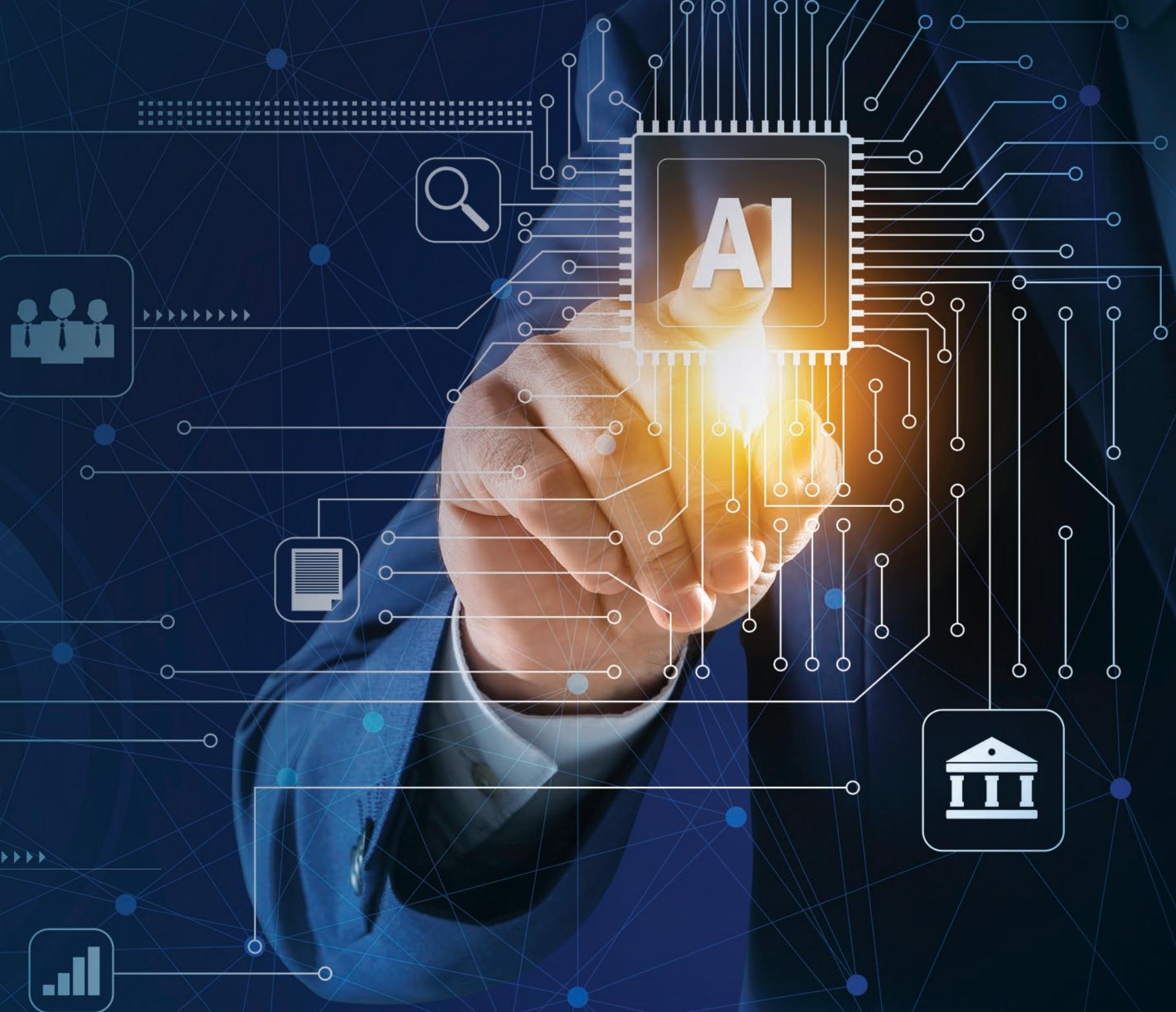




ACON-Holding INC.

2024 Sustainability Report





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About this report

Reporting Period

January 1, 2024 to December 31, 2024.

Publication Date

The Company publishes its sustainability report annually in August and makes it available on the Company's official website. This report was published in August 2025.

Report Scope

The contents of this report disclose the economic, environmental, and social information of Acon-Holding Inc. and its subsidiaries: Advanced-Connectek Inc. (hereinafter referred to as "Acon"), Acon Optics Communications Inc. (hereinafter referred to as "Aconoptics"), Advanced Wireless & Antenna Inc. (hereinafter referred to as "Awan"), and Acon Electric Energy Co., Ltd. (hereinafter referred to as "Acon-eco"). The scope of coverage includes the following locations: Acon: Taipei Plant, Shenzhen Factory, Tianjin Factory, Tianxin Factory, Kunshan Factory, Jiangxi Factory, Laos Factory

Aconoptics: Taipei Plant, Shenzhen Factory, Tianjin Factory

Awan: Taipei Plant, Kunshan Factory, Jiangxi Factory

Acon-eco: Taipei Plant

The Sustainability Report published this year covers the primary operating entities in Taiwan and Mainland China. It does not encompass all entities included in the consolidated financial statements. For the complete list of entities, please refer to the 2023 Consolidated Financial Statements and the Annual Shareholders' Meeting Report of Acon-Holding Inc. To ensure completeness and comparability, certain sections may include information beyond the reporting period, with relevant explanations provided accordingly.

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www.acon-holding.com



Reporting Standards

This report is the second ESG report issued by Acon-Holding (stock code: 3710; hereinafter referred to as "Acon-Holding").

It has been prepared in accordance with the GRI Standards 2021, the latest version issued by the Global Reporting Initiative (GRI).

The report transparently discloses management approaches and performance information related to material sustainability topics.

In addition, the report refers to the Sustainability Accounting Standards Board (SASSB) framework, the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, and the Taiwan Stock Exchange's "Operating Regulations for Listed Companies to Prepare and Submit Sustainability Reports" as supplementary reporting principles.

Message from the Management

Acon-Holding Corporate Overview

Acon-Holding has over 30 years of expertise in the development and manufacturing of electronic components and has grown to become a global leader in computer and communication connector production. In response to global trends toward low-carbon and sustainable development, Acon-Holding has strategically focused on two core business segments: electronics and green industries. With the rapid rise of markets such as 5G communications, electric vehicles, medical applications, and industrial control, we have actively entered the EV charging field to meet the demands of the electric vehicle industry and remain committed to building a low-carbon lifestyle ecosystem.

As part of our group's strategic planning, we have established both short- and medium-term goals with sustainability as a core value. Our short-term goals include ensuring profitability across all subsidiaries, deepening product transformation, maintaining a solid financial structure, and implementing ESG reporting and objectives. We will continue to pursue long-term core competitiveness by developing high-growth and high-profit products, as well as through investment and acquisition strategies to advance our global presence.

Corporate Sustainability and ESG Reporting

Acon-Holding firmly believes that corporate success must be founded on sustainable development. We prepare our sustainability reports in accordance with the GRI Standards 2021, fully disclosing our performance in sustainability and responding to stakeholder concerns. In business development and risk management, we uphold integrity and transparency, driving operational growth alongside effective risk control.

To strengthen the Board's capabilities and enhance risk governance, we offer comprehensive training programs to enhance employees' sense of professional ethics and responsibility. Since 2021, Acon-Holding has implemented the ISO 27001 Information Security Management System and successfully obtained certification in 2022, ensuring the confidentiality, integrity, and availability of corporate data.

Chairman
Lin Zhaocong



Message from the Management

Environmental Sustainability and Carbon Emission Management

Acon-Holding actively supports the global goal of achieving net-zero carbon emissions by 2050. Between 2009 and 2010, we established greenhouse gas inventory systems in both our Shenzhen and Taiwan sites. Annual inventories are conducted in accordance with ISO 14064-1 standards. We also follow the TCFD framework to identify and manage climate-related risks and opportunities, incorporating them into our long-term strategies.

Looking ahead, we will continue to reduce total electricity consumption and energy intensity through the implementation of energy-saving and carbon reduction programs. These efforts aim to improve energy efficiency and mitigate the impacts of climate change. In line with the growth of the electric vehicle industry, Acon-Holding will launch its Acon-eco charging service in 2024, establishing multiple EV charging stations to further promote a low-carbon, eco-friendly lifestyle.

Employee Well-being and Development

At Acon-Holding, employees are regarded as one of our most valuable assets. We consistently invest in workplace safety and employee rights. The company has obtained ISO 45001 certification for its occupational health and safety management system, ensuring a safe and healthy work environment. In 2024, no occupational incidents occurred. We are committed to fostering a workplace free from discrimination and harassment, respecting diversity, and creating a dignified and inclusive working atmosphere.

Moreover, Acon-Holding actively supports long-term career development for employees. In 2024, we continued to advance digital transformation projects, cultivating employee capabilities in big data analytics and AI applications. We have established a learning platform offering diverse learning resources to help employees strengthen their professional skills and lay the foundation for long-term growth.

Future Outlook

In response to the ever-evolving global political and economic environment, Acon-Holding will continue to uphold sustainability as its core principle, expand its vision, and embrace emerging challenges. We aim to accelerate business transformation and enhance organizational resilience. Working together with employees, customers, suppliers, and partners, we are committed to creating long-term value and delivering greater benefits for all stakeholders.

Managing Director
Chen Hongyi



Sustainable Highlight Performance



Environmental

- Automation equipment has been updated to improve product production efficiency, reduce power consumption, save energy, and lower emissions.
- In 2024, 80.45% of waste will be recycled, sorted, and reused.
- In 2024, none of the sites will withdraw water from high-pressure areas.
- Total water withdrawals in 2024 are expected to decrease by 1% compared to the previous year.
- There have been no violations of major environmental laws and regulations in the past three years.



Social

- Certifications obtained include ISO 45001, ISO 14001, IATF 16949, ISO/IEC 17025, intellectual property management system certification, and QC 080000:2017. The validity of these certifications will be maintained in 2024.
- In 2024, there were no serious occupational injuries resulting in more than 180 days of work loss, and no cases or reports of occupational diseases.
- No child labor was employed, and no human rights violations occurred in 2024.
- Four labor-management meetings will be held in 2024, with meeting minutes published on the bulletin board to ensure full communication of opinions.
- In 2024, we supported the 2nd Demo Day of the Innovation and Entrepreneurship Training Program for Foreign Talents organized by the National Taiwan University of Science and Technology Incubation Center.
- Sponsored the 2024 EarthEver SDG Innovation and Entrepreneurship Competition at Yuan Ze University
- Donated in 2024 to the Hualien County Grace Care Association to support disadvantaged care



Governance

- In 2024, the average training hours for the board of directors will be 6.7 hours, exceeding legal requirements.
- There were no major violations in 2024.
- All employees (100%) completed information security education and training in 2024, and no major cyberattacks or information leakage incidents affecting company operations occurred across all sites.
- Over the past three years, a total of 296 patent applications have been filed, with 127 approved.
- In 2024, there will be six proposals each for process improvement or engineering analysis and for new product development.
- R&D investment is expected to account for 5.72% of revenue in 2024.

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About Acon-Holding Inc.

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- Financial Assistance 1-3





1.1 Company Profile

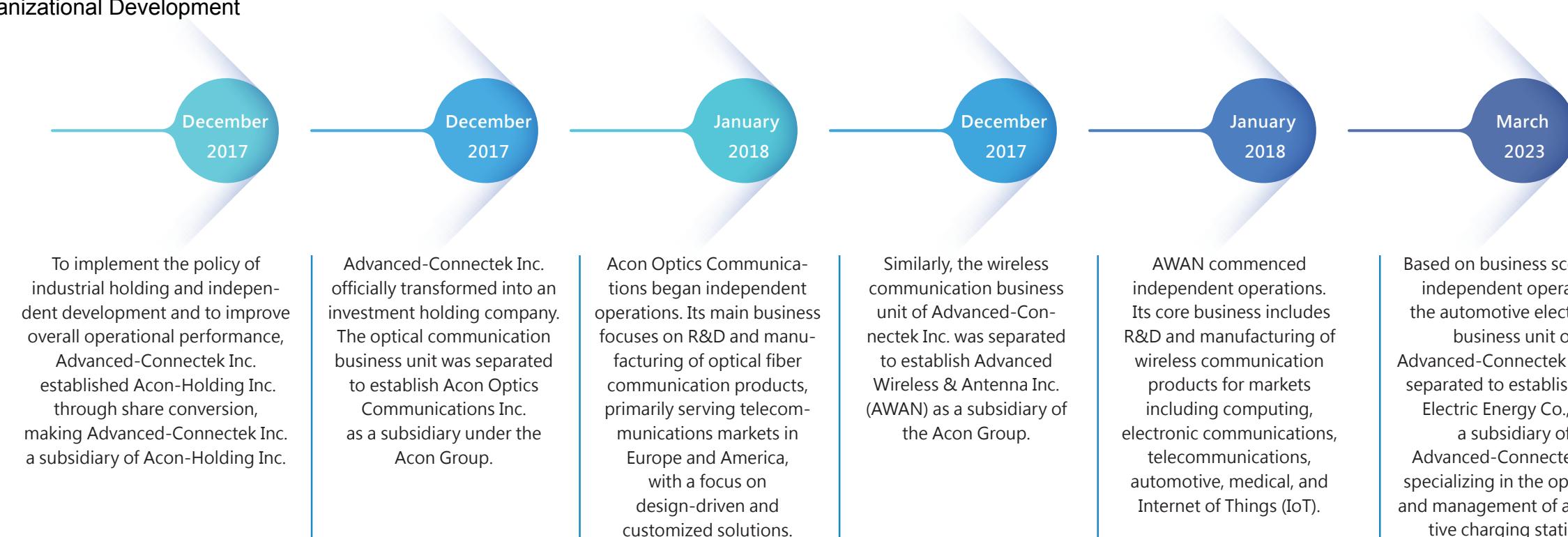
Founded in 1986, Acon specializes in the design, manufacture and sales of IT, digital home appliances and handheld electronic components, and is headquartered in Xindian District, New Taipei City, Taiwan. Acon-Holding, as the parent company of Acon-Holding, transformed into an investment holding company in December 2017 in order to integrate the group's resources to strengthen the expertise of R&D management and marketing business of the two main business entities, in order to integrate the group's resources and strengthen the expertise of the R&D management and marketing business of the two main business entities, in order to develop the two-axis strategy of "parts + IoT application" and "agriculture + health + leisure + environmental protection" in the electronics industry.

Acon-Holding reorganized its internal organizational structure, divided its main business scope, and established its own operating entities. Its main subsidiaries are Acon, Aconoptics, Awan and Acon-eco. The provision of services related to the electronics industry refers to the various operators with connectors, electronic assembly, optical communication and wireless communication products as the core development. After the integration, there will be more complete solutions for communications, computers, digital homes and consumer electronics.

We will uphold the spirit of innovation and research and development and adhere to perfect quality, in order to create the maximum value and benefits of customers, investors and employees.

