023	2024
Scope 1 (Category 1)	463.5023	385.3014	509.9962
Scope 2 (Category 2)	24,548.0321	22,981.7208	23,849.1009
Total emissions (Scope 1+Scope 2)	25,011.5344	23,367.0222	24,359.0971
Scope 3 (Category 3~6)	22,272.2918	16,074.4528	21,613.4529
Individual revenue (NT\$ million)	8,855.79	7,889.88	8,654.54
Scope 1 + Scope 2 greenhouse gas emission intensity (tons of CO ₂ e/millions of revenue)	2.8243	2.9616	2.8146
Scope 3 greenhouse gas emission intensity (tons of CO ₂ e/millions of revenue)	2.5150	2.0374	2.4974
Scope 1 + Scope 2 + Scope 3 greenhouse gas emission intensity (tons of CO ₂ e/millions of revenue)	5.3393	4.9990	5.3120

Note:

- The scope of 2022 and 2023 GHG inventory data covered the Gangshan Factory. The 2023 GHG inventory was completed and verified in August 2024, so the 2023 energy usage data was simultaneously revised to the externally verified data.
- The 2024 GHG inventory data covered all of PANJIT's operational sites in Taiwan (Gangshan Factory, Yongan Factory, Hsinchu R&D Center, and Taipei Operation Center). External verification was completed in March 2025.
- Operational control was adopted, and the Global Warming Potentials (GWPs) was from IPCC's Sixth Assessment Report (AR6).
- Types of greenhouse gas emissions: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃).
- The emission coefficient was based on the GHG emission coefficient announced on February 5, 2024 by the Environmental Management Administration.
- The purchased electricity was from the electricity emission factor announced by the MOEA's Bureau of Energy. In 2024, the 2023 electricity emission factor=0.494kgCO₂e was used; In 2023, the 2022 electricity emission factor=0.495kgCO₂e was used; the 2022 electricity emission factor= 0.495kgCO₂e.
- Scope 1 primarily includes liquefied petroleum gas (LPG), diesel, gasoline, and refrigerants; Scope 2 covers purchased electricity; Scope 3 primarily includes upstream transportation of raw materials, downstream transportation of finished goods, business travel, employee commuting, transportation and treatment of waste, purchased energy products, and purchased goods.

PANJIT's Carbon Reduction Plan

To participate in global green product movement and green procurement while striving for GHG reduction, optimization, and adding new environmental protection facilities, PANJIT initiated the construction of ISO 50001 energy management system, ISO 14064-1 GHG inventory, and ISO 14067 product carbon footprint in hopes to continue strengthening energy conservation, promoting resource recycling, and improving the quality of the environment.

In 2023, Gangshan Factory completed the ISO 14064-1 inventory and passed the third-party verification in August. In 2024, the scope of inventory expanded to our four operational sites, including Gangshan Factory, Yongan Factory, Hsinchu R&D Center, and Taipei Operation Center, and the third-party verification completed in March, 2025. A group-wide inventory will begin in 2025, with third-party verification expected in 2026. In addition to the inventory of carbon emissions, PANJIT further identified carbon reduction hotspots and planned to develop a carbon reduction path for the Group. Panjit has formally pledged participation in the Science Based Target initiative (SBTi) with the target submission planned for 2027. Guided by a step-by-step carbon reduction pathway, the Company aims to progressively achieve emission reduction targets, ultimately aiming for carbon neutrality.

Through participating in the 2022 MOEA's Subsidy Program for Large-Small Enterprise Collaboration in Low-Carbon Transition for the Manufacturing Sector, we guided our suppliers to begin the implementation of GHG inventory. In the future, we will gradually assist suppliers with carbon inventory and identify opportunities for carbon reduction hotspots. In 2024, we assisted four companies in completing voluntary carbon inventories.

We plan to conduct product carbon footprint inventory. In 2023, regarding the products assigned 20% weight to, the inventory and third-party verification for 1 product was completed. In 2026, we further follow the ISO 14067 standards for the internal independent inventory of products assigned 50% weight to. The third-party verification is expected to be carried out in 2027.

Moreover, we also keep our investment in wetland tree planting activities to contribute to environmental protection. We aim at carbon neutrality by 2040 to actively implement environmental sustainability actions. It is hoped that through the continuous promotion of projects, we can work together with the value chain to step toward net zero.

4.3 Water Resources Management

Overview of Water Resources at PANJIT

Operational bases	Gangshan Factory	Yongan Factory	Hsinchu R&D Center	Taipei Operation Center
water source	Agongdian Reservoir	Agongdian Reservoir	Baoshan Reservoir	Feitsui Reservoir
Wastewater treatment methods	Treated on-site	Treated by the	Handled by the building committee	Handled by the building committee
廢水接收水體	Agongdian River	Agongdian River	Handled by the building committee	Handled by the building committee
water stress risk	low-risk	low-risk	low-risk	low-risk

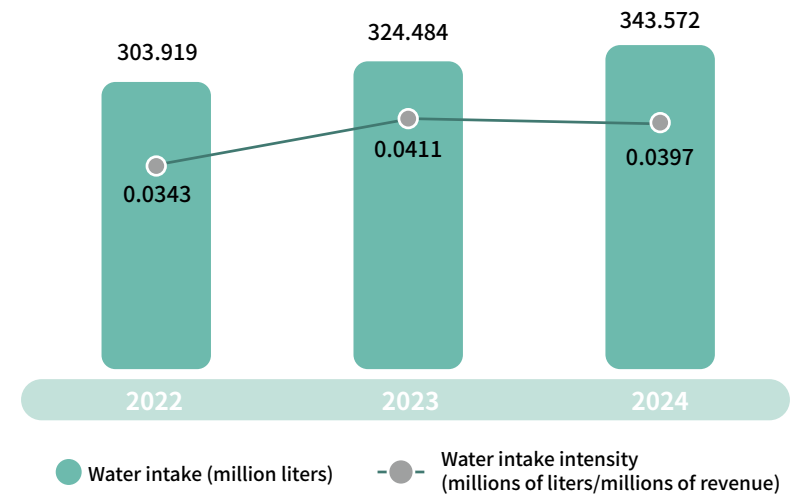
The main water use at PANJIT is tap water. Water intake is compliant with local regulations and does not cause major environmental impact. The water resource stress risk where the plant is located is assessed in accordance with the World Resources Institute's (WRI) Aqueduct Water Risk Atlas, and the results show that PANJIT is in "low-risk" areas. The company will also continue to pay attention to the water resource risks for timely establishment of the corresponding strategies.

Water use in the past three years

Year	2022	2023	2024
Water intake (million liters)	303.919	323.484	343.572
Water discharge (million liters)	241.046	246.876	280.705
Water consumption (million liters)	62.873	76.608	61.913
In-plant recycling water (million liters)	82.177	43.223	65.958
Water recovery rate (%)	27.04%	13.36%	19.20%
Individual revenue (NT\$ million)	8,855.79	7,889.88	8,654.54
Water withdrawal Intensity (million liters/million revenue)	0.0343	0.0410	0.0397

Note:

1. Water consumption= Water intake – discharge volume
2. Water recovery rate: In-plant recycling water / water intake x 100%
3. The water resources disclosure and monitoring data for 2022, 2023 and 2024 are primarily derived from the Gangshan Factory.



Wastewater at PANJIT mainly includes process wastewater and domestic sewage, which are treated onsite before being discharged, and is also diverted and managed separately in accordance with the drainage characteristics. This not only helps increase the recovery rate of water but also reduce the dosage used for water treatment that will lessen the difficulty of back-end wastewater treatment and environmental load due to the fact that some waste acid liquid and organic waste liquid still have its economic value after recovery. The treated sewage is discharged into the sewers in accordance with regulations. The company entrusted manufacturers to conduct water quality testing on a regular basis, and the results also show the treatment is compliant with legal requirements and there is no major impact on local water bodies.

To increase the water recycling rate, the company has actively invested in the water recycling system. We have installed an electroplating-rinse-water recycling system and the dicing process wastewater recycling system in 2022 and added the recycling system for reverse osmosis (RO) concentrated water, which was commenced in 2023. It is expected to introduce digital monitoring and control in 2025 to not only observe the wastewater recycling and reuse rate, but also grasp the RO water recycling rate of each process and seek opportunities for re-optimization. The water recycled in 2024 was 65,958 tons, with the recovery rate of 19.20%. The target benchmark for the process RO wastewater recycling rate was improperly set for 2024. The original assessment mistakenly used tap water instead of the actual RO concentrated water as the benchmark, resulting in the target value being set too high. The RO wastewater recycling rate in 2024 was 39.01%. The target value will be reassessed and adjusted based on the actual situation after one year of observation.

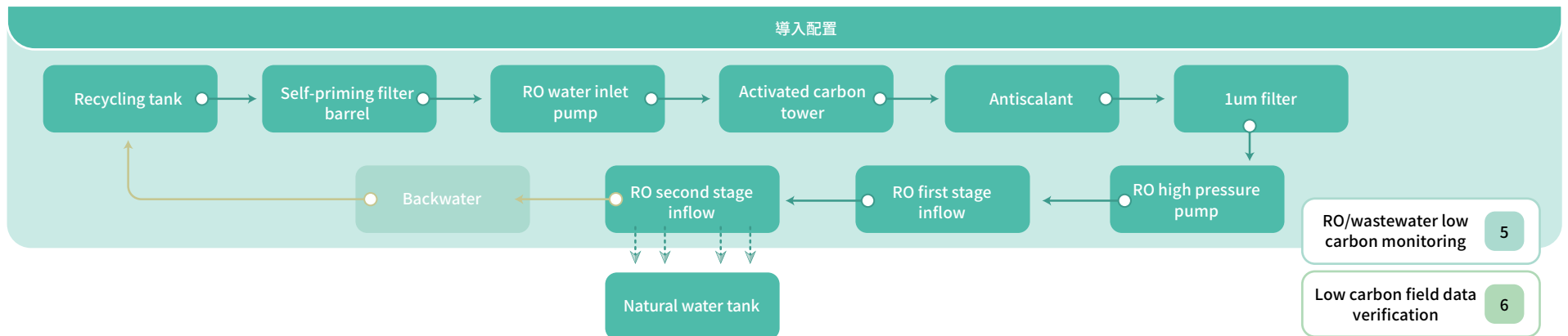
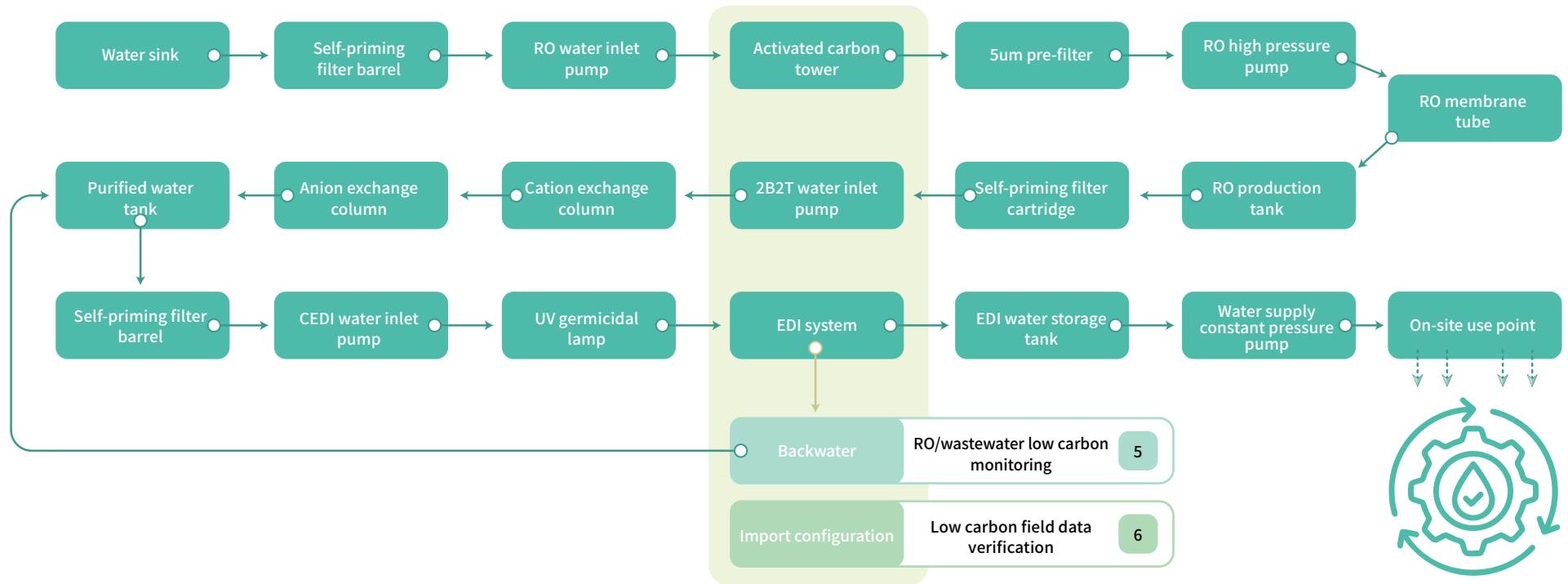
2024 Wastewater Monitoring Statistics

Unit: mg/L

Monitoring items	COD	SS	Ammonia nitrogen	Total chromium	Nickel	Copper	Arsenic	Zinc	Nitrate nitrogen
Regulatory standards	100	30	20	1.5	0.7	1.5	0.35	3.5	50
Monitoring results	43.4	12.1	2.76	<0.05	0.33	0.14	ND	<0.025	4.1



Reverse Osmosis Reject (ROR) Concentrated Water Recovery System



4.4 Waste Management

Waste Treatment and Disposal

Waste at Hsinchu R&D Center and Taipei Operation Center is mainly domestic waste and is centrally managed by the office building. At Gangshan Factory and Yongan Factory, waste is divided into general industrial waste and hazardous industrial waste, and both factories entrust qualified waste disposal vendors with the waste removal and treatment. Contracts are signed and forms are submitted online. Each vendor is equipped with GPS tracking to monitor collection routes, and unannounced on-site inspections are carried out on a quarterly basis to audit the handling practices of the service providers. E-waste and waste liquids are recovered by professional recycling companies. Recyclable waste includes general resource waste and production scrap. As part of on-site packaging reduction efforts, cartons have been replaced by metal containers to support internal circulation and minimize the usage of both cartons and pallets. The Company's waste disposal complies with all regulations and no hazardous waste listed in the Basel Convention is imported or exported. In 2024, there were no incidents of improper waste disposal or waste being shipped overseas for treatment.

The total waste generated in Gangshan Factory and Yongan Factory totaled 844.54 metric tons in 2024, of which 757.21 metric tons (89.66%) were general industrial waste and 87.33 metric tons (10.34%) were hazardous industrial waste. To improve resource utilization efficiency and reduce environmental impact, the Company recycled and reused a total of 682.79 metric tons of waste in 2024, accounting for approximately 80.85% of the total waste; of which a total of 40.75 metric tons of hazardous waste was recycled and reused, accounting for about 46.66% of the total hazardous waste.

Statistics of Waste Consumption in 2024

Unit: ton (s)			
Waste	Name of Waste	Disposal Operations	Declaration/ Statistics of Weight
General industrial waste	Recycling and Reuse		642.04
	Waste plastics mixtures	Recycle into hollow bricks	245.94
	Resource recycling (paper/plastics/ iron aluminum)	Resource recycling	135.12
	Scrap iron	Resource recycling- Remanufacturing of stainless steel	161.12
	Scrap wood	Reuse- Fuel	16.08
	Inorganic sludge	Remade into concrete aggregate after physical treatment	83.78
	Final disposal		115.17
	General waste generated from business activities	Incineration (heat recovery for power generation)	115.17
	Subtotal		757.21
	Hazardous industrial waste	Recycling and Reuse	
The pH value of the waste liquids is less than (or equal to) 2.0		Reuse as industrial raw materials	6.54
Waste liquid (solvent)		Remade into industrial raw materials	6.05
Waste electronic components, scrap and defective products		Remade into other metals	28.16
Final disposal		46.58	
The pH value of the waste liquids is less than (or equal to) 2.0		Incineration (excluding energy recovery)	46.58
Subtotal		87.33	
Total		844.54	

Note:

1. Consistent with the scope of the GHG inventory waste phase, waste statistics in 2024 mainly focused on the Gangshan Plant and the Yongan Plant.

2. The above information is the statistical data reported to the Environmental Protection Agency.

Waste Reduction

PANJIT is actively implementing waste reduction management. Waste recycling awareness is strengthened in Hsinchu R&D Center and Taipei Operation Center from time to time. Yongan Factory collaborates with recycling vendors to recover waste liquids to be reused as industrial raw materials, and a total of 6.54 tons were recycled in 2024. Gangshan Factory is actively strengthening waste recycling, conversion and reuse. The waste reduction measures and achievements of the Gangshan Plant include the followings.

● Recycling of E-Waste

High-purity precious metals, including gold and silver, can be refined from recycled and processed wafer scrap. The amount reprocessed in 2024, 2023 and 2022 was 1.32 tons, 1.19 tons and 1.59 tons respectively.

Statistics of E-Waste Recycled in the past three years

Items in the statistics of e-waste recycled		Unit: ton (s)		
		2022	2023	2024
A.Scrap weight of defective products at TMTT station (including metals and non-metals)		4.75	2.30	2.38
B.Scrap from manufacturing process (scrap iron)		216.70	156.39	161.12
C.Waste e-components, scraps, and defective products	Wafer waste (including metal and non-metal)	1.59	1.19	1.32
	Scraps and defective products (including metals and non-metals)	27.93	23.59	28.16
D.Total weight of e-waste recycled (B+C)		246.22	181.17	190.60
E.Total scrap weight of e-waste (A+B+C)		250.97	183.47	192.98
Percentage of recycling (D/E)		98.11%	98.75%	98.77%



● Waste-liquids Recycling

The process-generated waste acid containing heavy metals is reprocessed into industrial raw material nickel sulfate, enabling the recycled raw material to be reused. The reprocessed amount in 2024, 2023 and 2022 was 0 tons, 14.37 tons and 28.51 tons respectively.

● Waste Rubber for Remaking Rubber Products

Waste plastics is entrusted to recycling service providers to be recycled into hollow bricks, promoting circular reuse of waste materials while reduce the environmental impacts. The reprocessing amount in 2024, 2023 and 2022 was 245.94 tons, 127.85 tons and 58.11 tons.

2022	2023	2024
58.11tons	127.85tons	245.94tons

● Reduction of Sludge

The company introduced a sludge dryer in 2019. Sludge produced during the process is first reduced before being entrusted to qualified waste disposal service providers for final disposal. The sewage separated during the drying process goes to the company' s wastewater treatment system for treatment that complies with the effluent discharge standards. The processed amount of sludge in 2024, 2023 and 2022 was 83.78 tons, 96.67 tons and 83.78 tons respectively.

