



2025 ESG Report

contents

ABOUT THE REPORT	02	MESSAGE FROM TOP MANAGEMENT	04	AWARDS AND RECOGNITION	06	SUSTAINABLE PERFORMANCE	07	ABOUT PANJIT	08
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1 SUSTAINABLE MANAGEMENT

1.1 ESG STRATEGY AND IMPLEMENTATION	17
1.2 MATERIALITY ANALYSIS	20
1.3 STAKEHOLDER COMMUNICATION	26

2 INTEGRITY GOVERNANCE

2.1 CORPORATE GOVERNANCE	31
2.2 OPERATING PERFORMANCE	36
2.3 ETHICS AND INTEGRITY	37
2.4 RISK MANAGEMENT	41
2.5 INFORMATION SECURITY MANAGEMENT	44

3 RESPONSIBLE SUPPLY CHAIN

3.1 PRODUCT QUALITY AND SERVICE	50
3.2 INNOVATIVE R&D AND PATENTS	54
3.3 SUSTAINABLE SUPPLY CHAIN MANAGEMENT	61
3.4 CUSTOMER RELATIONSHIP MANAGEMENT (CRM)	68

4 ENVIRONMENTAL PROTECTION

4.1 CLIMATE CHANGE ADAPTATION AND ACTIONS	71
4.2 ENERGY AND EMISSIONS	78
4.3 WATER RESOURCES MANAGEMENT	83
4.4 WASTE MANAGEMENT	86
4.5 BIODIVERSITY	87

5 PEOPLE ORIENTATION

5.1 HUMAN RIGHTS MANAGEMENT	90
5.2 EMPLOYEE DIVERSITY	97
5.3 RECRUITMENT AND EMPLOYMENT	102
5.4 COMPENSATION AND BENEFITS	106
5.5 TALENT DEVELOPMENT	112
5.6 EMPLOYEE HEALTH AND SAFETY	122

6 SOCIAL INCLUSION

7 APPENDIXES

I - GRI CONTENT INDEX	145
II - SUSTAINABILITY DISCLOSURE INDICATORS- COMPARISON TABLE FOR SEMICONDUCTOR INDUSTRY	150
III - COMPARISON TABLE OF THE SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) STANDARDS	151
IV - TWSE COMPARISON TABLE OF CLIMATE-RELATED INFORMATION	153
V - PANJIT GROUP QUALITY AND CERTIFICATIONS	154
VI - INDEPENDENT THIRD-PARTY VERIFICATION STATEMENT	156



About the Report

This Report is the fourth 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 structure. PANJIT publishes the Sustainability Report annually and discloses 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 is from January 1 to December 31, 2025, which remains consistent with the period of the annual consolidated financial report, and covers partial historical and future information. In terms of disclosure boundaries, the operational control approach is adopted as the basis for information compilation and calculation this year. In addition to PANJIT's Taiwan Operational sites, the relevant data of two subsidiaries, PANJIT Electronic (WUXI) Co., Ltd. and PYNMAX International INC., are newly included, and the remaining subsidiaries will be gradually included according to plan.

In 2025, the Group did not experience any mergers or acquisitions. The financial data cited in this Report are consistent with the audited consolidated financial report certified by CPAs, and all amounts are presented in New Taiwan Dollars (NTD). Amounts involving Renminbi (RMB) are all converted using the 2025 annual average exchange rate of 1 RMB to NTD 4.33. If there are any inconsistencies, they will be noted in the text.

Organization Name / Legal Entity Name	Country / Location of Operations	Operational Sites Abbreviation	Nature of Operations	Scope of Inclusion Description
PANJIT International Inc.	Taiwan/Kaohsiung	Gangshan Factory	Headquarters and Production Bases	Organizational Boundary
	Taiwan/Kaohsiung	Yongan Factory	Production Bases	
	Taiwan/Taipei	Taipei Operation Center	Office	
	Taiwan/Hsinchu	Hsinchu R&D Center	Office	
PANJIT Electronic (WUXI) Co., Ltd.	China/Wuxi	PANJIT (WUXI)	Production Bases	Overseas Subsidiaries
PYNMAX International Inc.	Taiwan/Kaohsiung	PYNMAX	Production Bases	Subsidiaries

Note:

1. In this report, "PANJIT" refers to the organizational boundary defined in the table above, while "PANJIT Group" or "the Group" refers to the reporting scope therein. Site-specific information is indicated by the respective site abbreviations listed in the table.
2. Please refer to the [2025 Consolidated Report on Related Enterprises of PANJIT International Inc.](#)

Reporting Principles

This Report was compiled in accordance with the latest GRI Standards 2021 published by the 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 the 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](#).

Issuance Date of the Report

PANJIT issues the Sustainability Report every year. 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, 2026

Contact Information

Please contact us for any suggestions or questions through the following channels.

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[Official website](https://www.panjit.com.tw/en/Contact)

Review and Assurance of the Report

In January 2024, following a resolution passed by the Board of Directors, PANJIT officially established the "Sustainability Development Committee." As a functional committee under the Board of Directors, it is responsible for supervising the Company's sustainability strategies, material sustainability topics, and the management of associated risks and opportunities. To implement the Board's decisions and supervisory duties, the Company simultaneously set up the "ESG Project Office" as the executive unit for sustainability affairs. Under the ESG Project Office, three dedicated task forces were established, including the "Environment Sustainability Steering Group," the "Social Responsibility Steering Group," and the "Sustainable Governance Steering Group", which are respectively responsible for policy promotion, performance management, and cross-departmental coordination across the Environmental, Social, and Governance (ESG) aspects.

The content and information of this Report were compiled and provided by the ESG Project Office and each promotion team according to their respective responsibilities, and underwent preliminary review by the heads of each responsible department. The ESG Executive Secretary then coordinated the verification of data reasonableness, content framework planning, and editing and revision processes. After the 2025 material topics identification results were submitted by the ESG Project Office and reviewed and passed by the Sustainability Development Committee, they were reported to the Board of Directors for approval on January 23, 2026. Based on the approved results, the sustainability management practices and performance results are disclosed in this Report.

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 compliance with the principles of Inclusivity, Materiality, Responsiveness, and Impact between April 1 and May 5, 2026, to ensure 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 2025 will be completed in March, 2026, and it is expected to obtain the GHG Protocol certification in June, 2026.

Message from Top Management

In 2025, the world entered a pivotal era of structural transformation. The rapid evolution of artificial intelligence and high-performance computing is driving a new wave of industrial revolution; the pressures of climate change and energy transition continue to intensify; and geopolitical shifts alongside supply chain restructuring are fundamentally reshaping the operating environment for businesses. At this point of convergence, businesses face not only intensifying competition, but also a comprehensive test of their responsibility, resilience, and ability to create sustainable value.

In this era of profound transformation, PANJIT has also taken a decisive step forward. For the first time, this Report is disclosed under a Group framework, formally incorporating PYNMAX and PANJIT (WUXI) as major subsidiaries, presenting the PANJIT Group's overall performance and impact across the environmental, social, and governance dimensions. This not only represents an expansion in the scope of disclosure, but also reflects our commitment to integration and consistency in corporate management and sustainable governance.

In the face of uncertainties, we firmly believe that returning to the fundamental purpose of corporate existence is the only path to steady progress. PANJIT has always upheld the founding values of sustainability — Truth, Goodness, and Beauty — expressed through three core visions: the Beautiful vision of "Strengthening green energy development and cultivating sustainable operations"; the Good vision of "Building a happy PANJIT, a company that employees are proud to be part of"; and the True vision of "Conducting business with integrity and advancing sustainability in partnership with global stakeholders". These three visions serve as the fundamental guiding principles for the Company's long-term development.

Building on this foundation, "ONE PANJIT" serves as the integrating core belief, consolidating Group resources, culture, and strategic direction to strengthen cross-regional and cross-organizational collaboration and enhance overall resilience. Upon this foundation, we adopted "ESG New Life" as the overarching theme for sustainable development in 2025, further elevating sustainability from a strategy to a culture, and deepening it from a system into daily practice.

"ESG New Life" represents a new set of values and a new way of living. Guided by three key principles — ESG Awareness Dissemination, Internal Organizational Focus, and Work-Life Balance — we have reimagined the relationship between the Company and its people, families, and society at large, embedding sustainability principles into the day-to-day operations of the entire Group through systematic action.

Environmental Sustainability

As the global economy accelerates its transition toward a low-carbon model, we continue to deepen our vision of "Strengthening green energy development and cultivating sustainable operations" through integrated Group resources to accelerate energy conservation, carbon reduction, green manufacturing, and energy management. With a forward-looking perspective, we are planning long-term climate strategies that allow each subsidiary to leverage its unique strengths under a unified direction, collectively building an operating model that balances efficiency with sustainability.

Talent and Organizational Development

We firmly believe that "Building a happy PANJIT, a company that employees are proud to be part of" is not merely a slogan, but the core driving force behind the continuous growth of the entire Group. Through the spirit of "ONE PANJIT," we promote cross-organizational exchange and collaboration, strengthen employee connectivity and sense of belonging, and extend this support to employees' families, creating a working environment that balances personal development with quality of life, enabling every employee to realize their individual potential within the Group.

Governance and Value Chain Management

We uphold the principle of "Conducting business with integrity and advancing sustainability in partnership with global stakeholders" and continue to deepen our collaborative relationships with supply chain partners through a Group-level governance framework. In the context of global supply chain restructuring and heightened risks, we apply consistent standards to promote responsible supply chain practices, strengthen information security and risk management, and work hand in hand with our partners to enhance the sustainability capabilities of the entire value chain.

At the same time, the PANJIT Group leverages its sustainability goals as an action blueprint, progressively expanding its sphere of sustainable impact from the inside out: fostering positive interaction among employees to strengthen organizational cohesion; deepening the bond between employees and their families to create a supportive living environment; expanding positive corporate-community engagement through sustained investment in public welfare and environmental action; and aligning with the United Nations Sustainable Development Goals (SDGs) to respond to shared global challenges and responsibilities.

We firmly believe that corporate value is demonstrated not only through financial performance, but also through the long-term impact created for society and the environment. "ESG New Life," combined with the Group spirit of "ONE PANJIT," represents a development path that closely integrates corporate growth, organizational integration, and shared social prosperity.

Looking ahead, PANJIT will continue to assess global trends with an ever-broader perspective, advance Group integration and transformation with steady and resolute steps, and pursue sustainability with unwavering conviction. Together with our employees, their families, society, and our global partners, we will build upon the foundation of "ONE PANJIT" to co-create a new era of sustainability — one that is more resilient, more responsible, and more humane.

Amid change, we seek not only growth, but also the aspiration to be a trusted and steadfast force. On the road ahead, we will continue to move forward, while striving together with all our stakeholders to co-create enduring and mutually beneficial sustainable value.

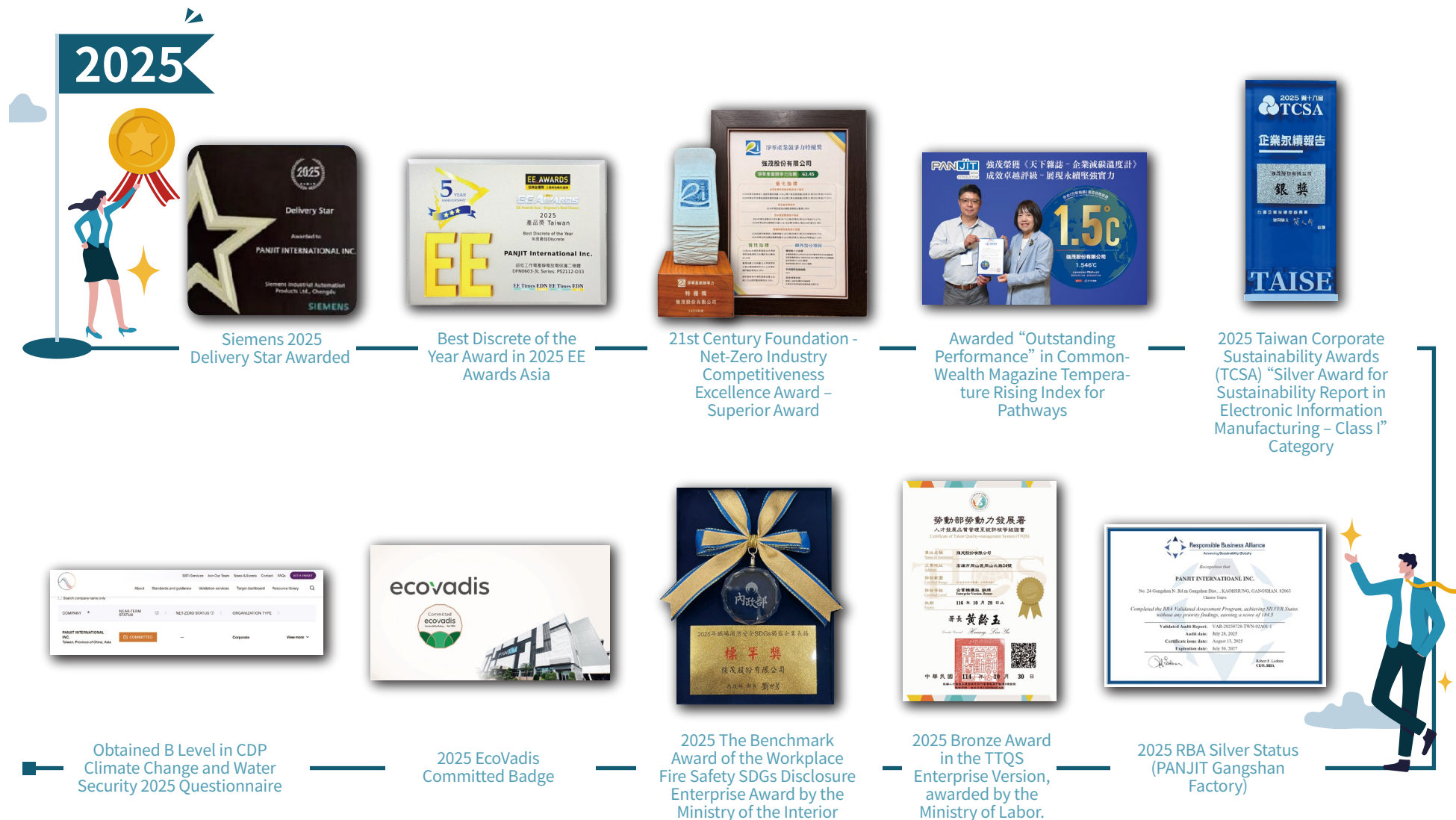
PANJIT International Inc.

Chairman & President, Fang, Ming-Ching

方敏清



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 2025 was 911,280kWh/ year, equivalent to an approximate greenhouse gas reduction of 431.95 tCO₂e.
- The solar power generation in 2025 was 2,631,527.8 kWh, with self-consumption accounting for 2,490,060kWh.
- The recycling and reuse rate of waste in 2025 was 74.06% of the total waste.
- The recycling and reuse rate of hazardous waste in 2025 was 68.11% of the total hazardous waste.
- The sludge treatment amount in 2025 was 242.72 metric tons.
- The volume of waste plastic recycled into hollow bricks in 2025 reached 261.185 metric tons, a 6.20% increase over 2024.
- In 2025, there was no improper disposal of waste or incidence of shipping waste overseas for processing.
- The amount of water recovered in 2025 was 138.44 million liters, with the recovery rate of 15.17%.
- The wastewater monitoring in 2025 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 2025.
- In 2025, female employees accounted for 60%, and they shared the same opportunity to give full play to their talents.
- In 2025, the proportions of PANJIT and PYNMAX employees participating in the employee stock ownership trust plan were 83.59% and 64.85%, respectively.
- There were no major occupational accidents or diseases among employees and non-employee workers in 2025.
- In 2025, a total of 75 suppliers' RBA audits were completed, with the passing rate of 100%.
- In 2025, the smelting plant was 100% compliant with Commitment Not to Use Conflict Minerals.
- In 2025, all products were compliant with the 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 2025.
- The customer satisfaction scores were all over 90 points in 2025.
- In 2025, the public welfare expenditures of PANJIT reached NT\$ 970,000.



G

Governance Aspect

- In 2025, the consolidated operating revenue was NT\$ 13,093,916 thousand, and the net profit after tax amounted to NT\$ 1,390,416 thousand.
- In 2025, a total of 4 patent applications were filed by PANJIT, PANJIT (WUXI), and PYNMAX, and as of 2025, the number of granted and currently valid patents was 102.
- 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, anti-trust, and monopoly behavior in 2025.
- There were no major violations or negative news in 2025.

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.

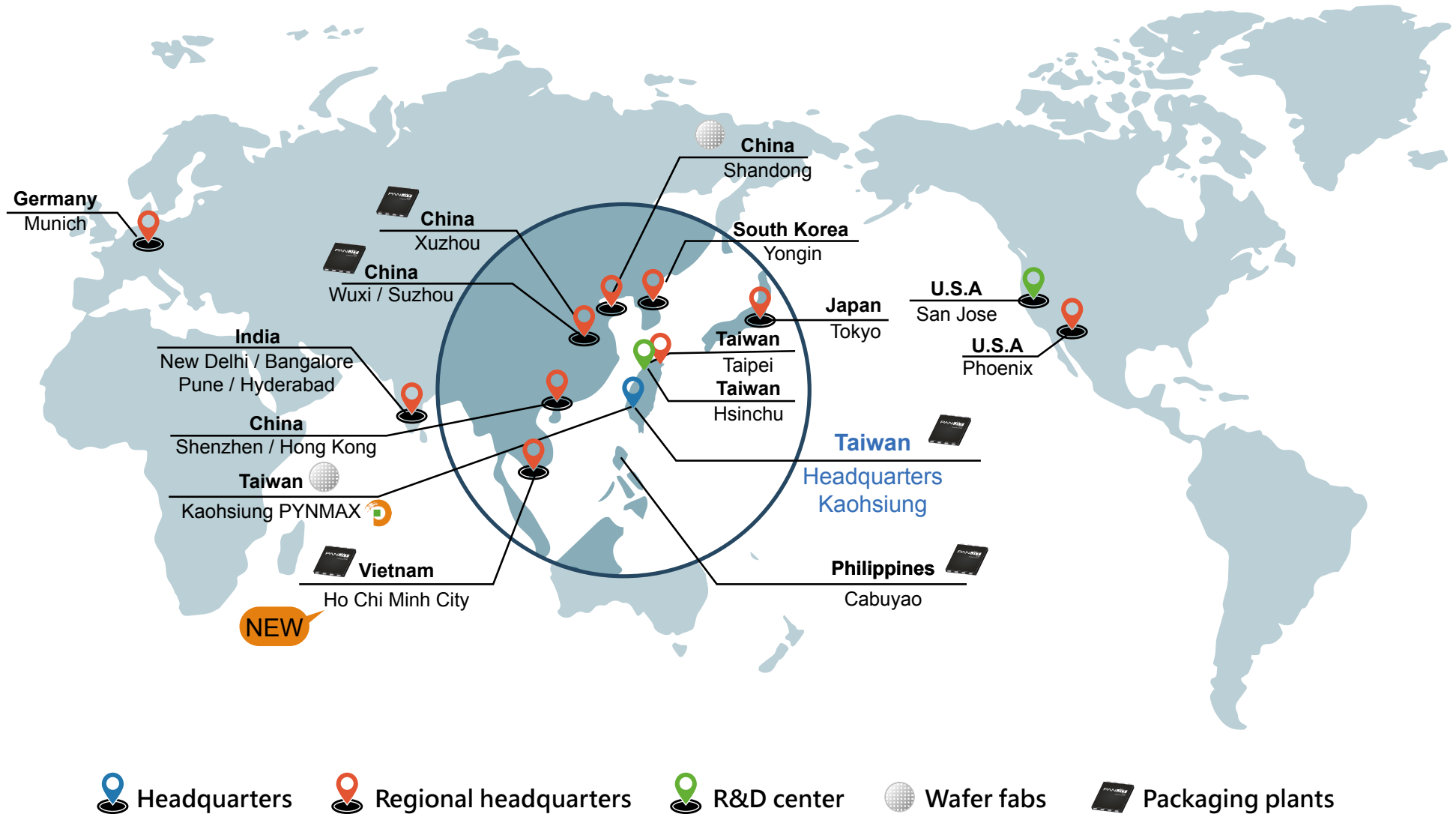
In recent years, with its self-developed semiconductor chips and packaging advantages, PANJIT has continued to develop silicon-based power semiconductor components, such as Si Power MOSFETs, Insulated-Gate Bipolar Transistors (IGBTs), Fast Recovery Epitaxial Diodes (FREDs), and third-generation semiconductors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



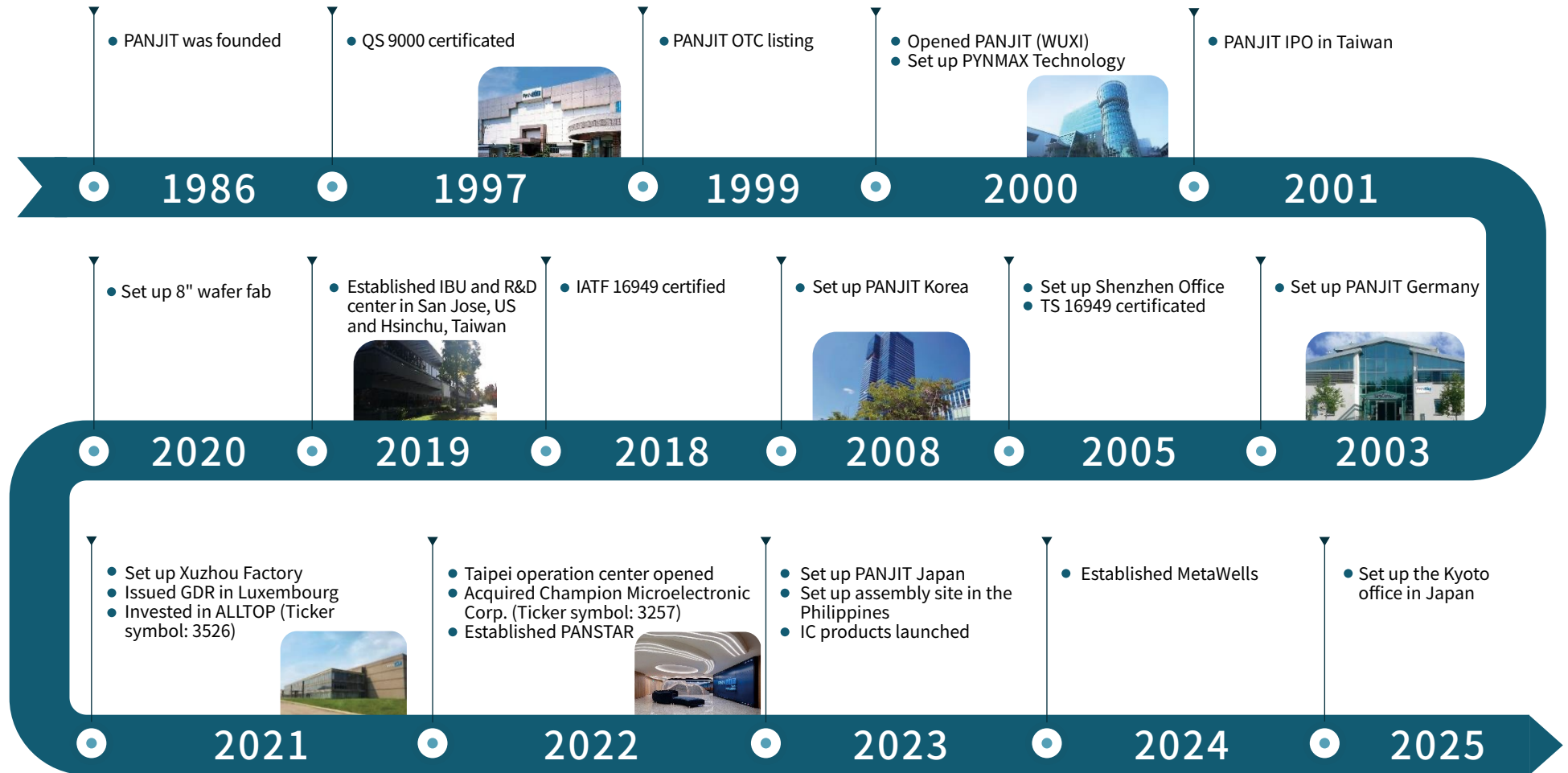
Company Profile

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 wafers, 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\$ 3,821,149 thousand (as of December 31, 2025)
Number of Employees Within the Reporting Scope	2,150 people (as of December 31, 2025)
Total number of Employees Worldwide	Approximately 3,000 people (as of December 31, 2025)
Chairman & President	Fang, Ming-Ching
Headquarters Address	No.24, Gangshan N. Rd., Gangshan Dist., Kaohsiung City in Taiwan
Contact Number	07-621-3121
Official Website	https://www.panjit.com.tw/en

PANJIT's Global Business Layout



Company History

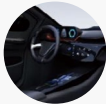


Products and Services

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



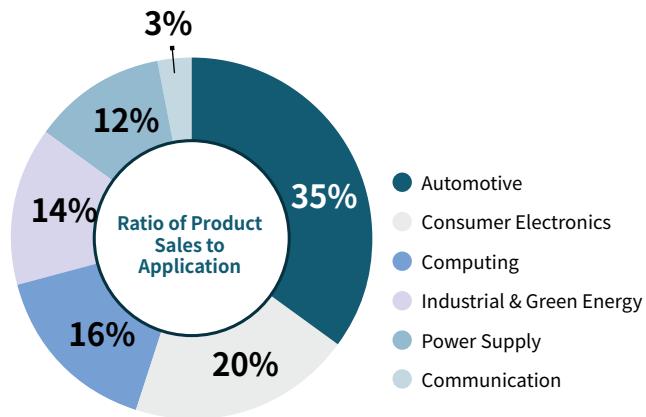
PD Charger, Power adapter, UPS, DC-DC Brick module, ATX/Server Power

06

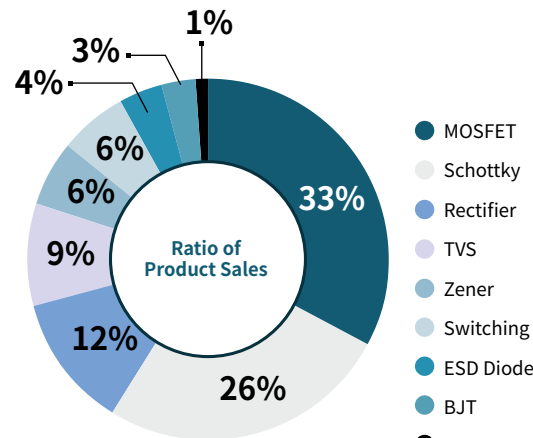
Communication



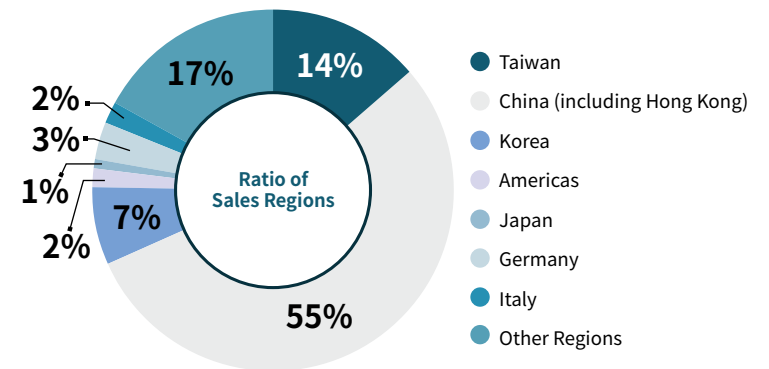
POE, Mobile, Base station



AI Technology Implementation **7%**



MOSFET
 Schottky
 Rectifier
 TVS
 Zener
 Switching
 ESD Diode
 BJT
 SiC



Taiwan
 China (including Hong Kong)
 Korea
 Americas
 Japan
 Germany
 Italy
 Other Regions



EDS Summit 2025

PANJIT actively participated in the EDS Summit 2025, dedicating itself to strengthening supply chain resilience through deep dialogues with global strategic partners. During the summit, PANJIT's professional team engaged with experts across diverse fields to exchange insights and showcase our innovative IC and discrete component products and solutions for key areas, focusing on automotive systems, industrial automation, and high-performance power management. Through close collaboration with distribution partners and customers, we not only ensure that our technological roadmap aligns with forward-looking market demands but also integrate sustainable design thinking into the supply chain, jointly driving long-term value for the electronics industry.



2025 PCIM Europe

PANJIT actively participated in PCIM Europe (Power Conversion and Intelligent Motion), a premier international event in the field of power electronics, in May 2025. In response to the growing global demand for green energy and high-efficiency energy management, the Company showcased high-performance motor control ICs tailored for industrial systems during the event. This solution focuses on "high integration" and "low energy consumption" as its core indicators, and can significantly improve the power conversion efficiency and operational reliability of industrial automation equipment. Through continuous technological innovation, PANJIT empowers global customers to optimize energy utilization and reduce carbon footprints, actively fulfilling its commitment to sustainable design.





electronica India 2025

In September 2025, PANJIT participated in electronica India 2025 — South Asia's premier annual electronics event — showcasing a series of technological achievements centered on the theme "Empowering Motor Control, Leading the Future of Power Electronics" in concrete fulfillment of our commitment to the 2040 carbon neutrality target.

At the exhibition, PANJIT showcased complete solutions that include MCUs, ICs, and a variety of discrete components (MOSFETs, SiC power devices, etc.). We introduced All-in-One integrated control solution specially designed for applications such as water pumps and oil pumps in two- and three-wheel vehicles and industrial HVLS (High-Volume, Low-Speed) fans. These technologies significantly enhance system efficiency and reduce operational energy consumption, directly supporting green transportation and energy-efficient home appliances.

India is one of the world's fastest-growing emerging markets. PANJIT introduced low-power, high-reliability semiconductor solutions into the local industrial and automotive electronics supply chains through technical exchanges and product demonstrations at the local level, supporting the region's acceleration of energy transition and reducing its dependence on traditional fossil fuels.

PANJIT continues to drive "Innovation in every rotation" through cutting-edge technology, integrating ESG principles throughout the product design lifecycle. We are not merely a semiconductor partner providing components; we are a core driving force supporting global customers in their pursuit of energy efficiency and environmental sustainability.



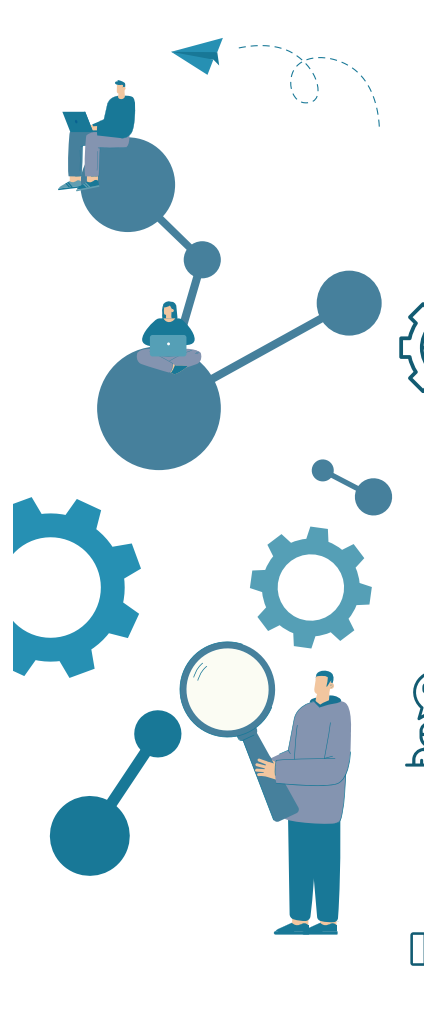
Micro-electronics Motor Control and Drive Forum

PANJIT recognizes that semiconductor technology is at the core of driving energy efficiency across industries. In response to the thermal management and energy efficiency challenges posed by AI computing, the Company demonstrated how smart drive and control solutions can be leveraged to advance environmental sustainability at the "Advanced Motor Drive and Control Technology Symposium" organized by New Electronics Magazine. Our "highly integrated" R&D strategy not only simplifies system circuitry and reduces component usage — implementing resource reduction from the source through Eco-Design — but also significantly enhances the operational efficiency of AI server thermal management systems and industrial control equipment through precision energy conversion technology. Furthermore, PANJIT incorporates predictive management into control logic to help customers extend equipment lifespan through anomaly early-warning, effectively reducing maintenance resource waste. We are committed to integrating environmental stewardship into every product lifecycle, supporting global partners in achieving low-carbon transition goals alongside their digital transformation journey.



Industrial Exchanges

PANJIT Group 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.



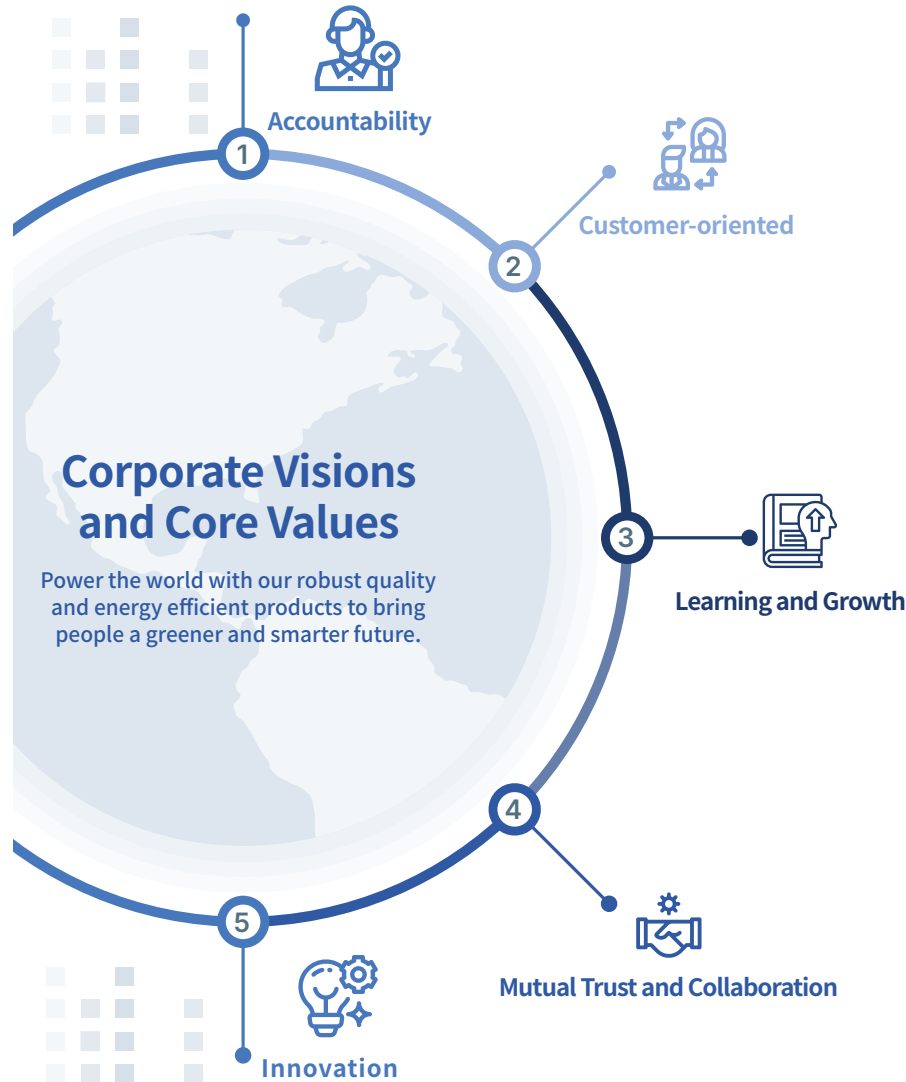
Category	Operational Sites	Association	Qualification
Promotion of Industrial Economy	PANJIT	Taiwan Electrical and Electronic Manufacturers' Association	Member
	PANJIT	Taiwan Industrial Holding Association	Member
	PANJIT	Taiwan Ciaotou Science Park Academia Industry Consortium	Member
	PANJIT	Taiwan Automation Intelligence and Robotics Association	Member
	PANJIT	Kaohsiung Entrepreneur Association	Member
	PANJIT (WUXI)	Wuxi Xinwu District Federation of Trade Unions	Member
	PYNMAX	Kaohsiung Chamber of Industry	Member
	PYNMAX	Yongan Industrial Park Manufacturers Association	Member
Exchanges of Professional Fields	PANJIT	Chinese Society for Quality	Member
	PANJIT	Kaohsiung Personnel Representative Association (KPA)	Member
	PANJIT	The Institute of Internal Auditors- Chinese Taiwan	Member
Social Sustainability Services	PANJIT	Taiwan Climate Partnership	Member
	PANJIT	Friends of the Police Association, Kaohsiung City	Consultant (Supervisor) (Lai, Tsun-Chien)
	PANJIT	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	17
1.2 MATERIALITY ANALYSIS	20
1.3 STAKEHOLDER COMMUNICATION	26



1.1 ESG Strategy and Implementation



PANJIT's Board of Directors resolved and approved, on January 26, 2024, the establishment of the "Sustainability Development Committee," a functional committee under the Board of Directors. An ESG Project Office was also established as the execution unit responsible for sustainability-related matters. 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.

The Company identifies and selects key material matters required to be submitted to the Board of Directors in accordance with the rigorous mechanisms of the "Rules of Procedure for Board of Directors Meetings" and the "Hierarchical Authorization Method". We ensure that all matters involving significant financial impacts, regulatory compliance, environmental and social impacts, and the core interests of stakeholders are effectively incorporated into the decision-making and supervision processes of the highest governance body through a structured governance framework. In 2025, the Board of Directors discussed and reviewed a total of 43 proposals regarding key communication and oversight matters related to the company's operations, including: business strategy and operating results, financial resource planning and allocation, major investments and overseas expansion, corporate governance, internal control and risk management, and compensation and performance management. Among them, three were sustainability-related issues: revision of the "Sustainable Development Best Practice Principles", review of the 2024 Sustainability Report, and acquisition of shares in TOREX VIETNAM SEMICONDUCTOR CO., LTD. For a complete list of matters reviewed by the Board of Directors, please refer to ["PANJIT International Inc. 2025 Annual Report" P.104-106](#).

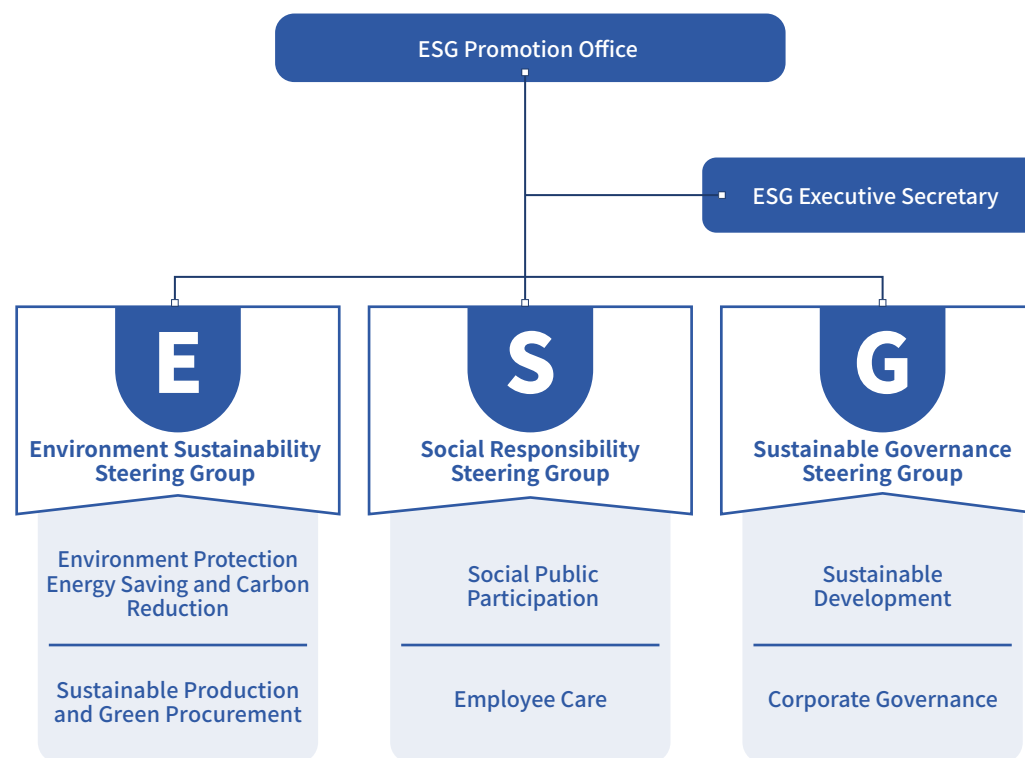
In addition, PANJIT has established a regular communication mechanism whereby management periodically reports ESG implementation outcomes and key issues to the Board of Directors, ensuring that the highest governance body can promptly monitor the progress of sustainability transformation and fulfill its oversight responsibilities. In 2025, the sustainability topics reported to the Board at its four quarterly regular meetings included climate action and carbon reduction progress, stakeholder concerns and climate risk management, and integrity in operations and intangible asset protection, totaling 13 items.