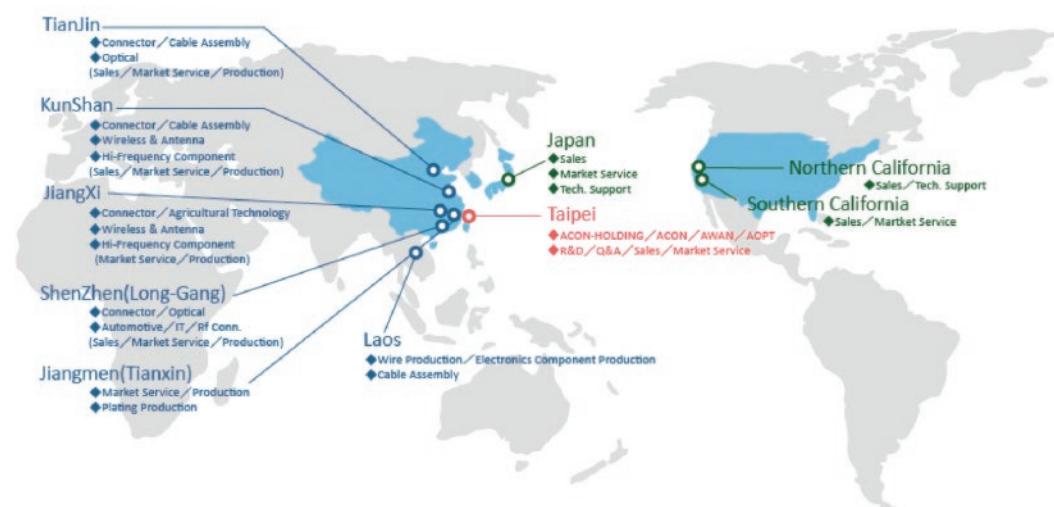
Basic company information	
The full name of the organization in English	Acon-Holding Inc.
Location of the company's headquarters	3F.No.2, Aly. 9, Ln. 45, Baoxing Rd., Xindian Dist., New Taipei City 231, Taiwan
Chairman	Lin Zhaocong
Managing Director	Lin Zhaocong
Industries	Chen Hongyi
Stock code	Electronic components
Amount of capital	3710
Main products or services	28.72 billion yuan
Countries in which the company operates	R&D, design, manufacturing and sales of electronic component products
Major Markets (Countries Provided)	Taiwan, China, the United States and Japan, etc

● Organizational Development



● Products & Services

Following the integration of the subsidiaries within the Acon-Holding Group, we continue to provide comprehensive integrated solutions, highly competitive pricing, and quality products and services across communications, computing, digital home, and consumer electronics sectors. Our goal is to collectively enhance industry value and create a win-win future. We also uphold a spirit of innovation and research and development, maintaining a commitment to excellent quality in order to maximize value and benefits for customers, investors, and employees.



ACON

Primarily engaged in the design, manufacturing, and sales of IT products, digital home appliances, and handheld electronic components.



Subsidiaries of Acon-Holding Group



Aconoptics

Focused on the research and development and manufacturing of optical fiber communication products, with primary sales in the telecommunications and communications industries across European and American markets.

Awan

Specializes in research, development, and manufacturing of wireless communication products, serving markets including computing, electronic communications, telecommunications, automotive, medical, and Internet of Things (IoT).

Acon-eco

Provides personal and enterprise electric vehicle charging station installation and charging services, as well as public charging station installation. Equipped with backend remote management and cloud payment systems, it offers comprehensive charging operation services for electric vehicle owners and station operators.

● Qualifications of public associations

To maintain and establish good relationships within the industry, increase business opportunities, gain more industry insights, and enhance professional and technical capabilities, the company participates in the following public associations across various industries:

Name of Public Association	Status of Participation
Taiwan Electronic Connectivity Industry Association	Corporate Member
Automotive Electronic Connectivity Industry Alliance	Corporate Member
China Knowledge Economy Association	Corporate Member
Taiwan Industrial Holding Association	Corporate Member
New Taipei City Industrial Association	Corporate Member



1.2 Economic performance

In response to significant challenges such as global economic fluctuations, the U.S.-China trade war, the COVID-19 pandemic, and the worldwide shortage of key components, the company has continued to actively expand into international markets and invest in research and development to promptly meet customer needs and specifications. These efforts aim to increase operating income and improve its loss-making situation.

In recent years, overall operating income has declined due to the impact of the U.S.-China trade war, the global shortage of key components, and reduced demand for consumer electronics following the easing of the pandemic. Given the current business situation, Acon-Holding did not incur any major community investment expenditures in 2024. However, the company remains committed to social engagement and will continue to fulfill its corporate social responsibilities with a proactive attitude, contributing positively to society.

The financial information listed above represents the economic performance of Acon-Holding over the past three years and serves as the basis for this report.

Project	Year 2022 (thousand yuan)	Year 2023 (thousand yuan)	Year 2024 (thousand yuan)
Operating income	6,400,733	6,097,845	7,329,875
Cost of Doing Business	5,194,452	5,033,921	5,767,820
Operating gross profit	1,206,281	1,063,924	1,562,055
Net operating income (loss)	(155,830)	(268,801)	(105,875)
Net loss before tax	(216,666)	(234,716)	(1,180)
Employee compensation and benefits	1,500,841	1,392,950	1,527,989
Payments to the government - income tax	132,641	34,055	14,138
After-tax loss per share (RMB)	(1.39)	(0.78)	(0.48)

The consolidated financial statements for 2022-2024 have been audited by certified accountants.



1.3 Financial Assistance

Acon-Holding applies for local government subsidies annually. The subsidies fall into four main categories: occupational safety, talent development, technology innovation, and livelihood enhancement.

Acon-Holding – Taiwan Summary of Government Subsidies Received	
Subsidy Category	Subsidy Amount (NT)
Subsidy from the Occupational Safety and Health Council (OSHC)	98,240
OFC Exhibitor Grants – Project Office of the Ministry of Economy	55,000
Labour Bureau's 2024 Annual Incentive for Enterprises to Implement Family-friendly and Work Equality Measures	50,000
R&D Grants – Taipei Computer Business Association: 2024 Space and Netcom Project	70,630
Interest Subsidy – Post-epidemic Revitalization of the Ministry of Economic Affairs	440,864
Talent Training Subsidy – ITRI AI Talent Training Course: AI Industry Practical Training Chain	328,570

Acon-Holding – Mainland China Summary of Government Subsidies Received	
Subsidy Category	Subsidy Amount (RMB)
Shenzhen – Social Security Bureau: Unemployment and Job Stabilization Subsidy	4,975
Tianjin – Science and Technology Bureau: District-level High-tech Enterprise Award (2022-KJ-CX-568)	200,000
Tianjin – Science and Technology Bureau: Gazelle Enterprise Award (2024-SJ-KJ-154)	200,000
Kunshan – High-tech Enterprise Review Incentive Subsidy	50,000
Kunshan – Suzhou Engineering Technology Research Subsidy	100,000
Jiangxi – Rental Subsidy (Public Rental Housing in High-tech Industrial Development Zone)	22,089
Jiangxi – Social Security Subsidy	22,288
Jiangxi – Bureau of Industry and Information Technology: Industrialization & Informatization Integration Subsidy	200,000
Jiangxi – Employment Subsidy (for Hiring Workers from Poverty-stricken Backgrounds)	1,000

2

Sustainability Management

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Structure

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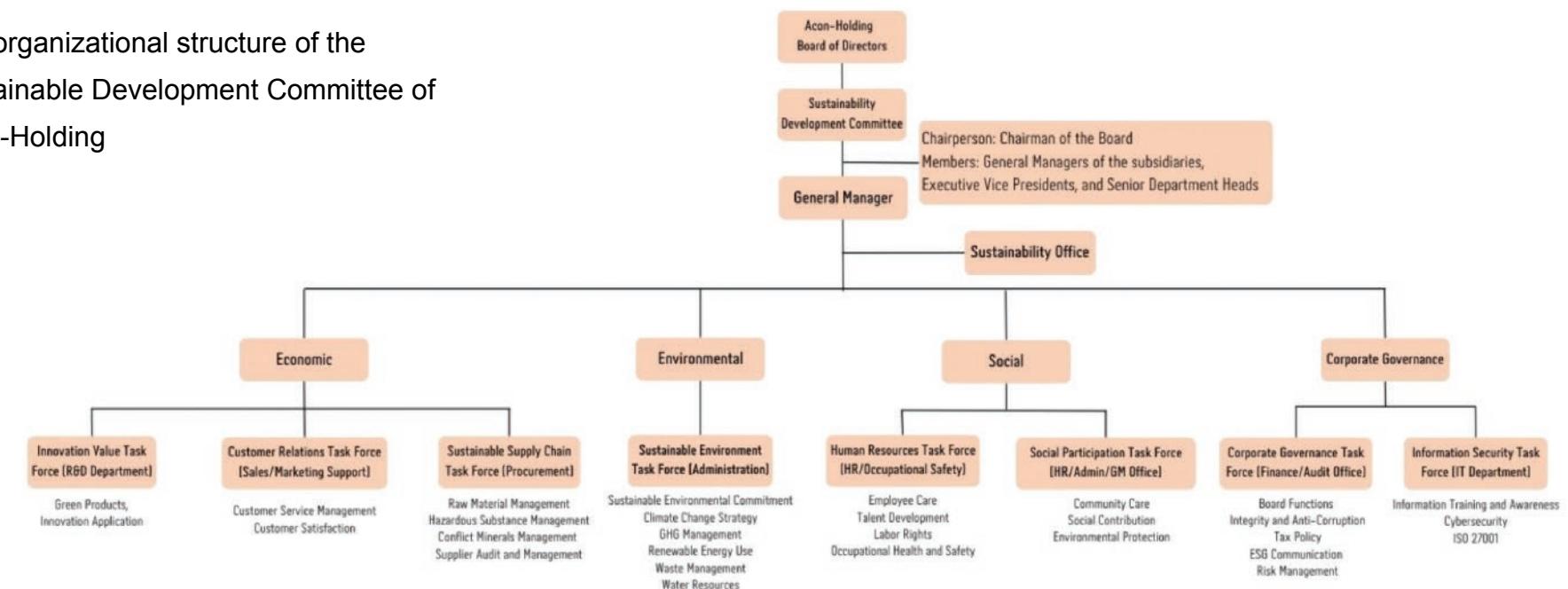
2.1 Sustainable Governance Structure



In August 2023, Acon-Holding established the Acon-Holding Sustainability Development Committee, with the chairman of the board of directors as the chairman, and set up the Sustainability Office with the main functions and powers to promote policies such as governance, environmental sustainability, and social co-prosperity. Coordinate the policies and objectives of the three sub-groups to implement sustainable management, integrate the resources and expertise of each sub-group, establish a top-down and horizontally connected promotion strategy, set up six functional groups, and assign relevant business leaders as committee members to jointly implement various sustainability policies. Regularly report to the board of directors on the implementation results of sustainable development and future work plans every year to ensure the promotion and implementation of corporate sustainability-related work.

Through the diversity of directors and independent directors with relevant professional and experience on the board of directors, the board participates in the formulation and review of sustainable development strategies and policies, and continues to supervise the implementation of sustainable governance strategies and policies. Among them, when the issue is detrimental to the interests of the company due to the interests of the directors themselves, the directors with interests recuse themselves from participating in the discussion and voting in accordance with the law, so as to protect the rights and interests of the company's shareholders and effective operation.

- The organizational structure of the Sustainable Development Committee of Acon-Holding



2.2 Identification and analysis of major issues



To better understand stakeholder concerns regarding Acon-Holding's sustainability issues, the company adopts the GRI Standards 2021 (Universal Standards) and the AA1000 Stakeholder Engagement Standard to identify key stakeholders and assess the impact of various sustainability topics. This process helps Acon-Holding generate value for both society and the company.

Identification of stakeholders

Based on the five principles of the AA1000 Stakeholder Engagement Standard (Dependency, Responsibility, Tension, Influence, and Diverse Perspectives), six key stakeholder groups have been identified: customers, investors, employees, suppliers, government authorities, and community/non-profit organizations.

Collection of Sustainability Issues

To identify sustainability topics with actual or potential impacts, Acon-Holding referenced the GRI Standards, global and local sustainability trends, industry interpretations, and stakeholder feedback. A total of 19 material issues were identified in 2024, consistent with the previous year (2023).

Survey on Stakeholder Concerns

An online questionnaire was conducted to assess stakeholders' levels of concern regarding the 19 identified sustainability issues. A total of 72 valid responses were collected and analyzed to determine the topics of greatest concern.

Assessment of Impact Significance

The positive and negative impacts of the eight core themes on the economy, environment, and people (including human rights) were assessed. Each theme's impact magnitude and likelihood of occurrence were evaluated and scored. The scores were then multiplied and summed to determine the overall impact level of each issue.

Identification of Material Sustainability Topics

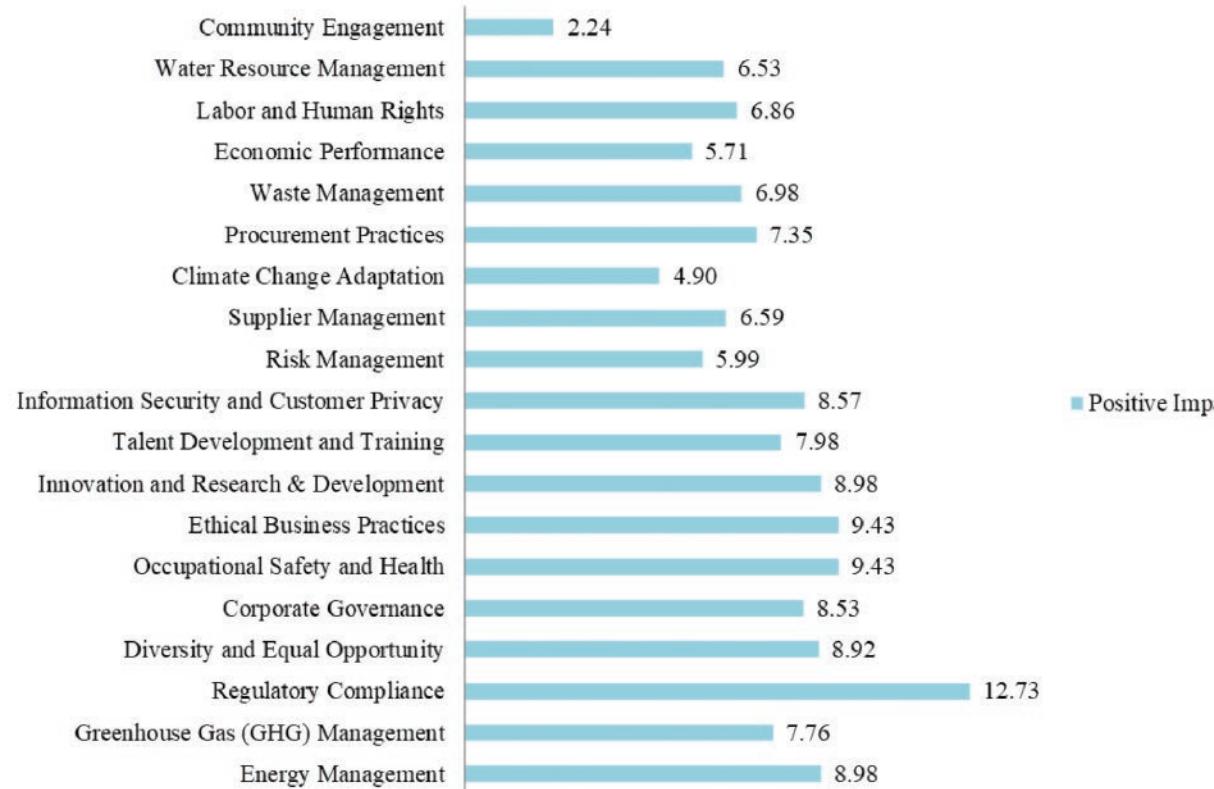
The sustainability team and external consultants of Acon-Holding reassessed the significance and likelihood of the 19 issues based on evolving industry trends and operational context. After review and approval by senior management, 9 material topics were confirmed for 2024.

