連展投資控股股份有限公司

ACON-Holding INC.

永續報告書

Sustainability Report

2025



CONNECT・NNOVATE・SUSTAIN THE FUTURE.

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Preparation Principles

This report is the second sustainability report (ESG Report) published by ACON-Holding INC. (stock code 3710, hereinafter referred to as "ACON-Holding"). This report follows the latest GRI Standards 2021 issued by the Global Reporting Initiative (GRI), transparently disclosing management approaches and performance information for each material sustainability topic, and references the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD), and the Taiwan Stock Exchange's "Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" as reporting principles.

Report Scope

This report discloses economic, environmental, and social information of ACON-Holding INC. and its subsidiaries, including ADVANCED-CONNECTEK INC. (hereinafter referred to as "ACON"), ACON OPTICS COMMUNICATIONS INC. (hereinafter referred to as "ACON OPTICS"), ADVANCED WIRELESS & ANTENNA INC. (hereinafter referred to as "AWAN"), and Acon Electric Energy CO., LTD. (hereinafter referred to as "ACON-ECO"), covering the following entities and operating sites:

ACON：Taipei Plant, Shenzhen Plant, Tianjin Plant, Tianxin Plant, Kunshan Plant, and Laos Plant
ACON OPTICS：Taipei Plant, Shenzhen Plant, and Tianjin Plant
AWAN：Taipei Plant, Kunshan Plant, and Jiangxi Plant
ACON-ECO：Taipei Plant

The Sustainability Report publicly issued for this year covers the main operating entities in Taiwan and mainland China and does not include all entities included in the consolidated financial statements. For a complete list of consolidated entities, please refer to ACON-Holding INC.'s 2025 Annual Consolidated Financial Statements and Annual Report. To ensure the completeness and comparability of the information disclosed in this report, certain sections may include information outside the reporting period. Where applicable, the relevant reporting period is specified in the corresponding sections.

Publication Date

The Company publishes its Sustainability Report annually in August and posts it on the Company's website.

Publication date of this report: August 2026.

Reporting Period

January 1, 2025 to December 31, 2025.

Contact Informatio

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Message from Management

ACON-Holding Corporate Overview

ACON-Holding specializes in electronic components and R&D, with over 30 years of history, and has become a global leader in computer and communication connector manufacturing. We actively respond to the global trend of low-carbon, environmentally friendly, and sustainable development, focusing our business on two major sectors: electronics and green industries. With the rise of markets such as 5G communications, electric vehicles, medical, and industrial control, we have entered the automotive charging field to respond to the demands of the electric vehicle industry and continue to promote the development of a low-carbon living circle.

In our group strategic planning, we have established short-term and mid-term goals, with sustainable development as the Company's core value. Short-term goals include ensuring profitability at all subsidiaries, deepening product transformation, maintaining a sound financial structure, and promoting the implementation of ESG reports and goals. We will continue to pursue long-term core competitive advantages in the mid-term, driving the group's global footprint through high-growth, high-profit product development, investment, and M&A strategies.

Corporate Sustainability and ESG Reporting

ACON-Holding firmly believes that corporate success should be built on a foundation of sustainable development. Therefore, we prepare our Sustainability Report in accordance with the GRI Standards 2021, comprehensively disclosing our performance in sustainable operations and responding to the concerns of all stakeholders. In business development and risk management, we consistently uphold integrity and transparency, driving operational growth and risk control.

To further strengthen the Board's operating capabilities and risk control, we enhance employees' professional ethics and sense of responsibility through comprehensive training. Since 2021, ACON-Holding has implemented the ISO 27001 Information Security Management System and successfully obtained certification in 2022, fully safeguarding the confidentiality, integrity, and availability of corporate data.

Chairman
Lin Chao-Tsung





Message from Management

Environmental Sustainability and Carbon Emissions Management

ACON-Holding actively responds to the global goal of net-zero carbon emissions by 2050. From 2009 to 2010, we established greenhouse gas inventory systems in Shenzhen and Taiwan, completing annual inventories in accordance with the ISO 14064-1 standard. We also identify and manage the climate risks and opportunities facing the Company based on the TCFD framework, incorporating them into our long-term strategy.

Going forward, we will continue to reduce total electricity consumption and intensity, implement energy-saving and carbon-reduction plans, improve energy efficiency, and mitigate the impact of climate change. At the same time, to respond to the development needs of the electric vehicle industry, ACON-Holding will launch the Acon-eco charging service in 2025, establishing multiple charging station locations to further promote a low-carbon, environmentally friendly lifestyle.

Employee Well-being and Development

ACON-Holding regards employees as one of its most important assets and continues to invest in workplace safety and employee rights. We have obtained ISO 45001 Occupational Health and Safety Management System certification, ensuring employees' physical and mental health and a safe working environment. In 2025, the Company had zero occupational accidents and is committed to fostering a discrimination-free environment with zero tolerance for harassment, respecting employee diversity, and creating a dignified work atmosphere.

In addition, ACON-Holding has long supported employees' career development. In 2025, we continued to promote digital transformation projects, cultivating employees' capabilities in big data analytics and AI applications. The Company has established a learning platform that provides diverse learning channels for employees, helping them enhance their professional skills and laying the foundation for their long-term growth.

Future Outlook

Facing an ever-changing global political and economic environment, ACON-Holding will take sustainable development as its core, broaden its horizons, and embrace challenges. We will accelerate corporate transformation and enhance resilience, working together with employees, customers, suppliers, and partners to create long-term value and greater benefits for all stakeholders.

President
Chen Hung-Yi

Sustainability Highlights

E

ENVIRONMENTAL

- ACON-Holding has had no major environmental regulatory violations in the past 3 years
- The solar photovoltaic system at the Tianjin plant operates stably, with low-carbon energy usage accounting for 3.73%.
- The Group's total electricity consumption decreased by 5.2% compared to 2024.
- The Group's total water consumption decreased by 6.45% compared to 2024, exceeding the annual reduction target.
- The Group's total waste decreased by 14.46% compared to 2024.
- No major environmental regulatory violations occurred in the past three years.

S

SOCIAL

- Continued maintenance of certifications for occupational safety, environmental, quality, and laboratory management systems.
- No major occupational injuries or occupational disease reports for the full year.
- No child labor employed, and no human rights violations occurred.
- Donated NT$50,000 in student awards to the GTEP Demo Day at National Taiwan University of Science and Technology.
- Held Community Health Guardian Day, contributing corporate volunteer service and donating 200 nutritional supplement packages.
- Subscribed to 400 bags of "Yunlin Warm Rice 2.0" to support sustainable agriculture.

G

GOVERNANCE

- Board members averaged 7.3 hours of continuing education.
- No major regulatory violations for the full year.
- 100% completion rate for information security training, with no major information security incidents.
- 306 patent applications filed and 137 patents granted cumulatively over the past three years.
- Completed 6 process improvement and engineering analysis proposals and 14 new product developments.
- R&D investment accounted for 6.58% of revenue.

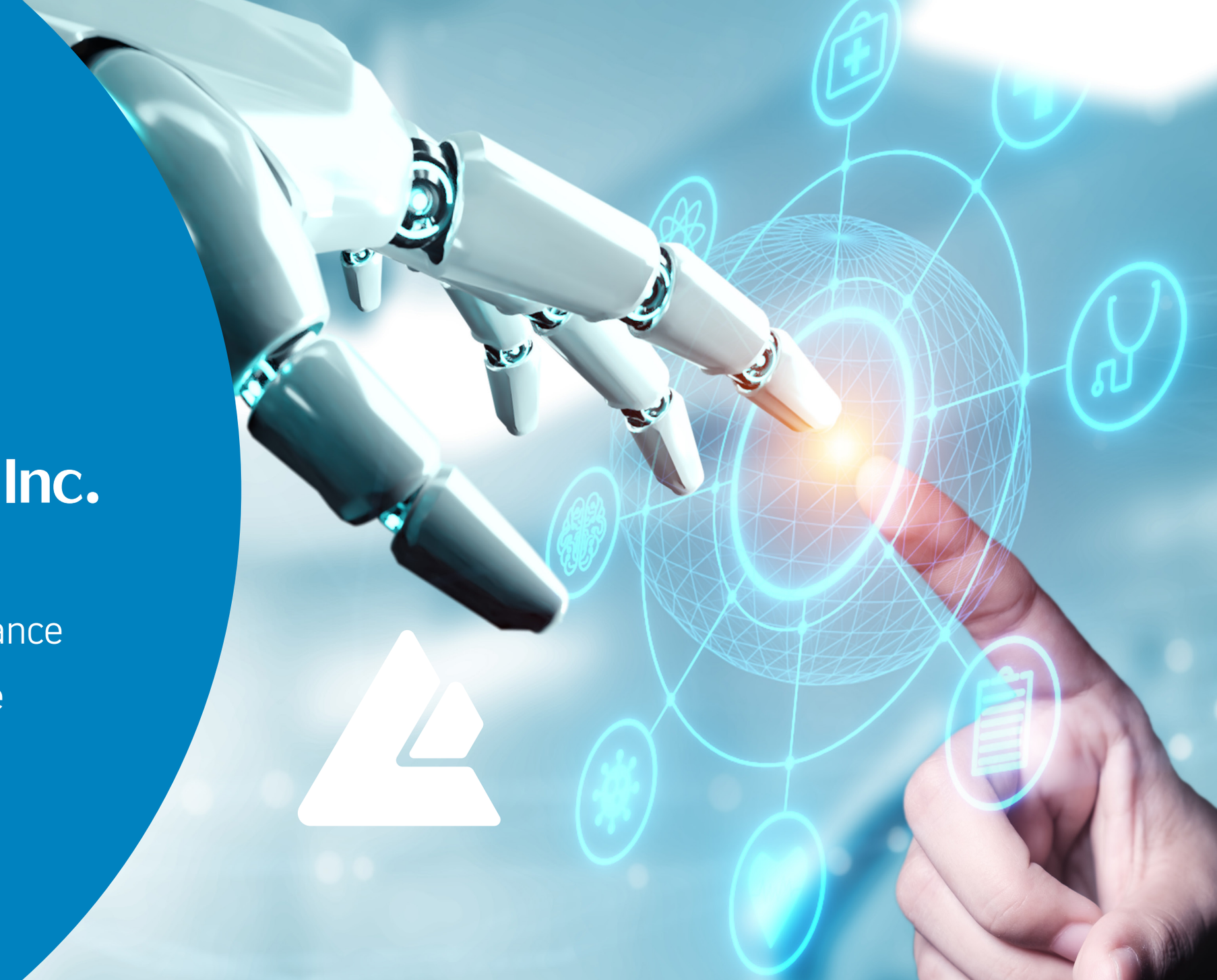
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About Acon-Holding Inc.

1-1 Company Profile

1-2 Economic Performance

1-3Financial Assistance



1-1 Company Profile

ADVANCED-CONNECTEK INC. was founded in 1986 and specializes in the design, manufacturing, and sales of IT, digital home appliance, and handheld electronic components. Headquartered in Xindian District, New Taipei City, Taiwan, the Company has developed its business through continuous innovation and technological advancement.

ACON-Holding INC. is the parent company of the ACON-Holding Group. To support the Group's dual-track development strategy—"components + IoT applications" in the electronics industry and "agriculture + health + leisure + environmental protection" in the green industry—and to integrate Group resources while strengthening the R&D management and marketing capabilities of its two core business areas, the Company underwent a corporate restructuring in December 2017 and established a holding company structure. Following the restructuring, the Group's businesses have been operated independently according to their respective business scopes.

ACON-Holding has restructured its organization by business scope and established independent operating entities for its major businesses. The Group's principal subsidiaries include ADVANCED-CONNECTEK INC. (ACON), ACON OPTICS COMMUNICATIONS INC. (ACON OPTICS), ADVANCED WIRELESS & ANTENNA INC. (AWAN), and Acon Electric Energy CO., LTD. (ACON-ECO). Businesses related to the electronics industry encompass connectors, electronic assembly, optical communications, and wireless communications. Through the integration of these businesses and capabilities, the Group provides a broader range of solutions for communications, computers, digital home appliances, and consumer electronics applications.

The Group remains committed to its long-standing spirit of innovative R&D and pursuit of quality excellence, with the aim of creating sustainable and long-term value for customers, investors, employees, and other stakeholders.



Basic Company Information

Full Name (English)	ACON-Holding INC.
Headquarters Location	3F, No. 2, Alley 9, Lane 45, Baoxing Road, Xindian District, New Taipei City, Taiwan
Chairman	Lin Chao-Tsung
President	Chen Hung-Yi
Industry	Electronic Components
Stock Code	3710
Capital	NT$2.872 billion
Main Products or Services	R&D, design, manufacturing, and sales of electronic component products
Countries of Operation	Taiwan, Mainland China
Main Markets (countries served)	Taiwan, mainland China, the United States, Japan, and other markets

Organizational Development

December 2017
To implement a holding company structure, promote independent business operations, and enhance overall operational performance, ADVANCED-CONNECTEK INC. underwent a corporate restructuring through a share conversion and established ACON-Holding INC., with ADVANCED-CONNECTEK INC. becoming a subsidiary of ACON-Holding INC.

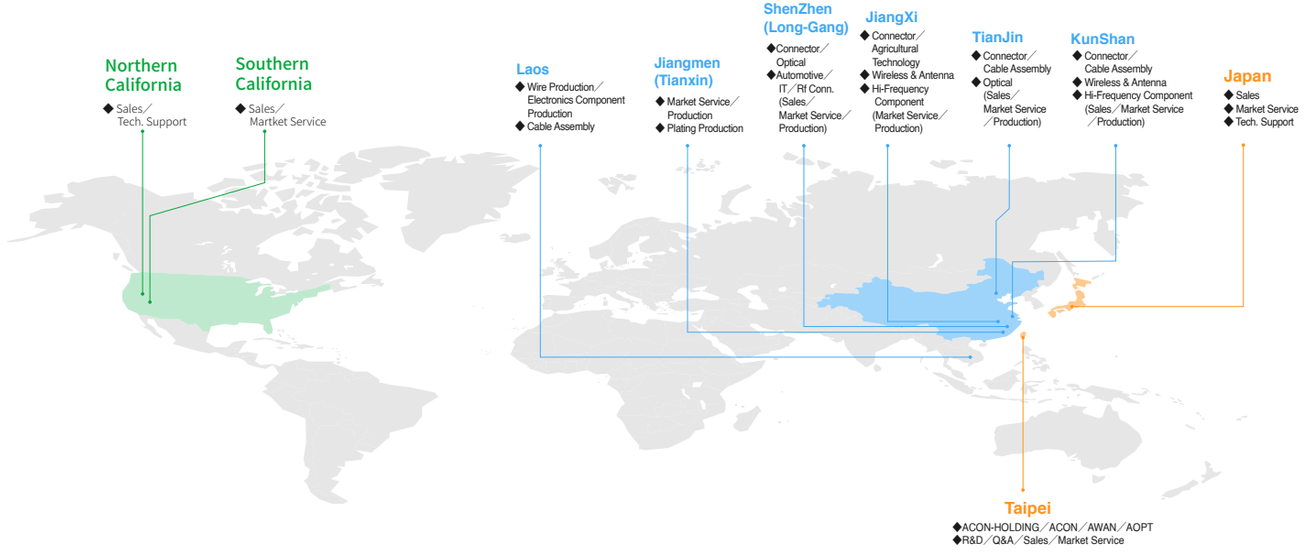
December 2017
As part of the restructuring, ADVANCED-CONNECTEK INC. established independent operating entities based on their respective business scopes. Its optical communications business was spun off to establish ACON OPTICS COMMUNICATIONS INC. as a subsidiary of the ACON Group.

January 2018
ACON OPTICS COMMUNICATIONS INC. officially commenced independent operations. Its principal business focuses on the research, development, and manufacturing of optical fiber communication products, primarily serving the European and North American markets in the communications and telecommunications industries, with an emphasis on product design, development, and customized solutions.

December 2017
As part of the restructuring, ADVANCED-CONNECTEK INC.'s wireless communications business was spun off to establish ADVANCED WIRELESS & ANTENNA INC. (AWAN) as an independent subsidiary of the ACON Group.

January 2018
ADVANCED WIRELESS & ANTENNA INC. (AWAN) officially commenced independent operations. Its principal business focuses on the research, development, design, and manufacturing of wireless communication products, with applications spanning computers, electronic communications, telecommunications, automotive, medical, and Internet of Things (IoT) markets.

March 2023
In line with its strategy of developing independent business entities based on their respective business scopes, ADVANCED-CONNECTEK INC.'s automotive electronics business was spun off to establish Acon Electric Energy CO., LTD. as a subsidiary. Its principal business focuses on the development, operation, and management of electric vehicle (EV) charging stations and related services.



Products and Services

Through the integration of its subsidiaries and business capabilities, ACON-Holding INC. provides a broad range of products and solutions across the communications, computer, digital home appliance, and consumer electronics sectors. By leveraging the expertise and resources of its subsidiaries, the Group continues to enhance its product offerings, service capabilities, and competitiveness, while creating value for customers and other stakeholders.

The Group remains committed to its long-standing spirit of innovative R&D and pursuit of quality excellence, with the aim of creating sustainable and long-term value for customers, investors, employees, and other stakeholders.



ACON ADVANCED-CONNECTEK INC.

ADVANCED-CONNECTEK INC. (ACON)

specializes in the design, manufacturing, and sales of electronic components for IT, digital home appliances, and handheld electronic devices.

aOPT ACON OPTICS

ACON OPTICS COMMUNICATIONS INC. (ACON OPTICS)

focuses on the research, development, and manufacturing of fiber-optic communication products. Its products are primarily marketed to the European and North American markets and serve customers in the communications and telecommunications industries, with an emphasis on product design, development, and customized solutions.

awan ADVANCED WIRELESS & ANTENNA INC.

ADVANCED WIRELESS & ANTENNA INC. (AWAN)

focuses on the research, development, design, and manufacturing of wireless communication products. Its products and solutions serve a range of application markets, including computers, electronic communications, telecommunications, automotive, medical, and Internet of Things (IoT) applications.

Acon-eco

Acon Electric Energy CO., LTD. (ACON-ECO)

provides electric vehicle (EV) charging solutions, including charging station installation and charging services for individuals and enterprises, as well as the development and operation of public charging stations. By integrating remote back-end management and cloud-based payment systems, ACON-ECO provides comprehensive charging operation and management services for EV users and charging station operators.

Association Memberships

To maintain constructive relationships with industry stakeholders, stay informed of industry developments and regulatory trends, and enhance professional and technical capabilities, ACON-Holding INC. participates in the following industry associations:

Association Name	Participation Status
Taiwan Electronic Connection Industry Association (TECA)	Corporate Member
Automotive Electronic Connector Industry Alliance	Corporate Member
Knowledge Economy Association Taiwan	Corporate Member
Taiwan Industrial Holding Association (TIHA)	Corporate Member
New Taipei City Industrial Association (NTCIA)	Corporate Member

1-2 Economic Performance

ACON-Holding was established through a share conversion of ACON Technology on December 29, 2017. In response to global economic trend changes, the US-China trade war, the COVID-19 pandemic, and the global shortage of key components, the Company has continued to actively expand markets in various countries and invest in R&D to quickly meet customer needs and specifications, in order to continue increasing operating revenue and improve losses.

In recent years, due to the US-China trade war, the global shortage of key components, and the decline in demand for consumer electronics products as the pandemic eased, overall operating revenue has continued to decline. However, ACON has been committed to controlling order gross margins and costs, so operating gross profit has not declined significantly.

Considering its business conditions, ACON-Holding had no significant community investment expenditures in 2025. However, it will continue to pay attention to and participate in community care with a positive and proactive attitude in the future, fulfilling its social citizenship obligations and responsibilities to contribute to society.



The financial information above regarding ACON-Holding's economic performance over the past three years is based on

Item	2023 (NT$ thousand)	2024 (NT$ thousand)	2025 (NT$ thousand)
Operating Revenue	6,097,845	7,329,875	6,945,343
Operating Costs	5,033,921	5,767,820	5,587,822
Gross Profit	1,063,924	1,562,055	1,357,521
Operating Profit (Loss)	(268,801)	105,875	(213,816)
Net Loss Before Tax	(234,716)	1,180	(347,651)
Employee Salaries and Benefits	1,392,950	1,527,989	1,577,181
Payments to Government - Income Tax	34,055	14,138	41,079
After-tax Loss Per Share (NT$)	(0.78)	(0.48)	(1.48)

The 2023-2025 figures are based on the consolidated financial reports audited by accountants.

1-3 Financial Assistance

ACON-Holding applies for local government subsidies every year, which can be categorized into four types: occupational safety, talent training, technology development, and livelihood promotion.

ACON-Holding - Taiwan Region

Government Subsidy Content	Subsidy Amount (NT$)
Overseas exhibition subsidy from the Taipei Importers and Exporters Association and the Ministry of Economic Affairs Project Office	115,000
Ministry of Economic Affairs post-pandemic recovery interest subsidy	60,606
Taipei Computer Association - 2025 Space and Network Communication Program	58,858
Occupational Safety and Health Administration - SME On-site Health Service Subsidy	39,720

ACON-Holding - Mainland China Plants

Government Subsidy Content	Subsidy Amount (RMB)
Shenzhen_Government Plant Rent Reduction Subsidy	97,473.55
Tianjin_Science and Technology Bureau 2025-SJ-KG-DB-19 Special Fund Subsidy	183,000
Jiangsu Specialized and Innovative SME Subsidy	300,000
Kunshan_Human Resources Management Center -Job Expansion Subsidy	1,500
Kunshan_Human Resources Management Center -Job Stabilization Subsidy	96,039
Yingtan Employment Service Center Job Stabilization Subsidy Disbursement	23,480
Yingtan Employment and Entrepreneurship Service Center Social Insurance Subsidy Disbursement	28,627

02

Sustainability Management

2-1 Sustainability Governance Structure

2-2 Materiality Identification and Analysis

2-3 Stakeholder Communication

2-4 UN Sustainable Development Goals

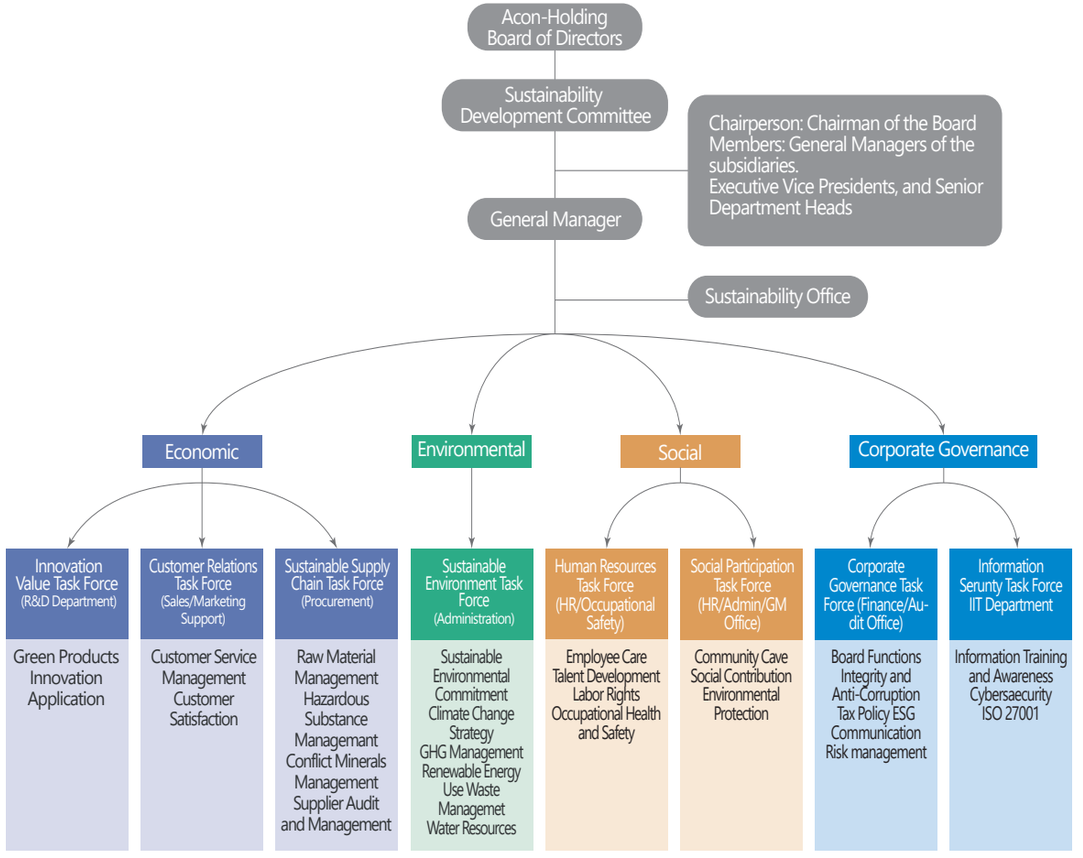


2-1 Sustainability Governance Structure

ACON-Holding established the ACON-Holding Sustainable Development Committee in August 2023, chaired by the Chairman, with a Sustainability Office established to lead governance, environmental sustainability, and social co-prosperity policies. The Committee coordinates the sustainability management approaches and goals of the three sub-groups, integrates the resources and expertise of each sub-group, establishes a top-down and cross-functional promotion strategy, and has set up six functional teams, appointing relevant business heads as committee members to jointly implement various sustainability policies. It reports regularly to the Board of Directors each year on sustainability implementation results and future work plans to ensure the promotion and implementation of corporate sustainability-related work.

ACON-Holding's highest governance body is the Board of Directors, which plays an important role in overseeing corporate sustainability governance. Through the diverse composition of directors and independent directors with relevant expertise and experience, the Board participates in formulating and reviewing sustainability strategies and policies, and continuously oversees management's implementation of sustainability governance strategies and policies. The Board also continues to provide relevant training to ensure members have sufficient professional knowledge on sustainability governance issues, effectively fulfilling their oversight responsibilities and promoting sustainable development. Where an issue involves a director's personal interest that could harm the Company's interests, the director with such interest recuses himself/herself from discussion and voting in accordance with the law, to protect shareholders' rights and ensure effective operation.

ACON-Holding Sustainable Development Committee Organizational Structure



2-2 Materiality Identification and Analysis

To understand the level of stakeholder concern regarding ACON-Holding's sustainability issues, the Company adopts the GRI Universal Standards 2021 and the AA1000 Stakeholder Engagement Standard to identify ACON's key stakeholders and the impact level of each sustainability issue. This serves as the management approach for the Sustainability Report and also allows the Company to review its sustainability status, continue promoting the implementation of related policies, and co-create value for society and the Company.

Materiality Analysis Process

01 Identify Stakeholders

Based on the five principles of the AA1000SES Stakeholder Engagement Standard - Dependency, Responsibility, Tension, Influence, and Diverse Perspectives - six major categories of key stakeholders were identified: employees, customers, suppliers, investors, government authorities, and communities/non-profit organizations.

02 Collect Sustainability Issues

Referencing GRI Standards topic-specific standards, domestic and international sustainability trends, peer sustainability reports, regulatory requirements, and stakeholder engagement results, sustainability issues related to the Company's operations and value chain were identified.
In 2025, a total of 19 sustainability issues were identified, covering the four major aspects of economic, environmental, social, and governance (ESG), serving as the basis for materiality analysis.

03 Survey Stakeholder Concerns

In 2025, opinions of key stakeholders were collected via online questionnaires, with 510 valid responses received, including 446 from employees, 51 from suppliers, 4 from customers, 4 from investors, 2 from communities/non-profit organizations, 1 from government authorities, and 2 from others.
Based on the questionnaire results, the level of concern for each sustainability issue was analyzed, and a "Material Issues Concern Matrix" was created to present the level of importance different stakeholders place on each sustainability issue, serving as an important reference for the subsequent materiality analysis.

04 Assess Impact Significance

The ACON-Holding Sustainable Development Team, based on the GRI 3 material topics principle, assessed the actual or potential positive and negative impacts of the 19 sustainability issues on the Company's operations and value chain in terms of economic, environmental, and human (including human rights) aspects, comprehensively considering the degree of impact and likelihood of occurrence as the basis for materiality ranking.

05 Identify Material Sustainability Topics

Based on a comprehensive assessment of stakeholder concern levels and impact significance, and following discussion by the ACON-Holding Sustainable Development Team and review by management, nine material sustainability topics for 2025 were confirmed, including: information security and customer privacy, occupational safety and health, business integrity, regulatory compliance, innovation and R&D, labor human rights, supplier management, greenhouse gas and energy management, and waste management. The above material topics will serve as the key focus areas for the Company's sustainability management, risk management, and information disclosure.

06 Information Reporting and Disclosure

The ACON-Holding Sustainable Development Team coordinates the collection of relevant performance information from various departments, prepares the Sustainability Report in accordance with GRI Standards and relevant regulatory requirements, and publishes it externally after review by management and approval by the Chairman, to ensure the completeness, transparency, and reliability of sustainability information

ACON-Holding 2025 Material Issues Concern Matrix

(X-axis: Supplier average score; Y-axis: Employee average score; Bubble size: Customer average score)





2025 ACON-Holding Material Issues Management

Issue Aspect	Material Issue	Description of Issue Impact	Response Chapter
Governance	**Business Integrity**	To establish a corporate culture of integrity and sound development, a good business operation model, and risk control mechanisms, ACON-Holding has established a "Code of Ethical Conduct" and "Code of Business Integrity" in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and relevant laws and regulations of the locations where the Company operates, clearly regulating that the Company's directors, managers, and employees must not engage in dishonest conduct during business activities. Through a sound management system, the Company implements regulatory identification and practical education and training as its continuing policy for strengthening regulatory compliance.	3.2 Business Integrity
	Information Security and Customer Privacy	ACON-Holding strictly complies with personal data protection regulations in the collection, processing, and use of personal data, ensuring the security of employee and customer personal data through a rigorous management mechanism. The Company formulates information security plans and implements education and training to ensure compliance with personal data protection laws, and strengthens software and hardware information security management in terms of both systems and institutions, while ensuring employees have relevant information security knowledge to protect customer privacy. No customer privacy infringement incidents occurred in 2025.	3.3 Information Security
	Regulatory Compliance	ACON-Holding continues to deepen all employees' awareness of regulatory compliance concepts and further cultivate their sensitivity to changes in regulations and international policies, in order to respond to the rapidly changing global environment. By strengthening legal awareness and adaptability, the Company reduces operational risks that may arise from regulatory violations or policy changes, stabilizes the Company's competitiveness and operational stability, while continuing to shape a positive and responsible corporate image to gain social recognition and support.	3.4 Regulatory Compliance
	Innovation and R&D	R&D is an important driver of corporate core competitiveness and sustainable development. The Company continues to invest in innovative R&D and technology upgrades, integrating environmental protection and social responsibility into the product development process. Through the introduction of AI and digital tools, the Company improves R&D efficiency, optimizes development processes, and shortens product development timelines. At the same time, the Company focuses on high-speed optical communication, low-power design, and green product development, continuing to strengthen core technology capabilities and product competitiveness, in order to respond to market demand and industry development trends, and create sustainable value shared by the Company, the environment, and society.	4.1 Innovation and R&D
	Supplier Management	ACON-Holding requires suppliers to uphold the principle of honest a nd legal operations, and has established a supplier evaluation, onboarding, and management mechanism, assessing quality, delivery, cost, service, regulatory compliance, trade security, and sustainability management to ensure suppliers meet the Company's requirements. The Company also follows the Responsible Business Alliance (RBA) Code of Conduct and relevant international sustainability standards, continuously improving supply chain management performance and promoting sustainable supply chain development through supplier commitments, regular audits, and improvement tracking.	4.2 Supply Chain Management

2025 ACON-Holding Material Issues Management

Issue Aspect	Material Issue	Description of Issue Impact	Response Chapter
Environment	Greenhouse Gas and Energy Management	As global climate transition accelerates, Taiwan's Climate Change Response Act is implemented, and international carbon border mechanisms such as the EU CBAM are promoted, carbon fee (tax) collection and low-carbon supply chain requirements have become key financial risks directly affecting profit margins. ACON is well aware of the carbon tax pressures faced in cross-border operations. In addition to monitoring emissions at each regional plant through the ISO 14064-1 mechanism, the Company actively engages with international carbon pricing trends and continues to evaluate the introduction of smart energy monitoring systems. By improving energy efficiency and carbon footprint management, the Company aims to reduce potential cross-border carbon tax expenditures on products and actively respond to the rigid demands of international net-zero and energy transition.	5.2 Environmental Management
	Waste Management	The waste generated by ACON-Holding's operations is mainly general waste, including scrap steel, metal scraps, plastic waste, and waste paper, while strictly controlling the potential hazardous waste risks that may arise from the manufacturing process. Although most of this waste is non-toxic, if not properly managed, it can cause potential environmental risks as well as resource waste. To this end, ACON has strengthened detailed classification and resource recovery procedures at each plant, ensuring safety and compliance while improving resource utilization. Under the premise of complying with customer specifications and strictly prohibiting the reuse of recycled materials, resource circulation is transformed into an opportunity for cost reduction and efficiency improvement, reducing environmental impact at the source.	5.2 Environmental Management
Social	Talent Development and Education and Training	ACON-Holding regards talent as an important asset for corporate sustainable development and enhanced competitiveness, continuously establishing a comprehensive talent cultivation and development system. Based on organizational development needs and employees' career planning, the Company provides diverse education and training, professional skills cultivation, and management capability development courses to help employees continuously improve their professional knowledge and core competencies. Through a comprehensive talent development mechanism, performance management, and career development system, the Company enhances employees' work efficiency, innovation capability, and organizational cohesion, while strengthening the retention of key talent, continuing to cultivate talent that meets the Company's development needs, and supporting sustainable corporate operations.	6.2Talent Development
	Occupational Safety and Health	ACON-Holding upholds the management philosophy of "Safety First, Health Priority," continuing to follow relevant laws and occupational safety and health management systems to promote workplace safety and health management, and is committed to preventing occupational accidents and reducing health risks. Through hazard identification, risk assessment, work environment monitoring, health examinations, health promotion, emergency response drills, and safety education and training, the Company continuously improves the working environment and raises employee safety awareness. At the same time, occupational safety and health management is extended to contractors and supply chain management, strengthening safety management mechanisms and continuous improvement efforts to create a safe, healthy, friendly, and resilient work environment, fulfilling the Company's commitment to sustainable development.	6.3 Occupational Safety and Health

2-3 Stakeholder Communication

ACON-Holding refers to the five principles of the AA1000 Stakeholder Engagement Standard (AA1000SES, 2015) - Dependency, Responsibility, Tension, Influence, and Diverse Perspectives - to identify stakeholders closely related to the Company's operations and sustainable development, categorizing them by importance into six major categories: employees, customers, suppliers, investors, government authorities, and communities/non-profit organizations.