5

People Orientation

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5.1 Human Rights Management

PANJIT is committed to protecting the basic human rights of its employees and strictly adheres to the labor laws and regulations of the countries where it operates. We pledge to follow internationally recognized standards, including the Universal Declaration of Human Rights (UDHR), the United Nations Global Compact, and the International Labour Organization (ILO) Conventions. PANJIT treats every employee with fairness, respect, and dignity, and is dedicated to providing a safe, healthy, and non-discriminatory work environment.

Commitment to Human Rights Protection and Compliance with International Standards

PANJIT has been upholding a high standard of commitment to employees' fundamental human rights and actively implementing human rights protection measures. We obtained the SA 8000 certification in 2014 and has established the Corporate Social Management Manual in accordance with SA 8000 standards and international conventions. This manual covers all aspects of corporate social responsibility, ensuring our compliance with international standards and continuous improvement in terms of energy conservation and carbon reduction, disciplinary responsibility, risk management, and respect for human rights.

Our management practices comply with international human rights standards. In addition, we also actively participate in the Responsible Business Alliance (RBA), and are committed to improving communication with stakeholders to ensure that our commitment to human rights protection can be effectively communicated and supported by all parties. In 2023, PANJIT passed RBA VAP audit and obtained Silver Level Certification. In 2024, no customers requested RBA VAP external certification for additional sites. Our Gangshan Factory plans to undergo an updated RBA VAP certification assessment in 2025. This demonstrates our efforts and achievements in sustainable development and human rights management. We are committed to ensuring that all employees within PANJIT Group and partners across our supply chain are treated with respect and dignity. We strive to create a work environment free from child labor, forced labor, and discrimination. These policies embody our commitment to human rights and ensure that our operations around the world adhere to these standards.

Human Rights Risk Assessment and Management

To effectively identify and manage potential human rights risks, PANJIT regularly conducts human rights risks assessment through RBA-SAQ. All personnel are included in these assessments and management. The results will help us identify and address potential risks and formulate appropriate response measures to ensure that the basic rights and interests of every employee can be totally safeguarded. The 2024 RBA SAQ self-assessment questionnaire result was "low risk". Should any human rights risks be uncovered during the assessment, PANJIT will act immediately to implement corrective and improvement measures. At PANJIT, we uphold a zero-tolerance stance on any human rights violations and ensure that any human rights violations will be addressed promptly and effectively.



Human Rights Management in the Supply Chian

In terms of supply chain management, PANJIT also attaches great importance to human rights protection. We incorporate human rights risks into our supplier selection and evaluation processes, and clearly stipulate human rights requirements in the Commitment of Supplier Social Responsibility Commitment to ensure that all partners adhere to our human rights standards. We also consider human rights risks when selecting new suppliers or conducting new business, ensuring that all aspects of our operations comply with human rights standards. Please refer to [3.3 Sustainable Supply Chain Management](#).

Internal Standards and Continuous Improvement

PANJIT has established detailed internal code of conduct and management measures to ensure that all employees understand and follow our social responsibility and human rights policies. We also provide regular training sessions to ensure employees are well-informed of our human rights policies and can actively support their implementation. By incorporating human rights criteria into internal performance evaluation system, we strive to ensure that every employee is treated fairly and equitably in the workplace.

We will continue to monitor and improve our human rights management and regularly review related policies and procedures to ensure that they remain effective and responsive to real-world conditions. We are committed to upholding core human rights values across employee relations, supply chain management, and business expansion, reinforcing our commitment to social responsibility and sustainable development.

At PANJIT, we firmly believe that only in a fair, respectful, and safe working environment can employees reach their full potential and contribute to the shared growth of both the Company and themselves. We will continue our efforts to safeguard the basic human rights of all employees and ensure that our operations comply with international standards. Our goal is to create a dignified workplace free of discrimination, forced labor, and child labor. This is not just our commitment but also our active fulfillment of corporate social responsibility.

Name of Document	Approval Level
<ul style="list-style-type: none"> ◦ Work Rules 	Approved by the president and submitted to Labor Affairs Bureau of Kaohsiung City Government
<ul style="list-style-type: none"> ◦ Ethical Corporate Management Best Practice Principles ◦ Measures for the Management of Stakeholders' Suggestions and Complaints ◦ Procedures for Ethical Management and Guidelines for Conduct 	Board of Directors
<ul style="list-style-type: none"> ◦ Corporate Social Responsibility Management Manual ◦ Declaration of Corporate Social Responsibility Policy (Guidelines) 	President
<ul style="list-style-type: none"> ◦ Management Procedures for the Prohibition of Child Labor ◦ Management Procedures for Forced and Compulsory Labor ◦ Management Procedures for the Prohibition of Discrimination and Harassment ◦ Management Procedures for Salary and Compensation ◦ Management Procedures for the Prohibition of Disciplinary Measures ◦ Management Procedures for Freedom of Association and Collective Bargaining ◦ Corporate Social Responsibility Communication Management Procedures ◦ Ethical Management Procedures ◦ Whistleblower Protection and Anti-Retaliation Management Procedures ◦ Management Procedures for Underage Workers, Students, Interns, and Work-Study Students ◦ Management Procedures for Anti-Slave Labor and Human Trafficking ◦ Management Procedures for Privacy and Confidentiality ◦ Sexual Harassment Prevention and Management Standards 	Chief Human Resources Officer (CHRO)

Human Rights Management Measures

There were no incidents of discrimination, employment of child labor or underage workers, forced or compulsory labor, prohibition of freedom of association, infringement of the rights of indigenous people, there were no human rights-related penalties. Specific measures concerning the promotion of human rights of the company are as follows.

Item	Specific Measures
Prohibition of forced labor	Strictly comply with local laws and regulations and requirements for corporate social responsibility the company established. Establish Management Procedures for Forced and Compulsory Labor and implement relevant regulations when executing the procedures, and do not force or coerce anyone to engage in involuntary labor.
Prohibition of child labor	Comply with norms of corporate social responsibility and relevant human rights declarations, establish Management Procedures for the Prohibition of Child Labor, and implement relevant regulations of the procedures. The company also strictly requires that only people aged 18 and above can apply for the openings of the company. Those who are hired will be subject to double check of the identity to ensure the implementation of relevant process.
Prohibition of discrimination	Follow the norms of corporate social responsibility and local regulations to establish Management Procedures for the Prohibition of Discrimination and Harassment and relevant norms for the execution of procedures. As prescribed in the procedures, there is no discrimination against anyone due to any factors that may cause discrimination (such as race, political affiliation, star sign, blood type, etc.), and revise relevant work forms and process, striving to provide work processes and an environment free of discrimination.
Provision of a safe working environment	Concerning the working environment, the company conducts improvement of hardware and software, continues to improve relevant management process, and promotes four major labor health protection programs (maternal health protection, illegal infringement when performing duties, abnormal workload, and ergonomic hazards) to protect all workers and provide a safer working environment.
Assisting employees to reach physical and mental health/work-life balance	Provide diverse employee activities (such as the quarterly coffee time with the president, trips for all factory employees, annual health checkups for all factory employees, and on-site occupational health physicians). We begin with the employees' health needs, care for our associates, and have set up a dedicated breastfeeding space as well as signed contracts with kindergartens to suit their childcare needs that can allow our employees to work at ease. We also added the paid happy birthday leave for our employees, striving to create a working environment for work-life balance.
Education and training of corporate social responsibility- all new recruits and the entire factory employees	The content of the complete orientation for every new recruit includes labor (such as prohibition of discrimination, prohibition of forced labor, etc.), environment training for workplace safety and health, health promotion instruction, anti-bullying in the workplace, anti-sexual harassment, and others, allowing all employees to clearly understand the regulations of the company when they start working. In addition, the departmental supervisors also receive the corporate social responsibility training. Through diversified explanations, the supervisors can have better understanding of relevant regulations. The supervisors work together with their associates to achieve a win-win for the management and the labor, playing a role in the corporate social responsibility together. In 2024, a total of 338 new recruits participated in the training, with 100% of new employees being trained.
Freedom of association	The company does not set restriction on employees' freedom of association and collective bargaining. PANJIT follows relevant RBA regulations and has established internal management procedures for freedom of association and collective bargaining. We respect and support the employees' rights for independence, free association, collective bargaining, and participation in peace assembly. Our employees and all representatives can communicate and share their ideas with management through labor-management meetings and other reasonable channels to express their ideas without being worried about being discriminated, threatened, or harassed.

5.2 Employee Composition

The total number of employees of PANJIT in 2024 was 1,478, with 934 females (63 %) and 544 males (37%), all of whom were regular full-time employees. Looking at the positions, there were 30 senior supervisors (2%) and 1,448 (98%) non-senior supervisors (including other employees). In addition to regular employees, external contractors perform part of the work in the factory area. A total of 6,039 non-employee workers entered the factory throughout the year, including resident and other contractors (such as repairs, new construction and so on). Among them, the number of non-employee workers of resident contractors was 25 in total (11 females and 104males), and the type of work include cleaning, group catering, security, and landscaping.

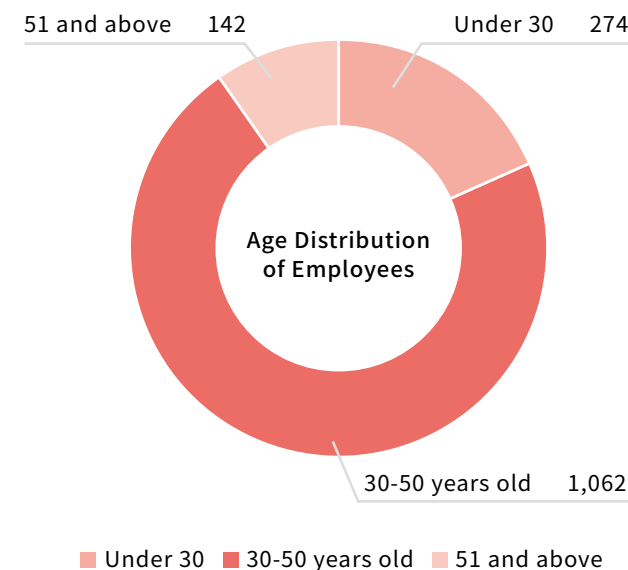
Overview of PANJIT' s 2024 Employee Distribution

Area\Age\Gender	Female			Male			Total
	Under 30	30-50 years old	Over 51 years old	Under 30	30-50 years old	Over 51 years old	
Kaohsiung- Gangshan	192	600	68	58	328	40	1,286
Kaohsiung- Yong-an	5	29	3	9	35	11	92
Hsinchu	1	5	0	2	5	3	16
Taipei	3	25	1	3	30	9	71
China (Dispatched)	1	0	1	0	5	6	13
Total	202	659	73	72	403	69	1,478
		934			544		

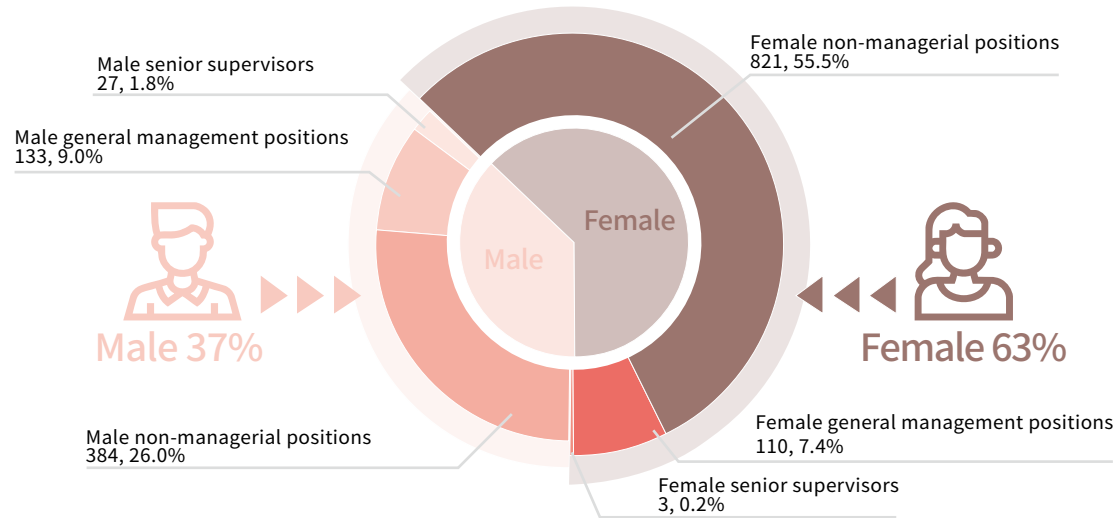
Note:

1. The data shows the number of employees in the HR management system as of December 31, 2024, and there were no significant changes compared with the previous year.
2. As of the end of 2024, there were no part-time or temporary employees, nor were there employees without guaranteed working hours.
3. Definition of senior supervisors: Those holding the position of Director (inclusive) and higher.
4. Non-employee worker information is mainly based on the annual statistical data of the contractor management system, and there are no significant changes in the number of people (or person-times) compared with the previous year.
5. The number of other contract workers (such as repairs, new construction projects, etc.) mainly depended on those in Gangshan Factory and Yongan Factory.

Age Distribution of Employees



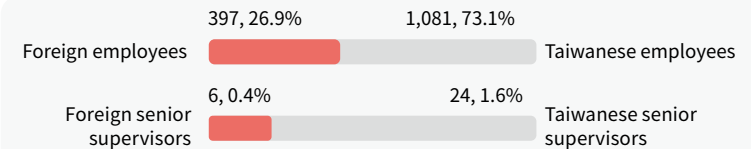
Equality and Diversity in the Workplace



Male non-managerial positions	384, 26.0%
Male general management positions	133, 9.0%
Male senior supervisors	27, 1.8%



Female non-managerial positions	821, 55.5%
Female general management positions	110, 7.4%
Female senior supervisors	3, 0.2%



Note:







1. Definition of senior supervisors: Those holding the position of Director (inclusive) and higher. Among them, 24 senior supervisors (80%) are of Taiwanese nationality.
2. Definition of general management positions: Management positions other than senior supervisors.

PANJIT is devoted to creating a friendly working environment with equality, diversity, and inclusiveness. All the employees enjoy equal remuneration and promotion opportunities regardless of gender. In addition to employees with Taiwan nationality, there are also employees from Thailand, the Philippines, Vietnam, Malaysia, Indonesia, Germany, and South Korean, forming a workplace with diversity. The company is dedicated to the implementation of equality in employment and a friendly working environment with diversity and inclusiveness. All employees enjoy equal pay for equal work as well as equal promotion opportunities regardless of gender. In 2024, among the non-managerial positions, female employees accounted for 55.5% and those in managerial positions accounted for 7.6%. The workplace we provide allow employees to have the same opportunities to give full play to their talents regardless of gender restrictions.

The company employs people with disabilities and indigenous people in accordance with People with Disabilities Rights Protection Act. For the insufficient number of people with disabilities hired, the company not only pays the difference subsidies to the competent authority but has established improvement measures. The number of employees with disabilities hired in 2024 was 12 (0.8%) and that of indigenous ones was 1 (0.1%).

- 1 Continue to look for and hire suitable people with disabilities through employment matching services and provide employment opportunities for people with disabilities to comply with legal requirements.
- 2 With the assistance of the government subsidy measures and job redesign to develop more jobs for people with disabilities.
- 3 Construct a comprehensive and supportive employment mechanism by combining the government and social resources to hire sufficient number of employees with disabilities.

5.3 Recruitment and Employment

Management Approach of Talent Cultivation and Retention		Material Topic: Talent Cultivation, Talent Attraction and Retention			
 Purpose of Management	The key factors to ensure the long-term development and maintain the competitive advantage of an organization is to attract and retain outstanding talents. Setting up a stable human resources system can not only attract talents with excellent abilities and potentials into the organization, but also provide the employees with care and benefits they need to ensure that their rights and interests are guaranteed.				
 Policy	Please refer to the corporate sustainable development policy- Regulatory Compliance, Respect for Human Rights, Continuous Improvement				
 Remediation Mechanism	There have not been actual incidents with actual negative impact. PANJIT has established systems to improve the organization and set up regulations in relation to personnel recruitment and employment in accordance with Labor Standards Act and relevant laws and regulations. If a negative event happens, remedial measures will be taken on a case-by-case basis to lower the damage of rights and interests.				
 Management Review	<ul style="list-style-type: none">◦ The monthly operational meeting of high-level decision-making group is in charge of supervising human resources activities and providing timely suggestions on the directions of human resources.◦ In addition to the HR related departments and the organization of the Employee Welfare Committee, the management at all levels are responsible for talent introduction/ cultivation/ retention.◦ Through the new probation evaluation system and regular performance appraisal system, the collaboration between the company supervisors and employees is periodically reviewed.◦ Make good use of government resources, participate in recruitment and cultivation programs, and help the company introduce talents through diverse channels.◦ Continue to strengthen online learning resources, properly preserve the learning process, and break the limitation of learning territory/time/cost.◦ Introduce the performance appraisal system and keep the track of performance and the development history.◦ At the end of every year, the Human Resources team conducts an anonymous survey on training needs to assess the learning and development requirements of entry-level employees. The results are used to design the training programs for the following year.◦ At the end of every year, the Human Resources team conducts an anonymous training survey to assess the needs of the entry-level employees. The results are used to design the training programs for the following year.				
 Goal	Goals for 2024		Goal Attainment Status for 2024		Short-term Goals (2025~2026)
	<ul style="list-style-type: none">◦ Expand the recruitment channels and make up the channels for the talent recruitment period within 90 days.◦ Introduce interview guidelines to reduce the turnover rate of new employees within three months by 50%.◦ Make use of government resources to obtain recruitment-related subsidies of NTD 500,000/year.◦ Obtain the improvement plan for Talent Quality-management System (TTQS).◦ The critical talent ratio for each business unit (BU) to reach 10%.◦ To cultivate 15 internal lecturers.◦ To select at least one winner in each category of PANJIT’s five major core values in the Shining Star Selection.		<ul style="list-style-type: none">✗ There were still some cases where talent recruitment for positions remained unfilled for over 90 days.✓ Interview guidelines and job suitability confirmation were used to reduce 3-month turnover rate of new employees by 55%.✓ Obtained approximately NT\$ 640,000 recruitment subsidies in 2024.✓ Obtained TTQS system human resources improvement plan.✓ The critical talent ratio for each business unit (BU) reached 15%.✓ Cultivated 28 internal lecturers.✓ There were 11 Shining Stars in total, with 1-4 in each category of the five major core values.		<ul style="list-style-type: none">◦ Continue to provide salary levels that are competitive in the market.◦ Create a highly challenging workplace where employees can give their skills to full play.◦ Introduce the employee assistant program.◦ Continue to cultivate and nurture employees by providing more diverse learning channels.◦ Continuously review relevant functions and provide relevant training courses to narrow gaps.◦ Continue the Train The Trainer program to establish an internal lecturer team and foster an internal learning culture.◦ Continue to select the Shining Star in the categories of five major core values of PANJIT, and expand the selection of professional stars in various fields.
 Action and Results					Medium- and Long-term Goals (2027~2028)
					<ul style="list-style-type: none">◦ Continue to provide salary levels that are competitive in the market.◦ Create a highly challenging workplace where employees can give their skills to full play.◦ Introduce the employee assistant program.◦ Continue to cultivate and nurture employees by providing more diverse learning channels.◦ Continuously review relevant functions and provide relevant training courses to narrow gaps.◦ Continue the Train The Trainer program to establish an internal lecturer team and foster an internal learning culture.◦ Continue to select the Shining Star in the categories of five major core values of PANJIT, and expand the selection of professional stars in various fields.
<ul style="list-style-type: none">◦ There were no negative incidents such as human rights violation or labor disputes in 2024.◦ Participated in 12 campus job fairs and campus briefings in 2024, and the number of resume submissions increased by 26% compared with the previous year.◦ Held online recruitment interviews in 2024, and a total of 139 people participated.◦ Continue to maintain a stable status of human resources. In 2024, the new recruit arrival and employee departure was maintained within 5%.◦ In 2024, 20% of the personnel in each department joined critical talent cultivation program, and the talent performance maintenance rate was 87.5%.◦ In 2024, every critical talent read 165 units on average, with the cumulative number of 19,528 clicks.					