Sustainability Reporting and Disclosure

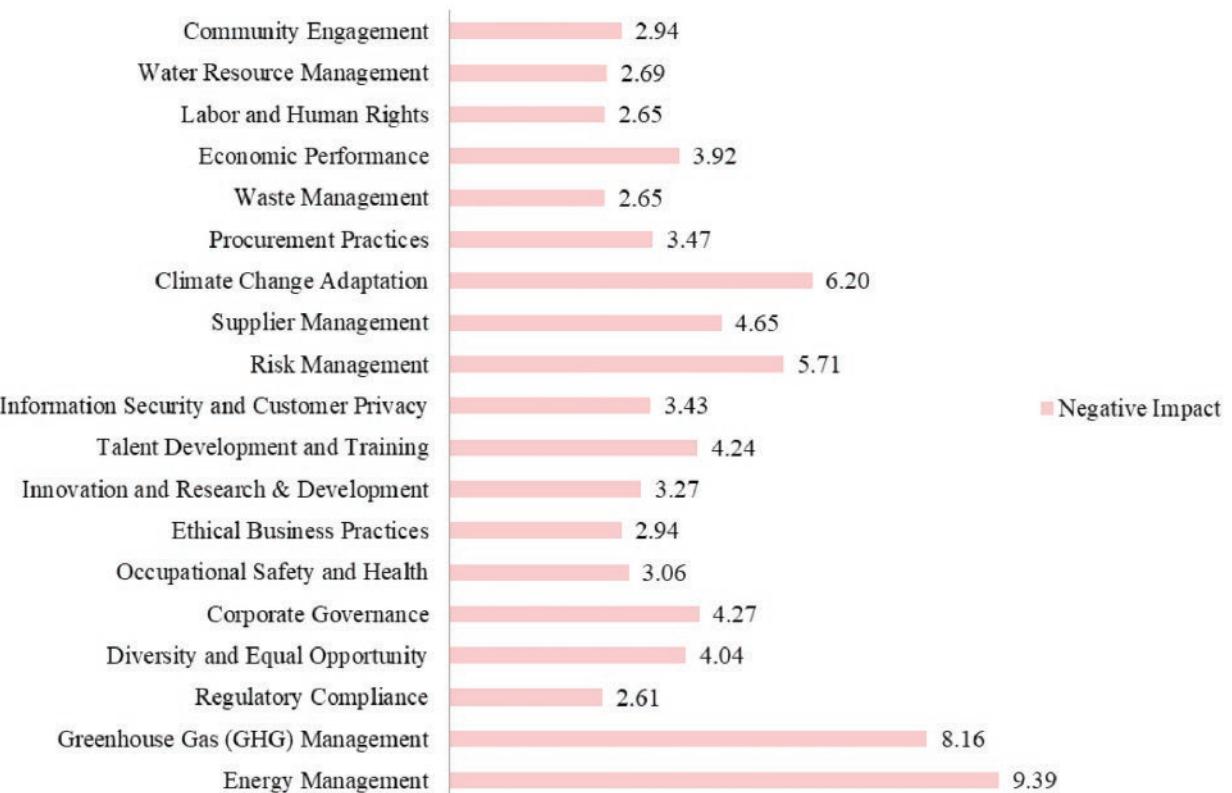
The Acon-Holding sustainability team is responsible for establishing management systems and processes, gathering data, preparing the sustainability report, and submitting it for final review by the Sustainability Development Committee. The final report is then approved and signed by the Chairman before publication each year.

● Ranking of the Impact Level of Acon-Holding's Material Sustainability Issues

Negative Impact on Lianzhang Holdings



Negative Impact on Lianzhang Holdings



Note 1: The topics of "Energy Management" and "Greenhouse Gas Management" were merged into "Greenhouse Gas and Energy Management"

Note 2: "Employee Diversity & Equality" and "Corporate Governance" are not included

Note 3: Supplier management and waste management are included as major themes

Material Topic Management of Acon-Holding in 2024

Topic orientation	Major issues	Topic impact note	Respond to the chapter
Governance	Integrity management	To establish a corporate culture of integrity and sound development, along with a robust business operation model and risk control mechanism, Acon-Holding has formulated the Code of Ethical Conduct and the Code of Integrity Management in accordance with the Code of Integrity Management for Listed and OTC Companies and relevant laws and regulations of its operating locations. These codes clearly define that the company's directors, managers, and employees shall not engage in dishonest behavior during business activities. Furthermore, through a comprehensive management system, the company implements legal identification and practical education and training as part of its continuous efforts to strengthen regulatory compliance.	3.2 Integrity management
	Information security and customer privacy	Acon-Holding strictly complies with the Personal Information Protection Act regarding the collection, processing, and use of personal data. Through a rigorous management system, the company ensures the security of employees' and customers' personal information. It has established information security plans and implements ongoing education and training to enforce personal data protection. Both system- and policy-level safeguards are strengthened through comprehensive software and hardware security management. Additionally, employees are equipped with relevant knowledge of information security to safeguard customer privacy. In FY2024, there were no incidents of customer privacy violations.	3.3 Information Security
	Compliance	Acon-Holding continues to promote a deep understanding of legal compliance among all employees and further cultivates their sensitivity to changes in regulations and international policies to adapt to the rapidly evolving global environment. By strengthening awareness of legal compliance and enhancing responsiveness, the company aims to reduce operational risks arising from regulatory violations or policy changes, stabilize its competitiveness and operational stability, and continuously build a positive and responsible corporate image to earn social recognition and support.	3.4 Regulatory Compliance
	Innovative R&D	Acon Technology regards R&D as the core competitiveness of the enterprise and actively invests in high-speed transmission technology and sustainable product design to meet the growing data traffic and high-performance demands of the market. The company focuses on developing high-speed, high-density connector technology, while incorporating environmentally friendly materials and energy-saving designs to reduce the carbon footprint of its products. The R&D strategy centers on six key areas: high-speed transmission, environmentally friendly design, reliability in extreme environments, intelligent design, enhanced customization capabilities, and industry-academia-research collaboration. Acon is committed to creating innovative and sustainable solutions. Through cross-departmental collaboration and external resource integration, the company improves R&D efficiency and the application of results, driving technological advancement and positive environmental impact in the industry.	4.1 Innovative R&D
	Supplier management	The supply chain is expected to operate with integrity and in full compliance with laws. To ensure this, a supplier assessment procedure has been implemented to evaluate material quality, delivery timeliness, cost, service, legal compliance, and trade security. This process helps guarantee that suppliers meet the company's standards, fostering strong supply chain relationships and promoting mutual growth.	4.2 Supply chain management

Topic orientation	Major issues	Topic impact note	Respond to the chapter
Environment	Greenhouse Gas and Energy Management	<p>The world is currently facing increasingly severe challenges due to climate change, marked by a significant rise in the frequency and intensity of extreme disasters, accelerated species extinction, and ecosystem degradation. Concurrently, environmental issues such as air pollution, wastewater discharge, and waste generated by business operations are progressively damaging the ecosystems that humans rely on. As a responsible member of the global business community, Acon-Holding recognizes its obligations and actively strengthens the management of environmental impact factors throughout its operations. The company strives to minimize negative environmental and social impacts and contributes to efforts in mitigating global warming.</p>	
	Waste management	<p>The waste generated by Acon-Holding primarily consists of general waste, including scrap steel, copper-clad laminate scraps, waste paper, and waste wood. Although these materials are non-toxic, improper management may lead to fire hazards, microplastic pollution, or serve as breeding grounds for disease vectors, posing potential environmental risks. Additionally, a small portion of hazardous waste—mainly from auxiliary materials and chemical containers—if leaked into groundwater, could negatively impact ecosystems and public health.</p> <p>To address these risks, Acon-Holding has established procedures for waste removal and transportation management, strengthened oversight of waste storage and disposal contractors, ensured safety and regulatory compliance, and worked to minimize environmental hazards.</p>	5.2 Environmental Management
Social	Talent development and education and training	<p>Talent is the foundation of enterprise operation and innovation. Without effective talent development resources and plans, a company may not only lose its internal innovative momentum but also, over time, negatively impact the professionalism and quality of talent within the industry. Acon-Holding places great importance on talent cultivation by offering diverse learning and development programs aimed at nurturing employees' skills. This approach seeks to enhance efficiency, foster innovation, and establish a positive working environment while addressing concerns related to brain drain and its potential financial impact on the company.</p>	6.2 Talent Cultivation
	Occupational safety and health	<p>Acon-Holding places great importance on the occupational safety and health of its employees by strictly implementing relevant laws and regulations and strengthening its management system to prevent occupational accidents and health risks. The company adjusts its subsidy programs based on employee health examination results to reduce the risk of occupational diseases. Each plant conducts environmental monitoring, fire drills, and epidemic prevention measures, and adopts response strategies for chemical hazards, psychological stress, and emergencies. Additionally, occupational safety and health are incorporated into supply chain health management, with safety data reviews conducted regularly. Acon-Holding encourages employee participation and continuous improvement, aiming to build a high-standard workplace and fulfill its corporate sustainability responsibilities.</p>	6.3 Occupational Safety and Health

Significance to Acon-Holding	Communication Methods & Frequency	Key Concerns	2024 Communication Outcomes
<p>Client</p> <p>1. Market and Competitor Perspective: Customers are the ultimate judges in market competition; consumer choices determine market success or failure. 2. Marketing Perspective: Consumer behavior is central to marketing strategy; understanding customer needs is fundamental to effective marketing. 3. Organizational Perspective: Customers are the foundation of the organization; their purchasing behavior directly affects corporate revenue and survival. 4. Social Perspective: Customer satisfaction tests the quality of a company's mechanisms, and good customer service enhances the company's social image.</p>	<p>1. Corporate Sustainability Website and Sustainability Report (annual) 2. Customer review meetings—covering technology, products, after-sales service, prohibited substances, conflict minerals, environment, etc. (irregular; QBR/HBR/ABR) 3. Customer satisfaction survey (annual) 4. Corporate website updates (irregular) 5. Customer and supplier conferences (irregular)</p>	<p>1. Customer relationship management 2. Corporate governance 3. Code of conduct 4. Compliance 5. Grievance mechanisms 6. Innovation and development</p>	<p>1. Published the 2023 sustainability report on the company's official website 2. Completed the annual customer satisfaction survey 3. Disclosed latest product technologies on the corporate website 4. Participated in key customer technical forums to present R&D achievements 5. Regularly attended annual customer and supplier conferences 6. Cooperated with customer requirements and inspections related to products, environment, and responsibility, actively supporting prevention and continuous improvement</p>
<p>Investor</p> <p>Acon-Holding values the opinions of investors and shareholders, enhancing the timeliness and transparency of information disclosure through regular meetings to protect their rights and interests.</p>	<p>1. Funding meetings (weekly) 2. Economic Management Committee meetings (monthly) 3. Quarterly review meetings, quarterly reports, Board of Directors meetings (quarterly) 4. Shareholders' meetings and annual reports (annual)</p>	<p>1. Corporate governance and operations 2. Financial performance and business growth 3. Integrity management</p>	<p>1. Held approximately 48 funding meetings 2. Convened the Board of Directors and Audit Committee 6 times 3. Held 1 general shareholders' meeting 4. Regularly complied with parent company laws and regulations to disclose financial and business information on the Public Information Observatory and company website</p>
<p>Employee</p> <p>Employees are our most valuable asset. Ensuring that employees receive comprehensive benefits and care, as well as opportunities for self-fulfillment and growth, is a key factor for our sustainable development.</p>	<p>1. Employee Welfare Committee meetings (quarterly) 2. Labor-management meetings (quarterly) 3. Education and training sessions (irregular) 4. Employee comment mailbox (ongoing) 5. Employee grievance hotline (ongoing) 6. Staff symposiums (monthly) 7. Safety meetings (monthly)</p>	<p>1. Occupational health and safety 2. Human rights communication 3. Employee development and nurturing 4. Friendly workplace environment 5. Corporate governance</p>	<p>1. Held 4 regular meetings of the Employee Welfare Committee and labor-management meetings 2. Achieved 98% of the education and training plan targets, with 100% of new employees completing required training 3. Received zero employee opinion letters 4. Received zero employee complaint calls 5. Participated in key labor safety inspection meetings organized by the Occupational Safety and Health Administration, Ministry of Labor</p>

Significance to Acon-Holding	Communication Methods & Frequency	Key Concerns	2024 Communication Outcomes
 <p>Suppliers are indispensable partners who provide all parts, processing, and materials needed for connectors, electrical components, and other products. Acon-Holding is committed to fostering mutual cooperation and division of labor with all suppliers, aiming to create shared profits and long-term partnerships.</p>	<ol style="list-style-type: none"> Supplier audits (monthly assessments & annual evaluations / new suppliers) Supplier Integrity Commitment (upon onboarding new suppliers and before the three major festivals) Supplier Social Responsibility and Business Ethics Consent Form (irregular) Conflict-Free Minerals Declaration and Conflict Minerals Survey (irregular / new suppliers) Communication of RBA-related requirements Environmental Covenant (irregular) 	<ol style="list-style-type: none"> Supplier management Conflict-free minerals Supplier Integrity Commitment Supplier CSR/RBA compliance Environmental covenant 	<ol style="list-style-type: none"> 100% of new suppliers are required to sign the Integrity Commitment upon onboarding. The head office also notifies all suppliers by email of relevant integrity requirements before the three major festivals each year. Monthly delivery time and quality assessments are conducted for transactional suppliers. Annual supplier audits are performed according to the Annual Audit Plan. 100% of new suppliers sign the Social Responsibility and Business Ethics Agreement upon onboarding. 100% of new suppliers sign Environmental Protection Agreements. Suppliers are also required to sign updated environmental agreements when REACH substance lists are revised annually.
 <p>As a primary source of policy information, Acon-Holding not only complies with relevant government regulations and actively cooperates with policy implementation, but also gains government trust, support, and cooperation through transparent two-way communication.</p>	<ol style="list-style-type: none"> Regular updates to the Open Information Observatory (monthly/quarterly/annually) Official documents, phone calls, questionnaires, and interviews (irregular) Participation in government events or promotional meetings (irregular) 	<ol style="list-style-type: none"> Corporate governance and Operations Information disclosure Integrity and compliance 	<ol style="list-style-type: none"> Timely response to government inquiries Proactive participation in various relevant meetings: <ul style="list-style-type: none"> 20 official correspondences annually 1 legal and policy advocacy meeting monthly 25 educational trainings quarterly 1 site visit quarterly Irregular public welfare activities ESG report submissions
 <p>Acon-Holding places great importance on promoting social responsibility, nurturing innovative technology talents, strengthening education, and enhancing high-tech research capabilities. The company frequently engages in R&D collaborations with academic and research institutions and actively invests in social welfare initiatives.</p>	<ol style="list-style-type: none"> Industry-academia cooperation project (irregular) Donation (irregular) 	<ol style="list-style-type: none"> Social care Community engagement Public welfare activities 	<ol style="list-style-type: none"> Provided off-campus internship opportunities through third-party organizations or educational institutions. Charitable donations: <ul style="list-style-type: none"> Supported the 2nd Demo Day of the Innovation and Entrepreneurship Training Program for Foreign Talents held by the National Taiwan University of Science and Technology Incubation Center, donating NT\$50,000. Acon-Holding sponsored the EarthEver SDG Innovation and Entrepreneurship Competition organized by Yuan Ze University in 2024, with a donation of NT\$100,000 to support the competition's prize funding. Public Welfare Partnerships : <ul style="list-style-type: none"> In 2024, Aconoptics responded to local community needs by donating NT\$300,000 to the Grace Care Association of Hualien County to support care services for disadvantaged children, youth, and indigenous families.