To continuously understand the concerns and expectations of various stakeholders, ACON-Holding collects opinions each year through questionnaire surveys, daily communication, and diverse engagement channels, understanding the sustainability issues of concern to each stakeholder group. This is used to assess the actual or potential positive and negative impacts of the Company's operations and value chain on economic, environmental, and human (including human rights) aspects, serving as an important basis for material issue identification and sustainability management.

In 2025, a total of 510 valid stakeholder questionnaires were collected, and materiality analysis was conducted in conjunction with various engagement results. The communication results and concerns of each type of stakeholder are compiled by the Sustainable Development Promotion Team and reported to the Board of Directors on a regular basis. The Company responds to stakeholder concerns through the Sustainability Report, company website, and other public information channels, continuously improving engagement quality and information disclosure transparency.

The following summarizes ACON-Holding's main communication methods, communication results, and issues of concern with various stakeholders in 2025.

Stakeholder CUSTOMERS

Significance to ACON-Holding

Customers are important partners in ACON-Holding's sustainable operations, and also a key driver for continuous improvement in product quality, technological innovation, and service

Communication Method and Frequency

- Sustainability Report, official website (annually)
- Customer visits/technical exchange (as needed)
- Customer satisfaction survey (annually)
- Supplier conference and audits (as needed)

Issues of Concern

- Customer relations
- Product quality
- Regulatory compliance
- Information security
- ESG

2025 Communication Results

- Completed the annual customer satisfaction survey.
- Cooperated with customers on technical exchange and product development collaboration.
- Cooperated with customers to complete quality, environmental, social responsibility, and regulatory compliance audits, with continuous tracking of improvements.
- Continued to disclose product, technology, and sustainability information through the Company's official website.

Stakeholder Investors

Significance to ACON-Holding

Value information transparency and shareholder rights, continuously improving corporate governance quality.

Communication Method and Frequency

- Funding meeting (weekly)
- Management meeting (monthly)
- Board of Directors meeting (quarterly)
- Shareholders' meeting (annually)

Issues of Concern

- Corporate governance
- Financial performance
- Business integrity

2025 Communication Results

- Held 9 Board of Directors meetings and 9 Audit Committee meetings.
- Held 1 annual general shareholders' meeting.
- Disclosed material information, financial, and corporate governance information on the Market Observation Post System and the Company's official website in accordance with the law.

Stakeholder Employees

Significance to ACON-Holding

Employees are the Company's most important asset. Through comprehensive benefits, talent development, and health and safety systems, we work together to create sustainable corporate development.

Communication Method and Frequency

- Labor-management meeting (quarterly)
- Education and training (as needed)
- Forums, safety meetings (monthly)
- Grievance and feedback channels (real-time)

Issues of Concern

- Occupational safety
- Human rights
- Talent development
- Friendly workplace

2025 Communication Results

- Held 4 Employee Welfare Committee meetings and 4 labor-management meetings.
- Education and training program achievement rate of 98%, with new employee training achievement rate of 100%.
- Zero employee grievance cases and zero feedback letters.
- Participated in government-related occupational safety and health promotion and key inspection meetings.

Stakeholder Suppliers

Significance to ACON-Holding

Building long-term relationships of mutual trust and cooperation, jointly improving quality, sustainability performance, and supply chain resilience.

Communication Method and Frequency

- Monthly performance evaluation
- Annual supplier audit
- New supplier qualification review
- Sustainability document signing

Issues of Concern

- Quality
- Delivery time
- Integrity
- RBA
- CSR
- Conflict-free minerals

2025 Communication Results

- 100% of new suppliers completed integrity commitment and sustainability document signing.
- Conducted monthly supplier quality, delivery, cost, and service performance evaluations.
- Completed annual supplier audit and improvement tracking.
- Continued to promote RBA, CSR, conflict-free minerals, and environmental management requirements.

Stakeholder Government Authorities

Significance to ACON-Holding

Complying with laws and cooperating with government policies, maintaining good communication and cooperative relationships.

Communication Method and Frequency

- Public information disclosure (regular)
- Official documents, phone calls, interviews (as needed)
- Promotion and meetings (as needed)

Issues of Concern

- Regulatory compliance
- Information disclosure
- Corporate governance

2025 Communication Results

- Completed various statutory filings and information disclosures in accordance with the law.
- Responded promptly to inquiries from regulatory authorities.
- Participated in promotional events, briefings, and training organized by regulatory authorities.
- Completed the preparation and public disclosure of the 2025 Sustainability Report.

Stakeholder Community/ Non-profit Organizations

Significance to ACON-Holding

Actively engaged in public welfare, community care, talent development, and sustainable procurement, continuously creating shared social value.

Communication Method and Frequency

- Industry-academia cooperation (as needed)
- Charitable donations (as needed)
- Community welfare activities (as needed)

Issues of Concern

- Social care
- Community engagement
- Charitable activities

2025 Communication Results

- Provided off-campus internship opportunities to support youth talent development.
- Sponsored NT$50,000 in student awards for the GTEP Demo Day at National Taiwan University of Science and Technology.
- Held the Baoxing Community Health Guardian Day, with corporate volunteers assisting with health screenings, nutrition education, and donating 200 nutritional supplement packages and meals.
- Subscribed to 400 bags of "Yunlin Warm Rice 2.0" to support sustainable agriculture, receiving a letter of appreciation from the Yunlin County Government.

2-4 UN Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) were released by the United Nations in 2015 as part of the "2030 Agenda for Sustainable Development," proposing 17 sustainable development goals covering the economic, social, and environmental dimensions as an important direction for global sustainable development. ACON-Holding upholds the philosophy of sustainable operations, integrating the SDGs into corporate governance, environmental protection, talent development, product innovation, supply chain management, and other operational aspects. Through concrete management measures and action plans, the Company continues to respond to global sustainable development trends and create shared value for the Company, society, and the environment.

SDGs		2025 ACON-Holding Implementation Actions
	Ensure healthy lives and promote well-being for all at all ages	• Regularly held workplace health services, with contracted medical staff providing health consultation, health management, and occupational injury/illness prevention services to promote employees' physical and mental health • Provided dietitian consultation services to help high-risk groups establish healthy eating habits and raise health awareness • Held health promotion and smoking cessation awareness activities to create a healthy, safe, and friendly work environment
	Achieve gender equality and empower all women and girls	• Cooperated with licensed childcare institutions to provide employees with childcare discounts, helping them balance work and family • Established breastfeeding rooms and family-friendly spaces to create a work environment that supports family caregiving needs • Continued to promote family-friendly workplace measures to help employees achieve work-life balance
	Reduce inequality within and among countries	• Continued to promote a Diversity, Equity, and Inclusion (DEI) workplace culture, employing persons with disabilities in accordance with the law, providing fair employment opportunities, and creating a respectful, inclusive, and diverse work environment • Provided fair recruitment, employment, education and training, and career development opportunities, implementing the principle of equal employment • In 2025, employed 8 persons with disabilities in accordance with the law
	Promote a green economy and ensure sustainable consumption and production patterns	• Continued to invest in innovative R&D, developing high noise-resistance antenna products to reduce the use of absorbing materials and improve resource efficiency • Provided smart charging integration solutions to help promote low-carbon transportation, with cumulative carbon reduction reaching 981,481.6 kg CO2e by the end of 2025

SDGs		2025 ACON-Holding Implementation Actions
	Take urgent action to combat climate change and its impacts	• Continued to promote greenhouse gas inventory, energy management, and energy-saving and carbon-reduction measures to reduce the environmental impact of operations • Strengthened waste management and resource recycling to improve resource efficiency, moving towards low-carbon operation goals
	Promote peaceful and inclusive societies, and build effective, accountable institutions	• Established diverse communication and grievance mechanisms, continuing to communicate and engage with stakeholders to strengthen business integrity, regulatory compliance, and corporate governance • Continued to promote business integrity, risk management, and information security systems to improve corporate governance effectiveness
	Build diverse partnerships to jointly promote the sustainability vision	• Continued to improve supplier management mechanisms, promoting supplier evaluation, sustainability management, and risk control • Strengthened exchange and cooperation with suppliers and partners to jointly improve supply chain resilience and work together to implement sustainable development

03

Sound Corporate Governance

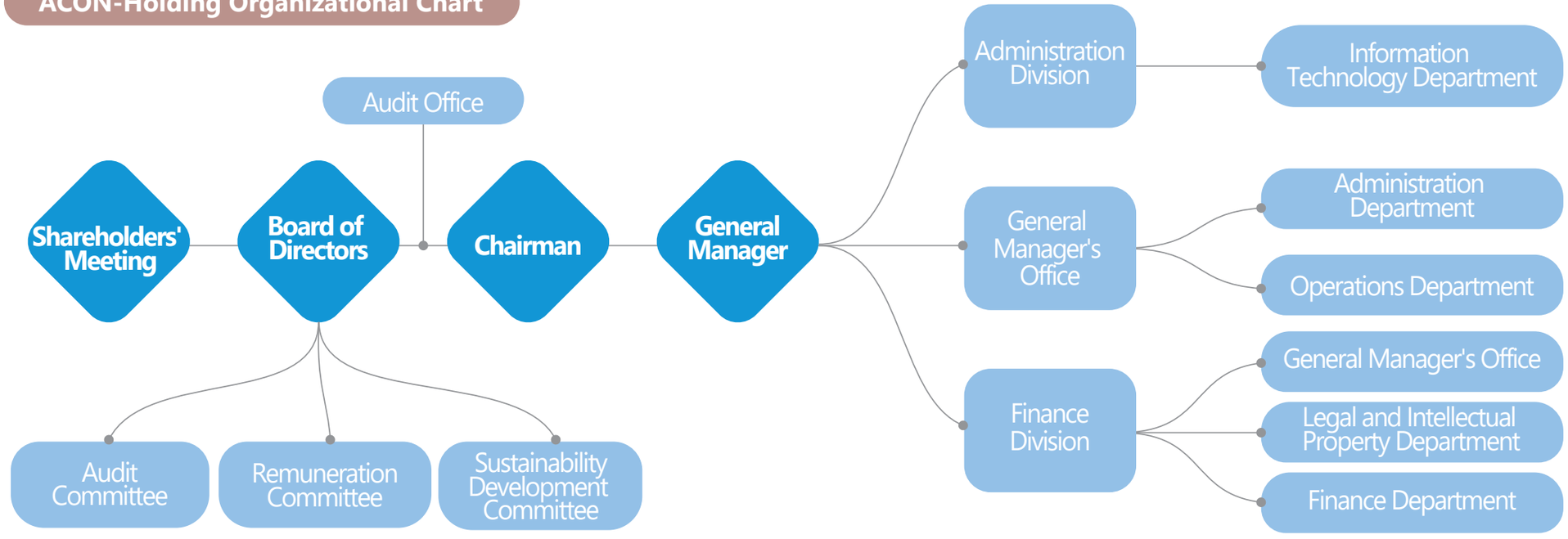
3-1 Corporate Governance
3-2 Business Integrity
3-3 Information Security
3-4 Regulatory Compliance
3-5 Risk Management



3-1 Corporate Governance

ACON-Holding's Board of Directors follows the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies," the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," and the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" in establishing internal regulations and complying with corporate governance. The Company has established a sound corporate governance structure and effective internal control and oversight mechanisms to ensure the legal and compliant operation of its business. A Compensation Committee is established under the Board, setting up a reasonable compensation system for effective compensation control and incentives for senior management. An Audit Committee is also established to effectively oversee the Company's financial reports and internal control operations, ensuring the Company complies with laws and regulations, with the aim of continuously enhancing corporate value and long-term development.

ACON-Holding Organizational Chart



Board Structure and Operations

◆ Board of Directors

ACON-Holding's Board of Directors consists of 9 directors, including 3 independent directors, and has established specific management goals for Board diversity. Board members have diverse professional backgrounds and industry experience, meeting the Company's development needs and effectively performing functions such as operational decision-making, strategic guidance, and supervisory management. Based on the 2025 Board composition, independent directors account for 33% of Board seats, directors with a corporate management background account for 44%, and directors with a financial/accounting background account for 11%; none of the 3 independent directors have served consecutive terms exceeding 9 years, in compliance with relevant corporate governance regulations.

The Board of Directors held 9 meetings in 2025, with an average director attendance rate of 92.6%.

◆ Director Continuing Education

ACON-Holding values the enhancement of directors' professional knowledge and sustainability governance capabilities, continuously encouraging directors to participate in external professional development courses to strengthen the Board's oversight and decision-making effectiveness. In 2025, director continuing education topics included "ESG-related Legal Issues for Board Consideration," "Key Information and Responsibility Analysis in Annual Reports: Director/Supervisor Perspective," and "Carbon Trading Mechanisms and Corporate Management Applications," among others. All directors' annual continuing education hours met the relevant requirements of the competent authority.

◆ Board Performance Evaluation

To continuously enhance the Board's operational effectiveness, ACON-Holding established the "Board Performance Evaluation Measures" in 2021, conducting regular annual Board performance evaluations. The scope of the evaluation covers the Board, individual directors, and each functional committee, with evaluation methods including Board self-assessment, individual director self-assessment, Audit Committee self-assessment, and Compensation Committee self-assessment. The 2025 Board performance evaluation was completed in the first quarter, with results reported to and approved by the Board on March 12, 2025.

Operations of Functional Committees

To strengthen the Board's oversight function and improve corporate governance effectiveness, ACON-Holding has established an Audit Committee and a Compensation Committee to assist the Board in fulfilling its oversight and decision-making responsibilities.

◆ Audit Committee

The Audit Committee consists entirely of independent directors, with a total of 3 members, one of whom serves as convener, and at least one of whom has financial or accounting expertise. Committee members serve 3-year terms and may be re-elected. The main responsibilities of the Audit Committee include reviewing the internal control system, financial statements, major asset transactions, derivative transactions, loans of funds, endorsements and guarantees, the appointment, dismissal, and compensation of the certifying accountant, and the appointment and dismissal of financial, accounting, and internal audit officers, assisting the Board in implementing corporate governance and risk oversight. The Audit Committee meets at least once per quarter and communicates regularly and fully with the head of internal audit and the certifying accountant to strengthen internal control and financial oversight mechanisms.

The Audit Committee held 9 meetings in 2025, with a member attendance rate of 100%.

◆ Compensation Committee

The Compensation Committee consists of 3 members, 2 of whom are independent directors, with one of the independent directors serving as convener and chair of meetings. Committee members serve 3-year terms. The Compensation Committee is responsible for assisting the Board in establishing a fair, reasonable, and competitive compensation system for directors and managers, regularly reviewing compensation policies, systems, standards, and structures, and convening meetings as needed to protect the rights and interests of the Company and its shareholders.

The Compensation Committee held 2 meetings in 2025, with an average member attendance rate of 100%.

Governance Body Compensation Policy

The compensation system for ACON-Holding's governance bodies and senior management fully considers their professional capabilities, responsibilities, the Company's operational and financial condition, individual performance, and contribution to the Company, and is linked to the Company's overall operating performance and individual performance as the basis for compensation payment. The Company also continuously reviews operational risks, corporate sustainability responsibilities, and market compensation levels, reviewing the compensation system as appropriate to balance sustainable operations with risk management.

The compensation policies for governance bodies and senior management are as follows:

◆ Directors (including Independent Directors)

1. Transportation allowance:
A subsidy for expenses related to directors' attendance at meetings and performance of duties.

2. Director remuneration:
Determined in accordance with the Company's Articles of Incorporation and annual operating performance, taking into account directors' participation in corporate governance and fulfillment of duties, and submitted to the Board for approval.

◆ President, Vice Presidents, and other Senior Management

Compensation consists of fixed salary (salary and meal allowance) and variable compensation (bonuses and employee compensation), comprehensively considering peer salary levels, education/experience, job responsibilities, individual performance, rewards/penalties, and the Company's overall operating performance, assessing its connection with the Company's future risk management and sustainable development, and submitted to the Board for approval.

Compensation Management Process

1. The Compensation Committee establishes and regularly reviews the annual and long-term performance goals of directors and managers, as well as compensation policies, systems, standards, and structures.

2. The Compensation Committee regularly evaluates the achievement of performance goals by directors and managers, determining individual compensation content and amounts accordingly, and submitting them to the Board for approval.



3-2 Business Integrity

Material Issue - Management Approach

Description of Issue Impact	To establish a corporate culture of integrity and sound development, a good business operation model, and risk control mechanisms, ACON-Holding has established a "Code of Ethical Conduct" and "Code of Business Integrity" in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and relevant laws and regulations of the locations where the Company operates, clearly regulating that the Company's directors, managers, and employees must not engage in dishonest conduct during business activities. Through a sound management system, the Company implements regulatory identification and practical education and training as its continuing policy for strengthening regulatory compliance.
Policy and Commitments	The Company's business integrity policy is clearly stated in its regulations, annual report, and company website, and the Board and management are committed to actively implementing the business integrity policy and ensuring its actual execution in internal management and business activities. The Company complies with the Company Act, Securities and Exchange Act, Business Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TPEx-related regulations, and other laws related to business conduct, as the basis for implementing business integrity.
Responsible Unit	President's Office
Resources Invested	Promoted by the business integrity unit, with operations incorporated into the annual performance evaluation. The HR department conducts online courses on the "ACON-Holding Group Code of Business Integrity" for new employees upon onboarding, to implement relevant awareness promotion.

Grievance Channels	The "Spokesperson" is responsible for receiving complaints from stakeholders such as shareholders and investors The "Audit Office" is responsible for receiving complaints from internal employees, customers, suppliers, contractors, and others email: trust@acon-holding.com
Short, Medium, and Long-term Goals	Raise the performance evaluation goal for the Board of Directors, Audit Committee, and Compensation Committee to an average of 4.7 points, with an external professional team conducting Board and functional committee performance evaluations once every three years.
2025 Action Plans and Performance	Continue to improve corporate governance performance, protect the rights of shareholders and stakeholders, strengthen Board functions, and improve information transparency.
Effectiveness Evaluation	No incidents violating business integrity-related regulations occurred in 2025. The Company incorporates integrity and the Code of Ethical Conduct into new employee training. In 2025, a total of 10 people participated, with a cumulative training time of 10 hours, continuously raising employees' awareness of business integrity and regulatory compliance.

Anti-Corruption Risk Assessment

The anti-corruption policy is a core foundation of ACON-Holding's sound operations, aimed at effectively protecting the Company's assets, corporate reputation, and the rights and interests of all employees. ACON-Holding always attaches great importance to anti-corruption issues and implements clean governance through various concrete measures, ensuring fairness and transparency in dealings with suppliers.

For new employees, ACON-Holding arranges anti-corruption policy training during the onboarding stage, ensuring they fully understand the Company's relevant regulations, thereby strengthening anti-corruption awareness and preventing corruption at the source.
In addition, suppliers must sign an integrity commitment when signing contracts with the Company, to ensure both parties comply with the principle of integrity. Before the Lunar New Year, Dragon Boat Festival, and Mid-Autumn Festival, the Company also regularly sends integrity reminder letters, reiterating the regulations and ethical standards to be followed, implementing clean dealings, and jointly building an honest business environment.

ACON-Holding has conducted a corruption-related risk assessment, and no corruption incidents or major corruption risks occurred at any operating location in 2025.

Operations and Communication Training

In the process of practicing business integrity, ACON-Holding Group actively implements corporate social responsibility, continuously promotes information disclosure and transparency, and complies with relevant national laws, regulations, and industry standards. ACON has established a sound internal management system and anti-corruption policy to ensure the legality and compliance of the Company's operations, while emphasizing the principles of fairness, reasonableness, and mutual benefit in cooperation. The Company's annual supervisory reports have never included any corruption-related issues or incidents, and the Company is committed to maintaining a fair competitive market environment, strictly complying with relevant anti-competition laws and policies. The Company has no anti-competitive behavior, antitrust violations, or monopolistic behavior of any kind.

ACON-Holding communicates and trains through anti-corruption policies and procedures, ensuring employees clearly understand anti-corruption awareness and knowledge, and can comply with relevant laws and procedures, establishing good and positive values and professional ethics.

In 2025, ACON-Holding continued to promote anti-corruption education and training. All new employees (excluding dispatched personnel) and Board members completed the relevant courses, with a 100% participation rate, raising employees' integrity awareness and risk prevention capabilities through continuous promotion of business integrity, regulatory compliance, and a culture of honesty.

3-3 Information Security

ACON-Holding attaches great importance to the information security of customers and suppliers. To ensure the confidentiality, integrity, and availability of its information assets, the Company has established the "Information and Communication Security Management Measures," "Information Security Management Internal Control System," and "Information and Communication Security Incident Reporting and Response Mechanism Procedures," serving as guidelines for the division of responsibilities within the Company's information security organization, network and physical environment, and computer software/hardware management, to ensure the Company's information is protected from internal and external intentional or accidental threats.
ACON-Holding obtained the ISO/IEC 27001:2022 certificate on July 5, 2025, continuing to strengthen and implement information security management.

Material Issue - Management Approach

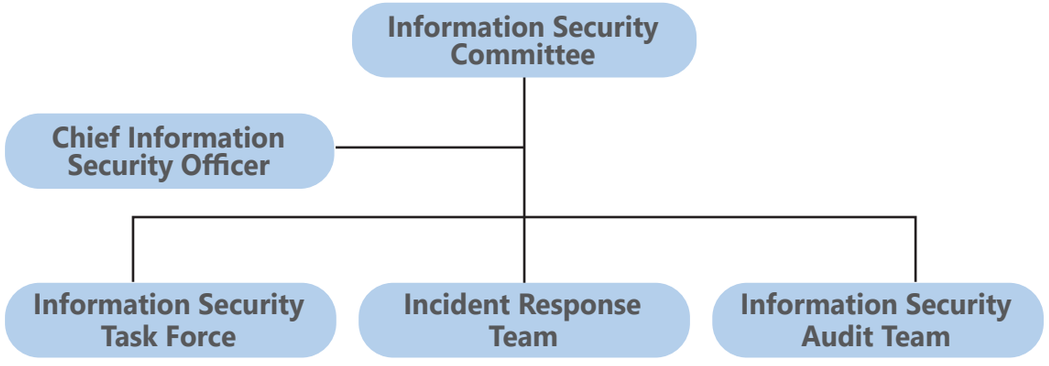
Description of Issue Impact	To strengthen information security management, ACON-Holding ensures the confidentiality, integrity, and availability of its information assets through a comprehensive information security management mechanism, providing an environment for the continuous operation of the Company's information business and protecting the privacy of customers and suppliers, gaining trust and recognition to increase the willingness of customers and suppliers to maintain long-term cooperation with ACON.
Policy and Commitments	・ Strengthen personnel awareness: Conduct information security education and training to promote employees' information security awareness and understanding of related responsibilities. ・ Prevent data leakage: Protect the Company's business activity information, prevent unauthorized access and modification, and ensure its accuracy and completeness. ・ Implement daily operations: Conduct regular annual audits to ensure relevant regulations are effectively implemented. ・ Ensure service availability: Ensure that the Company's key core business maintains a certain level of system availability.
Responsible Unit	The Information Security Committee is the main responsible unit, appointing an Information Security Execution Team to plan and execute various information security tasks; an Information Security Audit Team is also established to evaluate the implementation of the information security management system.
Resources Invested	ACON-Holding and its subsidiaries ACON Technology, ACON-Teng Technology, ACON Communication, and ACON Electric Power Technology obtained the ISO/IEC 27001:2022 certificate on July 5, 2025, continuing to strengthen information security management and implement employee information security education and training. Appropriate protection mechanisms are established for personal data related to stakeholders. If a suspected stakeholder data security issue or incident occurs, a reporting mechanism is immediately activated in accordance with relevant procedures to protect the rights and interests of all stakeholders in the event of risk.

Grievance Channels	Information Security Execution Team
Short, Medium, and Long-term Goals	ACON-Holding obtained the ISO/IEC 27001:2022 certificate on July 5, 2025, continuing to strengthen and implement information security management.
2025 Action Plans and Performance	1. Information security policy promotion: Completed internal information security awareness training (3 hours) for all employees before March 31, 2025, and disclosed the information security policy promotion on the official website. 2. Continued to introduce Managed Detection and Response (MDR) services in 2025. 3. Became a member of TWCERT, the Taiwan Computer Emergency Response Team/ Coordination Center. 4. The number of major information security incidents in 2025 was 0.
Effectiveness Evaluation	・Passed ISO 27001 certification ・Zero major information security incidents occur each year

Information Security Management pgrade

The highest responsible unit for information security within the ACON Group is the Information Security Committee, under which are the Information Security Execution Team, Information Security Audit Team, and Emergency Response Team. The Information Security Execution Team is responsible for maintaining the security of all networked information systems and data of the Company, and for maintaining the normal operation of the Company's business and the integrity and confidentiality of confidential data. A management review meeting is held once a year to review information security-related actions, ensuring the continuity and implementation of information operations. The Information Security Audit Team is responsible for overseeing the implementation of information security, with internal unit supervisors routinely overseeing various information security tasks. Each unit conducts a self-inspection of the design and effectiveness of the internal control system once a year, and auditors periodically conduct information security audits at information units, reporting the results to the Information Security Committee to control and reduce information security risks. The Emergency Response Team is composed of the heads of the Company's key business processes. When an information security incident occurs, the team convenes a meeting to determine the impact and extent of damage of the incident and formulate disaster control response measures; after the incident is resolved, the team must convene a review meeting to review whether the goals were achieved at each stage of incident reporting, response, and recovery operations.

Information Security Committee Organizational Structure



To ensure that the organization's information systems, data, and technology resources are protected, and to prevent improper use, leakage, tampering, or destruction of information systems and data, ACON-Holding and its subsidiaries ACON Technology, ACON-Teng Technology, ACON Communication, and ACON Electric Power Technology obtained the ISO/IEC 27001:2022 certificate on July 5, 2025, conducting information security risk assessments based on relevant laws and operational goals, and building a complete information security management system. Going forward, the ACON Group will continue to maintain the validity of the certificate, regularly conducting information security audits and improvements, and continuing to strengthen information security management.



〈ACON-Holding INC. ISO/IEC 27001:2022 Certificate〉

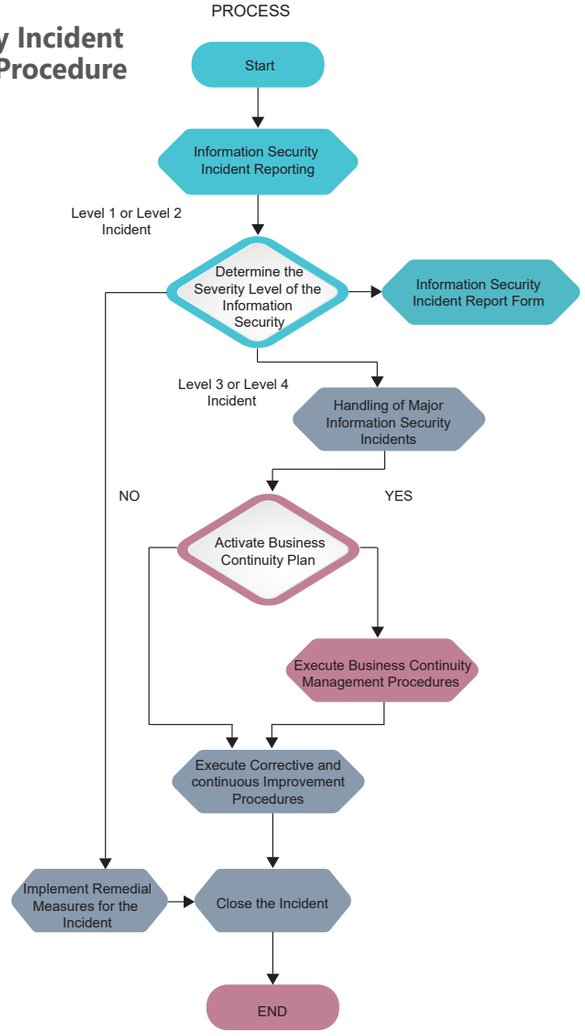
Information Security Risk Control

To establish information protection that complies with legal regulations, customer needs, and business operations, ACON-Holding has built comprehensive risk control and continuous improvement measures, including cybersecurity education and training, personnel management, network security management, emergency incident response and disaster recovery, cybersecurity audits, and system alerts, to reduce the probability and impact of information security incidents. In 2025, the Company had no major cyberattacks or information leakage incidents that impacted its operation

Information Security Risk Control Measures

Information Security Risk Control Item	Description
Cybersecurity Education and Training	1. Completed annual information security education and training (3 hours) for group employees before March 31, 2025. 2. Pay attention to information security industry trends, encourage employees responsible for information security work to participate in physical or online seminars on information security topics; and periodically publish information security-related information to help employees understand basic information security protection knowledge.
Personnel Management	1. Establish a management system to reduce security issues caused by human error. 2. Require suppliers performing information system maintenance and operation-related work to sign a confidentiality agreement.
Network Security Management	1. Continue to introduce Managed Detection and Response (MDR) to detect and respond to anomalous events in real time. 2. Establish firewalls, install antivirus software, and introduce encryption/decryption systems and permission management measures to control access to network resources and information systems, preventing data theft and damage. 3. Rent internet lines with intrusion prevention services.
Emergency Incident Response	1. Establish a Business Continuity Management Procedure Manual and a Security Incident Management Procedure Manual, to respond to and handle emergency incidents in a timely manner. 2. Conduct at least one business continuity plan drill per year.
Cybersecurity Audits	Implement backup and review of complete audit records to help reconstruct the facts of an incident, allowing management to review system security weaknesses and assess the harm caused by security policy violations.
System Alerts	When certain specific events occur (such as network disconnection or excessive server room temperature), system administrators can immediately receive alert signals via email and app, and take effective preventive measures immediately to reduce the occurrence of security violations.
Intruder Tracing Procedure	Back up relevant records and coordinate with relevant units (such as telecommunications companies and information security companies) to conduct trace audits; if an intruder constitutes a criminal offense, the matter is immediately reported to the Company's senior management or the Emergency Response Team to handle follow-up issues.

Emergency Incident Response Procedure Diagram



Low — High

1 Level

Minor leakage of non-core business information.

Minor tampering with non-core business information or non-core information systems.

Non-core business operations are affected or suspended but resume normal operation within the tolerable interruption time, causing an impact on the Company's daily operations.

2 Level

Severe leakage of non-core business information, or minor leakage of core business information not related to critical infrastructure operations.

Severe tampering with non-core business information or non-core information systems, or minor tampering with core business information or core information systems not related to critical infrastructure operations.

Non-core business operations are affected or suspended and cannot resume normal operation within the tolerable interruption time, or core business or core information systems not related to critical infrastructure operations are affected or suspended but resume normal operation within the tolerable interruption time.

3 Level

Severe leakage of core business information not related to critical infrastructure operations, or minor leakage of general official secrets, sensitive information, or core business information related to critical infrastructure operations.

Severe tampering with core business information or core information systems not related to critical infrastructure operations, or minor tampering with general official secrets, sensitive information, core business information related to critical infrastructure operations, or core information systems.

Core business or core information systems not related to critical infrastructure operations are affected or suspended and cannot resume normal operation within the tolerable interruption time, or core business or core information systems related to critical infrastructure operations are affected or suspended but resume normal operation within the tolerable interruption time.

4 Level

Severe leakage of general official secrets, sensitive information, or core business information related to critical infrastructure operations, or leakage of state secrets.

Severe tampering with general official secrets, sensitive information, core business information related to critical infrastructure operations, or core information systems, or tampering with state secrets.

Core business or core information systems related to critical infrastructure operations are affected or suspended, and cannot resume normal operation within the tolerable interruption time.

3-4 Regulatory Compliance

Material Issue - Management Approach

Description of Issue Impact	Continue to implement regulatory compliance-related work, strengthen employees' attention to and understanding of regulatory changes, ensure that each department can adjust internal operations according to the latest regulatory policies, reduce potential operational risks, and strengthen the Company's overall image of integrity governance.
Policy and Commitments	The Company is committed to operating in accordance with the law, promoting all employees to implement the spirit of compliance, cooperating with internal and external audit systems, ensuring operational processes are legal and transparent, and strengthening stakeholders' trust and support for the Company's business integrity.
Responsible Unit	Compliance management operations are executed collaboratively by the Legal Affairs Department, Finance and Accounting Department, and Audit Department, implementing the operation of the internal control system.
Resources Invested	1. The Finance and Accounting Department and Audit Department regularly review the internal regulatory compliance status each year, incorporating it as a basis for departmental performance evaluation. 2. The HR department regularly arranges for new and existing employees to participate in education and training related to the Code of Integrity and regulatory compliance, deepening the compliance culture.
Grievance Channels	The "Spokesperson" is responsible for receiving complaints from stakeholders such as shareholders and investors The "Audit Office" is responsible for receiving complaints from internal employees, investors, suppliers, and other stakeholders. Complaint content includes concerns about internal control deficiencies, fraud, and illegal conduct. email：trust@acon.com

Short, Medium, and Long-term Goals	Short-term goals: Im prove employees' basic understanding of regulations related to their job duties. Cultivate employees' sensitivity to regulatory developments, ensuring timely awareness of changes. Medium and long-term goals: Establish an institutionalized oversight and education mechanism, steadily implementing a culture of regulatory compliance.
2025 Action Plans and Performance	Multiple grievance channels have been established, and various regulatory compliance education courses are regularly promoted. In 2025, there were no incidents of major violations of regulations related to corporate governance, business accounting, environmental protection, labor human rights, occupational safety, product safety, product labeling or marketing, customer privacy, etc. The Company defines the materiality threshold as a fine amount of NT$1.5 million.
Effectiveness Evaluation	1. Relevant units conduct regular audits and evaluations to review each department's compliance status. 2. Evaluate education and training participation and learning effectiveness to improve employees' regulatory application capabilities. 3. Establish a regulatory compliance audit system and tracking mechanism to strengthen the implementation of follow-up improvements. 4. Continuously monitor trends in external regulatory policy changes and adjust internal operating procedures as appropriate.