Employees are the most important assets for the sustainable management of an enterprise. The growth and development of an enterprise rely on the contributions and efforts of its employees. PANJIT is dedicated to creating a humane atmosphere in terms of management, and strictly complies with the Labor Standards Act in the recruitment and employment of employees, and does not discriminate the applicants due to race, skin color, age, gender, star sign, blood type, place of origin, sexual orientation, gender identity and expression, race or ethnicity, disability, pregnancy, belief, political stance, group background, veteran status, protected genetic information or marital status in hiring. In the event of major operational changes, in addition to convening the labor management meeting to discuss major issues and obtaining consent of labor representatives, if there are any personnel changes or changes in labor conditions, affected employees will be notified in accordance with the minimum notice period stipulated in the Labor Standards Act. In the event of changes to an employee's work area, we adopt a practice that exceeds legal requirements by providing advance notice. For international relocations, employees are notified three months in advance; for domestic relocations, a six-month notice is given, ensuring sufficient preparation time and protection for our employees.

Diverse Recruitment Channels

PANJIT makes use of diverse recruitment channels, including Head Hunter, 104 Job Bank, campus job fair, internship program, PANJIG Career FB FanPage, Linkedin, brand promotion, image building and so on for the applicants to become interested and recognize the company's values so as to attract more outstanding talents to join us. Although openings for some positions in 2024 could not be successfully filled within 90 days, the Company continued to review the necessity of each vacancy in real time. For direct labor positions experiencing more severe labor shortages, we have also activated the foreign worker recruitment mechanism to address workforce demands. In addition, the Company has introduced a talent assessment system, assessing 10% of indirect personnel. Through this system, we can understand personality differences among candidates to predict future job performance and tenure, and assist interviewers in determining the suitability of the candidates.

In 2024, PANJIT participated in 12 campus job fairs and briefing sessions, resulting in a 26% increase in resume submissions compared to the previous year. The company also continued to organize online recruitment interviews, with a total of 139 participants. These efforts aim to discover and nurture high-potential students and graduates, preparing them to become future mid- to senior-level managers or professionals.

Campus Recruitment Event in 2024

Campus recruitment is a way for enterprises to find potential and talented students and graduates. It is hoped that through this kind of event, outstanding talents can be attracted to inject fresh blood into the team and business. Campus recruitment provides opportunities for students to have face-to-face interactions with company representatives to understand their corporate culture and job opportunities, and students can also showcase their skills and talents. Meanwhile, the company will also provide internship programs and training opportunities to assist students to develop their skills and experience in the workplace.

In 2024, PANJIT participated in 12 sessions of campus job fairs and briefings in NCKU, NSYSU, Taipei Tech, NFU, NKUST (First Campus, Jiangong Campus), CSU, etc. Through face-to-face interactions with students, those who were interested in various positions were attracted to participate, and a total of 1,835 resumes were obtained, a 26% increase compared with the previous year, of which 1,095 were qualified ones, with a pass rate of 60%.

Moreover, this year, we continued to hold the second online recruitment "Career Salon Lecture". This year, in response to the ESG sustainable social trend and semiconductor-related courses, we invited the Secretary-General of BCSD Taiwan, professors of Systems and Naval Mechatronic Engineering Department of NCKU, and the HR supervisor from PANJIT to give lectures on "ESG Sustainability Concepts", "Semiconductor Industry-University Collaboration", and "Interview Coping Skills" that are most needed for job application. The 2-hour online live streaming attracted 139 people, and relevant knowledge was passed on to the college students.



12 sessions

Increased by 9.1% compared with last year ↑



Obtained 1,835 resumes

Increased by 26.1% compared with last year ↑



1,095 qualified resumes

Increased by 20.5% compared with last year ↑

Employee Retention

There were a total of 338 new employees at PANJIT in 2024 (116 males and 225 females), with a total of employment rate of 22.87%. The number of departed employees totaled 328 (136 males and 192 females), with a total of turnover rate of 22.19%. The status of human resources remained stable.

Number of new employees in the past three years

Year	2022				2023				2024			
Age \ Gender	No. of males	Male employment rate (%)	No. of females	Female employment rate (%)	No. of males	Male employment rate (%)	No. of females	Female employment rate (%)	No. of males	Male employment rate (%)	No. of females	Female employment rate (%)
Under 30	52	3.37%	165	10.71%	29	1.98%	68	4.64%	41	2.77%	95	6.43%
30-50 years old	92	5.97%	121	7.85%	65	4.43%	105	7.16%	71	4.80%	127	8.59%
51 and above	5	0.32%	0	0.00%	11	0.75%	2	0.14%	4	0.27%	0	0.00%
Total number of new employees	435				280				338			
Total number of employees	1,541				1,467				1,478			
Total employment rate (%)	28.23%				19.09%				22.87%			

Note:

1. Employment rate (%) = The number of new employees in the category in the current year/ The total number of employees in the current year.
2. The number of new employees included those who left midway.

Number of employees left in the past three years

Year	2022				2023				2024			
Age \ Gender	No. of males	Male turnover rate (%)	No. of females	Female turnover rate (%)	No. of males	Male turnover rate (%)	No. of females	Female turnover rate (%)	No. of males	Male turnover rate (%)	No. of females	Female turnover rate (%)
Under 30	65	4.22%	104	6.75%	35	2.39%	81	5.52%	44	2.98%	64	4.33%
30-50 years old	108	7.01%	145	9.41%	96	6.54%	129	8.79%	83	5.62%	123	8.32%
51 and above	8	0.52%	6	0.39%	9	0.61%	4	0.27%	9	0.61%	5	0.34%
Total number of employees left	436				354				328			
Total number of employees	1,541				1,467				1,478			
Total turnover rate (%)	28.29%				24.13%				22.19%			

Note:

1. Turnover rate (%) = The number of departed employees in the category in the current year/ The total number of employees in the current year.
2. Departed employees include those who left the company voluntarily or were dismissed, on a leave without pay, or retired.

5.4 Compensation and Benefits

Compensation System

Considering the external competition, internal fairness and legality, PANJIT provides reasonable and market-competitive salaries and link them with the company' s business performance, providing a diverse and competitive salary system (performance bonus, year-end bonus, employee compensation bonus) to attract, retain, develop, and motivate employees with the concept of sharing profits with employees. In addition, it is stipulated in Article 19 of the Articles of Association that when the company makes profits during the year, no less than 6% of pre-tax income of the current year shall be distributable as employees' compensation. However, the company' s accumulated losses shall have been covered.

PANJIT employs new employees with the salary better than the minimum wages prescribed in the Labor Standards Act, and the compensation criteria of all employees does not differ due to gender or race. Moreover, we also conduct a survey on the salary levels regularly, prepare budgets to make salary increase on a regular basis, and provide special budget for salary increase for critical positions, critical talents, and talents with great performance, continuing to provide market-competitive salaries. The average salary of grassroots employees in 2024 complied with the legal minimum wage of NTD 27,470 of the year. The difference in salaries between male and female employees was mainly due to the different nature of the workstations the employees belong to. For details on the average and median salaries of full-time employees in the non-managerial positions, as well as their changes compared with the previous year, please refer to the [Market Observation Post System \(MOPS\)](#).

Search criteria: Market - Listed; Industry - Semiconductor; 2024 information will be released by the end of June 2025.

Ratio of the grassroots employees' standard salary to the local minimum salary in 2024

Grassroots personnel	Shift	Male	Female
Operators	Day shift	1.15	1.13
	Night shift	1.40	1.35
New operators	Day shift	1.10	1.10
	Night shift	1.31	1.29

Note:

1. Grassroots personnel refer to operators with Taiwanese nationality; new operators are defined as the new employees entering the company in 2024.
2. The standard salary is the fixed salary distributed on a monthly basis.
3. The wages in the contracts signed between PANJIT and the contracting companies (cleaning, group catering, and security) were all compliant with the minimum standards stipulated in the Labor Standards Act.

Ratio of basic salaries and remunerations of female and male employees in 2024

Rank/ Gender	Remuneration (Annual salary)		Basic compensation (Monthly salary)	
	Female	Male	Female	Male
Senior supervisors	0.71	1	0.62	1
Non-senior supervisors	0.68	1	0.70	1

Note:

1. Senior supervisors are defined as managerial positions higher than director (inclusive) level.
2. Basic compensation is the recurring fixed salary every month; remuneration is the annual salary that include monthly salary, bonuses, and so on.
3. The data in the table is mainly based on PANJIT' s operating bases in Taiwan (Gangshan Factory, Yongan Factory, Taipei Operation Center, Hsinchu R&D Center).

Annual Compensation Ratio in 2024



- Note:
1. The composition of the highest remuneration and the general employee remuneration includes the salary, various allowances, bonuses, and employee compensation.
 2. The ratio of the highest annual total remuneration to median annual total remuneration: The total annual remuneration of the highest-paid employee ÷ the median annual total remuneration of all employees (excluding the highest-paid individual).
 3. The formula for the increase ratio of the annual total salary increase of the highest remuneration to the median of the annual total remuneration increase: The percentage of increase of the annual total remuneration of the highest-paid individual ÷ the percentage of increase of the median annual total remuneration of all employees (excluding the highest-paid individual).

Labor-Management Communication

The company has always treated its employees with integrity and follows relevant labor laws and regulations to guarantee the employees' legitimate rights and interests. Through a welfare system that can enrich and stabilize their lives and a good education and training system, PANJIT established a good relationship with mutual trust and dependence with its employees.

PANJIT attaches great importance to the communication with its employees. The company has internally established the Management Procedures for Freedom of Association and Collective Bargaining to support all employees' independence, freedom of association, and their right to collective bargaining. PANJIT values communication and interaction between colleagues, adheres to the Responsible Business Alliance (RBA) code of conduct, integrates the company's existing rules and each standard set by RBA, so that the company's principles are in line with international norms and to ensure good labor-employment communication channels at all times, and that the labor conducts can be adjusted to meet the needs of every relevant party. Although no trade unions or collective agreements have been set up, the regular labor-management & corporate social responsibility meetings are held to discuss the schedules, statutory and modified working hours and shifts, and CSR (labor, safety and health, environment, ethics, management systems) related issues. In addition, we also follow the internally established Corporate Social Responsibility Communication Management Procedures to establish diverse communication channels internally to communicate with our employees, listen to their opinions and suggestions in a timely manner as a channel to safeguard the employees' rights and interests. There were no incidents of labor disputes in 2024.



Employee Benefits

In terms of employee care and welfare, in addition to the labor insurance, health insurance, labor pension, parental leave, and other related leaves stipulated in the Labor Standards Act, PANJIT has also established an Employee Welfare Committee to provide diverse employee welfare measures that are better than regulations, including employee travel, scholarships, life insurance and critical illness insurance, injury and illness condolences, gifts on three festivals, allowances and bonuses, paid birthday leave, and established the employee share ownership trust(ESOT), striving to establish a comprehensive welfare system and care for our employees so that their work and life can be more secure. In 2024, the employee welfare expenses totaled approximately NTD 31,370,000 (excluding salary), and the average employee welfare expenses was NTD 21,226 / per employee.

Item	Specific measures for employee benefits
Insurance	<ul style="list-style-type: none">Group insurance: We not only insure labor insurance, national health insurance and contribute monthly pension, but also insure additional life insurance and group insurance for major injuries and illness to provide our employees with additional insurance protection.
Travel	<ul style="list-style-type: none">Employee travel: We hold domestic and overseas employee travel periodically and encourage our employees to bring their families to go together. Relevant subsidies are provided to employees and their families so that the employees can enjoy their work and their families can also join in together. The employees can feel the warmth of employee care at PANJIT and the cohesion among employees can also be enhanced.
Leaves	<ul style="list-style-type: none">Corporate volunteer leave: The employees can participate in social participation activities held by the company and are provided with 2-day paid corporate volunteer leave every year.Exclusive paid birthday leave: Our employees are provided the exclusive paid birthday leave so that they can wish themselves a happy birthday and have time-out of their busy schedule for themselves.
Facilities	<ul style="list-style-type: none">Breastfeeding room: The company has set up an exclusive breastfeeding room for those in need of it at any time. It is equipped with storage equipment for our employees to keep the expressed breastmilk in the refrigerator.Meal subsidies: The staff canteen in the company was renovated in 2023 and reopened in January, 2024 to provide a more comfortable dining environment. Meal subsidies are provided for our employees to eat at ease and healthily.Comfortable working space: All employees are provided with a more comfortable office environment and the office illumination and indoor air quality are inspected on a regular basis as prescribed by law. There are also 7-11 smart vending machines, smart vending coffee machines, coffee shop, audio-visual entertainment room, reading room, and table tennis room available for employees to make use of.



▲ 2024 PANJIT Family Day

Item	Specific measures
Welfare	<ul style="list-style-type: none"> • Birthday gift: Birthday gifts/gift certificates (exclusive for the birthday people of the month), and exclusive birthday shopping points. • The Welfare Committee provides a variety of gifts on Fathers' and Mothers' Days. • Provide employees with shopping points on the exclusive welfare website on Labor Day, Mid-Autumn Festival and Dragon Boat Festival. • PANJIT Quarterly Blog, and the happy garden platform for information sharing exclusive for employees. • Subsidies and allowances: Maternity allowance, funeral subsidy, wedding benefits, injury and illness condolences, and so on. • Scholarships: Employees who receive continuing education are encouraged to apply for scholarships with qualifying transcripts. • Specially designed work clothes: Employees are given exclusively designed POLO shirts so that they can have different shirts to go with their styles other than the uniform. • Special contract shops: Special discounts for food, housing, education, entertainment, and others are provided to our employees so that they can experience the benefits of the company. • Employee share ownership trust (ESOT): The company provides the ESOT plan. Employees can freely allocate amounts to purchase the company stocks through the trust system based on the level of their position. The company will subsidize employees to withdraw bonus funds to invest in the company stocks.
Health	<ul style="list-style-type: none"> • Healthy vegetarian day: On the last Friday of every month, the company treats all employees with healthy vegetarian food to jointly respond to the healthy vegetarian diet and eat healthier. • Organic Vegetable Day: Every Friday, organic vegetables from local smallholder farmers in Kaohsiung are made into dishes to provide healthy meals for employees so that they can eat healthily and feel at ease. • Free health examination: Free health examinations are provided every year so that our employees can examine their body conditions and establish plans for their own health. They can also consult about their physical conditions and arrange related medical resources or referral through the factory physicians and nurses during their regular visits.

Employee Share Ownership Trust (ESOT)

To encourage our employees to make long-term deposit and management of money, enhance their cohesion and ensure economic stability when they retire in the future, the Employee Welfare Trust was launched in October, 2022, and the Employee Stock Ownership Association was established. Based on the monthly funds withdrawn by the employees themselves, the company also allocates bonus funds and hands it over to the trust. Through the trust mechanism, employees are encouraged to increase their savings by purchasing the company's stocks, which also encourages employees to create great performance with the company for the sustainable development of the company.

The ESOT plan is participated freely, and the employees can join voluntarily. It is agreed that participating employees will withdraw money from their monthly salary, and the company will also provide bonuses better than those provided in the industry as additional salary increase to make fixed-term and long-term investment every month in PANJIT's stocks in the open market. It is hoped to encourage employees to make long-term and stable investment, balance work and life, increase security for future life, and further create a win-win labor-management relationship. As of the end of 2024, 88.66% of our employees joined the ESOT.



▲ Year-end Dinner



▲ Organic vegetable buns for the New Year

Parental Benefits

The company complies with the Ministry of Labor's Regulations for Implementing Unpaid Parental Leave for Raising Children and provides qualified employees with parental leave without pay to ensure that our employees enjoy the rights and interests of parental leave as prescribed by law. In 2024, a total of 96 employees were eligible to apply for parental leave without pay, and 7 employees applied for it. The reinstatement rate was 100%, and the retention rate was 100%.

Gender/Total	2022			2023			2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
The number of employees eligible for applying for parental leave without pay of the year A	54	70	124	40	46	86	46	50	96
The actual number of employees applying for parental leave without pay of the year B	6	12	18	0	5	5	1	6	7
Number of employees who should be reinstated after the parental leave of the year C	4	6	10	0	4	4	1	4	5
Actual number of employees who were reinstated after the parental leave of the year D	2	6	8	0	4	4	1	4	5
Actual number of employees who were reinstated after the parental leave in the previous year E	1	5	6	2	6	8	0	4	4
Number of employees who were reinstated for one year after the parental leave in the previous year F	1	3	4	2	6	8	0	4	4
Reinstatement rate of the year (D/C)	50%	100%	80%	N/A	100%	100%	100%	100%	100%
Retention rate of the year (F/E)	100%	60%	67%	100%	100%	100%	N/A	100%	100%

Note: Data of the number of employees eligible to apply for the parental leave without pay of the current year was the number of employees taking maternity leave or parental leave within 3 years preceding the reporting period (i.e. 2021/1/1~2024/12/31).