Key Points of ESG Issues Reported to the Board of Directors in 2025

Date Reported to the Board	Content of Report
March 7, 2025	Report on PANJIT's GHG inventory and verification schedule progress
	Report on the GHG inventory and verification schedule progress of subsidiaries
	Report on the promotion status of integrity management
May 9, 2025	Approval of the Sustainability Report
	Report on PANJIT's GHG inventory and verification schedule progress
	Report on the GHG inventory and verification schedule progress of subsidiaries
	Report on results of stakeholder communication
	Report on impacts and countermeasures of climate-related risks and opportunities
	Report on the operation of risk management
August 8, 2025	Report on intellectual property management project and implementation status
	Report on PANJIT's GHG inventory and verification schedule progress
	Report on the GHG inventory and verification schedule progress of subsidiaries
November 7, 2025	Report on PANJIT's GHG inventory and verification schedule progress
	Report on the GHG inventory and verification schedule progress of subsidiaries
	The revision of the "Sustainable Development Best Practice Principles" was approved.
	Acquisition of Shares in TOREX VIETNAM SEMICONDUCTOR CO., LTD.

The president serves as the convener of the ESG Project 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 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 Project Office framework and the sustainable operation responsibilities are as follows.

ESG Project Office Organizational Structure



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

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

Steering Groups	Visions	Tasks
 Environmental Sustainability	With the vision of “Strengthening green energy development for the sustainable management of PANJIT Group”, we are dedicated to achieving carbon neutrality by 2040 to implement the green energy sustainability actions.	▪ GHG and SOT-23 product carbon footprint inventory and verification. ▪ Dedication to the carbon neutrality by 2040. ▪ Promote the use of renewable energy. ▪ Reduce water consumption and waste.
 Social Responsibility	With the vision of “Creating a happy corporation that employees are proud of”, PANJIT is dedicated to employee care and social participation.	▪ Amplify the company's positive social influence through compassion and goodwill. Rooted in local communities, PANJIT aims to spread social goodwill through corporate engagement. ▪ Implement comprehensive employee care ▪ Foster a fair and inclusive workplace to support employee well-being. - Actively listen to employees and implement meaningful benefits. - Continuously improve the work environment to enhance employee experience.
 Sustainability Governance	With the vision of “Integrity management, joining hands with global partners for common good”, PANJIT devotes itself to the implementation of the sustainable development of the enterprise.	▪ Adhere to integrity management and implement the sustainable development of the enterprise. ▪ Establish a stable risk management and control mechanism to stabilize corporate governance.

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](#)



強茂股份有限公司
PANJIT International Inc.

PANJIT INTERNATIONAL INC
ESG Policy

PANJIT International Inc. was established in 1986, and investment in the construction of the factory was made in 1993 to mainly produce rectifier diodes, power semiconductors, and other products.

PANJIT has been upholding the business principles of “innovation, growth, responsibility, and sustainability”, sparing no efforts in environmental protection, personal safety and health, labor conditions, moral values and energy. With active promotion and continuous improvement, PANJIT is committed to becoming one of the members of global green enterprises. Meanwhile, we also pledge to adhere to the following declaration, fulfilling our role as a responsible global citizen.

1. Regulatory Compliance
Adherence to environmental, health, and safety regulations, labor laws, energy and other requirements, and implement legal identification and enforcement.
2. Energy Conservation and Waste Reduction
Conserve energy and implement resource recycling, align with global movements for green product promotion and green procurement, and strive to lower GHG emissions. Optimize and add equipment to improve environmental quality.
3. Reduction of Risks
Implement risk control and mitigate hazards in the work environments, activities, or services. Propose health promotion plans as needed, implement safety and health management, and prevent injuries, diseases, and occupational accidents.
4. Respect for Human Rights
Safeguard employees' freedom of collective bargaining and association. Do not employ child labor and strictly prohibit any form of forced labor, coercion, discrimination, or sexual harassment to ensure the rights and interests of all individuals involved.
5. Disciplinary Responsibility
Engage in integrity management, ensure fair trade, avoid improper gains, and respect intellectual property rights. Implement and comply with ethical standards and norms, maintain the company's reputation and protect the rights and interests of stakeholders.
6. Continuous Improvement
Enhance the knowledge and capabilities of employees and stakeholders through education and training. Foster full participation and continue monitoring and improvement of the management system performance.
7. Sustainable Management
Establish a new consensus on corporate social responsibility.

Commitment to researching and developing high-efficient and energy saving quality products to collectively drive a cleaner and smarter future for the world.

President : 

Date : 2023.10.01

1.2 Materiality Analysis

PANJIT Group conducted materiality assessment in accordance with the disclosure principles of “GRI 3: Material Topics 2021”, and implemented the specification of “Requirement 5: Report disclosures from the GRI Topic” in “GRI 1: Foundation 2021” to list the relevant disclosures with more significant impacts on organizational operations in the GRI Content Index; for topics evaluated as not relevant, supplementary explanations are provided separately in the Report.

PANJIT Group conducted materiality assessment this year with the "extent of impact of operating activities on the environment, society (including human rights), and economy" as the core, and included the "potential impact of each sustainability topic on PANJIT's operations" to conduct the significance analysis. Meanwhile, we broadly gathered external opinions through the questionnaire of stakeholder concern, and the Promotion Team members of the ESG Project Office, the main contact persons responsible for each factory site, and sustainability consultants jointly discussed to identify the material topics of the year. In response to the evaluation results, the Group disclosed management actions and target strategies in its Management Approaches, and the complete evaluation process covers 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), sustainability rating agencies, 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 19 sustainability topics covering the aspects of corporate governance, environment, and society.



Sustainability Topics

E

Environmental

- Climate Change Responses
- Air Pollution
- Energy
- Waste Management
- Water Resources
- Biodiversity



S

Social

- Talent Attraction and Retention
- Talent Cultivation
- Occupational Safety and Health
- Diversity and Equal Opportunity
- Product Life Cycle Management
- Social Participation
- Product Health and Safety



G

Governance

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



Note: Compared with the previous year, the sustainability topic of “Energy” in “Climate Change Adaptation” is presented independently this year to focus more closely on the Group's energy consumption and corresponding energy-saving measures

2

Stakeholder Questionnaire Survey

To incorporate stakeholders' concerns into the impact assessment process, PANJIT distributed the questionnaire of stakeholder concern in 2025 to communicate with its six major stakeholders to understand their level of concern about the sustainability topics. In 2025, a total of 152 copies of questionnaires were collected, and the questionnaire scores were used as one of the evaluation parameters for material topics identification.

3

Identify Actual and Potential Impact

The ESG Team members of the ESG Project Office made assessments of the negative impacts and positive impacts of the 19 sustainability topics externally (on the environment, society and economy) and internally (on the Group), and

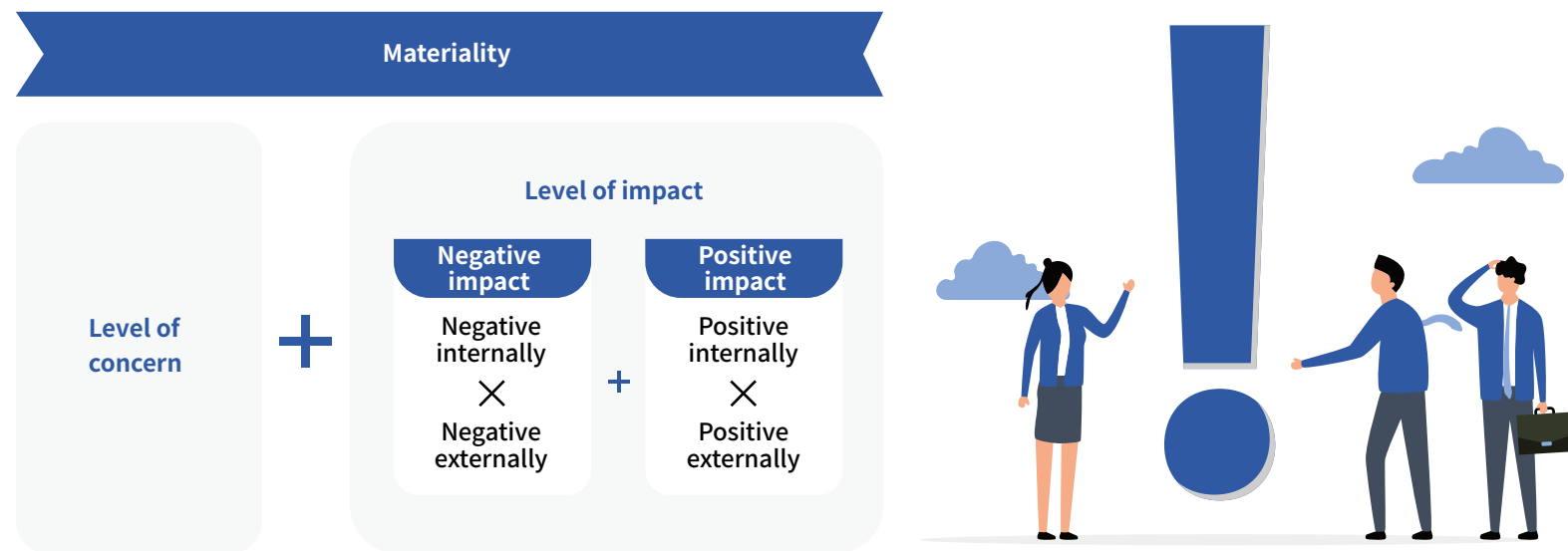
- The actual and potential **severity** and **likelihood** have to be put into consideration for negative impacts.
- The actual and potential **importance** and **likelihood** have to be put into consideration for positive impacts.

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.

4

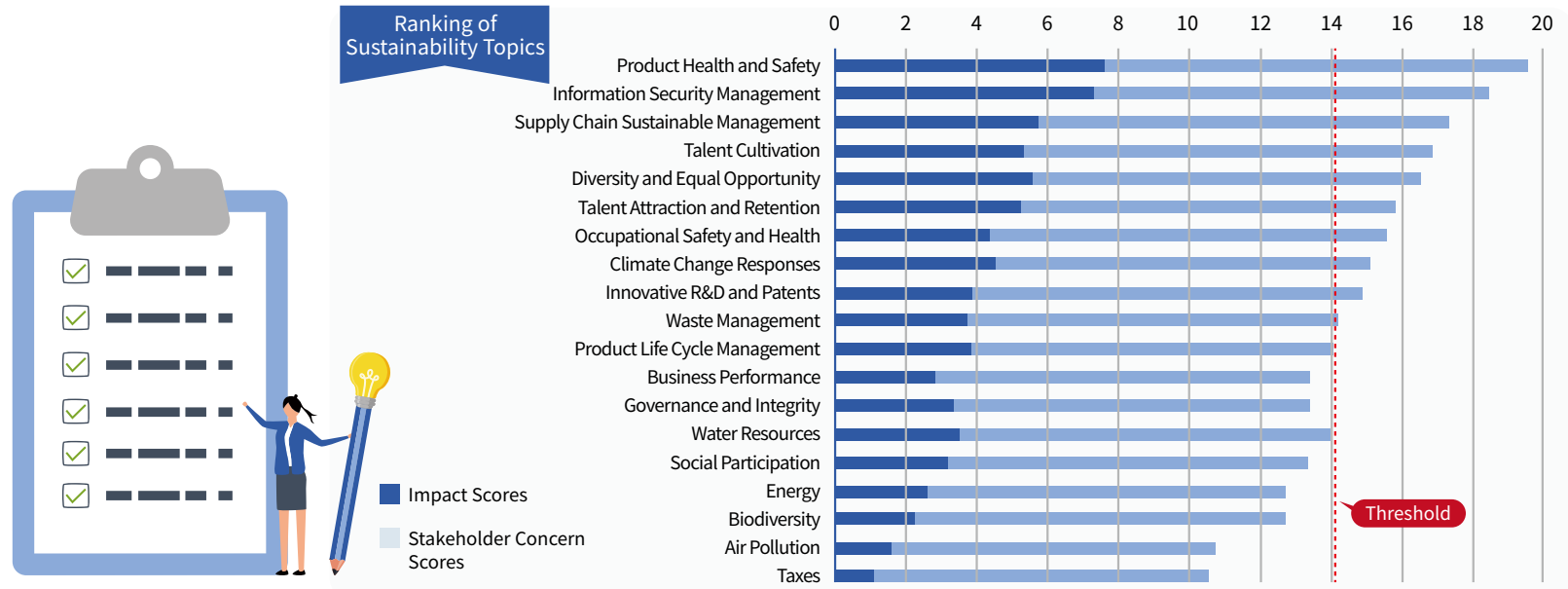
Assess the Significance of Impact



5

Prioritize the Orders of Report

Prioritization of the 19 sustainability topics was conducted based on the results of their significance, with an average of 14.21 points set as the threshold, and priority was given to discussing topics above the threshold.



6

Identification of Material Topics

After completing the prioritization of the sustainability topics, the members of the ESG Project Office and the sustainability consultants had discussions and considered the current operating status and integrity of the Group. Finally, nine material topics were selected for priority reporting and disclosed the information of their Management Approaches. The main difference between this year's material topics and the previous year's is the addition of "Diversity and Equal Opportunity" as a material topic. As human rights issues receive increasing attention, the Group has actively improved its human rights management practices in recent years to establish a diverse and equal workplace environment for employees. Among these efforts, PANJIT obtained the RBA VAP Silver Recognition in both 2023 and 2025.

7

Responses and Management

Based on the results of the material topics identification, PANJIT Group 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)	Items for Disclosure
Product Health and Safety	Negative Impact	PANJIT Group 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, and violations of regulations or product recall events may also affect our corporate reputation. Although some of the Group's products contain lead in their internal structures, they comply with relevant safety regulations and customers' requirements through proper management processes and do not directly cause negative impacts on the environment or human health.	● ▲	【GRI】 416 Customer Health and Safety 【GRI】 417 Marketing and Labeling (417-2)	3.1 Product Quality and Service
	Positive Effect	The Group has implemented ISO 9001, IATF 16949, and IECQ QC080000 management systems and conducts risk identification and assessment regularly to improve product quality and production efficiency and reduce operational risks. Furthermore, we regularly monitor updates to hazardous substance regulations to ensure that our products fully comply with international standards and customer requirements. There have been no negative incidents involving the Group 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. In 2025, one client of ours was involved in a patent infringement lawsuit and received an unfavorable first-instance judgment from a U.S. court. As one of the suppliers, PANJIT is responsible for protecting the product's patent rights. The Company has appointed legal counsel to pursue an appeal and is continuing to enhance the implementation of patent infringement risk assessment. For existing products, we conduct reviews and necessary design adjustments to reduce risks of infringement, and an early warning and response mechanism will be established. Furthermore, we continuously enhance the patent awareness and training of R&D personnel, and improve the patent search and analysis processes prior to product development, so as to ensure future products comply with regulations and mitigate potential legal risks.	●	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, the Group technologies and products are well protected, thereby strengthening the enterprise's competitiveness and innovative standing in the market. A comprehensive patent portfolio not only protects innovation outcomes, but also generates stable income through licensing and facilitates the diffusion of industrial technologies.			
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 global warming issues, domestic and international regulations as well as market transition demands have intensified. If relevant corresponding measures and management 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. In 2025, typhoon landfalls and heavy rainfall events occurred frequently; although they did not cause significant operational impacts, the probability and severity of extreme weather causing inbound and outbound logistics blockages and impacts on production capacity and delivery schedules are expected to rise. The Company will continue to strengthen relevant risk management and operational resilience measures.	● ▲ ★	【GRI】 305 Emissions (305-1~305-5) 【SASB-Semiconductor】 GHG Emissions 【TCFD】 Task Force on Climate-related Financial Disclosure	4.1 Climate Change Adaptation and Actions
	Positive Effect	PANJIT Group actively responds to the potential impacts of climate change, including developing low-carbon products, using renewable energy, increasing resource recycling and reuse, and participating in international initiatives. We also utilize relevant government project resources to reduce equipment replacement costs. This not only "avoids losses" but also "creates value" amidst the wave of green transition, capturing climate transition opportunities comprehensively from technology R&D and production operations to policy applications.			

Material Topics		Description of Impact	Level of Involvement	Corresponding Sustainability Standards (Topics)	Items for Disclosure
Occupational Safety and Health*	Negative Impact	In 2025, 12 occupational injuries occurred. PANJIT Group conducted a comprehensive review targeting the common risks of the accidents, and promoted overall improvement measures from multiple dimensions, including strengthening equipment protection, revising operating procedures, updating risk assessments, and enhancing education and training, so as to prevent similar situations from reoccurring.	●	【GRI】 403 Occupational Health and Safety (403-1~403-8) 【SASB- Semiconductor】 Worker Health and Safety 【SDG】 8.8 Protect Labor Rights and Promote Safe and Secure Working Environments	5.6 Employee Health and Safety
	Positive Effect	The Group is committed to implementing various safety and health measures and increasing intelligent management, as well as conducting drills and training regularly to ensure 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. Improper information security management may result in the leakage of customer data, operational disruption, compliance risks, and reputational damage. PANJIT Group experienced no actual negative impact events in 2025.	●▲	【GRI】 418 Customer Privacy	2.5 Information Security Management
	Positive Effect	Sound information security management can enhance customer trust, ensure business continuity, and strengthen overall governance and risk management capabilities. PANJIT established the Information Security Management Committee in January 2024 and obtained ISO 27001 certification. PANJIT (WUXI) and PYNMAX also strictly comply with the parent company's information security policies and standard operating procedures to implement information security execution and supervision. By establishing highly efficient information security incident handling and response measures, as well as carrying out regular employee training and information security drills, the Group ensures overall information security and stability, strengthening customers' trust in PANJIT's information security.			
Supply Chain Sustainable Management	Negative Impact	If suppliers fail to comply with relevant regulations in relation to human rights, environmental protection, and ethical management, it may cause joint liability or legal recourse for PANJIT Group, thereby affecting the corporate image. In addition, if there is a lack of systematic risk identification internally, over-reliance on manual management, or insufficient execution resources, it will lead to management failure, thereby facing the risks of losing specific market access qualifications or order losses, causing a material impact on the Company's overall operational performance and long-term competitiveness. PANJIT Group experienced no actual negative impact events in 2025.	●▲	【GRI】 204 Procurement Practices 【GRI】 301 Materials (301-1) 【GRI】 308 Supplier Environmental Assessment 【GRI】 414 Supplier Social Assessment 【SASB-Semiconductor】 Material Sourcing	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 suppliers comply with relevant standards and to maintain stable delivery. 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)	Items for Disclosure
Talent Attraction and Retention	Negative Impact Employees are important assets and the foundation of operations for the company. If an enterprise fails to effectively implement systems such as recruitment and compensation incentives, it will face impacts such as core technology gaps, insufficient innovation capabilities, and rising recruitment costs. In addition, the payback period for human capital investment is longer; if there is a lack of systematic integration and sound labor-management communication mechanisms, it can easily lead to talent loss, collapse of cohesion, and low organizational culture identification, which will ultimately damage corporate operational performance and long-term reputation, and hinder the sustainable development of the enterprise. PANJIT Group experienced no actual negative impact events in 2025.	●	【GRI】 202 Market Presence 【GRI】 401 Employment 【GRI】 402 Labor-Management Relations 【SASB-Semiconductor】 Recruiting and Managing Global and Technical Workforce	5.3 Recruitment and Employment 5.4 Compensation and Benefits
	Positive Effect A sound cultivation and development system, along with an incentive and retention mechanism, is beneficial for attracting and retaining talent, as well as strengthening core technologies and organizational knowledge. Through the establishment of a systematic talent structure and technical exchange platforms, recruitment and turnover costs can be reduced, thereby driving product innovation and operational efficiency.			
Talent Cultivation	Negative Impact If training resources are distributed unevenly, it can easily lead to internal information gaps and competency imbalances, thereby weakening the overall execution momentum of the organization. In addition, if the performance evaluation system lacks fairness, it may trigger the loss of excellent talent and a decline in cohesion, causing the company to face higher operational risks and management costs due to an insufficient reserve of professional manpower when confronting a changing market environment.	●	【GRI】 404 Training and Education (404-1, 404-3) 【SDG】 4.5 Eliminate Gender Disparities in Education	5.3 Recruitment and Employment 5.5 Talent Development
	Positive Effect Through regular professional training and a fair performance evaluation mechanism, we can not only optimize cross-departmental collaboration efficiency but also align employee career development with organizational transition goals, establishing a competitive advantage in talent and enhancing long-term brand value, thereby strengthening organizational operational resilience.			
Diversity and Equal Opportunity	Negative Impact Employee diversity, equity, and human rights due diligence management is one of the very important issues in corporate operations, including the protection of rights and interests, and remedy measures for human rights violations. In addition, when facing labor shortages and introducing multinational labor to fill the gaps, if an enterprise fails to conduct proper management or lacks a diverse and inclusive culture, it may infringe upon the rights and interests of foreign workers, violating increasingly strict human rights regulations or customer human rights requirements, which directly affects corporate reputation and revenue, and may even lead to the loss of corresponding markets and customers. PANJIT Group experienced no actual negative impact events in 2025.	●	【GRI】 405 Diversity and Equal Opportunity	5.1 Human Rights Management 5.2 Employee Diversity
	Positive Effect PANJIT Group attaches great importance to human rights issues and has formulated a sound human rights management system. PANJIT has introduced RBA for management and passed the RBA VAP Silver Recognition. PANJIT (WUXI) and PYNMAX also strictly follow the Group's human rights standards. Through regular internal human rights risk assessments, the Group proactively identifies and mitigates potential human rights risks, providing workers with a diverse and equal workplace environment.	▲		

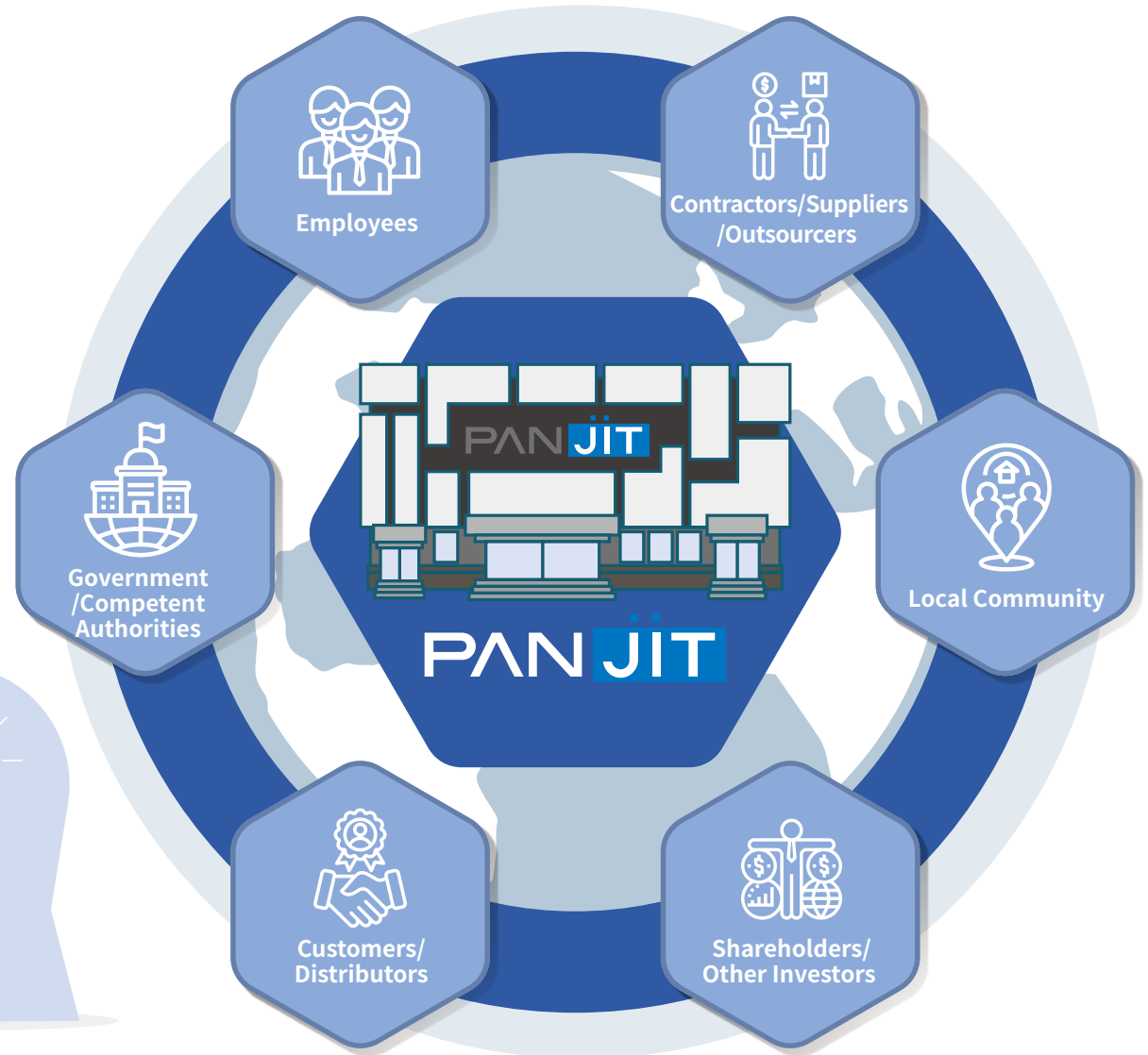
Note:

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 Group 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 Project 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 2025 include Employees, Government/Competent Authorities, Customers/Distributors, Shareholders/Other Investors, Local Community, and Contractors/Suppliers/Outsourcers. PANJIT Group 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 Group	Issues of Concern	Communication Channels and Frequency	2025 Communication Outcomes
 Employees	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.	Talent Attraction and Retention Talent Cultivation Innovative R&D and Patents Information Security Management Occupational Safety and Health	- Internal announcements (Occasionally) - President Talk Time (Quarterly) - Labor-Management Committee (Quarterly) - Employee Welfare Committee (Quarterly) - Employee Opinion Mailbox, Publicity posters, Sexual Harassment Complaint Mailbox (Immediately) - Stakeholder Questionnaire (Occasionally) - Management Coordination Meetings (Occasionally)	3 sessions of President Talk Time 8 Labor-employment meetings 13 Employee Welfare Committee meetings 16 Occupational Safety and Health Committee meetings
 Government /Competent Authorities	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.	Supply Chain Sustainable Management Business Performance Waste Product Health and Safety Occupational Safety and Health	- 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)	- There were no deficiencies asked to be corrected by the competent authorities. - About 51 times of official documents exchanges
 Customers/ Distributors	Customers are the important partners for corporate operations. Improve the quality and service capabilities of the Company to meet customer needs.	Innovative R&D and Patents Business Performance Supply Chain Sustainable Management Taxes Governance and Integrity	- 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)	- Introduced Salesforce system to record and track visit data. - Participated in 3 international electronic exhibitions, including electronica India, PCIM Expo & Conference, and Digitimes Electronics Forum to increase exposure - Customer questionnaire/audits: 232 times - Customer satisfaction over 90 points

Stakeholders	Significance to PANJIT Group	Issues of Concern	Communication Channels and Frequency	2025 Communication Outcomes
 Shareholders/ Other Investors	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.	Governance and Integrity Business Performance Innovative R&D and Patents Talent Cultivation Talent Attraction and Retention	- Shareholders' meeting (Annually) - Investor Conference (Occasionally) - Company website (Immediately) - Market Observation Post System (MOPS) (Immediately) - Stakeholder Questionnaire (Occasionally)	- Convened 1 shareholders' meeting - Convened 8 investor conferences - Released 47 material information
 Local Community	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.	Social Participation Product Health and Safety Diversity and Equal Opportunity Climate Change Responses Occupational Safety and Health	- Neighboring 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) - Special Needs Children's Care Event (Occasionally)	5 times of village activities and interactions and visits on festivals 3 times of public recruitment information
 Contractors/ Suppliers/ Outsourcers	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, and environmental, safety and health; the two parties maintain a mutually beneficial relationship.	Occupational Safety and Health Supply Chain Sustainable Management Business Performance Product Health and Safety Innovative R&D and Patents	- New supplier review operation (Occasionally) - Supplier audits (annually) - Contractor management system (Occasionally) - Telephone/Mail/In-person visit (immediately) - Suppliers' Conference (Occasionally) - Stakeholder Questionnaire (Occasionally)	100% of suppliers signed the Supplier Social Responsibility Commitment - Distributed self-evaluation questionnaires to 88 suppliers, with 100% response rate - Completed RBA audits of 75 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.



[LinkedIn](#)



[Facebook](#)



[YouTube](#)



[X](#)



[bilibili](#)



[WeChat](#)



Grievance and Reporting Channels

PANJIT Group values the rights and interests of stakeholders and has established a sound, fair, and transparent grievance mechanism. Through dedicated communication channels set up on the official website, stakeholders can anonymously submit suggestions or grievances regarding issues related to human rights, product quality, environmental protection, safety and health, information security, and corporate governance. All cases are assigned by the Audit Committee to dedicated personnel for acceptance and investigation, and strictly follow confidentiality principles to ensure that complainants and whistleblowers do not suffer any form of adverse treatment or retaliation for voicing their opinions.

In addition, each Operational site of PANJIT Group has clearly defined management mechanisms for employee opinions and grievances, and has set up dedicated units responsible for accepting, tracking, and handling related cases, ensuring that employees can express their opinions and demands in a fair, transparent, and protected environment. In 2025, no employee suggestion or grievance cases were received by any of the Group's Operational sites.

Complaint channels

Suggestions and complaints mechanism : Ms. Fang
Dedicated mailbox for complaints : supervisor@panjit.com.tw
Contact Number : 07-6243929#2982



Filing of the complaint

The Audit Committee assigns dedicated personnel to check the complaint mailbox daily and keep records. All the emails are processed in confidential files by the dedicated personnel.



Anonymity protection

To the stakeholders filing complaints, required information has to be provided to the extent reasonably necessary without compromising trust and business secrets.



Handling and responses

Reply the complainant with the results or schedule a reply date within 10 working days from the date of receipt of the email, and inform the complainant of the handling progress and results of the incident raised.



Identity disclosure consent

Without the written consent of the stakeholders, the identity of the stakeholders giving suggestions or filing complaints shall not be revealed. If there is necessity for the reveal of their identity (e.g. evidence required by the court), the party concerned shall be notified before proceeding.

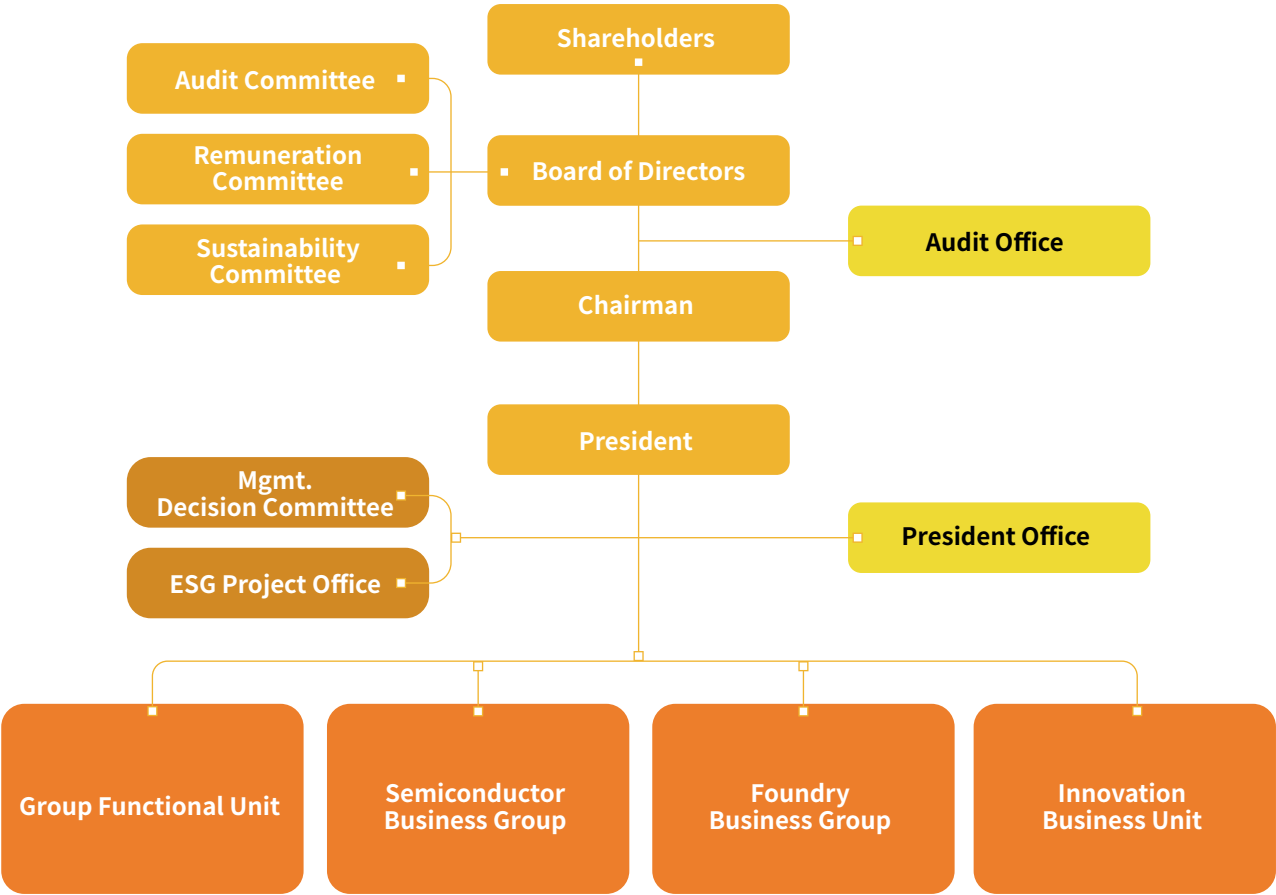
2 Integrity Governance

2.1 CORPORATE GOVERNANCE	31
2.2 OPERATING PERFORMANCE	36
2.3 ETHICS AND INTEGRITY	37
2.4 RISK MANAGEMENT	41
2.5 INFORMATION SECURITY MANAGEMENT	44



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 male and are of 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. Board members possess academic and professional backgrounds and expertise in areas such as finance and accounting, law, and semiconductors.

- 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 the 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's Board of Directors passed a resolution in March 2026 to nominate one female director candidate in the 2026 full director re-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 have 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 in making 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 2025 the dates and schedules of the board meetings in 2026, 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 7 times in 2025, 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 [P29-P30 of PANJIT's 2025 Annual Report](#) for detailed information of the board operation and the recusal status.

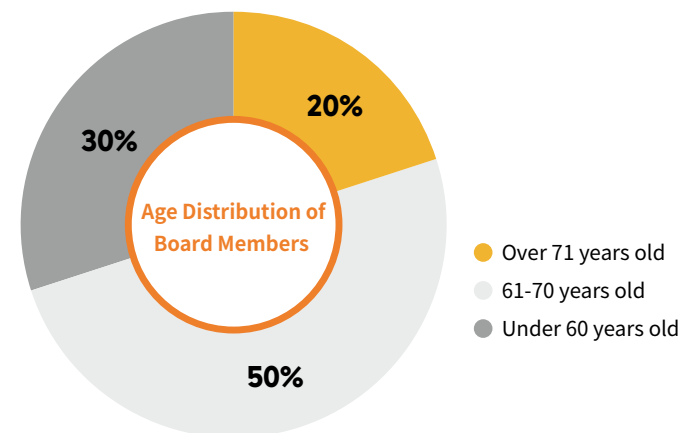
Board Members

Title	Name	Employee Status	Professionalism				
			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 [P12-P15 of PANJIT's 2025 Annual Report](#).
- None of the four current independent directors has served for more than three consecutive terms.
- Board member information disclosed in this report is primarily based on the membership prior to the re-election. The Company completed the re-election of directors in June 2026. Please refer to the [official website](#) for the latest list of directors and their diverse backgrounds.

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 5 times in 2025, 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 5 times in 2025, 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 2025, 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 long-term 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.

Approval of the "Policy on Linking Senior Manager Remuneration to Sustainability Performance" in 2026

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. To motivate senior managers to value sustainable operations, promote sustainable development strategies and goals, and realize the long-term value of mutual prosperity among the enterprise, society, and the environment, the Remuneration Committee and the Board of Directors approved the "Policy on Linking Senior Manager Remuneration to Sustainability Performance" on January 23, 2026. This policy links 5% to 25% of the variable rewards of senior executives at the vice president level and above with sustainability performance. Performance measurements incorporate key ESG implementation items into the evaluation, including climate action and energy/resource management, talent development and retention, supply chain management, ESG assessments, and information security.



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 submitted 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, with no retrieval mechanism. 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 a 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.
- 04 According to the "Policy on Linking Senior Manager Remuneration to Sustainability Performance", 5% to 25% of the variable rewards of senior executives at the vice president level and above are linked to sustainability performance.

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 2025, the total hours of external training for directors amounted to 89 hours, with an average of 8.9 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 managerial officers 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. In 2025, 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 refer to [P46-P47 of PANJIT's 2025 Annual Report](#) for details of the external training for directors in 2025.

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's performance for 2025 are shown in the table below. Relevant outcomes were reported to the Board of Directors on March 10, 2026.

Scope	Method	Content of Evaluation	Results
Board performance evaluation	Internal self-evaluation of the Board of Directors	- The degree of participation in the company's operations - Improvement in the quality of decision making by the Board of Directors - The composition and structure of the Board of Directors - The election of the directors and their continuing professional education - 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	- Their grasp of the company's goals and missions - Their recognition of director's duties - Their degree of participation in the company's operations - Their management of internal relationships and communication - Their professionalism and continuing professional education - 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	- Their degree of participation in the company's operations - Their recognition of the duties of the functional committee - Improvement in the quality of decision making by the functional committee - The composition of the functional committee, and election and appointment of committee members - 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

PANJIT Group's primary revenue items are divided into small-signal packaging and high-power packaging. Small-signal packaging products correspond to AI consumer, computer, and home appliance market applications. Benefiting from the gradual expansion of AI terminal and computing-related applications and the return of channel inventory to healthy levels, shipping momentum is expected to increase steadily. In terms of high-power packaging products, as they correspond to industrial control, electric vehicles, renewable energy, and power management, driven by structural demands such as automotive electrification, renewable energy/energy storage installation, and data center power supplies, the growth momentum is expected to be relatively better.

To continue investment and strategic layout in the field of power semiconductors, and when facing the simultaneous growth trend of the automotive and AI markets, PANJIT adopts a development strategy driven by the dual engines of "Automotive" and "AI" to construct a product and technology platform covering automotive and AI applications. Combined with diversified supply chain cooperation, organizational resource allocation, and international talent recruitment, PANJIT responds to changes in the global market environment, strengthens its competitive advantages, and continuously creates sustainable value for shareholders, customers, and society, so as to achieve the long-term goal of sustainable development.