In addition to internal review by each business department, ACON-Holding regularly conducts regulatory compliance reviews of matters related to regulatory compliance within its business scope, to achieve control and implementation of regulations in operations.

Compliance Responsible Units and Violations

Aspect	Applicable Regulations	Reviewing Unit	2025 Status
Business Operations and Marketing	Criminal Code, Fair Trade Act, Consumer Protection Act, Trademark Act, Copyright Act	Business Unit Legal Unit	No violations
Finance and Organizational Planning	Company Act, Securities and Exchange Act, Money Laundering Control Act, and related regulations	Finance and Accounting Unit	No violations
Internal Company and Customer Information Protection	Trade Secrets Act, Personal Data Protection Act	Legal Unit	No violations
Personnel Policy and Management	Labor Standards Act and related regulations, Occupational Safety and Health-related regulations	HR Unit Occupational Safety Unit	No violations
Environmental Protection Regulations	Environmental protection-related regulations	Environmental Safety Unit Facilities Unit	No violations

SECURE INFORMATION.

SUSTAINABLE TRUST.



Internal Control System

ACON-Holding's internal control system follows the "Regulations Governing Establishment of Internal Control Systems by Public Companies," approved by the Audit Committee and Board of Directors. Its purpose is to provide reasonable assurance regarding the achievement of goals such as the effectiveness and efficiency of operations (including profitability, performance, and asset security), the reliability, timeliness, and transparency of reporting, and compliance with relevant regulations and laws.

The judgment items adopted include:
1. Control environment, 2. Risk assessment, 3. Control activities, 4. Information and communication, 5. Monitoring activities - composed of 5 elements.

Each management unit regularly conducts internal control system self-assessments based on the results of operational risk identification, implementing a self-monitoring mechanism, and can promptly review and correct issues to ensure the internal control system remains continuously effective.

Based on the Company's business characteristics and operational process requirements, internal control systems and related operating measures are established according to operating cycles, including:
1. Sales and collection cycle, 2. Purchasing and payment cycle, 3. Production cycle, 4. Payroll cycle, 5. Financing cycle, 6. Property, plant, and equipment cycle, 7. Investment cycle, 8. R&D cycle, 9. Computerized information cycle, and 19 management control operations.

Internal Audit

Organization

The Company's internal audit function is an independent unit, reporting directly to the Board of Directors, and regularly reports audit operations to the Audit Committee. The head of internal audit also attends Board meetings to report, and may report to the Chairman and Audit Committee at any time when necessary, to strengthen oversight mechanisms and implement corporate governance.

The audit unit is staffed with a full-time head of internal audit and an appropriate number of full-time auditors; major subsidiaries also have dedicated auditors who perform audit duties in accordance with the law, under the overall coordination and supervision of the Company's audit unit. The appointment and dismissal of the head of internal audit requires the consent of the Audit Committee and is submitted to the Board for resolution; the appointment, dismissal, evaluation, and compensation of auditors are handled in accordance with the Company's relevant management measures, submitted by the head of internal audit for approval by the Chairman.

Purpose

The Company's internal audit function is established to investigate and evaluate the soundness, reasonableness, and effectiveness of the internal control system and various management systems, measure the effectiveness and efficiency of operations, and promptly propose improvement recommendations, assisting the Board and management in fulfilling governance responsibilities, continuously strengthening the internal control system, and promoting sound Company operations.

Operations

Internal audit formulates an annual audit plan based on risk assessment results, which is reviewed by the Audit Committee and approved by the Board before implementation, with special audits and follow-up reviews conducted as needed. The audit scope covers all units of the Company and its subsidiaries, examining the implementation of the internal control system and operational management. A written report is issued after the completion of each audit, with continuous tracking of improvements for deficiencies and anomalies found, and regular reports made to the Audit Committee and Board, serving as an important basis for issuing the internal control system statement and continuously improving the internal control system.

Internal Audit Status
There were no major audit deficiencies and no incidents related to dishonesty or corruption in 2025. The Statement of Internal Control System Effectiveness was approved by the Board of Directors on March 12, 2026.

3-5 Risk Management

To strengthen corporate governance, protect the rights of shareholders and stakeholders, and enhance the resilience of sustainable business operations, ACON-Holding has established a "Risk Management Policy," approved and implemented by the Board of Directors. In 2025, a Risk Management Committee and Risk Management Team were established, creating a risk management structure with Board oversight, management promotion, and participation from all functional units, integrating risk management into corporate business strategy and daily operations.

The Company has established management mechanisms for risk identification, analysis, assessment, monitoring, and improvement based on its overall operating policy, continuously reviewing strategic, operational, human resources, legal, financial, information security, environmental, and other major risks, and adjusting management measures on a rolling basis according to changes in the internal and external environment, to improve operational resilience, strengthen corporate governance, and support sustainable corporate development.

Risk Management Organizational Responsibilities

Risk Management Unit	Responsibilities
Board of Directors	The highest supervisory unit for the Company's risk management, responsible for approving risk management policy, overseeing the operation of the risk management system, and bearing ultimate responsibility for risk management.
Risk Management Committee	Assists the Board in reviewing risk management policy, management structure, and major risk issues, oversees the implementation of the risk management system and improvement measures, and reports regularly to the Board.
Risk Management Team	Responsible for promoting and executing risk management work, coordinating all functional units in risk identification, assessment, tracking, and improvement matters.
Management Meeting	Regularly reviews major operational risks, project execution status, and risk response measures, providing reference for management decision-making.
Audit Unit	Executes internal audits, reviews the effectiveness of internal control and risk management systems, and tracks improvements.
Functional Units	As the first line of risk management, identify, analyze, monitor, and manage various risks according to their responsibilities, continuously implementing improvement measures.

Risk Management Policy

ACON-Holding establishes its risk management policy based on its overall business policy, building a systematic risk management mechanism covering management processes such as risk identification, analysis, assessment, monitoring, and improvement. Through cross-departmental cooperation and the risk management structure, the Company continuously reviews major risks and adjusts management strategies as appropriate according to operational needs and changes in the external environment, controlling risks within the Company's acceptable range to improve overall operational resilience and corporate competitiveness.

Risk Identification and Response Strategies

ACON-Holding conducts risk identification and assessment through each functional unit according to its responsibilities, formulating management strategies and response measures such as reduction, transfer, avoidance, or acceptance for major risks that may affect the Company's operations and sustainable development, and continuously monitors the implementation of risk management through regular reviews, internal control self-assessments, and internal audit mechanisms. The Company also continuously monitors external issues such as the global economy, industry trends, regulatory changes, and climate change, adjusting management strategies as appropriate to enhance its risk management capabilities and resilience for sustainable operations.

Risks, Opportunities, and Response Strategies

I. Strategic and Operational Risks

Risk Category	Key Focus	Response Strategy
Market and Technology Development	Rapid development of emerging technologies such as AI, high-speed transmission, and optical communication, shortening product life cycles	Continue to invest in R&D resources, positioning in AI, high-speed connectivity, and optical communication products to enhance product competitiveness
Market Competition	Rapid changes in market demand and intensifying global competition affect product positioning and operating performance	Deepen customer cooperation, grasp market trends, and continue to expand new products and new markets
Supply Chain Management	Geopolitics, raw materials, and logistics changes affect supply stability	Establish diversified supply chains and safety stock mechanisms to enhance supply chain resilience and reduce the risk of supply disruption

II. Strategic and Operational Risks

Risk Category	Key Focus	Response Strategy
Financial Risk	Fluctuations in exchange rates, interest rates, and raw material prices affect operating performance	Continuously monitor market changes, strengthen financial management and capital allocation capabilities
Information Security Risk	Risk of cyberattacks, information leakage, and system disruption	Continuously maintain the ISO/IEC 27001 information security management system, regularly conduct information security training, vulnerability management, and business continuity drills to enhance information security protection capabilities
Human Resources Risk	Recruitment, retention, and succession needs for key talent	Establish talent development and succession systems, promote education and training and talent development plans to enhance organizational competitiveness

III. Legal, Environmental, and Other Risks

Risk Category	Key Focus	Response Strategy
Legal Risk	Regulatory changes, intellectual property, and contract management	Strengthen regulatory compliance management and legal education and training to reduce legal risk
Environmental Risk	Climate change, energy use, and environmental regulatory requirements	Promote the ISO 14001 environmental management system, greenhouse gas inventory, energy conservation and carbon reduction, and emergency response management to reduce environmental impact
Other Risks	Emerging risks and major unexpected events	Continuously monitor industry development trends and emerging risks, review management strategies on a rolling basis to enhance corporate operational resilience

2025 Risk Management Implementation Status

ACON-Holding continues to improve its risk governance mechanism. Major implementation status in 2025 is as follows:

- Completed the establishment of the Risk Management Committee and Risk Management Team, improving the risk governance structure.
- Held quarterly management meetings to review major operational risks and operating performance.
- Continued to promote digital transformation and process optimization to improve operational efficiency.
- Completed ISO/IEC 27001 information security management system certification and continued its maintenance, with no major information security incidents for the full year.
- Conducted information security education and training, internal audits, and business continuity drills to strengthen information security management capabilities.
- Established Key Risk Indicators (KRI) to continuously track important risks such as human resources, operations, and information security.
- Promoted the ISO 14001 environmental management system, greenhouse gas inventory, and energy-saving improvement measures to reduce environmental risk.
- Regularly conducted fire drills, occupational safety and health education and training, and emergency response drills to enhance business continuity capabilities.

04

Innovative Services

4-1 Innovation and R&D

4-2 Supply Chain Management



4-1 Innovation and R&D

ADVANCED-CONNECTEK INC. (ACON) is a professional manufacturer of electronic connectors with capabilities spanning product design, mold design and manufacturing, automated assembly machine design and manufacturing, injection molding, stamping, electroplating, and automated assembly. The Company is committed to the R&D, design, manufacturing, and sales of connectors for communications, computers, digital home appliances, and consumer electronics. In recent years, ACON has actively expanded its development of high-speed connectors and cables for emerging applications, including artificial intelligence (AI), robotics, drones, automotive electronics, and satellite communications. Its product development focuses on high-speed transmission, miniaturization and precision, next-generation communication applications, and fast-charging technologies, including USB4, Thunderbolt 5 (TBT5), Type-C, and high-speed transmission interfaces for computers and AI servers. ACON has also expanded its automotive signal product portfolio to include FAKRA, MINI FAKRA, Ethernet, and auxiliary high-voltage power connectors.

Upholding its long-standing commitment to innovative R&D and quality excellence, ACON has invested substantial resources and manpower in strengthening its product development capabilities. Through the adoption of digital tools, patent application and maintenance incentive mechanisms, and the cultivation of an internal culture of innovation, the Company continues to enhance its R&D capabilities and strengthen its positioning in emerging technologies.

ACON OPTICS COMMUNICATIONS INC. (ACON OPTICS) focuses on the R&D and manufacturing of optical fiber communication products. In 2025, continued global demand for generative AI, high-performance computing (HPC), and cloud data centers drove optical communications technologies toward higher bandwidth, lower power consumption, and higher-density integration. In response to the ongoing development of AI infrastructure, ACON OPTICS continued to invest in the R&D of key technologies, including high-speed fiber-optic interconnects, co-packaged optics (CPO), optical circuit switches (OCS), and high-density fiber arrays, helping customers address bandwidth, energy efficiency, and space utilization challenges in AI data centers.

In terms of product innovation, ACON OPTICS actively developed high-density fiber coupling and precision opto-mechanical integration technologies to improve optical transmission efficiency and system reliability. The Company continued to move toward modular, miniaturized, and low-power designs to meet the requirements of 800G, 1.6T, and next-generation high-speed optical communications applications. At the same time, ACON OPTICS continued to optimize precision manufacturing and automated production technologies, enhancing production efficiency and quality stability through digital management and smart manufacturing.

ACON OPTICS also integrates sustainability considerations into its product design and R&D processes. Through material reduction, high-efficiency optical transmission architectures, and energy-saving process technologies, the Company seeks to reduce energy consumption and environmental impacts throughout the product lifecycle, while supporting customers in developing more energy-efficient AI data centers and high-speed communications infrastructure. Going forward, ACON OPTICS will continue to strengthen its core capabilities in optical communications and explore emerging application markets, including AI, silicon photonics, low-Earth-orbit (LEO) satellites, defense, and smart computing, thereby enhancing its technological competitiveness and contributing to sustainable development.

ADVANCED WIRELESS & ANTENNA INC. (AWAN) has more than 20 years of experience in the wireless communications field and specializes in the R&D, design, and manufacturing of antenna products and wireless communication technologies. AWAN brings together professionals with expertise in microwave and wireless communications and has maintained a long-term focus on the development and application of wireless communication technologies. The Company provides antenna products and solutions for major notebook computer brands and serves as an important partner within the global wireless communications supply chain.

AWAN continues to pursue technological innovation and operational optimization by introducing technology resources from the Industrial Technology Research Institute (ITRI), strengthening connections with international R&D technologies, and expanding into new domestic and international markets and customer segments. The Company also continues to enhance customer management effectiveness, promote digital transformation and improvements in per-capita productivity, and optimize production automation and manufacturing capacity flexibility.

Material Issue - Management Approach

Description of Issue Impact	R&D is an important foundation for corporate core competitiveness and innovative development, and also a key driver of the Company's sustainable operations. The Company's R&D department leads innovation and technology development, with business unit heads coordinating R&D strategy and cross-departmental resource integration. Through an institutionalized New Product Development (NPD) process and technical review mechanism, market demand, forward-looking technology, and customer needs are rapidly converted into product solutions, continuously enhancing product competitiveness and corporate sustainability value. To strengthen R&D effectiveness, the Company continues to introduce AI and digital tools to optimize the product development process, improve R&D efficiency and technology management capabilities, and incorporate environmental protection and social responsibility into R&D thinking, actively promoting the development of high-performance, low-energy, low-carbon, and environmentally friendly connector products, introducing low-carbon materials, green design, and smart manufacturing technology to reduce the environmental impact of products throughout their lifecycle. At the same time, the Company focuses on the demand for efficient connection technology in strategic markets such as data centers, automotive, military specifications, and low-earth-orbit satellites, continuously strengthening R&D process management, technology platform construction, and knowledge transfer, improving product development efficiency and success rate, and is committed to providing products and solutions that align with sustainable development trends, creating long-term value for mitigating global warming, enhancing industry competitiveness, and promoting sustainable socio-economic development.
Policy and Commitments	The Company is committed to high-performance, low-energy green product design, continuing to introduce AI and digital tools to optimize the product development process, shorten development cycles, and enhance R&D innovation capabilities to improve overall development efficiency. At the same time, the Company improves energy and resource use efficiency and reduces pollution and resource waste through the development of new technologies, new materials, and new processes, implementing the concept of sustainable development. To ensure a sound R&D management mechanism, the Company has established the "R&D Cycle," regulating processes such as technology roadmap planning, project evaluation, risk management, and knowledge management, and has established a "Product Development Progress Control Table," introducing Six Sigma management tools and cross-departmental collaboration mechanisms to continuously improve product development efficiency and quality. In the future, the Company will continue to invest in innovative R&D resources, with high performance, low energy consumption, high reliability, and modularity as the core of product design, promoting the application of new materials, new processes, and green design, reducing the environmental impact of products throughout their lifecycle, and continuing to provide products and solutions that are both market-competitive and environmentally friendly, responding to customer needs and sustainable development trends.

Responsible Unit	President's Office
Resources Invested	R&D investment as a percentage of total revenue in 2025 was 6.58% Total R&D personnel in 2025 was 214
Grievance Channels	ACON-Holding: www.acon-holding.com ACON: www.acon.com ACON OPTICS: www.aconoptics.com AWAN: www.awan-ant.com ACON-ECO: www.acon-eco.com
Short, Medium, and Long-term Goals	Short-term goals: ●Continuously optimize and iterate mainstream products, improving product quality and market competitiveness. ●Promote new product development and launch to meet market demand. ●Integrate group R&D resources to improve development efficiency and reduce development costs. Medium-term goals: ●Promote high-performance, low-energy green product design to reduce the environmental impact of products throughout their lifecycle. ●Continue to refine high-speed transmission and optical communication technology to enhance product added value. Long-term goals: ●Continue to position for next-generation high-speed connectivity and optical communication technology. ●Develop advanced products such as CPO, MCIO, LC/MPO high-density connectors, dustproof adapters, and automotive ADAS fiber optics. ●Strengthen core R&D capabilities and expand into emerging application markets such as AI, high-performance computing (HPC), data centers, and smart automotive.

Material Issue - Management Approach

2025 Action Plans and Performance	1.Patents Granted in 2025: ACON: 2 patents，ACON OPTICS: 11 patents，AWAN: 16 patents 2.New Product Development in 2025: ACON: 14 new products 3. Process Improvement, Engineering, and Analysis Proposals: 6 proposals 4. First-Sample Delivery Achievement Rate for New Products More than 80% ACON OPTICS: 1.Annual Technology Roadmap: Develops mid- to long-term product development directions based on market trends and customer requirements, including high-speed transmission, AI, and automotive applications. 2.R&D Project Management System: Adopts a project-based development approach, supported by regular technical reviews and stage-gate acceptance to ensure effective project execution and development quality. 3.Innovation Initiatives: Regularly organizes innovation proposal activities to encourage employees to proactively explore and test new technical ideas and solutions. AWAN: 1.Gradually introduces recyclable trays to reduce the use of single-use plastics and improve packaging circularity. 2.Evaluates and introduces plastic support components containing recycled materials to reduce the use of virgin plastics while maintaining product performance. 3.Develops high-noise-immunity antenna products to reduce reliance on noise-absorbing materials and minimize overall material consumption. 4.Replaces selected physical tests with simulation-based verification where appropriate, reducing prototype waste and improving R&D efficiency. 5.Continuously evaluates alternative materials to reduce the potential use of hazardous substances in plastic components and products. ACON-ECO: 1.As of December 2025, 149 EV charging stations had been established, including 22 DC charging stations and 127 AC charging stations. 2.As of December 2025, cumulative carbon emissions reductions attributable to EV charging reached 981,481.6 kg CO2e. As the charging station network and related services continue to expand, the Group expects the associated carbon reduction benefits to increase, supporting its ESG objectives and the development of its green business.
Effectiveness Evaluation	Monthly performance meetings, quarterly performance meetings, and year-end goal meetings held regularly for review

Innovation and R&D Policy and Strategy

ADVANCED-CONNECTEK INC. (ACON) is committed to quality excellence, responsive service, and competitive pricing, providing customers with diverse solutions tailored to different product characteristics and application requirements. Since 2000, the Company has positioned itself as a component provider serving the 3C markets—Computer, Communication, and Consumer Electronics. In addition to its core connector business, ACON has successively expanded into wire harnesses, energy-related products, optical communications, and wireless communications, developing and marketing related electronic components and solutions.

In recent years, ACON has closely monitored product demand and market trends. Since 2017, the Company has integrated Group resources and pursued a dual-track development strategy focusing on two major business areas: electronic products and green industries. While continuing to strengthen its competitive advantages in connector products, ACON has expanded the development of connectors and cables for emerging applications, including artificial intelligence (AI), robotics, drones, automotive electronics, and other applications requiring high-speed transmission, miniaturized and high-precision designs for next-generation communication products, and fast-charging capabilities. Key product applications include USB4, Thunderbolt 5 (TBT5), Type-C, and high-speed transmission interfaces for computers and AI servers.

ACON OPTICS

In response to the development of AI data centers, high-speed optical communications, and sustainability trends, ACON OPTICS COMMUNICATIONS INC. (ACON OPTICS) continues to strengthen its R&D and innovation systems to align technology development with market and customer needs. Its key systems and policies include:

1. Technology Roadmap Planning System
   ACON OPTICS develops a three- to five-year technology roadmap annually based on market trends, customer requirements, and technology development directions. The roadmap focuses on key technologies such as AI data centers, high-speed fiber-optic interconnects, co-packaged optics (CPO), optical circuit switches (OCS), and silicon photonics.
2. New Product Development Management System
   Through cross-functional collaboration, ACON OPTICS manages product development, verification and testing, and new product introduction into mass production to ensure product quality, reliability, and development efficiency.
3. R&D Investment and Digital Transformation Policy
   ACON OPTICS prioritizes investment in innovative technologies with market potential and introduces digital management and AI-assisted tools to enhance R&D efficiency, technological capabilities, and competitiveness.
4. Intellectual Property and Knowledge Management System
   ACON OPTICS continuously promotes patent applications and intellectual property protection while establishing R&D knowledge management mechanisms to strengthen technological accumulation and facilitate the transfer and sharing of technical knowledge and experience.
5. Green Design and Sustainable Innovation Policy
   ACON OPTICS incorporates energy efficiency, carbon reduction, and environmental considerations into product design and development processes. The Company continues to develop high-efficiency and low-power optical communication products to support customers in achieving their sustainability goals.

AWAN

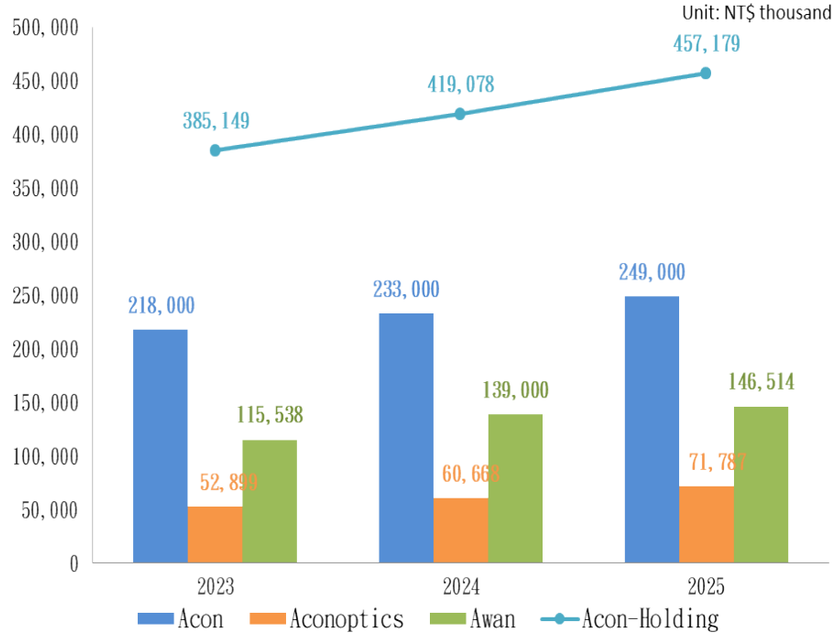
For the IT market, ADVANCED WIRELESS & ANTENNA INC. (AWAN) focuses on strengthening relationships with existing customers while continuously expanding its market presence. The Company develops long-term strategic marketing partnerships and pursues diversified business strategies. AWAN also actively establishes strategic alliances with companies in related industries and provides flexible collaboration models. By participating in professional and emerging industry alliances and associations worldwide, AWAN strengthens its technical capabilities and contributes to the development of relevant product specifications and standards.

In addition to the IT industry, AWAN is actively expanding into networking, Internet of Things (IoT), and handheld and wearable applications. Its development areas include Wi-Fi 6/6E wireless devices, 5G fixed wireless access (FWA) equipment, and 5G small-cell base stations. AWAN is also exploring IoT applications across vertical industries, including aviation, facility management, food services, healthcare, and logistics, as well as emerging opportunities related to smart utility meters for water, electricity, and gas, asset tracking, smart buildings, smart industries, smart living, and smart cities.

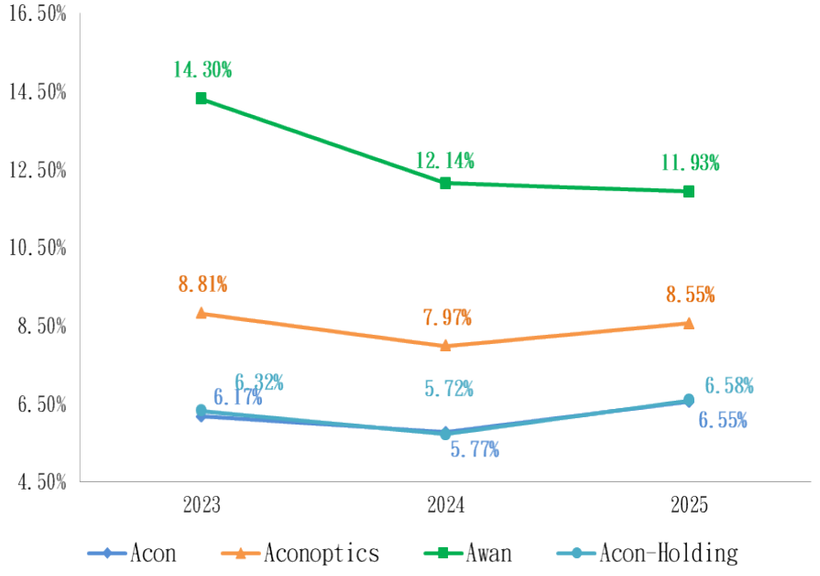
Resources Invested in Innovation and R&D

ACON-Holding has invested substantial resources in innovative R&D in recent years, establishing business units for different application markets (connectors, wire harnesses, energy, optical communication, wireless communication, etc.), each an independent operating entity with its own R&D unit.
In 2025, ACON-Holding's total R&D expenses were NT$457,179 thousand, accounting for approximately 6.58% of annual total revenue, with related performance also including the Acon-eco charging operation service, Acon charging gun development, and Acon automotive connector development.

◆ 2023-2025 Investment Expenses and Percentage of Total Revenue:



◆ 2023-2025 Percentage of Total Revenue:



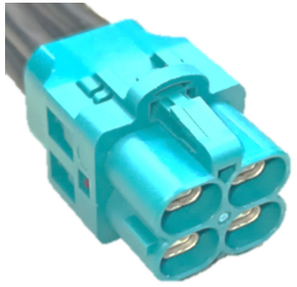
Key R&D Performance Case Studies

I、ACON Innovation and R&D

Automotive connectors play a critical role in modern vehicles and are widely used in electronic systems and modules, including powertrain systems, safety systems, smart cockpits, in-vehicle communications, and infotainment systems. They enable the reliable transmission of power, signals, and data. With the rapid development of vehicle electrification, intelligent technologies, and connectivity, automotive connectors are evolving toward higher voltage, higher transmission speeds, greater reliability, and lightweight designs.According to publicly available market data, the global automotive connector market is estimated to reach US$19.452 billion in 2025. China remains the world's largest connector market, with the overall connector market reaching approximately US$28 billion in 2024. In addition, global electric vehicle (EV) sales exceeded 17 million units in 2024, with China accounting for more than 11 million units, representing nearly two-thirds of global EV sales. These developments continue to drive demand for high-voltage connectors, charging and power-distribution connectors, as well as connectors for advanced driver assistance systems (ADAS), automotive Ethernet, and high-speed data transmission applications.

ADVANCED-CONNECTEK INC. (ACON) continues to invest in automotive connector R&D, focusing on enhancing product reliability, safety, and high-speed transmission performance. In response to trends in vehicle electrification and intelligent mobility, the Company actively develops connectivity technologies that meet requirements for high-voltage applications, high-speed transmission, and miniaturization.In response to sustainability and environmental trends, ACON is also committed to developing efficient, energy-saving, and environmentally conscious automotive connectivity solutions. These solutions are designed to support customers in improving system energy efficiency and reducing material and energy consumption, thereby contributing to the overall environmental performance of transportation systems. Through continuous technological innovation and product optimization, ACON continues to strengthen its R&D capabilities in automotive connectors while supporting sustainable operations and the transition toward greener transportation.





II、ACON OPTICS Innovation and R&D

In 2025, ACON OPTICS COMMUNICATIONS INC. (ACON OPTICS) continued to invest in the R&D of high-speed optical communications and advanced optoelectronic interconnect technologies. The Company developed a range of key products and technologies in response to market demand for AI data centers, high-performance computing (HPC), automotive optical communications, and next-generation optoelectronic integration.For AI data center applications, ACON OPTICS completed the development of products including detachable edge-coupled co-packaged optics (CPO) connectors, detachable vertical-coupled CPO connectors, and MicroLED CPO connectors. These products provide high-bandwidth, low-power-consumption, and high-reliability fiber-optic interconnect solutions to support 800G, 1.6T, and future higher-speed data transmission applications.

In fiber-optic interconnect technologies, ACON OPTICS developed products including reflow-resistant MT ferrules, high-density fiber array units (FAUs), and metal LC connectors. These developments enhance fiber coupling precision, durability, and mass-production capabilities, supporting applications in high-speed optical modules and silicon photonics packaging.In addition, ACON OPTICS continued to expand its automotive optoelectronic connector technologies, strengthening product reliability under high-temperature, high-vibration, and other harsh operating conditions. The Company is actively developing technologies and products for smart vehicles and advanced communications applications.

Through these R&D and innovation achievements, ACON OPTICS continues to strengthen its core technological capabilities and enhance product value, supporting customers in developing more efficient, energy-efficient, and reliable optical communications infrastructure.

III、AWAN Innovation and R&D

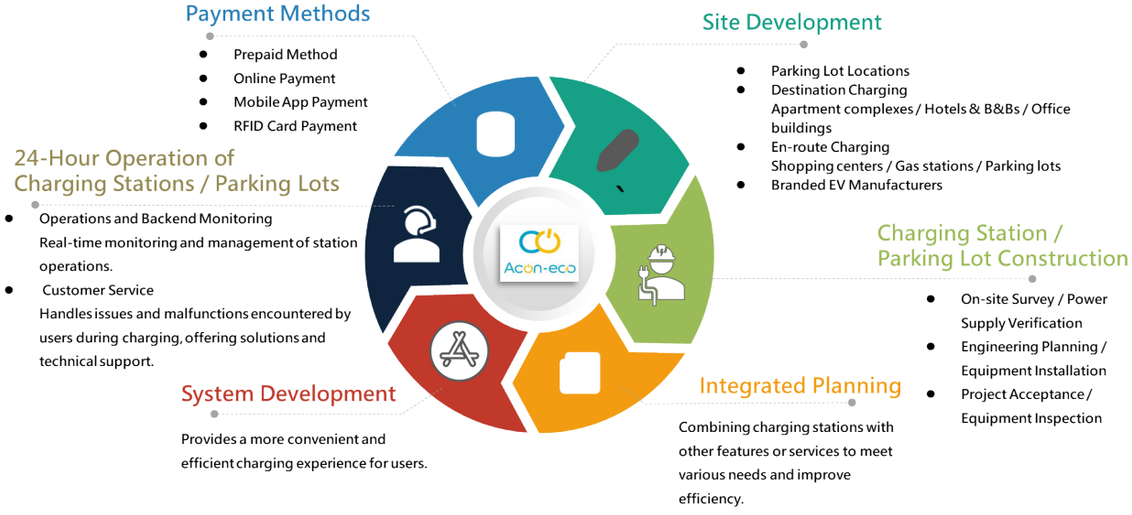
In recent years, ADVANCED WIRELESS & ANTENNA INC. (AWAN) has invested substantial resources in R&D and innovation, expanding its technology development and application areas across networking, Internet of Things (IoT), handheld and wearable devices, aerospace, automotive, and mobile communications. By deepening collaboration with major global manufacturers and integrating wireless communication technologies with high-precision product and process development, AWAN continues to strengthen its technological capabilities and competitive advantages.In wireless communications, AWAN has expertise in the design and manufacturing of various types of antennas, including antennas for personal computers, drones, network communication equipment, wearable electronic devices, handheld computers, medical monitoring devices, military communication equipment, surveillance equipment, industrial computers, smart-city applications such as utility meters, and smart agriculture equipment.

For RF testing, AWAN provides radiation testing and verification services using near-field and far-field measurement equipment to evaluate the wireless communication performance of products. Standard test chambers are available at its Taipei and Kunshan facilities, providing flexible testing capabilities. To accelerate the development of IoT and networking applications, AWAN also established a 3D rapid-measurement Satimo chamber to enhance R&D efficiency and testing capabilities. For forward-looking R&D, AWAN has expanded into technologies and applications including automotive antennas, millimeter-wave array antennas, low-Earth-orbit (LEO) satellite antennas, AR/VR antenna modules, and inertial navigation modules. The Company continues to develop related processes and materials in line with international wireless communication technology trends. AWAN also promotes industry-academia collaboration and provides opportunities for students in Taiwan to participate in technology development and practical learning.

In 5G antenna development, as wireless communications continue to move toward higher frequencies, AWAN has invested in R&D related to array antennas, beamforming, power consumption and path loss optimization, miniaturization, circuit integration, and over-the-air (OTA) testing. The Company has also introduced high-frequency electromagnetic simulation software, including CST, HFSS, and XFDTD, to enhance simulation and design capabilities. Through collaboration with Tier 1 manufacturers, AWAN has developed antenna solutions for next-generation 5G applications and continues to strengthen its capabilities in advanced wireless communication technologies.