Retirement Benefits

To ensure the economic security of our employees after retirement so that they can make proper arrangements before retirement and adapt to future changes in life, PANJIT strictly complies with legal regulations and contributes to labor pension for every employee on a monthly basis. As of the end of 2024, 1.01% of employees used the old pension system while 98.99% used the new pension system.

Those applicable to new labor pension system of the Labor Pension Act

Starting from July 1, 2005, the company has contributed 6% of the employees' wages to their individual pension accounts on a monthly basis for those applicable to the provisions of the Labor Pension Act. The employees can also choose to allocate an additional 0~6% to their pension accounts.

Those applicable to new labor pension system of the Labor Pension Act

The company appropriates 2% of the total monthly wages of the employees as the labor pension reserve funds and deposits the amount in the designated account. The calculation of pension is based on the employees' average salary (full salary plus overtime pay) in the recent six months. Before the end of each year, the balance of the labor pension reserve account is estimated. If the balance is not sufficient to pay the estimated amount of labor pension meeting the retirement conditions in the following year, it will be fully replenished before March of the following year to protect the employees' interests and rights. As of 2024, the balance in the labor retirement reserve account held sufficient funds to fully cover the labor pensions for employees under the old pension system, ensuring the protection of employee rights and interests.

5.5 Talent Development

PANJIT provides the following four commitments for the development of human resources:

Commitment to a highly efficient and safe workplace



PANJIT complies with safety regulations and is dedicated to providing a safe workplace for every employee. Based on every employee's work performance, we provide fair salary levels, appropriate salary and benefits, reasonable promotion channels, and a good workplace environment for mutual learning and common good.

01

Commitment to institutionalization



Employees working at PANJIT must abide by the rules and regulations stipulated by the company. There are guidelines, purposes, methods, and steps to follow. Failure to follow the prescribed system may be punished by the company. The adherence to clearly defined protocols ensures that the company will safeguard the employees' rights and prevent any undue actions.

02

Commitment to work incentives



Define and assign specific, measurable performance metrics for each employee's role. Through regular performance appraisal, both the employee and supervisor performances will be evaluated on a regular basis, and through performance-based incentives, the employees are rewarded appropriately, thereby enhancing attraction and long-term retention.

03

Commitment to common growth



PANJIT hopes to transform the organization's cultivation of employees into team cohesiveness. Through the establishment of an online learning platform, Train the Trainer, and the extended development of an internal course creation system, we create a growth-oriented work environment at the company. Specialized professional courses are designed according to functional requirements, facilitating knowledge exchanges and joint learning among cross-departmental teams, and reinforcing employee's commitment to grow together with the company.

04

PANJIT is highly supportive and committed to talent development. Senior supervisors review the critical talent development on a regularly basis and are dedicated to the promotion of sharing global learning resources. In addition to the comprehensive education and training system, we also provide lectures on general topics set based on the level of positions to allow our employees to learn and grow. We hope that all employees can enjoy work, learn and grow, and work together to build empowerment at work, and further become the inheritors to pass on the professional technologies and spirit of management from generation to generation.

Category of Education and Training

Title of Course	Content of Training
New employee training	Introduce the company, ESG concept, clean room clothing specifications, industrial safety and health training, hazardous material education and training, information security training, HR policy training and so on in the orientation for new employees. After they return to their own unit, training for new employees in the department is provided so that they can be accustomed to work and blend into the environment, enabling them to give their expertise into full play in the workplace.
Core value	The five major core values of PANJIT: Accountability, Customer-oriented, Mutual Trust and Collaboration, Innovation, and Learning and Growth are used to examine the core values and behavior indicators of employees at PANJIT. We establish a common language for all at PANJIT through courses, online-learning, event participation, and so on.
General education	Provide diverse and extensive training categories, including digital learning, internal lecturers, language growth, volunteer training, master lectures, certification examinations, and so on.
On-the-job training	To learn practical skills by observational learning, simulation training, and mentor guidance in daily work, and cultivate multi-skilled employees and expand their work areas and expertise.
Core professional training	Physical classroom training supplemented by online learning in accordance with the job levels and positions based on the List of Functional Training.
Training of the development of hierarchy management	The training courses are divided into Combat Ability, Tactical Ability, and Strategic Ability based on the capabilities needed for each level of management.
ESG related training	Cultivate relevant concepts based on the aspects of ESG and train the employees to establish relevant actions in the fields of carbon footprint inventory, GHG emissions and other professional areas to contribute to the environment, society, and sustainability of the company in the future.

Diagram of the Education and Training System

	13	12	11	10	09	08	07	06	05	04	03	02	01
	Managerial												
	Technical/ Staff												
New employee training	◦ New employee orientation ◦ Departmental new employee training ◦ Newcomer integration training												
Core value	◦ Missions /visions ◦ Core value training												
General education	◦ Digital learning ◦ Language growth ◦ Volunteer training						◦ Master lecturers ◦ Certification and examinations ◦ Personal growth						
On-the-job training	◦ Functional training												
Core professional training					◦ Technical core training ◦ Staff core training ◦ Internal lecturer program								
Hierarchical management development	◦ Strategic ability training				◦ Tactical ability training			◦ Combat ability training					
ESG	◦ Practical study on ESG strategies				◦ ESG workshop			◦ General education on ESG sustainability					

Construct an E-learning platform for shared learning resources to allow and facilitate interaction and fragmented learning anytime, anywhere, with any device.



01

02



Regularly provide independent learning (happy garden platform) to inspire the employees to read. E-magazines for extended reading of the full text are also provided.

PANJIT has achieved the following in terms of providing employee functional management and lifelong learning plans to help employees maintain their capabilities for employment.

We are highly supportive and committed to talent development. Senior supervisors review the critical talent development on a regularly basis and are dedicated to the promotion of sharing global learning resources. In addition to the comprehensive education and training system, we also provide lectures on general topics set based on the level of positions to allow our employees to learn and grow.



04

03



To encourage our employees to learn English and create a good English reading environment, the PANJIT English Supply Station and Monthly English Tests are provided. Subsidies and allowances for English proficiency are also open for application.

PANJIT started to attach importance to the development and improvement of education and training quality in 2022 by incorporating the TTQS (Talent Training Quality System). Through the consultants' professional guidance, we passed the threshold of talent development quality, which allowed us to obtain more government resources investment to organize more high-quality courses.

In 2024, we continued the existing education and training, including management courses, core professional courses, mission and core value courses, ESG sustainability courses, independent learning, etc., and we further extended the development of an internal course creation system and formally established the PANJIT internal lecturer team through a series of Train the Trainer programs. By offering courses on different themes, we provide a more comprehensive and in-depth learning experience to help out employees develop and grow in various fields. In addition to physical courses, we also provide 3A (Any Time/ Anywhere/ Any device) learning mechanism to promote mobile learning. From 2023, the Company has actively promoted online new employee training programs to overcome time and geographical constraints, ensuring that new employees can immediately and flexibly complete their training through digital platforms right after they report to work. In 2024, we continued to enhance our digital learning systems and expanded a diverse range of online learning resources, providing employees with a more comprehensive and autonomous learning experience. We empower employees to use digital tools for continuous learning anytime, anywhere to strengthen their expertise and accumulate energy for their career development.

2024 Education and Training Courses

Title of Course	Content
Vision, mission, and core value course	The Shining Star Selection is conducted every year through the sharing of specific achievements of outstanding candidates, and employees that can embody and promote the five major core values of PANJIT are selected. In 2024, our 9th Shining Star Selection, a total of 11 employees were granted the awards. With the specific achievements and core values represented by the winning employees, all their associates can be positively motivated, encouraging them to continuously pursue excellence and uphold the core values of PANJIT.
Sustainability course	To respond to the introduction of ESG, external lecturers were invited to lecture on Becoming ESG Enterprise +, Speaking Honestly about Food and on Social Welfare, DEI Talent Sustainability, Social Sustainability, ISO 14064 Greenhouse Gas Inventory Training, ESG report indicator education and training, etc.
Management course	<p>1、Introduced nationally renowned online learning platform to provide more than 3,000 online courses with different management types and topics for the management to learn independently. Starting from the second half of 2024, courses are divided into three groups based on the level of positions and designed based on the eight major course functions. Improvement is made by incorporating feedback from supervisors through annual education and training survey.</p> <p>2、PANJIT has planned and held internal general knowledge sharing course, PANJIT's Work Broadcast Show. We hope to achieve interdepartmental communication and coordination by having different units take turns hosting the course. This will enable each department to meet new colleagues and understand the work duties of other departments. Cross-departmental learning and mutual benefit have always been a priority throughout the company's growth, which is also an important factor for the ongoing, periodic rotation of the Work Broadcast Show. In 2024, we organized 5 Work Broadcast Shows, with 14 associates sharing topics, and a cumulative number of 618 participants online.</p>
Core professional course	We organized performance interview training, IATF 16949 Six Core Tools, IATF 16949 provision system, information security email social drills, Train the Trainer according to the functional categories, and established internal course creation mechanism.
Independent learning	The daily English Supply Station was established to provide diverse online language learning magazines for employees to learn independently. Monthly English tests are provided for the employees to test their English proficiency.
A guide for new recruits	From 2023, to enable new recruits to break through time and geographical restrictions and use mobile devices more conveniently to complete new employee education, PANJIT established the new recruit education and training course on the E-learning system so that our new colleagues can complete training anytime and anywhere on the day of reporting and quickly integrate into the work environment. In 2024, to respond to cybersecurity policy, the Cybersecurity Education and Training (ISO 27001) was specially added to further enhance employees' cybersecurity awareness and ensure that information security management is compliant with international standards.



▲ PSDM (Problem Solving and Decision Making) Course



▲ Intergenerational Leadership Program

Education and Training Hours for Employees at All Levels

Year		2022			2023			2024		
Item/Gender		Total number	Total training hours	Average training hours	Total number	Total training hours	Average training hours	Total number	Total training hours	Average training hours
Senior supervisors	Male	26	682	26	28	788	28	27	3,601	133
	Female	3	114	38	3	113	38	3	602	201
General managerial position	Male	131	4,499	34	135	4,542	34	133	23,758	179
	Female	105	3,450	33	110	4,577	42	110	18,218	166
Non-managerial position	Male	440	13,640	31	402	14,753	37	384	72,029	188
	Female	836	25,916	31	789	27,683	35	821	136,855	167
total		1,541	48,301	31	1,467	53,456	36	1,478	255,064	173

Note:

1. The headcount data shows the number of employees in the HR management system as of December 31 of the current year.
2. The source of training hours came from the E-learning system, and the statistics did not exclude employees who left halfway.
3. Average number of training hours in the current year by gender = Total training hours in the current year by gender / The total number of employees in the current year by gender.
4. Definition of senior supervisors: Those holding the position of Director (inclusive) and higher.
5. Definition of general management positions: Other management positions other than senior supervisors.

Average Employee Training Costs

Unit: NTD 1,000

Year		2022		2023		2024	
Item		Total training costs	Average training costs	Total training costs	Average training costs	Total training costs	Average training costs
Male		1,757	2.9	1,808	3.2	1,439	2.6
Female		3,203	3.4	4,247	3.6	2,451	2.6

Note: Average training costs by gender= Total training costs in the current year by gender/ Total number in the current year by gender.

Core Professional Course- Train the Trainer

In recent years, PANJIT has noticed the potential crisis of labor shortage and talent gap. As a representative enterprise in the local area, we shoulder the responsibility concerning the employees' work rights, the commercial interests of all stakeholders, and the social responsibility of PANJIT's own sustainability management. We aim to enhance internal knowledge management, pass on the corporate wisdom, and cultivate professional talent to accelerate the succession of internal talents.

PANJIT started the implementation of the Train the Trainer from the first quarter in 2023. The training was expanded in 2024, and great external lecturers were invited to start a 7-hour course and 14-hour results acceptance (participant simulation lecturing), and a total of 30 seed lecturers were trained. From the second quarter, 28 sessions of courses with different themes have been successively developed, attracting more than 1,000 people to attend classes, with a total of 2,220 hours of courses.

Based on the student attendance rate and post-course satisfaction after each course, PANJIT awarded 15 "Rookie Lectures of the Year", 9 "Professional Lecturers", and selected 2 "Popular Lecturers of the Year", and the Second "Excellent Lecturer Award" Ceremony was held at the end of 2024, and PANJIT internal lecturer team was also officially established. We anticipate that through more comprehensive and transparent regulations, along with enhanced training programs, we will enhance the visibility of our employees' expertise, unlock their potential, activate cross-departmental learning, and strengthen a culture of continuous learning within the company.

Note: Two internal lecturers resigned in 2024, and the actual number of internal lecturers is 28.

第二屆強茂內部講師培訓
Training the Trainer to Train

訓練行事曆

上課地點: 第一、二樓教室 (第一、二樓教室)

期次	姓名	訓練主題	上課時間	6月	7月	8月	9月	10月	11月	12月
第1期	陳國治	高品質服務	14:00-17:00	06/14						
第2期	林國治	高品質服務			05/19					
第3期	林國治	高品質服務			05/25					
第4期	林國治	高品質服務			07/20					
第5期	林國治	高品質服務			07/21					
第6期	林國治	高品質服務			08/16					
第7期	林國治	高品質服務			08/20					
第8期	林國治	高品質服務			07/04					
第9期	林國治	高品質服務			07/16					
第10期	林國治	高品質服務			07/18					
第11期	林國治	高品質服務			08/01					
第12期	林國治	高品質服務			08/08					
第13期	林國治	高品質服務			08/13					
第14期	林國治	高品質服務			09/10					
第15期	林國治	高品質服務			09/12					
第16期	林國治	高品質服務			09/19					
第17期	林國治	高品質服務			09/26					
第18期	林國治	高品質服務			10/08					
第19期	林國治	高品質服務			10/17					
第20期	林國治	高品質服務			10/22					
第21期	林國治	高品質服務			10/24					
第22期	林國治	高品質服務			10/29					
第23期	林國治	高品質服務			11/21					
第24期	林國治	高品質服務			11/27					
第25期	林國治	高品質服務			12/03					
第26期	林國治	高品質服務			12/04					

如有任何疑問請洽：人資行政課 黃尚明課長 電話：分機82-1727

▲ Train the Trainer (TTT)



▲ Train the Trainer (TTT)



▲ The Second "Excellent Lecturer Award" Ceremony

Vision, mission, and core value course-ESG Master Lecture

Purpose of Implementation

- Provide company employees with opportunities to learn from experience and professional knowledge of masters in different fields.
- External masters can bring new perspectives, trends and practices and stimulate innovation and creativity.
- Improve the corporate image and demonstrate the openness of and emphasis on the corporate culture for employee development.

Methods of Implementation

- Set the annual themes and select suitable external celebrities to pass on the value to all employees.
- Invite external celebrities on a quarterly basis to deliver speeches. The company has bases in different places, so the lecture is conducted through live streaming.
- The lecture activities are designed to be more interactive with instant Q&A, group discussions and other methods.

Correlation with Performance

- Increase employees' professional learning and development opportunities so that they can apply what they learn to work.
- Inspire employees' creativity and innovative thinking to help them solve problems and handle challenges.
- Increase employee participation and morale.



Q1 Master Lecture

-Becoming ESG Enterprise + ipsum

Number of participants : 129

We invited Yi-Xi Xiong, the head of "CommonWealth Sustainability CWS" to share ESG concepts, actions, and the latest trends, and also future corporate ESG strategic directions.



Q2 Master Lecture

-Speaking Honestly about Food and on Social Welfare

Number of participants : 78

We invited Bi-Ling Gu, Executive Director of Taiwan People's Food Bank Association to share her thoughts on The Right Attitude toward Food, applying food education, putting food education and food waste reduction into daily practice.



Q3 Master Lecture

-DEI Talent Sustainability, Social Sustainability

Number of participants : 69

We invited Yu-Ling Tsai, the founder of Go Beyond Co., Ltd. to share practical DEI experience and corporate case studies to reveal the power of diversity, equity, and inclusion.



Q4 Master Lecture

-Green Symbiosis: Exploring Community Tourism Experiences in Forest Conservation

Number of participants : 30

We invited Professor Mei-Hui Chen of Department of Forestry of National Pingtung University of Science and Technology to share how to combine forest conservation with community tourism to support ecological protection and experience local culture.



National Cheng Kung University’ s Industry-University Collaboration Project of Semiconductor Green

In 2024, PANJIT continued its collaboration with the Academy of Innovative Semiconductor and Sustainable Manufacturing, National Cheng Kung University on two specialized courses, the "IATF16949 Five Core Tools Practical Operation Training Course" and the "IATF16949 Semiconductor Quality Management System Implementation and Audit Validation Training Program" , jointly training a total of 86 trainees, showing effective collaboration between academia and industry. The two specialized courses not only enhanced the participants’ professional skills but also improved the comprehensive corporate quality management. These programs equipped learners with advanced quality management tools and systems, which not only enhanced their individual competitiveness in the workplace but also helped the optimization of the quality management processes of the enterprises, thereby strengthening its overall market competitiveness. In the future, PANJIT will continue to be committed to the innovation and development of education and training, and further strengthen its collaboration with academic institutions and the industry to bring greater value to the Company.

Performance Appraisal

Performance Management and Employee Development

PANJIT attaches great importance to every employee’ s career development, and has established a regular performance appraisal mechanism (every July and December) to help employees understand their performance and potential for development, ensuring alignment with the corporate goals. To further support the growth of our employees, we continuously optimize the performance management system and provide professional training to supervisors to help them effectively navigate performance reviews with the right processes, mindset, and skills.

Fair Performance Appraisal Process

Before the performance review, we offer managers with external professional training resources and internal materials to enhance their skills in conducting effective performance interviews. These resources also strengthen their ability to support and guide employees effectively, helping them to deliver constructive feedback and fostering a communication culture that is open, interactive, and respectful. The training empowers managers to practice active listening and offer meaningful, constructive feedback so that employees can feel heard and express their needs and expectations freely and receive corresponding support and guidance.

The Communication Evaluation Process

At PANJIT, the performance appraisal process is a two-way communication opportunity where supervisors and employees review their past work performance, goal attainment status, and career development plans. This interview is not only a performance process but also an opportunity to foster mutual understanding for both sides. Employees share their opinions, challenges faced and goals working for and express their expectations for career development, discussing the way to make improvement or adjustments for their future work plans and development paths with their supervisors.

Evaluation Results and Development Support

Final performance ratings will reflect how well employees embody the Company’ s core values as well as their success in meeting the annual KPIs. We will provide specific feedback to help employees recognize their strengths and areas for improvement. When necessary, we will collaboratively develop action plans to address weakness and set clear development goals, supporting positive career growth.