2.4 United Nations Sustainable Development Goals



The Sustainable Development Goals (SDGs) are part of the 2030 Agenda for Sustainable Development, adopted by the United Nations in 2015. The SDGs propose 17 goals covering environmental, social, and economic aspects, serving as core objectives for global sustainable development. Acon-Holding aligns with the SDGs by embracing sustainability as a core principle and continuously promotes related policies to achieve these sustainability goals within the company.

SDGs

In 2024, sustainable investment management practices will continue to be implemented.



To ensure and promote healthy lives and well-being for all ages

- Special medical staff regularly provide on-site health services, assist in promoting health management, and implement prevention of occupational injuries and diseases, physical and mental health protection, and overall health management to create a healthy and friendly working environment.
- Provide dietary and nutritional counseling from dietitians, including guidance related to hypertension, diabetes, metabolic syndrome, and other conditions, to enhance employees' awareness of safe and healthy eating habits.
- Health lectures are held to raise awareness about the harmful effects of smoking on workers' health, offering advice and support to help smokers quit

SDGs

In 2024, sustainable investment management practices will continue to be implemented.



Promote a green economy and ensure sustainable consumption and production patterns

- Developed anti-noise antenna products with high noise immunity, which help reduce the need for absorbing and other supplementary materials.
- Provided "park-to-charge" integrated contactless access services through charging operators, achieving a cumulative carbon reduction of 321,031.6 kg CO₂ e/kWh as of December 2024.



Achieve gender equality and empower women

- Signed an agreement with a licensed nursery, allowing employees to enjoy tuition discounts by presenting their employee identification cards.
- Established a nursing room in the office to support breastfeeding employees.
- Provided children's games and books in the employee lounge to create a child-friendly environment, enabling employees to better balance parenting responsibilities with their work.



Promote peaceful and inclusive societies, ensure equal access to justice, and build accountable and inclusive institutions

Provide multiple communication and grievance channels, and maintain ongoing dialogue and engagement with all stakeholders to ensure timely and effective responses to their concerns.



Reducing inequality within and between countries

- In 2024, a total of eight persons with disabilities were employed, demonstrating the company's commitment to creating an inclusive and equitable workplace.



Establish multiple partnerships to promote a sustainable vision

Planned and implemented a supplier management mechanism, improved procurement processes, and enhanced communication with suppliers to reduce and control procurement risks.

3

Sound Corporate Governance

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



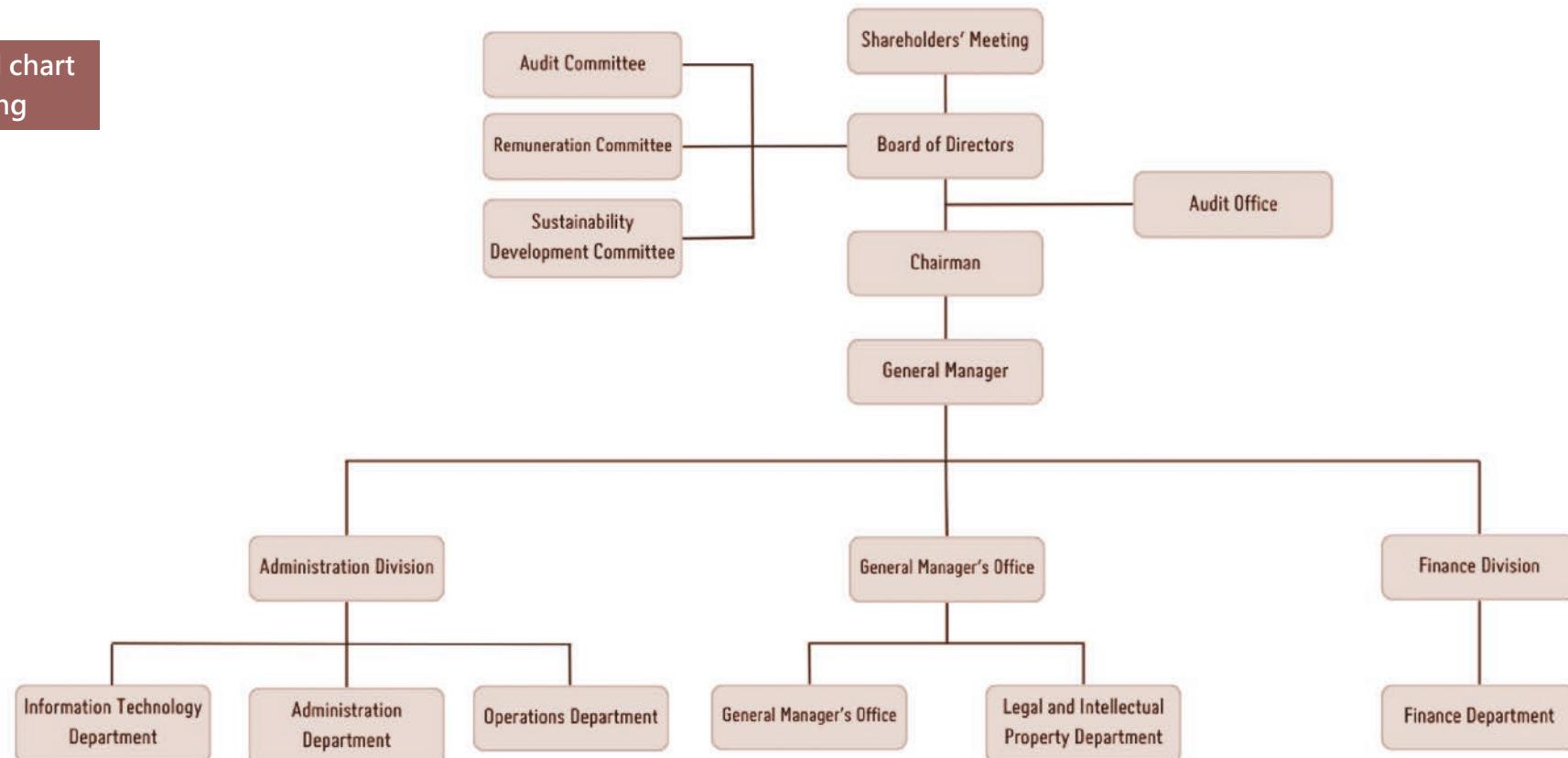


3.1 Corporate Governance

The Board of Directors of Acon-Holding adheres to the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies," the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies," and other internal policies. The Company has established a robust corporate governance framework and an effective internal control and supervision mechanism to ensure the legality and compliance of business operations.

A Remuneration Committee has been established under the Board to implement a reasonable compensation system, effectively restraining and incentivizing senior management. In addition, an Audit Committee has been set up to oversee the Company's financial reporting and internal control operations, ensuring compliance with relevant laws and regulations. These measures aim to continuously enhance the Company's value and support long-term sustainable development.

Organizational chart
of Acon-Holding



● Board Structure and Operations

Number of meetings held in 2024 /
Average attendance rate: 6 meetings / 94%

Board of Directors

The Board of Directors of Acon-Holding consists of 6 directors and 3 independent directors. The Company has established specific management objectives to ensure board diversity. The composition of the Board is diverse and aligned with the Company's development needs, enabling it to effectively fulfill its functions in business decision-making, leadership, and oversight.

Among the Board members, 33% are independent directors, 44% have corporate management backgrounds, and 11% have expertise in finance and accounting. All three independent directors have served for no more than nine consecutive years.

Continuing Education for Directors

Acon-Holding places great importance on the diversity of skills, knowledge, and experience among its directors. The Company believes that the overall capability of the Board is a critical factor in enhancing organizational competitiveness. Therefore, directors are regularly encouraged to participate in external training programs.

In 2024, the training topics included:

- ESG-related Legal Issues to be Considered by the Board of Directors
- Analysis of Key Messages and Responsibilities of Annual Reports: Perspectives of Directors and Supervisors
- Carbon Trading Mechanism and Its Application in Corporate Governance

The number of training hours completed by each director complies with the relevant legal and regulatory requirements.

Board Performance Evaluation

In 2021, Acon-Holding established a formal performance evaluation mechanism for the Board of Directors. Evaluations are conducted annually and cover the Board as a whole, individual directors, and the functional committees.

Evaluation methods include:

- Internal self-evaluation of the Board of Directors
- Self-evaluation by individual directors
- Internal self-evaluation of the Audit Committee
- Internal self-evaluation of the Remuneration Committee

The 2024 performance evaluation was completed in the first quarter of 2025 and the results were reported to the Board in March 2025.

● Functional Committees

To enhance the Board of Directors' supervisory function and strengthen management oversight, Acon-Holding has established both an Audit Committee and a Remuneration Committee. Their respective functions and implementation are as follows:

Audit Committee

To strengthen corporate governance and improve the Board's supervisory effectiveness, the Audit Committee assists the Board in making decisions from a professional and independent standpoint.

Its key responsibilities include reviewing:

- the internal control system
- financial statements
- significant asset acquisitions or disposals
- derivative transactions
- loans of capital
- endorsements or guarantees for others
- the appointment, dismissal, or compensation of certified public accountants
- the appointment and dismissal of financial, accounting, or internal audit supervisors

The Audit Committee is composed entirely of independent directors and consists of at least three members. One member serves as the convener, and at least one member must possess accounting or financial expertise.

The term of office for independent directors on the Committee is three years, and they may be re-elected. The Committee holds separate communication sessions with the internal audit unit and the external CPA at least once per quarter.

In 2024, the Audit Committee held a total of six meetings, with an actual attendance rate of 96.33% by independent directors.

Remuneration Committee

To strengthen corporate governance and improve the Company's remuneration system for directors and managers, the Remuneration Committee ensures transparency and fairness in compensation practices, thereby protecting shareholders' rights and interests. The Committee is composed of three members, serving a three-year term. Two members are independent directors, one of whom serves as the convener and chairperson. Meetings are held at least twice a year and may be convened additionally as needed.

Number of meetings held in 2024 / Average attendance: 2 meetings / 100%

● Governance Unit Remuneration Policy

The remuneration of the governance unit and senior management is determined based on their professional capabilities, the Company's operational and financial performance, and any special contributions to the Company. The policy also links the Company's overall performance with individual achievements.

Acon-Holding continuously monitors potential operational risks and corporate responsibilities, and reviews its remuneration system in a timely manner to maintain a balance between sustainable operations and effective risk management.

The remuneration policy covers directors (including independent directors) and senior management (such as the General Manager and Deputy General Managers), with the following structure:

1. Directors (including independent directors)

(1) Travel and transportation expenses: Reimbursed for business-related travel to the Company or for representing the Company in external engagements.

(2) Remuneration: Determined based on the Company's annual operating performance, and the level of each director's participation, performance, and contribution. Final remuneration is submitted to the Board of Directors for review and approval.

2. Senior Management (e.g., General Manager and Deputy General Managers)

(1) Fixed compensation: Includes base salary and meal allowances.

(2) Variable compensation: Includes bonuses and employee profit-sharing, which are performance-based. The calculation takes into account the Company's annual performance, industry benchmarks, educational background, experience, position and responsibilities, personal performance, and any rewards or penalties received.

(3) The reasonableness of the linkage between individual and Company performance, as well as potential future risks, is evaluated and submitted to the Board of Directors for deliberation and approval.

Acon-Holding's remuneration policy comprehensively considers the professional qualifications of the individuals, the Company's operational and financial conditions, and aligns compensation with both corporate and individual performance indicators. The Company proactively reviews the system to ensure it supports long-term business sustainability while effectively managing risk.



Remuneration Process

1. The Remuneration Committee establishes and periodically reviews the policies, systems, standards, and structure of both annual and long-term performance targets and remuneration for Directors and Managers.

2. The Remuneration Committee regularly assesses the achievement of these performance targets and determines the individual compensation packages. These are submitted to the Board of Directors for final approval.



3.2 Integrity management

Material Issues - Management Approach

Topic Impact Description

To establish a corporate culture of honest management and sustainable development, as well as to maintain a sound business operation model and effective risk control mechanism, Acon-Holding has formulated the Code of Ethical Conduct and the Code of Integrity Management. These codes are developed in accordance with the Code of Integrity Management for Listed and OTC Listed Companies and other relevant laws and regulations applicable to the jurisdictions in which the Company operates.

The codes clearly stipulate that directors, managers, and employees must not engage in dishonest behavior during business activities. Through a robust management system, the Company implements legal compliance identification, along with practical education and training, to continuously strengthen adherence to laws and regulations.

Policies & Commitments

The ethical management policy is clearly communicated through the Company's regulations, annual report, and official website. The Board of Directors and management demonstrate strong commitment to actively implementing this policy, which is integrated into internal management practices and business operations.

The Company complies with relevant laws and regulations as the foundation for ethical management, including but not limited to the Companies Act, Securities and Exchange Act, Business Accounting Act, Political Contribution Act, Anti-Corruption Act, Government Procurement Act, Act on Avoidance of Conflicts of Interest by Public Officials, applicable OTC listing regulations, and other laws related to business conduct.

Responsible unit

General Manager's Office

Resources Invested

The promotion of integrity management is led by the Integrity Management Unit and is incorporated into the annual performance appraisal system. Upon onboarding, new employees receive online training on the Code of Integrity Management of Acon-Holding to ensure awareness and adherence to relevant policies.

Grievance channels

The Spokesperson is responsible for receiving reports from shareholders, investors, and other stakeholders. The Audit Office handles reports from employees, customers, suppliers, contractors, and other related parties. For reporting, please contact: trust@acon-holding.com

Short, medium and long-term goals

The average performance evaluation score of the Board of Directors, Audit Committee, and Remuneration Committee has increased to 4.7 points. Additionally, the performance evaluation of the Board and its functional committees is conducted by an external professional team every three years. The average performance evaluation score of the Board of Directors, Audit Committee, and Remuneration Committee has increased to 4.7 points. Additionally, the performance evaluation of the Board and its functional committees is conducted by an external professional team every three years.

2024 Action Plan and performance

We will continue to enhance our corporate governance performance, safeguard the rights and interests of shareholders and stakeholders, strengthen the functions of the Board of Directors, and improve information transparency.

Effectiveness evaluation

In 2024, no officers were found to have breached the integrity policy. All new employees in 2024 participated in an internal integrity training course totaling 6 hours.

● Anti-Corruption Risk Assessment

The anti-corruption policy serves as a core foundation for Acon-Holding's sound and sustainable operations. It aims to effectively safeguard the Company's assets, uphold its corporate reputation, and protect the rights and interests of all employees.

Acon-Holding places great importance on anti-corruption efforts and enforces integrity-based governance through a variety of concrete measures to ensure fairness and transparency in its interactions with suppliers.

For new employees, the Company provides anti-corruption training during the onboarding process to ensure they fully understand the Company's relevant policies. This initiative aims to raise awareness of corruption prevention and reduce the risk of misconduct from the outset.

In addition, suppliers are required to sign an Integrity Commitment Letter when entering into contracts with the Company, ensuring both parties adhere to the principles of ethical business conduct. Prior to major traditional holidays—including the Lunar New Year, Dragon Boat Festival, and Mid-Autumn Festival—the Company sends out regular Integrity Reminder Letters, reiterating applicable laws and ethical standards to promote clean interactions and foster an ethical business environment.