Consolidated Financial Performance Over the Past Three Years

Unit: NTD 1,000

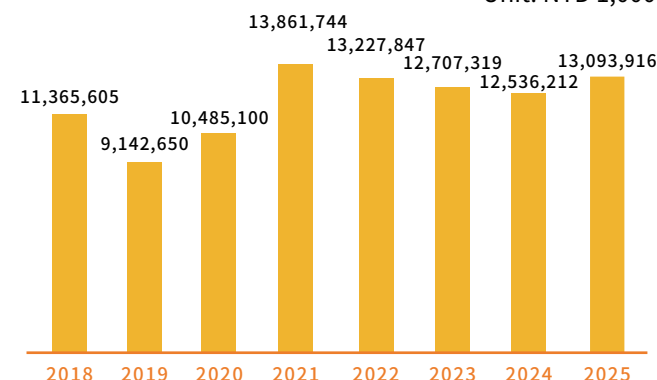
Item	2023	2024	2025
Operating revenue	12,707,319	12,536,212	13,093,916
Non-operating income and expenses	331,362	454,684	567,368
Operating costs	9,499,258	8,939,137	9,000,956
Net profit after tax	1,012,951	1,077,404	1,390,416
Employee salaries and benefit expenses	2,456,408	2,727,462	2,970,826
Income tax expense	152,145	190,201	288,236
Community investment (donation)	1,081	765	902
Payment to investors	1,146,345	458,538	534,961
Earnings per share (NTD)	2.15	2.40	3.12
Undistributed earnings	4,026,560	4,467,978	5,121,319

Note:

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

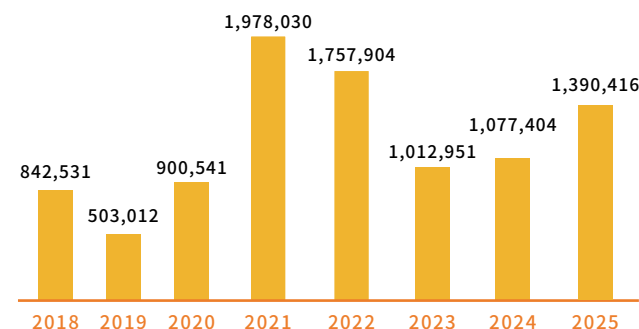
Consolidated Operating Revenues Over the Years

Unit: NTD 1,000



Consolidated Net Profit After Tax Over the Years

Unit: NTD 1,000



Financial Subsidies from the Government

PANJIT Group's financial assistance received from the government primarily includes financial subsidies (tax credits and exemptions), investment grants, subsidies, R&D grants, and other related types of grants and incentives, totaling NT\$ 88,867,351 in 2025.

2025 Financial Subsidies from the Government

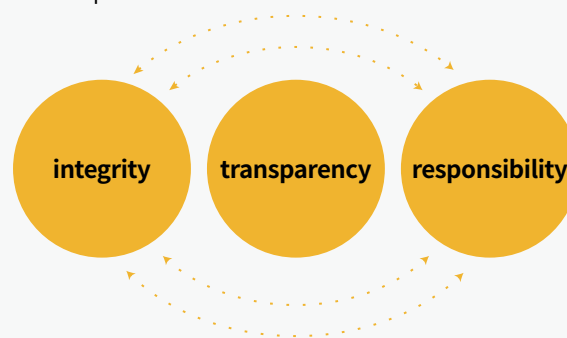
Types of Government Grants	Subsidy Amount (NTD)
Tax Exemptions and Credits	28,777,845
Subsidies	2,273,659
Investment Grants, R&D Grants, and Other Related Grants	57,709,858
Incentives	105,988
Total	88,867,351



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 Group 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. Group 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, PANJIT 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.

In 2025, the company did not have any relevant corruption incidents, made no political contributions, and was not involved in any legal incidents or litigations involving anti-competitive behavior, antitrust, and monopolistic behavior. The anti-corruption communication channels and outcomes for 2025 are shown in the table below :

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	80	80	100%
Anti-corruption education and training	All employees	1,653	2,150	76.88% ^{Note1}
Anti-corruption communication-bulletin board/ Portable CSR policy (guidelines) card	All employees	2,150	2,150	100%
Signing of the anti-corruption and anti-bribery commitment (indirect personnel) ^{Note2}	New employees	131	131	100%
	Current employees (managerial positions)	275	275	100%
	Current employees (non-managerial positions)	751	751	100%

Note:

1. In 2025, PYNMAX only arranged anti-corruption courses for new employees. Additionally, PANJIT's anti-corruption training spanned across years into 2026, resulting in some employees not completing the courses within 2025; the coverage rate of related courses will continue to be strengthened in the future.
2. Considering the job responsibilities, the signing of anti-corruption and anti-bribery commitment mainly targets at indirect personnel.
3. 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 Group 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 Group also keeps abreast of policy and legal changes at home and abroad and promptly develops response measures when needed to meet the operational needs of the company. From 2024 to 2025, there were a total of 6 incidents of regulatory violations, none of which were major violations, with a total penalty amount of NT\$417,990. The Group has made immediate improvements and replied with the completion results to the competent authorities. The improvement measures are shown in the table below.

Incidents of Non-compliance with Laws and Regulations

Date of Sanction	Violated Regulations / Fine Amount (NT\$)	Operational Sites / Reason for Violation	Handling and Preventive Measures
May 16, 2025	Article 7, Paragraph 1 of the Water Pollution Control Act/NT\$105,000	PANJIT/ The inspected chemical oxygen demand (COD) was 135 mg/L, failing to meet the discharge standards.	Since April 2025, daily COD reagent testing has been added to enhance the early warning capabilities of the wastewater treatment system. The water quality has fully met the standards in third-party testing.
June 27, 2025	Article 23, Paragraph 2 of the Air Pollution Control Act/NT\$100,000	PANJIT/ It was found in the inspection that the flow meter installed for the process did not undergo the required comparison testing in 2023.	We commission professional manufacturers to conduct flow meter (air volume) comparison testing on an annual basis, and perform regular inspections in Q3 every year. Meanwhile, we continuously carry out regular internal regulatory reviews and participate in external regulatory briefings from time to time to ensure compliance with regulatory requirements and keep abreast of the latest regulatory developments.
August 12, 2025	Article 14, Paragraph 1 of the Water Pollution Control Act/NT\$90,000	PANJIT/ The on-site wastewater treatment facility's rapid mixing tank was equipped with a sulfuric acid dosing tube, and sulfuric acid containers were present on site. However, the use of sulfuric acid was not specified in the issued permit.	The tube was confirmed to be old equipment that had not been used for many years and was dismantled, followed by a comprehensive inspection to eliminate the risk of discrepancies between the on-site equipment and the permit. Photos of the improvements have been submitted to the Environmental Protection Bureau for review and the case has been closed. The Company will check on the facilities within the plant and the content in the permit to ensure that the on-site configuration is completely consistent with the legal registration, and implement rigorous environmental governance and risk control.

Date of Sanction	Violated Regulations / Fine Amount (NT\$)	Operational Sites / Reason for Violation	Handling and Preventive Measures
August 14, 2025	Article 18 of the Water Pollution Control Act/ NT\$10,000	PANJIT/ Wastewater storage facilities (S01, S02) are only equipped with water meters at the outflow end, and water meters at the inflow end were not installed as required by law.	Due to the underground layout of pipelines implemented during the early stage of plant construction, it is difficult to install additional physical water meters. The Company actively communicated with the competent authorities and changed to the measurement method of "outflow meter water volume estimation" to ensure that the transparent supervision of water resource flow and the consistency with regulations can still be achieved under the existing hardware limitations. On October 27, 2025, we obtained the official approval letter for the storage permit modification.
November 26, 2025	Article 86, Item (3) of the Customs Law of the People's Republic of China/NT\$12,990	PANJIT (WUXI)/ False declaration of imported, exported, transit, transshipment, or through-transport goods to customs.	Improvements have been made as requested, with data reviewed and completed.
May 28, 2024	Article 24, Paragraph 2 of the Air Pollution Control Act /NT\$100,000	PYNMAX/ The newly added pollution source on the 3rd floor did not match the number of pollution sources approved in the original operating permit, and the newly added equipment was operated with electricity. (Operation inconsistent with the approved permit specifications)	An application for an air pollution permit change was submitted in accordance with the law (trial operation approval was obtained in September 2024), and the air pollution operation permit was issued by the Environmental Protection Bureau on May 28, 2025. The newly added machine on the 3rd floor was only started for testing and not actually operated. In addition, the application documents for the permit modification have been prepared and are ready for submission. However, according to regulations, the act of powering on and initiating the equipment is considered an operation, even if no actual operation was conducted. For any newly added pollution source equipment, an application will be submitted before testing, and the equipment can only be plugged in for testing after approval is obtained.

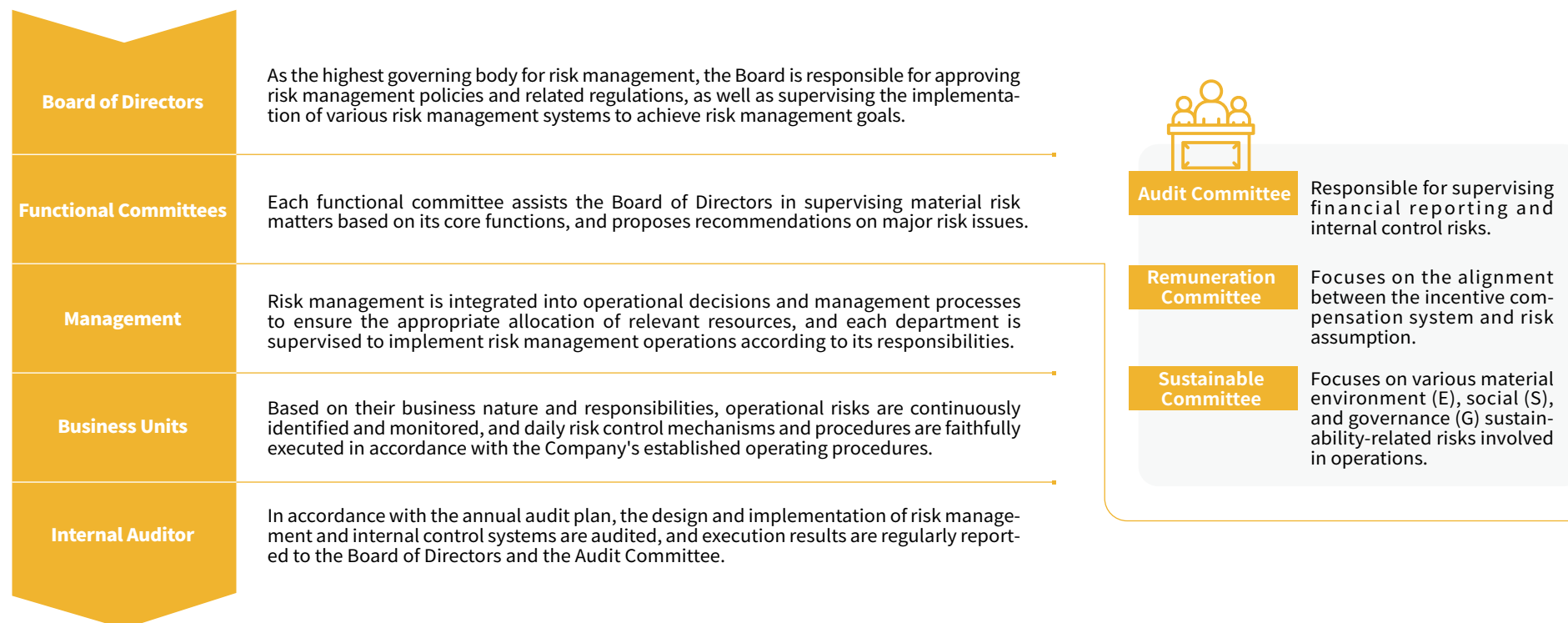
Note:

- Statistics on violations of regulations are based on the date of the penalty, and are used as the basis for annual statistics and disclosure in the sustainability report.
- A major violation is defined in accordance with Article 4, Paragraph 26 of the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities as one of the following: (i) causing significant damage or impact to the company; (ii) being ordered by relevant authorities to cease operations, suspend business, close down, or have pollution-related permits revoked or cancelled; or (iii) having a single incident with a cumulative fine of NT\$1 million or more.
- The information sources for PANJIT and PYNMAX came from Thaubing Footprint and Query System on Business Entities (Employers) in Violation of Labor Laws; the information source for PANJIT (WUXI) came from Tianyancha.

2.4 Risk Management

To fulfill PANJIT'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 focuses primarily on PANJIT's Taiwan Operational sites, which 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.

Risk Management Organizational Structure



Risk Management Procedures

PANJIT's ESG Project Office coordinates risk identification operations, aggregates enterprise risk reports, and submits them to the Sustainability Development Committee and the Board of Directors.

1 Risk identification



Considering various risks that the Company may face in its daily operations, and weighing the topics of concern among industry peers as well as risk research reports and trends published by domestic and international professional institutions, potential risk items that could prevent the achievement of corporate goals or cause losses and negative impacts are identified. Based on this, a risk identification questionnaire is designed to assist each unit in comprehensively and structurally reviewing the sources of operational risks, thereby gaining a deeper understanding of the risk issues that each unit focuses on.

2 Risk Analysis and Assessment



Senior business unit executives were invited to complete the risk identification questionnaire. Taking into account the existing control measures, previous experience, and other relevant factors, they assessed the likelihood of occurrence (A) and the potential impact (B) of each identified risk event. Based on the results of (A) x (B), the risk coefficient for each identified risk was calculated for risk analysis. The identified risks were prioritized and categorized into different risk levels based on the analysis results to assist management in understanding the overall risk profile and serve as a reference for management and supervision.

3 Risk Response and Monitoring



Each responsible department formulates response strategies or mitigation measures for material risk issues, and ensures the effective implementation and continuous improvement of these measures through periodic reviews and monitoring. In daily operational activities, control procedures such as setting operational specifications for key processes, discussions in management meetings, and reviews of major investment projects are also continuously utilized to integrate risk management into the existing management systems for risk response and monitoring.

4 Risk Report and Disclosure



Based on the operational and sustainability-related risk items identified through the annual risk identification, the ESG Project Office compiles the enterprise risk assessment report and reports the risk management implementation results to the Sustainability Development Committee and the Board of Directors at least once a year.

Risk Management Implementation Status

In December 2025, the ESG Project Office conducted a risk identification process, identifying 18 risk items, which included 8 operational risks, 7 strategic risks, and 3 financial risks. To assess these risks, questionnaires were distributed to senior executives of each operational unit to evaluate each risk event based on its likelihood of occurrence (scored from 1 to 5, from low to high) and level of impact (scored from 1 to 5, from low to high). The risk coefficient for each risk item was then calculated based on the results of the completed questionnaires.

The results of this risk identification were all medium risks, with no material risk items. The ESG Project Office has compiled the enterprise risk management report and reported the risk management implementation status to the Sustainability Development Committee and the Board of Directors on May 8, 2026.

The top three risk items from this risk identification are Talent Development and Cultivation, Talent Attraction and Retention, and Technological Innovation. A summary of their key control measures is as follows:

Risk Categories	Risk Item	Content of Risk	Control measures
Operational Risk	Talent Development and Cultivation	If talents fail to keep pace with the times, the Company's competitive advantages and growth momentum will be eroded.	Through diversified recruitment channels, key talent cultivation programs, a comprehensive education and training system, and the provision of a friendly workplace environment, employees are enabled to continuously contribute and grow within the organization, thereby cultivating high-quality human capital.
Operational Risk	Talent Attraction and Retention	Due to the factors of intensified industrial competition and the impact of declining birth rate, enterprises may face challenges such as labor shortage in production, talent gaps, and concerns over technology transfer and succession.	Please refer to 5.3 Recruitment and Employment , 5.5 Talent Development
Strategic Risk	Technological Innovation	Emerging applications in the semiconductor industry continue to drive technological transformations. If the development schedule of new technologies or products is delayed, the development cost is excessive, or the development direction does not align with market demands, it may lead to a decline in the Company's competitiveness.	1 Research and development is continuously viewed as the core foundation for driving medium- to long-term growth and improving gross profit margins, and R&D resources are stably invested. 2 Guided by market demands, the product mix structure is optimized, and the proportion of high-value-added products is increased to strengthen overall profitability and operational resilience. 3 Actively develop the Company's third-generation semiconductor technology, promote the R&D of silicon carbide power devices, and expand the product line to cope with the needs of new energy and high-efficiency applications. Please refer to 3.2 Innovative R&D and Patents

Note: For detailed human rights risk assessment results, please refer to [5.1 Human Rights Management](#); for climate-related risk and opportunity identification results, please refer to [4.1 Climate Change Adaptation and Actions](#).

2.5 Information Security Management



Management Approach of Information Security Management

Material Topic: Information Security Management

Purpose of Management

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. PANJIT Group 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.

Policy

Please refer to the [Information Security Policy](#).

Prevention and Remediation Mechanisms

If a cybersecurity attack occurs and cannot be contained in time, 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”.

Management Review

- 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.

Goals for 2025

- The Group's system backup rate is to reach 100%.
- PANJIT information security training courses participation rate of 100%
- Group no occurrence of information security incidents.
- Group social engineering drills pass rate of 96%.
- PANJIT set up a dedicated information security manager and at least one information security staff member.
- The ISO 27001 certification of PANJIT's Gangshan Factory was maintained and the annual audit was passed.
- Conduct at least one security incident response drill every month.
- The Group releases information security awareness materials at least once a month.

Goal Attainment Status for 2025

- ✓ The Group's system backup rate reached 100%
- ✓ PANJIT information security training participation rate reached 100%
- ✓ Group no occurrence of information security incidents
- ✓ Group social engineering drills pass rate was all over 96%
- ✓ PANJIT set up a dedicated information security manager and one information security staff member
- ✓ PANJIT's Gangshan Factory completed the ISO 27001 certification renewal in May 2025
- ✓ The Group conducted a total of 36 information security incident response drills, with all sites meeting the targets
- ✓ The Group released a total of 12 information security awareness materials

Short-term Goals (2026~2027)

- 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, and gradually expands the implementation scope to all operational sites.
- 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.

Medium- and Long-term Goals (2028~2032)

- 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.

Actions 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.
- Each site held 12 monthly information security meetings in 2025, to plan, implement, and promote information security management matters and information security awareness, and regularly review information security policies.
- A total of 36 information security incident response drills were held in 2025 to enhance employees' alertness and responsiveness to sudden incidents.
- The Group experienced zero customer data leaks or cybersecurity incidents in 2025.
- A total of 1,449 hours of information security training were completed by active employees of the Group in 2025.
- A total of 346.5 hours of information security training were completed by new hires of the Group in 2025, achieving a 100% completion rate.

Information Security Policy

- 1 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.
- 2 Establish an Information Security Management Committee responsible for the establishment and promotion of the company's information security management system.
- 3 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.
- 4 Establish document control procedures to legally regulate the formulation, modification, encoding, issuance, etc., of documents related to the information security system.
- 5 Establish a management mechanism for information assets to coordinate the allocation and effective utilization of limited resources to address critical security issues.
- 6 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.
- 7 Regularly conduct business-related information security education and training to promote information security policies and related implementation regulations.
- 8 Establish physical and environmental security protection measures for data centers and regularly perform relevant maintenance and upkeep.
- 9 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 Group increasingly relies on systematization and internet-based processes, information security has become a critical challenge. In response to the growing global cybersecurity threat, the Group 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 2025, there were no customer data leaks or information security incidents. Any concerns regarding information security can be submitted through PANJIT Group's internal grievance channels to be handled by the dedicated unit. The identities of the complainants and the content of the grievances are kept strictly confidential. For complete grievance channels and investigation procedures, please refer to [1.3 Stakeholder Communication](#).

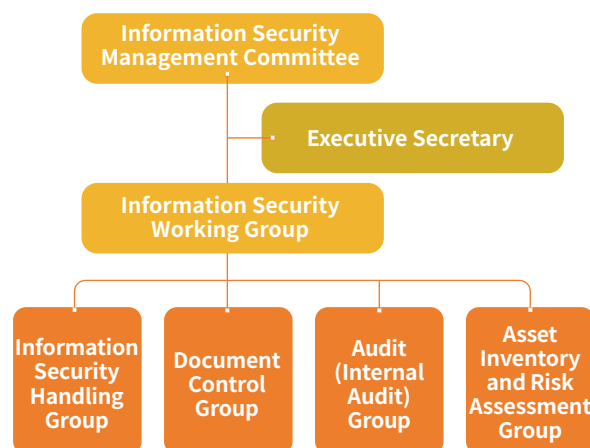
To realize its vision of establishing a strong and effective cybersecurity defense network, PANJIT Group has committed to allocating resources annually to strengthen information security through measures such as social engineering drills, vulnerability scans, security policy promotion, USB disablement, and the deployment of multi-factor authentication, with the goal of minimizing operational disruption risks. We attach great importance to data security and adopt the 3-2-1 backup strategy for the backup and storage of the system data, 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.

Additionally, to strengthen third-party information security management, information security has been incorporated into PANJIT Group's supplier management principles. Critical IT suppliers and contractors are required to sign a "Non-Disclosure Agreement (NDA)" and undergo information security risk assessments during the selection phase. This ensures compliance with PANJIT's information security policies and minimizes the probability of information security incidents occurring among suppliers and contractors.

Information Security Management Framework

PANJIT 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 one information security staff member have been set up in 2023. In 2024, the Information Security Management Committee was established. In June of the same year, PANJIT's Gangshan Factory passed the ISO 27001 third-party external certification, and completed the annual renewal certification in May 2025 to ensure the implementation and continuous supervision of information security. In the future, the certification scope will be gradually expanded to strengthen the overall information security management of the Group.

Organizational Structure of the Information Security Management Committee



Information Security Training and Drills

The education and training for new employees upon onboarding at the PANJIT Group includes the promotion of information security awareness. In addition, employees are also regularly informed of the importance of information security and best practices through information security training and social engineering drills to reduce the risks of internal threats and human errors.

To respond to possible information security incidents, Group 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 external 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

2025 Information Security Management Measures

Item	Content	PANJIT	PANJIT (WUXI)	PYNMAX
Onboarding Training	Onboard cybersecurity awareness training. Information security covers personal data protection under the PDPA, external hacking prevention, and internal leak prevention.	- Number of Participants: 297 - Total Hours: 148.5	- Number of Participants: 378 - Total Hours: 189	- Number of Participants: 22 - Total Hours: 9
Information Security Training for Existing Employees	Regularly carry out information security training to enhance the capability to prevent internal threats and human errors.	- Number of Participants: 1,449 - Total Hours: 1,449	Scheduled to be implemented from 2026	Scheduled to be implemented from 2026
Social Engineering Drills	Test employees' ability to deal with social engineering attacks and enhance their awareness of protection.	- First participation: 711 participants, 97.89% pass rate - Second participation: 714 participants, 97.2% pass rate	- First participation: 375 participants, 99.46% pass rate - Second participation: 367 participants, 99.45% pass rate	- First participation: 152 participants, 98.03% pass rate - Second participation: 153 participants, 98.69% pass rate
Measures for Employees Failing Social Engineering Drills	Conduct repetitive education and training to ensure employees understand best practices for responding to attacks.	Social engineering drill retraining rate 100%		
Information Security Incident Response Plan	Establish a plan to respond to information security incidents and conduct regular drills and tests to ensure prevention of attacks and quick restoration of the system, including: - Backup and recovery drills for primary and secondary systems. - Failover mechanism testing for primary and secondary systems. - Core switch failure drill. - ERP switch failure drill.	A total of 12 drills were conducted	A total of 12 drills were conducted	A total of 12 drills were conducted
Emergency Response Test Results	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.		
Internal and Third-Party Audits	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.		
Information Security Objectives	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 2025.		

Response Measures for Information Security Risks

The main focus of responding to information risks at PANJIT Group is to strengthen the software and hardware prevention mechanisms. Priority is given to strengthening network security, infrastructure protection, and disaster recovery. As for the control measures in terms of information security, corresponding measures are conducted in accordance with documents such as the Network Communication and Operation Management Procedures, Security Incident Management Procedures, and Software Installation Operation Specifications. If each Operational sites 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.

2025 Information Security Management Measures

 Item	 Information Security Management Measures	 Information Security Remediation Mechanisms
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	Around-the-clock 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

3.1 PRODUCT QUALITY AND SERVICE	50
3.2 INNOVATIVE R&D AND PATENTS	54
3.3 SUSTAINABLE SUPPLY CHAIN MANAGEMENT	61
3.4 CUSTOMER RELATIONSHIP MANAGEMENT (CRM)	68



3.1 Product Quality and Service



Management Approach of Product Health and Safety

Material Topic: Product Health and Safety

Purpose of Management	To cooperate with the seven major management principles, process orientation and the PDCA approach to establish the quality management framework and conduct management of hazardous substances and provide clear product labeling to ensure the quality of products is 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 .			
Prevention and Remediation Mechanisms	- When there are doubts about product safety, we will handle it in accordance with the abnormal product handling and customer complaint 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, we will implement and propose appropriate solutions for hazardous substance management in accordance with the Process Control Operation Procedure.			
Management Review	- 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 accounts 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 2025	Goal Attainment Status for 2025	Short-term Goals (2026)	Medium- and Long-term Goals (2027~2029)
	- PANJIT's and PANJIT (WUXI)'s XRF equipment operators have a 100% training completion rate. - The Group's suppliers have a 100% annual submission rate for third-party testing reports. - The Group's suppliers have a 100% compliance rate in updating ingredient list information every three years. - The Group's suppliers have a compliance rate of over 99% for the absence of hazardous substances. - PANJIT's annual hazardous substances training (for new employees and designated personnel) to achieve a 100% completion rate. - PANJIT WUXI's annual hazardous substances training (for all personnel) to achieve a 100% completion rate. - PANJIT and PANJIT WUXI's customer satisfaction with product compliance with RoHS to be more than 90 points.	✓ PANJIT's and PANJIT (WUXI)'s XRF equipment operators have achieved a 100% training completion rate. ✓ The Group's suppliers have a 100% annual submission rate for third-party testing reports. ✓ The Group's suppliers have a 100% compliance rate in updating ingredient list information every three years. ✓ The Group's suppliers have a compliance rate of over 99% with hazardous substance regulations. ✓ PANJIT's annual hazardous substances training (for new employees and designated personnel) achieved a 100% completion rate. ✓ PANJIT WUXI's annual hazardous substances training (for all personnel) achieved a 100% completion rate. ✓ PANJIT and PANJIT WUXI's products meet the standards for hazardous substances, with a satisfaction score of 92.04.	- The annual training rate for hazardous substances (for new employees and designated personnel) remains at 100%. - To meet customer and international regulatory requirements, continue to improve the system, and maintain certification validity. - 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 hazardous substance regulations to more than 90 points. - Supplier hazardous substance compliance rate of above 99%.	- 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.

Actions and Results

- In 2025, XRF analysis was applied to conduct statutory hazardous substance testing.
- There were no violations of product health and safety related regulations in 2025.
- In 2025, the compliance with RoHS, REACH, PPW, SONY SS00259, UL and other product safety regulations reached 100%.
- In 2025, there were 0 reports of abnormal hazardous substances.
- In 2025, there was no occurrence of hazardous substance contamination incidents due to equipment maintenance.
- In 2025, there were no complaints from customers regarding hazardous substances.

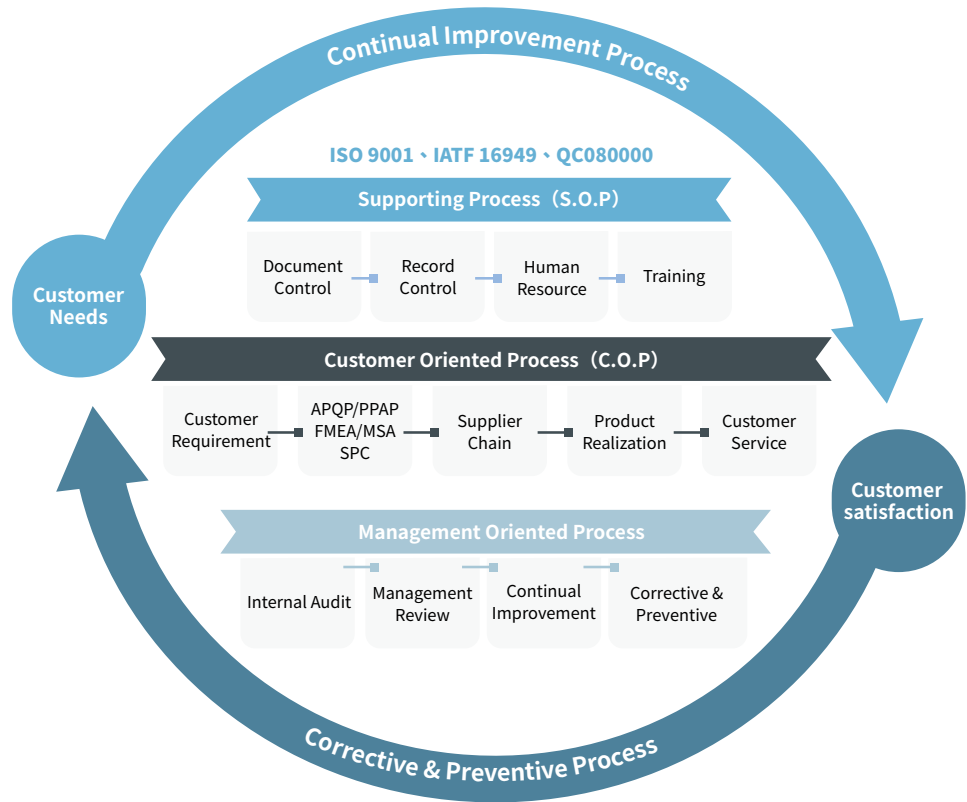
Quality Management



To ensure that the product quality is compliant with regulations and customer requirements, PANJIT and PANJIT (WUXI) have established a quality management framework and has successively imported QS 9000, ISO 9001, IATF 16949, QC080000, ESD S20.20 and other quality management systems. In addition, our products underwent independent third-party certification and comprehensive assessments of product quality, health, and safety impacts to minimize their impact on human body and the environment. Moreover, PYNMAX also follows relevant quality management systems and has obtained third-party certifications such as ISO 9001 and IATF 16949, fulfilling its commitment to consistent quality.

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.

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

PANJIT Group adheres to 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 prescribed 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, the Group uses XRF measuring devices to inspect hazardous substances such as cadmium, lead, mercury, chromium, bromine, and chlorine, together with reports submitted by suppliers, to ensure that raw materials, semi-finished goods, and finished products meet the requirements. 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 Group 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.

Product Safety Regulations	PANJIT Group 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	- 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 Group 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 Group 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 two or three years. Designated procured items must be managed in accordance with the "Standards for Hazardous Substance Management" specified in the Hazardous Substance Management Procedures and 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 the factory 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 Group 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 2025, 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

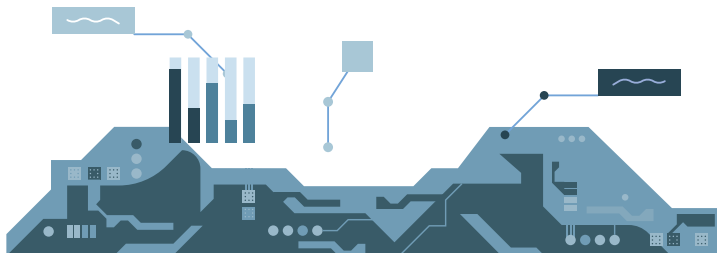
Purpose of Management	A well-developed innovation and R&D management system can cultivate more professional talents to ensure effective management of the R&D process and proper use of resources to achieve innovation goals as scheduled to open up new markets for the Company. The management of patents 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.			
Policy	Please refer to the corporate Sustainable Development Policy - Regulatory Compliance, Disciplinary Responsibility, Sustainable Management			
Prevention and Remediation Mechanisms	- 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.			
Management Review	- 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. - Encourage patent proposals, and patent review meetings are held from time to time based on demand. - Patent Management Measures are in place. The evaluation process and progress are managed through standardized patent search request forms covering prior art searches, patent infringement analysis, and patent landscape analyses. These requests are submitted by the R&D or product departments and then handled by the legal department for patent search and risk assessment.			
Goal	Goals for 2025	Goal Attainment Status for 2025	Short-term Goals (2026)	Medium- and Long-term Goals (2027~2030)
	- The Group to file more than 2 new patent applications. - At least 1 of the Group's patents to be commercialized. - The Group to have at least 6 approved Taiwan patents. - To release 10 of the group's power semiconductor technology platforms.	✓ Completed 4 patent applications. ✓ Two patents have been commercialized. ✓ The Group has 11 Taiwan patents approved. ✗ Released 8 of the group's power semiconductor technology platforms.	- The Group to file more than 4 new patent applications. - At least 1 of the Group's patents to be commercialized. - To have at least 6 Taiwan patents granted. - To release 10 of the group's power semiconductor technology platforms.	- The Group to file more than 4 new patent applications. - At least 1 of the Group's patents to be commercialized. - To have at least 6 Taiwan patents granted. - To release 10 of the group's power semiconductor technology platforms.
Actions and Results	- As of 2025, the Group has filed 187 patent applications, including 133 from PANJIT, 49 from PANJIT (WUXI) and 5 from PYNMAX, in Taiwan, China, the USA, Europe, Japan, India and other countries. - As of 2025, the Group has a total of 102 patents that have been granted and are being maintained, including 64 from PANJIT, 33 from PANJIT (WUXI) and 5 from PYNMAX. - In 2025, the Group had 19 patents granted in various countries, including 17 from PANJIT and 2 from PANJIT (WUXI). - In 2025, the Group released 8 power semiconductor technology platforms, including SJ MOSFET Gen.2 / MV SGT Gen.2 / 30V~80V SGT for Automotive/ SiC Diode 650V Gen.3/ FRED 650V Gen.2.			

PANJIT Group possesses the capability for vertical integration of upstream and downstream semiconductor industries and IDM design technology. It also owns its own wafer fabrication plant and advanced production lines. PANJIT Group integrates upstream wafer manufacturing (PYNMAX) and downstream packaging and testing (PANJIT and PANJIT WUXI), and mainly produces discrete component products such as rectifier diodes, power semiconductors, and surge suppressors, which are widely used in the automotive, industrial, consumer electronics and communications fields. We continuously monitor market trends and develop thin-packaged products meeting market demands.

The Group'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 have 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.

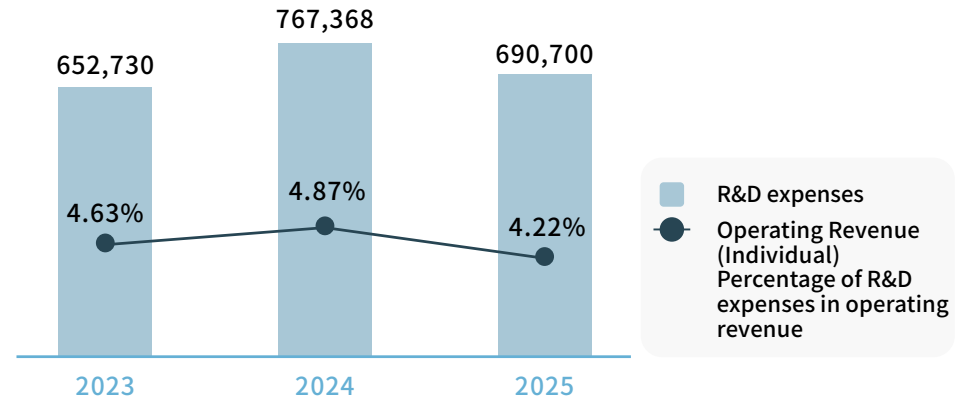
PANJIT continues to implement its medium- to long-term strategy for high-power components (such as MOSFET and SiC), and has successively launched SiC diodes, medium- and low-voltage SGT MOSFETs, and Super Junction MOSFETs. These developments serve as a foundation and pilot for the future development 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 650V/1200V Fast Recovery Epitaxial Diodes (FREDs) Gen.2 have been fully developed and commercialized.

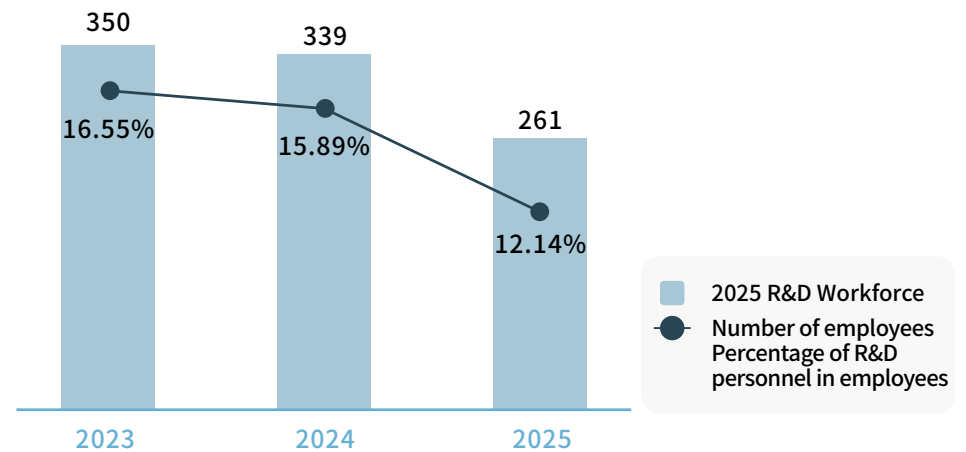


Expenses in the Past 3 Years

Unit: NTD 1,000



Manpower in the Past 3 Years



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 rapid growth of the AI market, ensuring high availability of computing power has become a crucial consideration in system design. AI model training often takes weeks to complete, and downtime caused by hardware failure not only results in financial losses but also poses a significant threat to development schedules. Therefore, Hot Swap technology is evolving from a traditional maintenance function into a key consideration in semiconductor device design.

In terms of power management, the R&D trends focus on improving transient response under high-load conditions and suppressing inrush current to ensure stable GPU module operation during power switchover. In the field of high-speed storage, the R&D focus is on the electrical isolation technologies at the physical layer (PHY), aiming to reduce high-frequency noise during connector insertion and removal, and maintain signal integrity of the PCIe/NVMe interface at ultra-high speeds. In addition, the architecture design for DPU and SmartNIC is achieving seamless switching of network interfaces through hardware-level redundant path management. In summary, future semiconductor R&D will not be limited to the performance of a single component, but will shift to a comprehensive system integration design of "predictive maintenance" and "modular reliability" to meet the stringent zero-downtime requirements of large-scale AI clusters.

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	To improve component efficiency, RDS-ON and capacitances such as Ciss, Coss, and Crss are reduced through trench structure design and other technologies, thereby increasing 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. In recent years, in the increasingly competitive market in China, R&D costs have become one of the key factors in product development. To cope with the trend, simplifying process steps, reducing the number of photomasks used, while maintaining the same component voltage withstand capability, competitive on-resistance, and excellent cost-performance ratio are important goals for future research and development, and Gen3 was created to address this objective.
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. The medium-voltage power application components and the HV MOSFETs share the same R&D direction. Furthermore, due to the increasing demand from automotive/EV applications, the automotive MV MOSFETs is also a key R&D focus. In addition, the R&D focus will be on further reduction of Rsp and improvement of Switch Performance (FOM). As AI market continues to grow, products requiring hot-swap functionality must have a wide SOA requirement, which is mainly for the prevention of excessive surge current from the large capacitor in the system when the redundant power supply is plugged in and the power is turned on. Such products are also under development.

Product Line	Future R&D Projects
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. Under high-frequency switching conditions, the R&D focuses on switching loss minimization and price optimization.
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 voltage, 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.
PMR	PMR is a rectifier diode that replaces the Schottky Barrier with a MOS structure. It achieves a low forward voltage drop while substantially reducing high temperature leakage current and enhancing device reliability, combining the conduction efficiency of Schottky diodes with the reliable stability of PN diodes, serving as an extension and enhancement to the existing rectifier product line.
FREDs	The development of the second-generation 650V product has been completed, which further optimizes IFSM & EAS capabilities while successfully upgrading the junction temperature of the product from the original Tjmax 150 degrees to Tjmax 175 degrees for automotive and industrial applications, and it has been successfully introduced into the UPS market.

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 (WL CSP) 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.

With the rise of AI and high-performance computing (HPC) applications, the demand for high-speed data transmission continues to grow, making power consumption management in high-speed transmission interfaces increasingly crucial. With over 38 years of semiconductor expertise, PANJIT has developed ultra-low capacitance ESD protection diodes that provide robust electrical protection in high-density end-assembly designs.

Improving Power Device Performance - Low VF Semiconductor Devices

PYNMAX is committed to developing high-performance power devices by reducing key parameter of forward voltage (VF), directly improving product energy efficiency and enhancing thermal management performance. Reducing the VF value is a core strategy for improving power device performance, effectively enabling higher energy efficiency and lower power dissipation.

Based on benchmark tests conducted in 2024 for bridge rectifiers, actual electrical and thermal performance tests were performed on the Company's GBU2506 series products and standard model GBU2510, and power loss was further calculated based on the measured input current and forward voltage (VF) at 9.5A. The results indicate enhanced performance in terms of both reduced power consumption and operating temperatures.

Reduced product energy requirements

Compared to the standard GBU2510 model, a single device can reduce power consumption by approximately 0.96 watts under full load operation. When applied to large-scale server power supplies or mobile device chargers, this will result in significant cumulative energy savings.