Implementation status of 2024 performance appraisal

Gender / Category of position

Male employees receiving appraisal

Female employees receiving appraisal

Senior supervisors

100%

100%

General managerial position

100%

100%

Non-managerial position







100%

100%



Note: New employees arriving at their post within three months or those reinstated after their leave without pay for less than three months during the evaluation period were excluded from the performance appraisal.

5.6 Employee Health and Safety

Management Approach of Occupational Health and Safety		Material Topic: Occupational Safety and Health						
<div> Purpose of Management</div>	Establish an organization in charge of the occupational safety and health of the employees and other people that are influenced by relevant activities. The responsibility includes promotion and protection of their physical and mental health. Through the basis of the occupational safety and health management operations, ISO 45001 Occupational health and safety management system and TOSHMS Taiwan occupational safety and health management system are adopted to enable the company to provide a workplace with occupational safety and health so that the related operations can have clear principles and standards to abide by for efficiency. Work-related injuries and health hazards are prevented while occupational safety and health performance is continuously improved.							
<div> Policy</div>	Please refer to the corporate sustainable development policy- Regulatory Compliance, Risk Elimination, Continuous Improvement.							
<div> Remediation Mechanism</div>	<ul style="list-style-type: none">Unsafe environment and behavior are improved through patrol inspections, improvement proposals, strengthened publicity and personnel education and training. In addition, the concept of defensive driving is promoted to enhance the employees' awareness of traffic safety to lower the hazard risks when they commute to and from work or perform official duties.Try our best to help injured employees to apply for insurance claims in the event of occupational accidents. Work duties will be adjusted in accordance with the recovery status under the evaluation of the occupational health physician.The company has established emergency response measures and purchased sufficient property insurance so as to reduce the damage promptly in the event of a disaster.			<ul style="list-style-type: none">Remedial measures for the four work-related injuries in 2024:<div>For all accidents</div>Enhance warning signs in the work area, optimize environmental management, and strengthen safety education and training for relevant personnel to reduce risks.<div>For collision accidents</div>Optimize work area markings and equipment management specifications, and strengthen personnel safety awareness to prevent similar situations from happening again.				
<div> Management Review</div>	<ul style="list-style-type: none">The effectiveness of the occupational safety and health management is evaluated every year in accordance with the ISO 45001 and TOSHMS internal management review procedures.							
<div> Goal</div>	Goals for 2024		Goal Attainment Status for 2024		Short-term Goals (2025)		Medium- and Long-term Goals (2026~2040)	
	<ul style="list-style-type: none">Zero severe occupational injury.Disabling injury severity rate (SR) ≤8.Employees disabling frequency rate (FR) ≤1.20.Non-employee workers' disabling frequency rate (FR) ≤0.22.Zero case of occupational disease.		<ul style="list-style-type: none">✗ Severe occupational injury was 1.✗ Disabling injury severity rate (SR) was 54.✓ Employees disabling frequency rate (FR) was 1.16.✓ Non-employee workers' disabling frequency rate (FR) was 0.00.✓ Zero case of occupational disease.		<ul style="list-style-type: none">Zero severe occupational injury.Disabling injury severity rate (SR) ≤5.Employees disabling frequency rate (FR) ≤1.00Non-employee workers' disabling frequency rate (FR) ≤0.18.Zero case of occupational disease.		<ul style="list-style-type: none">Zero severe occupational injury.Disabling injury severity rate (SR) ≤3.Employees disabling frequency rate (FR) ≤1.00.Non-employee workers' disabling frequency rate (FR) ≤0.1.Zero case of occupational disease.	
<div> Action and Results</div>	<ul style="list-style-type: none">The 2024 hazard risk assessment identified one Level 4 high risk item and one Level 5 major risk item. For those items where risk reduction is unreliable, special cases have been established and improvement plans have been developed.To prevent potential harm from the use or contact of chemicals, PANJIT continuously improves and eliminates risks. In 2024, it invested NT\$130,000 to install blinds and locked chemical storage areas, effectively reducing the risk for employees to directly contact chemicals.In 2024, the Gangshan and Yongan Factories held a total of eight occupational safety and health management meetings and completed 30 safety and health-related proposals.In 2024, a total of 1,072 employees participated in health checkups, 28 underwent cancer screenings, and 196 underwent special health examinations to reduce the risk of occupational diseases. No workers were diagnosed with occupational diseases by physicians.Health promotion activities continued in 2024, including blood donation, weight loss competitions and health lectures, with a total of approximately 422 participants.							

Occupational Safety and Health Management System

To prevent the occurrence of workplace accidents and occupational diseases and protect employees' physical and mental health, PANJIT has set up an occupational safety and health management system in accordance with the regulations stipulated in Occupational Safety and Health Management Measures to ensure that the working environment is compliant with legal requirements. PANJIT introduced OHSAS 18001 Occupational Safety and Health Management System in December, 2006, completed the conversion in 2020 and obtained the ISO 45001:2018/ CNS 45001:2018 occupational safety and health management system certificate. Regular external verification is conducted by an entrusted third-party impartial organization and the recertification was completed by the end of 2024 to ensure the effective operation of the occupational safety and health management system.

The management system is applicable to workers in Taiwan, activities (semiconductor discrete component manufacturing and design) and production bases (Gangshan Factory, Yongan Factory), with an employee coverage rate of 93.23% (excluding those working in Taipei Operation Center and Hsinchu R&D Center where operations are with less hazard and those stationed in overseas factories). Our two production sites, Gangshan Factory and Yongan Factory, conduct internal audit and external audit on a regular basis, with an employee coverage rate of 93.23%. A total of 6,039 non-employee workers (including resident contractors and other contractors) entered the factory annually. The internal and external audit also included employees and non-employee workers at the abovementioned sites, and there was no exclusion.

Through the standardized management system, PANJIT's occupational safety and health management procedure documents are established to strictly control occupational safety and health details, striving to create a safe and healthy working environment to protect the safety and health of the employees and achieve the goals of occupational safety and health. Although dispatched employees overseas (PANJIT Wuxi Factory, Xuzhou Factory, Shandong Factory, and Shenzhen Office) are not included in Taiwan's safety and health management system, they are all managed in accordance with the local occupational safety and health management regulations to ensure their health and safety rights.

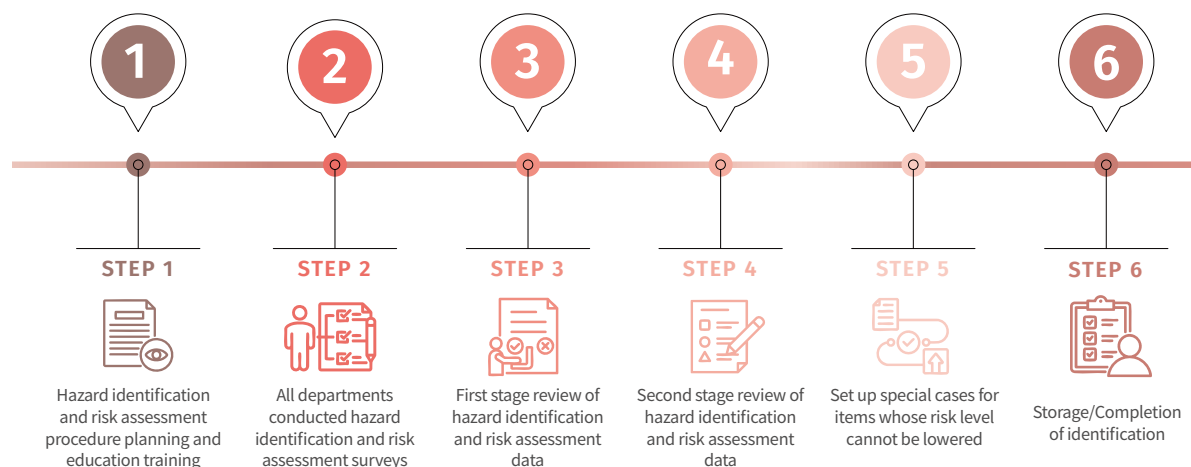
Hazard Identification, Risk Assessment and Accident Investigation

PANJIT carries out hazard identification, risk assessment and accident investigation in accordance with the Occupational Safety and Health Management System and complies with the regulations in the EHS (environmental, health and safety) Procedures. To avoid hazards to personnel's safety and health due to operations or activities, services, and equipment, appropriate preventive measures are taken and opportunities for further improvement of occupational safety and health performance are found to control all risks to an acceptable level and establish procedures for hazard identification and risk assessment.

• Hazard Identification and Risk Assessment

The Company follows the Hazard Identification and Risk Assessment Procedures to conduct regular/occasional inspections and evaluation of the risk level of the operating activities at Gangshan and Yongan Factories to prevent the occurrence of hazards and arrange external lecturers to conduct relevant training courses for employees in each unit prior to hazard risk identification. In 2024, a total of 41 people participated in the training, with 100% passing rate to ensure the suitability of personnel performing risk assessment. In 2024, a total of 884 items for hazard risk assessment were listed after the assessment of Gangshan and Yongan Factories. After engineering control and management measures, the risk levels were lowered, but there were still one high-risk of Level 4 and one of Level 5, both were caused by the MRT construction project around the Company, affecting the traffic safety of the public, employees, and security guards. They were non-factory controllable projects. For risks that cannot be mitigated, dedicated projects are initiated to develop and implement improvement plans.

Hazard Identification and Risk Assessment Steps



2024 Hazard Risk Improvement Plans			
Risk Level	Risk Item	Description of Risk	Improvement Plan
Level 4	Employee commuting	The construction section of the Gangshan MRT near the Company has caused significant impact on employees' commuting conditions. Employees may face an increased risk of traffic accidents when accessing or leaving the provincial highway or the company site.	<ol style="list-style-type: none"> At least one road safety training sessions shall be conducted on a yearly basis. In the event of employee traffic violations, security personnel shall promptly inform the individual of the potential hazards and provide traffic safety training. During the rush hours or when big trucks are entering or exiting the premises, security personnel assist with traffic direction and implement traffic control measures at site entrances and exists to ensure smooth vehicle flow. However, they do not control traffic on public roads. Request local police to increase patrols around the facilities.
Level 5	Contractor management operations	Due to the construction of Gangshan MRT near the Company, heavy machinery or tank trucks entering the factory area may increase the risk of collisions with the general public, employees, and security guards. No related accidents have occurred so far.	<ol style="list-style-type: none"> When heavy machinery or tank trucks enter or exit the factory area, security personnel must provide guidance on public roads and ensure the safety of general road users. Departments responsible for tank trucks or engineering work must assign personnel to assist with on-site safety monitoring and enhance the supervision of vehicle movement to minimize potential risks.

● Risk Reduction and Elimination

To reduce employees' exposure to harmful environment, PANJIT classifies the risks in the working environment in the factory. For high-risk operating environment, Gangshan Factory and Yongan Factory environment monitoring in 309 locations in the entire factory, and the measurement items include air velocity, illumination, carbon dioxide, noise, physical and chemical measurements, flammable gases. Among them, nighttime monitoring of noise, formaldehyde, benzene, and phenol was especially conducted to continuously track the working environment. The measurement data are also disclosed for the on-site workers to understand the status of the working environment they work in. In addition, through periodic inspections, personnel safety can be ensured. In 2024, Gangshan Factory implemented five while Yongan Factory implemented 10 corrective and preventive measures, and all improvements have been completed.

To avoid injuries caused by the use of chemicals due to unclear information labels, PANJIT has prepared a list of hazardous chemicals and illustrations based on the "General Work Instruction for Hazardous and Dangerous Substances", displayed Safety Data Sheets (SDS) and on-site hazard signs, and provided translations in the workers' native languages (English and Thai). In 2024, we invested NT\$ 130,000 to install blinds and lock the chemical storage area, effectively reducing the risk of direct contact between the chemicals and the personnel in the storage area.



▲ Line-side storage area (before installation of blind)

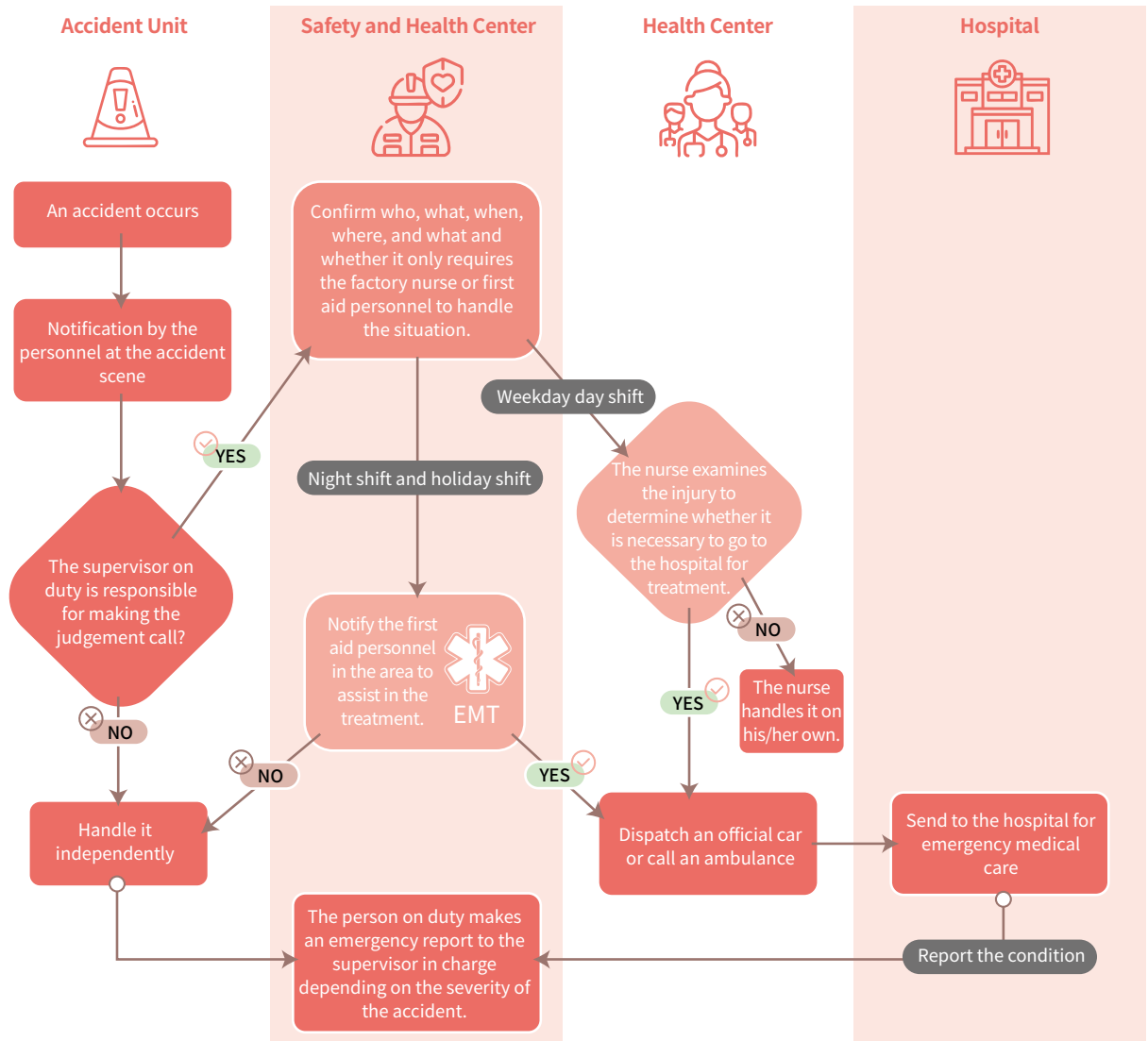


▲ Line-side storage area (after installation of blind)

● Accident Notification, Investigation, and Handling

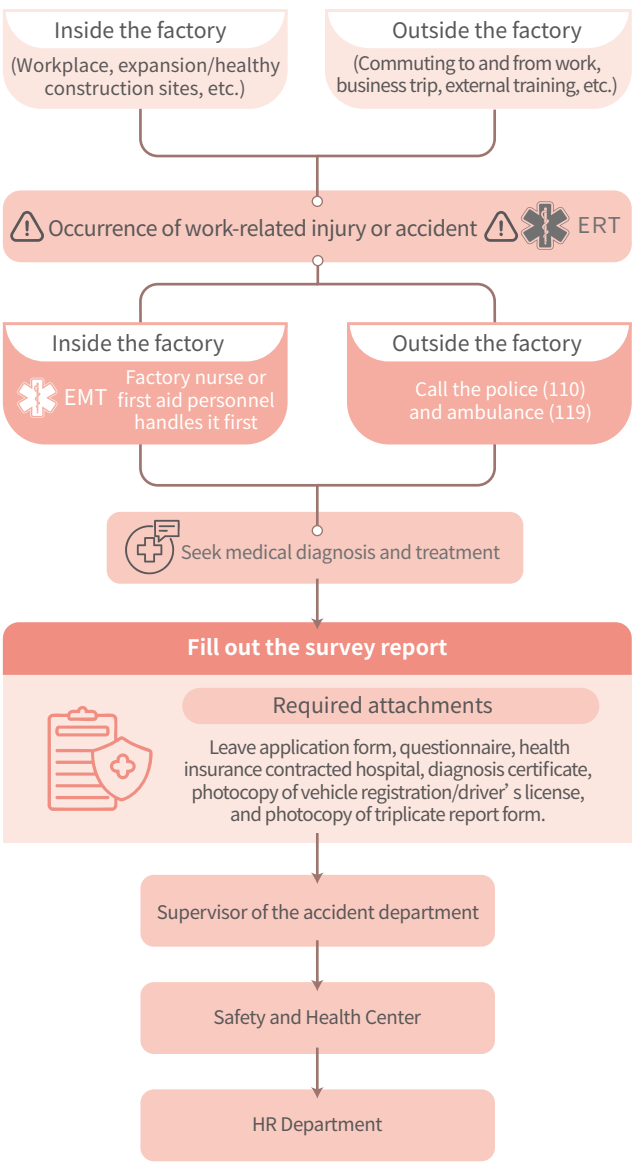
Every factory has established the In-plant First Aid and Incident Notification and Handling Procedures and Accident Investigation and Handling Instructions so that when work-related injuries or false alarm occurs, the workers can immediately report the incident to the supervisor on duty. In addition, relevant information concerning the right of withdrawal is clearly stipulated in the Safety and Health Work Rules in accordance with Article 18 of the Occupational Safety and Health Act. When there is a concern of a threat of imminent danger while the laborers are executing their duties, under conditions in which the safety of other workers is not jeopardized, they may terminate work of their own accord and withdraw to safe locations, and immediately report to their direct supervisors. The company shall not dismiss, reassign, not pay wages for the period of work on halt, or otherwise impose unfavorably treatment on laborers taking the above-mentioned actions.