Acon-Holding conducted a corruption risk assessment and confirms that no incidents of corruption occurred and no significant corruption-related risks were identified across its operations in 2024.

● Business Conduct and Anti-Corruption Communication & Training

In practicing ethical and transparent management, Acon-Holding actively fulfills its corporate social responsibility by continuously promoting information disclosure and transparency, and strictly adhering to relevant national laws, regulations, and industry standards.

Through the establishment and enhancement of internal management systems and anti-corruption policies, Acon-Holding ensures the legality and compliance of its business operations. The Company emphasizes principles of fairness, reasonableness, and mutual benefit in all cooperative relationships. According to its annual internal monitoring report, no corruption-related issues or incidents were identified. Acon-Holding remains committed to maintaining a fair and competitive market environment and strictly complies with all applicable anti-competition, antitrust, and anti-monopoly laws. The Company does not engage in any form of anti-competitive behavior.

Through regular communication and training on anti-corruption policies and procedures, Acon-Holding ensures that employees have a clear understanding of relevant regulations, can comply with applicable laws and internal guidelines, and uphold positive values and professional ethics.

In 2024, a total of 2,443 new employees (excluding dispatched personnel) received anti-corruption communication and training, achieving a 100% compliance rate. In addition, 100% of Board members received relevant anti-corruption education and training during their tenure.



3.3 Information Security

To ensure the confidentiality, integrity, and availability of its information assets, Acon-Holding places strong emphasis on protecting customer information security. The Company has established comprehensive policies and procedures, including:

- Information and Communications Security Management Measures
- Information Security Management Internal Control System
- Procedures for Notification and Response to Information and Communication Security Incidents

These measures define the roles and responsibilities of the information security organization, as well as standards for managing network and physical environments, and computer software and hardware. They are designed to safeguard corporate information against both internal and external threats—whether intentional or accidental.

In 2024, Acon-Holding initiated ISO 27001:2022 transition coaching with a professional consulting firm and is expected to obtain certification for the updated standard in July 2025.

Material Issues - Management Approach

議題衝擊性說明

To strengthen information security management and ensure the confidentiality, integrity, and availability of its information assets, Acon-Holding has established an enhanced information security management system. This system supports the continuous operation of the Company's information services, protects the privacy of customers and suppliers, and builds trust and recognition. As a result, it strengthens the willingness of customers, suppliers, and Acon-Holding itself to maintain long-term cooperation.

- Enhance employee awareness: Conduct information security education and training to raise employees' awareness of information security and their related responsibilities.
- Prevent data leakage: Protect the Company's business information from unauthorized access and alteration, ensuring its accuracy and integrity.
- Maintain daily operations: Perform regular audits annually to ensure compliance with relevant regulations.
- Ensure service availability: Maintain an adequate level of system availability to support the Company's key core business operations.

Policies & Commitments

The Information Security Committee is the primary responsible unit and delegates an Information Security Implementation Team to plan and execute various information security operations. Additionally, an Information Security Audit Team has been established to evaluate the effectiveness of the information security management system.

Responsible unit

Resources Invested

Acon-Holding and its subsidiaries—Acon, Aconoptics, Awan, and Acon-eco—plan to initiate the ISO 27001:2022 transition process with a consulting firm in the second half of 2024 and are expected to obtain certification by July 2025.

An appropriate protection mechanism is in place for stakeholders' personal data. In the event of any suspected data security issues or incidents involving stakeholders, the notification mechanism will be promptly activated in accordance with relevant procedures to ensure that the rights and interests of all stakeholders are safeguarded.

Grievance channels

Information Security Implementation Team

Short, medium and long-term goals

1. In the second half of 2024, the Company has engaged a consultant to provide guidance on the transition to ISO/IEC 27001:2022 and expects to obtain the certification in the first half of 2025.
2. Managed Detection and Response (MDR) will be implemented as a cybersecurity service in 2024.

2024 Action Plan and Performance

1. Information Security Policy Advocacy: In 2024, we will complete internal information security awareness and training for all employees, and disclose the information security policy on the official website.
2. Managed Detection and Response (MDR): MDR will be introduced as a cybersecurity service in 2024.
3. Membership: Became a member of the Taiwan Computer Emergency Response Team (TWCERT/CC).
4. ISO Certification: The ISO 27001:2013 certification was officially obtained on July 5, 2022, and will remain valid through 2024.
5. Incident Report: The number of major information security incidents in 2024 was zero.

Effectiveness evaluation

- The organization is certified in accordance with ISO/IEC 27001.
- No major information security incidents have been reported annually.

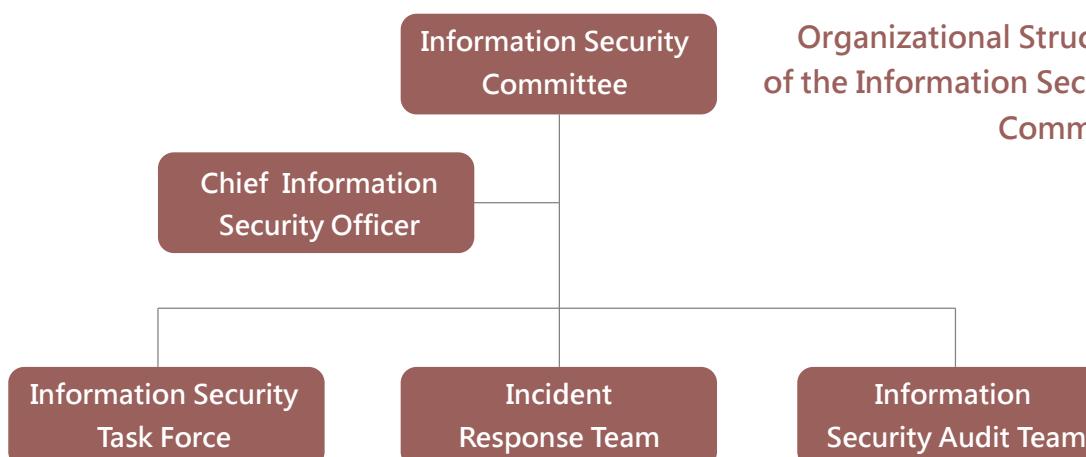
● Information Security Management Enhancement

The highest authority for information security at Acon-Holding is the Information Security Committee, which oversees three subordinate teams: the Information Security Implementation Team, the Information Security Audit Team, and the Emergency Response Team.

The Information Security Implementation Team is responsible for maintaining and managing the security of all information systems and data connected to the Company's network. The team ensures the continuity of business operations and protects the integrity and confidentiality of confidential data. An annual meeting is held to review information security practices and to ensure the ongoing effectiveness and resilience of information operations.

The Information Security Audit Team is responsible for supervising and enforcing information security measures. Department supervisors regularly monitor information security operations within their units. Each department conducts an annual self-assessment to evaluate the effectiveness of the design and execution of internal control systems. In addition, internal auditors conduct irregular audits of the IT department, and their findings are reported to the Information Security Committee to help manage and reduce information security risks.

The Emergency Response Team consists of leaders from the Company's key business units. In the event of an information security incident, the team promptly convenes to assess the incident's impact and the extent of the damage, and to develop appropriate disaster control and response measures. After the incident is resolved, a review meeting is held to evaluate the effectiveness of incident notification, response, and recovery at each stage.

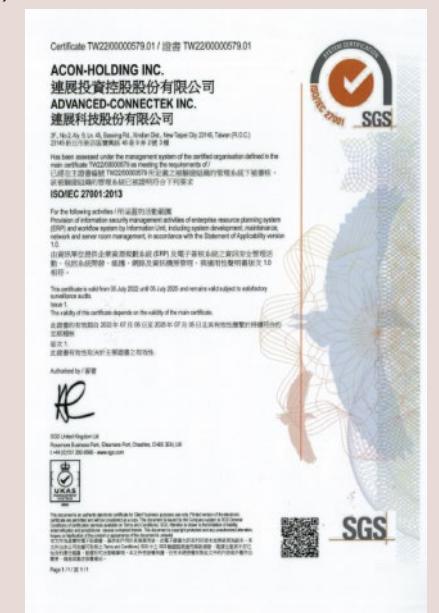


ISO/IEC 27001:2022 Information Security Certification Plan To ensure the protection of the organization's information systems, data, and technical resources—and to prevent unauthorized use, leakage, tampering, or destruction—Acon-Holding and its subsidiaries (Acon, Aconoptics, Awan, and Acon-Eco) have engaged a professional consulting firm in the second half of 2024 to guide the transition to the ISO/IEC 27001:2022 standard.

In alignment with applicable laws, regulations, and operational goals, the Group will conduct a comprehensive information security risk assessment and establish a complete Information Security Management System (ISMS).

The Group is expected to obtain official certification for ISO/IEC 27001:2022 in July 2025. Going forward, Acon Group will maintain the validity of the certification, conduct regular information security audits and improvements, and continuously strengthen its information security management practices.

ISO/IEC 27001:2013
Certificate of ACON



● Information Security Risk Control

To establish information protection in compliance with legal requirements, customer expectations, and business operations, Acon-Holding has developed and continuously enhanced risk control measures. These include implementing network security education and training, personnel management, network security management, incident response and disaster recovery procedures, network security audits, and system monitoring. These efforts aim to reduce both the likelihood and impact of information security incidents.

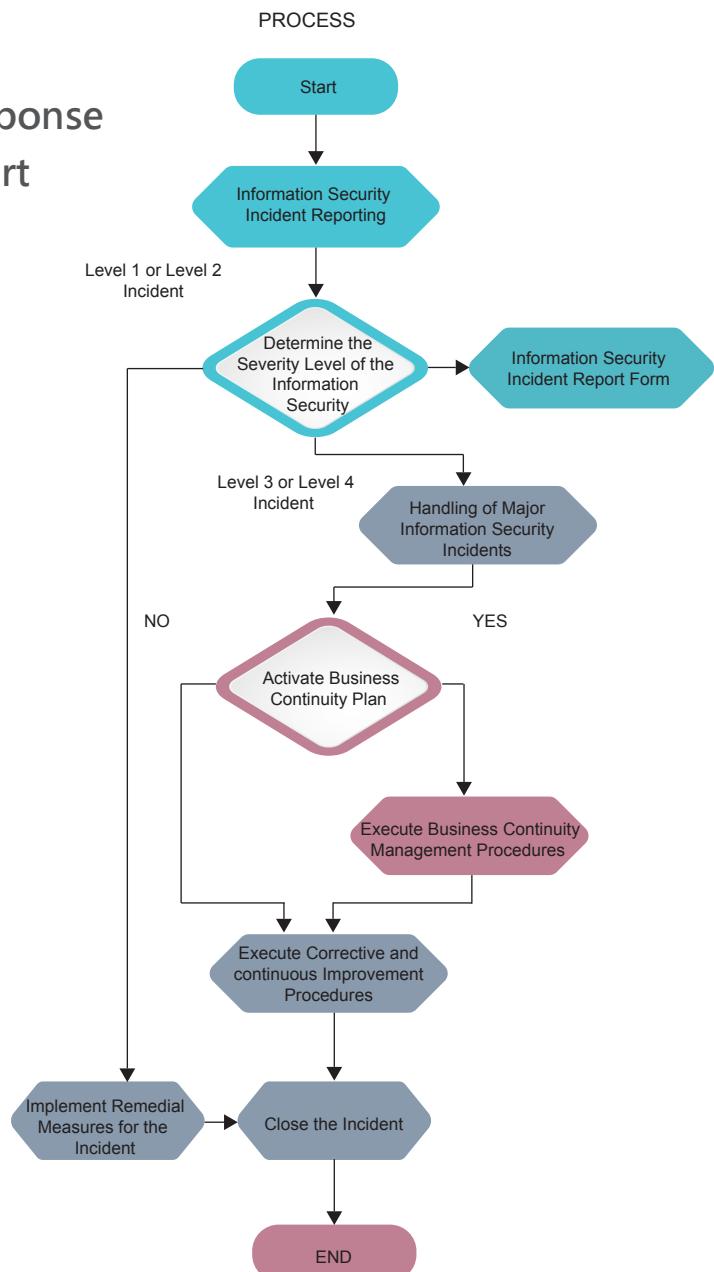
In 2024, the Company experienced no major cyber attacks or information leakage incidents affecting its operations.



● Information security risk control measures

Information Security Risk Control Projects	Illustrate
Cybersecurity Education and Training	1.Completed annual information security education and training in 2024. 2.Monitored cybersecurity industry trends and encouraged personnel responsible for information security to participate in physical or online seminars. Additionally, relevant cybersecurity updates were periodically shared to help employees understand basic information security practices.
Personnel Management	Established relevant systems to reduce risks arising from human error or negligence.
Cybersecurity Management	1.Introduced Managed Detection and Response (MDR) services in 2024. 2.Implemented security measures such as firewalls, antivirus software, encryption/decryption systems, and access control mechanisms to regulate access to network resources and information systems, thereby preventing data theft or damage.
Emergency Response	Developed Business Continuity Management (BCM) procedures and Security Incident Management protocols to ensure prompt and effective response to emergency situations.
Cybersecurity Audits	Security audits serve as the final defense for system security. Accurate and complete audit logs assist in incident reconstruction, enabling management to identify system vulnerabilities and evaluate the impact of security policy violations.
System Alerts	In the event of anomalies (e.g., system shutdowns or network disconnections), system administrators receive real-time alerts and can take immediate preventive measures to mitigate security breaches.
Intruder Tracking Procedures	Utilized relevant log records to collaborate with third parties (e.g., telecom providers and cybersecurity service vendors) to trace intrusion activities. In the event of criminal behavior, incidents are promptly reported to senior management or the emergency response team for appropriate follow-up actions.

Emergency Response Procedures Chart





3.4 Regulatory Compliance

Material Issues - Management Approach

Topic impact note

Continue to implement compliance-related work, strengthen employees' attention and understanding of changes in laws and regulations, ensure that all departments can adjust their internal operations in accordance with the latest laws and regulations, reduce potential operational risks, and strengthen the company's overall image of integrity and governance.

Policies & Commitments

The company is committed to operating in accordance with the law, promoting all colleagues to implement the spirit of compliance, cooperating with the internal audit and external audit systems, ensuring the legality and transparency of the operation process, and strengthening the trust and support of stakeholders for the company's honest management.

Responsible unit

The legal department, the finance and accounting department, the audit department and other units shall carry out compliance management operations and implement the operation of the internal control system.

Put in the resources

- The Finance and Accounting Department and the Audit Department regularly review the compliance with internal laws and regulations every year, and include them in the performance evaluation basis of the department.
- The human resources department regularly arranges for new and in-service staff to participate in education and training related to the Code of Ethics and compliance with laws and regulations, so as to deepen the compliance culture.

Grievance channels

The "Spokesperson" is responsible for receiving reports from shareholders, investors, and other interested parties
The Audit Office is responsible for receiving reports from internal employees, investors, suppliers, and other stakeholders.
The content of the complaint includes concerns about internal control violations, fraud, and illegal acts.
email : trust@acon.com

Short, medium and long-term goals

Short-term goals:
Enhance employees' basic understanding of the relevant laws and regulations of the position.
Cultivate the sensitivity of colleagues to the dynamics of laws and regulations, and ensure that they are aware of changes in real time.
Medium- and long-term goals:
Establish an institutionalized supervision and education mechanism to steadily implement the culture of compliance with laws and regulations.