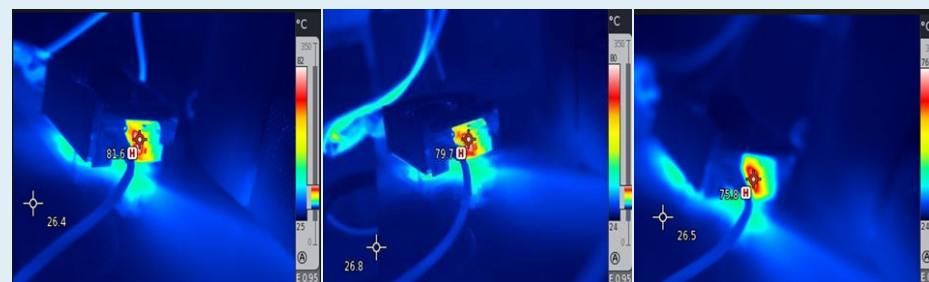
Optimized thermal management and extended product operating life

A 5.8 degree Celsius reduction in operating temperature helps reduce thermal stress on printed circuit boards (PCBs), thereby extending the lifespan of end products and reducing electronic waste.

Market application and promotion

This product series targets the power-sensitive smartphone, mobile device, and automotive electronics markets, and helps our customers achieve their carbon reduction goals.

Thermal performance tests showed that the GBU2506HULV product reduced temperature by 5.8 degrees Celsius compared to the standard model GBU2510.



GBU2510

GBU2506LV

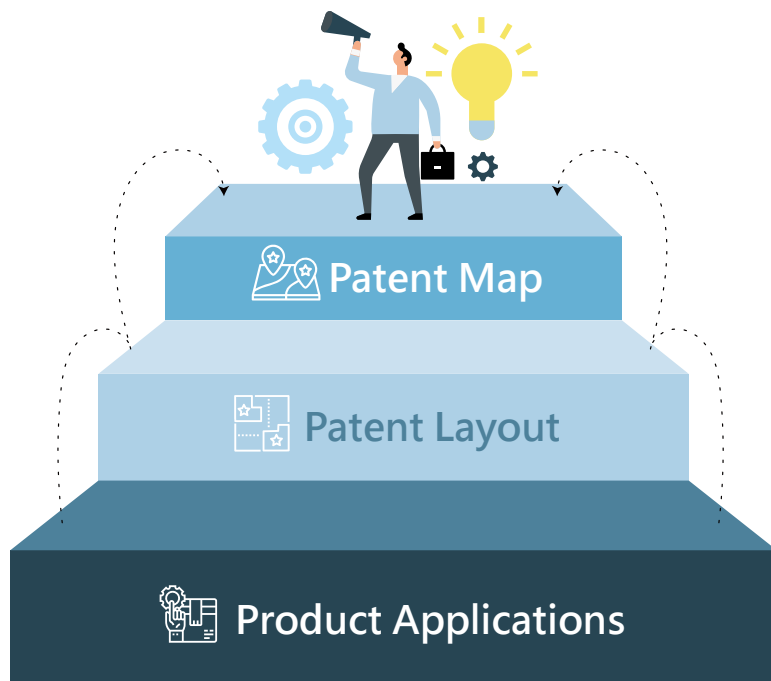
GBU2506HULV

Product Power Consumption Comparison

Item	GBU2510	GBU2506LV	GBU2506HULV	unit
VF @9.5A	0.921	0.894	0.822	V
Input current (lin)	9.484	9.476	9.453	A
Bridge rectifier power loss	8.73	8.47	7.77	W
Power consumption difference compared to GBU2510	-	-0.26	-0.96	W

Patent Layout

The Group 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 Group's image of innovative research and development. Externally, we continue to build a robust intellectual property portfolio in accordance with the Group'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. PANJIT 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.

PANJIT established a complete patent application process in 2024, 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 2025, 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 Group 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

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To align with the trend of green technology orientation and the sustainable development of the industry, 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 Group 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. The Group 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 2025, there are a total of 187 patents, including pending applications and granted patents, under maintenance at PANJIT Group, among which 50 are from Taiwan, 87 from China, 47 from the USA, and 1 each in Europe, Japan, and India. Among these, PANJIT accounts for 133 patents, PANJIT (WUXI) accounts for 49 patents, and PYNMAX accounts for 5 patents. As of 2025, PANJIT has 102 granted patents and 85 under review. According to patent application and grant statistics from the past five years, 2021 to 2024 marked a critical period of significant growth in PANJIT's patent applications, showing the R&D team's strong commitment to innovation. As of 2025, the relevant patents have been approved and certified, laying a solid foundation for future product development and market expansion.

Social Responsibility of Intellectual Property Rights

S

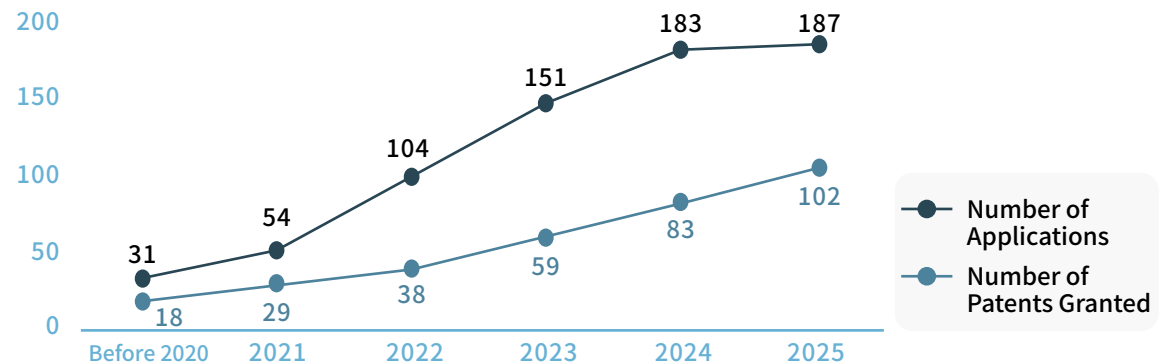
PANJIT Group continuously improves technological innovation and actively invests in joint development and cooperation with academic institutions to further use the intellectual property right as an important tool for the innovation of the company and the resource base for the enterprise to achieve sustainable 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, the Group 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

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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 Group'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

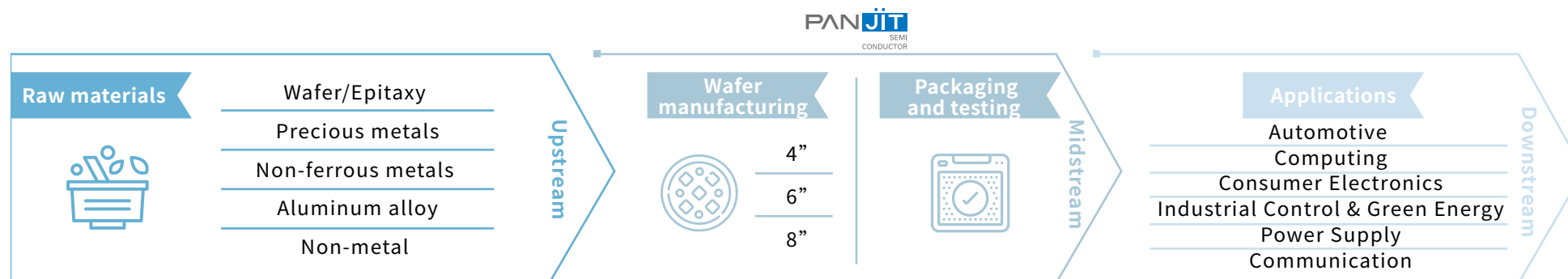


3.3 Sustainable Supply Chain Management

	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			
Prevention and Remediation Mechanisms	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	- Regularly arrange annual supplier audits to ensure that the quality system meets relevant requirements and continuously monitor and improve the quality performance of suppliers. - Conduct management review on a yearly basis in accordance with ISO 9001 & IATF 16949 requirements, to ensure that supplier selection, monthly supplier evaluation and annual audit are effectively implemented.			
Goal	Goals for 2025	Goal Attainment Status for 2025	Short-term Goals (2026~2030)	Medium- and Long-term Goals (2031~2035)
	- The Group's suppliers have a 100% signing rate for the Commitment of Supplier Social Responsibility . - The Group achieves a 100% supplier CMRT and EMRT verification rate.	✓ The Group's suppliers have achieved a 100% signing rate for the Commitment of Supplier Social Responsibility . ✓ The Group achieved a 100% supplier CMRT and EMRT verification rate.	- Automotive direct material suppliers to complete VDA6.3 audit. - To achieve 100% response rate for the ESG issue questionnaire distributed to supplier partners. 100% of suppliers sign the Commitment of Supplier Social Responsibility. - To achieve 100% completion rate of CMRT and EMRT due diligence across all suppliers.	100% of suppliers sign the Commitment of Supplier Social Responsibility. - To achieve 100% completion rate of CMRT and EMRT due diligence across all suppliers.
Actions and Results	- The Group 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 2025, the Group added 7 new qualified suppliers. A 100% signing rate for the Corporate Social Responsibility Commitment and Declaration of Minerals Conflict-Free was reached, and no conflict minerals were identified in use. - In 2025, the group completed RBA audits for 75 suppliers, with a pass rate of 100%. - In 2025, the Group achieved a 100% signing rate for Declaration of Minerals Conflict-Free (Conflict Minerals Reporting Template, CMRT) and Expanded Mineral Report Templates (EMRT).			

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



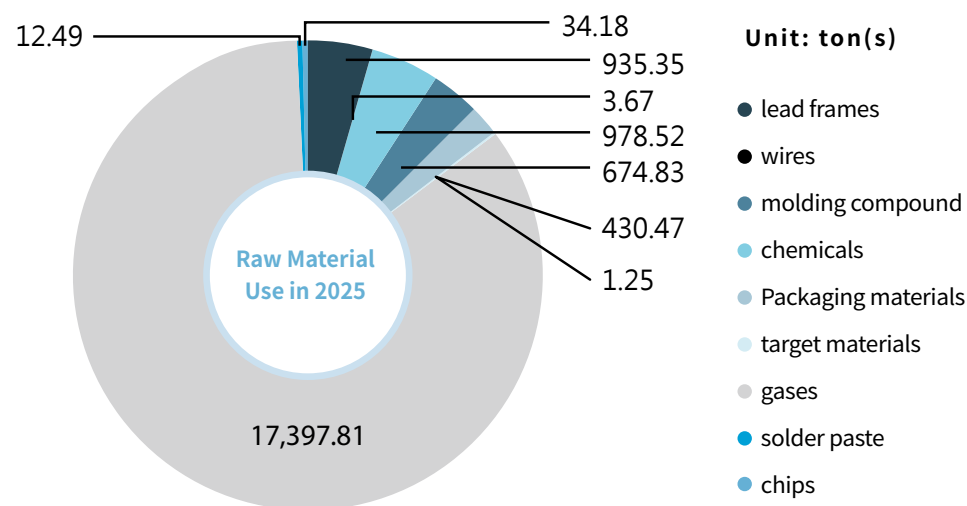
Note:

- For information of other affiliated companies, please refer to [PANJIT 2025 Consolidated Business Report of Affiliates](#).
- 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 including chips, lead frames, wires, target materials, solder paste, molding compound, chemicals and gases—are all non-renewable. 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	100%recycled ✓
Wires	Recycle empty reels	100%recycled ✓
Molding Compound	Use reusable plastic boxes	
Chemicals	Recycle empty barrels	
Gas	Recycle empty bottles	100%recycled ✓
Packaging materials	Transport with stainless steel trolleys	100%recycled ✓
	Use reusable plastic boxes	



Note: Raw material usage statistics are calculated based on purchase volume.

Local Procurement

The types of procurement at PANJIT Group 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 the overall purchase amount. The Group 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 1,183 in 2025, and the local procurement of raw materials accounted for 84% of the total amount of raw materials.

Raw Material Procurement in the Past Three Years

Operational Sites	Region	Number	2023 Ratio of Raw Materials Procurement Amount	Number	2024 Ratio of Raw Materials Procurement Amount	Number	2025 Ratio of Raw Materials Procurement Amount
PANJIT	Domestic	84	81%	54	86%	51	87%
	Foreign	27	19%	10	14%	20	13%
PANJIT (WUXI)	Domestic	58	78%	57	67%	57	61%
	Foreign	16	22%	9	33%	10	39%
PYNMAX	Domestic	20	95%	19	94%	17	95%
	Foreign	2	5%	2	6%	5	5%
Total	Domestic	162	81%	130	84%	125	84%
	Foreign	45	19%	21	16%	35	16%

Note: Local sourcing is defined as the supplier's invoice being issued in the same country or region as the Group's operating location (i.e., domestic sourcing).

Selection of New Suppliers

During the assessment of new suppliers, PANJIT Group follows establishment guidelines and procedures, including the Operating Procedures for Supplier Assessment, Counseling, and Development, Procurement Operation Management Procedures, and Supplier Management Procedures, and introduces Supplier Evaluation Questionnaire as a tool for preliminary risk assessment and capability evaluation. Through systematic and structured evaluation items, the actual capabilities and risk levels of suppliers in various aspects were fully understood, serving as an important basis for whether to proceed to the next stage of review and cooperation.

The evaluation criteria for new suppliers include operational and market capabilities, engineering and technical capabilities, quality management system, process and material control capabilities, equipment and measurement management, operational stability and continuous improvement capabilities, supply chain and service capabilities. 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. Through the above evaluation process, the Company identifies potential supplier risks at the initial stage of engagement, assesses suppliers' capabilities for long-term stable supply and continuous improvement, and evaluates their ESG maturity and willingness to collaborate. The results serve as the basis for subsequent on-site audits, pilot production qualification, and supplier selection decisions.

The Group requires all new suppliers to sign a Corporate Social Responsibility Commitment, and for all suppliers involving metal materials, it further requires them to sign a "Declaration of Minerals Conflict-Free", and provide Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT) which are incorporated into the annual responsible minerals and ESG periodic survey mechanism of the existing qualified suppliers, continuously strengthening supply chain transparency and sustainable management. In 2025, a total of 7 new qualified suppliers were added, achieving a 100% signing rate.

2025 New Supplier ESG Audit Management

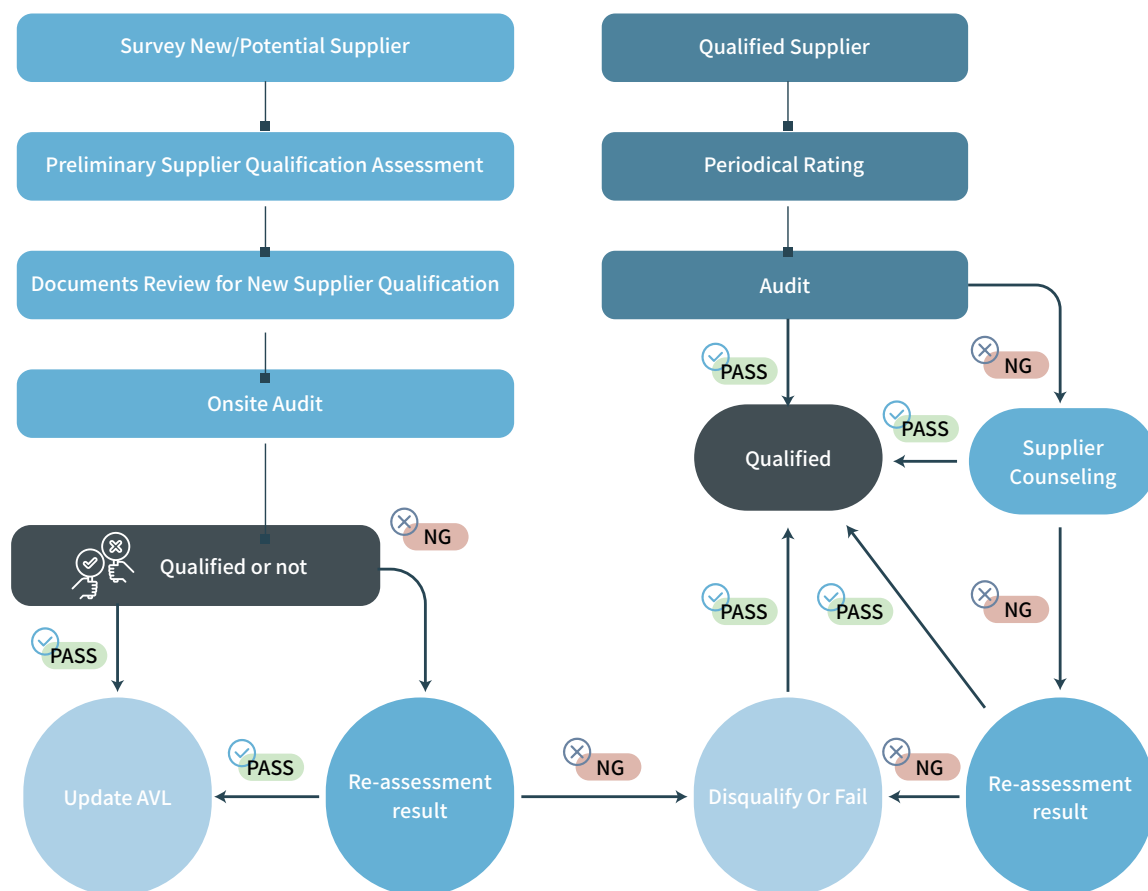
Operational Sites		PANJIT	PANJIT (WUXI)	Completion Rate
Number of New Suppliers		6	1	100%
Audit Items	VDA6.3/ QSA/ QPA ^{Note}	6	1	100%
	CSR	6	0	85.7%
	HSF	6	1	100%
	BCP	6	0	85.7%
	Corporate Social Responsibility Commitment	6	1	100%
ESG Documents	Declaration of Minerals Conflict-Free	6	1	100%

Note:

1. VDA 6.3, QSA, or QPA audits must be completed separately depending on the supplier type.
2. The audit items for new suppliers at PANJIT (WUXI) do not include CSR and BCP.
3. PYNMAX has no new suppliers in 2025.



Process of New Supplier Selection



Qualification Approval Documents

Automotive Direct Material Suppliers

Supplier Anti-corruption and Anti-bribery Commitment
HSF、RBA、VDA 6.3、BCP
Declaration of Minerals
Conflict-Free
Commitment of Supplier Social Responsibility

Direct Material Suppliers

Supplier Anti-corruption and Anti-bribery Commitment
HSF、QSA、QPA、RBA、BCP
Declaration of Minerals
Conflict-Free
Commitment of Supplier Social Responsibility

Indirect Suppliers

Supplier Anti-corruption and Anti-bribery Commitment
QSA、HSF、RBA
Commitment of Supplier Social Responsibility

General Suppliers

Supplier Anti-corruption and Anti-bribery Commitment
QSA、RBA
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 two weeks 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 2 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 Group implements supplier tier management in accordance with the Operating Procedures for Supplier Assessment, Counseling, and Development, Supplier Management Procedures, and Supplier Evaluation Procedures, categorizing suppliers into automotive direct material suppliers, direct material suppliers, indirect material suppliers, and general suppliers. The supplier evaluations and management are conducted based on supplier tier classification. The Group 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 supplier shall submit a corrective action timeline within two weeks of receiving the audit non-conformance report and complete all identified corrective actions within two months. If any corrective action cannot be completed as scheduled, a phased corrective action plan shall be provided with an explanation.

PANJIT 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). PANJIT (WUXI) carries out annual supplier audits in accordance with the Supplier Evaluation Procedures, and the evaluation documents include VDA 6.3, QSA, HSF and QPA; PYNMAX conducts supplier audits in accordance with the Supplier Management Procedures, and the evaluation documents include VDA 6.3, QSA and RBA. Each operating site schedules its regular audits based on the characteristics of each supplier, and monthly assessments are also conducted to monitor supplier quality. A total of 104 suppliers were audited in 2025. In addition to the aforementioned evaluation documents, PANJIT and PYNMAX also conducted supplier audits based on RBA requirements, and all suppliers passed the RBA audits. There were no suppliers with actual or potential negative impacts on the environment and society.

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.			
Review Documents	VDA 6.3、HSF、RBA、BCP	QSA、QPA、HSF、RBA、BCP	QSA、QPA、HSF、RBA	QSA、RBA
Audit Frequency	- PANJIT/PANJIT (WUXI): Once a year - PYNMAX: Every two years	- PANJIT/PANJIT (WUXI): Once a year - PYNMAX: Every three years	- PANJIT/PANJIT (WUXI): Every two years - PYNMAX: Every three years	- PANJIT/PANJIT (WUXI): Every three years - PYNMAX: Every three years
On-site (including document) audit	- Domestic raw materials/ chip suppliers with annual purchases ≥ 6 months (for suppliers or domestic distributors whose manufacturing facilities are located overseas, the total annual incoming material quantity shall exceed 500 batches). - Annual incoming quantity of outsourced and purchased finished goods $>8,000K$. - Domestic and overseas suppliers causing packaging yield abnormalities or major customer complaints during the current year.		- Domestic suppliers and annual procurement ≥ 6 months - On-site audits are arranged for domestic raw material agents based on department needs.	Domestic suppliers and annual procurement ≥ 6 months
Document Audit	- Raw materials/ chip suppliers with annual purchases < 6 months (for suppliers or domestic distributors whose manufacturing facilities are located overseas, the total annual incoming material quantity shall be less than 500 batches). - Outsourced and purchased suppliers with an annual purchases < 6 months or whose total incoming quantity in the previous year exceeded 4,000K.		Supplier annual purchases < 6 months	Supplier annual purchases < 6 months
Audit Exemption	- 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 suffer from uncontrollable disasters (earthquakes/fires/floods, etc.), they will be exempt from audits during the recovery period. - For suppliers with no quality issues identified during the current year, the audit level for the following year may be downgraded by one level from the original audit category. - Suppliers listed as exempt from auditing must revert to document-based auditing in the third year of their exemption status. If no quality issues occur during that year, they may be reclassified as exempt from auditing management in the following year.			

Note: Internal collaboration and on-site audits are permitted within the Group.

Existing Supplier ESG Audit Management by 2025

Project	PANJIT	PANJIT (WUXI)	PYNMAX	Completion Rate
Number of Supplier Audits	67	29	8	-
VDA6.3 ^{Note2}	14	15	2	100%
QSA ^{Note2}	53	14	6	100%
QPA ^{Note2}	53	5	6	88%
HSF	67	14	8	86%
BCP	67	0	8	72%
RBA	67	0	8	72%

Note:

- PANJIT (WUXI) supplier audit project does not include BCP and RBA.
- VDA6.3 audit targets 31 automotive direct material suppliers; QSA and QPA audits target 73 direct material suppliers.

Risk Management of Key Materials

To effectively grasp the status of key materials, PANJIT Group 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 direct material suppliers are defined as key raw materials, and evaluations and tracking are conducted regularly for direct material suppliers.

To reduce the risk of supply chain disruption, the Group 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

Conflict-Free Minerals Commitment



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

During the selection of new suppliers, PANJIT Group requires all direct material suppliers to submit the CMRT (Conflict Minerals Reporting Template) and EMRT (Extended Minerals Reporting Template) and sign a declaration committing that no metals sourced from conflict regions are used in their products, ensuring compliance with relevant regulations. Since 2013, the Group 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, the Group traces the smelters of metal materials and requires suppliers 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. In 2025, 100% of direct material suppliers signed the Declaration of Minerals Conflict-Free and submitted both the CMRT and EMRT.

To fulfill its due diligence obligations, the Group refers to the list of qualified certified smelters published on the RMI (Responsible Minerals Initiative) website on a regular 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 2025, an investigation was carried out on 71 suppliers, and none was found to use minerals sourced from conflict-affected areas.

Number of Conflict Mineral Surveys in the Past Three Years

Operational Sites	Item	2023	2024	2025
PANJIT	Number of suppliers	61	59	59
	Number of suppliers surveyed for conflict minerals	61	59	59
	Survey rate	100%	100%	100%
	Pass rate	100%	100%	100%
PANJIT (WUXI)	Number of suppliers	5	5	8
	Number of suppliers surveyed for conflict minerals	5	5	8
	Survey rate	100%	100%	100%
	Pass rate	100%	100%	100%
PYNMAX	Number of suppliers	3	3	4
	Number of suppliers surveyed for conflict minerals	3	3	4
	Survey rate	100%	100%	100%
	Pass rate	100%	100%	100%

Note: The investigation and management of conflict-free minerals (CMRT) and extended minerals (EMRT) are only conducted on suppliers of metal materials in the supply chain. Materials that do not involve metals (such as molding compounds and other plastic products) are not included in the scope of the investigation.

3.4 Customer Relationship Management (CRM)

Customer Communication and Service

PANJIT Group 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 and PANJIT (WUXI) conduct a satisfaction survey on its customers that together accounts for the top 80% of the Company's revenue for the year, and the survey items include

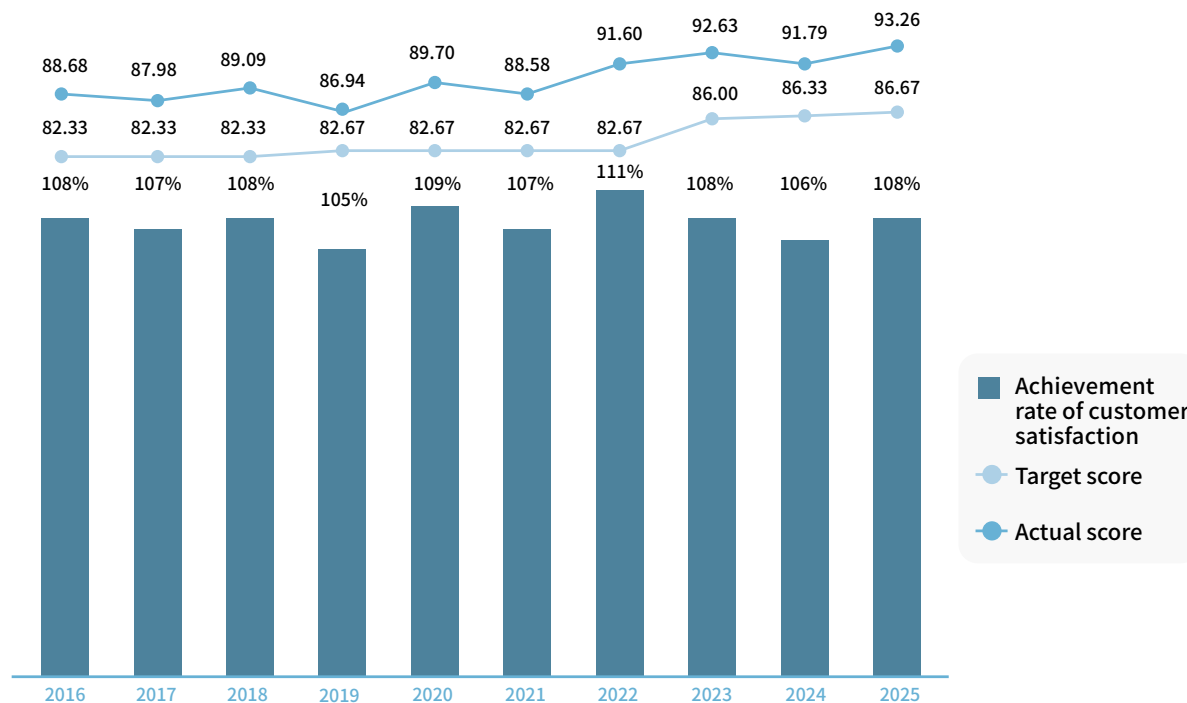
1. Product quality and reliability;
2. Response speed and effectiveness;
3. Brand positioning and image;
4. Customization capabilities;
5. Product delivery; 6. Price;
7. Product manufacturing technology;
8. Product application technology;
9. Customer complaint handling process;
10. Professional capabilities and image of sales personnel;
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.

PYNMAX carries out customer satisfaction surveys twice a year. The survey scope covers all domestic and overseas customers who have had business dealings with the company within the past year. The survey items include product quality, delivery schedule, and service. The survey scope also includes customers' evaluations of the company compared with other suppliers providing similar products, as well as the perspectives of customers' customers or end consumers regarding the company and its competitors.

In 2025, PANJIT Group collected 119 customer satisfaction survey questionnaires. 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.

In addition, most customer ratings of PYNMAX showed significant improvement in the first half of 2025, and the company continued to maintain a high level of customer satisfaction during the second half of 2025, indicating that customer satisfaction with PYNMAX's quality, delivery performance, and service showed a stable and continuously upward trend in 2025.

PANJIT Group's 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 2025, a total of 104 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

4.1 CLIMATE CHANGE ADAPTATION AND ACTIONS	71
4.2 ENERGY AND EMISSIONS	78
4.3 WATER RESOURCES MANAGEMENT	83
4.4 WASTE MANAGEMENT	86
4.5 BIODIVERSITY	87



4.1 Climate Change Adaptation and Actions

	Management Approach of Climate Action		Material Topic: Climate Change Adaptation	
Purpose of Management	Provide decision-useful financial information by referencing international standards; strengthen operational resilience and safeguard against financial risks; seize opportunities arising from the low-carbon transition and enhance market competitiveness; realize the sustainability vision of achieving carbon neutrality by 2040; and protect stakeholders' interests while enhancing corporate value.			
Policy	Please refer to the corporate Sustainable Development Policy - Regulatory Compliance, Energy Conservation and Waste Reduction, Continuous Improvement			
Prevention and Remediation Mechanisms	- 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. - For delivery delays caused by weather conditions, we carry out a comprehensive assessment of potential compensation risks and simultaneously negotiate with customers through contractual mechanisms to establish risk transfer or waiver clauses. - Establish an emergency response team and implement measures of “isolating affected areas” and “prioritizing the restoration of critical systems” and so on to ensure the rapid stabilization of business operations.			
Management Review	- 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.			
Goal	Goals for 2025	Goal Attainment Status for 2025	Short-term Goals (2026~2027)	Medium- and Long-term Goals (2028~2050)
	- Using 2024 as the baseline year, the target for 2025 is to achieve an electricity saving of more than 1% at the PANJIT Gangshan Factory. - PANJIT's annual carbon intensity to be < 5 (metric tons of CO₂e/ NT\$ million). - The Group's process wastewater recovery rate to be ≥15%. - The Group's waste recycling rate to be ≥80%.	✓ That annual power saving rate was 1.8% at the PANJIT Gangshan Factory. ✓ PANJIT's carbon intensity was 3.14 metric tons of CO₂e per NT\$ million ✓ The Group's process wastewater recovery rate was 15.17%. ✗ The Group's waste recycling rate was 74.06%.	- Establish a group-wide greenhouse gas inventory system. - Complete the verification of the Group's greenhouse gas consolidation. - PANJIT's annual carbon intensity to be < 5 (tonCO₂e/ NT\$ million). - The Group's process wastewater recovery rate to be ≥15%. - The Group's waste recycling rate to be ≥ 80%. - PANJIT's annual electricity consumption intensity to be < 35 (GJ/ NT\$ million).	- Achieve carbon neutrality. - PANJIT's annual carbon intensity to be < 5 (tonCO₂e/ NT\$ million). - Assessment of Additional Solar Facilities. - Green Energy Assessment and Acquisition. - PANJIT's annual electricity consumption intensity to be < 35 (GJ/ NT\$ million). - The Group's waste recycling rate to be ≥80%. - The Group's process wastewater recovery rate to be ≥15%. - Add green application market certification to products and increase market share. - Continuously update various technology platforms to increase product performance and market share in green applications.
Actions and Results	- The total of energy savings in 2025 was 911,280kWh/ year, equivalent to an approximate greenhouse gas reduction of 431.95 tCO₂e. - The Group's solar power generation for self-consumption was 2,490,060 kWh. (approximately 8,964.21 GJ) in 2025. - The Group's waste recycling and reuse rate achieved 74.06% in 2025. - The Group's hazardous waste recycling and reuse accounted for 68.11% of all hazardous waste in 2025. - The volume of sludge treated at PANJIT and PYNMAX was 242.72 metric tons in 2025. - In 2025, PANJIT processed 261.185 metric tons of hollow bricks from recycled waste rubber, an increase of 6.20% compared to 2024. - In 2025, the Group recovered 138.44 million liters of water, with a recovery rate of 15.17%.			

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 Group 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", the Group 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 Project 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 2025 climate-related report covers the GHG inventory progress, the risk management operations (including climate change risks), and the impacts and countermeasures of climate-related risks and opportunities. Through the operation of ESG Project Office and the reports and discussions on related climate issues, better response strategies can be formulated to promote the sustainable management of PANJIT.

2025 Highlights of Climate-related Issues Reported to the Board of Directors

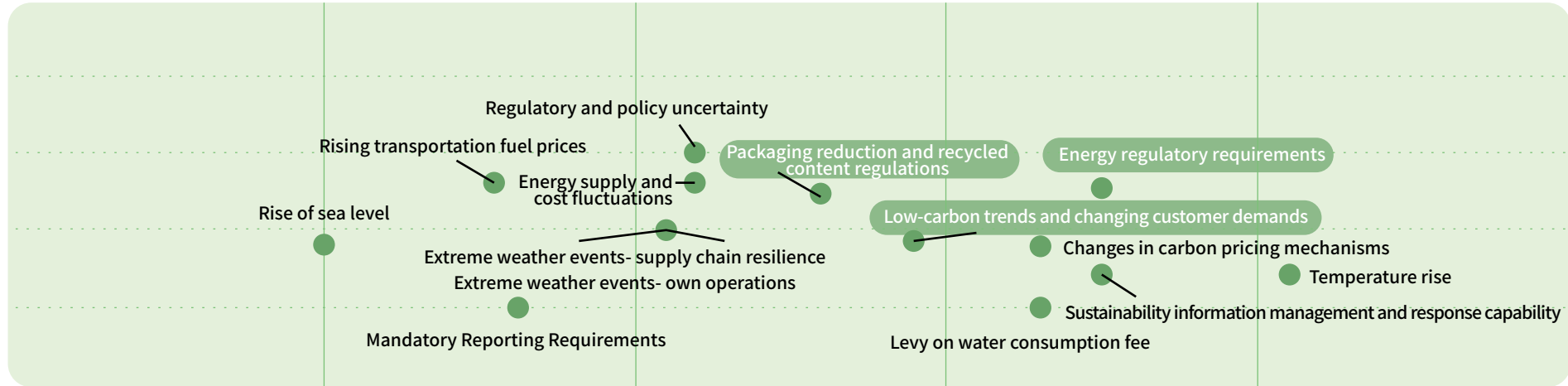
Time of Report	Content of Report
March 7, 2025	- Report on PANJIT's GHG inventory and verification schedule progress - Report on the GHG inventory and verification schedule progress of subsidiaries
May 9, 2025	- Report on PANJIT's GHG inventory and verification schedule progress - Report on the GHG inventory and verification schedule progress of subsidiaries - Report impacts and countermeasures of climate-related risks and opportunities - Report the operation of risk management (including climate change risks)
August 8, 2025	- Report on PANJIT's GHG inventory and verification schedule progress - Report on the GHG inventory and verification schedule progress of subsidiaries
November 7, 2025	- Report on PANJIT's GHG inventory and verification schedule progress - Report on the GHG inventory and verification schedule progress of subsidiaries

Risk Management

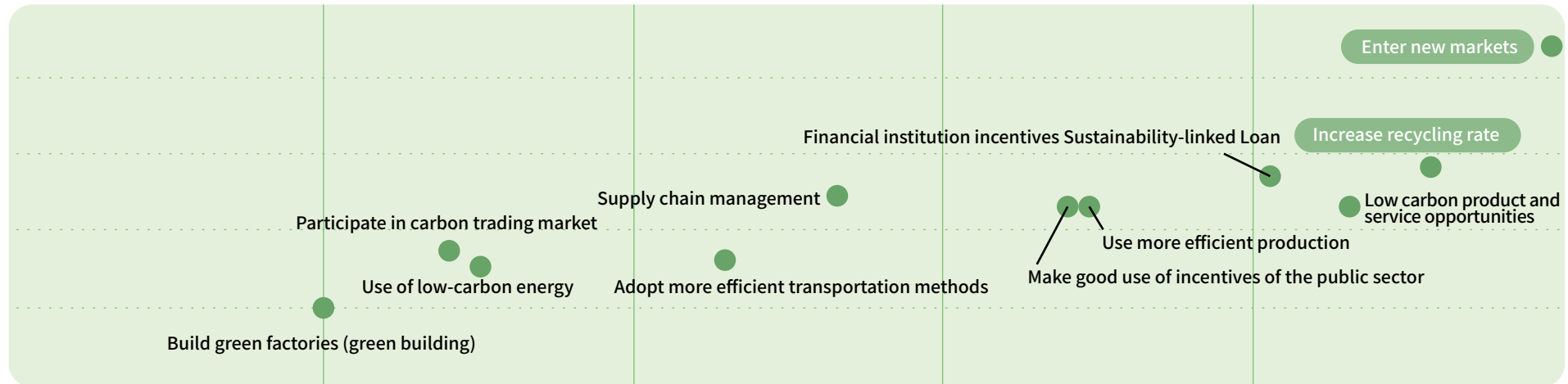
PANJIT Group referred to the sources of climate risks and opportunities as recommended by the TCFD, and reviewed potential risks and opportunities related to various operating sites and value chain. Through meetings and discussions, potential risks, including transition risk (policies and regulations, 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 the group operations 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 (2026- 2027), medium-term (2028-2033), and long-term (2034-2050) for further formulation of response strategies.

This year, the members of the ESG Project Office's various task forces scored each risk and opportunity item at their respective locations. After consolidating and prioritizing the assessment results, the Company worked with its sustainability consultant to further assess medium- and high-risk/opportunity issues as priority issues, and finally identified 3 risks and 2 opportunities. Based on the identification results, the Company developed corresponding risk and opportunity response measures and established management mechanisms to strengthen its ability to address challenges brought about by climate change while maintaining operational resilience.

Climate Change Risk Matrix



Climate Change Opportunity Matrix

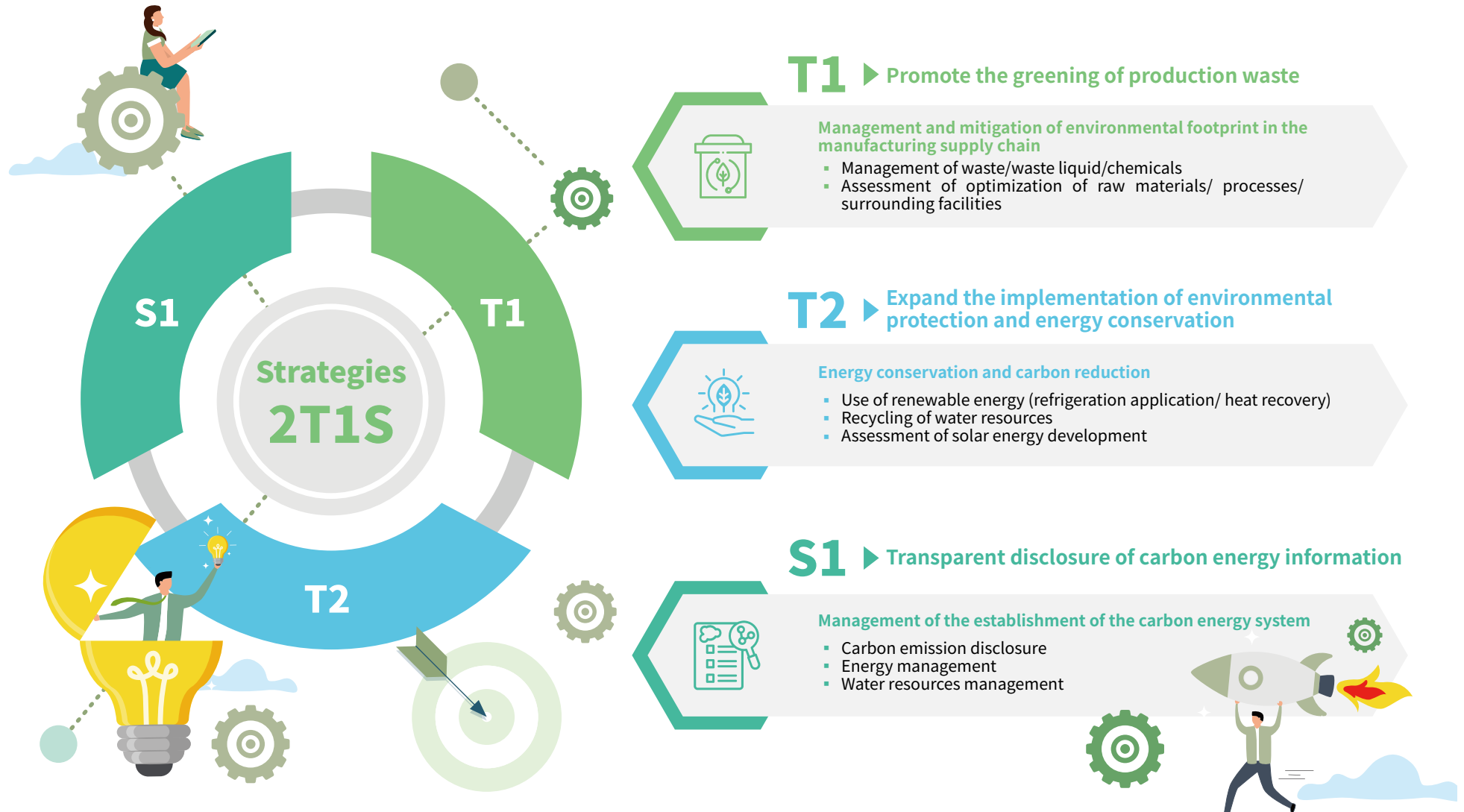


Description of Climate Change Risks, Opportunities, and Impacts

Category	Risk/Opportunity Topics	Possible Timetable	Explanation of the Potential Impact on PANJIT Group	Corresponding Strategies	Financial Impact
Market	Risk Low-carbon trends and changing customer demands	Medium	In response to the growing global emphasis on climate change and the trend of low-carbon transition trends across supply chains, low-carbon technologies and energy-efficient products have shifted from competitive advantages to market entry requirements. Failure to meet customer expectations and market transition demands may result in order losses, reduced market share, and direct impact on business operations.	Enhancement of the R&D and Application of Green Energy Market Products 1 Continue the investment and strategic layout in the power semiconductor field and provide a more complete Power Solution through diversified product lines. 2 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. 3 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. 4 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. 5 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. 6 Develop high-performance IC products to meet the needs of new energy applications (such as e-vehicles and energy storage devices). 7 Increase market penetration by providing customers with complete IC solutions. 8 Develop AI-related application products and actively expand solutions for AI server power systems, high-efficiency heat dissipation, and industrial robot drives to address energy consumption and heat dissipation challenges associated with high-performance computing. 9 Develop ultra-thin, small-size packaging technologies to enhance product performance and applicability. 10 Increase capacity utilization, reduce unit production costs, and improve market competitiveness. 11 Process optimization and the introduction of low-carbon production technologies (such as improving wafer utilization and using renewable energy).	- Failure to promptly comply with customers' low-carbon supply chain regulations may result in order losses, impacting the company's revenue. - By continuously developing high-value added products aligned with emerging energy trends, the Company strengthens its competitive advantages and expands opportunities in green energy markets. Although initial investments in R&D may increase costs, these efforts are expected to enhance revenue growth momentum and strengthen long-term profitability. - Through capital expenditures in equipment automation, green technologies, and low-carbon manufacturing processes, the Company is expected to effectively reduce unit production costs and energy consumption, thereby lowering operating expenses and enhancing overall profitability through product portfolio transformation.
	Opportunity Enter new markets	Short	PANJIT Group has actively developed green energy supply chain products in recent years. By expanding investments in green R&D and implementing automated energy management systems, we can effectively reduce energy consumption per unit of production amid energy price fluctuations, transforming these efforts into long-term cost competitiveness. We have further developed high-efficiency fast recovery diodes (FRDs) for applications in solar power, wind energy, and electric vehicle fast-charging stations. By transforming transition pressure into opportunities to enter high-growth green energy markets, the Group fulfills its energy-saving commitments to end customers and enhances long-term corporate sustainability value.		