Average Employee Training Costs



Note: If the official vehicles are out, an ambulance can be called, and all the first aid personnel at the nearest location in the factory have to fully cooperate with the first aid and care.

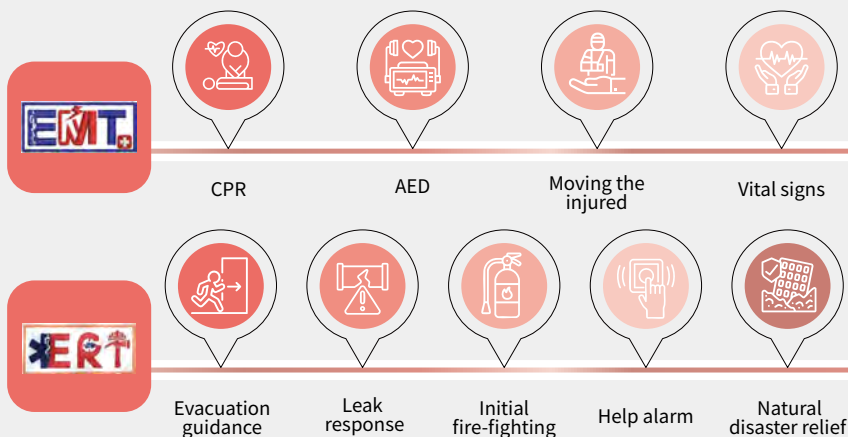
Accident Investigation and Handling Process



In addition, PANJIT also has qualified Emergency Medical Technician (EMT) and Emergency Response Team (ERT) in the factory. Their daily training and professional knowledge enable them to shorten the response time to various emergency situations, play key roles at critical moments and make prompt responses to provide necessary assistance and medical care so as to protect the lives and health of the workers.

Identification of ERT and EMT personnel

There are two types of trained and qualified personnel in the factory with two types of identification armbands (EMT: Emergency Medical Technician; ERT: Emergency Response Team), that are marked on the clothing for our employees to identify and provide timely assistance when needed.



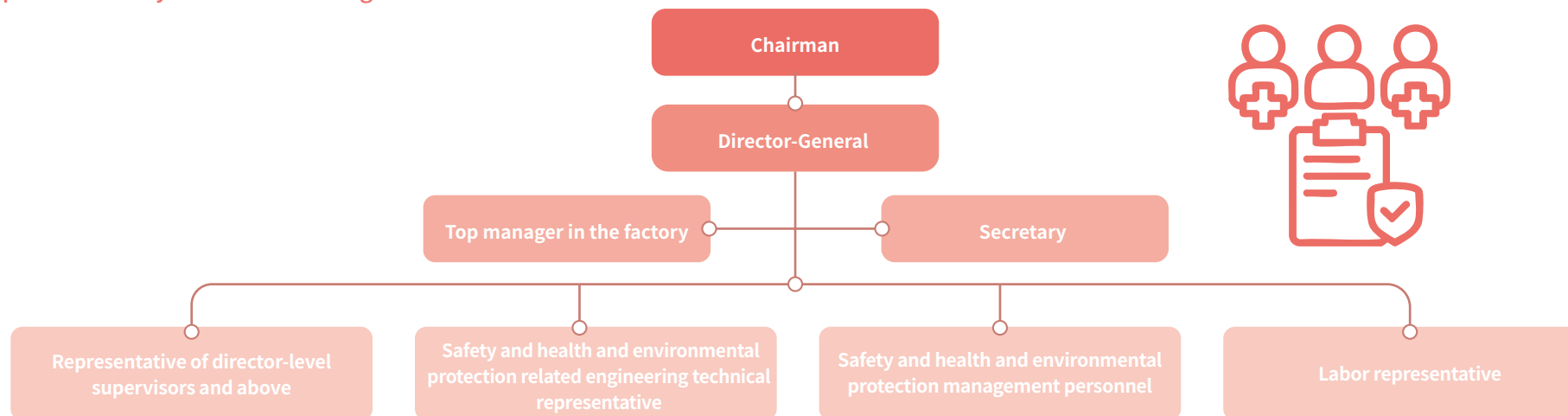
Worker Participation, Consultation, and Communication

PANJIT has established the Occupational Safety and Health Committee to promote the occupational safety and health tasks in the factory and communicate, provide consultation, and respond to complaints. For the safety of non-employee workers, it provides relevant occupational safety and health information and communication (hazard notification, toolbox meeting briefing, guidance by dedicated personnel for the on-site visit) to non-employee workers to lower the safety hazards. In addition, a Question and Feedback channel has also been established in the contractor management system. In 2024, there were a total of 17 feedbacks, all of which have been responded to.

The Committee in Gangshan Factory is composed of 37 members, with 14 labor representatives (including 2 foreign members), whose latest election was conducted in January, 2024 (the next election is in January, 2026), and the nominees were selected through one-week online voting casted by all the personnel in the factory. The Committee in Yongan Factory is made up of 19 members, with 8 labor representatives, whose latest election was conducted in July, 2024 (the next election is in August, 2026), and they were elected by circling ballots by all the personnel in the factory. Labor representatives regularly participate in the quarterly occupational safety and health committee meetings. They can make proposals and participate in voting on proposals at any time during the meeting and help the operators communicate with the Safety and Health Center.

In addition to the supervisors and employees the Work Group and Technical Group of the Occupational Safety and Health Committee also participate in meeting for the discussion on the preventive measures of internal accidents for the health and safety of the employees, analyze problems, and promote work practices. The responsibilities of the Committee include providing suggestions on the development of safety and health policy, review, coordinate, and suggest safety and health related matters, actively participate in relevant meetings in the company, setting goals and objectives. The committee chair (president) is in responsible for decision-making and problem-solving at the strategic level (Safety and Health Committee), operational level (executive group), and specific level (technical group). The Committee meet quarterly. In 2024, the two factories convened 4 meetings each, and Gangshan Factory and Yongan Factory completed 30 proposals in relation to safety and health.

Occupational Safety and Health Management Committee



Diverse communication channels for occupational safety and health

- 1 Internal contact form
- 2 Physical bulletin board, e-bulletin board (screen saver)
- 3 PANJIT's Happy Garden Platform :
Good Article Sharing Section- Articles in Common Health Magazine are shared weekly (psychological or physiological information to strengthen employees' health education).
Health Care Section- Real-time information on care in the environment (hot or cold weather, difference in temperature) in the month, health education of Dengue fever, blood donation, registration for flu vaccination and so on.
- 4 Put up hazard signs and relevant signage for wearing protective equipment in the work area and on machines (in Chinese, English and Thai).
- 5 The factory physicians conduct on-site visits to understand the actual operation in the work area and things for improvement, have interviews with the operators to understand their needs and expectations.
- 6 If the workers need any consultation or assistance, they can directly contact the Safety and Health Center or dial the extension #1999 for assistance.
- 7 Occupational Safety and Health Committee.
- 8 Environmental Safety and Health Opinion Form.



Occupational Safety and Health Education and Training

To implement a healthy and safe workplace, the Safety and Health Center established the accident notification and investigation procedures through continuous education and training and activity promotion, and conducts the analysis of the causes of the overall accident and takes proper preventive measures. The company has achieved a number of results in terms of health and safety, including introducing the Environmental Safety Cloud Management System. The cloud management results are integrated with those in all departments so that the employees are clearly aware of the priority safety rules all have to strictly comply with, serving as a guide for correct behavior in terms of occupational safety and health. thereby providing a safer and healthier environment to protect the safety of all employees. Also, audits on the occupational safety and health management of contractors are also carried out. Through a systematic inspection mechanism, the deficiencies identified in inspections and subsequent improvement items can be shown to assist suppliers and contractors to make improvements of occupational health and safety.

Gangshan Factory and Yongan Factory are equipped with safety and health management personnel in accordance with relevant regulations, and also have a reserve of certified personnel. The number of personnel with relevant certifications (such as first-aid personnel, organic solvents, specific chemicals, lead, dust, hypoxia, and high-pressure gas) is sufficient to support the practical needs of each workplace and shift, ensuring that qualified personnel are on-site at all times during operations to provide guidance. We also have education and training management personnel to regularly review the certification needs across the factory, monitor expiration dates, organize retraining plans, and notify employees in advance to keep all qualifications valid and current.

The Company provides relevant safety and health related training to all workers in the languages they can understand better (Chinese, English, Thai) both internally and externally. The training costs are all covered by the company and the effectiveness of the training is evaluated through tests or practical implementation. To improve the employees’ knowledge of safety and health and disaster response capabilities, PANJIT regularly organizes occupational safety and health education and training courses, including general education of occupational safety and health, internal auditor training, hazardous substances and chemical spill handling drill, first aid personnel training, etc. In addition, fire drills and emergency evaluation training are also held on a regular basis for fire prevention and disaster response to strengthen the concept of evacuation.

Implementation status of employee safety and health education and training in 2024

Factory	Item	Number of people	Man-hour	Purpose
Gangshan Factory	General education of occupational safety and health	601	1,803	Strengthen personnel’ s occupational safety and health awareness
	ISO14001 and ISO45001 internal auditor training	83	498	Internal auditor training course
	Factory emergency evacuation training course	All plant personnel participated	0.5小時/人	Strengthen personnel training on evacuation
	General education of hazardous substances and chemical spill handling drills	74	148	Strengthen personnel’ s response capabilities for handling hazardous substances and chemical spills
	On-the-job education and training of practical operation of fire extinguishers	435	435	Personnel’ s actual operation of fire extinguishers Trainees include employees, contractors, and foreign staff in the dormitory
	ERT regional firefighting team drill	20	160	Conduct drills for in-plant ERT teams.
Yongan Factory	Traffic safety awareness campaigns	459	459	Improve traffic safety awareness among employees to lower the incidence of traffic accidents
	Fire drills and training	182	1,456	Strengthen fire prevention and disaster response training (including fire extinguisher, ERT, evacuation, etc.)
	SCBA and Level A PPE donning and doffing response drill	10	20	Level A PPE donning and doffing response drill
	Traffic safety promotion and training	57	57	Improve traffic safety awareness among employees to lower the incidence of traffic accidents
	Earthquake preparedness and safety training	48	48	Emergency evacuation training

Gangshan Factory : ISO 14001 and ISO 45001 internal auditor training



Gangshan Factory : Basic fire prevention knowledge & practical fire extinguisher training- All employees, contractors, and dormitory staff

Basic fire prevention knowledge and practical fire extinguisher training are regularly provided to all employees, contractors and dormitory staff every year to enhance disaster response capabilities.



Gangshan Factory : Emergency response group- ERT self-defense firefighting group

The ERT self-defense firefighting team made up of the fire prevention management personnel will conduct the firefighting drill with Gangshan Fire Brigade every six months. ERT self-defense firefighting team were carried out to strengthen the company' s independent response capabilities.



Gangshan Factory : Emergency evacuation and assembly- all employees

Regular annual evacuation and assembly drills are held to familiarize non-response personnel with evacuation paths, assembly areas, roll-call procedures, and incident commander's control of accountability for headcount. These exercises aim to enhance employees' preparedness and responsiveness during emergencies.



▲ Evacuation drills for the day shift and the night shift

Gangshan Factory : General knowledge of hazardous substances and chemical spill handling drill

We conduct respiratory protective equipment training and chemical spill handling training every year to equip our employees with the ability to deal with emergencies and protect their own safety.



▲ Chemical spill response and handling



▲ Fit testing for protective equipment

Yongan Factory: Fire drills and training

To reinforce fire safety and build self-reliant emergency response capabilities, the Company holds fire response drill every six months, including hands-on training with fire extinguishers and fire hoses, simulated fire response exercises by the emergency response team, emergency evacuation, and scenario-based drills. These drills and post-drill reviews help enhance employees' firefighting skills, improve team coordination, and ensure prompt and effective action during actual emergencies to safeguard lives and property.



Yongan Factory : SCBA and Level A PPE donning and doffing response drill

Hands-on simulations of high-risk scenarios are used to strengthen employees' ability to respond to chemical or hazardous situations and raise their safety awareness.



Yongan Factory : AED+CPR Education and Training Course

Enhance the ability to recognize cardiac arrest, perform AED operations, deliver CPR compressions and rescue breaths, and respond appropriately to emergency situations. Through hands-on practice and professional instruction, participants acquire life-saving skills and improve the likelihood of successful resuscitation.



Contractor Safety Management

To enable other non-employee workers to pay more attention to the culture in safety and health, PANJIT conducts management of the contractors' personnel through the Contractor Management System so as to ensure the safety of workers.

1 Qualification review is conducted when working with a conductor for the first time to confirm the business registration and the contractor is asked to sign the information security control statement and safety and health commitment letter for contracted projects to ensure safety.

2 The qualifications of contractor's employees are confirmed by checking the attached labor insurance and group insurance information and proof showing that their employees have received general safety and health education and training (6 hours) within the validity periods. Through the validity period control can we ensure the personnel's qualification at all times before they take PANJIT's online courses and assessment to obtain the contractor ID cards.

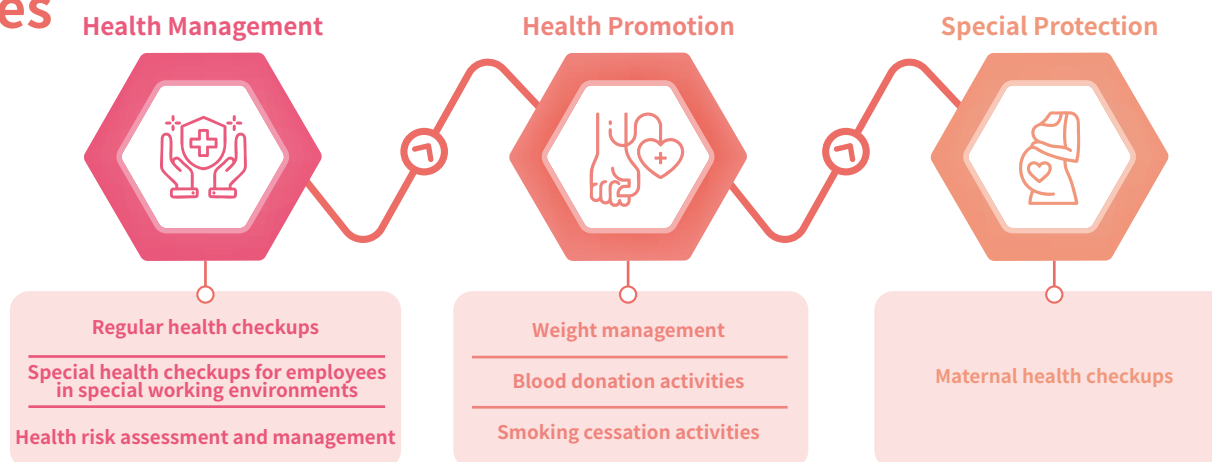
3 For contractor's employees operating dangerous machinery and equipment, conducting hazardous operations, and special operations, valid licenses have to be uploaded. These personnel can only conduct relevant operations after the review and confirmation of the license.

4 After getting the qualification to enter PANJIT, contractors' employees still have to submit application before work. After being informed of hazards and confirmed after the review, it is required for them to swipe the contractor ID cards to enter the factory due to the access control, and they can only enter for operation after the toolbox meeting is confirmed.

5 Occupational safety personnel can control whether there are any abnormal situations when the personnel leave the factory through the system. On-site inspections are also carried out on a regular/occasional basis. A contractor violation notice was issued in 2024, and the improvement has been 100% completed.

Occupational Health Services

Employees are the most valuable assets of PANJIT, and healthy employees are the important foundation for the company to succeed. We are dedicated to creating a safe and comfortable working environment and regard the health of employees the critical element for the enterprise to step toward success and sustainable development. Therefore, health managers and specially contracted factory physicians are deployed in accordance with legal regulations to assist our employees to obtain work-life balance and maintain physical and mental health, working toward the three directions of Health Management, Health Promotion, and Special Protection.



Health Management

• On-site Physician Services

PANJIT attaches great importance to the employees' health and provides comprehensive health care services. Professional nurses and outsourced occupational health physicians conduct on-site visits once a month to evaluate the results of visits, discuss improvement plans, and provide psychological consultation and other services to ensure the physical and mental health of our employees. In 2024, the on-site visit plans were completed in a total of 6 production line stations, and about 189 employees received health consultation and health management services from the on-site physicians.

In addition, PANJIT cooperates with physicians in E-Da Hospital, Tainan SinLau Hospital, and Well Being Clinic to jointly carry out the health promotion and management work three times a month. Individuals with abnormal health check data and those classified as Level 3 or Level 4 management personnel are subject to follow up and health education management in accordance with medical recommendations. In 2024, about 500 employees participated in the health risk assessment and management program.



▲ Site visit by occupational health physicians

● Health Checkup

The employees’ health management data obtained in the health checkups is created and kept in accordance with the Management Procedures for Personal Data Protection and Management Procedures for Privacy and Confidentiality. In addition, we also referred to the recommendations of occupational health specialists in Schedule 11, “Work Unsuitable to Engage in for Diseases” , of Regulations of the Labor Health Protection and inform the employees in person during the health consultation and make appropriate arrangements for employees. For those who have abnormal test results, the medical specialist will provide health guidance. If they are unsuitable for their original work after the evaluation by the occupational health specialists, changes in their workplace and job or shortened working hours will be adopted as suggested by the physician. All the health-related information is also handled in accordance with the regulations stipulated in the Prohibition of Discrimination and Harassment Management Operating Procedures and there shall be no favorable or unfavorable treatment to the workers in any way.

PANJIT provides health checkups better than legal requirements. Employees meeting the qualification for physical examinations (being employed for 2 years without taking a leave without pay for more than 3 months, foreign workers included) can receive the health checkups every year at the company’ s cost. The employees’ dependents can also enjoy physical examinations in the hospitals at preferential prices.

In 2024, a total of 1,072 joined the employee health examinations, 28 took part in the cancer screening, and 196 received special health examinations, and there were no employees classified as Level 3 or Level 4 management personnel. If the employee is classified as Level 3 or Level 4 management personnel, the subsequent follow-ups are management by occupational medicine specialists.

In 2024, there were no cases identified as occupational disease by physicians. The company’ s preventive measures for occupational diseases include:

- **Ergonomic:** On-site visits by occupational health specialists
- **Chemical:** Exposure assessment, control and management of chemicals
- **Psychological:** Continue to improve the cerebral and cardiovascular disease prevention and management plans.
- **Biological:** Real-time announcement released by the Taiwan Centers for Disease Control to provide timely health education.
- **Physical:** Increase identification of environmental physical exposure.