2024 Action Plan and performance

Multiple grievance channels have been established, and education courses on compliance with various laws and regulations have been promoted on a regular basis.
In 2024, there were no major violations of laws and regulations such as corporate governance, business accounting, environmental protection, labor and human rights, occupational safety, product safety, product labeling or marketing, and customer privacy. The company defines the materiality threshold: the fine amount is 1.5 million yuan.

Effectiveness evaluation T

- Regular audits and evaluations by relevant units to review the compliance of each department.
- Evaluate the participation in education and training and the learning effectiveness, and improve the ability of colleagues to apply laws and regulations.
- Establish an audit system and tracking mechanism for compliance with laws and regulations, and strengthen the follow-up improvement and implementation.
- Continuously monitor the trend of changes in external regulations and policies, and adjust internal operating procedures in a timely manner.

In addition to the internal review of each business department, the compliance of laws and regulations related to the business scope of Acon-Holding is regularly reviewed to achieve operational control and implementation of laws and regulations.

Compliance rights and responsibilities and violations

face	Comply with laws and regulations	Review unit	Situation in 2024
Business Operations & Marketing	Criminal Law, Fair Trade Law, Consumer Protection Law, Trademark Law, Copyright Law	Business Units Legal Units	No violation
財務及組織規劃	The Companies Act, the Securities and Exchange Act, the Money Laundering Prevention Act, and related laws and regulations	Accounting unit	No violation
公司內部與 客戶資訊保護	Trade Secrets Act, Personal Data Protection Act	Legal Units	No violation
人事政策及管理	Labor Standards Act and related laws and regulations, and occupational safety and health related laws and regulations	Personnel units Occupational safety units	No violation
環境保護法令	Laws and regulations related to environmental protection	Environmental safety units Factory units	No violation

● Internal control system

The Company's internal control system follows the "Guidelines for the Establishment of Internal Control Systems in Public Companies", which has been approved by the Audit Committee and the Board of Directors, and aims to provide reasonable assurance for the effectiveness and efficiency of operations (including profit, performance, and asset safety, etc.), as well as the achievement of the objectives of reliability, timeliness, transparency, compliance with relevant norms and relevant laws and regulations.

The judgment items used include:

1. control environment, 2. risk assessment, 3. control operation, 4. information and communication, 5. supervision operation, and 5 elements are composed.

Based on the results of the operational risk management, each management unit regularly implements the internal control system self-assessment to implement the self-monitoring mechanism, and can review and amend it immediately to ensure that the internal control system continues to be effective.

According to the company's business characteristics and operation process requirements, the internal control system and related operating measures are formulated according to the operation cycle, including:

1. sales and collection cycle, 2. procurement and payment cycle, 3. production cycle, 4. salary cycle, 5. financing cycle, 6. real estate, plant and equipment cycle, 7. investment cycle, 8. research and development cycle, 9. computerized information cycle, and 19 management and control operations.



Organization

Internal Audit

The Audit Office of the Company is subordinate to the Board of Directors and is equipped with a full-time internal audit supervisor and an appropriate number of full-time auditors. The appointment and dismissal of the head of internal audit of the Company shall be approved by the Audit Committee and approved by the Board of Directors, while the appointment, dismissal, evaluation, salary and remuneration of internal auditors shall be handled in accordance with the provisions of the Corporate Governance Code of Practice of the Company, and shall be signed by the head of audit and submitted to the chairman for approval, and the evaluation shall be carried out once a year.

Objective

The main purpose of the audit is to investigate and assess the deficiencies of the internal control system, measure the efficiency of the operation, and provide timely improvement suggestions to ensure the continuous and effective implementation of the internal control system, and assist the board of directors and management to effectively discharge their responsibilities. In accordance with the provisions of the "Guidelines for the Establishment of Internal Control System in Public Companies", the Audit Office formulates an annual audit plan to be implemented on a monthly basis, and conducts project audits as necessary to discover possible deficiencies in the internal control system in a timely manner, put forward suggestions for improvement, and use the audit report as the basis for the Board of Directors and the Audit Committee of the Company to issue an internal control statement.

Duties

1. Supervise and urge all units of the company to formulate and revise internal control and internal audit systems.
2. According to the company's operation and risk assessment results, the annual audit plan shall be formulated and implemented after approval by the board of directors.
3. According to the criticality of risk control, be responsible for the collection, investigation, analysis and judgment of data, put forward audit reports and suggestions, and continue to track and improve the situation.
4. Review the implementation of the internal control self-assessment of each unit and subsidiary, and use it as the basis for recommending that the Board of Directors and the General Manager of the Company issue an internal control statement.
5. Declare various audit-related businesses in accordance with the regulations of the competent authority.

Internal audit situation

In 2024, there were no major audit deficiencies and no dishonesty and corruption-related incidents, and the statement of effective internal control was approved by the Board of Directors on March 13, 2025.



3.5 Risk Management

In order to strengthen corporate governance, safeguard the rights and interests of shareholders and achieve the sustainable development of the company, ensure the effectiveness, integrity and rationality of continuous risk management, so as to complete the business strategy and objectives and achieve the purpose of sustainable operation. Integrate risk management into business strategy and corporate culture, manage the potential risks that may be affected by operations, profits and hazards, formulate systemic risk response policies and processes with top-down organizations, control various risks with effective risk management mechanisms for identification, analysis and evaluation, and establish mitigation measures to effectively grasp corporate risks to reduce the impact of risks on relevant stakeholders.

● Organizational responsibilities related to risk management

Risk Management Unit	Content of rights and responsibilities
board of directors	As the highest risk control unit within the Company, the Board of Directors will review the annual risk management report, risk execution report and audit report to ensure the effective implementation of the risk management system.
Audit Committee	The Audit Committee of the Board of Directors is responsible for reviewing the Company's internal control system, compliance with relevant laws and regulations, and controls related to the Company's existing or potential risks.
Management	Through regular/irregular meetings, senior management discusses with business units on ESG, the level of impact, the strategy and objectives instructed by the board of directors, and the implementation plan for target performance.
Audit Office	The independent internal audit unit regularly reviews the financial and business aspects of the subsidiary, the appropriateness of the design and implementation of the internal control system, supervises the internal control and completes the annual audit plan, reports to the board of directors at the board of directors, and tracks the follow-up improvements.
Quality System Units	Receive customer requirements from the business side or the PM (Project Management) side, such as system certification requirements or product safety requirements, and implement promotion control measures: 1. Collect legal or other regulatory requirements. 2. Establish a management system and formulate program documents or processes. 3. Through verification or functional testing, it has been recognized and risk controlled.
All departments/factories of the company	Relevant functional departments such as strategy, finance, legal, information, human resources, environmental safety, R&D, manufacturing and sales formulate policies to coordinate key strategic directions. Through regular meetings, all functional departments and subsidiaries have established a good two-way and horizontal communication mechanism to deal with possible risks.



● Risk Management Policy

Acon-Holding formulates a risk management policy based on the overall business policy, and establishes a systematic risk management mechanism, covering the process of early identification, quantitative assessment, continuous monitoring and response control of risks.

Through cross-departmental collaboration and governance structure, we regularly review potential operational, financial, regulatory, information security, climate change and other related risks to ensure that all risks are controlled within acceptable limits. In the face of changes and uncertainties in the internal and external environment, Acon-Holding continued to optimize its risk management strategy and operational processes to enhance its overall operational resilience and organizational resilience. In addition, the risk management mechanism is also integrated with the company's sustainable development goals, and supports long-term sound operation through systematic assessment of risks and opportunities, thereby protecting the rights and interests of stakeholders, strengthening corporate governance, and enhancing corporate value and shareholder compensation.

● Risk identification and response strategies

Each functional unit of Acon-Holding conducts detailed risk identification according to the professional division of labor, and formulates management strategies and response plans to reduce, transfer or avoid risks, so as to effectively reduce the company's operational risks; Acon-Holding conducts internal control self-assessment every year, judges the effectiveness of risk control according to various risk scenarios that may be corresponding to each relevant unit, considers the impact of changes in the company's external environment and business model, supervises and improves, and continuously manages the company's risks.

● Risk opportunities and response strategies

Risk Category	Focus on what's important	Response Strategy
Policy planes	<h3 data-bbox="492 477 714 600">Technological innovation and change</h3> <ul style="list-style-type: none"> The feasibility of technology research and development and the ability to innovate will affect the competitiveness of enterprises Competitors' technological breakthroughs pose a challenge to the company's existing advantages The introduction of new technologies is accelerated and the product update cycle is shortened, which may weaken the position of existing products. 	<ul style="list-style-type: none"> Improve the efficiency of R&D investment and cross-departmental collaboration to ensure technology leadership and feasibility Establish a technology early warning system, grasp the development trend of the industry and lay out future technology needs in advance Promote modular design and rapid iteration to improve product update speed and market agility Integrate external resources and collaborations to expand sources of innovation and diversify technology risks.
	<h3 data-bbox="472 759 747 833">Market dynamics and demand</h3> <ul style="list-style-type: none"> Whether the new product meets the market demand will directly affect the sales results The market is highly concentrated, and there is a high risk of relying on a single application or customer Market competition is intensifying, and customer loyalty and channel stability are facing challenges 	<ul style="list-style-type: none"> Through market research and feedback mechanism, we can accurately grasp customer needs and trends Introduce product testing and rapid adjustment strategies to improve market adaptability Promote the development of diversified products and customer groups, and diversify the risk of market dependence Establish a flexible marketing and sales channel strategy to strengthen long-term relationships with customers and brand adhesion
	<h3 data-bbox="514 997 697 1033">Geopolitics</h3> <ul style="list-style-type: none"> Global geopolitical changes (e.g., U.S.-China relations, tariff policies, etc.) may impact companies' supply chains, international business, and market stability 	<ul style="list-style-type: none"> Grasp the global political and economic situation in real time, and adjust the regional layout and supply chain allocation according to different market risks Develop diversified markets and cooperate with international partners to reduce dependence on specific countries Formulate political risk contingency plans in advance to strengthen operational resilience and emergency response capabilities
Financial side	<h3 data-bbox="480 1203 733 1287">Fluctuations in operating costs</h3> <ul style="list-style-type: none"> The impact of inflation and exchange rate fluctuations on the cost structure and corporate earnings. Unstable raw material prices affect product pricing and production costs 	<ul style="list-style-type: none"> Closely monitor market price and exchange rate movements, and adjust sales prices and procurement strategies in a timely manner Reduce the risk of financial volatility through foreign exchange hedging mechanism and forecasting model Adopt diversified suppliers and sign long-term contracts to enhance procurement negotiation power and stabilize the source of raw material prices Regularly review supply chain strategies to respond flexibly to market changes
	<h3 data-bbox="492 1399 714 1505">The return on investment is uncertain</h3> <ul style="list-style-type: none"> There are technical and market uncertainties in the commercial transformation of high-investment R&D projects, which may affect the return on investment 	<ul style="list-style-type: none"> Establish a risk assessment and ROI analysis mechanism before investment in R&D projects Set up a R&D monitoring process to track progress and budget utilization on a regular basis Strengthen internal and external technical cooperation and resource sharing, reduce the risk of single investment and improve R&D efficiency

Risk Category	Focus on what's important	Response Strategy
Operational aspects	Supply Chain & Manufacturing Operations	<ul style="list-style-type: none"> Supply chain disruptions and shortages of critical components and materials are impacting production processes The impact of the external environment (political, economic, natural disasters) on the stability of the supply chain Multi-vendor collaboration and inventory management ensure flexibility
	Policies & Regulations	<ul style="list-style-type: none"> Changes in national policies and laws affect compliance and operating costs Occupational health and safety regulations are becoming increasingly stringent and require continuous compliance
	Continuity of operating resources	<ul style="list-style-type: none"> The unstable supply of resources (energy, water resources) in the operating plant area leads to production interruption Climate change affects water availability
	Information security	<ul style="list-style-type: none"> Cyber attacks and information security incidents threaten the security and operation of enterprise data

Risk Category	Focus on what's important	Response Strategy
Hazard surface	Climate change	<ul style="list-style-type: none"> Extreme weather conditions have impacted operations as a result of unstable energy access, rising costs and supply chain disruptions <ul style="list-style-type: none"> Regularly disclose climate risks and management countermeasures in accordance with TCFD guidelines Develop energy efficiency improvements and alternatives Establish resilient supply chain management and co-create carbon reduction actions with suppliers
	Compliance	<ul style="list-style-type: none"> Changes in laws and regulations or failure to comply with regulations may lead to legal liability, financial losses and damage to corporate reputation <ul style="list-style-type: none"> Establish a system for tracking and updating laws and regulations in real time Regular internal compliance audits and external audits Each unit has set up dedicated personnel to strengthen the compliance culture and responsibility system
	Infectious Diseases and Public Health	<ul style="list-style-type: none"> The outbreak of the epidemic will cause employee absenteeism and disruption of operations, as well as affect employee health and corporate image <ul style="list-style-type: none"> Establish a complete health management and disease response plan Promote workplace vaccinations and regular health check-ups Strengthen environmental hygiene and set up epidemic prevention and response teams
	Occupational safety and health	<ul style="list-style-type: none"> High temperatures, machinery, noise, chemicals, electricity and ergonomics in the production environment can lead to employee injury, occupational disease or major accidents if not properly managed <ul style="list-style-type: none"> Strengthen occupational safety and health education and training and regular drills Engineering improvements and safety isolation of high-risk equipment and work processes Regularly monitor environmental factors (noise, toxic gases) and employee health conditions Implement a system for the use of personal protective equipment. Optimize workstation design
	Traffic and commuting safety	<ul style="list-style-type: none"> Special weather and traffic congestion may affect the safety and punctuality of employees, which in turn can interfere with operational efficiency <ul style="list-style-type: none"> Strengthen traffic safety advocacy and equipment provision Adjust working hours and transportation modes according to the situation Establish a flexible working hours mechanism to improve resilience

4

Innovative Services

Innovative R&D 4-1
Supply chain management 4-2





4.1 Innovative R&D

In recent years, it has been actively developing connectors and cables including AI-related applications, robots, drones, vehicles, etc., which require high transmission speed, precision and thinness required by a new generation of communication products, as well as faster charging speed, such as USB4, TB5, TYPE C and high-speed computer or AI server transmission interface and other products. Adhering to the consistent spirit of innovation and R&D, as well as the insistence on perfect quality, we have invested a lot of resources and manpower over the years, and strengthened product development capabilities through the introduction of digital tools, patent application and maintenance reward system, and internal innovation culture creation, so as to cultivate R&D energy and new technology layout.

Aconoptics is one of the few centralized R&D enterprises in the optical communication industry that can integrate the whole process of product design, mold design and manufacturing, injection molding, assembly and testing. The main products have been extended from traditional data center applications to high-end industrial chain fields such as artificial intelligence, intelligent driving, and intelligent medical care. In the process of product development, the company has always adhered to the concept of green and low-carbon, and is committed to building a low-carbon enterprise with sustainable operation and digital transformation. In 2024, Aconoptics will continue to invest in the innovation and R&D of core technologies of optical fiber connectors, and launch a number of representative innovative products to meet the needs of multiple market needs such as high-speed computing, intelligent vehicles, low-carbon manufacturing and high-reliability applications, demonstrating strong R&D strength and innovation momentum.