Category	Risk/Opportunity Topics	Possible Timetable	Explanation of the Potential Impact on PANJIT Group	Corresponding Strategies	Financial Impact
Policies/ Regulations	Risk Energy regulatory requirements	Medium	Although PANJIT Group's various factories do 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.	Enhancing renewable energy utilization and transition to sustainable energy 1 Installation of solar power generation systems for self-consumption. 2 Assessment and purchase of green energy.	In response to increasingly stringent energy regulations, future capital expenditures for renewable energy facilities may increase, along with potential increases in operating costs associated with the purchase of renewable energy certificates (RECs).
Policies/ Regulations	Risk Packaging reduction and recycled content regulations	Medium	In response to the regulatory trends in various countries regarding packaging reduction and the proportion of recycled materials, such as the EU's Packaging and Packaging Waste Regulation (PPWR), failure to comply with these requirements may result in penalties or even disqualification from market entry. PANJIT Group will continue to understand regulatory requirements and develop internal mechanisms to align with future international trends.	Material substitution and process improvement 1 Evaluation of alternatives to single-use plastic materials. 2 Improved process design to reduce excessive packaging usage. 3 Increase the use of recyclable and reusable packaging materials.	- Exporting to countries levying plastic taxes will incur additional tax costs, leading to increased operating expenses. - Through the gradual implementation of corresponding strategies, the Company expects an increase in R&D and material testing costs in the short term. However, in the long-run, there is an opportunity to effectively reduce operating expenses and optimize gross profit performance by streamlining packaging consumption and avoiding compliance costs (such as plastic tax).
Resource efficiency	Opportunity Increase recycling rate	Short	Each factory 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.	Enhancement of the Efficiency and Rate of Resource Recovery and Reuse 1 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. - 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. 2 Continue to evaluate the feasibility and applicability of recycling/regeneration with downstream recycling manufacturers.	By establishing a resource recycling and reuse mechanism, it is expected to reduce raw material procurement and waste treatment costs. In addition, the recovery and reprocessing of precious metals and waste liquid can generate additional financial benefits through increased non-operating income, achieving both environmental protection and economic benefits.

Actions and Strategies



Indicator Targets

To lower the impact on operations brought by climate change, PANJIT Group 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 and Targets

Indicator	Short-term (2026~2027)	Medium-term (2028~2033)	Long-term (2034~2050)
Greenhouse Gases	- Establish a group-wide greenhouse gas inventory system. - Complete the verification of the Group's greenhouse gas consolidation. - To pass the SBTi near-term target review. - PANJIT's annual carbon intensity to be < 5 (metric tons of CO₂e/ NT\$ million).	- By 2032, carbon emissions will be reduced by 42.84% compared to the 2026 base year (approximately an average annual reduction of >7.14%). - PANJIT's annual carbon intensity to be < 5 (metric tons of CO₂e/ NT\$ million).	- To achieve carbon neutrality. - PANJIT's annual carbon intensity to be < 5 (metric tons of CO₂e/ NT\$ million).
Installation of Renewable Energy	Increase the installation of solar energy facilities at PANJIT factory, with the contractual capacity of about 100 kwp.	Assessment of additional installation of solar energy facilities.	Assessment and purchase of green energy.
Energy Intensity Management	PANJIT's annual electricity consumption intensity to be < 35 (GJ/NT\$ million).	PANJIT's annual electricity consumption intensity to be < 35 (GJ/NT\$ million).	PANJIT's annual electricity consumption intensity to be < 35 (GJ/NT\$ million).
Waste Reduction	The Group's Waste recycling rate to be ≥ 80%.	The Group's Waste recycling rate to be ≥ 80%.	The Group's Waste recycling rate to be ≥ 80%.
Recovery Rate of Process Wastewater	The Group's process wastewater recovery rate to be ≥ 15%.	The Group's process wastewater recovery rate to be ≥ 15%.	The Group's process wastewater recovery rate to be ≥ 15%.
R&D of Green Products	- 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.	Add products into the green market application certification and increase the market share.	Continuously update the technology platforms and increase the product performance and market share in green application market.

4.2 Energy and Emissions

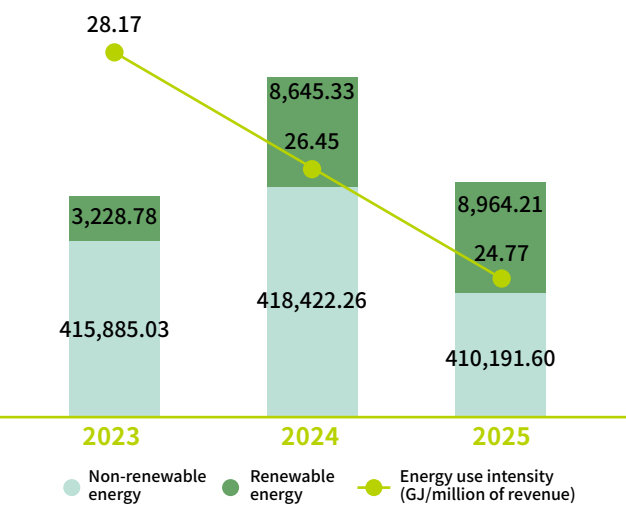
Use of Energy

The energy consumption at PANJIT Group includes purchased electricity, gasoline, diesel, and liquefied petroleum gas (LPG), among which, purchased electricity is the major energy used, accounting for 97.51% 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 in 2025 was 419,155.81 GJ.

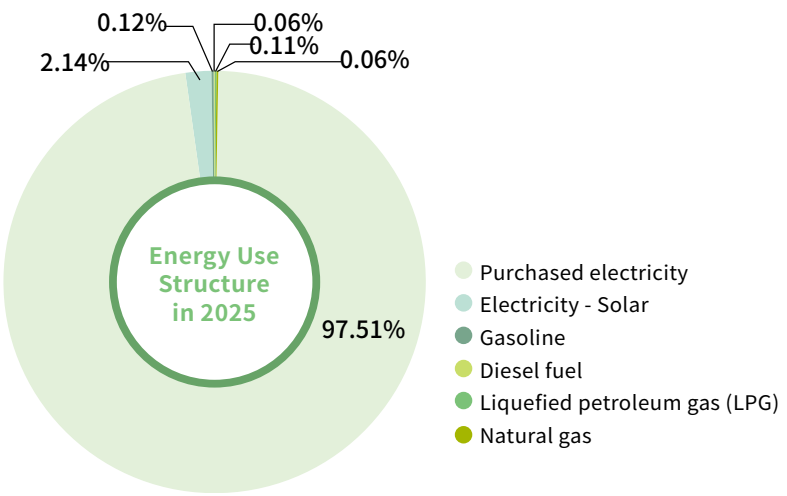
To effectively manage energy use and improve energy performance, PANJIT implemented the ISO 50001 Energy Management System in October, 2022 and has continued to maintain third-party validation, demonstrating the stability and effectiveness of its energy management system. To further enhance internal employees' energy management awareness, an internal auditing course on the ISO 50001 energy management system was arranged in 2025, with a total of 37 participants. Although the ISO 50001 energy management system has not been implemented in PANJIT (WUXI) and PYNMAX yet, the Group's energy management policy is still followed and process optimization and energy conservation as well as carbon reduction management are still implemented through internal management mechanisms. In compliance with regulatory requirements, the Group has completed the installation of electricity meters and flow meters for major-consuming equipment and established a real-time monitoring system to enhance energy efficiency and improve the accuracy of energy management.

In addition, the Group installed solar panels in the plant. In 2025, the solar installation capacity reached 1,183.89kW in 2025, generating a total of 2,631,527.8 kWh of electricity, the 2,490,060 kWh (about 8,964.21 GJ) capacity is for self-consumption and 141,468 kWh of capacity was sold in bulk to Taiwan Power Company. In the future, the Company will continue to raise the proportion of renewable energy use to achieve effective reduction of carbon emissions.

Energy Consumption in the Past Three Years



Energy Use Structure in 2025



Energy Use in the Past Three Years

Unit: GJ

Operational Sites		Energy Type	2023	2024	2025
PANJIT	Non-renewable energy	Gasoline	56.43	40.65	44.14
		Diesel fuel	35.80	94.52	146.59
		Liquefied petroleum gas (LPG)	355.56	459.01	424.20
		Purchased electricity	167,478.13	172,539.37	225,814.13
	Renewable energy	Electricity - Solar	-	94.58	101.65
PANJIT (WUXI)	Non-renewable energy	Gasoline	455.41	398.29	440.34
		Diesel fuel	86.29	57.53	44.76
		Purchased electricity	110,536.05	108,096.84	99,985.73
	Renewable energy	Electricity - Solar	3,228.78	8,550.75	8,862.56
PYNMAX	Non-renewable energy	Gasoline	18.71	20.45	22.13
		Diesel fuel	34.12	31.04	48.80
		Liquefied petroleum gas (LPG)	32.03	32.19	15.96
		Natural gas	331.51	311.73	268.60
		Purchased electricity	136,464.99	136,340.64	82,936.22
	Renewable energy	Electricity - Solar	0	0	0
Total energy usage			419,113.81	427,067.59	419,155.81
Energy use intensity (GJ/million of revenue)			28.17	26.45	24.79
The total combined revenue of the three factories (NT\$ million)			14,880.66	16,146.22	16,909.30



Note:

- PANJIT's energy disclosure and monitoring data for 2023, and 2024 are primarily derived from the Gangshan Factory, and from 2025 onwards, it covers PANJIT's operational sites in Taiwan.
- PYNMAX's purchased electricity data for 2023 and 2024 included PANJIT Yongan Factory. Starting in 2025, based on the principles of greenhouse gas inventory, the purchased electricity data is allocated on a proportional basis.
- 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. In the data for PYNMAX in 2023 and 2024, except for purchased electricity, all data were estimated based on the total annual payment amount, and the average unit price information was sourced from the official website of CPC Corporation, Taiwan.
- In the 2023 energy conversion coefficients: Electricity=3,600 kJ/kWh; diesel(Taiwan)=8,400 kcal/L; diesel(China)= 10,200 kcal/kg; gasoline(Taiwan)=7,800 kcal/L; gasoline(China)=10,300 kcal/kg(density =0.7475kg/L); liquefied petroleum gas(Taiwan)=6,635kcal/L (density=0.55L/kg); liquefied petroleum gas(China)= 10,200 kcal/kg ; 1cal=4.184J
- In the 2024 energy conversion coefficients, the Taiwan plant made calculation based on the lower heating value of gasoline for vehicles in 2024 at 7,609 kcal/L, and the lower heating value of diesel for vehicles at 8,642 kcal/L, as announced by the Ministry of Environment on February 13, 2025. Other unchanged conversion values remained the same as in 2023.
- In the 2025 energy conversion coefficients, the Taiwan plant made calculation based on the lower heating values of gasoline for vehicles in 2025 at 7,586 kcal/L, diesel for vehicles at 8,636 kcal/L, liquefied petroleum gas at 5,993 kcal/L, and NG1 natural gas at 8,067 kcal/m³, as announced by the Ministry of Environment on February 10, 2026. Other unchanged conversion values remained the same as in 2023.
- In PANJIT's self-generated and self-consumption power generated data, the 2024 figure is an estimated value (estimated based on the formula: Installed capacity x effective sunshine hours (hours/day) x 365 days x system efficiency); the 2025 figures are based on actual electricity meter readings; the data for PANJIT WUXI's self-generated and self-consumption power generation data are all based on actual electricity meter readings.

Conservation Measures and Performance

In accordance with the Ministry of Economic Affairs' Regulations on Setting Energy Conservation Objectives and Execution Plans for Energy Users, PANJIT Group's Taiwan factories have implemented energy conservation plans, setting an average annual electricity saving rate of over 1% as the target. In 2025, two energy-saving projects were completed, including the replacement of four old air compressors and replacement of LED lights in the factories, resulting in a total annual electricity saving of approximately 911,280 kWh/year (approximately 3,280.60 GJ), equivalent to a reduction of approximately 431.95 tCO₂e in greenhouse gases. In recent years, PANJIT (WUXI) has also actively implemented energy conservation and carbon reduction projects, including solar power generation and optimization of old air compressors.

Note:

1. The electricity conservation data was calculated in accordance with the equipment specifications and usage scenarios based on (The difference in equipment electricity meter readings before and after the improvement) x annual operating hours x number of units.
2. The calculation of GHG reduction was conducted by using the 2024 electricity carbon emission factor of 0.474 kg CO₂e/kWh announced in 2025 for conversion.
3. Energy conversion factor: Electricity = 3,600 kJ/kWh.

GHG Management

PANJIT carried out an internal GHG emissions inventory in accordance with the ISO 14064-1:2018 standards in 2024, and expanded the inventory scope to include PANJIT's Gangshan Factory, Yongan Factory, Hsinchu R&D Center, and Taipei Operations Center. To align with international trends and IFRS S2 sustainability disclosure guidelines, the Group actively transitioned the GHG inventory methodology from ISO 14064-1 to the GHG Protocol, and completed third-party external verification in March, 2026. PANJIT Group originally planned to launch a comprehensive group-wide inventory project in 2025, covering key subsidiaries such as PANJIT (WUXI) and PYNMAX. However, to better align with the SBTi (Science Based Targets initiative) international standard and to further integrate the carbon reduction management systems among the parent and subsidiary companies, it is decided to adjust the project timeline after assessment, postponing the completion of the Group's third-party external verification target to 2027. This adjustment will ensure the accuracy and comprehensiveness of the Group's carbon management framework while aligning it with international standards.

GHG Emissions in the Past Three Years

Unit: tCO₂e

Operational Sites	Scope	2023	2024	2025
PANJIT	Scope 1	385.3014	509.9962	462.8929
	Scope 2	22,981.7208	23,849.1009	29,732.1940
	Scope 3	16,074.4528	21,613.4529	44,620.7391
PANJIT (WUXI)	Scope 1	39.4595	33.1578	39.5297
	Scope 2	17,380.7379	16,514.8077	15,275.5983
	Scope 3	-	-	-
PYNMAX	Scope 1	24.5742	23.2839	680.2599
	Scope 2	18,726.0293	17,951.5176	10,919.9362
	Scope 3	-	-	7,353.2552
Total emissions (Scope 1+Scope 2)		59,537.8231	58,881.8641	57,110.4110
Scope 1 + Scope 2 greenhouse gas emission intensity (tCO ₂ e /millions of revenue)		3.9990	3.6451	3.3775
The total combined revenue of the three factories (NT\$ million)		14,888.02	16,153.49	16,909.30

Note:

1. PANJIT Group continues to expand its GHG inventory coverage. The inventory focused on the Gangshan Factory before 2023; from 2024 to 2025, the various operating locations in Taiwan were further integrated, and Yongan Factory, Hsinchu R&D Center, and Taipei Operations Center were included. Since 2025, the subsidiary PYNMAX has been included in the inventory system to implement the Group's carbon management targets.
2. PANJIT's GHG inventory for 2023 and 2024 was carried out in accordance with the ISO 14064-1:2018 standard; starting from 2025, to further align with international initiatives, the Company has comprehensively adopted the GHG Protocol Standards. Currently, the annual data of PANJIT and its subsidiary, PYNMAX, have comprehensively passed the third-party external verification to ensure the accuracy and transparency of the data.
3. PANJIT WUXI's emissions data were obtained through internal inventory and calculation, and were not verified by a third-party external body.
4. Operational control was adopted, and the Global Warming Potentials (GWPs) was from IPCC's Sixth Assessment Report (AR6).
5. Types of greenhouse gas emissions: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃).
6. Taiwan region's emission coefficient was based on the GHG emission coefficient announced on February 5, 2024 by the Ministry of Environment, Executive Yuan.
7. The emission factors for the China region were based on the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.
8. Taiwan region's purchased electricity was from the electricity emission factor announced by the MOEA's Bureau of Energy. In 2025, the 2024 electricity emission factor=0.474kgCO₂e was used; In 2024, the 2023 electricity emission factor=0.494kgCO₂e was used; In 2023, the 2022 electricity emission factor= 0.495kgCO₂e was used. The electricity purchased by Chinese factories was calculated using the regional average carbon dioxide emission factor (East China) of 0.5500 kg CO₂e from the " Announcement on the Release of the 2023 Electricity Carbon Dioxide Emission Factors" (Announcement No. 47 of the Ministry of Ecology and Environment in 2025).
9. Scope 1 mainly includes liquefied petroleum gas, diesel, gasoline, and refrigerant; Scope 2 is purchased electricity; Scope 3 mainly includes upstream transportation of raw materials, downstream transportation of finished products, business travel, employee commuting, waste transportation and disposal, purchase of energy products, and purchased goods.

2025 GHG Protocol Scope 3 Inventory

Unit: tCO₂e

Category Items	Category Description	PANJIT	PYNMAX
Category 1 Purchased goods and services	Carbon emissions from raw materials procured from Taiwan sites	15,012.3623	4,467.8162
Category 2 Capital goods	Carbon emissions from capital assets procured at Taiwan sites	6,117.7270	36.6970
Category 3 Fuel- and energy-related activities	Upstream energy emissions from Taiwan sites (gasoline, diesel, hydro-power, electricity, liquefied petroleum gas)	7,066.6638	2,621.0705
Category 4 Upstream transportation and distribution	Carbon emissions generated from upstream transportation activities at Taiwan sites	142.4625	88.5253
Category 5 Waste generated in operations	Carbon emissions from waste treatment during the operation of the Taiwan sites	53.1169	27.9576
Category 6 Business travel	Carbon emissions from employee business trips throughout the year at Taiwan sites	256.6111	1.1851
Category 7 Employee commuting	Annual commuting mileage of all employees at Taiwan sites	714.3981	106.8597
Category 8 Upstream leased assets	Carbon emissions from leasing at Taiwan sites	13.8798	0.2224
Category 9 Downstream transportation and distribution	Carbon emissions from downstream transportation of Taiwan sites	2,133.3675	2.5730
Category 13 Downstream leased assets	Carbon emissions from leasing of Taiwan sites	10,927.2807	0.0000
Category 15 Investments	Carbon emissions from investments in Taiwan sites	2,182.8694	0.3484
Total		44,620.7391	7,353.2552

PANJIT is committed to deepening its carbon management system and accurately identifying carbon reduction hotspots, and has developed a forward-looking group carbon reduction path. 2025 was set as the baseline year for the inventory, and the Company officially nominated itself to participate in SBTi (Science Based Targets initiative) in February of the same year. It is planned to submit a scientifically backed carbon reduction plan in 2027, and steadily move towards carbon neutrality by 2040 through clear phased reduction targets.

In addition, we are also promoting Nature-based Solutions (NbS), such as coastal wetland reforestation. By continuously expanding these initiatives and strengthening collaboration with value chain partners, we actively drive environmental sustainability and fulfill our long-term commitment to net-zero emissions.

Air Pollution Management

PANJIT (WUXI) and PYNMAX generate volatile organic compound (VOC) emissions during the process cleaning procedures, which are managed in accordance with relevant local regulations. The exhaust gas is collected and treated by an air pollution system before being discharged into the atmosphere. The emission equipment at PANJIT (WUXI) is equipped with an online monitoring system, which uploads data to the Department of Ecology and Environment of Jiangsu Province in real time, allowing the monitoring of air pollutant emissions at any time. PYNMAX, on the other hand, ensures compliance with emission limits through regular monitoring every year. PANJIT, however, has not installed any stationary air pollution emission facilities subject to applicable regulatory requirements, so no relevant air pollutant emission monitoring data or emission statistics are available.

Furthermore, PANJIT (WUXI) carried out the optimization of its cleaning process in 2025, replacing the n-Propyl bromide cleaning solvent with an eco-friendlier modified alcohol solvent cleaner. In addition to generating recyclable waste liquid and significantly reducing the amount of cleaning agents used, it can also reduce the emission of VOCs, with an estimated reduction of approximately 1 ton per year.

VOCs Emission Monitoring in the Past Three Years

Operational Sites		PANJIT (WUXI)	PYNMAX
2023	Emissions	2,643.12kg	1,555.2kg
	Emission Standards	50mg/m ³	0.6 kg/hr
	Annual Average Monitoring Value	14mg/m ³	-
2024	Emissions	1,507.12kg	259.2kg
	Emission Standards	50mg/m ³	14ppm ^{Note1}
	Annual Average Monitoring Value	8.74mg/m ³	-
2025	Emissions	1,182.06kg	2,160kg
	Emission Standards	50mg/m ³	14ppm ^{Note1}
	Annual Average Monitoring Value	1.15mg/m ³	-

Note:

- Following the expiration of the regulatory compliance grace period on November 4, 2023, the applicable emission standard was revised from a total emission limit of 0.6 kg/hr to an emission concentration limit of 14 ppm for individual emission outlets of existing processes.
- PYNMAX's emissions of VOCs are based on the data from the annual testing report, estimated by using the hourly emission rate x 24 hours x 360 days.

Special Column

Initiate Sustainable Action with Creativity- Energy Conservation and Carbon Reduction Creative Short Video Contest

To deepen our employees' understanding of environmental sustainability and put ESG principles into everyday life, PANJIT launched the 2025 Energy Conservation and Carbon Reduction Creative Short Video Contest, encouraging employees to share their practical actions and ideas on energy conservation and carbon reduction from their daily lives and workplace, turning sustainability from a slogan into everyday actions that are visible and practiced.

This event attracted enthusiastic participation from numerous employees, and the submission covered various aspects, including energy conservation in daily life, resource reduction, electricity management, and behavioral change, which showcased the employees' commitment to environmental issues and their creativity. A total of 264 employees cast their votes to select the works that sparked the strongest connection and inspired action. The competitive process also showed strong organizational cohesion and a shared sustainability vision.

The four winning videos showcased practical approaches to energy conservation and carbon reduction from everyday perspectives, transforming sustainability into actions that everyone can take. They not only enhanced the employees' environmental awareness but also inspired the mindset of "I can start to make a difference, too." This reflects the essence of the Environmental and Social aspects of ESG: to promote behavioral change through internal participation, thereby creating long-term and positive environmental impact.

This event also reaffirmed that environmental sustainability is not a distant goal, but something that begins with every choice we make in our daily life. Simple actions such as turning off lights, reducing unnecessary energy consumption, and forming habits for energy conservation may seem small, yet through collective participation, they can create significant positive impact. Through video sharing and mutual learning among our employees, the concept of sustainability naturally spreads throughout the organization, creating a positive cycle that encourages ongoing action.



The announcement of the winners is not the end of the event, but a new start for sustainable action. PANJIT will continue to encourage its employees to integrate ESG concept into their work and life via diverse means, making energy conservation and carbon reduction a part of daily life, and gradually shape a corporate culture that values environmental responsibility.

Through everyone's participation, sustainability is not just a corporate promise, but a collective commitment put into practice by all employees. In the future, PANJIT will continue to join hands with its partners to create long-term and resilient sustainability value for the planet through continuous improvements and everyday actions.

4.3 Water Resources Management

Overview of Water Resources at PANJIT Group

Project	PANJIT	PANJIT (WUXI)	PYNMAX
Water Source	Gangshan Factory : Agongdian Reservoir Yongan Factory : Nanhua Reservoir Hsinchu R&D Center : Baoshan Reservoir Taipei Operations Center: Feitsui Reservoir	Wuxi Taihu	Nanhua Reservoir
Wastewater Treatment	Gangshan Factory : Treated on-site Yongan Factory : Treated by the park Hsinchu/Taipei: Handled by the building committee	Treated by the treatment plant	Treated by the park
Wastewater Receiving Water Body	Gangshan Factory : Agongdian River Hsinchu/Taipei: Handled by the building committee	Bodu River	Agongdian River
Water Stress Risk	Low - Medium (1-2)	High (3-4)	Low - Medium (1-2)

The main water use at PANJIT Group 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, PANJIT and PYNMAX are located in low-risk area while PANJIT (WUXI) is located in a high-risk area. In response to potential water supply risks in the area, the Group continues to monitor water intensity and water resource management in the plant area, set up management strategies and objectives, and pay attention to water resource risks for the establishment of countermeasures in a timely manner.

In 2025, the tap water supply was shortly interrupted due to the construction of the Kaohsiung MRT. To maintain the normal operation of the production line, PANJIT factory immediately dispatched water trucks to support water supply for 48 hours without causing a major impact on operations. Through this effort, the Company further enhanced its contingency response processes and internal coordination mechanisms under water restriction and water outage scenarios to ensure a stable water supply for operations.

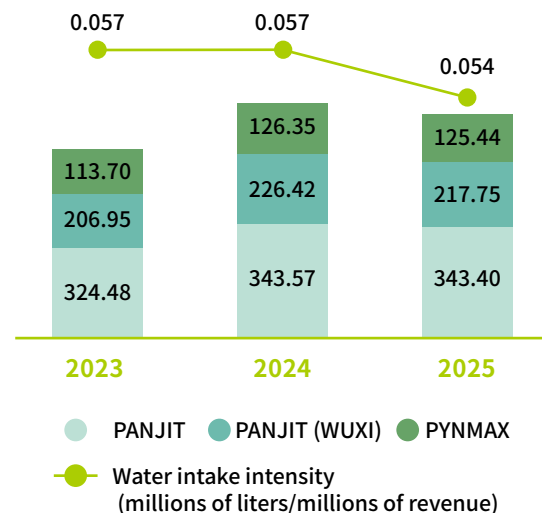
Water Use in the Past Three Years

Operational Sites	Project	2023	2024	2025
PANJIT	Water intake (million liters)	489.51	526.08	520.84
	Water discharge (million liters)	353.00	398.13	400.59
	Water consumption (million liters)	136.52	127.94	120.25
	In-plant recycling water (million liters)	43.22	65.96	56.70
PANJIT (WUXI)	Water intake (million liters)	113.70	126.35	125.44
	Water discharge (million liters)	45.48	50.54	50.18
	Water consumption (million liters)	68.22	75.81	75.27
	In-plant recycling water (million liters)	11.38	25.66	16.59
PYNMAX	Water intake (million liters)	247.54	273.76	266.16
	Water discharge (million liters)	159.18	176.14	170.63
	Water consumption (million liters)	88.37	97.63	95.53
	In-plant recycling water (million liters)	63.05	69.02	65.15
Total water intake (million liters)		850.75	926.19	912.44
Total water discharge (million liters)		557.66	624.81	621.40
Total water consumption (million liters)		293.11	301.38	291.05
Total in-plant recycling water (million liters)		117.65	160.63	138.44
Water recovery rate (%)		13.83%	17.34%	15.17%
Water withdrawal Intensity (million liters/million revenue)		0.057	0.057	0.054
The total combined revenue of the three factories (NT\$ million)		14,880.66	16,146.22	16,909.30

Note:

1. Water consumption= Water intake – discharge volume
2. Water recovery rate: In-plant recycling water / water intake x 100%
3. The statistics on water resources of PANJIT mainly focus on Gangshan Factory and Yong'an Factory, and do not include Hsinchu R&D Center and Taipei Operations Center.

Water Use in the Past Three Years



Wastewater at PANJIT Group 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 reduces 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. Treated wastewater at each site is discharged in compliance with applicable regulations, and water quality is regularly tested by commissioned service providers, and the results also show the treatment is compliant with legal requirements and there is no major impact on local water bodies.

Since 2022, PANJIT Gangshan Factory has successively implemented an electroplating rinse water recovery system, a cutting process wastewater recovery system, and a Reverse Osmosis Reject (ROR) water recovery system. By implementing source segregation, wastewater is classified into process wastewater, cutting process wastewater, electroplating rinse water, and domestic sewage, which are separately collected and routed to dedicated recovery and treatment facilities to enhance the efficiency of wastewater recovery and reuse. In 2025, the amount of water recovered reached 56,695 metric tons, with a water recovery rate of 10.89%.

PANJIT (WUXI) implemented the cutting process wastewater recovery system in 2018 to recover and reuse wastewater generated from production line cleaning. The reclaimed water achieves a quality equivalent to tap water and is reused in the production process. In 2025, the amount of water recovered reached 16,588 metric tons, with a water recovery rate of 13.22%. PYNMAX completed the establishment of the Reverse Osmosis Reject (ROR) water recovery system in 2022, which is used in the process of exhaust gas scrubber. The amount of water recovered reached 65,153 metric tons, with a water recovery rate of 30.48%, way higher than the process wastewater recovery rate target ($\geq 15\%$).

Overall, the water recovery rate has remained stable within the target range, showing the substantial benefits of the various recovery systems. The Company will continue to improve water use efficiency and operational resilience through process improvements and system optimization.

2025 Wastewater Monitoring Statistics

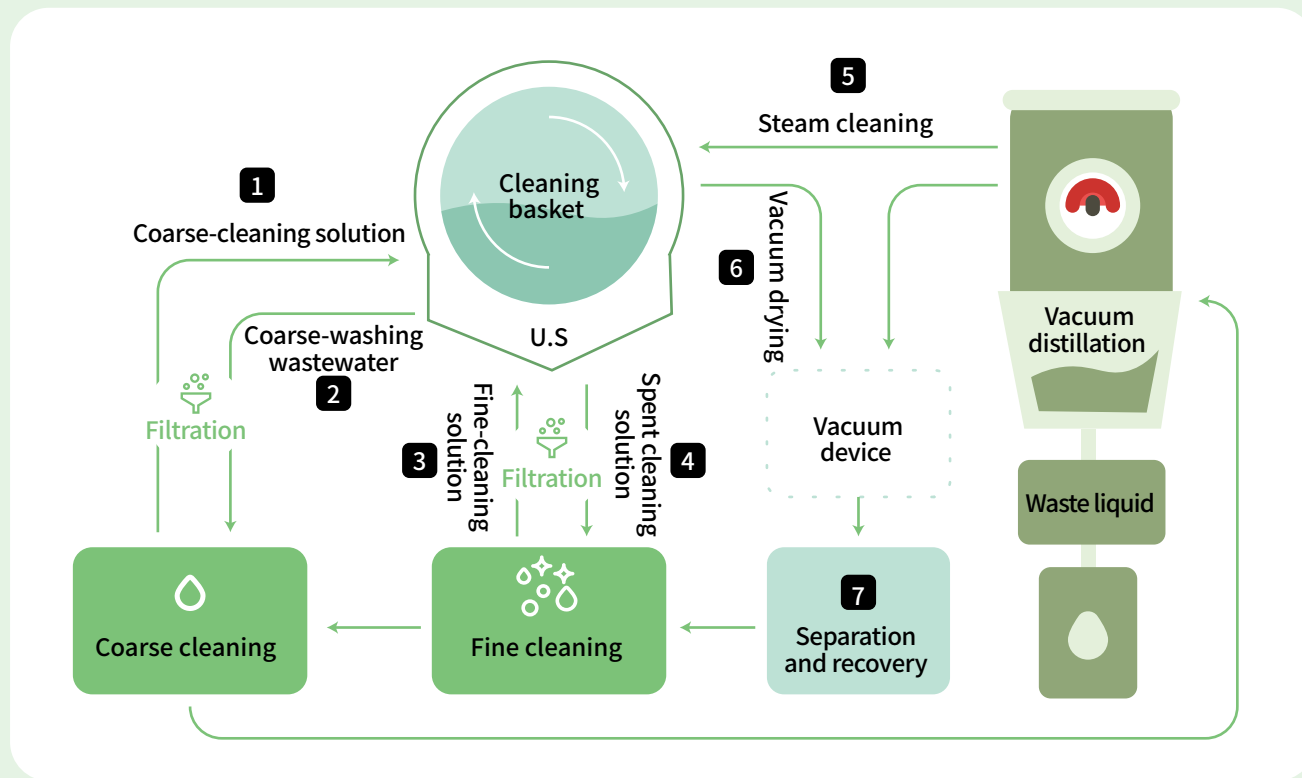
Unit: mg/L

Operational Sites	Monitoring Items	BOD	COD	SS	Ammonia Nitrogen	Total Chromium	Nickel	Copper	Arsenic	Zinc	Nitrate nitrogen	Total Phosphorus	pH	Total Nitrogen
PANJIT	Standards for inclusion in the management system	-	100	30	20	1.5	0.7	1.5	0.35	3.5	50	-	7.2	-
	Monitoring results	0	59.7	22.5	3.34	0.008	0.441	0.750	ND	0.030	4.48	-	6-9	-
PANJIT (WUXI)	Standards for inclusion in the management system	300	300	250	20	-	-	-	-	-	-	3	6-9	35
	Monitoring results	8.3	25.4	7.3	10.5	-	-	-	-	-	-	1.36	7.6	10.57
PYNMAX	Standards for inclusion in the management system	-	600	400	30	1.5	0.7	1.5	0.35	3.5	50	-	-	-
	Monitoring results	-	183	26.1	9.55	0.009	0.019	0.01	<0.001	<0.025	5.92	-	-	-

Cleaning Process Optimization for Reduced Environmental Impact

In the semiconductor packaging process, cleaning agents are used to clean semi-finished products after soldering to remove flux residues from the solder paste, ensuring the quality of the molding process. PANJIT (WUXI) previously used n-propyl bromide (nPB) as the cleaning agent due to its strong cleaning capability. However, as a volatile organic compound (VOC), its use results in the emission of air pollutants and generates approximately 380 kilograms of waste liquid per month, requiring additional disposal costs and resulting in greater environmental impact.

PANJIT (WUXI) carried out optimization of its cleaning process in 2025 and completed the replacement of its cleaning machines and replaced n-Propyl Bromide Cleaner with an eco-friendlier modified alcohol solvent cleaner, which is halogen-free, has an ozone depletion potential (ODP) of 0, a low global warming potential (GWP), and better biodegradability. Overall, it reduces cleaning agent usage by approximately 70% compared to the previous method, and is estimated to reduce VOC emissions by 1 ton per year. The use of modified alcohol solvent cleaner not only significantly reduces cleaning agent consumption and air pollutant emissions, but also allows the generated waste liquid to be treated and recovered for reuse. From both environmental protection and employee health perspectives, this approach is better aligned with the trends of green manufacturing and sustainable development.



4.4 Waste Management

Waste Treatment and Disposal

Waste in PANJIT Group is mainly divided into general industrial waste and hazardous industrial waste. Each factory collaborates with qualified and licensed waste collection and treatment contractors for waste transportation and disposal. Contracts are established, and regulatory waste tracking manifests are submitted through the competent authority's system. GPS tracking is used to monitor transportation routes, while designated personnel conduct regular or random audits, including on-site inspections of contractors' disposal operations, to ensure compliant waste management. Waste generated in PANJIT's Hsinchu R&D Center and Taipei Operations Center is primarily domestic waste, which is uniformly entrusted to the office building.

The Group strives to manage waste generated at all factory areas through recycling and reuse in order to minimize environmental impacts. All waste is managed in full compliance with applicable regulations. No hazardous waste listed under the Basel Convention was imported or exported. There were no incidents of improper waste disposal or overseas shipment of waste for treatment in 2025.

The total amount of waste generated by PANJIT Group in 2025 amounted to 1,433.01 metric tons, of which general industrial waste totaled 1,206.88 metric tons (84.22%) and hazardous industrial waste amounted to 226.13 metric tons (15.78%). To improve resource utilization efficiency and lower environmental impact, the total amount of waste recycled and reused by the Group in 2025 was 1,061.32 metric tons in total, accounting for approximately 74.06% of the total waste, of which, the total amount of hazardous industrial waste reached 154.01 metric tons, accounting for about 68.11% of the total hazardous industrial waste.

Statistics of Waste Consumption in 2025

Unit: metric tons

Waste	Name of Waste	Disposal Operations	PANJIT	PANJIT (WUXI)	PYNMAX
General Industrial Waste	Recycling and Reuse		723.086	0	184.22
	Waste plastics mixtures	Recycle into hollow bricks	261.185	-	-
	Resource recycling (paper/plastics/iron aluminum)	Resource recycling	180.657	-	-
	Scrap iron	Resource recycling- Remanufacturing of stainless steel	174.354	-	-
	Scrap wood	Reuse- Fuel	20.31	-	-
	Inorganic sludge	Remade into concrete aggregate after physical treatment	86.58	-	156.14
	NMP waste liquid	Recycling - Regenerated NMP	-	-	26.84
	Chip scrap	Recycling operations - Silicon and valuable metals recycling	-	-	0.45
	Waste glass and waste ceramics	Recycling - Graded or concrete aggregates	-	-	0.79
	Final Disposal		118.17	179.81	1.59
	General waste generated from business activities	Incineration (heat recovery for power generation)	118.17	179.81	1.59
	Subtotal		841.256	179.81	185.81
	Hazardous Industrial Waste	Recycling and Reuse		43.91	0
The pH value of the waste liquids is less than (or equal to) 2.0		Reuse as industrial raw materials	6.41	-	-
Waste liquid (solvent)		Remade into industrial raw materials	7.402	-	-
Waste electronic components, scrap and defective products		Remade into other metals	30.098	-	-
Waste sulfuric acid		Other recycling operations - Production of copper sulfate crystals	-	-	100.05
Waste plastic buckets		Recycling - Purification, Crushing and Recycling	-	-	9.77
Waste glass bottles		Recycling - Purification, Crushing and Recycling	-	-	0.28
Final Disposal		31.36	8.63	32.13	
Waste liquid		Incineration (excluding energy recovery)	0	8.32	32.13
Other corrosive industrial waste mixtures		Incineration (excluding energy recovery)	31.36	-	-
Sludge		Bury	-	0.31	-
Subtotal		75.27	8.63	142.23	
Total		916.53	188.44	328.04	

Note:

1. The waste statistics of PANJIT mainly focus on Gangshan Factory and Yong'an Factory, and do not include Hsinchu R&D Center and Taipei Operations Center.
2. The above information is statistical data to the competent authority.

Waste Reduction

PANJIT actively carries out waste reduction management, and strengthens employees' awareness of waste recycling through non-scheduled awareness programs. All factories also collaborate with recycling companies to convert waste liquids into industrial raw materials, continuously improving waste recovery and circular resource utilization. Waste reduction measures and achievements 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 2025, 2024 and 2023 was 0.771 tons, 1.472 metric tons and 1.322 metric tons respectively.