▲ Employee health examinations

Provision of Health Services in 2024

	General health examination		Special health examination	
Exam items	General medical exam, physical exam, physician consultation, routine urine exam, routine blood exam, abdominal function (liver, gallbladder, spleen, pancreas, kidney) exam, cardiovascular exam, diabetes, cardiovascular disease risk assessment, inflammatory response screening, chest X-ray exam, intraocular pressure analysis, breast cancer exam (female), prostate exam (male), liver/colon cancer exam, etc.		Noise, ionizing radiation, lead operations, dust operations, propane bromide operations	
Health management	The health center will provide personal health education to assist those with abnormal results to conduct health management.		If there are employees categorized as Level 3 or Level 4 management targets, the occupational health specialist will keep the follow-up management.	
Number of people	Employee 1,072	Non-employee worker 0	Employee 196	Non-employee worker 0
Amount	NT\$ 1,715,200		Subsidized by the Bureau of Labor Insurance	



Health Promotion

The company organizes different health promotion activities to help the employees take care of their physical and mental health while working. The health concepts and knowledge is publicized through emails and posts on the bulletin boards. We provide activities like smoking cessation promotion and referral services, weight loss class, weight loss competition, etc. We also continue to hold blood donation activities every quarter. We also invite external experts to give health and wellness lectures at PANJIT every quarter to share and promote health-related knowledge with the employees.

2024 Health Promotion Performance



Blood donation activity

A total of 97 people participated in the blood donation activity, donating a total of 38,500 m3 of blood.



Weight loss competition

A weight loss competition was attended by 39 participants, and the total weight loss reached 174 kilograms, and gift certificates worth NT\$23,600 were awarded.



Healthy Living Lectures

Four health seminars were held, with a total of 286 participants.



▲ Blood donation activity



▲ Weight loss competition

Healthy Living Lectures -Workplace Wellness

We invited the counseling psychologist Cui-Fen Lin to lead everyone to understand emotions and stress and learn five stress-relieving techniques.

Number of participants : 95



Healthy Living Lectures -Healthy Eating is So Easy

We invited nutritionist Yu-Shan Liao to share the methods to lose weight more efficiently through healthy eating and simple stretching exercise.

Number of participants : 64



Healthy Living Lectures -Healthy Family Bonds

Number of participants : 75

We invited Dr. Mu-Rong Chen, the director of a pediatric clinic, to share practical cases to help the participants understand the most appropriate parenting and parent-child education methods.



Healthy Living Lectures -Happy Relaxation

Number of participants : 52

We invited Ting-Xuan Hong, president of the Chinese of Association Exercise Training Education, to lead employees at PANJIT to perform actual exercises to relax their tense muscles.

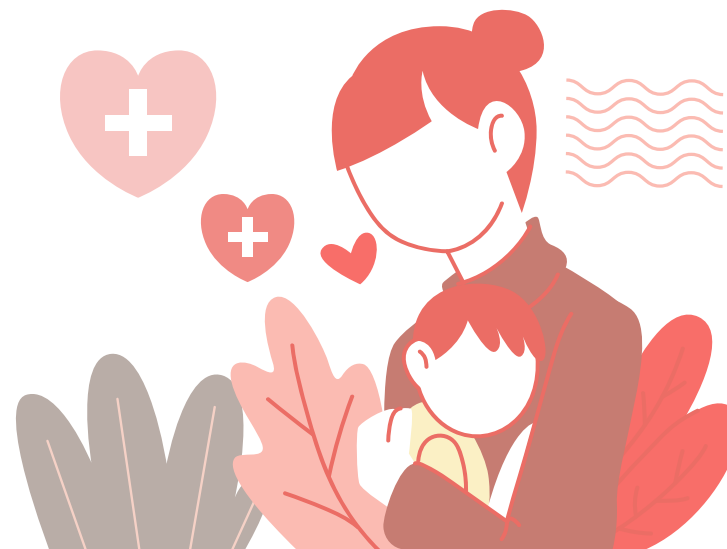


Special Protection

• Special Protection

Maternal health protection is provided to employees during pregnancy and one year postpartum. The content of the protection plan includes work and individual hazard assessment, risk control, health guidance, work content adjustment and replacement, work hours adjustment, education and training as well as health protection measures. In 2024, the maternal health protection plan was implemented to 13 pregnant employees in total.

The maternal health protection in the workplace follows regular laws and regulations, and special risk assessments are carried out to eliminate hazards, the adjustment of working conditions or change of work was implemented. After the physician confirms that they are healthy, the employees in this protection plan will be informed of relevant information, and their willingness to work is respected, so as to realize the employment equality and maternal protection at the same time.



Statistics of Occupational Injuries

There were 4 recordable occupational accident in 2024, including 3 falls and 1 collision. Four people were temporarily disabled (accounting for 2.70‰ of the total number of employees), resulting in a total of 185 lost days^{Note}. The main causes of the three falls were violations of safety and health regulations, poor work area traffic flow, and insufficient risk awareness. The Company has strengthened warning signs in work areas to address these types of accidents, and the safety education and training for relevant personnel to reduce risks. The collision accident was mainly caused by the failure to position equipment properly by the operator, resulting in injuries to others. We have subsequently optimized work area signage and equipment management standards, and strengthened personnel safety awareness to prevent similar incidents from happening again.

Note: On December 2, 2024, an employee suffered a tibia fracture due to a fall while on business trip. As this employee has not yet returned to work, the number of lost days was calculated as 180 days. Once the employee returns to work, the actual number of lost days will be disclosed in the next annual report.

PANJIT's statistics of occupational injuries

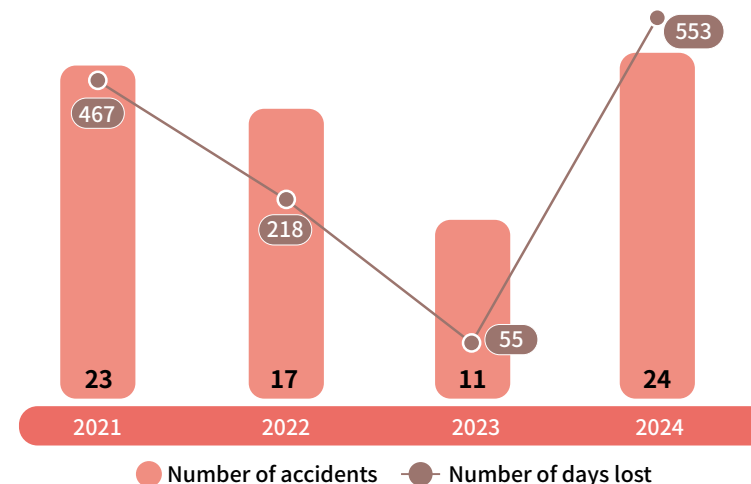
Category	2020	2021	2022	2023	2024
Total working hours	3,036,076	3,507,634	3,616,936	3,394,158	3,448,716
Number of recordable occupational injuries	2	4	4	4	4
Number of recordable occupational injury rate	0.65	1.14	1.10	1.17	1.16
Disabling frequency rate (FR)	0.65	1.14	1.10	1.17	1.16
Disabling severity rate(SR)	1	22	4	9	53

Note:

1. Excluding commuting accidents.
2. The total working hours were the actual working hours in the monthly occupational accident reports.
3. The number of work-related injuries was mainly based on the monthly occupational accident reports.
4. Death rate caused by occupational injuries = Number of death caused by occupational injuries/ working hours*1,000,000; and none occurred in 2024.
5. Severe occupational injuries ratio (SOI) = Number of SOI (excluding fatalities)/ working hours*1,000,000; and none occurred in 2024.
6. Severe occupational injuries refer to injuries that result in disability or inability to return to the state of health before the injury within six months due to occupational injuries.
7. The total number of disabling injuries included the total number of deaths, total number of permanent disability, total number of permanent partial disability, and total temporary disability.
8. In 2024, the non-employee workers of PANJIT (including resident contractors and other contractors), and there were no incidents of work injuries; the total working hours was 71,367 hours.

In addition, we also actively prevent off-site occupational accidents when employees commute to and from work, and continues to conduct monthly themed promotions and annual road safety education and training to strengthen employees' awareness of road safety. In 2024, a total of 24 traffic accidents during commuting occurred, and the number of days lost was 553. The main reason is that the MRT construction affected the traffic conditions in the surrounding areas and the entrances and exits of the Company, resulting in an increase in the number of traffic accidents. PANJIT requests its security personnel to assist in guiding traffic during rush hours or when big trucks enter and exit, and also continues to carry out traffic safety education and promotion to lower the likelihood of accidents.

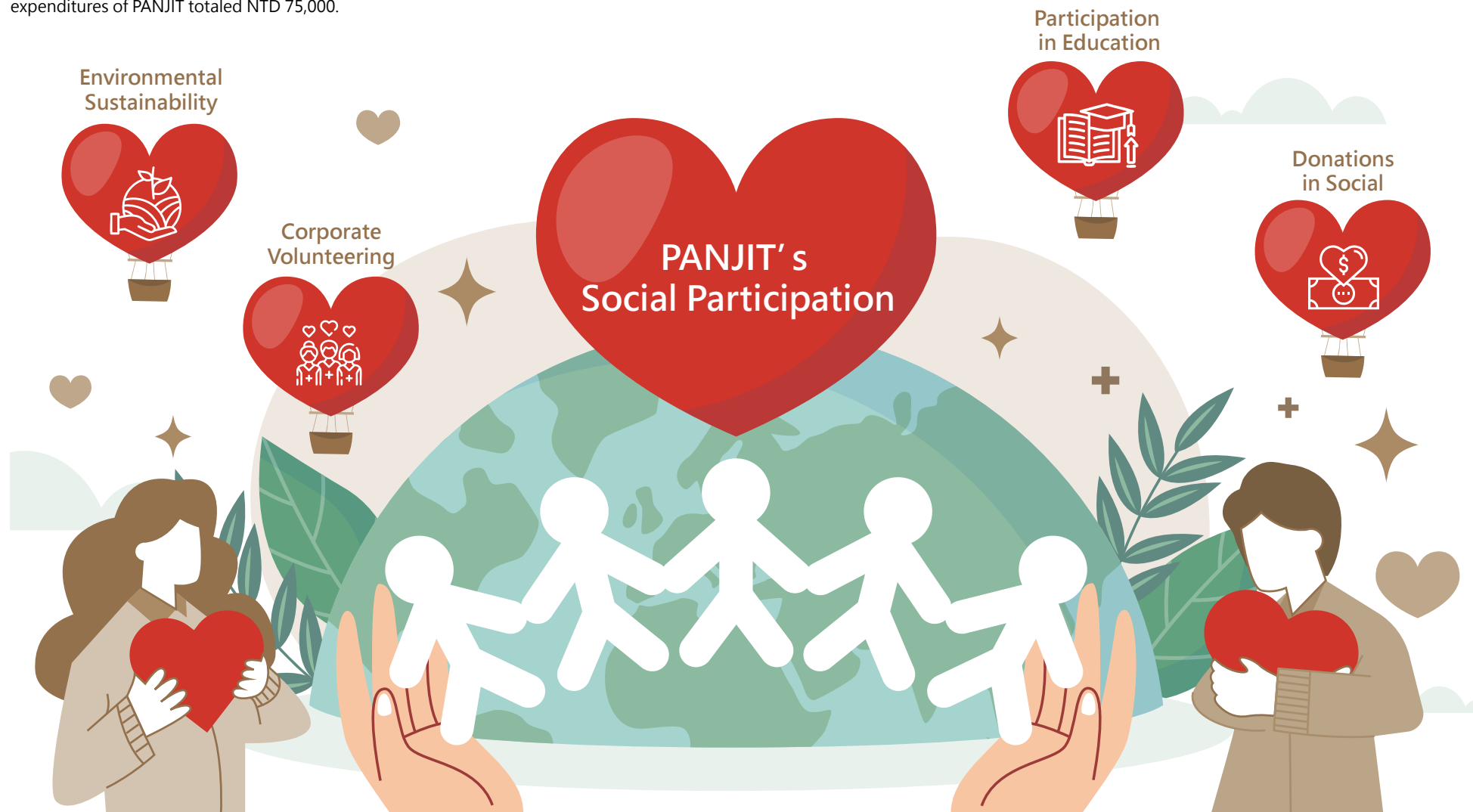
Statistics on occupational accidents during commuting



6 Social Inclusion



PANJIT has been upholding the concept of “taking from society and giving back to society” and making long-term investment in public welfare activities. On the path toward ESG Sustainability, PANJIT continues the deep plowing in the four major aspects, including environmental sustainability, participation in education, social welfare donations, and corporate volunteering. We started taking roots in Kaohsiung and have been supporting and participating in community care and educational, cultural and social activities to give back to the local communities for their support for PANJIT for over three decades. We hope that we can exert positive social influence to drive progress in society to share common prosperity for common good. In 2024, the public welfare expenditures of PANJIT totaled NTD 75,000.



ESG

Environmental Sustainability

Love the Earth- Tree Planting Activity



Since 2022, we have held the "Love the Earth- Tree Planting Activity " event for three consecutive years. In 2024, we once again invited Chien-Feng Elementary School in Gangshan District to join us in this event, to jointly demonstrate environmental concern and friendliness, and to continue to deepen education.

A total of 547 participants took part in the activities, with a total of 2,188 hours devoted to environmental volunteering, resulting in the planting of nearly 1,000 trees. It is estimated to increase nearly 10,000 kg of carbon dioxide sequestration capacity for the earth. Over the past three years, approximately NT\$840,000 has been invested. The subsequent and regular annual tree care and tending will continue the greening of the environment, improving the environmental and ecological green belt space. In addition, the tree planting can also be combined with the ecology of coastal migratory birds, taking care of the greening in the environment while giving back to the ecology of the environment, creating a new paradise in the coastal area.

Healthy Vegetarian Day



Promote the " Monthly Healthy Vegetarian Day" . The Company pays for the vegetarian meals for employees who come to the canteen to have the vegetarian meal on the day. Our employees are encouraged to incorporate healthy vegetarian meals into their daily lives, reduce meat consumption, and consequently reducing related carbon emissions. A total of about 4,500 people ate the vegetarian meals in 2024, which can reduce carbon emissions by approximately 3,420 kg.

In 2024, PANJIT further promoted the Organic Vegetable Day. Every Friday, the Company uses the organic vegetables from local smallholder farmers in Kaohsiung to make dishes, allowing employees to eat healthily and safely while supporting local smallholder farmers.

Note: 1. One meal without meat can help reduce the emission of 760g of carbon dioxide (reference source: Joyous Vego Lifestyle Website).

Environmental public welfare expenditures amounted to approximately NTD 150,000



ESG Social Participation

Participation in Education

Food and Agriculture Education x Little Scientists Activity

The industry, government, and academia jointly invested in abundant and diverse teaching courses in the local Chien-Feng Elementary School and Beiling Elementary School. The current cumulative number and volunteering hours of the corporate volunteers of PANJIT reached 66 and 1,126 hours respectively since 2022. Through actual social participation, we can realize the concept of taking from the local communities and giving back to the local communities to reach social participation.

Long-term donations to 5 local elementary schools in Gangshan District

Started from 2011, we have made long-term donations of teaching resources and meal subsidies to five regional elementary schools in Gangshan District and donated teaching equipment and nutritious lunch to nurture the young students. As of the end of 2024, the cumulative amount of donations reached NT\$ 3.15 million.

Donations in Social Welfare

Donation to the local social welfare organization- House of the Little Angels Kaohsiung

By focusing on taking care of the disadvantaged, we provide local social welfare resources to help the House of the Little Angels with the adoption-related work to extend love to the disadvantaged children in the corners of the society, striving to do a better job in corporate social responsibility and play more roles to exert our corporate strength and value. Since 2014, PANJIT has been making regular donations on a yearly basis, and as of the end of 2024, we have donated NT\$ 2.2 million.

Employee blood donation

The Company organizes the employee blood donation activity every three months. In 2024, a total of 97 people participated in the blood donation activity, donating a cumulative amount of 38,500CC of blood.

Corporate Volunteering

Recruitment of corporate volunteers

Establish a corporate volunteer team and provide corporate volunteer education and training to the members. In addition, corporate volunteer leave is provided when the volunteers participated in the volunteering work to encourage our employees to participate in the volunteering activities more often. Since 2022, we have trained a cumulative number of 31 volunteers.

Social welfare expenditures amounted to about NTD 600,000



Special Column

Chien-Feng Elementary School
-Food and Agriculture Education

PANJIT promotes a rich and diverse curriculum with joint collaborative efforts among industry, government, and academia every year at Chien-Feng Elementary School, a local elementary school in Gangshan, Kaohsiung. This program is planned and implemented by the company volunteers and instructors. This year, a food and agriculture education program launched at Chien-Feng Elementary School covered diverse topics, including local agricultural products, the importance of environmental protection, experiencing the flavors of memories and so on. Through interactive teaching, the children gained a deeper understanding of local agriculture, food sources, and the importance of cherishing food and environmental protection. In 2024, a total of 4 sessions of the food and agriculture course were held, and a total of 10 volunteer attendances were recorded, contributing to 40 cumulative volunteer hours.

Feedback from participating students
Feedback No. 1

In today' s food and agriculture class, I learned about the four basic tastes of food, sour, sweet, bitter and spicy. The teacher prepared different food for us to try. My favorites were the sour lemon and the sweet orange. They tasted so different, but both were really good. We also tried Coptis root and very hot chili peppers, and the chili was so spicy that my mouth felt like burning. Tasting these different flavors helped me understand more about food. I also learned that food is not just about being tasty, but also about different feelings and experiences it brings.

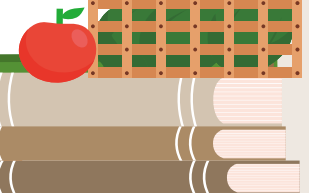


PANJIT continues to invest in educational resources to deepen its social influence, creating more enriching learning opportunities for local students.



Feedback from participating students
Feedback No. 2

The teacher taught us how to cook delicious food today. We washed vegetables, chopped them up, and learned some kitchen tricks. It was super fun. In the end, we even ate the food made by ourselves, and it was so tasty. I can' t wait to go home and cook for my mom and dad to show them what I have learned.