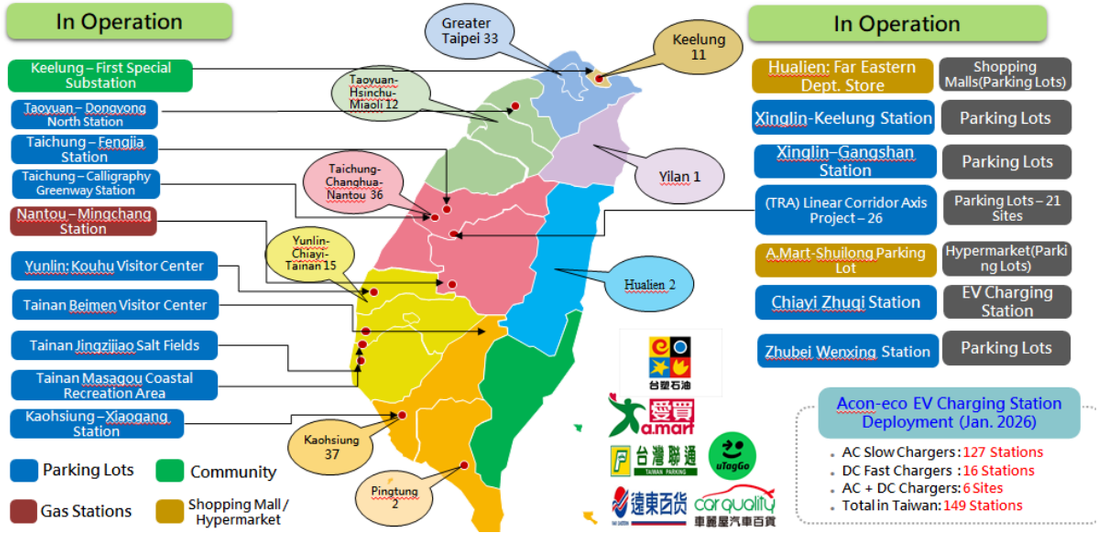
IV、ACON-ECO Charging Operation Services

Acon Electric Energy CO., LTD. (ACON-ECO) launched the ACON-ECO brand in September 2022 in response to the development of the smart electric vehicle (EV) market and formally entered the EV charging operations sector. ACON-ECO provides EV charging station installation and charging services for individuals and enterprises, as well as the development and operation of public charging stations. By integrating remote back-end management and cloud-based payment systems, the Company provides comprehensive charging operation and management services for EV users and charging station operators.Through the development of EV charging infrastructure and related services, ACON-ECO supports the adoption of electric mobility and contributes to energy conservation, carbon reduction, and the Group's development of its green business.



In January 2023, the Company's original automotive electronics business unit was spun off and established as an independent operating entity, formally establishing the subsidiary Acon Electric Energy CO., LTD. (ACON-ECO) to accelerate the expansion of EV charging infrastructure across Taiwan.Starting with four charging stations established in 2022, ACON-ECO had established a total of 149 charging stations by the end of 2025, including 22 DC charging stations and 127 AC charging stations. The charging network covers a variety of locations, including gas stations, parking lots, tourist attraction visitor centers, residential communities, shopping malls, restaurants, and other sites that meet the daily charging needs of EV users.

Through the continued expansion of its charging network, ACON-ECO aims to strengthen charging infrastructure coverage across counties and cities in Taiwan and further improve the accessibility and convenience of EV charging services. The Company has set a target of 200 charging stations nationwide in 2026.In addition, through system integration and collaboration with automakers, parking information platforms, and other ecosystem partners, ACON-ECO seeks to expand its service reach to more EV users, enhance brand visibility, and further expand its EV charging operations and service network.



ACON-ECO is positioned as an EV charging service operator providing integrated "park-and-charge" services with seamless access and exit experiences. Guided by the principles of clean energy, environmental sustainability, and the circular economy, ACON-ECO actively contributes to low-carbon development and environmentally sustainable transportation. Since the commencement of its charging operations, cumulative carbon emissions reductions attributable to EV charging reached 981,481.6 kg CO2e as of December 2025. As the Company continues to expand its charging station network and related services, the associated carbon reduction benefits are expected to increase, supporting the Group's ESG objectives and the development of its green business.

2025/05/20 - 2025/05/23 Computex Taipei
ACON Group Energy Zone Application Display Wall









Building an Innovation Culture

ACON-Holding firmly believes that innovation is driven jointly by systems, culture, and talent, and therefore continues to build a corporate culture that encourages innovative thinking, cross-departmental collaboration, and knowledge sharing, continuously enhancing organizational innovation capability and R&D competitiveness through digital transformation, process optimization, and talent development mechanisms.

Since 2022, the Group has promoted an internal digital innovation proposal mechanism, encouraging employees to use digital tools to improve work processes and operational efficiency. As of 2025, nearly a thousand digital transformation cases have been implemented across departments, covering process optimization, smart management, data analysis applications, and administrative process improvement, effectively enhancing organizational operational efficiency and innovation implementation results. Design for Six Sigma (DFSS) processes have also been introduced to strengthen product development quality and R&D design robustness.

In terms of R&D innovation, the Group encourages R&D teams to conduct independent research and experimental verification on new materials, new structures, and new process technologies, promoting knowledge sharing and technology transfer through innovative idea proposals, cross-departmental technical exchange, and internal results presentation mechanisms, creating an open and growth-oriented innovation environment.

In response to digitalization and AI development trends, multiple AI application-related courses were held in 2025, inviting external experts and scholars to share AI technology and industry application cases, helping employees grasp emerging technology development directions and enhance digital capabilities and innovative thinking. The Company also continues to participate in domestic and international industry exhibitions, technology forums, and professional exchange activities, keeping abreast of market trends and technology development, while deepening cooperation with academic institutions and research units to strengthen industry-academia-research linkages and technology R&D capacity.

In addition, the Group continues to invest in smart manufacturing and operational management upgrades, promoting production automation, digital transformation management systems, and Robotic Process Automation (RPA) introduction, improving production efficiency, per-capita productivity, and operational management effectiveness. ACON-Teng Technology has also pioneered a "Customer Management Effectiveness Model," enhancing customer value creation capability and management effectiveness through data-driven management and resource allocation analysis, strengthening market competitive advantage.

2025 Professional Training Results

Course Name	No. of Trainees	Training Hours
ISO 8714、CNS 15700-1~3 Series Standards Overview	8 persons	8 hours
VDA 6.3 Series Standards Overview	8 persons	21 hours

Going forward, ACON-Holding will continue to deepen its technological innovation capabilities and organizational resilience through the promotion of an innovation culture, talent development, and digital transformation, creating corporate growth momentum that combines competitiveness with sustainable development value.

Intellectual Property Management

ACON-Holding regards intellectual property as a core asset for innovative development and sustainable operations, actively promoting a global patent portfolio strategy, simultaneously filing patents and pursuing defensive strategies for the Company's existing key technologies and forward-looking application areas (such as high-speed transmission, AI design, and carbon-reduction materials) to consolidate core technology advantages and market leadership.

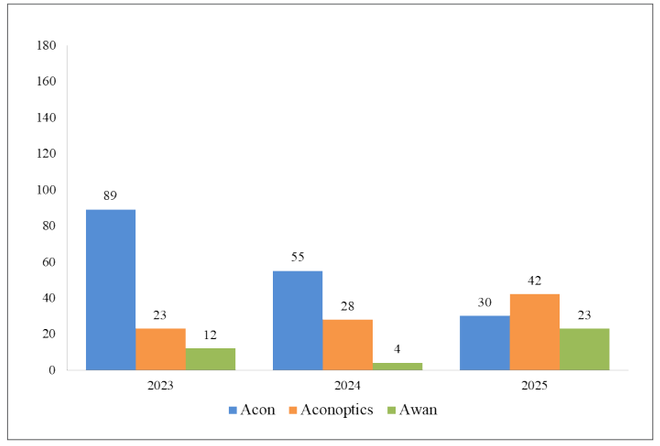
ACON-Holding has established a Legal and IP Department directly under the President's Office, responsible for the management of patents, trademarks, copyrights, and trade secrets, institutionalizing the application, review, maintenance, and risk control of intellectual property in accordance with internal regulations such as the "Intellectual Property Management Measures." The Company has also introduced a Knowledge Management (KM) system to build an R&D design history and data management platform, improving R&D efficiency and knowledge transfer effectiveness.

To encourage employees to engage in innovation, the Company has established "Patent Incentive Measures," providing bonuses to R&D staff for innovative proposals and patent applications to enhance R&D motivation and creative capacity. Proposals must undergo joint review by supervisors and the legal, R&D, and IP units to confirm technical feasibility and freedom from infringement risk before initiating patent filing in various countries. At the same time, existing patents are regularly evaluated, and maintenance resource allocation is adjusted according to market demand and technology potential.

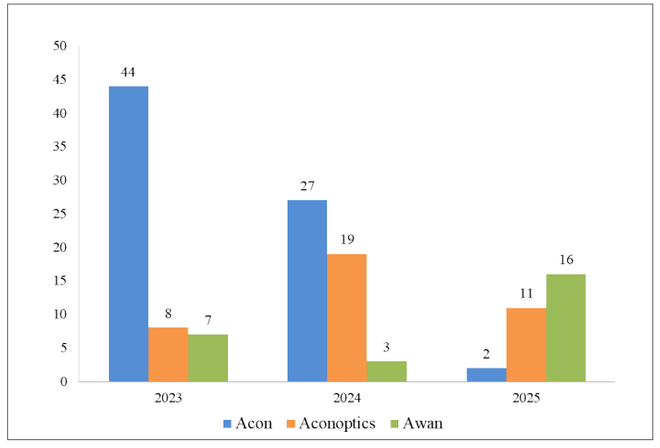
In terms of trademark and trade secret protection, product managers and the legal unit regularly review product trademark registration and usage status to ensure brand identification and legal protection. For trade secrets, information security is maintained through document encryption, access control, and signed confidentiality agreements with external parties, with annual confidentiality education and promotion for all employees. Through institutionalized management and innovation incentive mechanisms, ACON-Holding effectively integrates IP protection, R&D investment, and risk control, strengthening the Company's overall technological competitiveness and moving toward the dual goals of innovation-driven growth and sustainable development.

Through project-oriented R&D investment and a comprehensive IP management system, the Company not only improves patent quality and technological competitiveness, but also creates employee value and corporate reputation, achieving the dual goals of innovation-driven growth and sustainable development.

◆ 2023-2025 Number of Patent Applications:



◆ 2023-2025 Number of Patents Granted:Patents Granted:



4-2 Supply Chain Management

Material Issue - Management Approach

Description of Issue Impact	ACON-Holding regards suppliers as important strategic partners, committed to establishing a stable and resilient sustainable supply chain. In addition to valuing suppliers' quality, technical capability, delivery time, cost, and service, the Company also incorporates sustainability issues such as environmental protection, occupational safety and health, human rights protection, business ethics, and regulatory compliance into its supplier management mechanism. Based on supplier management procedures, new supplier evaluation systems, and supplier social responsibility requirements, the Company has established supplier onboarding, evaluation, and continuous improvement processes, requiring suppliers to comply with relevant international standards (such as RBA and ISO 14001), jointly reducing supply chain risk and improving supply chain resilience and sustainable competitiveness
Policy and Commitments	With "people-oriented, value creation, integrity and pragmatism, improvement and innovation" as core values, ACON-Holding promotes sustainable supply chain development through its supplier management system. Main management measures include: 1. Establishing a supplier evaluation system that incorporates quality, delivery time, cost, technical capability, and ESG performance into the assessment. 2. Requiring suppliers to comply with the Supplier Social Responsibility Agreement, environmental agreements, and business ethics standards. 3. Promoting green supply chain management, requiring the provision of MSDS/SDS, material composition data, and RoHS and other hazardous substance compliance certificates. 4. Continuously conducting supplier sustainability management in accordance with RBA, ISO 14001, and relevant regulatory requirements. 5. Regularly conducting supplier visits, audits, and performance evaluations, tracking improvements. 6. Encouraging suppliers to improve resource use efficiency, promoting energy conservation, carbon reduction, and circular economy. 7. Continuing to work with suppliers to build a transparent, responsible, and resilient sustainable supply chain.
Responsible Unit	Environmental Safety and Health Office, Management Department, Quality Assurance Department, Logistics Management Department, and each plant's production/sales and procurement units
Resources Invested	• Removal and management of domestic and business waste. • Recycling and reuse of packaging materials. • Introduction of recycled plastic materials into product applications. • Introduction of automated inspection equipment to improve production efficiency. • Recycling and reuse of raw material scrap and waste. • Supplier management, education and training, and supplier conferences. • Introduction of RPA digital tools to improve management efficiency.
Grievance Channels	Stakeholder contact information - anonymous complaint mailbox trust@acon.com
Short, Medium, and Long-term Goals	• Continue to promote the recycling and reuse of packaging materials. • Strengthen supplier ESG management and sustainability performance evaluation. • Continue to complete supplier surveys and management in accordance with international regulations such as REACH, RoHS, and conflict minerals. • Promote green procurement and a low-carbon supply chain to reduce the supply chain's environmental impact. • Establish a resilient and diversified supply chain system to reduce supply chain operational risk.
2025 Action Plans and Performance	Procurement strategy adopts a diversified supplier management mechanism, establishing second sources and safety stock management to reduce procurement risk and improve supply chain resilience; the Company also promotes supplier sustainability management and circular economy measures. Main initiatives in 2025 included: 1. Promoting reuse and recycling of packaging materials. 2. Classified management and recycling of raw material scrap. 3. Recycling plastic materials for reuse in products. 4. Introducing automated equipment to improve production efficiency. 5. Promoting supplier packaging recycling and reducing secondary packaging. 6. Entrusting hazardous waste to qualified vendors for treatment. 7. Strengthening supplier ESG management and sustainability audits. 8. Establishing diversified supply sources and safety stock management to improve supply chain resilience.
Effectiveness Evaluation	ACON-Holding follows its supplier management system and supplier social responsibility standards, establishing supplier onboarding, evaluation, audit, and continuous improvement mechanisms, incorporating quality, delivery time, cost, regulatory compliance, and ESG management into supplier performance evaluation. Through regular visits, performance tracking, and improvement measures, the Company continuously improves supplier management effectiveness, reduces supply chain risk, and strengthens sustainable supply chain resilience, to ensure suppliers meet the Company's management requirements and international sustainable development trends.

With the goal of building a safe, sustainable, and resilient green supply chain, ACON-Holding continues to incorporate sustainability management requirements such as environmental protection, labor human rights, occupational safety and health, business ethics, and regulatory compliance into its supplier management mechanism, implementing risk assessment and management in the selection of new suppliers and the management of existing suppliers, working together with suppliers to improve sustainability performance, reduce supply chain operational risk, and achieve corporate sustainable development goals.

To establish a comprehensive supplier management system, ACON-Holding follows and references the Responsible Business Alliance (RBA) Code of Conduct, the International Labour Organization (ILO) core labor conventions, the UN Universal Declaration of Human Rights, and related international sustainability standards, establishing supplier management systems and social responsibility requirements. The Taiwan region has introduced management documents such as the "Supplier Evaluation Procedure," "Supplier Management Procedure," "Environmental Protection Agreement," and "Integrity Commitment"; the mainland China plants have introduced management standards such as the "Supplier Evaluation and Assessment Procedure and Self-Assessment Form," "RBA Code of Conduct," "Business Ethics Agreement," and "Green Environmental Protection Products and Services Control," serving as important bases for supplier selection, management, and performance evaluation.

Since the mainland China plants are the Group's main manufacturing base, suppliers of major raw materials and key components are required to meet requirements related to environmental protection, labor human rights, occupational safety and health, business ethics, and social responsibility. New suppliers must complete qualification review and supplier evaluation, and may only be listed as qualified suppliers in accordance with the Company's internal control system and relevant management measures after passing the evaluation; during the cooperation period, they must also cooperate with the Company's supplier management mechanism and accept regular or irregular evaluations and audits to ensure continued compliance with the Company's various management requirements.

In addition, ACON, ACON OPTICS, and AWAN follow the Group's supplier management mechanisms and internal regulations. Regular and ad hoc audits are conducted for suppliers across different regions, with follow-up actions implemented based on audit findings. The Group also reviews the progress of corrective actions and manages supplier relationships to continuously enhance supply chain management and sustainability performance.



Environmental and Social Standards Screening for New Suppliers

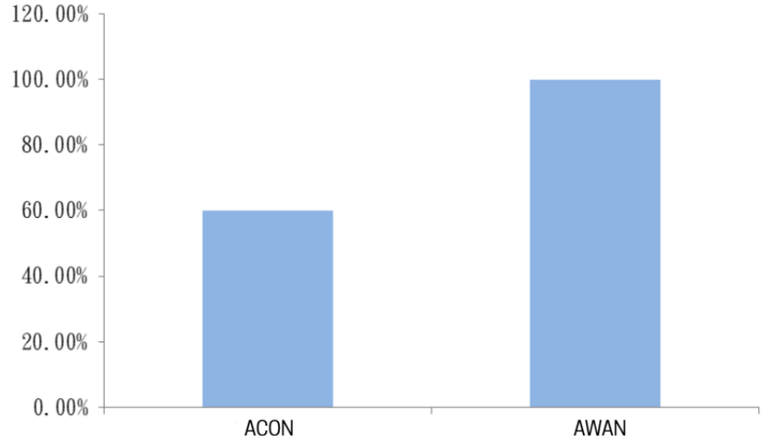
To implement supplier sustainability management, ACON and ACON-Teng conduct qualification reviews during the new supplier onboarding stage in accordance with the supplier management mechanism, incorporating environmental and social requirements into the new supplier evaluation items as an important basis for supplier selection and cooperation. The status of new supplier recognition and adoption of environmental and social standards screening in 2025 is as follows:

◆ 2025 New Supplier Adoption of Environmental and Social Standards Screening:

Company	Plant	No. of Recognized New Suppliers (A)	No. Adopting Environmental, Social Standards Screening (B)	Percentage (B/A)
ACON	Taipei	0	0	N/A
	Shenzhen	15	9	60%
	Tianjin	2	2	100%
	Kunshan	20	13	65%
	Tianxin	0	0	N/A
	Laos	3	0	0%
Total		40	24	60%
Awan	Taipei	4	4	100%
	Kunshan	29	29	100%
	Jiangxi	0	0	N/A
Total		33	33	100%

◆ 2025 New Supplier Adoption Percentage of Environmental, Social Standards Screening:

Percentage of new suppliers adopting environmental and social standards screening during the onboarding stage, by company.



In 2025, ACONonboarded a total of 40 new suppliers, of which 24 were screened against environmental and social criteria during the onboarding process, representing 60.0% of all new suppliers. The Tianjin Plant achieved a 100% screening rate for new suppliers, while the Kunshan Plant and Shenzhen Plant achieved screening rates of 65.0% and 60.0%, respectively. The Laos Plant onboarded three new suppliers during the year but did not conduct screening against environmental and social criteria. The Taipei Plant and Tianxin Plant had no new suppliers during the year and were therefore excluded from the screening rate calculation.

AWAN onboarded a total of 33 new suppliers in 2025, all of which (100%) were screened against environmental and social criteria during the onboarding process. New suppliers at both the Taipei Plant and Kunshan Plant completed the relevant assessments. The Jiangxi Plant had no new suppliers during the year and was therefore excluded from the screening rate calculation.

Overall, both ACON and AWAN continued to incorporate environmental and social requirements into their new supplier selection and management processes. Through new supplier assessments, qualification reviews, and follow-up management, the companies continued to strengthen sustainable supply chain management and mitigate supply chain-related operational risks.

Actions Taken in Response to Positive/Negative Supply Chain Impacts

ACON-Holding immediately terminates cooperation with suppliers under the following circumstances, which are deemed major deficiencies:

①	②
No anomalies found in factory audit, but cooperation terminated due to delivery quality anomalies	Incomplete system, failed evaluation, subsequent suspension of transactions

Other reasons for supplier cooperation termination (supplier block reasons):

1. Change of agent
2. Customer-designated vendor, no further transactions
3. No subsequent mass production
4. Case at sample stage
5. Evaluation not completed within three months
6. Case concluded
7. One-time material transfer to accommodate customer
8. Vendor incurred losses, supplier abandoned cooperation
9. Timeliness of delivery and payment, supplier abandoned cooperation

ACON and AWAN follow the Group's supplier management mechanisms and internal regulations, conducting regular and ad hoc audits of suppliers across different regions. The companies continuously follow up on improvement actions based on audit findings and review the reasons for terminating supplier relationships, ensuring that suppliers comply with the Group's supplier management requirements.

◆ The 2025 supplier audit implementation status and improvement results are as follows:

Item	ACON Plants	AWAN Plants
No. of Supplier Audits Conducted	40 (Taipei 0, Shenzhen 15, Tianjin 2, Kunshan 20, Tianxin 0, Laos 3)	40 (Taipei 0, Kunshan 27, Jiangxi 0)
Suppliers with Major Deficiencies	7	0
Suppliers Improved	7	0
Suppliers Not Improved and Terminated	0	0

ACON's plants conducted a total of 40 supplier audits in 2025. Seven suppliers were identified as having major deficiencies during the audits. Following the implementation of required corrective actions, all seven suppliers completed the necessary improvements, resulting in a 100% corrective action completion rate. No supplier relationship was terminated during the year due to unresolved major deficiencies.

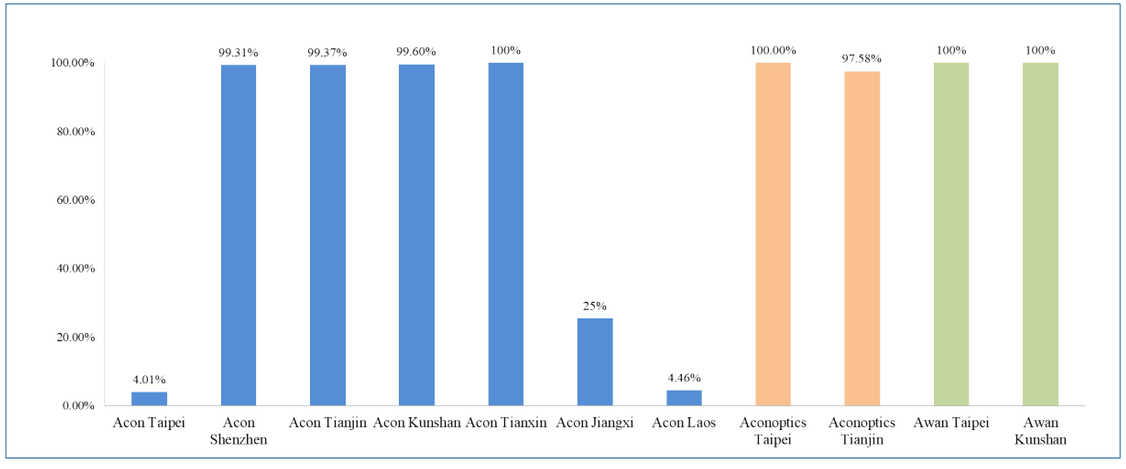
AWAN's Kunshan Plant conducted a total of 27 supplier audits in 2025. No major deficiencies were identified among the audited suppliers; therefore, no follow-up tracking of major deficiency corrective actions was required. There were also no cases in which supplier relationships were terminated due to unresolved major deficiencies.

Procurement Practices

ACON-Holding continues to promote procurement by each location in its host country to improve operational efficiency and implement a localization strategy. Among these, the China production base is an important operating location for the Company. To pursue production and supply efficiency, reduce logistics costs, improve after-sales service quality, and strengthen product quality control, the Company has actively implemented a local procurement policy over the years. This not only helps promote local economic development, but also reduces environmental impact by reducing carbon dioxide emissions generated during transportation, reflecting the Company's commitment to sustainable development.

In terms of procurement practices, ACON-Holding acquires resources based on the principles of economy and efficiency while complying with local laws and ethical standards, understanding product demand through market research, and selecting competitive suppliers based on price, quality, and service. The Company subsequently ensures the stability and quality of the overall supply chain through procurement execution management and supply performance evaluation, achieving the dual goals of operational efficiency and sustainable development.

◆ 2025 Local Procurement Ratio by Operating Location





05
Environmental Sustainability

5-1Climate Change Response

5-2 Environmental Management



Material Issue - Management Approach

Description of Issue Impact	ACON-Holding is well aware of the impact of climate change and international carbon pricing mechanisms (such as the EU CBAM) on corporate operations, supply chains, and profitability. The Company regards climate change as an important business risk and opportunity, continuing to promote greenhouse gas inventory, energy efficiency improvement, and waste resource management, reducing the environmental impact of operations, strengthening corporate resilience, and moving toward low-carbon sustainable development.
Policy and Commitments	ACON-Holding has established an environmental management system for its global operating locations, complying with local environmental regulations and Group environmental policy, with the ESG Committee overseeing coordination and each plant's management unit responsible for implementation and continuous improvement. We are committed to: 1. Complying with environmental regulations and related requirements at each operating location. 2. Continuously improving energy efficiency and reducing energy consumption and carbon emission intensity. 3. Promoting self-conducted greenhouse gas inventories and third-party verification, ensuring the quality of inventory data. 4. Implementing waste classification management and resource circulation, ensuring 100% legal disposal of waste. 5. Continuing to invest in education and training to raise all employees' environmental protection awareness and implement corporate sustainability responsibility.
Responsible Unit	ESG Committee
Resources Invested	To continuously strengthen environmental management, the Company invests relevant human, financial, and technical resources, including: 1. ISO 14064-1 greenhouse gas inventory and third-party verification. 2. Replacement of old equipment and energy-saving equipment improvement. 3. Evaluation of the introduction of a smart energy monitoring system to improve energy management efficiency. 4. Self-inventory and environmental management manpower investment at each plant. 5. Waste classification, resource recovery, and equipment maintenance management.

Grievance Channels	trust@acon-holding.com
Short, Medium, and Long-term Goals	• Continuously reduce the Group's total electricity consumption and energy use intensity. • Promote the completion of Scope 1 and Scope 2 self-inventories at major global production locations. • Continuously improve energy efficiency and equipment energy-saving improvements. • Increase the proportion of waste resource recovery and disposal. • Maintain a zero violation rate for hazardous waste disposal. • Continuously improve climate governance and environmental management, enhancing supply chain sustainability resilience.
2025 Action Plans and Performance	• Reference the TCFD framework and align with IFRS S2, conducting climate risk identification and management. • Continue to promote energy-saving equipment improvement and air conditioning system optimization. • Evaluate the introduction of a smart energy monitoring system to improve energy management efficiency. • Continue to conduct Scope 1 and Scope 2 self-inventories at global locations. • The Kunshan plant completed the 2024 ISO 14064-1:2018 greenhouse gas inventory verification. • Strengthen the classification and recycling of scrap metal, waste plastic, and other resources.
Effectiveness Evaluation	Climate and Energy Management • Regularly review energy use performance and improvement results at each plant. • Continuously track changes in energy consumption and energy intensity. • Evaluate the effectiveness of energy-saving improvement measures. • Regularly review greenhouse gas inventory results as a basis for carbon reduction management. • Continuously improve energy management and climate governance effectiveness. Waste Management • Implement waste classification and legal disposal management. • Continuously improve resource recovery and reuse ratio. • Strengthen raw material scrap classification and recycling. • Regularly review waste management performance and continuously improve.

5-1 Climate Change Response

Climate change has become an important issue faced by companies globally, not only affecting the natural environment and social development, but also potentially bringing risks and transition challenges to corporate operations, supply chain management, and market competitiveness. ACON-Holding continues to pay attention to the risks and opportunities brought by climate change and has incorporated climate issues into its sustainable business management, enhancing corporate resilience and long-term competitiveness, and moving toward low-carbon sustainable development.

In response to stakeholder expectations for transparent disclosure of climate information, the Company references the TCFD (Task Force on Climate-related Financial Disclosures) framework, following the four core pillars of "Governance," "Strategy," "Risk Management," and "Metrics & Targets," to establish a climate risk management mechanism that systematically identifies, assesses, and manages climate-related risks and opportunities, while continuing to monitor IFRS S2 and relevant disclosure requirements from regulatory authorities, gradually improving the quality of climate information disclosure.

ACON-Holding continues to improve its climate governance mechanism in accordance with the TCFD framework, gradually incorporating climate issues into operational decision-making and risk management processes through actions such as climate risk and opportunity assessment, greenhouse gas inventory, energy management, and carbon reduction measures, continuously enhancing the Company's ability to respond to climate change, strengthening operational resilience, and creating long-term sustainable value.

Climate Governance Structure

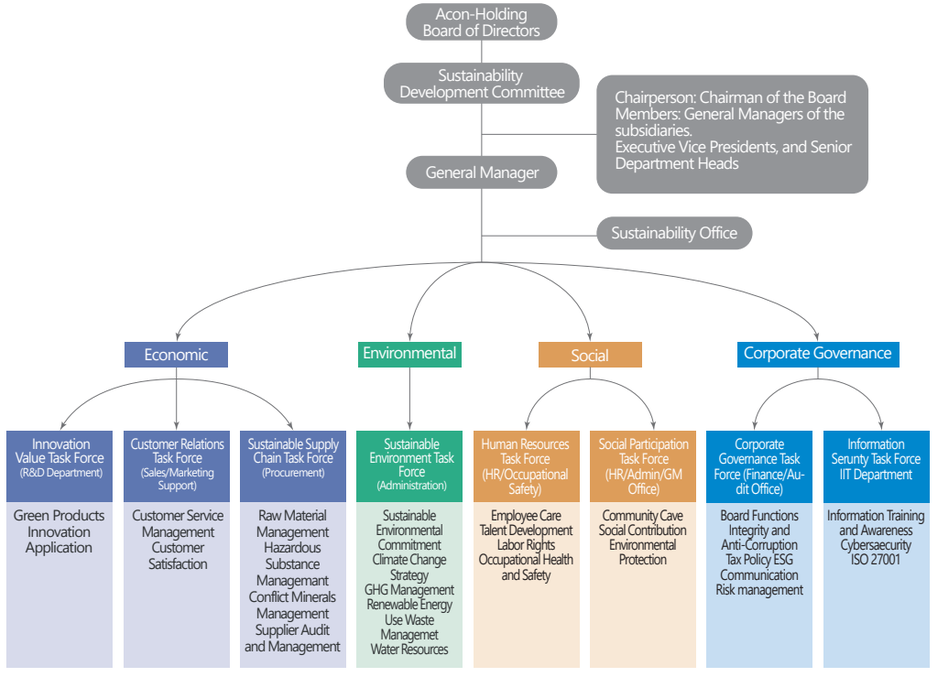
ACON-Holding's Board of Directors oversees sustainable development strategy and major climate issues, with the Sustainable Development Management Committee coordinating and promoting climate risk management and related response measures, responsible for cross-departmental coordination and implementation, establishing a comprehensive climate governance mechanism, regularly reviewing the results of various management measures, and continuously strengthening the Company's climate governance capabilities.

The main responsibilities of the Sustainable Development Management Committee include:

1. Identifying climate-related risks and opportunities.
2. Conducting climate risk and impact assessments.
3. Promoting and tracking climate management measures and implementation performance.
4. Regularly reporting climate management progress and results to the Board of Directors.

The Sustainable Development Management Committee is jointly composed of relevant departments such as plant operations, general affairs, finance, procurement, and legal affairs. Each department regularly identifies risks and opportunities that climate change may cause within its scope of responsibility, assesses the likelihood of occurrence and potential impact on operations, and formulates response measures and management plans accordingly, continuously tracking implementation status to reduce the impact of climate risk on corporate operations and improve overall environmental management performance and corporate operational resilience.

ACON-Holding Climate Risk Governance Structure

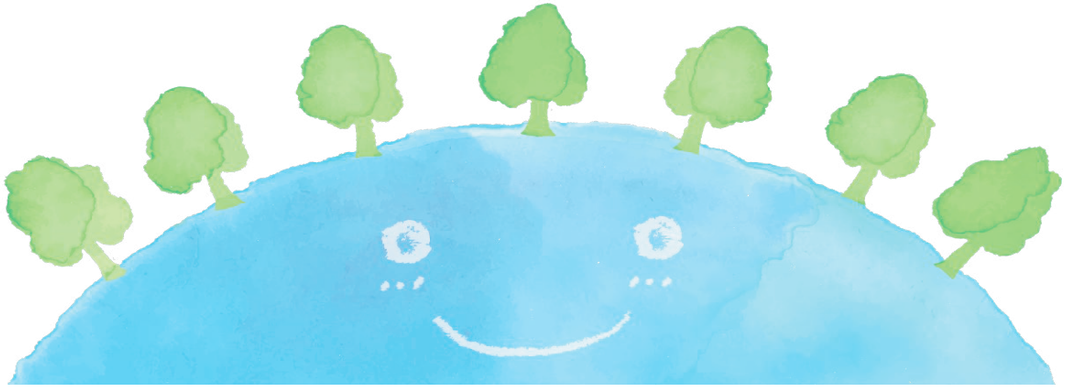


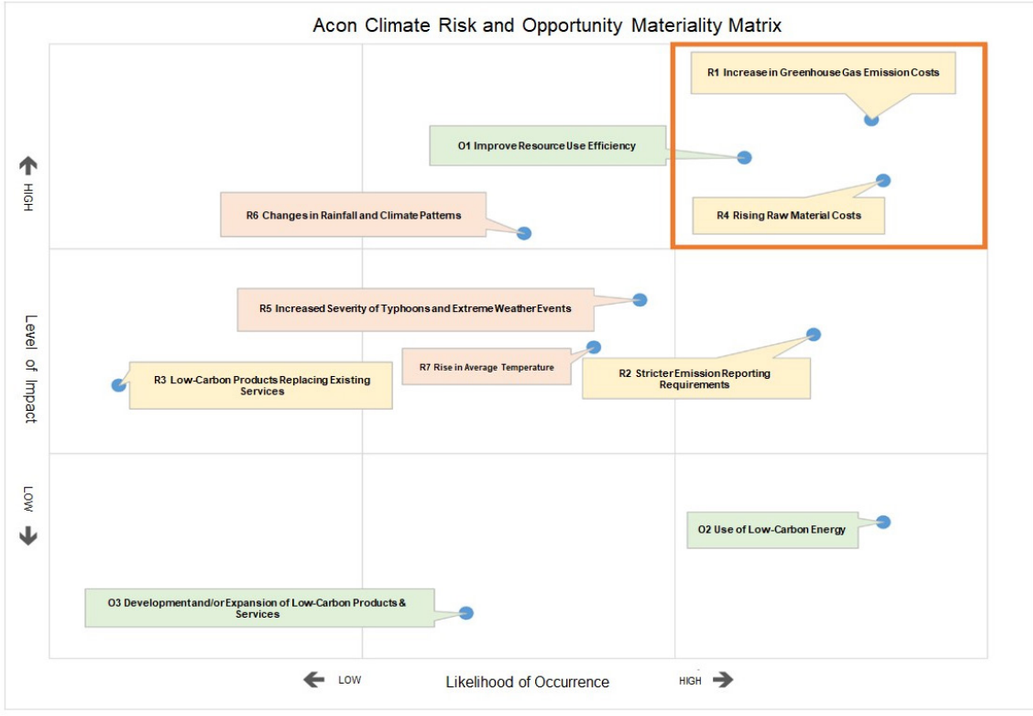
Climate Change Response Strategy

To systematically identify and assess the risks and opportunities that climate change may bring to ACON-Holding's operations, the Company is coordinated by the Sustainable Development Management Committee, combining five groups - corporate governance, supply chain management, environmental protection and energy conservation, social and employee affairs, and customer service - to jointly conduct the inventory, analysis, and assessment of climate-related issues, establishing a cross-departmental climate risk management mechanism.