Awan is an advanced 5G antenna manufacturer, with more than 20 years of experience in the field of wireless communication, and is currently one of the world's top three antenna R&D, design and manufacturing manufacturers in the IT industry. It is also actively committed to making breakthroughs and optimizing its business structure, including introducing ITRI's innovative technology resources to align with international R&D technologies, accelerating the expansion of new markets and new customers at home and abroad, strengthening customer operating efficiency, introducing digital transformation and increasing per capita output value, production automation and capacity flexibility optimization, etc.



Material Issues - Management Approach

Topic impact note

R&D is the key to the core competitiveness of enterprises, driving innovation and sustainable development. Acon-Holding is committed to developing products that are in line with the trend of sustainability, and integrating environmental protection and social responsibility into the R&D process to respond to climate change and promote social and economic benefits. Through innovative research and development, we will enhance market competitiveness, enhance shareholder value and employee growth. Acon-Holding has established a sound innovation risk management mechanism to manage the environmental and social impacts in the R&D process through risk assessment and stakeholder communication, so as to ensure that R&D and sustainability goals are consistent. The R&D department leads the technology development, and through the new product development process (NPD) and technical review mechanism, the market demand is transformed into innovative solutions to enhance product value and competitiveness.

Policies & Commitments

The company continues to deepen R&D and innovation, focusing on the development of high-efficiency, environmentally friendly and in line with market trends of connector products to meet the diverse needs of customers and strengthen market competitiveness. We are committed to green design orientation, through technology accumulation, resource integration and new technology introduction, to improve the efficiency of energy and resource use in the production process, and to reduce pollution and resource waste, and practice the concept of green manufacturing.

Responsible unit

General Manager's Office

Put in the resources

- In 2024, the total turnover of R&D investment will account for 5.72%.
- In 2024, a total of 175 people will be invested in R&D

Grievance channels

Acon-Holding: www.acon-holding.com
Acon: www.acon.com
Aconoptics: www.aconoptics.com
Awan: www.awan-ant.com
Acon-eco: www.acon-eco.com

Short, medium and long-term goals

- Mainstream products are continuously updated, optimized and iterated
- New product development and launch
- Integrate group resources and reduce development costs

2024 Action Plan and Performance

Number of patents obtained in 2024:

27 pieces of Acon, 19 pieces of Aconoptics, and 19 pieces of Awan

Number of new product developments in 2024 :

- 6 pieces of Acon
- 6 proposals for process improvement or engineering and analysis
- The first article sample delivery rate of new products > 80%

Aconoptics Communication: 1. Develop new technology products :

1. CPO, MCIO, LC/MPO, high-density, dust-proof Adapter, and automotive ADAS optical fiber solutions
2. Update automation equipment, improve product production efficiency, reduce power use, save energy and reduce emissions
3. Hot runner injection molding technology reduces material waste
4. Implement digital RPA and digital green transformation competitions to enable all departments to implement digital transformation, improve efficiency and reduce energy consumption

Awan :

1. For some projects, plastic tray trays are used for packaging, and recyclable tray trays are gradually being introduced
2. For the general plastic support used in the antenna design, we began to evaluate the design of plastic containing recycled materials, and the goal was to introduce it smoothly without affecting the characteristics of the antenna
3. Research and development of anti-noise antenna products, high noise immunity can reduce the use of absorbing materials and other materials
4. Introduce evaluation and simulation technology into the project to replace the actual work with simulation and reduce the waste materials generated by the evaluation T
5. Find and evaluate other alternative materials for wire rods containing harmful plastic substances, and strive to eliminate the content of harmful plastic substances in products

AconPower :

1. As of December 2024, 71 charging stations have been built, including 14 DC stations and 57 AC stations
2. As of December 2024, the cumulative charging carbon reduction value is 321,031.6 (kg CO2e/kWh), and the carbon reduction value will be increased by multiple through the expansion of charging stations and services in the future, becoming an important role in the Group's promotion of ESG and green industries.

Effectiveness evaluation

Monthly performance meetings, quarterly performance meetings, and year-end target meetings are regularly reviewed

● Innovative R&D policies and strategies

Guided by quality first, fast service and price satisfaction, Acon provides customers with diversified solutions according to different product characteristics. Since 2000, the company has repositioned itself as a component provider in the 3C (Computer, Communication, and Consumer) field, and has established divisions for wire sets, energy, optical communications, and wireless communications in addition to the original connectors, and has developed and sold related electronic components.

In addition to continuing the original competitive advantage products, the connector is expected to develop more connectors and cables including AI-related applications, robots, drones, vehicles, etc., which require high transmission speed, precision and thinness required by a new generation of communication products, and faster charging speed, such as USB4, TBT5, and TYPE C and high-speed computer or AI server transmission interface and other products.

Aconoptics implements the concept of "customer first, quality-oriented, and advantageous development", focuses on product brand effect and the development of the company's soft power, and actively supports customers and develops together. The company has demonstrated strong strength in the fields of digitalization, artificial intelligence and new energy vehicles, and provides reliable products and services.

In order to ensure that innovative R&D is long-term and systematic, Nexun has established the following system and policy framework:

1. Annual technology blueprint planning system: According to market trends and customer needs, we plan 3~5 years of technology blueprint every year, and focus on high-speed transmission and high-reliability applications.

2. New product development process management: six standard deviations are introduced to ensure product quality and timeliness.
3. Project-oriented R&D investment policy: Prioritize the allocation of R&D resources to high-potential technologies and strive for government subsidies.
4. Knowledge and data management system: Establish a technical database and knowledge base to improve R&D efficiency and technology inheritance.

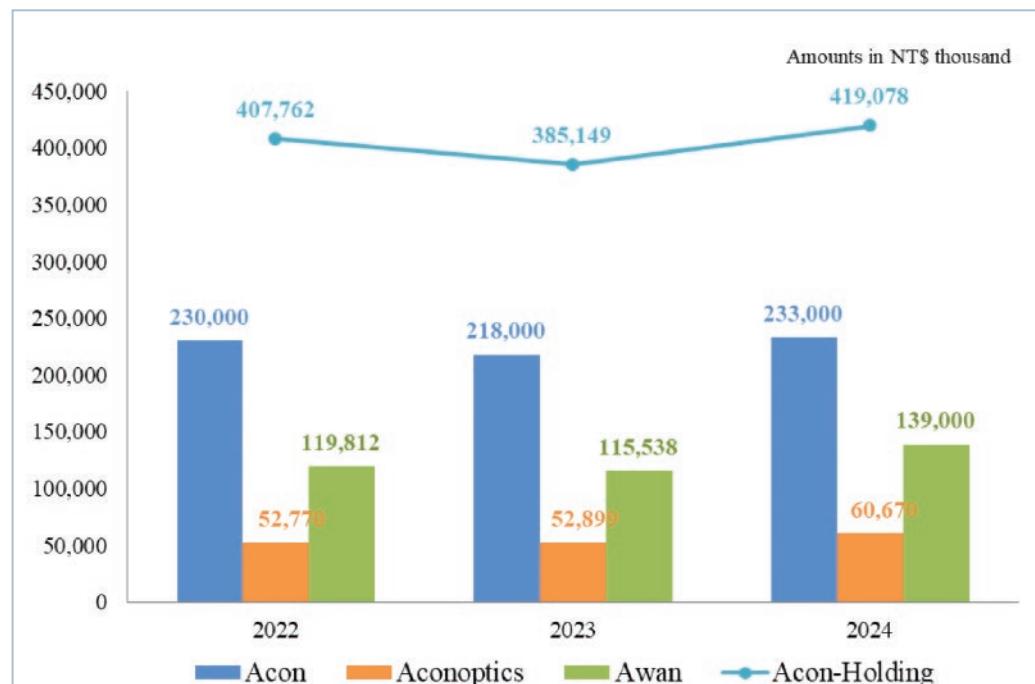
For the IT market, Awan mainly strengthens and consolidates existing customers, continues to expand market share, establishes a long-term marketing strategic alliance of cooperative relations, and carries out diversified strategic operation of enterprises. In addition, it also actively formulates strategic alliances with manufacturers in related industries, flexibly provides various modes of cooperation, participates in professional or emerging alliances and associations around the world, improves relevant technical capabilities, and leads the formulation of relevant product specifications.

In addition to the IT industry, Lian Teng is also actively transforming and deploying the Netcom IOT and handheld wearable industries, including new products such as WiFi 6/6E wireless devices, 5G FWA fixed network wireless access devices, 5G small base stations, and new business opportunities and products required in the vertical industries of the Internet of Things (such as aviation, facility management, catering, healthcare, logistics), smart three meters (water, electricity, gas), asset tracking, smart buildings, smart industries, smart life, smart cities, etc.

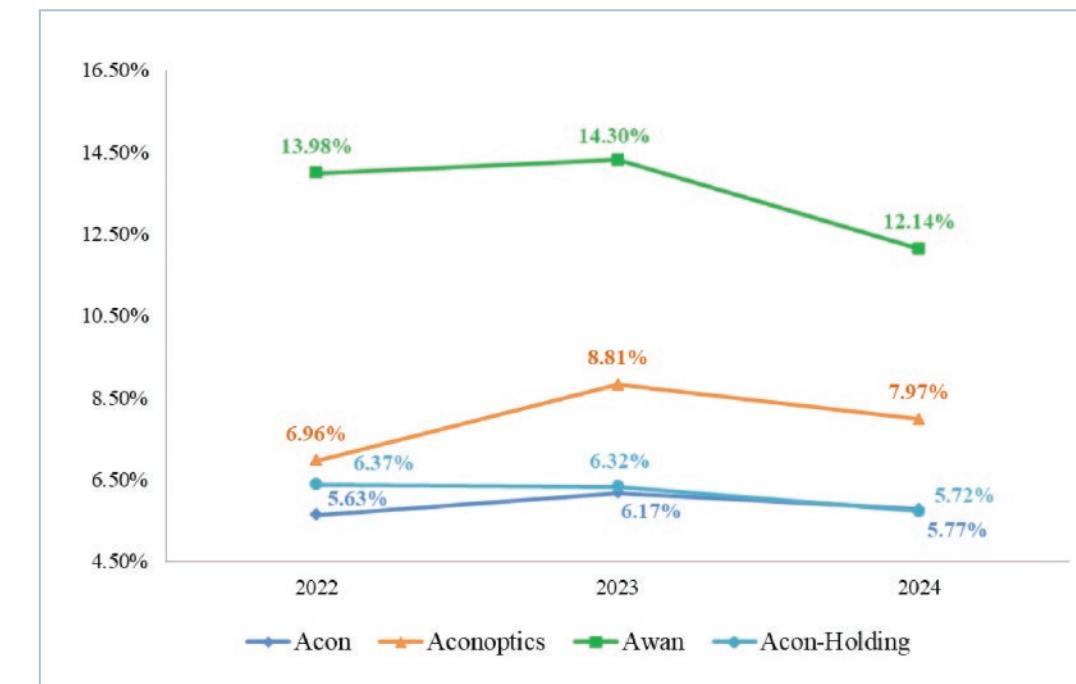
● Invest in R&D resources in innovation

In recent years, Acon-Holding has invested a lot of resources in innovation and R&D, and has set up business offices according to different application markets (connectors, wire groups, energy, optical communications, wireless communications, etc.), each of which is an independent operator and has its own R&D unit.

In 2024, the total R&D expenses of Acon-Holding will be NT\$149,078 thousand, accounting for about 5.72% of the total annual revenue, and its related performance also includes Acon-eco charging operation services, A con-charging gun development and Acon-vehicle connector development.



2022-2024 investment expenses and proportion of total revenue



Proportion of total revenue in 2022-2024

● R&D key performance cases

A. Continuous scientific and technological innovation and development

Acon continues to deepen R&D investment in the two major application fields of optical fiber and vehicle connectors to meet the technical challenges and market demand brought about by global high-speed communication and vehicle electrification and intelligence.

In the field of optical fiber connectors, Acon focuses on the development of high-efficiency and high-reliability connection technologies, which are widely used in telecommunication networks, data centers, medical equipment, military aerospace and energy industries. With the rapid development of emerging applications such as 5G, cloud computing, and the Internet of Things, the increasing demand for high-speed, high-bandwidth data transmission is further driving the expansion of the fiber optic connector market. According to forecasts, the global market size will reach \$8.21 billion by 2030, with a compound annual growth rate of 5.9%. In response to market trends, Acon has launched a variety of next-generation high-speed and modular connectivity solutions, demonstrating its technical strength in the field of high-end optical communications.

In terms of on-board connectors, Acon focuses on high-voltage connection and high-speed transmission technology for the development of electric vehicles and intelligent driving, which are applied to key modules such as vehicle powertrains, ADAS, and infotainment systems. As China's automotive connector market reached 65.3 billion yuan in 2021 and continues to grow, it shows great market potential. The exhibition not only improves the safety and durability of connectors, but also takes environmental sustainability into the design considerations, develops energy-saving automotive connection technology, and helps car manufacturers improve overall energy efficiency and carbon emission management.



Through continuous innovation and commitment to sustainable development, Acon has demonstrated its competitive advantages and long-term technology layout in two key areas.

B. Innovation and development of Aconoptics

In response to the global trends of high-speed data, system miniaturization and sustainable design, the R&D department of Nexcom will launch a number of strategically significant new products in 2024, demonstrating the company's innovative energy and market acumen in optical fiber connector technology. The key R&D topics are as follows:

1. High-speed and heterogeneous integrated transmission technology: CPO and MCIO fiber solutions
In order to meet the demand for high-speed transmission for AI accelerated computing and big data applications, we have developed Co-Packaged Optics (CPO) optoelectronic co-packaging technology, which can effectively shorten the signal path, reduce power consumption and reduce system space, supporting future applications such as 800G to 1.6T. At the same time, the MCIO (Mini Coolable I/O) optical fiber transmission solution is introduced to provide high-density and high-performance interface solutions for data centers and high-performance computing equipment.
2. High-density connection and modular design: a new generation of LC/MPO series
In order to strengthen the competitiveness of our products in the data center and telecom markets, in 2024, we will upgrade our LC and MPO fiber optic connectors for high-density applications, with better insertion loss control and modular design, which meet the requirements of high-density cabling and rapid deployment, and are compatible with diverse packaging architectures.
3. Equipment durability and maintenance friendliness: dust-proof fiber adapter
The R&D team has launched a dust-proof adapter product that effectively extends the life of the connector and reduces the frequency of cleaning and maintenance through structural innovation and automatic closing design, improving system reliability and customer experience.
4. In-vehicle intelligent system application: ADAS optical fiber transmission solution
With the development of self-driving cars and intelligent driving systems, optical fiber plays a key role in ADAS (Advanced Driver Assistance Systems) with low latency and anti-interference. We have launched an ADAS optical fiber transmission solution designed for automobiles, with high temperature resistance, vibration resistance and automotive standard certification, providing car manufacturers with stable image and data transmission channels.

C.Awan scientific and technological innovation and development

In recent years, Awan has invested a lot of resources in innovative R&D, continued to deploy in the markets of networking, Internet of Things, hand-held wearables, aerospace, automotive, mobile communications, etc., and deeply cultivated R&D technology and various core competitive advantages.