Waste-liquids Recycling

The process-generated waste acid containing heavy metals and spent NMP are reprocessed into industrial raw material, enabling the recycled raw material to be reused. The reprocessed amount in 2025, 2024 and 2023 was 134.296 tons, 113.868 metric tons and 100.688 metric 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 reducing the environmental impacts. The reprocessing amount in 2025, 2024 and 2023 was 261.19 metric tons, 245.94 metric tons and 127.85 metric tons.

Note: PYNMAX's recyclable waste plastics are recycled and processed by qualified recycling plants, and the resulting recycled plastics have no specific use.

Reduction of Sludge

PANJIT introduced a sludge dryer in 2019, while PYNMAX introduced a Sludge plate and frame filter press in 2000. 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 2025, 2024 and 2023 was 242.72 metric tons, 272.76 metric tons and 252.64 metric tons respectively.

4.5 Biodiversity

PANJIT Group is committed to proactively managing impacts on marine and terrestrial biodiversity throughout the entire lifecycle of its operations by applying the mitigation hierarchy of avoidance, minimization, restoration, and offsetting. We will work with our supply chain partners to jointly maintain the integrity of the ecosystem and ensure a balanced approach to business development and the sustainable use of natural resources. To identify potential biodiversity risks and formulate corresponding measures, the Group has referenced the Taskforce on Nature-related Financial Disclosures (TNFD) framework and conducted the identification of priority locations and assessments of risks and opportunities at the major production sites of PANJIT, PANJIT (WUXI), and PYNMAX using the LEAP approach in 2025.



1 Locate: Identify the interface with nature

PANJIT Group shall conduct a geographical analysis of its main production sites in Gangshan and Yong'an in Taiwan and Wuxi in China to confirm whether the operations are adjacent to legally protected areas or areas with high biodiversity value. Based on the preliminary assessment, PANJIT's existing and new operating sites do not have significant impacts on the surrounding ecosystems. We will continue to monitor the interfaces with nature to proactively identify and manage potential impacts. In particular, PANJIT's long-term tree planting project in the Qieding Wetland Park has been identified as key interfaces connecting the Company with local ecosystems.

2 Evaluate: Evaluate dependencies and impacts

PANJIT shall systematically assess the dependence of its production processes on natural resources (such as water resources) and their potential impact on the ecosystem (such as waste management and air pollutant emissions). It should be clearly stated in the policy that although the Company mitigates negative impacts through management systems such as ISO 14001, it should also assess the indirect impacts of raw material procurement (such as semiconductors, lead frames, and other non-renewable resources) on the upstream ecosystems. PANJIT will reduce the potential contamination risks from wastewater and chemicals to soil and water sources through the strategy of promoting waste-to-green initiatives in manufacturing in order to reduce the burden on biodiversity.

3 Assess: Measure risks and opportunities

In the 2025 risk assessment, PANJIT incorporated biodiversity-related issues into its materiality matrix and considered potential compliance risks arising from increasingly stringent regulations, such as the Global Plastics Treaty and the GRI 101 Biodiversity Standard. The loss of biodiversity may reduce supply chain resilience, which further affects the stability of the company's operations. Therefore, PANJIT views this as a potential long-term physical risk. Meanwhile, by continuously participating in environmental education activities such as coastal wetland tree-planting programs, the Company enhances its corporate reputation and strengthens stakeholder engagement, transforming nature conservation into an opportunity for green competitiveness.

4 Prepare: Formulate response strategies and reports

PANJIT is committed to implementing nature-related management based on the Mitigation Hierarchy of avoidance, mitigation, restoration, and offsetting—setting a No Net Loss (NNL) as its medium-term management principle and achieving Net Positive Impact (NPI) by 2050 as its long-term vision.

Given that PANJIT's existing and planned operating sites are located within legally designated industrial parks, and its operations are founded on regulatory compliance and preventive management principles, the Company carries out nature hotspot screening, regulatory compliance management, routine environmental monitoring, internal and external audits, grievance mechanisms, and stakeholder communication. The Company has not received any significant regulatory penalties or material complaints related to significant ecological impacts.

To date, no significant incidents or systemic risks that have caused material impacts on surrounding ecosystems have been identified. The Company continues to strengthen the management of key environmental aspects to mitigate potential risks. However, the Company still adopts the precautionary principle by continuously strengthening the management of key environmental aspects, including water resources, wastewater quality, chemicals, and waste. Nature-related risks and opportunities are also integrated into the annual objectives and investment assessments.

Summary of the existing environmental actions and achievements:

• Habitat restoration achievements:

The annual "Love the Earth- Tree Planting Activity" is held regularly. It is expected to increase carbon sequestration by 12,000 kg annually, directly contributing to the restoration of coastal wetland ecosystems.

• Low-carbon lifestyle promotion:

Through the implementation of the "Monthly Healthy Vegetarian Day", the Company reduces meat consumption and indirectly alleviates pressure on natural habitat conversion associated with livestock farming (one of the major causes of deforestation), and integrates environmental responsibility into employees' daily lives.

• Information disclosure:

Gradually adopt the TNFD (Taskforce on Nature-related Financial Disclosures) framework to enhance transparent disclosure.

• Strengthening supply chain management:

Establish a Supplier Code of Conduct and incorporate biodiversity and deforestation-free requirements into supplier assessment to require suppliers to comply with environmental standards and practices.

5 People Orientation

5.1 HUMAN RIGHTS MANAGEMENT	90
5.2 EMPLOYEE DIVERSITY	97
5.3 RECRUITMENT AND EMPLOYMENT	102
5.4 COMPENSATION AND BENEFITS	106
5.5 TALENT DEVELOPMENT	112
5.6 EMPLOYEE HEALTH AND SAFETY	122



5.1 Human Rights Management

	Management Approach of Diversity and Equality		Material Topic: Diversity and Equal Opportunity	
Purpose of Management	Value diversity and inclusion, actively create a friendly and respectful workplace, eliminate all forms of discrimination, and empower all employees to contribute their strengths with confidence to work together toward the organizational goals while stepping toward sustainable development through continuous growth.			
Policy	Please refer to the corporate Sustainable Development Policy - Respect for Human Rights			
Prevention and Remediation Mechanisms	▪ Verify the effectiveness of employee diversity and human rights management through RBA factory audits and internal audits. ▪ An internal grievance mechanism is in place to provide employees with a channel for reporting relevant incidents. All complaints are handled through the grievance management process for appropriate investigation and corrective measures.			
Management Review	▪ Report the implementation status through management meetings ▪ Monitor through labor-management meetings ▪ PANJIT regularly conducts RBA VAP (Validated Assessment Program)			
Goal	Goals for 2025	Goal Attainment Status for 2025	Short-term Goals(2026~2027)	Medium- and Long-term Goals (2028~2030)
	▪ Strengthen human rights-related education and training ▪ PANJIT holds at least 1 session of human rights and diversity promotion activities	✓ PANJIT Gangshan Factory RBA Human Rights and Diversity Education and Training Completion Rate 66.35% ✓ New employees' human rights and diversity education and training completion 100% ✓ PANJIT held a Thai Songkran Festival celebration ✓ PANJIT held “Color for the Future: Diversity & Inclusion Coloring Contest”	▪ The completion rate of RBA Human Rights and Diversity Training at Gangshan Factory to reach 100% ▪ The completion rate of Orientation on Human Rights and Diversity at Gangshan Factory to reach 100% ▪ The completion rate of the Group's Human Rights and Diversity Training to reach 80% and above ▪ To organize at least one session of human rights and diversity promotion event	▪ Create a diverse, friendly, and equal work environment ▪ Maintain the target of zero human rights violations
Actions and Results	▪ In 2025, the Group recorded no human rights violations or labor disputes. ▪ In 2025, PANJIT passed the RBA VAP Silver Recognition. ▪ In 2025, a total of 381 new employees in the Group received human rights-related training, with a new employee training ratio of 100%. ▪ In 2025, PANJIT human rights-related education and training totaled 484 hours, with 968 people participating. ▪ In 2025, the results of PANJIT and PANJIT (WUXI) RBA SAQ (self-assessment questionnaire) indicated a low risk level.			

Human Rights

To safeguard the basic human rights of the employees and value chain partners (including customers, suppliers, contractors, agents and other partners), and to promote the sustainable development of the environment, society, and economy, PANJIT Group complies with all applicable laws, regulations, and labor requirements of each location in which it operates. We support and respect internationally recognized human rights and labor standards, including Universal Declaration of Human Rights (UDHR), the United Nations Global Compact, and the International Labour Organization (ILO) Conventions and other internationally recognized human rights and labor standards.

Since 2014, PANJIT has adhered to the Social Accountability 8000 (SA 8000) and established its corporate social management system accordingly. The Company continues to strengthen its efforts in human rights protection, occupational health and safety, risk management, and responsible business conducts. We also actively participate in the Responsible Business Alliance (RBA), and successfully completed the RBA VAP (Validated Assessment Program) and obtained Silver Recognition in 2023. In 2025, the Company successfully obtained the RBA VAP Silver Recognition again, with an improved score compared to 2023, demonstrating its commitment to human rights management and sustainable development. Although PANJIT (WUXI) and PYNMAX have not yet implemented external RBA validation, they still follow the Group's human rights standards and conduct regular human rights risk assessments to identify and mitigate potential human rights risks. PANJIT Group is committed to creating a work environment free of child labor, forced labor, and discrimination, ensuring that all employees and value chain partners can grow together in an environment where they are treated with respect and dignity.

Promoting Human Rights

PANJIT Group is committed to protecting and respecting human rights, through establishing a sound management system and a friendly work environment, to create an operational culture conducive to human rights protection, and carefully assessing potential human rights risks in operational activities, to avoid the occurrence of any behavior that may cause human rights infringements or negative impacts.

To ensure that the human rights of PANJIT Group employees and value chain partners (including suppliers, contractors, and other cooperation partners) are not infringed upon, PANJIT establishes diverse and unimpeded grievance and reporting channels, ensuring that relevant personnel can lodge grievances, reports, or complaints regarding behaviors they believe may infringe upon human rights. For verified human rights infringement or negative impact incidents, appropriate remedial measures will be taken, and a protection mechanism to prevent complainants from suffering retaliation or unfair treatment will also be established. For complete grievance channels, please refer to [1.3 Stakeholder Communication](#).

To continuously implement and improve human rights governance, PANJIT integrates human rights management principles into the company's daily operations and cooperation relationships with value chain partners through policy advocacy, education and training, risk assessment, due diligence, and feedback and improvement mechanisms, ensuring that human rights policies can be effectively executed and continuously optimized. In 2025, a total of 1,265 people, including new employees, completed human rights training, totaling 632.5 hours.



Internal Standards and Continuous Improvement

PANJIT Group 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. And also 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
Work Rules	Approved by the president and submitted to Labor Affairs Bureau of Kaohsiung City Government
- 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
- Corporate Social Responsibility Management Manual - Employee Benefits and Welfare Handbook-PANJIT (WUXI) - Declaration of Corporate Social Responsibility Policy (Guidelines) (PANJIT, PYNMAX)	President
- Management Procedures for the Prohibition of Child Labor - Management Procedures for the Prohibition of 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 - Social Responsibility Manual-PANJIT (WUXI) - Human resource management system-PANJIT (WUXI)	Chief Human Resources Officer (CHRO)

Human Rights Management Measures

The specific measures implemented by the PANJIT Group to promote human rights 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 the Prohibition of 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 2025, a total of 381 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.

Human Rights Risk Assessment and Due Diligence

To effectively identify and manage potential human rights risks, PANJIT and PANJIT (WUXI) regularly conduct 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 2025 RBA SAQ self-assessment questionnaire result was “low risk” .

Should any human rights risks be uncovered during the assessment, PANJIT and PANJIT (WUXI) will act immediately to implement corrective and improvement measures. We uphold a zero-tolerance stance on any human rights violations and ensure that any human rights violations will be addressed promptly and effectively.

In addition, PANJIT Group has referenced the RBA Code of Conduct and relevant international human rights standards to develop a Human Rights Identification and Assessment Form. A total of 23 senior managers from various departments were invited to conduct human rights risk assessments of the Group's daily operational activities. For high-risk items identified during the assessment, appropriate mitigation and remediation measures will be developed and implemented to prevent and avoid human rights violations. The results of relevant human rights risk assessments are also regularly submitted to the Board of Directors for review and oversight, in order to strengthen the Company's human rights governance and management effectiveness.

2025 RBA-SAQ Results

Operational Sites	SAQ Result
PANJIT	Low-Risk
PANJIT (WUXI)	Low-Risk
PYNMAX	—

Note: PYNMAX has not yet implemented the RBA system, but has included relevant information in its due diligence risk assessment.

Human Rights Assessment and Internal Control Procedures

Human Rights Issues	Impact Areas	Affected Parties	Internal Controls
Diverse Employment, Anti-Discrimination, and Anti-Harassment	Unfair treatment shall not be imposed in recruitment, appointment, training, rewards and disciplinary measures, performance appraisal, promotion, or any other terms and conditions of employment based on age, disability, ethnicity, gender, marital status, pregnancy, nationality, political affiliation, race, religion, sexual orientation, gender identity, membership in any group, veteran status, or any other status protected under applicable laws, rather than on an individual's job performance. The occurrence of workplace misconduct- including violence, threats, harassment, humiliation, social exclusion, work obstruction, excessive intrusion into personal matters, or sexual harassment (such as sexual assault, sexual bullying, or inappropriate sexual advances) that endangers employees' personal safety and adversely affects their physical or mental well-being.	Employees (including all employees, female employees, foreign workers, and young workers)	- Management Procedures for the Prohibition of Discrimination and Harassment - Human Resources Management Regulations
Occupational Safety and Health	Failure to provide employees with sufficient operational training and occupational safety knowledge, or requiring employees to work excessive hours under high-pressure conditions without providing legally required health protection measures, may adversely affect their physical and mental well-being. Examples include occupational accidents caused by improper equipment operation, the lack of an Employee Assistance Program (EAP), and inadequate on-site occupational health professionals.	Employees (including all employees, female employees, foreign workers, and young workers)	- EHS Handbook - ISO 45001
		Suppliers	Operating Procedures for Supplier Assessment, Counseling, and Development
		Suppliers	Operating Procedures for Supplier Assessment, Counseling, and Development

Human Rights Issues	Impact Areas	Affected Parties	Internal Controls
Freely Chosen Employment	Employees are subject to forced labor or other human rights violations through improper requirements or coercive practices (such as withholding identity documents, wages, or the use of physical or psychological violence). Examples include requiring employees to perform work outside the scope of their employment agreement, restricting their freedom of movement, imposing forced overtime, or falsifying or underreporting working hours.	Employees (including all employees, female employees, foreign workers, and young workers)	Management Procedures for the Prohibition of Forced and Compulsory Labor
		Suppliers	Operating Procedures for Supplier Assessment, Counseling, and Development
Child labor/ Young workers/ Interns	The illegal employment of workers under the legal minimum working age, assigning underage workers to perform work, requiring young workers to engage in hazardous or harmful tasks, or assigning interns to duties outside the scope of their internship.	Employees (including all employees, female employees, foreign workers, and young workers)	- Management Procedures for the Prohibition of Child Labor - Management Procedures for Underage Workers, Students, Interns, and Work-Study Students
		Suppliers	Operating Procedures for Supplier Assessment, Counseling, and Development
Working hours	Failure to comply with applicable working hours regulations or requiring employees to work overtime without their consent. Examples include overtime exceeding statutory limits, the use of non-compliant flexible working hour arrangements, failure to provide the full statutory entitlement to annual leave, or requiring employees to work seven consecutive days without a rest day.	Employees (including all employees, female employees, foreign workers, and young workers)	- Work Rules - Human Resources Management Regulations
		Suppliers	Operating Procedures for Supplier Assessment, Counseling, and Development
Compensation and Benefits	Failure to comply with applicable laws and regulations governing compensation and benefits. Examples include paying below the statutory minimum wage, failing to provide full overtime compensation, failing to make required employee fund contributions, or offering compensation and benefits that are significantly below industry standards.	Employees (including all employees, female employees, foreign workers, and young workers)	Management Procedures for Salary and Compensation
		Suppliers	Operating Procedures for Supplier Assessment, Counseling, and Development
Disciplinary Measures	Deducting employees' wages for disciplinary purposes in violation of applicable laws, resulting in the impairment of employees' legal rights to receive their lawful wages.	Employees (including all employees, female employees, foreign workers, and young workers)	Management Procedures for the Prohibition of Disciplinary Measures
		Suppliers	Operating Procedures for Supplier Assessment, Counseling, and Development
Freedom of Assembly and Association	Employees are denied the freedom to join or form labor unions, lack mechanisms for collective bargaining with the employer, or are not treated fairly and equally due to their roles as union representatives, union members, or participants in lawful strike activities.	Employees (including all employees, female employees, foreign workers, and young workers)	Management Procedures for Freedom of Association and Collective Bargaining
		Suppliers	Operating Procedures for Supplier Assessment, Counseling, and Development
Freedom of Expression and Complaint channels	Failure to provide safe and effective channels for suppliers and employees to express their opinions, or the use of coercive measures to suppress freedom of expression, such as through litigation, intimidation, or threats, causing individuals who voice their opinions to experience pressure or retaliation affecting their work or personal lives.	Employees (including all employees, female employees, foreign workers, and young workers)	Whistleblower Protection and Anti-Retaliation Management Procedures
		Suppliers	Operating Procedures for Supplier Assessment, Counseling, and Development
Responsible Minerals Management	Failure to conduct reasonable due diligence on the supply chain, resulting in minerals or products supplied through the supply chain containing minerals sourced from areas associated with armed conflict or human rights abuses.	Suppliers	Operating Procedures for Supplier Assessment, Counseling, and Development

In the 2025 human rights risk due diligence results, except for workplace safety and health which was classified as a moderate risk, all other items were assessed as low risk, and continuous monitoring is conducted in accordance with the company's internal control processes. The PANJIT Group recorded no incidents of discrimination, employment of child labor and underage workers, forced or compulsory labor, prohibition of freedom of association, or violation of the rights of indigenous peoples in 2025, nor were there any human rights-related penalty events.

Note: For management and target setting related to occupational safety and health, please refer to [5.6 Employee Health and Safety](#).

Human Rights Due Diligence Results

		Impact				
		1 Very Low	2 Low	3 Medium	4 High	5 Very High
Likelihood	5 Very High					
	4 High					
	3 Medium					
	2 Low		- Diverse Employment, Anti-Discrimination, and Anti-Harassment - Working Hours	Occupational Safety and Health		
	1 Very Low	Disciplinary Measures	- Compensation and Benefits - Responsible Minerals Management - Freely Chosen Employment - Freedom of Expression and Complaint channels - Freedom of Assembly and Association - Child labor/ Young workers/ Interns			

Human Rights Management in the Supply Chain

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](#).

Supplier Sustainability Code of Conduct

 Labor and Human Rights	- Freely Chosen Employment - Child Labor Protection - working hours - Compensation and Benefits - Humane Treatment - Discrimination and Harassment - Freedom of Association
 Safety and Health	- Occupational Safety - Emergency Response - Work-related Injuries and Occupational Diseases - Other Safety Issues
 Environment	- RoHS (Regulations on Hazardous Substances). - Net Zero Planning - Pollution Prevention and Resource Conservation - Wastewater Management - Solid Waste Management - Air Emissions Management
 Code of Ethics	- Fair Trade, Advertising, and Competition - Intellectual Property Protection - Privacy Protection - Integrity Management and Anti-corruption - Information Disclosure - Avoidance of Conflicts of Interest - Survey on Conflict Minerals
 Management System	- Organizational Commitment - Management Responsibilities - Risk assessment and management - Performance Management - Internal Audit and Assessment - Improvement - Training and Development - Information Retention

5.2 Employee Diversity

The total number of employees of PANJIT Group in 2025 was 2,150, with 1,285 females (60 %) and 865 males (40%), all of whom were regular full-time employees. Looking at the positions, there were 54 senior supervisors (2.5%) and 2,096 (97.5%) non-senior supervisors (including general employees). Among them, 86% of PANJIT's senior executives are local residents, while 100% of PANJIT WUXI's and PYNMAX's senior executives are local residents.

In addition, some of the Group's factory operations are commissioned to external units, including outsourced contractors, resident contractors, and other contractors (such as repairs, new construction, etc.). Among them, resident contractors total 71 people (37 females, 34 males), and the work types are cleaning, group catering, security, and gardening; PANJIT (WUXI) additionally has outsourced contractors totaling 206 people (151 females, 55 males), with the main work being production, warehouse management, inspection, and cleaning; other contractors made a total of 4,830 person-times entering the factory over the entire year.

Overview of Employees in 2025

Item	Female						Male						Total
	Permanent Employment (Indefinite-term Contract)			Temporary Employment (Fixed-term Contract)			Permanent Employment (Indefinite-term Contract)			Temporary Employment (Fixed-term Contract)			
	Under 30	30-50 years old	51 and above	Under 30	30-50 years old	51 and above	Under 30	30-50 years old	51 and above	Under 30	30-50 years old	51 and above	
PANJIT	187	660	75	0	0	0	67	395	75	0	0	0	1,459
PANJIT (WUXI)	0	120	6	13	98	7	1	86	14	35	79	7	466
PYNMAX	11	92	16	0	0	0	18	76	12	0	0	0	225
Total	198	872	97	13	98	7	86	557	101	35	79	7	2,150
	1,167			118			744			121			

Note:

1. The data shows the number of employees in the HR management system as of December 31, 2025, excluding members of the Board of Directors.
2. As of the end of 2025, there were no part-time employees and no employees without guaranteed working hours.
3. The number of PANJIT employees includes Taiwan operating sites (Gangshan Factory, Yongan Factory, Taipei Operations Center, Hsinchu R&D Center) as well as Taiwanese managers stationed in Mainland China.
4. Non-employee worker information is mainly based on the annual statistical data of the contractor management system.
5. In 2025, the number of PANJIT employees had no significant fluctuations compared to the previous year; the number of resident non-employee workers was the same as the previous year, totaling 25 people (15 females, 10 males).

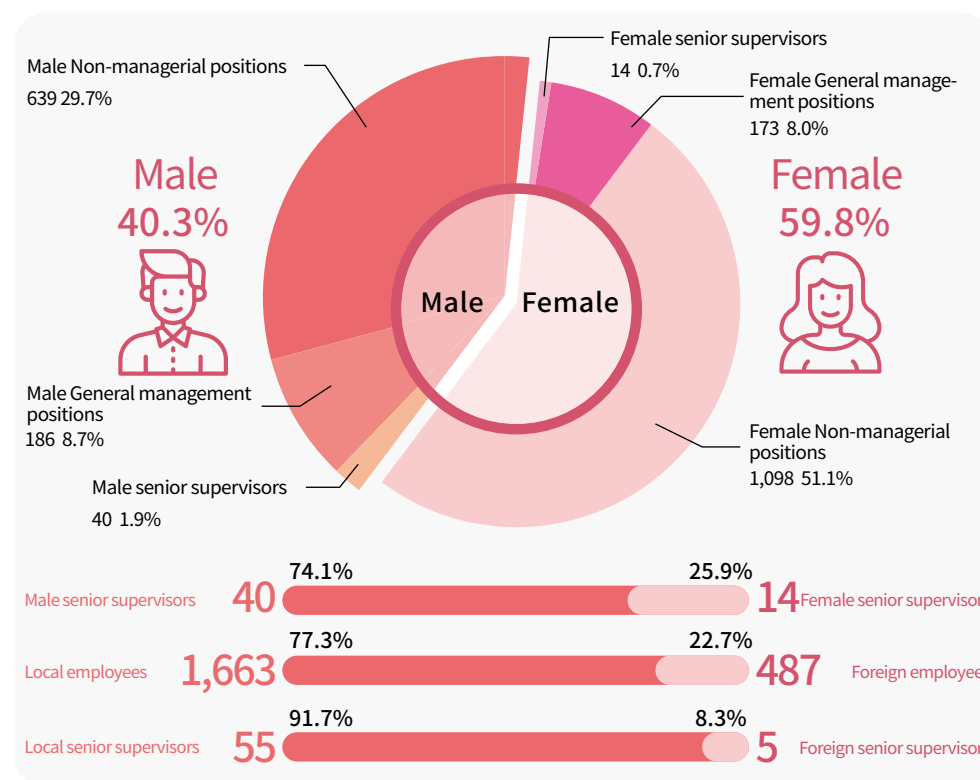
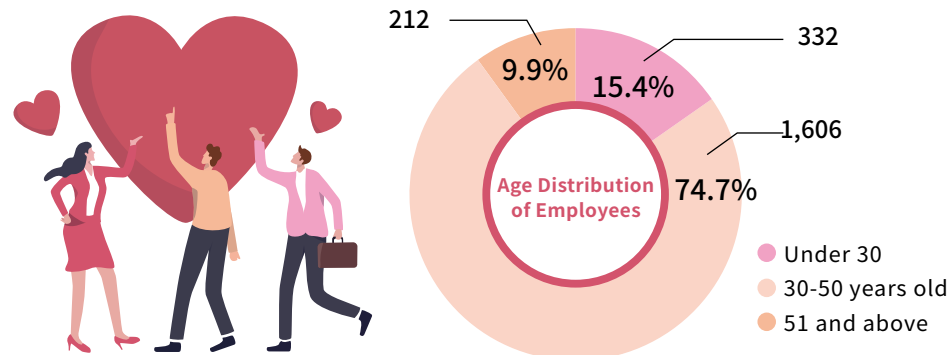
2025 Overview of Employees by Employee Category

Item			PANJIT	PANJIT (WUXI)	PYNMAX
Senior Supervisors	Male	Under 30	0	0	0
		30-50 years old	6	6	1
		51 and above	18	3	6
	Female	Under 30	0	0	0
		30-50 years old	1	4	1
		51 and above	4	2	2
Subtotal		29	15	10	
General Management Positions	Male	Under 30	4	0	0
		30-50 years old	97	40	18
		51 and above	24	2	1
	Female	Under 30	5	1	0
		30-50 years old	85	48	11
		51 and above	15	3	5
Subtotal		230	94	35	
Non-managerial Positions	Male	Under 30	63	36	18
		30-50 years old	292	119	57
		51 and above	33	16	5
	Female	Under 30	182	12	11
		30-50 years old	574	166	80
		51 and above	56	8	9
Subtotal		1,200	357	180	
Total		1,459	466	225	

Note:

- Definition of PANJIT's senior supervisors: Those holding the position of Director (inclusive) and higher; definition of PANJIT WUXI's senior supervisors: Those holding the position of Manager (inclusive) and higher; definition of PYNMAX's senior supervisors: Those holding the position of Department Head (inclusive) and higher.
- Definition of general management positions: Management positions other than senior supervisors.

Age Distribution of Employees



PANJIT Group 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 Korea, forming a workplace with diversity. The Group is dedicated to the implementation of equality in employment and a friendly working environment with diversity and inclusiveness.

PANJIT Group employs people with disabilities in accordance with People with Disabilities Rights Protection Act and Law of the People's Republic of China on the Protection of Disabled Persons. 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 2025 was 14 (0.6%).

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.

In terms of the employment of indigenous/minority employees, PANJIT Group ensures equal treatment throughout its hiring process. In accordance with the Indigenous Peoples Employment Rights Protection Act, indigenous employees are entitled to leave for traditional ceremonies. In 2025, the number of indigenous/minority employees was 4 (0.2%).

Employee Diversity Indicators in the Past Three Years

Item		2023			2024			2025		
		PANJIT	PANJIT (WUXI)	PYNMAX	PANJIT	PANJIT (WUXI)	PYNMAX	PANJIT	PANJIT (WUXI)	PYNMAX
Foreign Employees	Managerial Positions	5	0	0	6	0	0	4	0	0
	Non- Managerial Positions	342	0	43	397	0	55	424	0	58
Indigenous Peoples/ Minority Groups	Managerial Positions	0	0	0	0	0	0	0	0	0
	Non- Managerial Positions	3	2	0	1	0	0	2	2	0
People with Disabili- ties	Managerial Positions	0	0	0	0	0	0	0	0	0
	Non- Managerial Positions	8	0	2	12	0	2	12	0	2

Note:

1. Among the 56 ethnic groups in the China region, all except the Han ethnicity are classified as minority groups.
2. The Taiwan region is restricted by the Employment Service Act and does not conduct employee indigenous identity statistics; the number of people in the above table is statistics based on data from personnel submitting supporting documents when applying for leave.

Special Column

Songkran Festival Celebration- Promoting Cultural Diversity and Strengthening Inclusion and Belonging for Migrant Workers

PANJIT value the dignity of work and quality of life of every employee, and place particular emphasis on the physical and mental adaptation and cultural identity of migrant workers working in a new environment. To create a diverse, equal, and inclusive (DEI) workplace environment, a cultural outreach event celebrating the Thai Songkran Festival was held in Gangshan District, Kaohsiung in April 2025. In collaboration with our recruitment agency partners, we organized this event for Thai migrant workers, allowing them to celebrate Songkran and experience the warmth of their hometown's traditions while in Taiwan.

Songkran Festival is one of the most traditional festivals in Thailand, symbolizing washing away the past and ushering in a new beginning. The celebration featured traditional water-blessing rituals, authentic Thai cuisine, and festive music performances. Special activities, such as the Rod Nam Dam Hua (water-pouring) ceremony and paying respects to elders reflected respect for elders and the importance of cultural heritage, while strengthening migrant workers' cultural identity and emotional exchanges.



A total of 120 migrant workers participated in this event, showing the substantial appeal and positive impact of cultural care initiatives among migrant workers. Through participation in this event, migrant workers not only received the emotional support but also strengthened their trust in the Company and enhanced their sense of belonging.

The 2025 earthquake in Myanmar also impacted its neighboring regions of Thailand, and the event also carried a message of care and support. Through this cultural gathering, the Company provided emotional support and comfort to migrant workers during a challenging period. PANJIT will continue to create a friendly and inclusive working environment through multicultural activities and employee care mechanism while advancing a people-centered approach to sustainable development.

Special Column

Color for the Future: Diversity & Inclusion Coloring Contest

To deepen the practices of ESG diversity and inclusion and to encourage employees to express themselves and understand one another, PANJIT organized an internal event that combined story sharing and interactive participation, which centered on “colors” as the starting point for communication. Employees were encouraged to identify a color that reflects their individuality and share their stories, career experiences, and personal values behind it, turning the concepts of diversity and inclusion into tangible actions that employees could experience and embrace.

During the event, color was no longer a visual symbol, but an important language for understanding each other. White represents purity, while black reflects resilience and determination. Red, orange, yellow, and green respectively embody passion, warmth, positivity, and hope. Every color selected represents an employee's unique background and perspectives, collectively shaping a diverse and authentic organizational culture.

A total of 185 employees submitted their own color stories for this event, and 971 employees participated in the voting. The high level of participation not only demonstrated employees' engagement and enthusiasm for the activity, but also reflected the organization's respect for differences and willingness to foster mutual understanding. Through artwork appreciation and interactive voting, employees experienced diverse expressions of identity and life experiences, creating opportunities for greater interaction across departments and diverse backgrounds.

Diversity and inclusion are not only corporate responsibilities, but also crucial cornerstones for the organization's sustainable growth. In the future, we will continue to adopt people-centered approaches to ensure that every employee's voice and unique “color” become an integral part of the corporate culture, and together, we will draw a shared vision of PANJIT's sustainable future.



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](#)

Prevention and Remediation Mechanisms

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

- 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.

Goals for 2025

Goal Attainment Status for 2025

Short-term Goals (2026~2027)

Medium- and Long-term Goals (2028~2029)

Goal

- PANJIT and PYNMAX expand the recruitment channels with vacant positions filled within 90 days on average.
- PANJIT and PYNMAX introduced interview guidelines to reduce the turnover rate of new employees within three months by 50%.
- PANJIT makes use of government resources to obtain recruitment-related subsidies of NTD 330,000/year.
- PANJIT to obtain the improvement plan for Talent Quality-management System (TTQS).
- The critical talent proportion of the PANJIT Group reached 10%.
- The Group to cultivate 35 internal lecturers.
- The Group to select at least one winner in each category of PANJIT's five major core values in the Shining Star Selection.

- ✗ There were still some cases at PANJIT and PYNMAX where talent recruitment for positions remained unfilled for over 90 days.
- ✓ PANJIT's three-month turnover rate for new employees decreased by 50% compared to the previous year.
- ✓ PYNMAX's three-month turnover rate for new employees decreased by 55% compared to the previous year.
- ✗ PANJIT obtained approximately NT\$ 148,000 recruitment subsidies in 2025.
- ✓ PANJIT obtained TTQS system human resources improvement plan.
- ✓ The critical talent proportion of the PANJIT Group reached 16.6%.
- ✓ The Group cultivated 68 internal lecturers.
- ✓ The Group had 11 Shining Stars in total, with 1-4 in each category of the five major core values.

- Continue to provide salary levels that are competitive in the market.
- Create a highly challenging workplace where employees can give full play to their skills.
- 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.

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- 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.

Actions and Results

- PANJIT participated in 12 campus job fairs and campus briefings in 2025, and the number of resumes received was 1,270.
- In 2025, 10% of personnel in each department of PANJIT entered the critical talent cultivation ranks, and the talent performance retention rate was 87.5%.
- In 2025, every critical talent read 109 units on average, with the cumulative number of 16,098 clicks.
- In 2025, PANJIT's application amount for the TTQS System Human Resources Elevation Program exceeded NT\$600,000.
- In 2025, PANJIT won the Bronze Award in the TTQS Enterprise Version.

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 group 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 and Labour Law of the People's Republic of China. 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.

PANJIT group makes use of diverse recruitment channels, including Head Hunter, 104 Job Bank, campus job fair, internship program, PANJIT 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.

To find talented people with potential, the Group actively participates in recruitment activities organized by employment service stations. In addition, PANJIT also launches campus recruitment fairs and campus briefing activities every year. 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 2025, PANJIT participated in 12 campus job fairs and briefing sessions, and the number of resumes received was 1,270.

The Group continuously reviews 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 100% 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.

Employee Retention

There were a total of 381 new employees at PANJIT Group in 2025 (153 males and 228 females), with a total employment rate of 17.72%. The number of departed employees totaled 365 (152 males and 213 females), with a total turnover rate of 16.98%. There was no significant difference compared to the total new employment rate of 18.51% and total turnover rate of 18.25% in the previous year, maintaining a stable state of human resources in recent years.

Number of New Employees in the Past Three Years

Year		2023						2024						2025					
Operational Sites		PANJIT		PANJIT (WUXI)		PYNMAX		PANJIT		PANJIT (WUXI)		PYNMAX		PANJIT		PANJIT (WUXI)		PYNMAX	
Age / Gender		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Under 30	No. of new employees	29	68	27	5	10	6	41	95	8	1	8	6	40	64	4	5	8	3
	Employment rate	1.98%	4.64%	6.31%	1.17%	4.55%	2.73%	2.77%	6.43%	1.86%	0.23%	3.56%	2.67%	2.74%	4.39%	0.86%	1.07%	3.56%	1.33%
30-50 years old	No. of new employees	65	105	9	9	10	12	71	127	4	5	4	20	74	116	16	32	4	7
	Employment rate	4.43%	7.16%	2.10%	2.10%	4.55%	5.45%	4.80%	8.59%	0.93%	1.16%	1.78%	8.89%	5.07%	7.95%	3.43%	6.87%	1.78%	3.11%
51 and above	No. of new employees	11	2	0	0	0	0	4	0	0	0	1	0	2	1	5	0	0	0
	Employment rate	0.75%	0.14%	0.00%	0.00%	0.00%	0.00%	0.27%	0.00%	0.00%	0.00%	0.44%	0.00%	0.14%	0.07%	1.07%	0.00%	0.00%	0.00%
Total number of new employees		280		50		38		338		18		39		297		62		22	
Total number of employees		1,467		428		220		1,478		431		225		1,459		466		225	
Total employment rate (%)		19.09%		11.68%		17.27%		22.87%		4.18%		17.33%		20.36%		13.30%		9.78%	

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.
3. PANJIT WUXI's new employees in 2025 included 2 ethnic minorities, accounting for 0.52% of the total new employees.

Number of Employees Left in the Past Three Years

Year		2023						2024						2025					
Operational Sites		PANJIT		PANJIT (WUXI)		PYNMAX		PANJIT		PANJIT (WUXI)		PYNMAX		PANJIT		PANJIT (WUXI)		PYNMAX	
Age / Gender		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Under 30	Departed employees	35	81	12	6	5	7	44	64	9	0	4	3	28	53	7	1	5	4
	Turnover rate (%)	2.39%	5.52%	2.80%	1.40%	2.27%	3.18%	2.98%	4.33%	2.09%	0.00%	1.78%	1.33%	1.92%	3.63%	1.50%	0.21%	2.22%	1.78%
30-50 years old	Departed employees	96	129	10	13	12	21	83	123	8	9	11	13	84	133	7	6	9	4
	Turnover rate (%)	6.54%	8.79%	2.34%	3.04%	5.45%	9.55%	5.62%	8.32%	1.86%	2.09%	4.89%	5.78%	5.76%	9.12%	1.50%	1.29%	4.00%	1.78%
51 and above	Departed employees	9	4	0	0	2	1	9	5	2	0	2	1	12	6	0	6	0	0
	Turnover rate (%)	0.61%	0.27%	0.00%	0.00%	0.91%	0.45%	0.61%	0.34%	0.46%	0.00%	0.89%	0.44%	0.82%	0.41%	0.00%	1.29%	0.00%	0.00%
Total number of employees left		354		41		48		328		28		34		316		27		22	
Total number of employees		1,467		428		220		1,478		431		225		1,459		466		225	
Total turnover rate (%)		24.13%		9.58%		21.82%		22.19%		6.50%		15.11%		21.66%		5.79%		9.78%	

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 new hires who canceled their onboarding, and employees who left the organization voluntarily or due to dismissal, leave without pay, or retirement.



5.4 Compensation and Benefits

Compensation System

Considering the external competition, internal fairness and legality, PANJIT Group 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.

The employee compensation system of the PANJIT Group complies with the applicable laws and regulations of each region, and the compensation criteria of all employees does not differ due to gender or race, and provides a starting salary superior to regulations. 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 standard salary of entry-level personnel in 2025 all complied with the local legal basic wage standards compared with the minimum wage of that year. The differences in standard salary between women and men are mainly related to different factors in the nature of work stations; the differences in salary and remuneration are mainly due to differences in job types, professional division of labor, and human resources structure. The Group continues to pay attention to issues of gender equality and remuneration fairness, regularly reviews the salary structure of different job levels, and reviews the promotion mechanisms and talent development systems to strengthen diverse talent cultivation and leadership position participation opportunities. 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; 2025 information will be released by the end of June 2026.

Ratio of the Grassroots Employees' Standard Salary to the Local Minimum Salary in 2025

Operational Sites	Grassroots Personnel	Male	Female
PANJIT	Operator	1.19	1.05
	New operators	1.01	1.01
PANJIT (WUXI)	Operator	1.07	1.07
	New operators	1.00	1.00
PYNMAX	Operator	1.10	1.09
	New operators	1.04	1.01

Note:

1. Grassroots personnel refer to operators; calculated on the average standard salary (recurring salary paid fixedly every month) of those still employed at the end of 2025.
2. New operators are defined as the operators entering the company in 2025; calculated on the average standard salary (recurring salary paid fixedly every month) upon entry.
3. PANJIT and PYNMAX use Taiwan's 2025 basic wage of NT\$28,590 as the standard; PANJIT (WUXI) uses Wuxi's local basic wage of RMB 2,490 as the standard.
4. The contract wage payments signed by the PANJIT Group with outsourcing (operators) and contractor companies (cleaning, group catering, and security) all comply with the minimum standards set by local government labor laws.

Ratio of Basic Salaries and Remunerations of Female and Male Employees in 2025

Item		PANJIT		PANJIT (WUXI)		PYNMAX	
		Female	Male	Female	Male	Female	Male
Senior Supervisors	Basic compensation (Monthly salary)	0.13	1	0.92	1	0.81	1
	Remuneration (Annual salary)	0.14	1	0.93	1	0.87	1
General Managerial Position	Basic compensation (Monthly salary)	0.57	1	0.74	1	0.77	1
	Remuneration (Annual salary)	0.64	1	0.61	1	0.82	1
Non-Managerial Position	Basic compensation (Monthly salary)	1.54	1	0.72	1	0.73	1
	Remuneration (Annual salary)	1.60	1	0.64	1	0.77	1

Note:

1. Definition of PANJIT's senior supervisors: Those holding the position of Director (inclusive) and higher; definition of PANJIT WUXI's senior supervisors: Those holding the position of Manager (inclusive) and higher; definition of PYNMAX's senior supervisors: Those holding the position of Department Head (inclusive) and higher.
2. Definition of general management positions: Management positions other than senior supervisors.
3. Basic compensation is the recurring fixed salary every month; remuneration is the annual salary that include monthly salary, bonuses, and so on.
4. PANJIT includes Taiwan operating sites (Gangshan Factory, Yongan Factory, Taipei Operations Center, Hsinchu R&D Center) as well as Taiwanese managers dispatched to China.