Each group collects and analyzes climate change-related information based on industry development trends, regulatory requirements, and years of management experience at each operating location, and references the TCFD framework to classify climate issues into three major categories: Physical Risks, Transition Risks, and Climate Opportunities, conducting cross-departmental discussion and assessment for each issue.

The assessment work uses "degree of impact" and "likelihood of occurrence" as the main assessment dimensions, determining the materiality of each issue through quantitative scoring, and creating a "Climate Risk and Opportunity Materiality Matrix" as the basis for priority management and resource allocation. For major risk and opportunity issues, each responsible unit further formulates corresponding adaptation and mitigation measures, continuously strengthening the Company's climate resilience and response capabilities.





The Company assesses each climate issue based on "likelihood of occurrence" and "degree of impact." The results show that "R1 Increased greenhouse gas emission costs" and "R4 Rising raw material costs" are currently the priority material climate issues, and are therefore listed as key climate management focuses, with related response measures continuously promoted to reduce potential impacts on operations.

Climate Risk and Opportunity Identification Results

In 2025, ACON-Holding continued to follow the TCFD recommended framework and the spirit of IFRS S2 climate-related financial disclosure, with the Sustainable Development Committee convening each operating location to identify climate risks and opportunities, and completing assessments based on impact period, likelihood of occurrence, and degree of impact. After materiality analysis, a total of 5 material climate issues were identified, including 3 climate risks (2 transition risks, 1 physical risk) and 2 climate opportunities, based on which management strategies and goals were formulated to enhance corporate climate resilience and sustainable competitiveness.

Aspect	Issue	Impact Period	Impact on ACON-Holding	Response Strategy
Transition Risk - Policy and Regulation	Increased Greenhouse Gas Emission Costs	Short-to-Medium Term	Global carbon fees and carbon pricing systems are gradually being implemented; failure to continuously reduce carbon emissions will increase operating costs and supply chain competitive pressure.	• Implement self-directed reduction plans to obtain preferential carbon fee rates. • Expand greenhouse gas inventory scope to Category 3-4. • Continue to promote energy-saving and carbon-reduction projects.
Transition Risk - Market Risk	Rising Raw Material Costs	Short Term	Increased demand for low-carbon materials and supply chain adjustments raise raw material prices and procurement costs.	• Increase the proportion of recycled copper and recycled plastic used. • Establish diversified low-carbon material sources to reduce supply risk.
Physical Risk - Acute and Chronic	Extreme Weather Events	Medium-to-Long Term	Heavy rain, typhoons, and high temperatures may cause equipment damage, production disruption, and increased energy costs.	• Conduct plant flood risk and climate vulnerability assessments. • Incorporate climate resilience design into new construction and improvement projects.
Opportunity - Resource Use Efficiency	Improve Resource Use Efficiency	Medium-to-Long Term	Improving energy efficiency can reduce operating costs and carbon emissions, enhancing corporate competitiveness.	• Continue to optimize the smart energy management system. • Improve the energy efficiency of high-energy-consuming equipment.
Opportunity - Products and Services	Develop Low-Carbon/ New Energy Products	Medium-to-Long Term	Global net-zero transition drives demand in the new energy and EV markets, increasing new product business opportunities.	• Continue to develop connectors for EVs and green energy applications. • Pursue international green supply chain cooperation opportunities.

Climate-related Risk and Opportunity Identification and Assessment Process

ACON-Holding's Sustainable Development Committee coordinates climate risk and opportunity management, following the TCFD recommended framework and IFRS S2 climate-related disclosure principles, and through cross-departmental discussion, assesses and conducts materiality analysis on identified climate issues based on impact period, likelihood of occurrence, and degree of impact, establishing a climate risk and opportunity management mechanism.

After materiality matrix analysis and review by the Sustainable Development Committee, 3 material climate issues were ultimately confirmed, including 2 transition risks and 1 climate opportunity, based on which management goals, response strategies, and performance indicators were established. Implementation status will continue to be tracked in the future, with regular reviews of management effectiveness and goal achievement, continuously enhancing corporate climate resilience.

Climate-related Risk and Opportunity Identification Process

Process Stage	Description
Climate Issue Inventory	Compiling international climate change trends, regulatory developments, stakeholder concerns, and industry risks, identifying climate issues related to ACON-Holding's operations. A total of 10 climate-related risks and opportunities were inventoried, including 4 transition risks, 3 physical risks, and 3 climate opportunities, serving as the basis for subsequent assessment.
Issue Materiality Analysis	The Sustainable Development Committee convenes relevant units to assess and score each issue based on its impact period, likelihood of occurrence, and degree of impact, creating a climate risk and opportunity materiality matrix to identify climate issues with significant impact on the Company's operations.
Material Issue Confirmation	Based on the materiality matrix analysis results, combined with the Company's current operations and future development strategy, 3 material climate issues were confirmed, including 2 transition risks - "Increased greenhouse gas emission costs" and "Rising raw material costs" - and 1 climate opportunity - "Improve resource use efficiency" - which were incorporated into the annual management priorities.
Management Tracking	Management goals, response measures, and performance indicators are established for material climate issues, with regular tracking of implementation status and goal achievement. The Sustainable Development Committee regularly reviews management effectiveness and continuously revises response strategies on a rolling basis to enhance corporate climate resilience and response capabilities.

Metrics and Targets

ACON-Holding continues to promote energy conservation, carbon reduction, and energy transition, regularly reviewing the implementation status of annual management goals through measures such as energy management, energy-saving equipment improvement, process optimization, and the introduction of renewable energy. All climate management goals for 2025 were achieved, with both electricity and water conservation performance exceeding the original targets, and the proportion of renewable energy use continuing to increase, demonstrating the Company's concrete results in implementing low-carbon operations and net-zero transition.

2025 Climate Goal Achievement Status

Goal Item	Management Goal	Achievement Status
Electricity Conservation Goal	Reduce the Group's total electricity consumption by 1% compared to the previous year	Achieved. In 2025, the Group's total electricity consumption was 28,943,576.94 kWh, a decrease of 5.20% compared to 2024, exceeding the annual target.
Water Conservation Goal	Reduce the Group's total water consumption by 1% compared to the previous year	Achieved. In 2025, the Group's total water consumption was 421,813.69 metric tons, a decrease of 6.45% compared to 2024, exceeding the annual target.
Renewable Energy Investment	Continue to invest in solar power generation facilities and purchase green electricity to increase the proportion of renewable energy use	Achieved. In 2025, self-built solar power generation reached 1,057,857.45 kWh; green electricity usage accounted for 3.73% of the Group's total electricity consumption, continuously increasing the proportion of low-carbon energy use.

5-2 Environmental Management

Greenhouse Gas and Energy Management

As global climate change risks continue to rise, countries have successively promoted net-zero emissions policies and climate-related regulations, and companies also face challenges in energy transition and carbon reduction management. ACON-Holding is well aware that energy management and greenhouse gas reduction are important issues for sustainable corporate operations, continuing to reduce the environmental impact of operations and steadily move toward low-carbon operation goals through improving energy use efficiency, promoting energy-saving measures, and introducing renewable energy.

ACON-Holding's main source of energy consumption is electricity used in the production process. To continuously improve energy use efficiency, the Company has established an energy management system and related operating procedures referencing the spirit of ISO 50001 energy management and ISO 14001 environmental management, and has introduced an energy management system to monitor electricity usage at each plant in real time, regularly analyzing energy use performance and abnormal energy consumption. Through the environmental safety and health management mechanism, continuous review and improvement is conducted, with relevant departments proposing corrective and preventive measures to reduce energy waste and improve overall energy use efficiency.

In 2025, ACON-Holding's total energy consumption was 114,256.58 GJ, with electricity remaining the main component of the energy structure, accounting for 95.3% of total energy consumption, mainly from production equipment electricity used in connector manufacturing processes such as plastic injection molding, terminal stamping, electroplating, assembly, and mold development; followed by gasoline used for company vehicles, accounting for approximately 1.4% of total energy consumption. In addition, the Tianjin plant continues to operate its solar photovoltaic power generation system, with green electricity generation reaching 1,057,857.45 kWh for the full year 2025, all for internal plant use, effectively increasing the proportion of renewable energy use and reducing the need for purchased electricity.

The 2025 energy intensity was 20.94 GJ per NT$ million of revenue, a decrease of approximately 1.3% compared to 21.21 GJ per NT$ million of revenue in 2024, indicating continuous improvement in energy use efficiency. Going forward, ACON-Holding will continue to evaluate the feasibility of introducing renewable energy at major production locations, and promote the replacement of high-energy-consuming equipment, energy-saving process improvements, and energy management optimization, continuously improving energy use efficiency, reducing energy consumption and greenhouse gas emissions, and implementing low-carbon sustainable operations.

Energy Consumption Overview for the Past Three Years

Total Internal Energy Consumption (GJ)		2023	2024	2025
Non-renewable Energy	Diesel (liters)	881.70	190.34	243.81
	Gasoline (liters)	2,274.17	1,620.79	1,754.72
	Natural Gas (cubic meters)	108.68	38.33	19.21
	Liquefied Petroleum Gas (liters)	512.47	520.05	522.07
	Steam (metric tons)	4,779.33	4,141.92	3,711.61
	Electricity (10,000 kWh)	100,733.37	109,914.85	104,196.88
Renewable Energy	Solar Power (10,000 kWh)	3,022.56	3,298.57	3,808.29
Total Calorific Value of Energy Consumed (GJ)		112,312.28	116,426.26	114,256.58
Revenue Unit (NT$ million)		4,601.22	5,488.61	5,456.15
Energy Intensity (GJ/NT$ million)		24.41	21.21	20.94

Notes on 2025 Internal Energy Consumption:

Note 1: The data collection and reporting scope covers ACON-Holding INC. and its major operating entities and plants in Taiwan and mainland China, including ACON, ACON OPTICS, and AWAN.

Note 2: The calorific value of each energy source is converted based on the "Energy Product Unit Calorific Value Table" published by the Bureau of Energy, Ministry of Economic Affairs.

Note 3: The Tianjin plant's solar photovoltaic power generation system generated 1,057,857.45 kWh for the full year 2025, all for internal plant use, of which ACON Technology used 509,033.82 kWh and ACON Communication used 548,823.63 kWh.

Note 4: The 2023 and 2024 energy calorific values have been retroactively recalculated based on the latest conversion standards published by the Bureau of Energy, Ministry of Economic Affairs, to ensure consistency and comparability of data across years.

Greenhouse Gas Management

ACON-Holding attaches importance to climate change issues, continuing to promote greenhouse gas inventory and management to grasp the carbon emissions status of its operating activities, serving as an important basis for carbon reduction strategy planning and net-zero transition. The Company established greenhouse gas inventory systems at the Shenzhen plant and Taiwan plants starting in 2009 and 2010 respectively, and completed verification through a third-party verification body in accordance with the ISO 14064-1 standard. Since then, each plant has completed the previous year's Scope 1 and Scope 2 greenhouse gas inventory annually in accordance with relevant standards, and prepared a greenhouse gas inventory report, internalizing the inventory process as an annual routine management mechanism, using the quantified inventory results as an important basis for decision-making on carbon reduction strategy, energy management, and climate risk response.

In 2025, ACON-Holding's total Scope 1 and Scope 2 greenhouse gas emissions were 16,349.781 metric tons CO2e, of which Scope 2 purchased electricity emissions were 15,619.557 metric tons CO2e, accounting for approximately 95.5% of total emissions, remaining the Group's primary source of greenhouse gas emissions. Compared with 2024, total carbon emissions decreased from 17,204.645 metric tons CO2e to 16,349.781 metric tons CO2e, a decrease of approximately 4.97%; carbon emission intensity also decreased from 3.135 to 2.997 tonCO2e per NT$ million revenue, a decrease of approximately 4.40%, indicating continuous improvement in carbon emission efficiency. The change in emissions was mainly affected by product mix adjustments and changes in process electricity demand, with the overall trend consistent with energy use.

The Shenzhen plant is a key carbon-emitting enterprise regulated by the Shenzhen municipal ecological environment authority, completing carbon emission data reporting annually as required; the Taiwan plants conduct annual greenhouse gas inventories in accordance with the ISO 14064-1 standard, continuing to strengthen the greenhouse gas management system as an important foundation for promoting energy conservation and carbon reduction, improving energy use efficiency, and implementing net-zero transition.

ACON-Holding's Total Carbon Emissions for the Past Three Years

Item	2023	2024	2025	Unit
Scope 1	647.603	821.084	730.255	tonCO_2e
Scope 2	15,677.322	16,383.561	15,619.557	tonCO_2e
Total Carbon Emissions	16,324.925	17,204.645	16,349.781	tonCO_2e
Carbon Emission Intensity	3.548	3.135	2.997	tonCO_2e/ NT$ Million Revenue

Note 1: Greenhouse Gas Inventory Scope: ACON-Holding INC. (Taipei); ADVANCED-CONNECTEK INC. (ACON) (Taipei, Shenzhen, Tianjin, Kunshan, Tianxin, and Jiangxi); ACON OPTICS COMMUNICATIONS INC. (ACON OPTICS) (Taipei, Shenzhen, and Tianjin); and ADVANCED WIRELESS & ANTENNA INC. (AWAN) (Taipei, Kunshan, and Jiangxi).
Note 2: Scope 1 (direct emissions): covers stationary combustion equipment, process emissions, fugitive emissions, and mobile sources such as company vehicles;
Scope 2 (energy indirect emissions): the main emission source is purchased electricity.
Note 3: Inventory methods: the Shenzhen plant conducts its inventory in accordance with the "Guidelines for Quantification and Reporting of Greenhouse Gas Emissions by Organizations"; the Taiwan plants conduct their inventory in accordance with the ISO 14064-1 standard.
Note 4: Global Warming Potential (GWP) uses the coefficients published in IPCC AR4.
Note 5: Electricity emission factors: the China region uses the "China Regional Power Grid Baseline Emission Factors"; the Taiwan region uses the electricity emission factor announced by the Ministry of Economic Affairs.
Note 6: The Shenzhen plant inventory covers 2 greenhouse gases: CO2 and CH4; the Taiwan plants' inventory covers 7 greenhouse gases: CO2, CH4, N2O, HFCs, PFCs, SF6, and NF3.
Note 7: Greenhouse gas inventory boundary: all plants use the equity share approach.
Note 8: Carbon emission intensity = (Scope 1 + Scope 2 greenhouse gas emissions) / Revenue (NT$ million).

Waste Management

ACON-Holding upholds an environmental management philosophy of resource circulation, pollution prevention, and sustainable development, establishing a waste classification, storage, disposal, and record management mechanism in accordance with the environmental protection regulations of each operating location and the Company's "Waste Disposal Management Procedure," continuing to promote source reduction, resource recovery, and recycling to reduce the environmental impact of operating activities.

The waste generated by the Company's operations is mainly general industrial waste, including scrap steel, copper-clad laminate scraps, waste paper, waste wood, and waste plastic and other process residual materials; there is also a small amount of hazardous industrial waste, mainly from waste lubricating oil, waste emulsion, oil-contaminated rags, waste empty containers, waste filter cartridges, and waste activated carbon generated during equipment maintenance and chemical use. Each type of waste is classified, labeled, stored, and managed according to its characteristics, and entrusted to qualified disposal agencies for removal and final disposal in accordance with the law, to reduce potential impacts on the environment and ecology.

To ensure waste management complies with relevant regulations and the Company's management requirements, each operating location implements waste classification, weight statistics, storage management, and record keeping, and regularly inspects waste storage areas to confirm the storage environment complies with safety and environmental protection standards. At the same time, the Company regularly manages and evaluates waste disposal vendors to confirm they have legal disposal qualifications and comply with relevant environmental regulations, continuously improving waste management performance.

Identification of Main Waste Uses and Potential Environmental Impacts

Waste Category	Main Items	Main Source/Use	Potential Environmental Impact
General Industrial Waste	Scrap steel, Copper-clad laminate scraps, Waste paper, waste wood, Waste plastic, etc.	Production process and packaging materials	If not properly classified, stored, recycled, and disposed of, may cause resource waste, fire risk, and environmental pollution.
Hazardous Industrial Waste	Waste lubricating oil, waste emulsion, oil-contaminated rags, waste empty containers, waste filter cartridges, waste activated carbon, etc.	Equipment maintenance, chemical use, and pollution control facilities	If improperly handled, may contaminate soil and water, potentially impacting the ecological environment and human health.

Waste Management Process



Waste Management Key Points

- Classification management: Implement classified collection, labeling, and dedicated storage area management according to waste type.
- Quantity management: Regularly compile statistics on the amount of each type of waste generated, as a basis for management and continuous improvement.
- Legal disposal: Entrust government-approved legal disposal agencies to handle waste removal and final disposal.
- Vendor management: Regularly manage and evaluate waste disposal vendors to ensure compliance with environmental regulations and the Company's management requirements.
- Continuous improvement: Promote source reduction, resource recovery, and recycling to reduce waste generation and environmental impact.

2025 Waste Management Performance

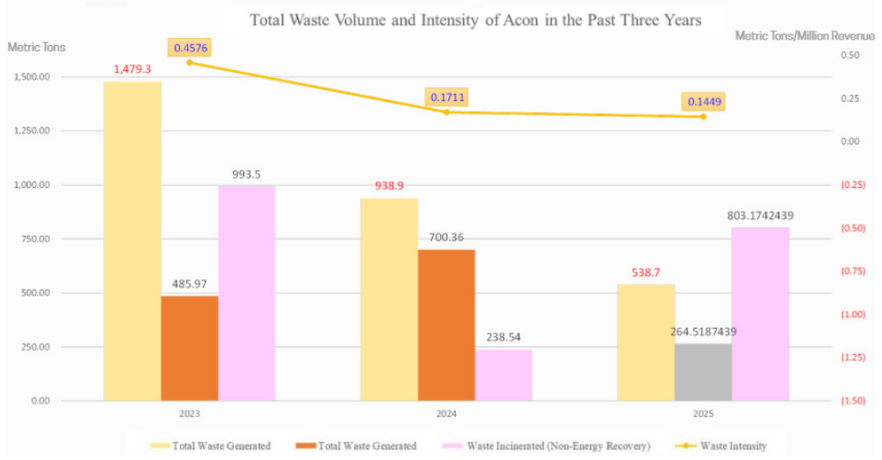
In 2025, ACON-Holding's total waste generation was 803.17 metric tons, a decrease of 135.73 metric tons from 938.91 metric tons in 2024, a reduction of approximately 14.46%. Of this, non-hazardous industrial waste was 795.95 metric tons, accounting for 99.10% of the total, mainly from process residual raw materials and employee domestic waste; hazardous industrial waste was 7.23 metric tons, accounting for 0.90% of the total, mainly from production auxiliary materials used in equipment maintenance and manufacturing processes. All types of waste are classified, managed, and treated in accordance with relevant regulations, and entrusted to legal disposal agencies for recycling or final disposal. Going forward, ACON-Holding will continue to promote source reduction, resource recycling, and improvements in waste management, reducing the environmental impact of its operating activities.

2025 ACON-Holding Total Waste Generation by Waste Sub-item:

Waste Type	Waste Sub-item	Treatment Method	Waste Generation (metric tons)	Total by Category	Percentage %
Non-hazardous Waste	Domestic Waste	Incineration (without energy recovery)	264.4687	795.9491	99.10%
	Waste Wood	Recycling	9.1068		
	Waste Paper	Recycling	69.3870		
	Waste Plastic	Recycling	64.8365		
	Scrap Steel	Recycling	262.0090		
	Copper-clad Laminate Scraps	Recycling	126.1411		
Hazardous Waste	Oil-contaminated Rags	Incineration (without energy recovery)	0.3080	7.2251	0.90%
	Waste Fiber Optic Cable	Recycling	0.0500		
	Waste Emulsion	Recycling	0.3210		
	Waste Empty Containers	Recycling	1.7294		
	Waste Activated Carbon	Recycling	2.8102		
	Waste Cleaning Agent	Recycling	0.0500		
	Waste Lubricating Oil	Recycling	1.0205		
	Waste Filter Cartridges	Recycling	0.9360		
Total				803.1742	100%

Note 1: Waste Data Scope: ACON-Holding INC. (Taipei); ADVANCED-CONNECTEK INC. (ACON) (Taipei, Shenzhen, Tianjin, Kunshan, Tianxin, and Jiangxi); ACON OPTICS COMMUNICATIONS INC. (ACON OPTICS) (Taipei, Shenzhen, and Tianjin); and ADVANCED WIRELESS & ANTENNA INC. (AWAN) (Taipei, Kunshan, and Jiangxi).

Total Waste Volume and Intensity for the Past Three Years



Overall, ACON-Holding's waste recycling and reuse rate reached 67.07% in 2025. Recycled and reused waste mainly includes scrap steel, copper-clad laminate scraps, waste paper, waste plastic, waste wood, and some hazardous industrial waste. The Company continues to uphold the management principles of "resource recovery, reduction, stabilization, and detoxification," continuously improving the waste recycling and reuse rate through measures such as source reduction, resource recovery, and recycling, reducing the environmental impact of operating activities.

2025 Total Waste by Direct/Transferred Disposal

Waste Category	Hazardous Waste		Non-hazardous Waste		Total Treatment Volume	
	Volume (metric tons)	%	Volume (metric tons)	%	Volume (metric tons)	%
Transferred Disposal	7.18	99.31%	531.48	66.77%	538.66	67.07%
Reuse/Recycling						
Direct Disposal	0.05	0.69%	264.47	33.23%	264.52	32.93%
Incineration/Landfill						
Total	7.23	100%	795.95	100%	803.18	100%

Water Resource Management

In recent years, global warming has intensified, extreme weather events have become increasingly frequent, and risks such as water scarcity and heavy rain flooding have gradually affected corporate operations. ACON-Holding is well aware of the importance of water resource management. Although the manufacturing processes at each operating location are not highly dependent on water resources, with water use mainly for employee daily life and general administrative needs, the Company continues to promote water conservation measures, improve water use efficiency, reduce operational risk, and reduce impact on external water resources, to implement corporate sustainable development.

Water is drawn from local tap water supply systems at all of ACON-Holding's operating locations, with no groundwater, surface water, or seawater withdrawn. Domestic wastewater is discharged into municipal wastewater treatment systems or industrial park wastewater treatment facilities in accordance with the regulations of each operating location, and after proper treatment, discharged into local receiving water bodies, causing no significant impact on the surrounding ecological environment. Since no process wastewater is generated at any operating location, the discharge water is mainly domestic wastewater, and therefore no significant impact is caused to receiving water bodies.

ACON-Holding's Water Sources and Discharge Destinations by Operating Location

Operating Location	Catchment Area	Water Source	Wastewater Treatment	Discharge Destination
ACON-Holding	Feitsui Reservoir	Taipei Water Department	Drainage System	Xindian River
ACON Taipei				
ACONOPTICS Taipei				
AWAN Taipei				
ACON-ECO Taipei				
ACON Tianxin	Xin Cai Fu Environmental Industrial Park	Xin Cai Fu Environmental Industrial Park	Xin Cai Fu Environmental Industrial Park	Xin Cai Fu Environmental Industrial Park
ACON Shenzhen	Songzikeng Reservoir	Shenzhen Water Company	Shenzhen Pingshan Water Bureau Municipal Wastewater Treatment Plant	Pingshan River
ACONOPTICS Shenzhen				
ACON Tianjin	Tianjin TEDA Water Company	Tianjin TEDA Water Company	Municipal Drainage System	Tianjin TEDA Water Company
ACONOPTICS Tianjin				
ACON Kunshan	Kunshan Zhangpu Water Company	Kunshan Zhangpu Water Company	Municipal Wastewater Treatment Plant	Kunshan Zhangpu Water Company
AWAN Kunshan				
ACON Jiangxi	Yingtan Municipal Water Company	Yingtan Municipal Water Company	Municipal Drainage System	Yingtan Municipal Water Company
AWAN Jiangxi				

In 2025, ACON-Holding's total water withdrawal was 427.59 million liters, a decrease of 5.09% from 2024, with both overall water withdrawal and consumption showing a downward trend. The Company continues to promote water conservation measures, including the use of water-saving equipment, regular inspection of water facilities, and enhanced water conservation promotion to raise all employees' water conservation awareness. In 2025, no operating location experienced work stoppage or major operational disruption due to water shortage, nor did operations cause significant impact on surrounding water resources.

ACON-Holding's Water Use for the Past Three Years

Unit: Million Liters

	2023	2024	2025
Total Water Withdrawal	433.93	450.52	427.59
Total Water Discharge	347.15	360.42	342.07
Total Water Consumption	86.78	90.10	85.52

Note 1: Water Resource Management Scope: ACON-Holding INC. (Taipei); ADVANCED-CONNECTEK INC. (ACON) (Taipei, Shenzhen, Tianjin, Kunshan, Tianxin, Jiangxi, and Laos); ACON OPTICS COMMUNICATIONS INC. (ACON OPTICS) (Taipei, Shenzhen, and Tianjin); and ADVANCED WIRELESS & ANTENNA INC. (AWAN) (Taipei, Kunshan, and Jiangxi).
Note 2: Water discharge flow meters have not yet been installed at each operating location; total discharge is estimated at 80% of total water withdrawal.
Note 3: No operating location is located in a high water-stress area, and none withdraws groundwater, surface water, or seawater.



06

Happy Workplace and Social Co-prosperity

6-1 Talent Attraction and Retention

6-2 Talent Development

6-3 Occupational Safety and Health

6-4 Social Engagement and Co-prosperity



6-1 Talent Attraction and Retention

Material Issue - Management Approach

Description of Issue Impact	Talent is an important foundation for corporate sustainable operations and enhanced competitiveness. Facing rapid industry change, digital transformation, and intensifying competition in the talent market, if a company fails to establish a comprehensive mechanism for talent attraction, cultivation, development, and retention, it may affect technology transfer, organizational effectiveness, and innovation capability, thereby impacting corporate operating performance and sustainable development. ACON-Holding values human capital, continuing to build a comprehensive talent management system. Through measures such as open and transparent talent recruitment, diverse education and training, performance management, career development, and employee care, the Company creates a safe, friendly, and developmental work environment, enhancing employees' professional capabilities, work engagement, and willingness to stay, strengthening organizational resilience and sustainable competitiveness.
Policy and Commitments	ACON-Holding upholds the talent development philosophy of "selecting, cultivating, utilizing, and retaining talent," establishing a fair, just, and diverse and inclusive talent management mechanism in accordance with relevant labor laws and human resources management systems. Based on its business strategy and organizational development needs, the Company continues to promote talent recruitment, education and training, performance management, and career development systems, and through comprehensive compensation and benefits, a healthy workplace, labor-management communication, and employee care measures, creates an attractive and competitive work environment, helping employees grow together with the Company.
Responsible Unit	The Human Resources Department coordinates the planning of talent recruitment, education and training, performance management, talent development, and employee care-related affairs, and jointly promotes implementation with each operating location and department.

Resources Invested	ACON-Holding continues to invest in talent development resources, helping employees continuously improve their professional and management capabilities through a comprehensive education and training system and diverse learning channels, strengthening organizational competitiveness. The Company plans education and training based on annual business strategy, departmental needs, and employee competency development. Main resources invested include: 1. Internal Education and Training • Conduct new employee training to help employees understand the Company's culture, systems, and work regulations. •Conduct courses on professional competency, quality management, safety and health, environmental management, and regulatory compliance as needed by job function. •Conduct management training and cross-departmental exchange to improve supervisors' management capabilities and team collaboration effectiveness. 2. External Learning Resources •Encourage employees to participate in external professional courses, seminars, and certification training to continuously improve professional knowledge and skills. •Provide employees with opportunities to participate in external education and training according to the Company's development needs and training plans, strengthening professional capabilities and industry competitiveness.• The Company also continues to invest in education and training-related resources, rolling adjustment of the annual training plan based on course effectiveness and operational needs, building a work environment of continuous learning and talent development.
Grievance Channels	ACON-Holding values employee opinions and rights protection, with a Human Resources grievance window and diverse communication channels. Employees may provide suggestions or file grievances through channels such as reporting to supervisors, the Human Resources Department, labor-management meetings, employee feedback, and the sexual harassment grievance mechanism. All cases are handled in accordance with relevant management procedures, with investigations and handling conducted under the principles of confidentiality, fairness, and justice, to protect employee rights and continue to foster a respectful, diverse, equal, and safe work environment.

Short, Medium, and Long-term Goals	Short-term (1 year): • Continue to promote the annual education and training plan to improve employees' professional capabilities and work effectiveness. • Strengthen talent recruitment and new employee development mechanisms. • Improve the education and training completion rate, implementing talent selection, cultivation, utilization, and retention management. Medium-term (2-3 years): • Establish a comprehensive career development and talent cultivation system. • Strengthen key talent retention and management succession cultivation mechanisms. • Continue to improve employees' professional and management capabilities, strengthening organizational competitiveness. Long-term (3+ years): • Establish a complete talent development system and competency model. • Build a learning organization culture, enhancing organizational resilience and talent competitiveness. • Cultivate professional talent that meets the needs of corporate strategic development, supporting sustainable corporate operations.
2025 Action Plans and Performance	In 2025, ACON-Holding continued to promote talent development and retention measures, conducting new employee training, professional competency courses, management training, and statutory education and training based on the needs of each operating location and department, and encouraging employees to participate in external professional workshops and skill enhancement courses. The Company continues to improve employees' professional and management capabilities through mechanisms such as performance management, career development, talent cultivation, and cross-departmental learning, and enhances employees' work engagement and willingness to stay through comprehensive compensation and benefits, a healthy workplace, and employee care measures, supporting corporate transformation and sustainable development.
Effectiveness Evaluation	ACON-Holding regularly reviews the results of its talent management system, evaluating the effectiveness of various measures through indicators such as education and training completion status, average training hours, performance management results, talent retention status, and employee feedback. The Company also continuously reviews its talent development policies and management measures on a rolling basis based on business strategy and organizational development needs, optimizing talent recruitment, cultivation, and retention systems to enhance organizational competitiveness and support sustainable corporate operations.



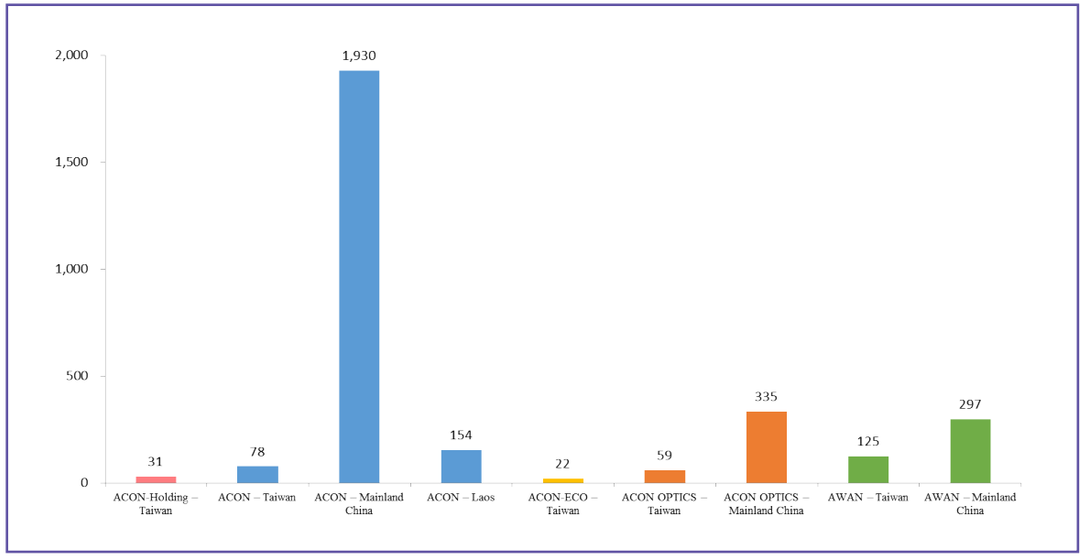
Employee Composition

As of the end of 2025, ACON-Holding had a total of 3,031 employees, covering operating locations in Taiwan, mainland China, and Laos. The Company upholds the principles of fair employment, diversity and inclusion, and equal employment, without discrimination based on gender, age, race, nationality, religious belief, political stance, marital status, or other identity factors, committed to creating a safe, friendly, diverse, and inclusive work environment.

Due to the characteristics of the electronic components manufacturing industry and job requirements at each operating location, the proportion of male employees is relatively higher at manufacturing plants; however, the Company continues to provide fair recruitment, cultivation, and promotion opportunities, ensuring all employees enjoy equal work rights and career development opportunities, and continues to promote a culture of gender equality and diversity and inclusion.

ACON-Holding's non-employee workers are mainly on-site personnel such as security, cleaning, and catering services. The Company has established a management mechanism in accordance with occupational safety and health regulations, requiring contractors to jointly comply with relevant management requirements, providing a safe, healthy, and friendly work environment.

ACON-Holding Workforce Statistics



Employee Age Distribution

Operating Location	<30 years old (exclusive)		30-50 years old		>50 years old (exclusive)	
	Male	Female	Male	Female	Male	Female
Taiwan	13	13	110	96	55	28
Mainland China Plants	422	254	727	1,055	75	29
Laos Plant	36	55	32	30	1	0
Total	471	322	869	1,181	131	57

Employee Management Position Distribution

Employee Category	Taiwan		Mainland China Plants		Laos Plant	
	Male	Female	Male	Female	Male	Female
Management	58	22	177	163	31	27
Non-management	120	115	1,047	1,175	38	58
Total	178	137	1,224	1,338	69	85

Note: ACON-Holding defines management and non-management positions as follows: Management: Supervisors with personnel management responsibility, excluding the Chairman; Non-management: Personnel without personnel management responsibility.