7

Appendixes

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I. GRI Content Index

Statement of Use	PANJIT has reported the contents in accordance with the GRI Standards during the reporting period from 2024/1/1-2024/12/31.
GRI 1 Used	GRI 1 : Foundation 2021
Applicable GRI Sector Standard(s)	N/A

GRI Topics	Items for Disclosure	Items for Disclosure	Page Number	Note
GRI 2 : General Disclosures 2021				
The organization and its reporting practices				
2-1	Organizational details	About PANJIT	09	
2-2	Entities included in the organization’ s sustainability reporting	About the Report	02	
2-3	Reporting period, frequency and contact point	About the Report	02	
2-4	Restatements of information	About the Report 4.2 Energy and Emissions 4.3 Water Resources Management	02 74 77	(1) The 2023 GHG inventory has been updated to include data verified by a third party. Compared with previously reported emission levels, Scope 1 and 2 GHG emissions increased by 1%, while Scope 3 emissions decreased by 1,486 metric tons. (2) There was a typo for the revenue for 2022 and 2023, and it was mistakenly typed as "Operating income of Gangshan Factory (NTD million)". Therefore, it has been revised to "PANJIT's individual financial revenue (NTD million)" in this Report. This is only a text adjustment and has no impact on the data disclosed in previous reports.
2-5	External assurance	About the Report	02	

GRI Topics	Items for Disclosure	Items for Disclosure	Page Number	Note
Activities and workers				
2-6	Activities, value chain and other business relationships	About PANJIT 3.3 Sustainable Supply Chain Management	09 59	
2-7	Employees	5.2 Employee Composition	86	
2-8	Workers who are not employees	5.2 Employee Composition	86	
Governance				
2-9	Governance structure and composition	2.1 Corporate Governance	32	
2-10	Nomination and selection of the highest governance body	2.1 Corporate Governance	32	
2-11	Chair of the highest governance body	2.1 Corporate Governance	32	
2-12	Role of the highest governance body in overseeing the management of impacts	1.1 ESG Strategy and Implementation	18	
2-13	Delegation of responsibility for managing impacts	1.1 ESG Strategy and Implementation	18	
2-14	Role of the highest governance body in sustainability reporting	1.1 ESG Strategy and Implementation 1.2 Materiality Analysis	18 21	Incomplete information/ Material sustainability issues this year were approved by the ESG Promotion Office, and the Sustainability Report will be finalized and issued after approval by the board of directors.
2-15	Conflicts of interest	2.1 Corporate Governance	32	
2-16	Communication of critical concerns	1.1 ESG Strategy and Implementation	18	
2-17	Collective knowledge of the highest governance body	2.1 Corporate Governance	32	
2-18	Evaluation of the performance of the highest governance body	2.1 Corporate Governance	32	
2-19	Remuneration policies	2.1 Corporate Governance 5.4 Compensation and Benefits	32 91	
2-20	Process to determine remuneration	2.1 Corporate Governance	32	
2-21	Annual total compensation ratio	5.4 Compensation and Benefits	91	

GRI Topics	Items for Disclosure	Items for Disclosure	Page Number	Note
Strategy, policies and practices				
2-22	Statement on sustainable development strategy	Message from Top Management	04	
2-23	Policy commitments	1.1 ESG Strategy and Implementation 2.3 Ethics and Integrity 2.5 Information Security Management 3.3 Sustainable Supply Chain Management 5.1 Human Rights Management	18 38 42 59 83	Incomplete information/"GRI 2-23 b. ii." Currently, the human rights policy does not cover the categories of stakeholders of special concern.
2-24	Embedding policy commitments	2.3 Ethics and Integrity 2.5 Information Security Management 3.3 Sustainable Supply Chain Management 5.1 Human Rights Management	38 42 59 83	
2-25	Processes to remediate negative impacts	1.3 Stakeholder Communication 5.1 Human Rights Management	27 83	
2-26	Mechanisms for seeking advice and raising concerns	1.3 Stakeholder Communication 5.1 Human Rights Management	27 83	
2-27	Compliance with laws and regulations	2.3 Ethics and Integrity	38	
2-28	Membership associations	About PANJIT	09	
Stakeholder engagement				
2-29	Approach to stakeholder engagement	1.3 Stakeholder Communication	27	
2-30	Collective bargaining agreements	5.4 Compensation and Benefits	91	The Company has not established a labor union; therefore, no collective agreements have been formulated.

GRI Topics	Items for Disclosure	Items for Disclosure	Page Number	Note
Material Topics				
GRI 3 : Material Topics 2021				
3-1	Process to determine material topics	1.2 Materiality Analysis	21	
3-2	List of material topics	1.2 Materiality Analysis	21	
Material Topics: Supply Chain Sustainable Management				
3-3	Management of material topics	3.3 Sustainable Supply Chain Management	59	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	3.3 Sustainable Supply Chain Management	59	
GRI 301 : Materials 2016	301-1 Materials used by weight or volume	3.3 Sustainable Supply Chain Management	59	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	3.3 Sustainable Supply Chain Management	59	
	308-2 Negative environmental impacts in the supply chain and actions taken	3.3 Sustainable Supply Chain Management	59	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	3.3 Sustainable Supply Chain Management	59	
	414-2 Negative social impacts in the supply chain and actions taken	3.3 Sustainable Supply Chain Management	59	
Material Topics: Product Health and Safety				
3-3	Management of material topics	3.1 Product Quality and Services	48	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of impact on health and safety from product and service categories	3.1 Product Quality and Services	48	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	3.1 Product Quality and Services	48	
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	3.1 Product Quality and Services	48	

GRI Topics	Items for Disclosure	Items for Disclosure	Page Number	Note
Material Topics: Information Security Management				
3-3	Management of material topics	2.5 Information Security Management	42	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.5 Information Security Management	42	
Material Topics: Innovative R&D and Patents				
3-3	Management of material topics	3.2 Innovation and Advancement	52	
Material Topics: Climate Change Responses				
3-3	Management of material topics	4.1 Climate Change Adaptation and Actions	67	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	4.2 Energy and Emissions	74	
	302-3 Energy intensity	4.2 Energy and Emissions	74	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	4.2 Energy and Emissions	74	
	305-2 Energy indirect (Scope 2) GHG emissions	4.2 Energy and Emissions	74	
	305-3 Other indirect (Scope 3) GHG emissions	4.2 Energy and Emissions	74	
	305-4 GHG emissions intensity	4.2 Energy and Emissions	74	
Material Topics: Talent Cultivation				
3-3	Management of material topics	5.3 Recruitment and Employment	88	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	5.3 Recruitment and Employment 5.5 Talent Development	88 96	
	404-3 Percentage of employees receiving regular performance and career development reviews	5.5 Talent Development	96	

GRI Topics	Items for Disclosure	Items for Disclosure	Page Number	Note
Material Topics: Talent Attraction and Retention				
3-3	Management of material topics	5.3 Recruitment and Employment	88	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	5.4 Compensation and Benefits	91	
	202-2 Proportion of senior management hired from the local community	5.2 Employee Composition	86	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	5.3 Recruitment and Employment	88	
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	5.4 Compensation and Benefits	91	
	401-3 Parental leave	5.4 Compensation and Benefits	91	
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	5.3 Recruitment and Employment	88	
Material Topics: Occupational Safety and Health				
3-3	Management of material topics	5.6 Employee Health and Safety	104	
GRI 403: Occupational Health and Safety 2018)	403-1 Occupational health and safety management system	5.6 Employee Health and Safety	104	
	403-2 Hazard identification, risk assessment, and incident investigation	5.6 Employee Health and Safety	104	
	403-3 Occupational health services	5.6 Employee Health and Safety	104	
	403-4 Worker participation, consultation, and communication on occupational health and safety	5.6 Employee Health and Safety	104	
	403-5 Worker training on occupational health and safety	5.6 Employee Health and Safety	104	
	403-6 Promotion of worker health	5.6 Employee Health and Safety	104	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.3 Sustainable Supply Chain Management 5.6 Employee Health and Safety	59 104	
	403-8 Workers covered by an occupational health and safety management system	5.6 Employee Health and Safety	104	

GRI Topics	Items for Disclosure	Items for Disclosure	Page Number	Note
Voluntary Disclosure Index				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2.2 Operating Performance	37	
	201-3 Defined benefit plan obligations and other retirement plans	5.4 Compensation and Benefits	91	
	201-4 Financial assistance received from government	2.2 Operating Performance	37	
GRI 203: Indirect Economic Impact 2016	203-1 Infrastructure investments and supporting services	6 Social Inclusion	119	
GRI 205: Anti-corruption 2016	205-2 Communication and training on anti-corruption policies and procedures	2.3 Ethics and Integrity	38	
	205-3 Confirmed incidents of corruption and actions taken	2.3 Ethics and Integrity	38	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.3 Ethics and Integrity	38	
GRI 303: Water and Effluents 2018	303-2 Management of water discharge related impacts	4.3 Water Resources Management	77	
	303-3 Water withdrawal	4.3 Water Resources Management	77	
	303-4 Water discharge	4.3 Water Resources Management	77	
	303-5 Water consumption	4.3 Water Resources Management	77	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	4.4 Waste Management	80	
	306-2 Management of significant waste-related impacts	4.4 Waste Management	80	
	306-3 Waste generated	4.4 Waste Management	80	
	306-4 Waste diverted from disposal	4.4 Waste Management	80	
	306-5 Waste directed to disposal	4.4 Waste Management	80	

GRI Topics	Items for Disclosure	Items for Disclosure	Page Number	Note
Voluntary Disclosure Index				
2016 GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	2.1 Corporate Governance 5.2 Employee Composition	32 86	
	405-2 Ratio of basic salary and remuneration of women to men	5.4 Compensation and Benefits	91	
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	5.6 Employee Health and Safety 6 Social Inclusion	104	
GRI 415: Public Policy 2016	415-1 Political contributions	2.1 Corporate Governance	32	

Appendix II -Sustainability Disclosure Indicators- Comparison Table for Semiconductor Industry

No.	Indicator	Type of Indicator	Unit	Report Content or Description
1.	Total energy consumption, percentage of purchased electricity, and usage rate of renewable energy	Quantitative	billion Joules (GJ), percentage (%)	(1) Total energy: 173,228.13 GJ (2) Purchased electricity: 99.60% (3) Renewable energy:0.05%
2.	Total water withdrawal and total water consumption	Quantitative	thousand cubic meters(1,000m³)	(1) Water withdrawal: 343.572 m³ (2) Water consumption: 61.913m³
3.	Weight of hazardous waste generated and percentage recycled	Quantitative	metric tons (t), percentage (%)	(1) Hazardous waste: 87.33t (2) Recycling ratio: 46.66%
4.	Explain the types, number, and proportion of occupational accidents	Quantitative	Quantity, ratio (%)	4 people, 0.270%
5.	Disclosure of product life cycle management: including the weight of end-of-life products and e-waste, and the percentage of recycling	Quantitative	metric tons (t), percentage (%)	192.98t, 98.77 %
6.	Description of the risk management in relation to the use of critical materials	Qualitative description	N/A	Please refer to 3.3 Sustainable Supply Chain Management.
7.	Total pecuniary losses resulting from legal proceedings related to the regulations of anti-competitive conduct	Quantitative	Yield	NTD 0
8.	Output of main product by category	Quantitative	KK	Discrete device : 18,175KK

Appendix III- Comparison Table of the Sustainability Accounting Standards Board (SASB) Standards.

TECHNOLOGY & COMMUNICATIONS/SEMICONDUCTORS

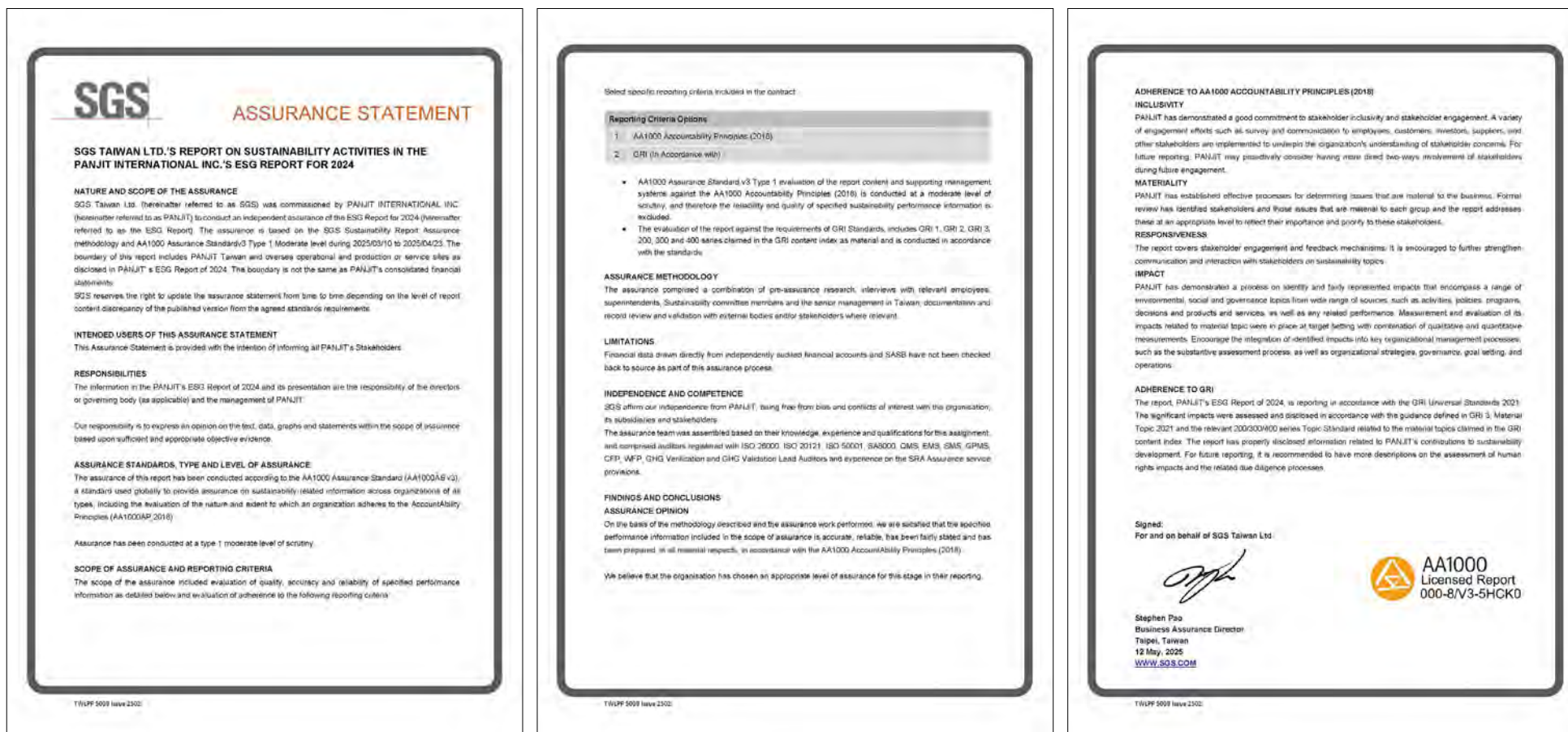
Indicator No.	Disclosure indicator	Nature	Unit	Report content or description
Greenhouse Gas Emissions				
TC-SC-110a.1	(1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compound	Quantitative	tCO ₂ e	(1) Scope 1: 509.9962 tCO ₂ e (2) Perfluorinated compounds: 0 tCO ₂ e
TC-SC-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	–	Please refer to 4.2 Energy and Emissions
Energy Management in Manufacturing				
TC-SC-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	(1) Total energy consumed: 173,228.13 GJ (2) Percentage grid electricity: 99.60% (3) Percentage renewable: 0.05%
Water Management				
TC-SC-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m ³)	(1) Total water withdrawn: 343.572 m ³ (2) Total water consumed: 61.913m ³ PANJIT is not located in an area with high or extremely-high baseline water stress.
Waste Management				
TC-SC-150a.1	Amount of hazardous waste from manufacturing, percentage recycled	Quantitative	Metric tons (t), Percentage (%)	(1) Hazardous waste: 87.33t (2) Recycling ratio: 46.66%
Employee Health & Safety				
TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	Discussion and Analysis	–	Please refer to 5.6 Employee Health and Safety
TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	Quantitative	NT	0

Indicator No.	Disclosure indicator	Nature	Unit	Report content or description
Recruiting & Managing a Global & Skilled Workforce				
TC-SC-330a.1	Percentage of employees that require a work visa	Quantitative	Percentage (%)	25.8%
Product Lifecycle Management				
TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	Percentage (%)	The products all contain substances specified in the IEC 62474 list, and the non-compliance rate is 0%. For the reduction and management of hazardous materials, please refer to 3.1 Product Quality and Services .
TC-SC-410a.2	Processor energy efficiency at a system-level for: (1) servers, (2) desktops and (3) laptops	Quantitative	Various, by product category	Not applicable. PANJIT products are mainly semiconductor components, mainly configured and used based on customers' requirements for product functions, not end-application products
Materials Sourcing				
TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	–	Please refer to 3.3 Sustainable Supply Chain Management.
Intellectual Property Protection & Competitive Behaviour				
TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations	Quantitative	NT	0
Activity Metrics				
TC-SC-000.A	Total production from owned manufacturing facilities and production service contracts	Quantitative	Yield	Power Discrete : 18,175KK
TC-SC-000.B	Percentage of production from owned facilities	Quantitative	Percentage (%)	75%

Appendix IV- TWSE Comparison Table of Climate-Related Information

Item	Disclosure content of 2022
1. Describe supervision and governance of climate-related risks and opportunities by the board of directors and management.	4.1 Climate Change Adaptation and Actions
2.Describe how the climate risks and opportunities identified affect the Company's business, strategies, and financial position (short-term, mid-term, long term).	4.1 Climate Change Adaptation and Actions
3.Describe the impact of extreme weather events and transition actions on the Company's financial position.	4.1 Climate Change Adaptation and Actions
4.Describe how the identification, assessment, and management process of climate risks is integrated in the overall risk management system.	4.1 Climate Change Adaptation and Actions
5.If scenario analysis is carried out to evaluate resilience to climate change risks, describe the scenarios, parameters, assumptions, analysis factors, and main financial impact.	N/A
6.If there is a transition plan in place in response to climate-related risks, describe the contents of the plan and the indicators and goals used to identify and manage physical risks and transition risks.	N/A
7.If internal carbon pricing is used as a planning tool, describe the basis for pricing	N/A
8.If climate-related goals were set, describe the activities covered, scope of GHG emissions, schedule, and progress each year. If carbon offset or RECs are used to achieve goals, describe the source and amount of offset quota or the number of RECs.	N/A
9.GHG inventory and assurance, reduction targets, strategies, and specific action plans	PANJIT completed the verification in March, 2025 and obtained ISO 14064-1 certification in June, 2025. In addition, the Company will complete the assurance of the consolidated financial statements of subsidiaries from 2029. The company has planned and conducted inventory and verification matters, and will disclose such information in accordance with laws and regulations in the future.

Appendix V- Independent Third-Party Verification Statement





PAN JIT
SEMI
CONDUCTOR