Annual Compensation Ratio in 2025

Operational Sites	Ratio of the Highest Annual Total Remuneration to Median Annual Total Remuneration	Ratio of the Percentage Change in Annual Total Compensation for the Highest-Paid Individual to the Median Annual Total Compensation for all Employees
PANJIT	14.54	-0.85
PANJIT (WUXI)	9.06	3.26
PYNMAX	4.68	1.30

Note:

1. The data shows the number of full-year active employees in the HR management system as of December 31, 2025, excluding members of the Board of Directors.
2. Compensation consists of salaries, overtime pay, various allowances, bonuses, and employee compensation.
3. 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 full-year active employees in 2025 (excluding the highest-paid individual).
4. The formula for the percentage change of the annual total salary change of the highest remuneration to the median of the annual total remuneration change: The percentage change of the annual total remuneration of the highest-paid individual ÷ the percentage change of the median annual total remuneration of full-year active employees in 2024 and 2025 (excluding the highest-paid individual).

Labor-Management Communication

PANJIT Group 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 has established "Management Procedures for Freedom of Association and Collective Bargaining" and "Corporate Social Responsibility Communication Management Procedures", and has integrated the RBA Code of Conduct into the existing internal rules and management systems, explicitly supporting employees' legal rights to independent and free association, and safeguarding their legitimate rights to collective bargaining and consultation.

PANJIT (WUXI) has established a labor union, with the collective bargaining agreement covering 100% of the employees at its production sites. The agreements focus on protecting employees' labor rights, promoting labor-management relations, supporting employee development, and achieving mutual growth between employees and the Company. Key provisions include remuneration, working hours, occupational safety and health, employee welfare, and special protection for female employees. The Employee Welfare Committee meets on a regular basis to strengthen communication and encourage dialogue with employees.

Although PANJIT and PYNMAX have not established a labor union or signed collective bargaining agreements, they conduct full communication and discussion on annual calendar planning, statutory and flexible working hour system arrangements, and corporate social responsibility related topics through regularly held quarterly labor-management meetings. Through diversified internal communication channels, they actively exchange with employees, listen to their opinions and voices, and respond to relevant suggestions in a timely manner, serving as an important mechanism to continuously safeguard and promote employee rights and interests.

In 2025, no labor disputes occurred in the PANJIT Group, and in the labor rights risk assessment, the item, "Freedom of Assembly and Association", was also assessed as low risk, indicating that the Group has achieved good results in related management and communication mechanisms.

Employee Benefits

In terms of employee care and benefits, the PANJIT Group, in addition to providing insurance, pensions, parental leave, and other relevant leaves required by the Labor Standards Act for each employee according to regulations, has also established an Employee Welfare Committee to provide diverse employee welfare measures superior to regulations, including: employee travel, special leave, gifts for the three major festivals, and allowance bonuses, striving to build a comprehensive benefit system and care, making employees' work and life more secure. In 2025, the employee welfare expenses totaled approximately NTD 34,790,000 (excluding salary), and the average employee welfare expenses was NTD 16,181 / per employee.

In addition, 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 employees' monthly contributions, the Company makes a matching contribution. 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 2025, 83.59% and 64.85% of colleagues at PANJIT and PYNMAX, respectively, participated in the employee share ownership trust(ESOT).

Employee Benefits Program

Item	Specific Measures
Insurance	In addition to insuring and contributing to pensions according to law, additional life insurance, group insurance, commercial insurance, etc. are insured for each employee, and employer's liability insurance coverage for retired personnel is also provided.
Travel	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.
Leaves	- 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 fully enjoy life and relax their minds and bodies. - Nursing Care Leave: Employees who are only children are eligible to apply for paid nursing care leave after their parents reach 60 years of age, so as to fulfill filial piety. - Parental Leave: Employees whose children are under 3 years of age can enjoy parental leave every year.

Item	Specific Measures
Welfare	▪ 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. ▪ On major festivals such as Spring Festival, May Day (International Workers' Day), Mid-Autumn Festival, and Dragon Boat Festival, exclusive welfare website shopping points or holiday gift packs are provided to 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. ▪ Subsidies and allowances: Maternity allowance, funeral subsidy, wedding benefits, injury and illness condolences, and so on. Provide employee with timely support and condolences during significant life events. ▪ Maternity and Health Protection: Female employees enjoy prenatal check-up leave, maternity leave, lactation leave, and relevant maternity allowances and nutritional subsidies according to law; male employees enjoy caregiving leave and caregiving leave allowances. ▪ Retirement Re-employment: Under the premise that the company follows the national statutory retirement policy, the company provides a platform for outstanding retired employees to continue to shine in their positions.
Facilities	▪ 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. ▪ 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 company has an employee cafeteria to provide a more comfortable dining environment. Meal subsidies are provided for our employees to eat at ease and healthily.
Health	▪ 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. ▪ 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. ▪ 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.



PANJIT (WUXI) Employee Travel



PYNMAX Healthy Vegetarian Day



Distribution of Festival Gift Boxes



PANJIT Family Day

Together We Blossom, Together We Soar

To enhance employee benefits and workplace happiness, PANJIT (WUXI) held a “Together We Blossom, Together We Soar” event in 2025, combining the romantic atmosphere of spring cherry blossom viewing with healthy sports elements to create a diverse experience with both leisure and vitality, and planning a series of fun and interactive activity contents, allowing employees to relax their bodies and minds and promote exchanges among employees beyond their busy work, and further strengthen team cohesion.

It is expected that through innovative and diversified employee activities, a friendly and vibrant workplace environment will be continuously created, allowing employees to achieve a good work-life balance.



Parental Benefits

PANJIT Group operating sites in Taiwan comply 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 2025, a total of 102 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 80%.

PANJIT (WUXI) strictly implements maternity leave, nursing care leave, and lactation leave systems to protect the legitimate rights and interests of women giving birth in accordance with the Implementation Plan of Jiangsu Province on Optimizing the Fertility Policy to Promote Long-Term Balanced Population Development. Eligible couples who have children in compliance with applicable policies are entitled to an additional 60 days of maternity leave on top of the statutory maternity leave, for a total of 158 days. Male employees are entitled to 15 days of nursing care leave. A parental leave policy for childcare is implemented, allowing both parents to each take 10 days of childcare leave per year until the children reach three years of age.

PANJIT (WUXI) Statistics on Parental Leave in the Past Three Years

Year	2023			2024			2025		
Gender/Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
The number of employees eligible for applying for parental leave of the year A	27	17	44	23	18	41	19	16	35
The number of employees actually applying for parental leave B	23	12	35	18	10	28	14	11	25
Parental leave application rate (B/A)	85%	71%	80%	78%	56%	68%	74%	69%	71%

Note: The number of employees eligible to apply for Parental Leave in the current year is statistical interval within three years preceding the reporting period (the statistical interval for 2025 is 2022/1/1~2025/12/31) of employees who have taken maternity leave or paternity leave.

Parental Leave Statistics in Taiwan in the Past Three Years

Year	2023			2024			2025		
Gender/Total	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	51	51	102	54	55	109	44	58	102
The actual number of employees applying for parental leave without pay of the year B	0	6	6	2	8	10	1	6	7
Number of employees who should be reinstated after the parental leave of the year C	0	5	5	1	4	5	2	5	7
Actual number of employees who were reinstated after the parental leave of the year D	0	5	5	1	4	5	2	5	7
Actual number of employees who were reinstated after the parental leave in the previous year E	3	7	10	0	5	5	1	4	5
Number of employees who were reinstated for one year after the parental leave in the previous year F	3	6	9	0	5	5	1	3	4
Reinstatement rate of the year (D/C)	N/A	100%	100%	100%	100%	100%	100%	100%	100%
Retention rate of the year (F/E)	100%	86%	90%	N/A	100%	100%	100%	75%	80%

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 who took maternity or paternity leave within 3 years preceding the reporting period (i.e. 2022/1/1~2025/12/31).

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 Group strictly complies with legal regulations. Operating sites in Taiwan, based on the "Labor Standards Act (Old System)" and the "Labor Pension Act (New System)", contributes to labor pension for every employee on a monthly basis. As of the end of 2025, the proportion of employees adopting the old system was 3.98% while the proportion adopting the new system was 96.02%.

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 the old labor pension system of the Labor Standards Act

In accordance with Article 56, Paragraph 1 of the Labor Standards 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 by the end of March of the following year to protect the employees' interests and rights. As of 2025, 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.

PANJIT (WUXI) makes a monthly contribution to employees' individual pension accounts in accordance with local laws and regulations. The contribution amount is determined based on the employees' average monthly salary from the previous year and is subject to the minimum and maximum contribution bases announced by the government. When employees reach the statutory retirement age and meet required contribution period, the company assists them in completing retirement procedures. The social security authorities determine employees' pension benefits based on each employee's age and contribution history. Pension payments begin from the month following retirement and are deposited directly into employees' bank accounts associated with their social security cards on a monthly basis.

5.5 Talent Development

01 ▶ Commitment to a highly efficient and safe workplace PANJIT Group provides the following four commitments for the development of human resources



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.

02 ▶ 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.

03 ▶ 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.

04 ▶ 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.

PANJIT Group is committed to establishing a systematic training needs assessment mechanism to ensure alignment between employees' career development and the organization's business objectives. The assessment process integrates strategic priorities with operational requirements, including annual business targets, performance evaluation results, competency gap analysis, system-related requirements, and regulatory certification requirements. Based on different job levels and functional roles, professional capability gaps are identified, and corresponding training programs are arranged.

For managerial position holders, the focus is placed on departmental objectives and leadership competency development. For non-managerial employees, specific training needs may be identified and submitted by supervisors through the Training Needs Assessment (TNA) Form. In addition, the Group also carries out satisfaction surveys on courses implemented and annual training surveys at the end of each year to understand the employees' opinions and expectations on training courses. A comprehensive evaluation of training implementation effectiveness is conducted, covering training implementation status, attendance rates, learning outcomes, and the actual impact on business performance. Through quantitative data analysis and employee feedback, the annual training plan is continuously refined and adjusted to ensure the organization's commitment to human resource development is effectively realized.

PANJIT Group actively promotes online training courses for new employees to overcome the limitations of time and location, and continues to strengthen the digital learning mechanisms and expand a diverse range of online learning resources, providing a 3A (Anytime/Anywhere/Any Device) learning mechanism to create a richer self-learning environment for our employees. We encourage all employees to make good use of digital tools, acquire new knowledge anytime, anywhere, and continue to improve their professional skills to accumulate energy for their career development.

In addition, PANJIT introduced the TTQS (Talent Training Quality System) talent development quality system in 2022. In 2024, the existing education and training courses continued to further expand the "internal course creation system". Through a series of training programs, PANJIT has officially established its internal lecturer team, offering a more comprehensive and in-depth learning experience by providing courses on different themes to help employees develop and grow in various fields.

Training Needs Assessment

Item	PANJIT		PANJIT (WUXI)		PYNMAX	
	Managerial Position	Non-managerial Position	Managerial Position	Non-managerial Position	Managerial Position	Non-managerial Position
Number of Needs Assessment Forms	47		9		10	
Department Coverage Rate of Training Needs	100%		100%		90%	
Number of Training Demand Courses	7	50	7	120	8	168
Number of Training Demand People	259	1,200	107	574	39	186
Number of People Completing Training	259	1,200	107	574	39	186
Completion Proportion	100%	100%	100%	100%	100%	100%

Training Course Content

Title of Course	Content of Training	Training Method	2025 Training Performance
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 full play to their expertise in the workplace.	In-person courses /online-learning platform	A total of 32 sessions were held, with 100% of new employees completing the training.
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, including information security, gender equality, and workplace friendliness, etc. We establish a common language for all at PANJIT through courses, online-learning, event participation, and so on.	In-person courses /online-learning platform	A total of 17 sessions were held, with 793 participant-times.
General Education Courses	Provide diverse and extensive training categories, including digital learning, internal lecturers, language growth, volunteer training, master lectures, certification examinations, and so on.	In-person courses /online-learning platform/ external training	A total of 46 sessions were held, with 1,972 participant-times.
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.	In-person courses	A total of 224 sessions were held, with 3,496 participant-times.
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, including ISO management system, Quality Management Tools and Internal Audit.	In-person courses /online-learning platform	A total of 67 sessions were held, with 1,275 participant-times.
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.	In-person courses /online-learning platform	A total of 4 sessions were held, with 127 participant-times.
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, RBA Human Rights Management and other professional areas to contribute to the environment, society, and sustainability of the company in the future.	In-person courses /online-learning platform	A total of 10 sessions were held, with 858 participant-times.

Diagram of the Education and Training System

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

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



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

01



PANJIT and PYNMAX 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.

02



PANJIT and PYNMAX 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.

03



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

In 2025, the total employee education and training hours of PANJIT Group reached 343,469 hours, the average training hours were 160 hours/person, and the course plan execution rate reached 100%. PANJIT Group will continue to optimize the education and training system, providing tailored training projects for target groups with needs, so as to enhance employee knowledge and professional capabilities.

Education and Training Hours for Employees in the Past 3 Year

Operational Sites	YEAR		2023			2024			2025		
	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
PANJIT	Senior Supervisors	Male	28	788	28	27	3,601	133	24	4,536	189
		Female	3	113	38	3	602	201	5	758	152
	General Managerial Position	Male	135	4,542	34	133	23,758	179	125	29,928	239
		Female	110	4,577	42	110	18,218	166	105	22,950	219
	Non-managerial Position	Male	402	14,753	37	384	72,029	188	388	90,736	234
		Female	789	27,683	35	821	136,855	167	812	172,399	212
	Total		1,467	53,456	36	1,478	255,064	173	1,459	321,308	220
PANJIT (WUXI)	Senior Supervisors	Male	8	98	12	8	45	6	9	112	12
		Female	4	103	26	5	40	8	6	99	17
	General Managerial Position	Male	41	1,392	34	43	786	18	42	681	16
		Female	54	793	15	53	389	7	52	740	14
	Non-managerial Position	Male	166	5,582	34	160	6,290	39	171	4,447	26
		Female	155	6,707	43	162	7,302	45	186	10,733	58
	Total		428	14,675	34	431	14,851	34	466	16,814	36
PYNMAX	Senior Supervisors	Male	8	86	11	7	198	28	7	77	11
		Female	2	51	25	3	83	28	3	28	9
	General Managerial Position	Male	20	695	35	19	1,164	61	19	517	27
		Female	17	434	26	15	691	46	16	526	33
	Non-managerial Position	Male	84	3,069	37	82	3,497	43	80	2,454	31
		Female	89	1,583	18	99	2,378	24	100	1,745	17
	Total		220	5,917	27	225	8,009	36	225	5,347	24

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 PANJIT's senior supervisors: Those holding the position of Director (inclusive) and higher; definition of PANJIT WUXI's senior supervisors: Those holding the position of Manager (inclusive) and higher; definition of PYNMAX's senior supervisors: Those holding the position of Department Head (inclusive) and higher.
5. Definition of general management positions: Other management positions other than senior supervisors.

Average Employee Training Costs in Past three years

Operational Sites	Year Gender	2023		2024		2025	
		Total Training Costs	Average Training Costs	Total Training Costs	Average Training Costs	Total Training Costs	Average Training Costs
PANJIT	Male	1,808	3.2	1,439	2.6	3,763	7.0
	Female	4,247	3.6	2,451	2.6	4,082	4.4
PANJIT (WUXI)	Male	293	1.4	295	1.4	185	0.8
	Female	290	1.3	308	1.4	204	0.8
PYNMAX	Male	165.52	1.5	427.5	3.96	84.9	0.8
	Female	60.74	0.6	131.8	1.13	13.7	0.1

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



2025 IATF Six Core Tools



Sexual Harassment Prevention Course (PYNMAX)



Health Lectures by the Factory Nurse in the Second Half of the Year (PYNMAX)



IECQ QC 080000 : 2017



2025 Third Internal Course Creation Training (PANJIT)



2025 Senior Executive Consensus Camp (PANJIT)

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 2025, and great external lecturers were invited to start a 7-hour course and 14-hour results acceptance (participant simulation lecturing), and a total of 24 seed lecturers were trained. From the second quarter, 24 sessions of courses with different themes have been successively developed, attracting more than 1,000 attendances 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 9 "Rookie Lecturers of the Year", 6 "Professional Lecturers", and selected 6 "Popular Lecturers of the Year", and the Third "Excellent Lecturer Award" Ceremony was held at the end of 2025, 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.



Introduction to Semiconductor Manufacturing (PYNMAX)



Basic Concepts of ESD (Electrostatic Discharge) (PYNMAX)



Procurement Communication Skills (PANJIT)



"Excellent Lecturer Award" Ceremony in 2025

Vision, Mission, and Core Value Course-ESG Master Lecture

Purpose of Implementation

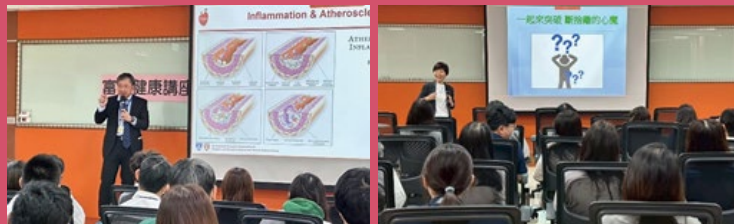
- Provide company employees with opportunities to learn from experience and professional knowledge of masters in different fields.
- External masters can bring new perspectives, trends and practices and stimulate innovation and creativity.
- Improve the corporate image and demonstrate the openness of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

Number of Registrations: 122



ESG Lecture-No Fear of Love, Only Fear of Heartbreaks

We invited Dr. Feng-Yu Kuo, Head of Cardiology Department of Kaohsiung Veterans General Hospital (KTVGH) to talk about the importance of healthy eating and exercise for our employees to integrate preventive health knowledge into daily life, so as to safeguard the well-being of themselves and their families, and work together to embrace a healthier future.

Q2

Number of Registrations: 100



ESG Lecture-Green Action for Everyday Life

We invited Mr. Wan-Hua Huang from the Organic Life Environment Education Promotion Association to guide our employees in creating a toxin-free lifestyle from their daily lives, and to share insights into overlooked health risks, such as the potential impacts of fragrances and plasticizers on human health, so that our employees can live with greater peace of mind.

Q3

Number of Registrations: 88



ESG Lecture-Bridging the Generation Gap: A Psychologist's Guide to Better Communication

We invited counseling psychologist Hung-I Fu from Kuanxin Psychology Clinic to guide our employees in understanding the mindsets and emotional needs of different generations through insightful guidance and analysis, while developing active listening, empathy, and inclusiveness to rebuild connections through diversity.

Q4

Number of Registrations: 63



ESG Lecture-Home Organization: Decluttering and Storage Tips

We invited Home Organization Expert, Ying-Ju Chen, to guide our employees to rediscover the concepts of organization and decluttering, encouraging them to start from within and create a more refreshing life with greater space and ease.

Performance Appraisal

Performance Management and Employee Development

To strengthen overall organizational resource integration and management mechanisms, and promote employees to jointly achieve annual operating goals, PANJIT Group continuously improves the operational efficiency of division of labor, collaboration, and vertical integration, enhancing the synergistic effectiveness across units and levels. The Group upholds the principles of fairness, transparency, and consistency, and takes corporate core values as an important foundation of the performance management system, viewing performance management as a core mechanism for driving employee growth, cultivating key talents, and strengthening overall organizational competitiveness. Performance appraisal results not only serve as an important basis for supporting employee career development, but also link to human resource systems such as compensation management, education and training planning, and promotion and job transfer, thereby strengthening sense of identity and belonging among employees, promoting key talent retention, and ensuring alignment between individual goals and the Group's strategic direction.

Regular and Consistent Performance Management System

PANJIT Group values the career development of each employee and builds a regular and consistent performance appraisal mechanism, assisting employees to clearly grasp their own work performance, development potential, and future direction, and ensuring that performance results can reflect the practice status of the company's core values. Performance appraisal is conducted in July and December each year respectively, enhancing the objectivity and consistency of performance management through institutionalized processes and standardized norms. The Group also continuously reviews and optimizes the performance management system, ensuring that the system can effectively respond to the needs of organizational development and talent cultivation, further supporting medium- and long-term talent retention and succession planning.

Fair Performance Appraisal Process

Before the performance review, the Group provides external professional training resources and internal standardized materials to assist managers at all levels to enhance performance management and interview skills, improving their professionalism and guidance capabilities during the appraisal process, and ensuring that managers can follow corporate core values to conduct objective and consistent evaluations. Relevant training content covers performance management processes, appraisal mindset, and feedback skills, assisting managers to establish effective feedback mechanisms, creating an open, respectful, and constructive communication environment, thereby enhancing employee trust and job engagement, serving as an important foundation for talent retention.

Two-Way Communication in the Appraisal Process

The performance appraisal process is a two-way communication opportunity where supervisors and employees review interim work results, goal attainment, and how well core values are put into practice, and fully discuss career development plans and future growth.

This interview is not only a performance evaluation tool but also a key mechanism for building mutual understanding, forging consensus, and strengthening trust between both sides. Employees share their opinions, needs, and career expectations, and jointly discuss future work adjustment directions and development paths with managers, so as to enhance their willingness for long-term retention and career stability.

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. For employees with development needs, the Group will jointly formulate action plans with employees, establishing clear improvement measures and development goals, and combining education and training, career development, and key competency cultivation resources to continuously support employees' professional growth and strengthen the foundation of PANJIT Group's overall talent retention and sustainable development.

Implementation status of 2025 performance appraisal

Operational Sites	Gender / Category of Position	Senior Supervisors	General Managerial Position	Non-managerial Position
PANJIT	Male employees receiving appraisal	100%	100%	100%
	Female employees receiving appraisal	100%	100%	100%
PANJIT (WUXI)	Male employees receiving appraisal	100%	100%	100%
	Female employees receiving appraisal	100%	100%	100%
PYNMAX	Male employees receiving appraisal	100%	100%	100%
	Female employees receiving appraisal	100%	100%	100%

- Note:
1. Definition of PANJIT's senior supervisors: Those holding the position of Director (inclusive) and higher; definition of PANJIT WUXI's senior supervisors: Those holding the position of Manager (inclusive) and higher; definition of PYNMAX's senior supervisors: Those holding the position of Department Head (inclusive) and higher.
 2. Definition of general management positions: Management positions other than senior supervisors.
 3. 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

Purpose of Management

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.

Policy

Please refer to the corporate Sustainable Development Policy - [Regulatory Compliance, Risk Elimination, Continuous Improvement](#).

Prevention and Remediation Mechanisms

- 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.
- Conduct a comprehensive review of the common risks of the accidents based on the occupational accidents that occurred in 2025. Implement overall improvement measures from dimensions such as enhanced equipment protection, operational procedure revision, risk assessment update, and education and training reinforcement, and incorporate the improvement items into the accident tracking and occupational safety and health management mechanism for continuous control.

Management Review

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.



	Goals for 2025	Goal Attainment Status for 2025	Short-term Goals (2026~2027)	Medium- and Long-term Goals (2028~2040)
Goal	- Zero case of occupational disease in the Group. - Zero severe occupational injury in the Group. - Group pre-job training number of people quarterly/annual achievement rate 100% - In-service training achievement rate of Group personnel holding ESH-related certificates to reach 100% - The achievement rate of the declared items required by the Group's ESH regulations to reach 100% - The number of fines resulting from deficiencies identified during inspections conducted by the Group's ESH management function: 0 cases - The percentage of employees with abnormal results during special health examinations within the group to be<3% - Disabling Severity Rate (SR) PANJIT ≤ 5 PANJIT (WUXI) ≤ 30 PYNMAX<12 - Disabling Frequency Rate (FR): PANJIT ≤ 1.00 PANJIT (WUXI) ≤ 5.00 PYNMAX<9.85	✓ Zero case of occupational disease in the Group. ✓ Zero severe occupational injury in the Group. ✓ Group pre-job training number of people quarterly/annual achievement rate 100% ✓ In-service training achievement rate of Group personnel holding ESH-related certificates reached 100% ✓ The achievement rate of the declared items required by the Group's ESH regulations reached 100% ✓ The number of fines resulting from deficiencies identified during inspections conducted by the Group's ESH management function: 0 cases ✓ The number of employees with abnormal results during special health examinations within the group was 0. ✗ Disabling Severity Rate (SR) PANJIT 31 ✗ PANJIT (WUXI) 117 ✓ PYNMAX 0 ✗ Disabling Frequency Rate (FR): PANJIT 1.75 ✓ PANJIT (WUXI) 3.00 ✓ PYNMAX 0.00	- Zero case of occupational disease in the Group. - Zero severe occupational injury in the Group. - Group pre-job training number of people quarterly/annual achievement rate 100% - In-service training achievement rate of Group personnel holding ESH-related certificates to reach 100% - The achievement rate of the declared items required by the Group's ESH regulations to reach 100% - The number of fines resulting from deficiencies identified during inspections conducted by the Group's ESH management function: 0 cases - The percentage of employees with abnormal results during special health examinations within the group to be<3% - Disabling Severity Rate (SR) PANJIT ≤ 5 PANJIT (WUXI) ≤ 30 PYNMAX<12 - Disabling Frequency Rate (FR): PANJIT ≤ 1.00 PANJIT (WUXI) ≤ 3.00 PYNMAX<9.85	- Zero case of occupational disease in the Group. - Zero severe occupational injury in the Group. - Group pre-job training number of people quarterly/annual achievement rate 100% - In-service training achievement rate of Group personnel holding ESH-related certificates to reach 100% - The achievement rate of the declared items required by the Group's ESH regulations to reach 100% - The number of fines resulting from deficiencies identified during inspections conducted by the Group's ESH management function: 0 cases - The percentage of employees with abnormal results during special health examinations within the group to be<1% - Disabling Severity Rate (SR) PANJIT ≤ 5 PANJIT (WUXI) ≤ 20 PYNMAX<10 - Disabling Frequency Rate (FR): PANJIT ≤ 1.00 PANJIT (WUXI) ≤ 3.00 PYNMAX<6.00
Actions and Results	- In 2025, the Group invested a total of approximately NT\$14.46 million to conduct equipment and environment improvements, reducing occupational safety risks. - In 2025, a total of 1,400 people in the Group participated in employee health examinations, 333 in cancer screenings, and 692 people underwent special health examinations, with no personnel classified into Level 3 or Level 4 management personnel, and also no cases of workers determined by physicians as occupational disease cases. - In 2025, PANJIT Gangshan Factory was awarded the Enterprise Benchmarking Award of the Workplace Fire Safety SDGs Disclosure from the Ministry of the Interior. - There were no major occupational accidents or diseases among employees and non-employee workers in 2025. - In 2025, there were no work-related injury incidents for non-employee workers in the Group.			

Note: FR and SR targets and achievement status did not include statistics of commuting traffic accidents.

Occupational Safety and Health Management System

To prevent the occurrence of workplace accidents and occupational diseases and protect employees' physical and mental health, PANJIT Group follows the regulations stipulated in Taiwan's "Occupational Safety and Health Management Measures" and China's "Labor Law of the People's Republic of China", "Work Safety Law of the People's Republic of China", and "Law of the People's Republic of China on Prevention and Control of Occupational Diseases", and has established occupational safety and health management systems in all its factories, obtained ISO 45001:2018 occupational safety and health management system certification. In addition, the Group regularly commissions impartial third-party agencies to conduct audits. Moreover, PANJIT has also implemented the TOSHMS (Taiwan Occupational Safety and Health Management System) in accordance with regulations and passed third-party validation to ensure the effective operation of the occupational safety and health management system. In 2025, it was honored with the Enterprise Benchmarking Award of the Workplace Fire Safety SDGs Disclosure from the Ministry of the Interior.



2025 Enterprise Benchmarking Award of the Workplace Fire Safety SDGs Disclosure from the Ministry of the Interior

The management system is applicable to workers in PANJIT Group, activities (semiconductor discrete component manufacturing and design) and production bases with an employee coverage rate of 96.0%^{Note}; each plant site conducts internal audit and external audit on a regular basis, with an employee coverage rate of 96.0%. A total of 4,830 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 Group'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 PANJIT's employees dispatched to overseas plants (Xuzhou Factory, Shandong Factory, and Shenzhen Office) are not included in the scope of the aforementioned safety and health management system, they are all managed in accordance with local occupational safety and health management regulations to ensure the health and safety rights of employees.

Note: In 2025, the number of people covered by the occupational safety management system scope totaled 2,186, excluding a total of 91 people from the Taipei Operations Center, Hsinchu R&D Center, and employees dispatched to overseas plants where operational hazards are minor, with an employee coverage rate reaching 96.0%.

Hazard Identification, Risk Assessment and Accident Investigation

PANJIT Group 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.

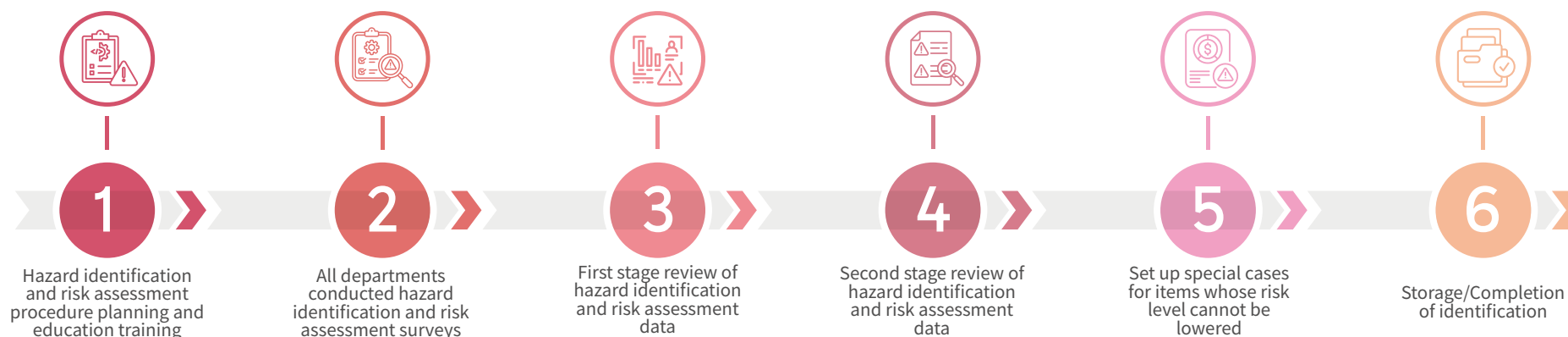
Hazard Identification and Risk Assessment

All the factories in PANJIT Group have established the Hazard Identification and Risk Assessment Procedures. In accordance with these procedures, hazards associated with operational activities are reviewed and assessed regularly/occasionally to determine their risk levels and prevent the occurrence of risks. Risk levels are classified using a Likelihood x Severity risk matrix, and corresponding preventive and control measures are implemented based on the assessment results. This risk-based approach also enables the identification of opportunities for further improvement in occupational health and safety (OHS) performance, which ensures that all risks are controlled to an acceptable level. Before hazard risk identification, each plant site conducts relevant training courses for identification employees to ensure the competence of personnel executing risk assessments. After evaluation in 2025, a total of 1,920 hazard risk assessment items were listed. After the risk levels were respectively reduced through engineering controls and management measures, there are already no high-risk items.

2025 Hazard Risk Assessment Results

Operational Sites	Hazard Risk Assessment Items	High Risk Items Quantity	
		Pre-control	Post-control
PANJIT	952 items	25 high-risk items	All reduced to medium or low risk
PANJIT (WUXI)	354 items	18 high-risk items	All reduced to medium or low risk
PYNMAX	1,065 items	2 high-risk items	All reduced to medium or low risk

Hazard Identification and Risk Assessment Steps



2025 Hazard Risk Improvement Plans

Operational Sites	Risk Level	Risk Item	Description of Risk	Improvement Plan
PANJIT	High	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. In 2025, traffic accident lost days already decreased by 40% compared to the previous year.	①At least one road safety training session shall be conducted on a yearly basis. ②In the event of employee traffic violations, security personnel shall promptly inform the individual of the potential hazards and provide traffic safety training. ③During 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 exits to ensure smooth vehicle flow. However, they do not control traffic on public roads. ④Request local police to increase patrols around the facilities.
PANJIT (WUXI)	High	Cleaning operations in the AU workshop	The cleaning process previously used n-propyl bromide, a Class A flammable liquid with a high risk of fire and explosion. Since the cleaning equipment was not designed to comply with explosion-proof standards, the operation involved a relatively high risk of fire and explosion.	①The original Class A n-propyl bromide was replaced with modified alcohol cleaning solvent, a Class C combustible liquid with a lower fire risk to significantly reduce the potential for fire and explosion. ②The cleaning equipment was replaced with a new system compliant with explosion-proof requirements to reduce the risk of fire and explosion.
PYNMAX	High	Manual acid replacement operation for hydrofluoric acid and oxide-removal solution	Due to the severe health hazard posed by hydrofluoric acid and oxide-removal solution, accidental contact may cause significant harm to personnel.	The equipment was modified by replacing the manual acid replacement process with an automated acid replacement system to eliminate direct personnel contact with hazardous chemicals.

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 conduct semi-annual workplace environment monitoring at a total of 227 locations, 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 2025, Gangshan Factory implemented two while Yongan Factory implemented 1 corrective and preventive measures, and all improvements have been completed.

PANJIT (WUXI) factory carries out annual workplace environmental monitoring at a total of 98 locations. The measurement items include physical and chemical parameters, such as illumination, tin dioxide, phenol, formaldehyde, noise, and flammable gases. The workplace environment is continuously monitored and evaluated, and the monitoring results are disclosed on-site for the employees to understand the conditions of their working environment.

Pynmax implements workplace environment monitoring annually at a total of 75 locations. The measurement items include carbon dioxide, noise, physical, and chemical measurements, continuously tracking and evaluating the occupational environment. The monitoring results are disclosed on-site for the employees to understand the conditions of their working environment.

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 2025, PANJIT invested approximately NT\$10 million to build an automated warehouse. The system utilizes automated loading and unloading operations and a goods-to-person workflow to effectively reduce manual handling frequency and the occurrence of improper postures, thereby reducing musculoskeletal strain among on-site employees. PANJIT (WUXI) invested approximately NT\$ 65,000 to replace the ordinary roller shutters and windows of the finished product warehouse with Class A fire-rated doors and fireproof roller shutters, and sealed the windows with brick walls to meet fire safety requirements. Pynmax invested approximately NT\$ 4.4 million to complete the construction of safety railings in the scrubber area and to modify the HF and BOE equipment to incorporate automatic acid feeding systems.



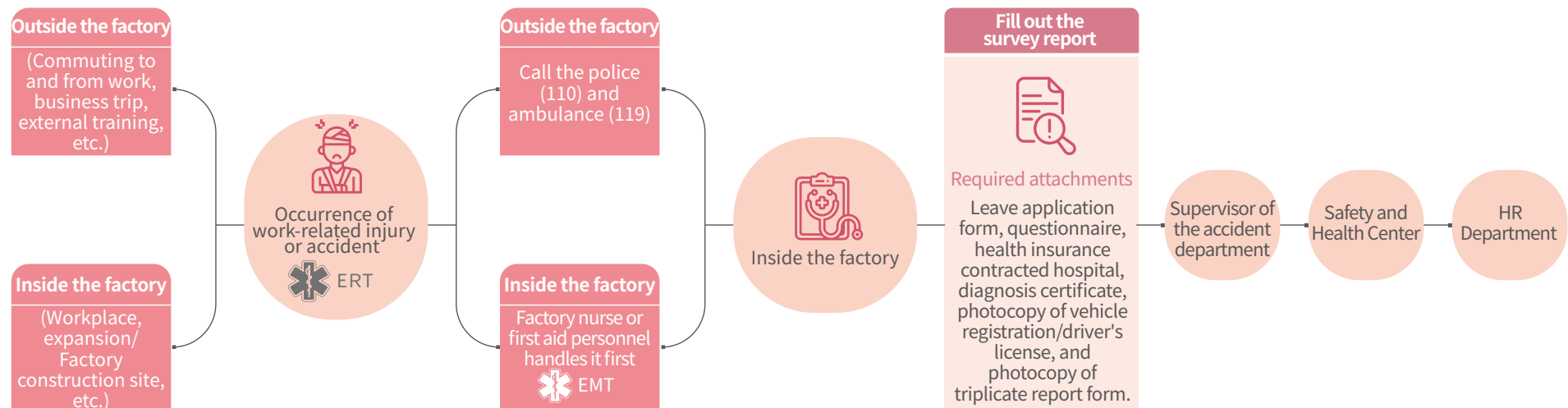
PANJIT Finished Goods Automated Storage and Retrieval System

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" to ensure and maintain compliance with the laws and regulations of each operating sites. If a work-related accident or a near-miss incident occurs, workers should immediately report to the supervisor on duty. In addition, relevant information concerning the right of withdrawal is clearly stipulated in the Company's Safety and Health Work Rules in accordance with Article 18 of the Occupational Safety and Health Act and Article 55 of the Work Safety Law of the People's Republic of China, stipulating that 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 unfavorable treatment on laborers taking the above-mentioned actions.

In the event of an injury accident, the In-plant First Aid and Incident Notification and Handling Procedures are followed to conduct injury assessment and triage. Minor injuries are treated by on-site first aiders or the medical room, while serious injuries are reported by supervisors and evaluated by medical personnel, followed by immediate arrangements for transportation to a medical facility by ambulance or company vehicle. Subsequently, the incident is reviewed and classified to determine whether it qualifies as work-related injury. Appropriate administrative support and insurance claim procedures are initiated accordingly. Through incident investigation and corrective action mechanisms, the Company continues to strengthen workplace safety management.

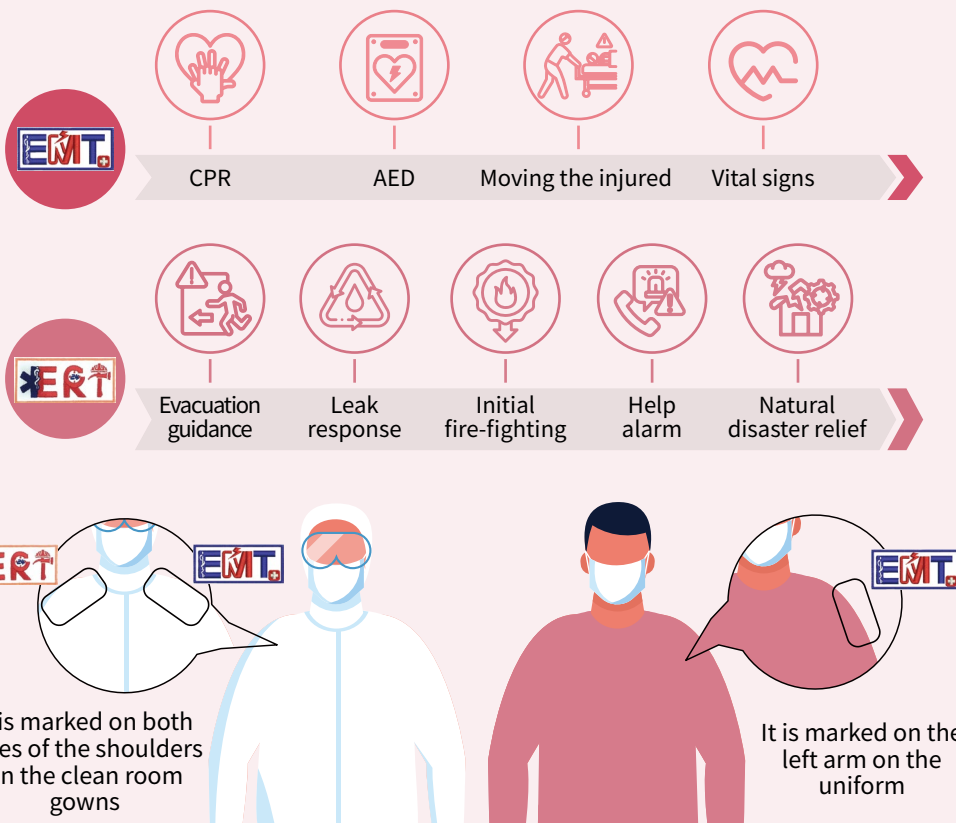
Accident Investigation and Handling Process



In addition, PANJIT Group 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

Each factory of PANJIT Group is equipped with an occupational safety and health management organization (Occupational Safety and Health Committee), responsible for formulating safety and health policies, promoting occupational safety and health tasks of its respective factory, as well as communicating, providing consultation, and responding 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 to respond to the feedback.