Employee Education Distribution

Employee Category	Taiwan					Mainland China Plants					Laos Plant				
	Doctorate	Master's	Bachelor's	Associate Degree	High School or Below	Doctorate	Master's	Bachelor's	Associate Degree	High School or Below	Doctorate	Master's	Bachelor's	Associate Degree	High School or Below
Management	3	25	36	13	3	0	2	64	121	153	¬0	3	15	5	76
Non-management	1	46	133	38	17	0	0	108	427	1,687	0	0	23	9	23
Total	4	71	169	51	20	0	2	172	548	1,840	0	3	38	14	99

Note: None of ACON-Holding's operating locations employs part-time or temporary (contract) employees; all employees are full-time.

New Hires and Departures Overview

ACON-Holding and its subsidiaries uphold open, fair, and diverse talent recruitment principles, recruiting outstanding talent through diverse recruitment channels, and conducting recruitment operations in compliance with the labor laws and related regulations of each operating location.

Talent selection is primarily based on job requirements, professional capability, work experience, and future development potential, without discrimination based on race, gender, age, religious belief, nationality, marital status, political stance, union membership, or other identity factors, implementing human rights policies such as prohibiting child labor, prohibiting forced labor, and protecting equal employment, striving to create a fair, respectful, and diverse and inclusive workplace environment.

In 2025, ACON-Holding had a total of 2,879 new employees, including 70 in Taiwan, 2,574 at mainland China plants, and 235 at the Laos plant. The distribution of new employees by age and gender at each operating location is as follows.

2025 New Employee Statistics

Employee Category	Taiwan New Hires								Mainland China Plants New Hires								Laos Plant New Hires							
	<30 years old (exclusive)		30-50 years old		>50 years old (exclusive)		New Hire Rate		<30 years old (exclusive)		30-50 years old		>50 years old (exclusive)		New Hire Rate		<30 years old (exclusive)		30-50 years old		>50 years old (exclusive)		New Hire Rate	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Management (Indirect Personnel)	0	0	4	2	0	0	1.27%	0.63%	0	0	9	4	9	2	0.70%	0.23%	0	1	0	0	0	0	0.00%	0.00%
Non-supervisory (Indirect Personnel)	10	7	16	26	5	0	9.84%	10.48%	50	21	44	38	3	0	3.79%	2.30%	9	7	0	3	0	1	5.84%	7.14%
Non-supervisory (Direct Personnel)	0	0	0	0	0	0	0.00%	0.00%	802	490	533	566	2	1	52.19%	41.26%	92	77	26	19	0	0	76.62%	62.34%
Year-end Total Headcount	315						22.22%		2,562						100.47%		154						152.60%	

Note: Age bracket new hire total percentage: Total number of new employees in the age bracket for that region and year / Total year-end headcount for that region's company.

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ACON-Holding continues to monitor workforce turnover at each operating location, enhancing employees' willingness to stay through comprehensive compensation and benefits systems, talent cultivation, career development, and friendly workplace measures, serving as an important basis for continuously optimizing human resources management.
In 2025, a total of 2,961 employees left ACON-Holding, including 49 in Taiwan, 2,643 at mainland China plants, and 269 at the Laos plant. The distribution of departing employees by age and gender at each operating location is as follows.

2025 Departing Employee Statistics

Taiwan Departures									Mainland China Plants Departures								Laos Plant Departures							
Employee Category	<30 years old (exclusive)		30-50 years old		>50 years old (exclusive)		Turnover Rate		<30 years old (exclusive)		30-50 years old		>50 years old (exclusive)		Turnover Rate		<30 years old (exclusive)		30-50 years old		>50 years old (exclusive)		Turnover Rate	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Management (Indirect Personnel)	0	0	5	2	3	2	2.48%	1.25%	0	0	32	19	1	2	1.27%	0.81%	1	0	0	0	0	0	0.65%	0.00%
Non-supervisory (Indirect Personnel)	4	4	9	15	4	1	5.12%	1.25%	51	20	46	67	2	0	3.72%	3.28%	9	9	3	2	1	0	7.78%	6.67%
Non-supervisory (Direct Personnel)	0	0	0	0	0	0	0.00%	0.00%	732	439	586	641	0	5	33.97%	29.75%	77	122	17	27	0	1	37.90%	49.34%
Year-end Total Headcount	315						13.46%		2,562						50.78%		154						63.59%	

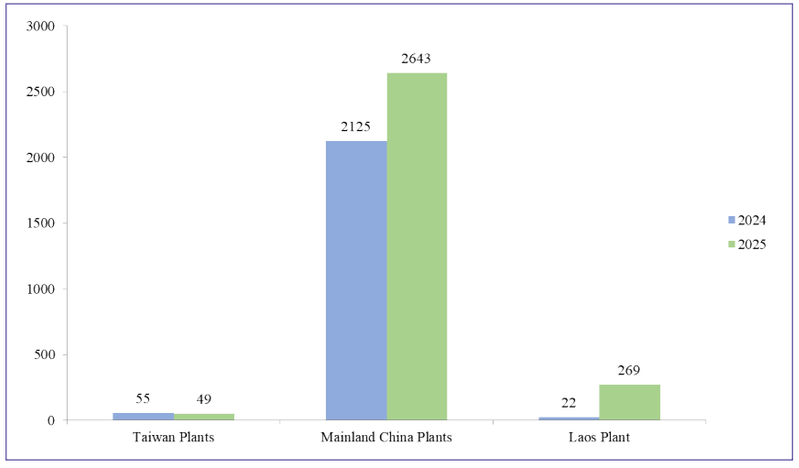
Note: Age bracket turnover total percentage: Total number of departed employees in the age bracket for that region and year / (Total number of departed employees for that year + total year-end headcount for that region's company).

Note: Age bracket turnover total percentage: Total number of departed employees in the age bracket for that region and year / (Total number of departed employees for that year + total year-end headcount for that region's company).

Note: Age bracket turnover total percentage: Total number of departed employees in the age bracket for that region and year / (Total number of departed employees for that year + total year-end headcount for that region's company).

2024-2025 Employee Turnover Trend Analysis

Between 2024 and 2025, ACON-Holding continued to track employee turnover at each operating location as an important reference for human resources management and talent retention strategy. The number of departures in 2025 increased compared to 2024, mainly from the mainland China and Laos plants, reflecting normal workforce turnover due to operational needs, production scale, and manpower allocation adjustments at production locations; the number of departures in Taiwan slightly decreased, with overall workforce turnover remaining stable. By age, departing employees were mainly concentrated in the under-30 and 30-50 age groups, consistent with the workforce turnover characteristics of the manufacturing industry's frontline workforce; by gender, there was no significant difference in departure patterns between men and women between 2024 and 2025.



· **2024-2025 Comparison of Departures by Operating Location**
Comparison of changes in departures at Taiwan, mainland China, and Laos operating locations between 2024 and 2025.

Talent Management Results

ACON-Holding continues to monitor talent recruitment, cultivation, retention, and development, regularly reviewing the workforce structure and turnover trends at each operating location, and enhances employee cohesion and organizational stability through competitive compensation and benefits, a comprehensive education and training system, fair and transparent performance management, and diverse employee care measures, creating a talent environment that is competitive, inclusive, and sustainable.

Employee Diversity

ACON-Holding respects and protects the basic human rights of every employee, upholding fair employment and diverse and inclusive talent principles, providing all job applicants and employees with equal opportunities for employment, development, and promotion, without discrimination based on gender, age, race, nationality, religious belief, marital status, physical or mental disability, or other identity factors, committed to creating a respectful, diverse, inclusive, and friendly work environment.

The Company also actively supports the employment of persons with disabilities, providing appropriate work environments, job arrangements, necessary equipment, and education and training in accordance with the laws of each operating location, helping them utilize their professional abilities and integrate into the workplace, implementing a corporate culture of equal employment and diversity and inclusion.

2025 Employment of Persons with Disabilities

Operating Location		Taiwan	Mainland China Plants
Actual No. Employed	Management	1	2
	Non-management	3	2
	Total	4	4

Note: In accordance with local laws and actual operational needs, the Laos plant did not employ any employees with disabilities in 2025.

Talent Retention

Talent is an important cornerstone of ACON-Holding's continued growth and sustainable development. The Company upholds a talent philosophy of "people-oriented, shared results," continuously enhancing employee cohesion and willingness to stay through competitive compensation and benefits, a comprehensive talent cultivation system, diverse learning resources, and a fair and transparent performance management mechanism, creating an attractive work environment.

ACON-Holding values the career development of every employee, providing comprehensive education and training, job rotation, and promotion opportunities, without restricting employee development based on education, gender, or other identity factors, encouraging employees to continuously grow based on individual ability and work performance, cultivating professional and management talent, and building a comprehensive talent pipeline.

In terms of the compensation system, the Company conducts an overall assessment based on job content, professional ability, market salary levels, and individual performance, providing diverse incentive measures such as employee compensation, performance bonuses, year-end bonuses, and holiday bonuses to recognize employee contributions and share in the Company's business results.

In addition, ACON-Holding upholds fair, just, and reasonable compensation principles, without discrimination based on race, nationality, gender, age, religious belief, marital status, or other identity factors, committed to providing equal compensation and development opportunities, building a workplace culture that respects diversity and fair competition

2025 ACON-Holding Ratio of Basic Salary and Remuneration of Women to Men

Taiwan (NT$)			Mainland China Plants (RMB)			Laos Plant (LAK)		
Male Average Monthly Salary	Female Average Monthly Salary	Remuneration Ratio	Male Average Monthly Salary	Female Average Monthly Salary	Remuneration Ratio	Male Average Monthly Salary	Female Average Monthly Salary	Remuneration Ratio
73,387	47,991	0.65	73,851	50,232	0.68	4,566,117	4,243,489	0.93

Note 1: Average per capita monthly salary = (Base salary + Bonuses + Holiday bonuses) / Annual number of paid instances
Note 2: Remuneration ratio = Average per capita monthly salary of women / Average per capita monthly salary of men

Employee Satisfaction Survey

The Company conducted a company-wide employee opinion survey in September 2025, using an online questionnaire to collect employee views on supervisors, compensation, career development, corporate culture, engagement, digital transformation, sustainable development, and employee care. The response rate was good, sufficient to reflect overall sentiment.

The results showed a structure of "stronger interpersonal care, weaker systems and development": employees affirmed supervisor leadership and peer atmosphere, but still lacked clarity on salary adjustment standards, the link between performance and rewards, and promotion paths.

The Company has accordingly summarized ten improvement measures, to be promoted in short, medium, and long-term phases, and has established a closed-loop mechanism from employee feedback to result announcement, tracking progress quarterly and publicizing results.

Survey period	Response rate	Responses / target
1–30 Sep 2025	86.4%	281 / 325

Questionnaire	Scope	Results shared
11 dimensions, 100 items	5 companies, all employees	Q3 2025 review meeting

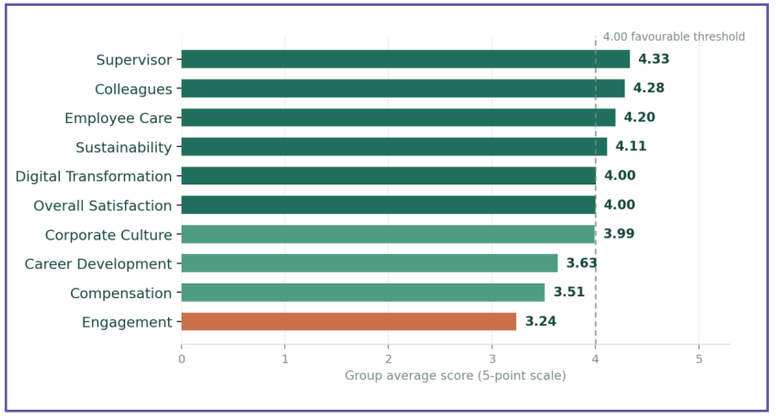


Fig. 1 Group average score by dimension (unweighted mean of 5 companies)

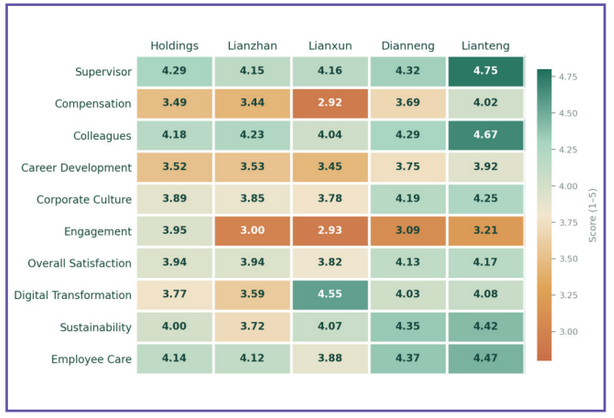


Fig. 2 Score heat map by company and dimension

Relative strengths (4.00 and above)	Priority for improvement	Company-level observations
Supervisor 4.33, Colleagues 4.28, Employee Care 4.20, Sustainability 4.11, Digital Transformation 4.00, Overall Satisfaction 4.00. Employees value their line managers, peer collaboration, care initiatives and the company's sustainability efforts — the group's existing strengths and retention base.	Engagement 3.24 (lowest), Compensation 3.51, Career Development 3.63; Corporate Culture 3.99 is adequate. All relate to systems and rewards: employees lack clarity on pay-review criteria, the link between performance and reward, and promotion paths — which in turn weakens intention to stay.	Lianteng leads on 9 of 10 dimensions (Supervisor 4.75). Dianneng is balanced and above average on most. Holdings scores 3.95 on Engagement, well above the other four (2.93–3.21). Lianzhan is low on Digital Transformation (3.59). Lianxun is lowest on Compensation (2.92) and Engagement (2.93), yet highest group-wide on Digital Transformation (4.55).

Note: 5-point Likert scale (1 = strongly disagree, 5 = strongly agree). Interpretation: 4.00 and above = favourable; 3.50–3.99 = adequate with room to improve; below 3.50 = priority for improvement. Company names are working translations and should be replaced with the registered English entity names before publication.

Key Findings and Improvement Actions

Compensation and Rewards
Compensation 3.51

Key findings
- Pay-review frequency and criteria are not transparent; employees feel they must ask to be considered
- Some roles, year-end and festival bonuses lag the market
- Weak link between appraisal results, pay rises and bonuses

Improvement actions
- Annual pay-review process with published criteria and timetable
- Market pay benchmarking; establish job-grade salary bands
- Link performance to pay and rewards; add project-based and spot awards

Career Development and Learning
Career Development 3.63

Key findings
- Job titles unchanged for long periods; promotion requirements unclear
- Limited technical training; courses not always connected to actual work

Improvement actions
- Career development maps and job-grade competency standards
- Annual competency training map; more external training and certification support

Leadership and Cross-functional Collaboration
Supervisor 4.33 (strength)

Key findings
- Leadership is well regarded; employees still want more listening and explicit recognition
- Slow approvals, unclear accountability and response times across functions

Improvement actions
- Regular 1-on-1s, coaching-style leadership and emotional management training
- Define cross-functional roles, contact points and response times; simplify SOPs

Digital Transformation and Employee Care
Digital Transformation 4.00 · Employee Care 4.20

Key findings
- Systems are fragmented; tools do not always fit actual work needs
- Care programmes are well established; growing demand for flexibility, childcare and mental health support

Improvement actions
- Adopt by department pain point or project; consolidate system entry points
- Assess flexible hours, family-friendly measures and counselling services

Employee Voice and Trust | Engagement 3.24 (lowest of the ten dimensions)

Key finding: Employees recognise that the company keeps improving, but want their views to visibly lead to change — clearer rules and feedback on outcomes.

Improvement action: Establish a closed loop — employee feedback → accountable unit → improvement action → progress → published outcome — reviewed and disclosed quarterly.

Improvement Roadmap

SHORT TERM 0-3 months
Diagnose and make systems transparent

- Publish current pay-review, performance, promotion and reward rules
- Map training needs, process pain points and digital tool gaps
- Set up feedback response and tracking mechanism

MEDIUM TERM 3-12 months
Build and roll out core systems

- Market pay benchmarking; establish job-grade salary bands.
- Career development maps and annual competency training maps
- Manager 1-on-1s; cross-functional SOP simplification
- Assess flexible hours and family-friendly measures

LONG TERM 1-3 years
Sustainable talent & experience model

- Link performance, pay, promotion and talent development end to end
- Talent pipeline and key-talent retention programme
- Integrate systems; track satisfaction over time

Labor Human Rights

ACON-Holding values and respects basic human rights, complying with the labor laws of each operating location and the "ACON Technology Human Rights Policy," and referencing international human rights standards such as the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPs), the ILO Core Labour Standards, and the UN Global Compact, committed to protecting employees' legal rights and creating a safe, equal, diverse, inclusive, and dignified work environment.

ACON-Holding commits to prohibiting any form of discrimination, harassment, forced labor, child labor, and other human rights violations, and has established a comprehensive management system and grievance mechanism, continuously reducing human rights risks and promoting employees' physical and mental health and career development through education and training, labor-management communication, and system improvements.

In 2025, ACON-Holding's operating locations continued to implement human rights policies, with the relevant implementation status as follows:

Item	2025 Performance
Discrimination Incidents	0 cases
Sexual Harassment Complaints	0 cases
Child Labor Incidents	0 cases
Forced Labor Incidents	0 cases
Labor-Management Meetings	4 times (Taiwan)
Major Human Rights Violations	0 cases

ACON-Holding Human Rights Protection Measures

Human Rights Protection Action	Management Measure
Employee Communication	Regularly convene employee assemblies, department meetings, and cross-departmental communication meetings for two-way exchange on company operations, systems, and employee feedback.
Labor-Management Negotiation	In Taiwan, labor-management meetings are held quarterly as required by law to promote full communication between labor and management, with 4 meetings held in 2025.
Information Disclosure	Company systems and major information are published in real time through internal announcements, email, and the corporate platform.
Sexual Harassment Prevention	The "Sexual Harassment Prevention Measures" have been established, with a dedicated complaint hotline and mailbox to protect the rights of complainants and the confidentiality of personal data.
Diverse Grievance Mechanisms	Diverse communication channels are available, including an employee feedback mailbox, a workplace misconduct complaint mailbox, labor-management meetings, and the Employee Welfare Committee.



Employee Grievance Channels	Employee Feedback Mailbox sammy@acon.com	Workplace Misconduct Mailbox trust@acon.com	Complaint Hotline +886-2-2917-5598, Ext. 1306

Prohibition of Child Labor and Forced Labor

ACON-Holding strictly complies with the labor laws of each operating location, fully prohibiting the employment of child labor, minors performing hazardous work, and any form of forced labor, and has incorporated relevant requirements into its recruitment management system and supply chain management mechanism.

Each operating location verifies identification documents and confirms age during the recruitment stage, confirming through a dual-review mechanism that applicants meet the local statutory employment age. In Taiwan, qualification screening is completed on the recruitment platform; mainland China plants confirm age through an ID verification system and manual review; the Laos plant verifies ID or household registration documents and re-confirms age before hiring, in accordance with labor law, ensuring no child labor is employed.

In addition, ACON-Holding respects employees' freedom of employment and prohibits any form of forced, debt-bonded, or involuntary labor. Overtime is handled in accordance with local laws and Company regulations, based on the principle of employee voluntariness. The Shenzhen plant also incorporates the prohibition of child labor and forced labor into its supplier management, conducting regular audits and interviews to reduce human rights risk in the supply chain.

In 2025, no incidents of child labor, forced labor, or major human rights violations occurred at any operating location.

Employee Communication Mechanism

ACON-Holding values communication and negotiation with employees, establishing a formal labor-management negotiation system in accordance with the law, regularly convening labor-management meetings where labor and management representatives jointly discuss working conditions, work environment, employee benefits, and other labor issues, continuously strengthening mutual trust and cooperation between labor and management.

Key Topics of Labor-Management Meetings

- Flexible working hours system
- Extended working hours
- Night shift arrangements
- Working hours and shift system adjustments
- Rest days and holiday system
- Employee benefits and work environment improvement

Meeting Frequency

Held once every three months.

Method of Representative Selection

- Management representatives are appointed by the Company.
- Labor representatives are elected by employees in accordance with the law.

Employee Change Notice Mechanism

ACON-Holding values employee rights, fully communicating with employees before any personnel transfer or organizational adjustment, generally completing consultation one month in advance to ensure employees have sufficient time to assess and prepare.

If manpower adjustments are needed due to operational requirements, notice and related procedures are also handled in accordance with legal requirements, to protect the rights of both labor and management.

Minimum Notice Period by Operating Location

Operating Location	Minimum Notice Period
Taiwan	• Employees with 3 months to less than 1 year of service: notice given 10 days in advance • Employees with 1 year to less than 3 years of service: notice given 20 days in advance • Employees with 3 or more years of service: notice given 30 days in advance
Mainland China Plants	• During probationary period: notice given 3 days in advance • Regular employees: notice given 1 month in advance
Laos Plant	Direct Labor: 30 days; Indirect Labor: 45 days

ACON-Holding has always upheld a people-oriented management philosophy, valuing employee rights and labor-management harmony. Whether for personnel transfers, work arrangement adjustments, or statutory personnel changes, the Company is committed to providing full advance communication and reasonable notice, helping employees properly respond to related changes and reducing uncertainty caused by organizational adjustments. At the same time, through an open and transparent communication mechanism and comprehensive personnel management procedures, the Company promotes mutual trust and consensus between labor and management, balancing employee rights with business operational needs, and continuing to create a stable, friendly, and sustainable work environment

Employee Benefits

ACON-Holding values employees' physical and mental health and quality of life, providing various insurance and benefit systems in accordance with the law, and offering diverse benefit measures based on the actual needs of each operating location.

Category	Taiwan	Mainland China Plants	Laos Plant
Bonus Benefits	Holiday, performance, business, and long-service bonuses	Performance funds, business bonuses, other special funds	-
Leave Benefits	Labor Standards Act leave types, birthday leave	Leave types stipulated by the Labor Standards Act	Maternity leave, sick leave, annual leave, and national holidays
Insurance Benefits	Labor insurance, national health insurance, group insurance (life/accident/medical), employee compensation, labor pension contributions	Pension, medical, unemployment, work injury, maternity insurance, and housing provident fund (collectively "five insurances and one fund"), employee accident insurance (critical illness/accident/medical)	Social Security Organization (SSO)
Dining Benefits	Meal allowance	Meal allowance, free room and board for middle/senior technical staff, business travel meal subsidy, work meals	Lunch and accommodation subsidy
Transportation Benefits	Fuel subsidy for management and sales personnel	Fuel and toll reimbursement for field personnel	-
Employee Activities	Employee trips, birthday parties, festival events	Festival events and outstanding employee recognition ceremony	Monthly birthday celebration
Education and Training	Employee on-the-job education and training	On-the-job skills and special training	First aid and fire safety training
Other Benefits	Wedding/funeral and childbirth subsidies, breastfeeding allowance, senior employee recognition, holiday and birthday gift money, health checkups	Daily necessities distribution, commemorative gifts for outstanding employees, holiday gift distribution, occupational health checkups, mental health care	Annual health checkup

Retirement System

ACON-Holding values employees' retirement security, establishing a retirement system in accordance with the law, and making timely and full pension or social insurance contributions in accordance with the relevant laws of each operating location, protecting employees' retirement rights.

In 2025, all of ACON-Holding's operating locations handled pension or related social security systems in accordance with the law, with no incidents of violating pension or retirement protection-related laws, continuing to protect employees' retirement rights.

Employee Retirement System and Contribution Status

Region	Retirement System	Contribution Method/Ratio	2025 Implementation Status
Taiwan	Labor Standards Act Old Pension System	Employer contributes monthly to the pension reserve fund as required by law (currently 2% of salary)	100% Fully contributed as required by law
	Labor Pension Act (New System)	Employer contributes 6% of the employee's monthly insured salary Employees may voluntarily contribute 0%-6% based on personal preference	100% Contributed as required by law
Mainland China Plants	Social Insurance - Pension Insurance	Employer contributes 14% of the pension insurance contribution base as required by local regulations (actual contribution ratio adjusted according to local policy)	100% Contributed as required by law

Note: The Laos plant handles employee social security matters in accordance with local labor laws and does not have a pension contribution system similar to Taiwan and mainland China, and is therefore not included in this table's disclosure.

Sexual Harassment Prevention

禁止性騷擾 No Sexual Harassment

ACON-Holding values creating a safe, respectful, equal, and friendly work environment, having established "Sexual Harassment Prevention Measures" that clearly prohibit any form of sexual harassment and inappropriate conduct, and establishing a comprehensive prevention, complaint, investigation, and handling mechanism to ensure all complaint cases are handled with confidentiality, fairness, and timeliness, protecting the legal rights of complainants and related parties.

The Company has a dedicated sexual harassment complaint hotline and mailbox, providing employees with a safe and accessible complaint channel, and continuously raises employees' awareness of gender equality, respect for diversity, and a friendly workplace through regulatory promotion, education and training, and employee awareness activities, jointly creating a workplace with zero discrimination and zero harassment.

In 2025, no sexual harassment complaint cases occurred at any of ACON-Holding's operating locations.

Employee Welfare Committee

ACON-Holding's Taiwan operations have established an Employee Welfare Committee in accordance with the law, promoting employee benefit systems and various welfare activities in accordance with relevant regulations, planning diverse benefit measures through joint participation of labor and management, continuously improving employee well-being, cohesion, and job satisfaction.

The Employee Welfare Committee holds regular meetings to review the implementation of the benefit system, plan annual benefit activities, and review the benefits budget, handling the annual work plan and final accounts in accordance with the law, ensuring effective use of welfare resources and continuing to respond to employee needs.

In 2025, the Taiwan operations held a total of 4 Employee Welfare Committee meetings, discussing annual benefit activity planning, benefits budget, benefit system implementation, and employee care measures, and providing diverse benefit measures such as employee trips, holiday gift money (vouchers), birthday gift money, year-end banquets, gatherings, wedding/funeral subsidies, and various festival activities.

Parental Leave and Childcare Subsidies

ACON-Holding values employees' family care needs, continuing to build a marriage- and childbirth-friendly workplace, providing diverse childcare support measures to help employees balance work and family life. In Taiwan, the Company has signed cooperation agreements with licensed childcare centers and kindergartens to provide tuition discounts for employees' children and childcare support measures, and has established breastfeeding rooms and family-friendly spaces in the office, creating a work environment that supports family care. The Company also provides an unpaid parental leave system in accordance with the law, protecting employees' childcare rights and helping employees confidently balance family and career development.

In mainland China, maternity leave, paternity leave, breastfeeding leave, childcare leave, and prenatal checkup leave are provided in accordance with local laws, protecting employees' marriage and childbirth-related rights; however, in accordance with local regulations, there is no unpaid parental leave system, and related data is therefore not disclosed.

▼ Marriage- and Childbirth-Friendly Measures

Childcare Support	Breastfeeding-Friendly	Unpaid Parental Leave	Family-Friendly
Cooperation with licensed childcare centers and kindergartens to provide tuition discounts for employees' children.	Breastfeeding rooms and family-friendly spaces established in the workplace.	Unpaid parental leave system provided in accordance with the law, protecting employees' childcare rights.	Maternity leave, paternity leave, childcare leave, and other statutory leave provided to support employees in balancing family and work.

▼ Unpaid Parental Leave Implementation (Taiwan)

Item	No. Eligible	No. of Applicants	Approval Rate	No. Returned to Work	Return-to-Work Rate
2024	2 persons	2 persons	100%	1 person	50%
2025	1 person	1 person	100%	1 person	100%

Note: In 2024, a total of 2 employees applied for unpaid parental leave, of whom 1 returned to work in 2025 and 1 resigned during the leave period, resulting in a return-to-work rate of 50%.

In 2025, the approval rate for unpaid parental leave applications in Taiwan remained at 100%, with all eligible employees able to apply for the relevant system in accordance with the law, demonstrating the Company's continued implementation of marriage- and childbirth-friendly policies, helping employees balance family care and career development.

2025 Employee Care Activities

Caring for Every Moment, Building a Happy Workplace

ACON-Holding values employees' physical and mental health and work-life balance, creating a warm and cohesive workplace culture through diverse care measures and employee activities, allowing every employee to feel the Company's support and care, enhancing well-being and a sense of belonging.

Monthly Birthday Parties



The Company holds monthly employee birthday celebrations, allowing birthday celebrants to feel the Company's care and best wishes through birthday cakes, greetings, and time to connect, while enhancing colleague interaction and team cohesion, creating a warm and friendly work atmosphere.

Festival Care Gifts



In 2025, employee care activities were held for various festivals, with heartwarming gifts sent on important occasions such as Valentine's Day, Women's Day, Labor Day, Mother's Day, Dragon Boat Festival, Father's Day, and Christmas, conveying the Company's gratitude and best wishes to employees and their families, allowing employees to feel the Company's warmth and care beyond work.

Earthquake Emergency Kit Distribution



To improve employees' disaster response capability, the Company distributed earthquake emergency kits, helping employees establish basic disaster preparedness awareness and strengthen their emergency response capability when facing natural disasters, creating a safer and more resilient work environment.

World Earth Week | Fun Facts About Earth



In response to Earth Day, the Company held a "World Earth Week - Fun Facts About Earth" awareness event, raising employees' awareness of environmental protection, energy conservation and carbon reduction, and resource circulation through environmental education and fun fact sharing, encouraging sustainable actions in daily life to jointly protect the earth's environment.

Movie Screening Events



The Company periodically holds movie screening events, providing employees with opportunities to relax, relieve work stress, and promote interaction, enhancing team camaraderie through leisure activities and creating a healthy, friendly, and vibrant workplace culture.

Our Goals

Employee Well-being | Team Unity | Workplace Safety | Sustainable Growth

ACON-Holding continues to create a friendly workplace that combines happiness, security, and belonging through diverse employee care activities that combine festival celebrations, health promotion, disaster preparedness education, and team interaction, implementing a "people-oriented" talent sustainability philosophy, growing together with employees and co-creating a sustainable future.

6-2 Talent Development

Talent Education, Training, and Development

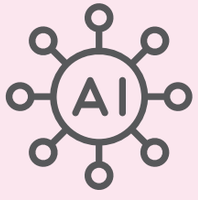
To implement its corporate sustainable operations philosophy, ACON-Holding continues to invest in talent cultivation and capability development, building a systematic education, training, and career development mechanism based on the operational needs and local regulatory requirements of each operating location. Through a comprehensive education and training system covering new employee training, on-the-job education, professional skills cultivation, management competency development, and career planning, and by establishing training planning, execution, and effectiveness evaluation mechanisms, the Company helps employees continuously improve their professional capabilities and management literacy, building a talent team with innovative thinking, digital capability, and sustainability literacy to support the Company's long-term stable development.

Education and Training Characteristics by Operating Location

Plant	Education and Training Characteristics
Taipei Plant	Continues to promote an education and training roadmap, planning professional skills, management competency, and leadership courses, and introducing AI application and smart manufacturing-related courses based on digital transformation needs, enhancing employees' professional capabilities and innovative thinking.
Tianjin Plant/ Tianxin Plant	New employees undergo a dual-track training system, with the HR department responsible for introducing company systems and corporate culture, while department supervisors conduct professional skills and on-the-job training as needed; job-rotation personnel receive additional professional competency training.

Plant	Education and Training Characteristics
Kunshan Plant	Has established a comprehensive education and training system, planning onboarding training, professional skills, information security, job transfer, multi-skill, and promotion development courses, verifying training results through written tests, oral tests, or practical exercises.
Shenzhen Plant	Has established a talent development mechanism of selection, cultivation, utilization, and retention, promoting competency models, digital learning, and high-potential talent development programs based on short, medium, and long-term talent cultivation goals, continuously improving personnel quality and operational effectiveness.

Talent Development Focus



AI and digital transformation courses:

Based on the development needs of each operating location, courses on AI applications, smart manufacturing, and digital tools are planned to help employees improve digital capability and future core competencies, responding to industry development trends.



Talent cultivation and management development:

For employees with development potential, the Company continues to cultivate key talent and a management pipeline through competency assessment, performance feedback, management cultivation, and career development planning, building a sustainable corporate talent pool.

Employee Education and Training Planning

ACON-Holding plans diverse education and training courses based on different job requirements and talent development stages, covering new employee education, professional skills, management competency, statutory training, digital transformation, and AI application, continuously improving employees' professional capabilities, management literacy, and organizational competitiveness

Course Type	Course Content	Employee Level Trained
New Employee Training	Helps new employees understand the Company's culture, regulations, job content, quality policy, environmental safety and health policy, intellectual property, and occupational safety and health, helping them quickly integrate into the work environment.	All New Employees
General Courses	Provides courses on common competencies, corporate culture, regulatory compliance, and basic knowledge, cultivating employees' continuous learning and self-growth capability.	All New Employees
Agile Management Course	Introduces agile management concepts and practical techniques, strengthening cross-departmental collaboration, project management, and continuous improvement capability, enhancing team adaptability and innovation effectiveness.	All New Employees
Workplace Misconduct Prevention	Improves employees' awareness and prevention capability regarding sexual harassment, workplace bullying, and other misconduct through regulatory promotion and case sharing, creating a safe, respectful, and friendly work environment.	All New Employees
Management Competency Development	Plans courses on leadership, performance management, communication and coordination, and team management, improving management professionals' capability and leadership effectiveness.	All Management
Operational Strategic Thinking	In response to global supply chain restructuring and industry trends, helps management grasp operational positioning strategy, enhancing corporate resilience and sustainable operation capability.	All Management
Digital Transformation and Professional Competency	Combines professional skills, management capability, quality systems, professional certifications, and AI tool application courses, planning professional training based on each department's needs, improving employees' digital capability and professional competency, accelerating the Company's smart manufacturing and digital transformation.	Based on Job Requirements

Laos Plant Education and Training

The Laos plant plans annual education and training based on the job requirements of each department, covering courses such as new employee education, SAP system operation, OA approval process, payroll system operation, occupational safety and health, fire safety, and annual training review. Through a training mechanism that emphasizes both professional skills cultivation and safety education, the plant continuously improves employees' work capability, system operation proficiency, and emergency response capability, and regularly reviews training effectiveness to support stable plant operations and talent development.
ACON-Holding provides education and training for employees at all plants and levels, investing effort and resources to ensure employees have access to training opportunities and professional skills to improve their workplace efficiency.

Education and Training Results

ACON-Holding continues to invest in education and training resources, planning diverse courses based on different job requirements, covering professional skills, management capability, statutory training, and digital transformation, and continuously improving employees' professional capability and organizational competitiveness through an annual education and training plan and training effectiveness evaluation mechanism. In 2025, employees in Taiwan averaged 8.57 hours of training, mainland China plants averaged 2.57 hours, and the Laos plant averaged 1.61 hours; both management and non-management employees are arranged for corresponding training courses based on job requirements, continuously deepening talent cultivation results.

2025 ACON-Holding Average Employee Training Hours

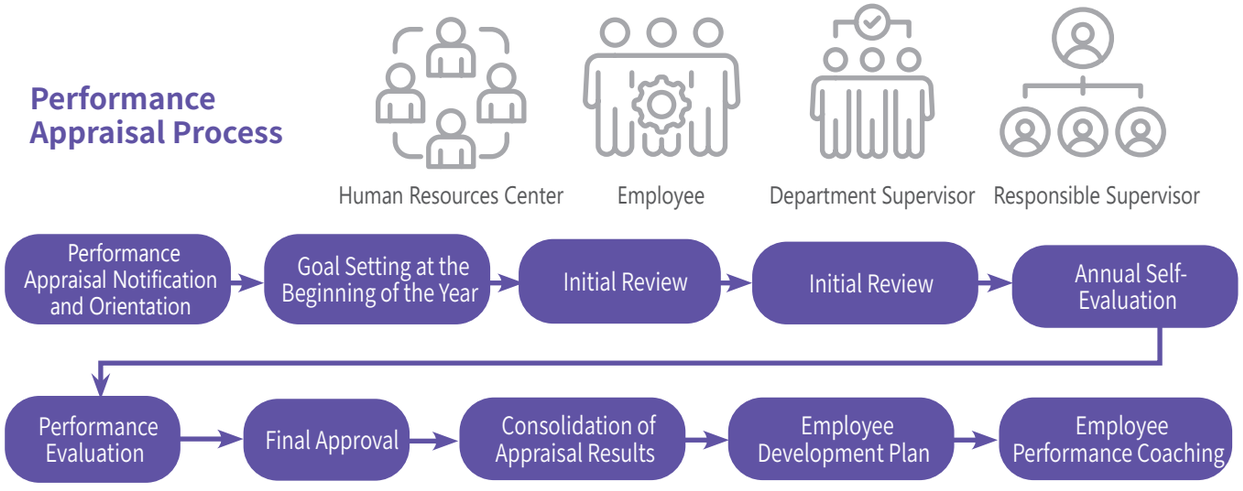
ACON-Holding - Taiwan					ACON-Holding - Mainland China Plants			ACON-Holding - Laos Plant		
Employee Category	Gender	No. of Persons	Training Hours	Average Training Hours	No. of Persons	Training Hours	Average Training Hours	No. of Persons	Training Hours	Average Training Hours
Management	Male	59	301	5.09	362	3,506	9.69	27	108	4.00
	Female	43	333	333	255	1,967	7.71	3	12	4.00
Non-management	Male	106	1,381	13.02	23,373	62,598	2.68	67	76	1.14
	Female	104	660	6.34	26,553	61,668	2.32	85	97	1.14
Total		312	2,673	8.57	50,543	129,738	2.57	182	293	1.61

Performance Appraisal System

To improve human capital management effectiveness and promote alignment between employees' individual goals and the organization's development direction, ACON-Holding continues to promote an institutionalized performance management mechanism at each operating location, strengthening talent development and improving overall organizational operational effectiveness. In 2025, the Taipei plant fully adopted a performance goal-setting model based on the SMART principle (Specific, Measurable, Achievable, Relevant, Time-bound), and implemented an annual performance evaluation mechanism, helping employees grasp work priorities through clear performance goals and regular reviews, promoting simultaneous improvement in individual growth and corporate performance.

Considering the management characteristics and labor pattern differences at each operating location, ACON-Holding has established a performance evaluation system that meets local needs, maintaining management flexibility while ensuring system consistency, to improve the fairness and effectiveness of performance management. In addition to reviewing annual work results, performance appraisals also simultaneously set goals for the following year, continuously refining work performance through two-way communication between supervisors and employees. For employees whose performance does not meet expectations, the Company provides appropriate performance coaching and support measures to help them adjust work goals and improve action plans, using performance evaluation results as an important reference for talent cultivation, career development, and management cultivation, continuing to build a comprehensive talent development mechanism, demonstrating ACON-Holding's commitment to talent development and sustainable operations.

Performance Appraisal Process



6-3 Occupational Safety and Health

Material Issue - Management Approach

Description of Issue Impact	ACON-Holding upholds the management philosophy of "Safety First, Health Priority, Prevention Better Than Cure," regarding occupational safety and employee health as an important foundation for sustainable operations, and promoting an occupational safety and health management system at operating locations worldwide. Each location establishes a management mechanism based on local regulations and operational characteristics: Taiwan continues to promote health management, health promotion, and occupational disease prevention measures; mainland China plants strengthen regulatory compliance, hazard identification, risk management, and safety inspection systems; and the Laos plant has established an environmental, safety, and occupational health management system, promoting fire safety, work injury accident management, traffic safety, and continuous improvement mechanisms. Through system building, education and training, health promotion, and employee participation, the Company continues to improve its safety culture, reduce occupational accident risk, and create a safe, healthy, and friendly work environment.
Policy and Commitment	ACON-Holding commits to complying with occupational safety and health and environmental protection regulations at each operating location, and continues to promote hazard identification, risk control, and continuous improvement mechanisms in accordance with the spirit of the ISO 45001 Occupational Health and Safety Management System and ISO 14001 Environmental Management System. The Company is committed to eliminating hazards, reducing occupational safety risks, and providing a safe and healthy work environment, continuously improving employees' safety awareness and health management effectiveness through education and training, safety inspections, health checkups, health promotion, and emergency response drills, moving toward the goal of zero major occupational accidents.
Responsible Unit	General Administration Office/Labor Safety and Health Office (each operating location establishes an occupational safety and health management unit or designates a dedicated management person to promote related work in accordance with local regulations).
Resources Invested	• Occupational safety and health management personnel and fire safety management personnel deployed in accordance with the law. • Continue to promote the ISO 45001 and ISO 14001 management systems. • Conduct occupational safety and health, fire safety, and professional certification education and training. • Provide personal protective equipment and safety protection equipment. • Regularly conduct equipment maintenance, fire equipment inspection, and safety patrols. • Conduct health checkups, health promotion activities, and work environment monitoring.
Grievance Channels	ACON-Holding has established diverse and accessible occupational safety and health communication mechanisms. Each operating location has a safety and health committee, a worker representative system, a suggestion box, a complaint mailbox, and stakeholder communication channels, encouraging employees to report safety and health-related issues, which are tracked and improved by the management unit in real time. The Company website also has a stakeholder section, providing diverse contact methods such as phone and email, to ensure employee and stakeholder feedback is properly handled.

Short, Medium, and Long-term Goals

[Short-term]

- Continue to maintain the effective operation of the ISO 45001 and ISO 14001 management systems.
- Continue to conduct occupational safety and health, fire safety, and new employee education and training.
- Conduct at least 1 employee health checkup and health promotion activity per year.
- Regularly conduct hazard identification, risk assessment, and work environment monitoring.
- Each manufacturing plant continues to promote safety education and training, emergency response drills, hazard improvement, and special operations personnel qualification management based on annual management goals, with performance goals as follows:

(1)Safety and Occupational Health Education and Training Achievement Rate:

ACON Holding	ACON Taipei	ACON OPTICS Taipe	AWAN Taipei	ACON-ECO	Shenzhen Plant	Tianjin Plant	Tianxin Plant	Kunshan Plant	Jiangxi Plant	Laos Plant
95%	95%	95%	95%	95%	95%	100%	95%	96%	96%	99%

(2) Emergency Drill Achievement Rate:

ACON Holding	ACON Taipei	ACON OPTICS Taipe	AWAN Taipei	ACON-ECO	Shenzhen Plant	Tianjin Plant	Tianxin Plant	Kunshan Plant	Jiangxi Plant	Laos Plant
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(3) Hazard Overdue Rectification Rate:

ACON Holding	ACON Taipei	ACON OPTICS Taipe	AWAN Taipei	ACON-ECO	Shenzhen Plant	Tianjin Plant	Tianxin Plant	Kunshan Plant	Jiangxi Plant	Laos Plant
90%	90%	90%	90%	90%	90%	100%	90%	100%	100%	100%

(4) Number of Work Injury Incidents (Minor Injuries):

ACON Holding	ACON Taipei	ACON OPTICS Taipe	AWAN Taipei	ACON-ECO	Shenzhen Plant	Tianjin Plant	Tianxin Plant	Kunshan Plant	Jiangxi Plant	Laos Plant
≤2	≤2	≤2	≤2	≤2	≤2	≤1	≤2	≤1	≤1	≤1

(5)Certification Rate of Company Principal Officers, Safety Managers, and Special Operations Personnel:

ACON Holding	ACON Taipei	ACON OPTICS Taipe	AWAN Taipei	ACON-ECO	Shenzhen Plant	Tianjin Plant	Tianxin Plant	Kunshan Plant	Jiangxi Plant	Laos Plant
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Note: Mainland China plant figures include data from each subsidiary

[Medium-to-Long-term]

Continue to improve the Group-wide occupational safety and health management system, deepen the safety culture, implement hazard identification, risk control, and health promotion measures, and improve employee health and safety management performance. Through continuous improvement and management system refinement, the Company moves toward the goal of "zero major occupational accidents," and continues to maintain zero incidents of fatalities, major occupational injuries (including acute industrial poisoning), fire/explosion, and occupational disease.

2025 Action Plans and Performance	**• Taiwan •** In 2025, Taiwan's operating locations continued to promote the ISO 45001 occupational safety and health management system, implementing safety management and health promotion measures, maintaining zero government-recognized disabling occupational accidents for the full year. Each location continues to conduct employee health checkups, the Four Major Health Programs, medical consultation and health tracking, periodic health lectures, and work environment monitoring, with monitoring items including illumination, carbon dioxide concentration, and special work area environmental measurements, all of which met relevant regulatory standards. The Company also conducts occupational safety and health education and training, new employee training, and semi-annual fire drills as required, continuing to maintain the effective operation of the ISO 45001 management system. **• Mainland China Plants •** The Shenzhen, Tianjin, Tianxin, Kunshan, and Jiangxi plants continue to promote occupational safety and health management in accordance with the ISO 45001 and ISO 14001 management systems, continuously improving safety management performance through measures such as education and training, safety inspections, hazard identification, risk assessment, and hazard improvement. Each plant regularly holds safety and health management meetings, fire and emergency response drills, and implements qualification management for principal officers, safety managers, and special operations personnel, ensuring the certification rate meets annual goals. In addition, each location continues to conduct safety inspections, hazard improvement, and annual management reviews, strengthening work safety and emergency response capability, and reducing occupational accident risk. **• Laos Plant •** In 2025, the Laos plant continued to improve its occupational safety and health management system, establishing management procedures for fire safety management, work injury handling, traffic safety management, environmental safety monitoring, and regulatory compliance, and conducting internal audits and management reviews according to the annual management plan. The plant conducts hazard identification, risk assessment, and workplace safety inspections annually, and re-assesses operational risk when equipment is added, processes are changed, or working conditions change, continuing to reduce occupational safety risk. In addition, the Laos plant regularly conducts occupational safety and health education and training for new employees, fire drills, first aid education, and health promotion activities, and invites local fire departments to assist with fire safety training, raising employees' safety awareness and emergency response capability, continuing to build a safe and healthy work environment
Effectiveness Evaluation	To ensure the continued effective operation of the occupational safety and health management system, ACON-Holding regularly convenes safety and health committee and management review meetings, conducting at least one internal audit and third-party verification each year, continuously reviewing the effectiveness of the management system's operation. Major plants in Taiwan and mainland China continue to pass ISO 45001 and ISO 14001 verification, with Shenzhen, Tianjin, and other plants also conducting safety inspections, safety meetings, and special inspections in accordance with the management system; the Laos plant conducts internal audits and external verification annually, continuously tracking improvement measures and management performance, ensuring the effective operation of the Group-wide occupational safety and health management system.

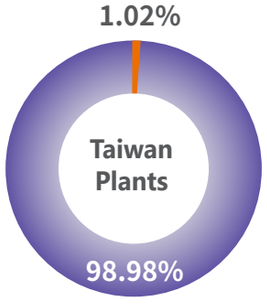
Occupational Safety and Health Management System

ACON-Holding upholds the management philosophy of "prevention is better than cure," complying with the occupational safety and health regulations of each operating location, and introducing the ISO 45001:2018 Occupational Health and Safety Management System and the ISO 14001:2015 Environmental Management System, establishing a comprehensive occupational safety and health management structure. Each operating location has an environmental safety and health management manual, occupational safety and health management procedures, hazard identification and risk assessment, incident reporting and investigation, emergency response, and education and training-related systems, ensuring the effective operation of the management system through management review, internal and external audits, and continuous improvement mechanisms.

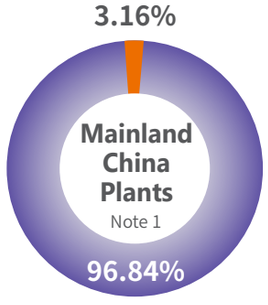
In 2025, in addition to continuing to strengthen occupational safety and health management at plants in Taiwan and mainland China, the Laos plant also established management systems for fire safety management, work injury handling, traffic safety management, environmental safety and health monitoring and measurement, and regulatory compliance, continuously improving safety management performance through annual management review and internal audits, gradually establishing an occupational safety and health management system consistent with the entire Group.

The Company's occupational safety and health management system covers all workers under the Company's control, including regular employees, contract personnel, interns, and contractors and external workers legally included in management, continuing to promote safety management and health promotion measures based on the operational characteristics and regulatory requirements of each location.

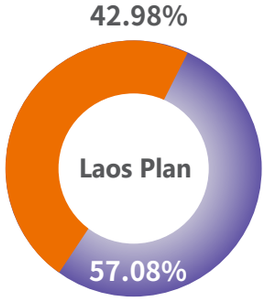
Workers Covered by the Occupational Safety and Health Management System Under the Company's Control:



Number of Employees 291 people
Non-Employee Workers 3 people



Number of Employees1534 people
Non-Employee Workers 50 people



Number of Employees 121 people
Non-Employee Workers 91 people

Note 1: Mainland China plant figures include data from each subsidiary
Shenzhen/Tianjin plants - excluding cafeteria kitchen staff, cleaning staff, and security personnel, as the above personnel are all outsourced (contractor) personnel.

Occupational Safety and Health Risk Assessment

To effectively prevent occupational accidents and reduce workplace risk, ACON-Holding has established a hazard identification and risk assessment mechanism in accordance with its occupational safety and health management system. Each operating location regularly conducts hazard identification and risk assessment based on operational characteristics, work environment, equipment and facilities, and process conditions, and takes appropriate engineering improvements, administrative management, and personal protection measures based on the assessment results, continuously reducing occupational safety and health risk.

Each operating location regularly conducts hazard identification and risk assessment annually, incorporating both routine and non-routine operations into the assessment scope, analyzing potential hazards from the work environment, equipment, tools, raw materials, and work processes, establishing improvement measures and management plans based on risk level, and continuously tracking improvement effectiveness, serving as an important basis for annual occupational safety and health management goals and continuous improvement.

Each location has established a risk classification mechanism based on local regulations and management systems: Taiwan, Tianxin, Kunshan, and the Laos plant use a risk matrix for risk assessment, classifying results into acceptable and unacceptable risk; the Shenzhen and Tianjin plants have established a risk classification management system in accordance with local regulations, taking improvement measures and continuously tracking management for medium- and high-risk items; in addition to regular hazard identification, the Jiangxi plant also conducts monthly 7S safety inspections, with the Occupational Safety and Health Committee tracking deficiency improvements to ensure improvement measures are effectively implemented.

In addition, when process changes, new equipment, raw material changes, or major changes in the working environment occur, each operating location must re-conduct hazard identification and risk assessment, reviewing the applicability of existing control measures, and adjusting management plans based on the assessment results, to continuously improve occupational safety and health management performance.

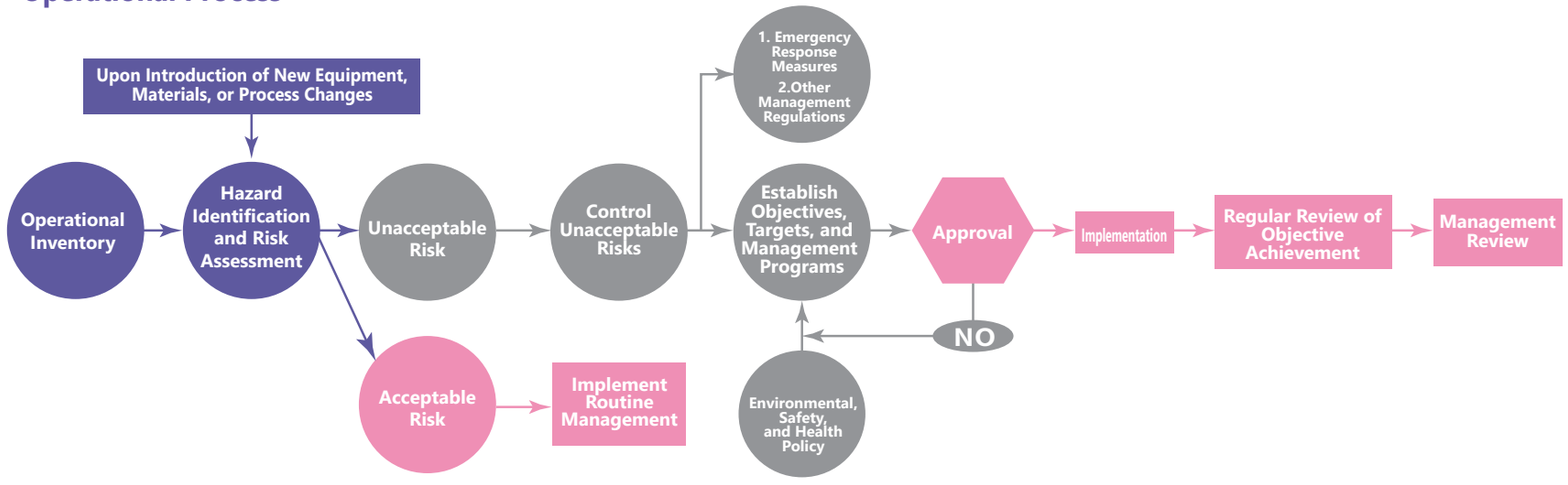
Occupational Safety Risk Management

ACON-Holding has established an emergency response and incident handling mechanism in accordance with the occupational safety and health regulations of each operating location and internal management systems, establishing response procedures for fires, chemical leaks, natural disasters, and other emergency incidents, and regularly conducting fire drills and emergency response training to improve employees' response capability to unexpected events.

When an immediate hazard occurs in the workplace or there is a risk to personnel safety, workplace supervisors may immediately stop work and evacuate personnel; if employees discover a major hazard while performing their duties, they also have the right to stop work and evacuate to a safe location, and will not be dismissed, transferred, have their pay reduced, or receive other adverse treatment for lawfully stopping work, to protect the safety and related rights of workers.

In the event of an occupational accident or abnormal incident, the Company handles it in accordance with incident reporting and investigation procedures, immediately conducting incident reporting, emergency handling, and cause investigation. Relevant management units, together with worker representatives, jointly analyze the cause of the incident, propose improvement and preventive measures, and track improvement effectiveness, serving as an important basis for management review and continuous improvement.

Operational Process



Occupational Safety and Health Consultation and Communication

ACON-Holding upholds the occupational safety and health management philosophy of "prevention is better than cure, full participation, continuous improvement," establishing a comprehensive management system in accordance with the ISO 45001 Occupational Health and Safety Management System, continuing to promote hazard identification, risk assessment, regulatory compliance, and performance management, to reduce occupational accident risk and create a safe and healthy work environment.

Each operating location has established an occupational safety and health management unit or management personnel based on local regulations and operational characteristics, promoting two-way communication between management and employees through mechanisms such as safety and health committees, management review meetings, safety and health education and training, work environment monitoring, and daily inspections, jointly promoting occupational safety and health management. Each plant also implements a work permit system based on operational characteristics, completing hazard identification and risk assessment before high-risk operations, which may only proceed after confirmation by occupational safety and health management personnel, continuously reducing operational risk through inspection, audit, and improvement tracking mechanisms.

In addition, the Company continues to conduct occupational safety and health education and training, health checkups, health promotion activities, and occupational accident investigation and analysis, taking improvement measures for noise, repetitive work, prolonged sitting, and other potential occupational hazards, improving employees' safety awareness and health care effectiveness. Employees may also propose safety improvement suggestions through the safety and health committee, the occupational safety and health management unit, and daily communication mechanisms. The Company regularly reviews improvement results and continues to refine occupational safety and health management performance.

Occupational Safety and Health Dedicated Units

Note: Mainland China plant figures include data from each subsidiary

Location	Name of Dedicated Unit	No. of Management Representatives	Employees (including Interns) No. of Representatives	Non-employee Workers No. of Representatives	Labor Representative Percentage
ACON-Holding	No dedicated unit, handled by the Management Department of the General Administration Office	1	-	-	74.23%
ACON Taipei	Labor Safety and Health Office, convenes Safety and Health Committee	7	5	-	
ACONOPTICS Taipei	Labor Safety and Health Office	1	2	-	
AWAN Taipei	Labor Safety and Health Office, convenes Safety and Health Committee	6	6	-	
ACON-ECO	Labor Safety and Health Office	0	1	-	
Shenzhen Plant	Safety Office, convenes Environmental Safety and Health Committee	1	2	-	
Tianjin Plant	Labor Safety and Health Office, convenes Safety and Health Committee	1	27	-72	
Tianxin Plant	No dedicated unit, General Administration Office Management Department	2	-	-	
Kunshan Plant	General Affairs Department, convenes Safety and Health Committee	4	8	2	
Jiangxi Plant	Safety Committee, convenes Safety and Health Committee	2	3	2	
Laos Plant	No dedicated unit, handled by the Management Department	0	14	-	

ACON-Holding Occupational Safety and Health Communication Frequency and Results

To strengthen occupational safety and health management and employee participation, ACON-Holding has established communication mechanisms such as the Occupational Safety and Health Committee and management review in accordance with the regulations and management systems of each operating location, regularly reviewing occupational safety and health management performance, regulatory compliance, education and training, occupational health, work environment improvement, and incident prevention, incorporating meeting resolutions into subsequent improvement tracking, continuing to refine the occupational safety and health management system, implementing the spirit of PDCA continuous improvement.

Communication Mechanism	Applicable Plants	Communication Frequency	2025 Implementation Status
Safety and Health Committee	Taiwan, Tianjin, Shenzhen, Kunshan, Jiangxi	Monthly or Quarterly Convened	Taiwan 4 times, Tianjin 4 times, Shenzhen 12 times, Kunshan 12 times, Jiangxi 4 times, totaling 36 times
Management Review Meeting	Taiwan, Tianjin, Shenzhen, Tianxin, Laos	Convened once per year	Each plant completed 1 meeting, totaling 5

Main Communication Topics

- Review of occupational safety and health goals and management performance.
- Implementation status of the ISO 14001 and ISO 45001 management systems.
- Planning and implementation of occupational safety and health education and training.
- Review of occupational safety and health regulatory compliance and conformity.
- Work environment measurement, occupational health management, and health promotion measures.
- Occupational accident and abnormal incident investigation, analysis, and improvement measures.
- Machinery and equipment, hazardous operations, and raw material hazard prevention management.
- Contractor safety and health management and on-site safety and health audits.
- Safety improvement proposals, risk identification, and continuous improvement matters.

2025 Communication Results

In 2025, ACON-Holding's operating locations regularly convened Occupational Safety and Health Committee and management review meetings as planned, holding a total of 41 occupational safety and health-related meetings for the year (36 Safety and Health Committee meetings and 5 management review meetings), discussing and reviewing matters such as occupational safety and health management performance, regulatory compliance, education and training, occupational health management, work environment improvement, hazard identification, incident investigation, and contractor management. All meeting resolutions are continuously tracked and handled by responsible units, continuously improving occupational safety and health management effectiveness, reducing operational risk, and creating a safe, healthy, and friendly work environment through risk improvement, enhanced education and training, and management system optimization.

Occupational Safety and Health Education and Training

ACON-Holding values occupational safety and health education and training, improving employees' hazard identification ability, safety awareness, and emergency response capability through systematic course planning and continuous training mechanisms, establishing a safety culture and preventing occupational accidents.

New Employee Occupational Safety and Health Education and Training

Each operating location has established a new employee occupational safety and health education and training system. New employees must complete occupational safety and health education and training upon joining, with content planned according to the operational characteristics of each location, covering courses such as the Company's safety management regulations, work environment introduction, hazard identification, emergency response procedures, evacuation routes, fire equipment operation, safety protection measures, and precautions for high-risk operations.

Courses are taught by qualified occupational safety and health management personnel, using theoretical explanations and practical case sharing to help new employees fully understand potential workplace hazards and preventive measures. Learning effectiveness is evaluated after each course, and relevant teaching materials, sign-in records, and education and training data are fully retained, ensuring the completeness and traceability of the education and training system.

New Employee Occupational Safety and Health Education and Training Attendance and Hours

Location	Total Trainee-Instances	Total Training Hours	Required Hours per Person on Reporting Day
ACON-Holding	4	24	3 hours
ACON Taipei	7	42	3 hours
ACONOPTIC Taipei	7	21	3 hours
AWAN Taipei	19	57	3 hours
ACON-ECO	9	27	3 hours
Shenzhen Plant	395	395	1 hour

Location	Total Trainee-Instances	Total Training Hours	Required Hours per Person on Reporting Day
Tianjin Plant	108	324	3 hours
Tianxin Plant	48	48	1 hour
Jiangxi Plant	2	2	1 hour
Laos Plant	42	126	3 hours

Note: Mainland China plant figures include data from each subsidiary

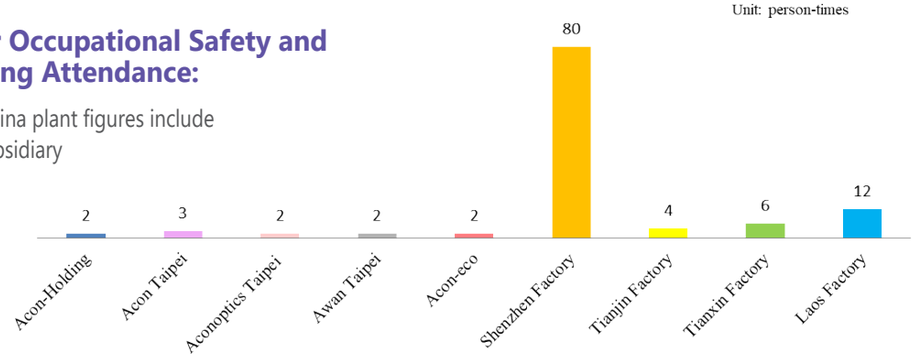
Current Employee Occupational Safety and Health Education and Training

In addition to new employee training, the Company arranges occupational safety and health management personnel, fire safety management personnel, and related workers to regularly complete statutory refresher training and professional certification training in accordance with the law, continuously refining professional knowledge and management capability, ensuring occupational safety and health management complies with the latest regulatory requirements.

In 2025, the Company continued to conduct various occupational safety and health education and training, covering courses such as occupational safety, hazard identification, contractor management, fire safety, emergency response, and regulatory promotion, to improve all workers' safety awareness and self-disaster-prevention capability.

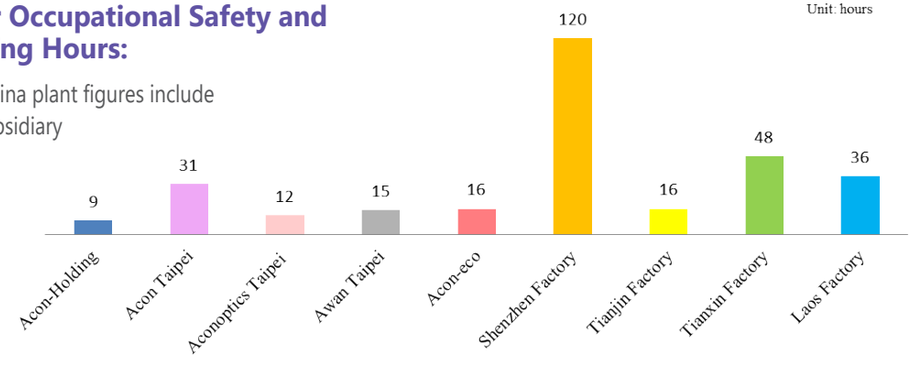
Total Worker Occupational Safety and Health Training Attendance:

Note: Mainland China plant figures include data from each subsidiary



Total Worker Occupational Safety and Health Training Hours:

Note: Mainland China plant figures include data from each subsidiary



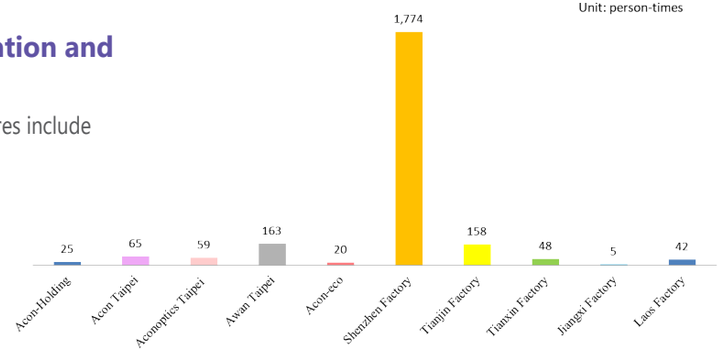
Fire Safety and Emergency Response Drills

To improve employees' response capability to unexpected events and fire safety awareness, each operating location continues to conduct fire safety education and training and emergency response drills based on local regulations and operational risk characteristics, covering fire extinguishing, self-defense fire brigade organization, emergency evacuation, escape and refuge, first aid training, and incident response, verifying the effectiveness of response procedures through regular drills, reducing disaster risk, and protecting employees' lives and the Company's property.

Each location plans different drill items based on operational characteristics, including self-defense fire brigade organization and evacuation drills at Taiwan plants, emergency evacuation and monthly volunteer fire brigade training at the Shenzhen plant, fire extinguishing and evacuation drills at the Tianjin and Jiangxi plants, and comprehensive fire safety and first aid drills at the Laos plant, continuously strengthening all employees' emergency response capability. The Company also regularly reviews the results of each drill, proposing improvement measures for issues identified during the drill process, serving as a basis for subsequent education and training and management system refinement, continuously improving overall disaster resilience.

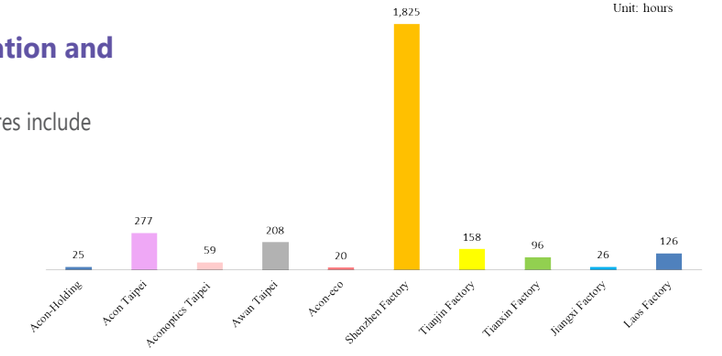
Total Fire Safety Education and Training Attendance:

Note: Mainland China plant figures include data from each subsidiary



Total Fire Safety Education and Training Hours:

Note: Mainland China plant figures include data from each subsidiary



Occupational Safety and Health Education and Training Highlights

In addition to routine education and training and fire drills, each operating location also conducts diverse response drills based on actual risk, continuously improving employees' safety awareness and on-site response capability.

- Tianjin Plant: Conducted a chemical spill response drill, simulating a chemical spill scenario to strengthen on-site personnel's incident response and environmental protection capability.
- Laos Plant: To strengthen workplace safety culture and emergency response capability, fire safety and comprehensive response drills are conducted regularly, covering fire extinguishing, first aid, and evacuation. In 2025, a total of 2 safety drills were held, with safety education and training conducted by internal management personnel, and local fire departments invited to conduct professional fire response drills, improving employees' disaster response capability.

Going forward, ACON-Holding will continue to deepen its occupational safety and health education and training system, combining theoretical courses, practical drills, and continuous improvement mechanisms, comprehensively improving employees' occupational safety and health knowledge, and creating a safe, healthy, and resilient work environment.

Occupational Safety and Health Training Implementation Status:

ACON-Holding - **Taiwan Plants**







ACON-Holding - **Mainland China Plants**







ACON-Holding - **Laos Plant**







Occupational Injuries and Occupational Diseases

ACON-Holding upholds the occupational safety and health management philosophy of "prevention first, continuous improvement," continuously reducing the risk of occupational accidents and occupational diseases through management measures such as hazard identification, risk assessment, work control, education and training, and health monitoring, committed to creating a safe, healthy, and friendly work environment.

To effectively prevent occupational accidents, each operating location has established a work permit system for high-risk operations. All employees and contractors must submit an application in accordance with regulations before work, which may only proceed after occupational safety and health management personnel complete hazard identification, risk assessment, and personal protective equipment confirmation. Work personnel, the contractor's responsible person, and occupational safety and health management personnel jointly confirm the work content and safety measures, to reduce operational risk.