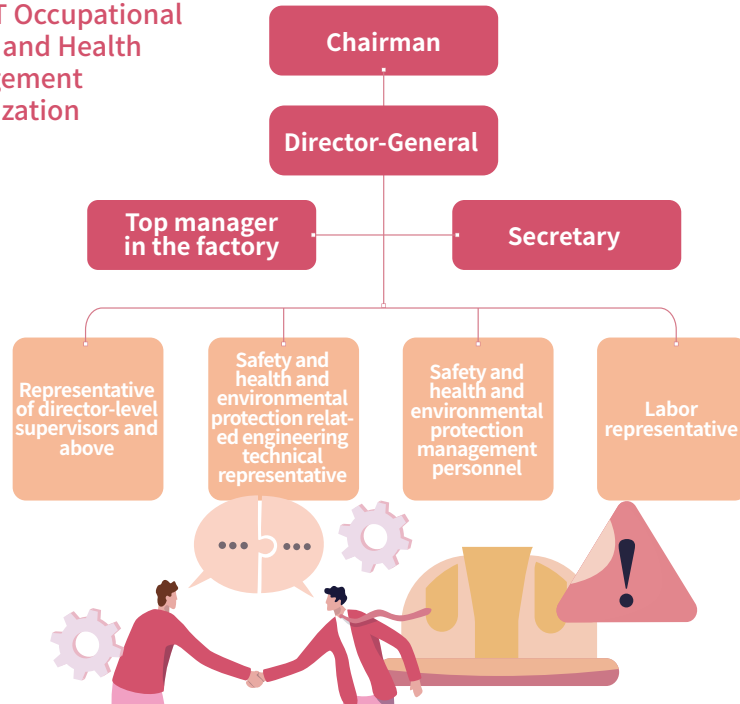
The Committee in Gangshan Factory is composed of 30 members, with 11 labor representatives (including 2 foreign members). The Committee in Yongan Factory is made up of 19 members, with 8 labor representatives, while the Committee in Pynmax is made up of 22 members, with 9 labor representatives. Taiwan factories all comply with the labor representative proportion required by the Occupational Safety and Health Management Measures; Wuxi factory committee has a total of 18 members. 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.

The responsibilities of the committee include providing recommendations on the formulation of occupational safety and health policies, reviewing, coordinating, and advising on occupational safety and health-related matters, actively participating in relevant internal company meetings, and establishing safety objectives and targets. The committee chair (president)/ key person in charge (plant manager) is in charge of relevant decision making. The committee meets at least once a quarter, and held 16 meetings in 2025, completing a total of 31 safety and health-related proposals.

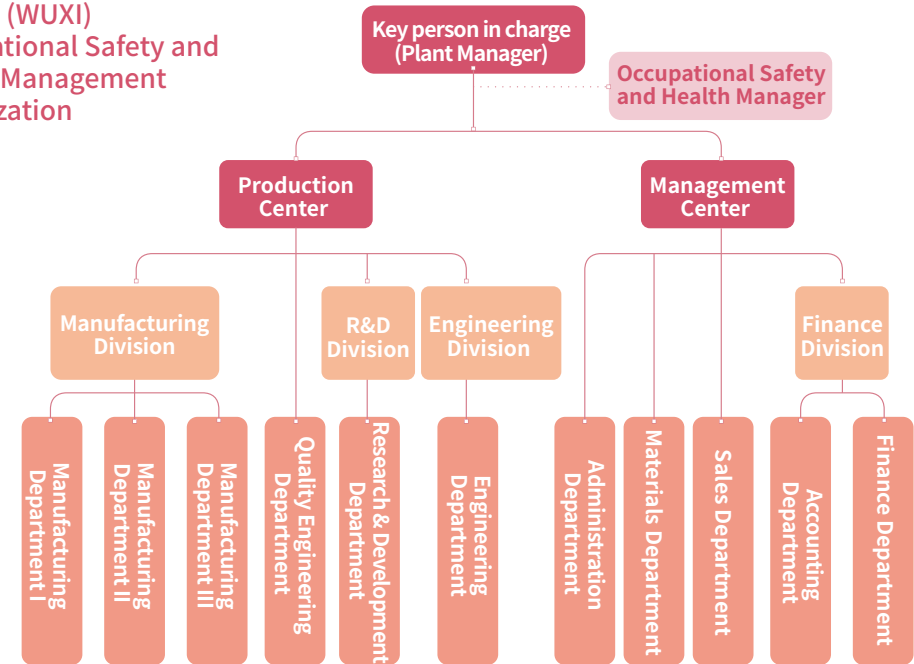


Occupational Safety and Health Management Committee

PANJIT Occupational Safety and Health Management Organization



PANJIT (WUXI) Occupational Safety and Health Management Organization



Diverse communication channels for occupational safety and health

1. Internal contact form.
2. Physical bulletin board, e-bulletin board (screen saver).
3. 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 number of the designated contact person at the factory for assistance.
7. If the workers need any consultation or assistance, they can directly contact the Safety and Health Center or dial the extension number of the designated contact person at the factory for assistance.
8. Occupational Safety and Health Committee.
9. 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, and also carried out audits on the occupational safety and health management of suppliers or contractors. Through the implementation of a systematic inspection and review mechanism, identified deficiencies and the number of improvement actions can be effectively tracked and demonstrated, assisting suppliers and contractors in enhancing their occupational health and safety performance.

In addition, PANJIT has introduced the Environmental Safety Cloud Management System. The cloud management results are integrated with those in all departments so that employees clearly understand the collective priority safety rules they must strictly follow, which serve 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.

All the factories of PANJIT Group 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 Group 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 Group 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 evacuation training are also held on a regular basis for fire prevention and disaster response to strengthen the concept of evacuation. In 2025, occupational safety and health-related training and drills had a total of 5,557 participants.



ERT Self-defense Firefighting Team



General Safety and Health Education and Training for New Employees



Chemical Spill Response and Handling



Emergency Response Drill for Floods and Deteriorating Air Quality



Invited Famous YouTuber "Huo Hua Luo" to Hold a Traffic Safety Lecture.



Fire Drill



Fire Extinguisher Operation Training (Contractors)



Protective Clothing Education and Training

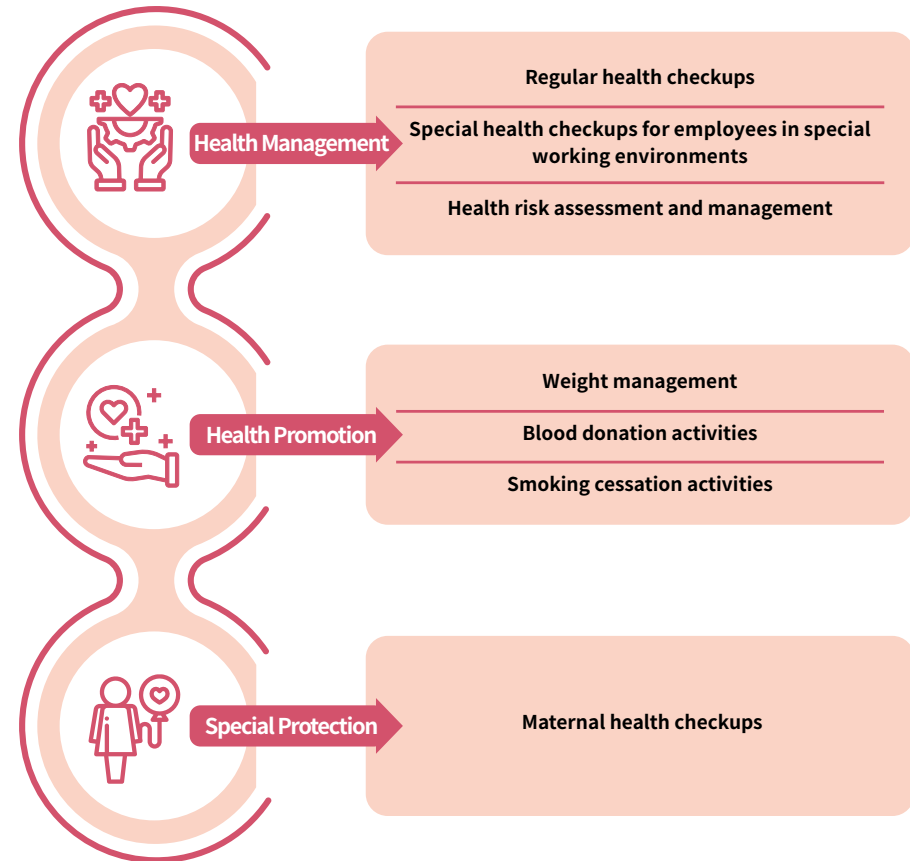
Contractor Safety Management

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

- 1** Qualification review is conducted when working with a contractor 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. 3 contractor violation notices were issued in 2025, and the improvement has been 100% completed.

Occupational Health Services

Employees are the most valuable assets of PANJIT Group, 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 as 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 Group attaches great importance to the employees' health and provides comprehensive health care services. Professional nurses and outsourced occupational health physicians conduct on-site visits regularly 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 2025, the on-site visit plans were completed in a total of 6 production line stations, and about 279 employees received health consultation and health management services from the on-site physicians.

In addition, PANJIT and Pynmax cooperate with physicians from neighboring hospitals to jointly conduct on-site health risk assessment and management three times a month in total. For individuals with abnormal health examination data and those under Level 3 and Level 4 management, follow-up and health education management are executed in accordance with physicians' recommendations. In 2025, a total of about 919 employees participated in the health risk assessment and management program.



On-site Occupational Physician Consultation



Site Visit by Occupational Health Physicians

■ Health Checkup

The employees' graded health management is implemented in accordance with the regulations, and the data is handled 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 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 2025, a total of 1,400 employees joined the employee health examinations, 333 took part in the cancer screening, and 692 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 managed by occupational medicine specialists. In 2025, there were no cases identified as occupational disease by physicians.

Preventive Measures for Occupational Diseases

- **Ergonomic:** On-site visits and assessments are conducted by occupational health specialists and Key Indicator Method (KIM) is utilized to evaluate the workload of personnel in detail to identify potential risks that may lead to musculoskeletal diseases, and improvement suggestions and protective measures are then proposed.
- **Chemical:** Through exposure assessment and control and management of chemicals, the Company ensures the safe use of chemicals in the workplace and reduces employees' health risks associated with both short-term and long-term exposure to hazardous substances.
- **Psychological:** Continue to improve the cerebral and cardiovascular disease prevention and management programs through initiatives such as health promotion programs and employee care mechanisms, which aim to reduce the impact of work-related stress on mental health, promote employees' physical and psychological health, and predict cardiovascular disease, so as to provide suggestions to employees with high risks, including dietary improvements, increased physical activity, and stress management strategies, to reduce the incidence of work-related health issues.
- **Biological:** Continuously monitor real-time announcement released by the Taiwan Centers for Disease Control to track trends in infectious diseases and provide timely health education information and epidemic prevention measures to reduce the risk of employee infection.
- **Physical:** Strengthen the identification and assessment of physical hazards in the workplace, such as noise, vibration, radiation, and extreme temperatures, and implement appropriate control measures to reduce employees' exposure to physical hazards.

Provision of Health Services in 2025

Category	Item	PANJIT	PANJIT (WUXI)	PYNMAX
General Health Examination	Frequency	Annual		
	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.		
	Health Management	The health center will provide personal health education to assist those with abnormal results to conduct health management.		
	Number of People	1,088	151	161
Special Health Examination	Frequency	Annual		
	Exam items	Noise, ionizing radiation, lead operations, dust operations, Bromopropane operations	Noise, ionizing radiation, lead operations, dust operations, bromopropane operations	Noise, ionizing radiation, lead operations, dust operations, bromopropane operations
	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.	If there are employees categorized as Level 3 or Level 4 management targets, the occupational health specialist will keep the follow-up 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	262	388	42

Note: At PANJIT, eligible employees for the health examination are those who have been employed for 2 years and have not taken unpaid leave for more than three months (including foreign employees); at PANJIT (WUXI), those eligible are personnel at grade 5 (inclusive) and above; at Pynmax, employees who have been employed for 1 year and have not taken unpaid leave for more than 3 months are eligible for health examinations (foreign employees are subject to applicable statutory requirements).



Employee Health Examinations

Special Protection

■ Maternal Health 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 2025, the maternal health protection plan was implemented to 25 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.



Health Promotion

The Group 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 the factories within the PANJIT Group every quarter to share and promote health-related knowledge with the employees.



blood donation activity

PANJIT
97
people participated in
a total of
29,750 C.C.
of blood



A weight loss competition

PANJIT
57 participants
109 kilograms
15,100 gift certificates



health seminar

PANJIT (WUXI)
and PYNMAX
3 seminars
82 participant-times

2025 Health Promotion Performance



Blood Donation Activity



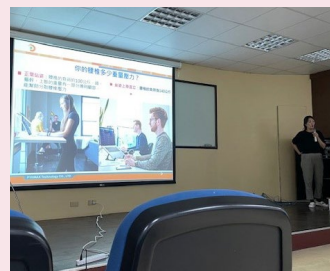
Weight Loss Competition

Health Promotion Lectures

Healthy Habits to Help Stay Away from High Blood Pressure, High Blood Sugar, and High Cholesterol

High blood pressure, high blood sugar, and high cholesterol are not age-related issues, but warning signs of lifestyle habits. Start making changes now to truly take control of your health.

..... Number of participants: **16**



Prevention of Office-related Aches and Pains

Ignoring aches and pains today means compromising your health tomorrow. Preventing discomfort is the key to working comfortably for the long term. Join the nurse-led session to learn proper sitting posture and simple stretching techniques, and say goodbye to office aches and pains.

..... Number of participants: **16**

Traditional Chinese Medicine (TCM) Health Knowledge

The session provided explanations of massage techniques for hand and head care, helping employees understand how to practice daily self-care and preventive health measures to maintain their well-being.

..... Number of participants: **50**



Statistics of Occupational Injuries

PANJIT Group recorded 12 occupational accidents in 2025, including 5 fall accidents, 6 cut and pinch injuries, and 1 falling object incident, with 12 employees sustained temporary disabling injuries, accounting for 5.58 per thousand employees (‰). The total number of lost workdays was 343.5 days. The main causes of the accidents included personnel violations of safety and health regulations and insufficient risk awareness. Each factory has carried out a comprehensive review of the common risks of the accidents, and overall improvement measures were implemented through strengthened equipment safeguards, revised operating procedures, updated risk assessment, and enhanced safety education and training. Improvement actions are incorporated into the incident tracking process and occupational safety and health management system for continuous monitoring and control to reduce the risk of recurrence and continuously improve overall workplace safety.

Statistics of Occupational Injuries

Operational Sites	ITEM	2023	2024	2025
PANJIT	Total Working Hours	3,394,158	3,448,716	3,429,532
	Number of Occupational Injuries	4	4	6
	Disabling Frequency Rate (FR)	1.17	1.16	1.75
	Disabling Severity Rate (SR)	9	53	31
PANJIT (WUXI)	Total Working Hours	2,872,440	2,306,518	1,989,392
	Number of Occupational Injuries	7	5	6
	Disabling Frequency Rate (FR)	2.44	2.17	3.02
	Disabling Severity Rate (SR)	46	49	117
PYNMAX	Total Working Hours	436,832	428,832	435,448
	Number of Occupational Injuries	0	2	0
	Disabling Frequency Rate (FR)	0	4.66	0
	Disabling Severity Rate (SR)	0	205	0

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 2025.
5. Severe occupational injuries ratio (SOI) = Number of SOI (excluding fatalities)/ working hours*1,000,000; and none occurred in 2025.
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 2025, among the non-employee workers of PANJIT (including resident contractors and other contractors), there were no incidents of work injuries; their total working hours were approximately 166,986 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 2025, a total of 24 traffic accidents during commuting occurred, and the number of days lost was 704. 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; in 2025, PANJIT (WUXI) had 2 traffic accidents during commuting, resulting in a total loss of 9 workdays. Both accidents occurred while employees were commuting on foot under normal walking conditions. The employees were hit by vehicles and electric scooters due to traffic violations. PYNMAX had a total of 5 traffic accidents during commuting hours in 2025, resulting in a total loss of 11 workdays. In response to traffic accidents, we have strengthened traffic safety education and awareness programs for employees. Employees are required to comply with traffic regulations during commuting, remain alert to surrounding vehicles, and take appropriate preventive actions to minimize the risk of traffic accidents.

6 Social Inclusion



PANJIT Group 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 to strengthen its efforts across 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 Group 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 2025, the public welfare expenditures of PANJIT Group totaled NTD 970,000.



ESG Environmental Sustainability

Tree Planting Activity

Since 2022, PANJIT Group has been organizing the Love the Earth- Tree Planting Activity every year. In 2025, we continued to strengthen environmental education and invited the local Qianfeng Elementary School in Gangshan to participate. For the first time, the event also included a unique challenge activity designed by local artisans from Dexingtang Chinese Medicine Shop, allowing participants to learn about environmental protection and ecology in an entertaining and educational way, continuously expanding the practice of ESG sustainability, and demonstrating our concern and friendliness towards the environment.

PANJIT (WUXI) also aligned with the Group's core values and held the ESG tree-planting event entitled "Planting Green, Share Spring" to strengthen employees' environmental awareness and promote ESG principles. Through an all-employee environmental knowledge quiz with prizes and tree-planting activities conducted by various departments, employees worked together to plant hope, protect a greener future, and further expand the overall sustainability impact of the Group.

The tree-planting event attracted a total of 1,214 participant-times, with a cumulative environmental volunteer time of 2,804 hours and a total investment of NT\$1.21 million. Nearly a thousand tree seedlings were planted, which is expected to increase the Earth's carbon sequestration capacity by more than 10,000 kilograms of CO₂. Going forward, annual tree care and maintenance activities will be carried out to continuously promote environmental greening, enhance ecological corridor spaces, and integrate with local coastal migratory bird wetland ecosystems. While promoting environmental greening, we also contribute to ecological restoration and create a sustainable coastal paradise.

Environmental public welfare expenditures amounted to approximately
NTD 470,000



ESG Environmental Sustainability

Healthy Vegetarian Day

PANJIT and PYNMAX 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 reduce related carbon emissions. A total of about 4,500 people ate the vegetarian meals in 2025, 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: 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 470,000



ESG Social Participation

Social welfare expenditures
amounted to about
NTD 500,000



Participation in Education

Food and Agriculture Education x Little Scientists Activity

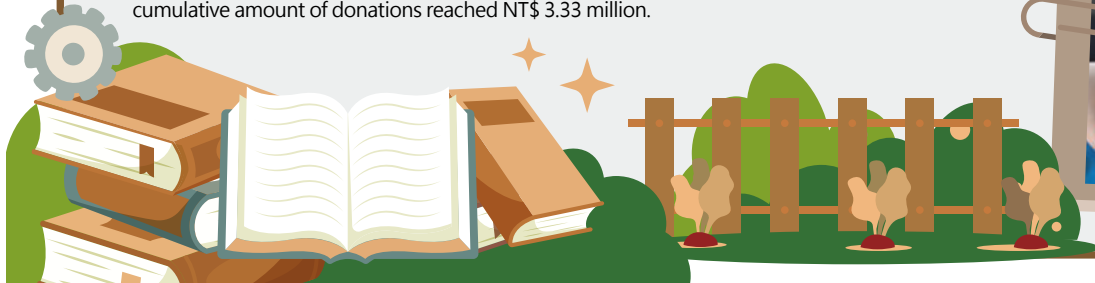
PANJIT brought together industry, government, and academia to deliver abundant and diverse teaching courses at Chien-Feng and Beiling Elementary Schools in Gangshan District, Kaohsiung, with the Company's corporate volunteers taking part. The current cumulative number and volunteering hours of the corporate volunteers of PANJIT reached 80 and 1,326 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 4 local Elementary Schools in Gangshan District

Starting from 2011, PANJIT has made long-term donations of teaching resources and meal subsidies to four regional elementary schools in Gangshan District and donated teaching equipment and nutritious lunch to nurture the young students. As of the end of 2025, the cumulative amount of donations reached NT\$ 3.33 million.

Exchange Books for Vegetables

In response to World Earth Day on April 22 and World Book Day on April 23, PANJIT held an "Exchange Books for Vegetables" charity event, combining environmental sustainability with the promotion of reading, inviting all employees to participate to promote knowledge sharing, resource reuse, and the continued value of books. Through this activity, the Company put the concept of sustainable living into practice and collected a total of 120 second-hand books. All proceeds from the secondhand book donations during this fundraising campaign were donated to the Sunshine Social Welfare Foundation to support rehabilitation and reconstruction services for burn victims and those with facial injuries, assisting them in regaining confidence and hope for life. A book's journey does not end with reading; it can become a source of inspiration and a force that illuminates the lives of others.



ESG Social Participation

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, PANJIT provides 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 2025, we have donated NT\$ 2.4 million.

At the same time, PANJIT held its first "PANJIT's Love Accompanies Every Child" in 2025 to further connect internal corporate resources with social resources, inviting our employees to participate in public welfare event to directly convey warmth and love to children through on-site care and interactive companionship.

Employee Blood Donation

PANJIT organizes the employee blood donation activity every three months. In 2025, a total of 97 people participated in the blood donation activity, donating a cumulative amount of 29,750C.C. of blood.



"Accompanied by Warm Cherry Blossoms, Walking Forward with Love" - A Caring Activity for Children in Special Schools

PANJIT (WUXI) has long been committed to the growth and development of children with special needs and has established a stable and in-depth cooperative relationship with special schools. By organizing the "Accompanied by Warm Cherry Blossoms, Walking Forward with Love" care event, we hope to bring more warmth and support to children, while also spreading the positive power of public welfare and charity to every corner of society, and lighting up hope for more groups in need.

International Children's Day

To continue supporting children with special needs, PANJIT (WUXI) has established a long-term and stable partnership with special schools. On International Children's Day (June 1), the Company specially organized a donation event and carefully prepared various learning supplies and educational resources to help create a better learning environment for children. These donated items not only support their daily learning needs but also represent the Company's care and commitment to children's future development. Through concrete actions, the Company delivers warmth and support, accompanying children as they move forward on their journey of growth with courage.

ESG Social Participation

Corporate Volunteering

Recruitment of Corporate Volunteers

PANJIT has established a corporate volunteer team and provides 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 80 volunteers.

企業教育志工

延續去年的食農教育課程，今年我們把美味、知識再升級啦！今年度我們將帶領著前峰國小的小朋友，一同探索高雄在地水果的魅力，結合 ESG 理念，用最有趣的方式讓孩子們學習永續、愛地球。而這段故事，少不了一你！

快速報名一起成為潘世企業教育志工，陪伴孩子們一同探索土地、實作體驗，讓食農教育不只是一堂課，而是一段關於土地、食物、永續與希望的故事。讓我們一同在笑聲中傳遞永續的價值，寫下最甜美的篇章吧。

活動開始報名囉！

即日起至10/09(四)止

招募對象 強茂全體同仁	服務地點 岡山前峰國小 (620高雄市岡山區育英路35號)
服務時間 10/13(一)、10/14(二) 10/20(一)、10/21(二) 13:00-17:00	報名連結 請掃描 QR CODE 進行線上報名

如有任何不清楚的部分，請洽分機 82-1767 行政總務管理組 伍韻樺



Special Column

PANJIT's Love Accompanies Every Child

In the hustle and bustle of daily life, we often unconsciously ignore those purest and most precious happiness around us.

"House of the Little Angels Kaohsiung" has long been dedicated to caring for children who are displaced, experiencing family misfortunes, or in need of shelter, creating a safe and love-filled growth environment for them. It is not only a space to shelter from wind and rain, but also a warm home where children can regain their smiles and grow up with peace of mind amidst stability and care.



Upholding the philosophy of "The Cycle of Goodness", PANJIT continues to give back to society with practical actions, regularly donating to the House of the Little Angels Kaohsiung every quarter, hoping to become that pair of hands silently supporting behind the children. This support is not limited to material assistance, but is a long-term and sincere companionship, accompanying children through every important moment in their growth. In addition, the Company also invites employees and their dependents to jointly participate in public welfare actions, accompanying the little angel babies to explore the world in interaction and laughter through five-sense experience activities led by Teacher Happy. Through such exchange and companionship, it not only brings warmth and happiness to the children, but also allows love and care to continuously flow between each other, condensing into a greater force of goodwill.



Number of infants and toddlers participating from House of the Little Angels Kaohsiung

19
persons



Number of staff members from House of the Little Angels Kaohsiung

10
persons



Number of participants from PANJIT
20 employees, 18 children

38
persons



Total number of activity participants

67
persons



7 Appendixes

I - GRI CONTENT INDEX	145
II - SUSTAINABILITY DISCLOSURE INDICATORS- COMPARISON TABLE FOR SEMICONDUCTOR INDUSTRY	150
III - COMPARISON TABLE OF THE SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) STANDARDS	151
IV - TWSE COMPARISON TABLE OF CLIMATE-RELATED INFORMATION	153
V - PANJIT GROUP QUALITY AND CERTIFICATIONS	154
VI - INDEPENDENT THIRD-PARTY VERIFICATION STATEMENT	156



Appendix I - GRI Content Index

Statement of Use	PANJIT has reported the contents in accordance with the GRI Standards during the reporting period from 2025/1/1-2025/12/31.
GRI 1 Used	GRI 1 : Foundation 2021
Applicable GRI Sector Standard(s)	N/A

GRI Topics		Corresponding Chapter	Items for Disclosure	Page Number	Note
GRI 2 : General Disclosures 2021					
The organization and its reporting practices					
2-1	Organizational details		About PANJIT	08	
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		-		There are no restatements of information in this Report.
2-5	External assurance		About the Report	02	
Activities and workers					
2-6	Activities, value chain and other business relationships		About PANJIT 3.3 Sustainable Supply Chain Management	08 61	
2-7	Employees		5.2 Employee Diversity	97	
2-8	Workers who are not employees		5.2 Employee Diversity	97	
Governance					
2-9	Governance structure and composition		2.1 Corporate Governance	31	
2-10	Nomination and selection of the highest governance body		2.1 Corporate Governance	31	
2-11	Chair of the highest governance body		2.1 Corporate Governance	31	
2-12	Role of the highest governance body in overseeing the management of impacts		1.1 ESG Strategy and Implementation	17	
2-13	Delegation of responsibility for managing impacts		1.1 ESG Strategy and Implementation	17	

GRI Topics	Corresponding Chapter	Items for Disclosure	Page Number	Note
2-14	Role of the highest governance body in sustainability reporting	About the Report	02	
2-15	Conflicts of interest	2.1 Corporate Governance	31	
2-16	Communication of critical concerns	1.1 ESG Strategy and Implementation	17	
2-17	Collective knowledge of the highest governance body	2.1 Corporate Governance	31	
2-18	Evaluation of the performance of the highest governance body	2.1 Corporate Governance	31	
2-19	Remuneration policies	2.1 Corporate Governance 5.4 Compensation and Benefits	31 106	Incomplete information/"GRI 2-19 b." Currently, the remuneration policy for the directors is not linked to the organization's economic, environmental, or social impact-related objectives and performance. In the future, we will continue to strengthen the board's ESG performance management mechanism.
2-20	Process to determine remuneration	2.1 Corporate Governance	31	
2-21	Annual total compensation ratio	5.4 Compensation and Benefits	106	
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	17 37 44 61 90	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	37 44 61 90	
2-25	Processes to remediate negative impacts	1.3 Stakeholder Communication 5.1 Human Rights Management	26 90	
2-26	Mechanisms for seeking advice and raising concerns	1.3 Stakeholder Communication 5.1 Human Rights Management	26 90	
2-27	Compliance with laws and regulations	2.3 Ethics and Integrity	37	
2-28	Membership associations	About PANJIT	08	

GRI Topics	Corresponding Chapter	Items for Disclosure	Page Number	Note
Stakeholder Engagement				
2-29	Approach to stakeholder engagement	1.3 Stakeholder Communication	26	
2-30	Collective bargaining agreements	5.4 Compensation and Benefits	106	
Material Topics				
GRI 3 : Material Topics 2021				
3-1	Process to determine material topics	1.2 Materiality Analysis	20	
3-2	List of material topics	1.2 Materiality Analysis	20	
Material Topics: Supply Chain Sustainable Management				
3-3	Management of material topics	3.3 Sustainable Supply Chain Management	61	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	3.3 Sustainable Supply Chain Management	61	
GRI 301 : Materials 2016	301-1 Materials used by weight or volume	3.3 Sustainable Supply Chain Management	61	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	3.3 Sustainable Supply Chain Management	61	
	308-2 Negative environmental impacts in the supply chain and actions taken	3.3 Sustainable Supply Chain Management	61	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	3.3 Sustainable Supply Chain Management	61	
	414-2 Negative social impacts in the supply chain and actions taken	3.3 Sustainable Supply Chain Management	61	
Material Topics: Product Health and Safety				
3-3	Management of material topics	3.1 Product Quality and Services	50	
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	50	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	3.1 Product Quality and Services	50	

GRI Topics	Corresponding Chapter	Items for Disclosure	Page Number	Note
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	50	
Material Topics: Information Security Management				
3-3	Management of material topics	2.5 Information Security Management	44	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.5 Information Security Management	44	
Material Topics: Innovative R&D and Patents				
3-3	Management of material topics	3.2 Innovative R&D and Patents	54	
Material Topics: Climate Change Responses				
3-3	Management of material topics	4.1 Climate Change Adaptation and Actions	71	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	4.2 Energy and Emissions	78	
	305-2 Energy indirect (Scope 2) GHG emissions	4.2 Energy and Emissions	78	
	305-3 Other indirect (Scope 3) GHG emissions	4.2 Energy and Emissions	78	
	305-4 GHG emissions intensity	4.2 Energy and Emissions	78	
	305-5 Reduction of GHG emissions	4.2 Energy and Emissions	78	
Material Topics: Talent Cultivation				
3-3	Management of material topics	5.3 Recruitment and Employment	102	
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	102 112	
	404-3 Percentage of employees receiving regular performance and career development reviews	5.3 Recruitment and Employment	102	
Material Topics: Talent Attraction and Retention				
3-3	Management of material topics	5.3 Recruitment and Employment	102	
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	106	
	202-2 Proportion of senior management hired from the local community	5.2 Employee Diversity	97	

GRI Topics	Corresponding Chapter	Items for Disclosure	Page Number	Note
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	5.3 Recruitment and Employment	102	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.4 Compensation and Benefits	106	
	401-3 Parental leave	5.4 Compensation and Benefits	106	
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	5.3 Recruitment and Employment	102	
Material Topics: Diversity and Equal Opportunity				
3-3	Management of material topics	5.1 Human Rights Management	90	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	2.1 Corporate Governance 5.2 Employee Diversity	31 97	
	405-2 Ratio of basic salary and remuneration of women to men	5.4 Compensation and Benefits	106	
Material Topics: Occupational Safety and Health				
3-3	Management of material topics	5.6 Employee Health and Safety	122	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	5.6 Employee Health and Safety	122	
	403-2 Hazard identification, risk assessment, and incident investigation	5.6 Employee Health and Safety	122	
	403-3 Occupational health services	5.6 Employee Health and Safety	122	
	403-4 Worker participation, consultation, and communication on occupational health and safety	5.6 Employee Health and Safety	122	
	403-5 Worker training on occupational health and safety	5.6 Employee Health and Safety	122	
	403-6 Promotion of worker health	5.6 Employee Health and Safety	122	
	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	61 122	
	403-8 Workers covered by an occupational health and safety management system	5.6 Employee Health and Safety	122	

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

No.	Indicator	Type of Indicator	Unit	Report Content or Description
一	Total energy consumption, percentage of purchased electricity, and usage rate of renewable energy	Quantitative	Gigajoules (GJ), percentage (%)	(1) Total energy: 419,113.81 GJ (2) Purchased electricity: 97.51 % (3) Renewable energy: 2.14 %
二	Total water withdrawal and total water consumption	Quantitative	thousand cubic meters (1,000m ³)	(1) Water withdrawal: 912.44 m ³ (2) Water consumption: 291.05m ³
三	Weight of hazardous waste generated and percentage recycled	Quantitative	metric tons (t), percentage (%)	(1) Hazardous waste: 226.13 t (2) Recycling ratio: 68.20%
四	Explain the types, number, and proportion of occupational accidents	Quantitative	Quantity, ratio (%)	12 People, 0.558%
五	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 (%)	(1)Hazardous wastes: 226.13 t (2)the percentage of recycling: 68.11%
六	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 .
七	Total pecuniary losses resulting from legal proceedings related to the regulations of anti-competitive conduct	Quantitative	NTD	NTD 0
八	Output of main product by category	Quantitative	KK	Discrete device: 27,078KK Wafers and chips: 311,531 Pieces

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	Gross global Scope 1 emissions and (2) the total emissions from perfluorinated compounds	Quantitative	tCO ₂ e	(1) Scope 1: 1,182.6828 tCO ₂ e (2) Perfluorinated compounds: 849.1999 tCO ₂ e Note: The inventory was carried out only in PANJIT and PYNMAX sites, so the perfluorinated compounds (PFCs) data does not include PANJIT (WUXI) information.
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: 419,113.81 GJ (2) Percentage grid electricity: 97.51% (3) Percentage renewable: 2.14 %
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) Percentage (%)	(1) Total water withdrawn: 912.44 m ³ (2) Total water consumed: 291.05 m ³ PANJIT, PANJIT (WUXI) and PYNMAX are 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: 226.13t (2) Recycling ratio: 68.11%
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 .

Indicator No.	Disclosure indicator	Nature	Unit	Report Content or Description
TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	Quantitative	NT	NT\$0
Recruiting & Managing a Global & Skilled Workforce				
TC-SC-330a.1	Percentage of employees that require a work visa	Quantitative	Percentage (%)	22.7%
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 Service .
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	NT\$0
Activity Metrics				
TC-SC-000.A	Total production from owned manufacturing facilities and production service contracts	Quantitative	Units	Power Discrete : 27,078KK Wafers and Chips: 311,531 pieces
TC-SC-000.B	Percentage of production from owned facilities	Quantitative	Percentage (%)	73%

Appendix IV - TWSE Comparison Table of Climate-Related Information

Item	Implementation Status
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 2026, followed by the acquisition of the GHG Protocol certificate in June 2026. Furthermore, assurance for consolidated subsidiaries is scheduled for completion starting from 2029. The Company has already planned and is currently executing inventory and verification processes, and will disclose relevant information in accordance with statutory regulations in the future.

Appendix V - PANJIT Group Quality and Certifications

Various
Certifications

PANJIT

ISO 9001



Expiration Date
2026/12/26

ISO 14001



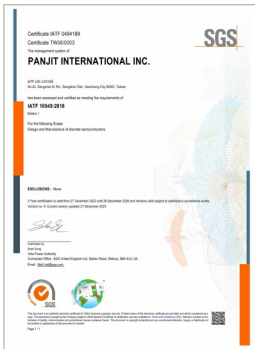
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ISO 45001



Expiration Date
2028/02/02

IATF 16949



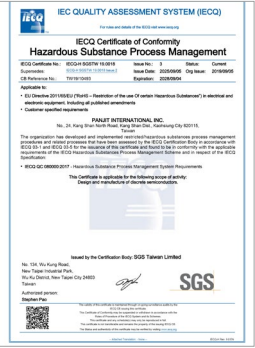
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ESD S20.20



Expiration Date
2027/03/19

QC 080000



Expiration Date
2028/09/04

ISO 50001



Expiration Date
2026/11/18

ISO 27001



Expiration Date
2027/06/20

GHG Protocol



Expiration Date
2026/06/05

RBA Silver Status



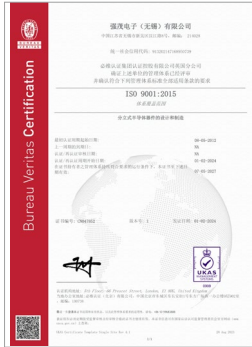
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2027/07/30

154 PANJIT INTERNATIONAL INC. 2025 ESG Report

Various
Certifications

**PANJIT
(WUXI)**

ISO 9001



Expiration Date
2027/05/07

ISO 14001



Expiration Date
2027/08/05

ISO 45001



Expiration Date
2027/08/05

Various
Certifications

PYNMAX

ISO 9001



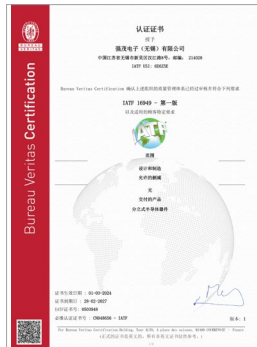
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ISO 14001



Expiration Date
2026/10/25

IATF 16949



Expiration Date
2027/02/28

ESD S20.20



Expiration Date
2027/02/16

QC 080000



Expiration Date
2028/08/21

ISO/IEC 17025



Expiration Date
2031/02/23

ISO 45001



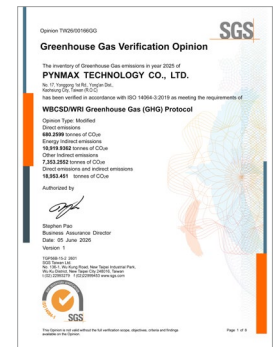
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2026/10/20

IATF 16949



Expiration Date
2027/06/12

GHG Protocol



Expiration Date
2026/06/05

Appendix VI - Independent Third-Party Verification Statement



ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE PANJIT INTERNATIONAL INC.'S ESG REPORT FOR 2025

NATURE AND SCOPE OF THE ASSURANCE

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by PANJIT INTERNATIONAL INC. (hereinafter referred to as PANJIT) to conduct an independent assurance of the ESG Report for 2025 (hereinafter referred to as the ESG Report). The assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standard v3 Type 1 Moderate level during 2026/04/01 to 2026/05/20. The boundary of this report includes PANJIT Taiwan and overseas operational and production on-site sites as disclosed in PANJIT's ESG Report of 2025. The boundary is not the same as PANJIT's consolidated financial statements.

SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing the stakeholders in PANJIT's ESG Report of 2025.

RESPONSIBILITIES

The sustainability information in the PANJIT's ESG Report of 2025 and its presentation are the responsibility of the directors or governing body (as applicable) and management of PANJIT. SGS has not been involved in the preparation of any of the material included in the ESG Report.

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

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

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

Assurance has been conducted at a Type 1 Moderate level of scrutiny.

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

TWLPP 5008 Issue 2601

Reporting Criteria Options

1	AA1000 Accountability Principles (2018)
2	GRI (in Accordance with)

- AA1000 Assurance Standard v3 Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018) is conducted at a moderate level of scrutiny, and therefore the reliability and quality of specified sustainability performance information is excluded.
- The evaluation of the report against the requirements of GRI Standards, includes GRI 1, GRI 2, GRI 3, 200, 300 and 400 series claimed in the GRI content index as material and is conducted in accordance with the standards.

ASSURANCE METHODOLOGY

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

LIMITATIONS

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

INDEPENDENCE AND COMPETENCE

SGS affirm our independence from PANJIT, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

FINDINGS AND CONCLUSIONS

ASSURANCE OPINION

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

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

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

INCLUSIVITY

PANJIT has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers, CSR experts, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, PANJIT may proactively consider having more direct two-ways involvement of stakeholders during future engagement.

TWLPP 5008 Issue 2601

MATERIALITY

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

RESPONSIVENESS

The report covers stakeholder engagement and feedback mechanisms. It is encouraged to further strengthen communication and interaction with stakeholders on sustainability topics.

IMPACT

PANJIT has demonstrated a process on identify and fairly represented impacts that encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services, as well as any related performance. In future reports, the development of short and long-term sustainability goals for material topics is encouraged, with goals that are more specific, quantifiable and challenging, and aligned with the overall strategy of the PANJIT Group.

ADHERENCE TO GRI

The report, PANJIT's ESG Report of 2025, is reporting in accordance with the GRI Universal Standards 2021. The significant impacts were assessed and disclosed in accordance with the guidance defined in GRI 3: Material Topic 2021 and the relevant 200/300/400 series Topic Standard related to the material topics claimed in the GRI content index. The report has properly disclosed information related to PANJIT's contributions to sustainability development. For future reporting, PANJIT is encouraged to strengthen the linkage between positive/negative impacts and actions taken, and to improve the clarity and traceability of management objectives, targets, and indicators by explicitly distinguishing between the Group and site levels.

Signed:
For and on behalf of SGS Taiwan Ltd.




AA1000
Licensed Report
000-8/V3-IP421

Stephen Pao
Business Assurance Director
Taipei, Taiwan
08 June, 2026
www.sgs.com

TWLPP 5008 Issue 2601