Each operating location also continues to review occupational injury and occupational disease risk based on operational characteristics, and adopts corresponding preventive measures. Due to the high degree of automation of production equipment at the Shenzhen plant, main equipment is fitted with safety protection devices, and the plant continues to reduce mechanical injury risk through equipment improvement, safety promotion, and education and training, and continues to work with equipment suppliers to improve workplace noise. The Kunshan and Jiangxi plants strengthen management of work-at-height, material handling, and traffic safety, reducing the risk of musculoskeletal discomfort from prolonged sitting or standing through ergonomic improvements and health promotion measures. The Tianxin and Laos plants continue to strengthen safe operation education, on-site inspection, and work instruction, improving employees' self-directed safety management capability.

2025 Occupational Injury Management Performance

In 2025, ACON-Holding continued to implement its occupational safety and health management system, continuously reducing occupational accident risk through management measures such as hazard identification, risk assessment, safety inspections, and education and training. Total working hours for the year were 4,084,221.5 hours, with 2 recordable occupational injury incidents, totaling 123 lost workdays, and an overall Total Recordable Incident Rate (TRIR) of 0.10. There were no major occupational injury incidents (over 180 lost workdays) for the full year, nor any reported or confirmed occupational disease cases.

Location	Worker Category	Total Experience Total Hours Worked	General Occupational Injury Type	No. of General Occupational Injuries	General Occupational Injury Rate	Lost Workdays	Improvement Actions in Response to Occupational Injuries and Diseases
ACON Holding	Regular Employees	56,043.5	-	-	-	-	-
ACON Taipei	Regular Employees	161,007	-	-	-	-	-
ACON OPTICSTaipei	Regular Employees	110,048.5	-	-	-	-	-
AWAN Taipei	Regular Employees	209,907.5	-	-	-	-	-
ACON -ECO Taipei	Regular Employees	35,990	-	-	-	-	-
Shenzhen Plant	Regular Employees	952,000	Finger Pinch Injury_ Improper Operation	1	0.21	119	Determined based on the machine structure and the location of the finger injury that it occurred due to a distraction during operation, resulting in incorrect operation. (Correct method: operate the switch with both hands simultaneously)

Tianjin Plant	Regular Employees	1,225,761	-	-	-	-	-
	Temporary Employees	46,472	-	-	-	-	-
Tianxin Plant	Regular Employees	813,669	Cut Injury from Improper Movement	1	0.25	4	Strengthened employee safe operation training to ensure employees correctly use tools and equipment
Kunshan Plant	Regular Employees	-	-	-	-	-	-
Jiangxi Plant	Regular Employees	1,963	-	-	-	-	-
Laos Plant	Regular Employees	436,800	-	-	-	-	-
	Security Personnel	34,560	-	-	-	-	-
Total		4,084,221.5	-	2	0.10	123	-

Occupational Injury Improvement Measures

For the 2 occupational injury incidents that occurred in 2025, the Company immediately initiated incident investigations in accordance with occupational safety and health management procedures, analyzing the cause of the incident and completing improvement measures, while requiring relevant units to review work processes and operational risk to prevent similar incidents from recurring.

For the finger pinch injury incident caused by stamping equipment operations at the Shenzhen plant, in addition to re-confirming the normal function of the equipment's safety protection devices, the plant strengthened promotion of standard operating procedures, safe operation education and training, and management of non-compliant operations, raising operators' safety awareness. A work injury prevention project management system was also established, supervised by the plant's most senior officer, re-reviewing risks at each work station, creating job risk notification cards incorporated into education and training, and implementing daily self-directed safety checks and hazard inspections, continuing to strengthen occupational accident prevention management.

In response to the cut injury incident, the Tianxin plant immediately reviewed the work process, strengthening tool use management, safe operation education and training, and on-site inspections, and requiring each unit to implement self-inspections, ensuring employees use tools and equipment in accordance with standard operating procedures, to reduce operational risk.

In addition, each operating location continues to promote occupational injury prevention measures, including hazard identification and risk assessment, work standardization, safety education and training, on-site inspections, and performance management. The Jiangxi, Kunshan, and Laos plants also continue to strengthen work instruction management, safety inspections, and education and training, improving workplace safety culture through continuous improvement mechanisms and reducing occupational accident risk.

Going forward, ACON-Holding will continue to follow the PDCA management cycle, refining its occupational safety and health management system, continuously reducing occupational accident and disease risk through measures such as incident analysis, education and training, equipment improvement, and risk management, creating a safe, healthy, and resilient work environment, and protecting the safety and health of all workers.

Employee Health Promotion Activities

ACON-Holding values employees' physical and mental health. In addition to conducting health checkups and work environment monitoring as required by law, the Company has established a comprehensive occupational health management system, continuously improving the quality of employee health care through diverse measures such as health checkups, on-site medical services, health risk classification management, work environment monitoring, health promotion activities, and safety education and training, creating a safe, healthy, and friendly work environment.

The Company also values the privacy and confidentiality of employee health information. All health checkup data is managed exclusively by occupational safety and health management personnel, with paper records properly stored and electronic data subject to access control, ensuring the security of employees' personal health information.

Health Promotion Services	Each operating location continues to promote occupational health management and health promotion measures based on local regulations, work environment, and operational risk. Main content includes:

- Regular annual general health checkups, special health checkups, and occupational health checkups, providing health tracking management for high-risk operations personnel.
- Promoting on-site medical health services, conducting health risk classification management based on health checkup results, providing health consultation services from occupational physicians, nurses, and dietitians, and conducting individual tracking and health guidance for high-risk groups.
- Continuing to promote occupational health management programs such as ergonomics, prevention of diseases caused by abnormal workload, maternal health protection, health protection for middle-aged and older workers, and prevention of misconduct.
- Regularly holding health promotion lectures, health knowledge promotion, and healthy eating promotion, raising employees' health awareness and self-care capability.
- Regularly conducting work environment monitoring and hazard factor testing, including air quality, noise, illumination, carbon dioxide, and chemical substances, ensuring the work environment complies with relevant regulatory requirements.
- Conducting hazard identification and risk assessment annually, and continuously improving work environment safety through regular environmental inspections and hazard source screening.
- Continuing to conduct occupational safety and health education and training and fire drills, raising employees' safety awareness and emergency response capability.

Health Management Characteristics by Operating Location	In addition to implementing the Group's consistent health management system, each operating location also promotes health promotion measures based on local regulations and operational characteristics:
TAIWAN (ACON-Holding, ACON – Taiwan, ACON OPTICS – Taiwan, AWAN – Taiwan, and ACON-ECO – Taiwan)	Provides on-site medical services, health risk classification management, dietitian consultation, health lectures, and monthly health knowledge promotion, conducting work environment monitoring semi-annually and hazard identification and risk assessment annually, continuously improving occupational health management effectiveness.
Shenzhen Plant	Conducts employee occupational health checkups as required by law, covering pre-employment, in-service, and pre-departure health checkups, and regularly conducts hazard identification, on-site inspections, and safety education and training, continuously improving occupational health management quality.
Tianjin Plant	Conducts health checkups and work environment monitoring annually, promoting a dual prevention mechanism of safety risk classification control and hazard inspection, and continuing to conduct hazard identification, environmental inspections, and occupational safety and health education and training, strengthening safe production management.
Tianxin Plant	Conducts occupational disease health checkups and workplace occupational hazard monitoring annually, and continues to promote occupational safety and health education and training, reducing occupational hazard risk.
Kunshan and Jiangxi Plants	Annually entrust qualified third-party agencies to conduct work environment monitoring and hazard factor testing, arrange health checkups for personnel exposed to hazards, and continue to conduct hazard source screening and health, safety, and fire safety education and training, implementing occupational health management.
Laos Plant	Conducts work environment monitoring and hazard factor testing annually, arranges health checkups for personnel exposed to hazards twice a year, and continues to conduct hazard source screening and health, safety, and fire safety education and training, continuously improving workplace health and safety management effectiveness.

ACON-Holding will continue to follow the PDCA management cycle, reviewing its health management system and health promotion measures on a rolling basis, creating a safe, healthy, friendly, and resilient work environment through diverse actions such as health management, disease prevention, health promotion, and work environment improvement, continuing to protect employees' health and well-being, and achieving the goal of sustainable corporate operations.

2025 Employee Health Promotion Results

To continue implementing its healthy workplace philosophy, ACON-Holding continued to promote various health management and health promotion measures in 2025, helping employees establish a healthy lifestyle and improve physical, mental, and work well-being through diverse actions such as on-site medical services, health consultation, health promotion activities, healthy eating promotion, and workplace environment improvement.

Taiwan Health Promotion Results

In 2025, Taiwan continued to promote on-site health services, providing health risk classification management and individual health care based on health checkup results. Medical health consultation services totaled 69 person-instances for the year, with a 100% follow-up rate for abnormal health checkup cases, ensuring all high-risk groups completed health tracking and professional consultation.

The Company's contracted occupational medicine specialists and nurses regularly provide on-site health services, helping promote measures such as occupational injury and illness prevention, ergonomic improvement, prevention of diseases caused by abnormal workload, maternal health protection, and health management for middle-aged and older workers, and providing health consultation and follow-up services, continuously improving the quality of employee health care.





Health Promotion & Support

In terms of health promotion, the Company held mental health promotion, health lectures, and stretching and stress-relief activities, helping employees improve stress management capability and health awareness; the Company also promoted healthy vegetarian meals, encouraging a balanced diet and healthy lifestyle. In addition, weekly massage services provided by visually impaired therapists are arranged, helping employees relieve work stress and muscle fatigue, promoting physical and mental health, while also supporting employment for the visually impaired, implementing corporate social responsibility and social inclusion.



To encourage employees to develop a habit of regular exercise, the Company also held a corporate health promotion competition centered on walking and healthy weight management, improving employee participation in exercise through team competition, encouraging employees to establish healthy lifestyle habits, and creating a healthy and energetic workplace culture.

2025 Health Promotion Highlights

- Taiwan medical health consultation services totaled 69 person-instances.
- Follow-up rate for abnormal health checkup cases reached 100%.
- Continued to conduct on-site medical services and health management for high-risk groups.
- Held mental health promotion, health lectures, and stretching and stress-relief activities.
- Provided weekly massage services by visually impaired therapists, promoting employees' physical and mental health and supporting charitable employment.
- Promoted healthy vegetarian meals and walking-based health promotion competitions, encouraging employees to establish healthy lifestyle habits.
- Each operating location continues to promote healthy eating, environmental hygiene, safety inspections, and health education, continuously improving workplace health and safety culture.

Through various health management measures and health promotion activities, ACON-Holding continues to improve employees' health awareness and self-directed health management capability, and through cross-location health care, health promotion, and friendly workplace measures, creates a safe, healthy, and vibrant work environment, continuing to enhance employee well-being and corporate sustainable competitiveness.

Health Promotion Results by Operating Location

In addition to Taiwan, each operating location also continues to promote health promotion measures based on operational characteristics and local needs.

Shenzhen Plant

Regularly conducts environmental cleaning and disinfection of employee activity areas, continuing to strengthen employee cafeteria hygiene management and healthy eating promotion, creating a safe, hygienic, and healthy work environment.

Kunshan and Jiangxi Plants

Entrust third-party professional agencies to conduct environmental disinfection, work environment monitoring, and occupational health checkups, continuing to promote cafeteria hygiene management, nutritional meal planning, hazard inspections, and outdoor team-building activities, promoting employees' physical and mental health.

Tianjin Plant

Conducts daily safety hazard inspections and improvements, regularly conducts occupational safety and health education and training, and combines fun sports competitions, safety knowledge promotion, and prize quiz activities, improving employees' health awareness, safety knowledge, and team cohesion.

Laos Plant

Continues to conduct environmental monitoring, health checkups, and health education and training, with cross-departmental supervisors jointly participating in safety inspections and improvement tracking, continuously improving health and safety management effectiveness.







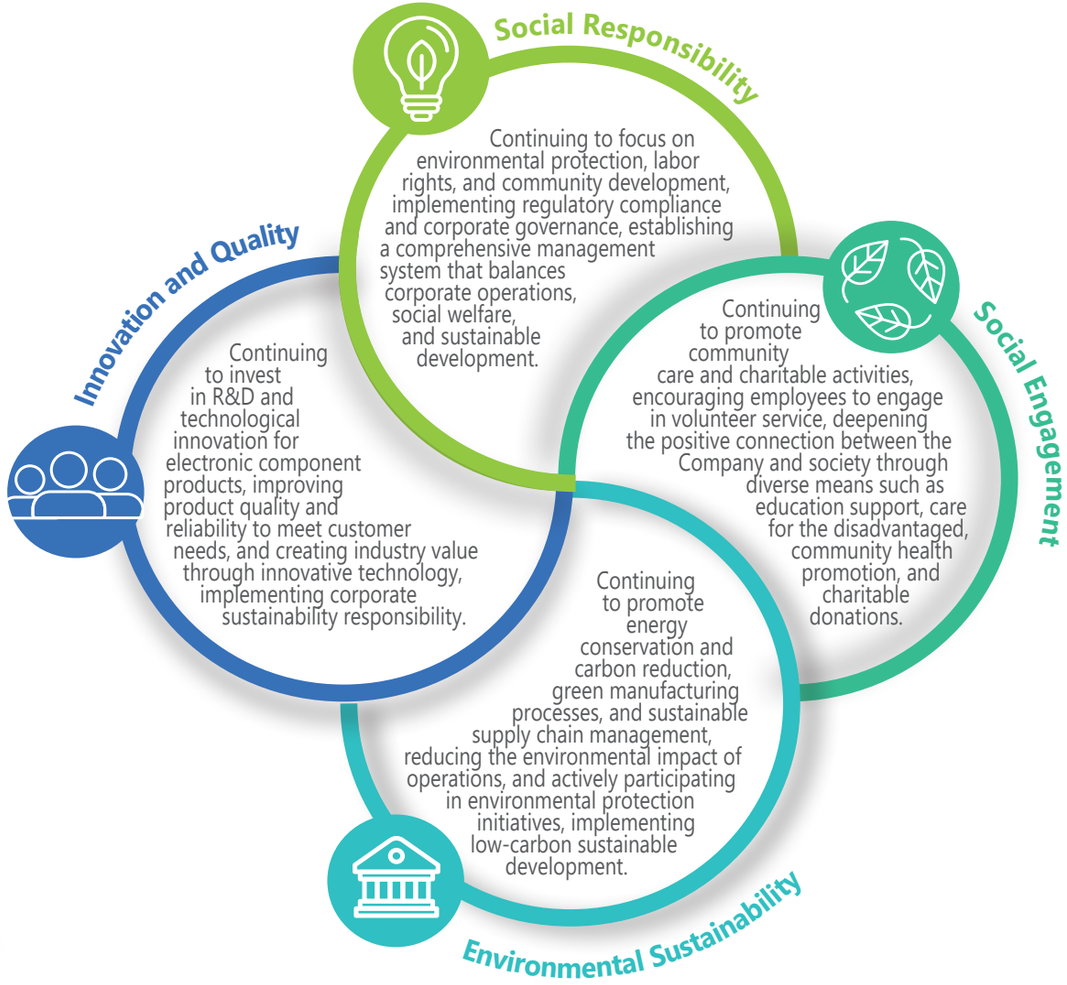



6-4 Social Engagement and Co-prosperity

ACON-Holding upholds the spirit of corporate citizenship, actively fulfilling corporate social responsibility, and regards social engagement as an important part of sustainable operations. The Company combines its core competencies with local needs, continuously giving back to society through diverse actions such as charitable care, education support, community engagement, and environmental sustainability, working together with stakeholders to create shared value, and realizing a sustainable vision of corporate and social co-prosperity.

ACON-Holding has also integrated the UN Sustainable Development Goals (SDGs) into its corporate sustainability strategy, actively responding to core goals such as Good Health and Well-being (SDG 3), Quality Education (SDG 4), Reduced Inequalities (SDG 10), Responsible Consumption and Production (SDG 12), and Partnerships for the Goals (SDG 17), continuously enhancing social impact and strengthening the effectiveness of charitable resource use and information disclosure transparency through charitable participation, education support, sustainable procurement, and cross-sector cooperation.

Plant-level Implementation and Local Actions



Plant-level Implementation and Local Actions

ACON-Holding's operating locations combine corporate resources to promote diverse social engagement actions based on local characteristics and operational needs, actively implementing corporate social responsibility and promoting local development and community co-prosperity.

The Taipei operating location actively engages in charitable participation and community care, continuing to deepen cooperation with local communities and charitable organizations through corporate volunteer service, education support, community health promotion, and charitable donations, and integrating sustainability concepts into corporate operations, implementing environmental, social, and governance (ESG) management, creating shared value between the Company and society.

Mainland China operating locations continue to promote employee care, charitable activities, and community exchange, and actively fulfill corporate social responsibility through business integrity, talent cultivation, supply chain cooperation, and local charitable participation, building mutually trusting and beneficial cooperative relationships with customers, suppliers, and local communities, jointly promoting regional sustainable development.

Going forward, ACON-Holding will continue to integrate Group resources, deepen charitable participation and local connections, combine core business with sustainable development strategy, continuing to create triple value in the economy, environment, and society, working together with stakeholders toward sustainable co-prosperity.

2025 Social Engagement Results

National Taiwan University of Science and Technology Global Talent Entrepreneurship Program (GTEP)

ACON-Holding values international talent cultivation and industry-academia cooperation, continuing to support the National Taiwan University of Science and Technology Incubation Center's "Global Talent Entrepreneurship Program (GTEP)." In 2025, the Company sponsored the 4th GTEP Demo Day, donating NT$50,000 as student Pitch Day prize money, encouraging international students to develop their innovation and entrepreneurship potential and showcase their innovative achievements.

ACON-Holding has supported this program for four consecutive years, promoting international talent cultivation and deepening industry-academia cooperation and exchange through concrete action, and building a platform for exchange between the Company and outstanding international talent, hoping to jointly cultivate talent with international vision and innovation capability, creating more value for the industry's sustainable development.





Community Health Guardian Day - Baoxing Community Volunteer Support Activity

ACON-Holding upholds the corporate spirit of "taking from society, giving back to society," continuing to invest in community care and health promotion activities. In 2025, the Company participated in the "Community Health Guardian Day" held in Baoxing Village, Xindian District, New Taipei City, with corporate volunteers assisting in the event, and combined professional medical and health resources to provide residents with diverse health services, including metabolic syndrome assessment, AI meal plate nutrition education, sarcopenia testing, foot pressure assessment, and bone density testing, helping residents improve their health management awareness.

In addition, the Company sponsored 200 sets of high-protein nutritional supplements and gourmet meal boxes to support community health promotion work, benefiting over 50 village residents, receiving enthusiastic response and recognition from residents. Through corporate volunteer involvement and resource investment, the Company not only demonstrates concrete action in caring for the local community, but also deepens its partnership with the local community, continuing to contribute to residents' health and well-being and sustainable community development.





Supporting Sustainable Agriculture, Implementing Low-Carbon Procurement

In response to low-carbon agriculture and local sustainable development, ACON-Holding participated in the "Yunlin Warm Rice 2.0" program jointly promoted by the Yunlin County Government and the Nature Exchange in 2025, supporting sustainable agriculture and carbon reduction initiatives through actual purchasing action. "Warm Rice 2.0" is contract-farmed by young farmers in Dapi Township, Yunlin County, introducing probiotic liquid fertilizer technology during cultivation to effectively reduce methane and other greenhouse gas emissions from rice paddies, while improving soil health and rice quality, balancing environmental protection, farmer income, and food production, implementing an environmentally friendly farming model.

The Company subscribed to a total of 400 bags of "Warm Rice 2.0" gift boxes based on the Group's employee headcount, for use in annual ESG promotion and as gifts for employees and guests, integrating sustainability concepts into corporate procurement and daily operations, and promoting mutual benefit for the environment, society, and economy through actual consumption supporting local agriculture and low-carbon products. In addition, the Company was invited to participate in the "Sustainable Action University Joint Expo" held by the Yunlin County Government and received a letter of appreciation, recognizing the Company's concrete actions in actively responding to greenhouse gas reduction and promoting sustainable agriculture. Going forward, ACON-Holding will continue to combine ESG concepts with procurement strategy, supporting more sustainable products that are both environmentally friendly and socially valuable, working together with stakeholders toward net-zero sustainable development goals.





Appendix

Appendix I、GRI Standards Content Index
Appendix II、Sustainability Disclosure Indicators - Electronic Components Industry
Appendix III、SASB Sustainability Accounting Standards Content Index
Appendix IV、TCFD Standards Disclosure Index



Appendix I GRI Standards Content Index

Statement of Use	ACON-Holding has prepared its Sustainability Report in accordance with the GRI Standards, with data scope from January 1 to December 31, 2025		
GRI 1 Version Used	GRI 1: Foundation 2021		
GRI Sector Standard(s) Applied	None		
GRI Standard	Disclosure	Page	Additional Notes
GRI 2: General Disclosures (2021)			
GRI 2: General Disclosures (2021)	2-1 Organizational details	8-10	
	2-2 Entities included in the organization's sustainability reporting	3	
	2-3 Reporting period, frequency and contact point	3	
	2-4 Restatements of information	-	
	2-5 External assurance	-	
	2-6 Activities, value chain and other business relationships	10	
	2-7 Employees	65-67	
	2-8 Workers who are not employees	65-67	
	2-9 Governance structure and composition	14,23	
	2-10 Nomination and selection of the highest governance body	23	
	2-11 Chair of the highest governance body	24	
	2-12 Role of the highest governance body in overseeing the management of impacts	24	

GRI 2: General Disclosures (2021)	2-13 Delegation of responsibility for managing impacts	24,25	
	2-14 Role of the highest governance body in sustainability reporting	14	
	2-15 Conflicts of interest	24,25	
	2-16 Communication of critical concerns	24,25	
	2-17 Collective knowledge of the highest governance body	25	
	2-18 Evaluation of the performance of the highest governance body	24	
	2-19 Remuneration policies	25	
	2-20 Process to determine remuneration	25	
	2-21 Annual total compensation ratio	25	
	2-22 Statement on sustainable development strategy	4,5	
	2-23 Policy commitments	26,28,32,39,47,53,64,79,80,81	
	2-24 Embedding policy commitments	26,28,32,39,47,53,64,79,80,81	
	2-25 Processes to remediate negative impacts	26,28,32,39,47,53,64,79,80,81	
	2-26 Mechanisms for seeking advice and raising concerns	26,28,32,39,47,53,64,79,80,81	
	2-27 Compliance with laws and regulations	32,33	
	2-28 Membership associations	10	
	2-29 Approach to stakeholder engagement	19,20	
	2-30 Collective bargaining agreements	71,72	

GRI 3: Material Topics (2021)			
GRI 3: Material Topics (2021)	3-1 Process to determine material topics	15,16	
	3-2 List of material topics	17,18	
	3-3 Management of material topics	26,28,32,39,47,53,64,79,80,81	Management Approach for Material Topics
Business Integrity			
GRI 205 (2016): Anti-corruption	205-1 Operations assessed for risks related to corruption	27	
	205-2 Communication and training about anti-corruption policies and procedures	27	
	205-3 Confirmed incidents of corruption and actions taken	27	
GRI 206 (2016): Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	27	
Supplier Management			
GRI 204 (2016): Procurement Practices	204-1 Proportion of spending on local suppliers	51	
GRI 308 (2016): Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	49	
	308-2 Negative environmental impacts in the supply chain and actions taken	50	
GRI 414 (2016): Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	49	
	414-2 Negative social impacts in the supply chain and actions taken	50	
Greenhouse Gas and Energy Management			
GRI 305 (2016): Emissions	305-1 Direct (Scope 1) GHG emissions	59	
	305-2 Energy indirect (Scope 2) GHG emissions	59	
	305-4 GHG emissions intensity	59	
	305-5 Reduction of GHG emissions	59	

GRI 302 (2016): Energy	302-1 Energy consumption within the organization	58	
	302-3 Energy intensity	58	
	302-4 Reduction of energy consumption	58	
	302-5 Reductions in energy requirements of products and services	58	
Waste Management			
GRI 306 (2020): Waste	306-1 Waste generation and significant waste-related impacts	60	
	306-2 Management of significant waste-related impacts	60	
	306-3 Waste generated	61	
	306-4 Waste diverted from disposal	61	
	306-5 Waste directed to disposal	61	
Talent Development and Education and Training			
GRI 401 (2016): Employment	401-1 New employee hires and employee turnover	66-68	
	401-2 Benefits provided to full-time employees	73	
	401-3 Parental leave	74	
GRI 402 (2016): Labor/Management Relations	402-1 Minimum notice periods regarding operational changes	73	
GRI 404 (2016): Training and Education	404-1 Average hours of training per year per employee	77	
	404-2 Programs for upgrading employee skills and transition assistance programs	76,77	
	404-3 Percentage of employees receiving regular performance and career development reviews	77,78	

Occupational Safety and Health			
GRI 403 (2018): Occupational Health and Safety	403-1 Occupational health and safety management system	82	
	403-2 Hazard identification, risk assessment, and incident investigation	82,83	
	403-3 Occupational health services	89	
	403-4 Worker participation, consultation, and communication on occupational health and safety	83,84	
	403-5 Worker training on occupational health and safety	85	
	403-6 Promotion of worker health	90-91	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	83,84	
	403-8 Workers covered by an occupational health and safety management system	82	
	403-9 Work-related injuries	87,88	
	403-10 Work-related ill health	87,88	
Data Security and Customer Privacy			
GRI 418 (2016): Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	28-31	
Innovation and R&D			
Custom topic not applicable	No corresponding GRI Standard	38-46	

Other Topics			
GRI 200: Economic			
GRI 201 (2016): Economic Performance	201-1 Direct economic value generated and distributed	11	
	201-2 Financial implications and other risks and opportunities due to climate change	53-62	
	201-3 Defined benefit plan obligations and other retirement plans	73,74	
	201-4 Financial assistance received from government	12	
GRI 300: Environmental			
GRI 303 (2018): Water and Effluents	303-1 Interactions with water as a shared resource	62	
	303-2 Management of water discharge-related impacts	62	
	303-3 Water withdrawal	62	
	303-4 Water discharge	62	
	303-5 Water consumption	62	
GRI 400: Social			
GRI 405 (2016): Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	65,66,68	
	405-2 Ratio of basic salary and remuneration of women to men	68	
GRI 406 (2016): Non-discrimination	406-1 Incidents of discrimination and corrective actions taken		
GRI 408 (2016): Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	72	
GRI 409 (2016): Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	71-72	
GRI 413 (2016): Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	92-94	
	413-2 Operations with significant actual and potential negative impacts on local communities	92-94	

Appendix II Sustainability Disclosure Indicators - Electronic Components Industry

No.	Indicator	Indicator Type	2025 Disclosure	Unit
1	Total energy consumed, percentage of purchased electricity, and percentage of renewable energy use	Quantitative	Total energy consumed: 113,765.2338 GJ Percentage of purchased electricity: 96.58% Percentage of renewable energy use: 3.35%	Gigajoules (GJ) Percentage (%)
2	Total water withdrawn and total water consumed	Quantitative	Total water withdrawn was 427.59 thousand cubic meters Total water consumed was 85.52 thousand cubic meters.	Thousand cubic meters (m^3)
3	Amount of hazardous waste generated and percentage recycled	Quantitative	Hazardous waste weight: 7.2251 t Hazardous waste recycling percentage: 0.9%	Metric tons (t) Percentage (%)
4	Description of occupational injury type, number, and rate	Quantitative	Occupational injury type: pinch and cut injuries No. of occupational injuries: 2 persons Occupational injury rate: 0.58%	Rate (%) Quantity
5	Disclosure of product lifecycle management: weight of end-of-life products and e-waste, and percentage recycled (Note 1)	Quantitative	1. End-of-life products (1) Weight: 0 t (2) Recycled percentage: 0% 2. E-waste (1) Weight: 0 t (2) Recycled percentage: 0%	Metric tons (t) Percentage (%)
6	Description of risk management associated with the use of critical materials	Qualitative description	ACON-Holding continues to monitor risks in the supply of critical raw materials, establishing supplier management, diversified procurement, and safety stock mechanisms, reducing the risk of raw material supply disruption through supplier evaluation, delivery management, and market information gathering. The Company also continues to work with customers and suppliers to monitor the supply status of critical materials and market trends, to improve supply chain resilience and operational stability.	Not applicable
7	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	No penalties or related legal proceedings due to violation of anti-competitive laws occurred in 2025, therefore there were no related monetary losses.	New Taiwan Dollar (NTD)
8	Production of major products by product category	Quantitative	Computer products: 9,014,717 thousand units; Communication products: 1,084,640 thousand units; Other products: 157,417 thousand units; Total 10,256,774 thousand units.	Thousand units (KPCS)

Note 1: Includes scrap sales or other recycling treatment; relevant explanation should be provided.

Appendix III SASB Sustainability Accounting Standards Content Index

Indicator	Code	Indicator Description	Indicator Response
Activity Metrics	TC-HW-000.A	Production by product category	In 2025, ACON-Holding's total production across all product categories was 10,256,774 KPCS.
	TC-HW-000.B	Plant area	ACON-Holding's plant area in Taiwan is 6,536.63 square meters; plant area in mainland China is 221,712.85 square meters
	TC-HW-000.C	Percentage of production from own plants (by volume)	In 2025, all products were manufactured at the Group's own plants, with own-plant production accounting for 100%.
Product Safety	TC-HW-230a.1	Description of the approach to identifying and addressing data security risks in products	ACON's main products are electronic connectors, ACON OPTICS' main products are fiber-optic communication components, and AWAN's main products are wireless communication components. These products do not incorporate functions for data storage, data processing, or network transmission and therefore do not directly involve product-related data security risks. Nevertheless, the Group continues to ensure that its products comply with customer requirements and applicable regulations through product design reviews, customer specification management, and information security management mechanisms.
Employee Diversity and Inclusion	TC-HW-330a.1	Percentage of gender and racial/ethnic group representation for management, technical staff, and all other employees	For relevant disclosure, please refer to the employee composition and employee diversity sections under "6.1 Talent Attraction and Retention" in this report.
Product Lifecycle Management	TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	ACON-Holding manages product hazardous substances in accordance with customer requirements and international regulations. Products do not use restricted substances on the IEC 62474 declarable substances list, and comply with customer requirements for product environmental management.
	TC-HW-410a.2	Percentage of eligible products, by revenue, that meet EPEAT registration or equivalent criteria	ACON, ACON Communication, and ACON-Teng's main products are electronic components, which are not end products applicable to EPEAT; therefore, this indicator is not applicable.
	TC-HW-410a.3	Percentage of eligible products, by revenue, that meet ENERGY STAR® criteria	ACON, ACON Communication, and ACON-Teng's main products are electronic components, which are not end products applicable to ENERGY STAR; therefore, this indicator is not applicable.
	TC-HW-410a.4	Weight of end-of-life products and e-waste recovered, percentage recycled	The Company's products are mainly supplied to corporate customers for use as components. No end-of-life product recovery mechanism has been established, and no end-of-life products or e-waste were recovered in 2025; therefore, both the recovered weight and recycling rate are 0%.

Supply Chain Management and Materials Sourcing	TC-HW-430a.1	Percentage of Tier 1 supplier facilities audited to a labor code, by (a) All Tier 1 supplier facilities (b) High-risk facilities among Tier 1 suppliers	In 2025, RBA VAP or equivalent social responsibility audits have not yet been conducted for Tier 1 suppliers. Supplier management is currently mainly conducted through supplier evaluation, supplier commitments, and procurement management mechanisms. The Company will gradually plan to introduce the RBA VAP or equivalent audit system in the future to improve sustainable supply chain management performance.
	TC-HW-430a.2	Tier 1 Suppliers (1) Percentage of non-conformance with RBA VAP (or similar audit) (2) Percentage of corrective actions taken, by (a) Priority non-conformances (b) Other non-conformances	RBA VAP or equivalent social responsibility audits were not conducted in 2025, and therefore there is no related non-conformance or corrective action statistical data.
Materials Sourcing	TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	ACON-Holding continues to monitor risks in the supply of critical raw materials, establishing supplier management and diversified procurement mechanisms, reducing the risk of raw material supply disruption through supplier evaluation, delivery management, safety stock, and market information gathering. The Company also continues to work with customers and suppliers to monitor market trends and the supply status of critical materials, to improve supply chain resilience and operational stability.

Note: The SASB indicators used are from the Technology and Communications industry, Hardware standard, 2018-10 version.

Appendix IV TCFD Standards Disclosure Index

Climate change-related risks and opportunities to the Company and the Company's related response measures

Item	Disclosure Content	Corresponding Section	Page
1	Board and management oversight and governance of climate-related risks and opportunities	5.1 Climate Change Response Climate Governance Structure	54
2	How identified climate-related risks and opportunities affect the business, strategy, and finances of the enterprise (short, medium, and long term)	5.1 Climate Change Response Climate Change Response Strategy	55
3	Impact of extreme weather events and transition actions on finances	5.1 Climate Change Response Climate Change Response Strategy	56
4	How the process of identifying, assessing, and managing climate risk is integrated into the overall risk management system	5.1 Climate Change Response Climate-related Risk and Opportunity Identification and Assessment Process	56-57
5	If scenario analysis is used to assess climate risk, description of the scenarios, parameters, assumptions, analytical factors, and main financial impacts used	Scenario analysis not used	-
6	If there is a transition plan for managing climate-related risks, description of the plan content and the metrics and targets used to identify and manage physical and transition risks	A transition plan for climate-related risks has not yet been established	-
7	If internal carbon pricing is used as a planning tool, description of the pricing basis	Carbon pricing tool not used	-
8	If climate-related targets have been set, description of the activities covered, GHG emissions scope, planning timeframe, and annual progress; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve related targets, description of the source and amount of carbon offsets or the number of RECs used	5.1 Climate Change Response Metrics and Targets	57
9	Greenhouse Gas Inventory and Assurance Status	ACON established greenhouse gas inventory systems at the Shenzhen plant and Taiwan plants in 2009 and 2010 respectively, and has passed verification under the ISO 14064-1 standard by an external third-party verification body	-

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