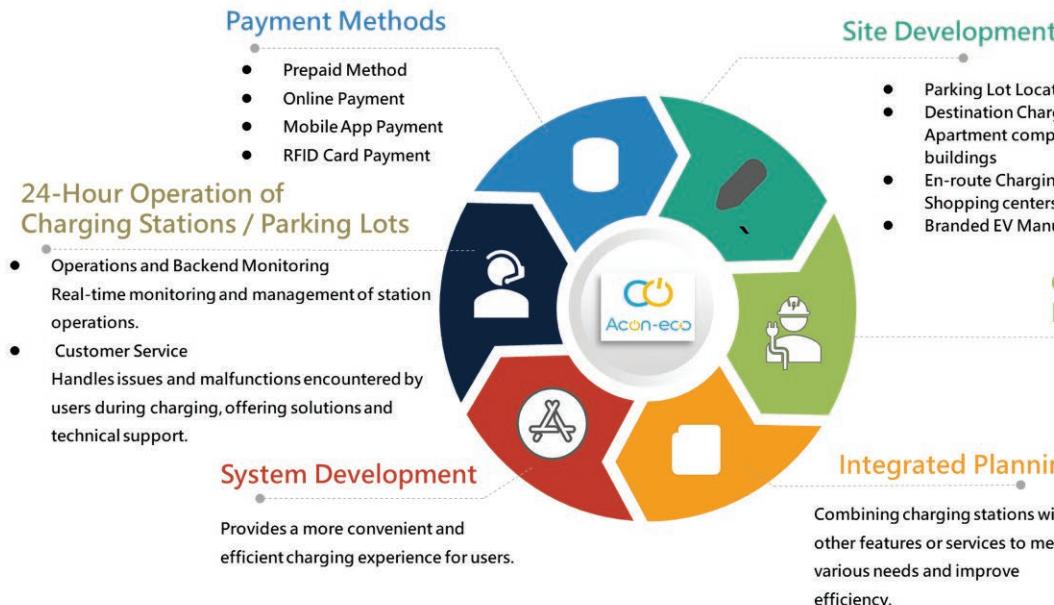
In the wireless communication business, he is proficient in the design and manufacture of various antennas, such as personal computer antennas, unmanned aerial vehicle antennas, network communication equipment antennas, wearable electronic device antennas, handheld computer antennas, medical monitoring device antennas, military communication equipment antennas, monitoring equipment antennas, industrial computer antennas, smart city (three table) antennas, and smart agricultural equipment antennas.

In terms of RF testing, we provide the most cost-effective radiation testing and verification services, using near-field or far-field equipment to test the wireless communication performance of products, and have standard test chambers in Taipei and Kunshan at the same time to provide convenient and flexible testing services. In order to accelerate the expansion of the IOT/Networking market, the Satimo Chamber of 3D Rapid Measurement was built to improve R&D efficiency.

In terms of forward-looking R&D, we have stepped into related technologies such as automotive, millimeter-wave array antennas, low-orbit satellite antennas, AR/VR antenna modules, inertial navigation modules, etc., and developed various processes and materials towards the development trend of the International Wireless Communications Organization, and cultivated Taiwanese students to create a win-win situation of industry-university cooperation.

In terms of antenna development for the 5G industry, with the development of high-frequency in the field of communications, Awan has invested in the research of array antennas, beamforming, power consumption and path loss, volume reduction, circuit integration design, OTA (Over-the-air) testing, and at the same time introduced high-frequency electromagnetic simulation software CST &HFSS &XFDTD, and successfully cooperated with Tier 1 manufacturers to design antennas that meet the next generation of 5G applications, making the industry more applicable and futuristic.





D.Acon-eco charging operation service

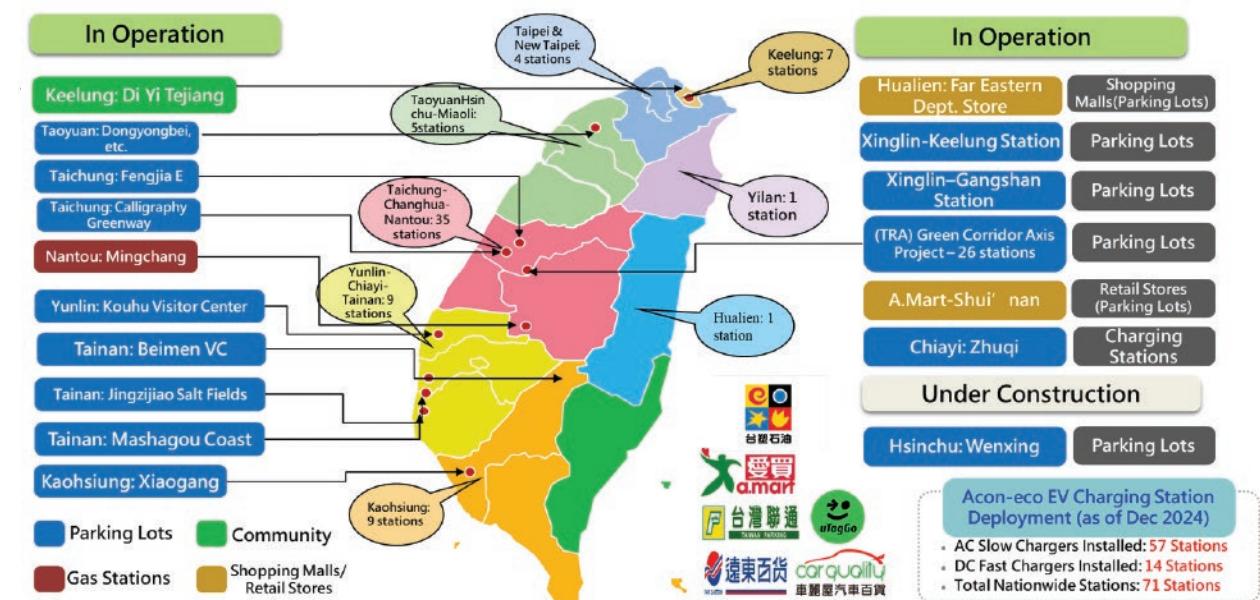
With energy conservation and carbon reduction as its responsibility, we will develop the emerging electric vehicle market

In September 2022, Acon launched the Acon-eco brand to officially plant the flag charging operation market, providing personal and enterprise charging pile installation and charging services, as well as the setting of public charging stations, with a back-end remote management system and cloud payment system, to provide a full range of charging operation services for electric vehicle owners and station operators.

Starting from the 4 stations established in 2022, by the end of 2024, 71 charging stations have been built, including 14 DC stations and 57 AC stations, and the charging field also covers gas stations, parking lots, tourist attraction visitor centers, communities, shopping malls, restaurants and other scenarios that need to be charged in combination with the life circle of car owners. It is located in all counties and cities in Taiwan,

and the layout of the charging network map will be more perfect, and it is expected to achieve the stage goal of building 200 charging stations in Taiwan in the new year. In 2024, it will also launch system connection cooperation with car manufacturers, parking information platforms and other operators, which will reach and serve more electric vehicle owners, effectively enhance brand awareness, and expand the Acon-eco charging operation territory.

Since the start of the operation service, the cumulative charging carbon reduction value as of December 2024 is 321,031.6 (kg CO₂e/kWh), and the carbon reduction value will also be increased by multiple through the expansion of charging stations and services in the future. To play an important role in the Group's promotion of ESG and green industries.





26 Stations under Taichung Railway Project

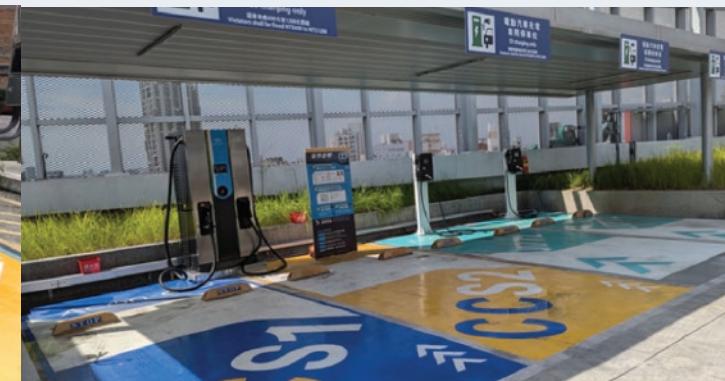
Officially launched in February 2024

Hualien Far Eastern Department Store Station

Officially launched in April 2024

Keelung Shanhaguan Community Station

Officially launched in April 2024



Taoyuan Dongyongbei Station

Officially launched in May 2024

Keelung Bailing Street Station

Officially launched in May 2024

Taichung Aimai Shui'nan Station

Officially launched in July 2024

● Innovative culture building

We believe that "innovation" is driven by both institutions and cultures, so we continue to build an innovation culture within the organization that encourages experimentation, knowledge sharing and cross-departmental collaboration, and enhance the overall innovation effectiveness through digital transformation and institutionalized processes. Since 2022, the company has promoted the group's internal digital innovation proposal mechanism, and has accumulated nearly 1,000 digital transformation cases implemented in various departments, covering process optimization, intelligent management and data application, etc., to showcase the creative practice achievements of employees. At the same time, the six-sigma design process is introduced to strengthen the robustness and quality of R&D and design activities.

We encourage R&D personnel to independently propose and conduct experiments on topics such as innovative materials, structures and construction methods, start the concept and practice without the need for commercial mass production evaluation at the initial stage, and share innovative achievements and experiences through cross-departmental technical exchanges and internal presentations to promote knowledge flow

and learning. Although innovation achievements have not yet been formally included in the department's performance indicators, the company continues to observe the feasibility of relevant mechanisms to facilitate the gradual construction of an innovation-oriented incentive system in the future and further strengthen the innovation energy.

In addition, in 2024, the company will hold a number of courses related to AI applications, inviting external academic experts to teach, as an important learning resource for employees to strengthen their skills and upgrade their knowledge. In order to expand its innovative horizons, Acon-Holding also actively participates in domestic and foreign industry exhibitions and forward-looking forums to grasp the latest industry trends. In the future, we will continue to strengthen the cooperative relationship with universities and research institutions, deepen the connection between industry, university and research, and enhance the energy of technology research and development and innovation competitiveness.



● Intellectual property management

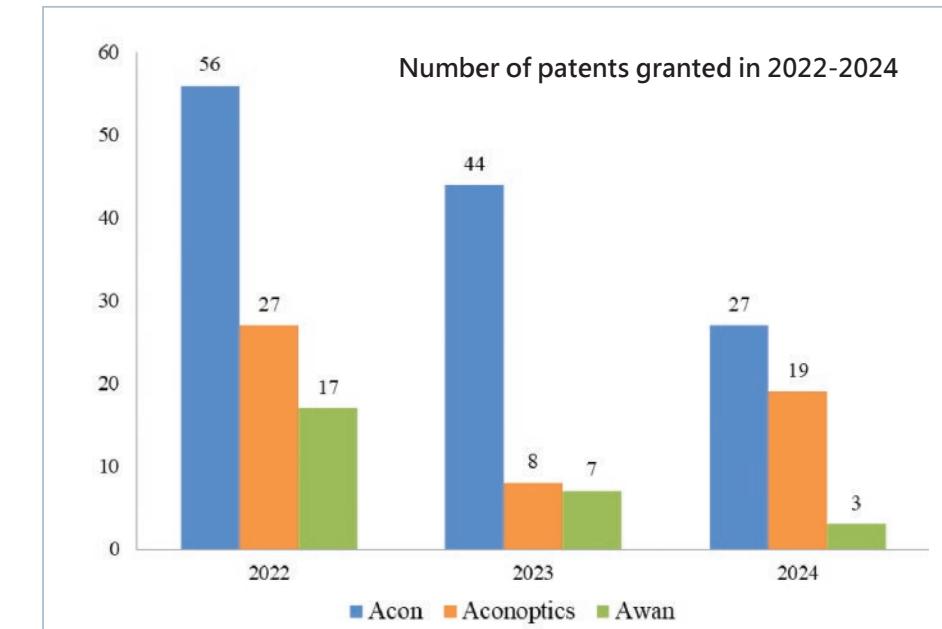
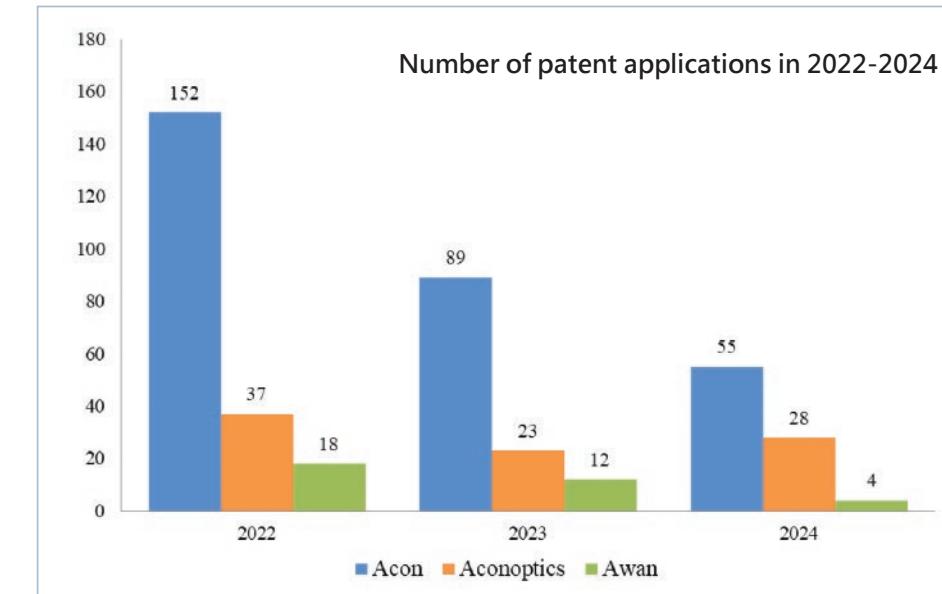
Acon-Holding regards intellectual property as the core asset of innovation and development and sustainable operation, actively promotes the global patent layout, and simultaneously carries out patent applications and defensive strategies for the company's existing key technologies and forward-looking application fields (such as high-speed transmission, AI design, carbon reduction materials, etc.), so as to consolidate its core technology advantages and market leading position.

Acon-Holding has set up a legal intellectual property department directly under the general manager's office, which is responsible for the management of patents, trademarks, copyrights and trade secrets, and institutionalizes the application, examination, maintenance and risk control of intellectual property rights in accordance with internal regulations such as the Measures for the Administration of Intellectual Property Work. At the same time, the knowledge management (KM) system was introduced to build a R&D design process and data management platform to improve R&D efficiency and knowledge inheritance benefits.

In order to encourage employees to invest in innovation, the company has formulated the "Patent Reward Measures" to provide R&D colleagues with innovation proposals and patent application bonuses to enhance R&D willingness and creative energy. The proposal needs to be jointly reviewed by the supervisor and the legal, R&D, and intellectual property units to confirm the technical feasibility and no infringement risk, and then start the patent layout of each country. At the same time, regular evaluation is carried out for existing patents, and the allocation of maintenance resources is adjusted according to market demand and technical potential.

In terms of trademark and trade secret protection, the product manager and legal department regularly review the registration and use status of product trademarks to ensure brand identity and legal protection. In the trade secrets part, information security is maintained through file encryption, authority control and signing confidentiality agreements, and confidentiality education and publicity are carried out for all employees every year. Through institutionalized management and innovative incentive mechanism, Acon-Holding effectively integrates intellectual property protection, R&D investment and risk control, strengthens the overall technological competitiveness of the enterprise, and moves towards the dual-track goal of innovation-driven and sustainable development.

Through project-oriented R&D investment and a sound intellectual property management system, the company not only improves patent quality and technological competitiveness, but also creates employee value and corporate reputation, and achieves the dual goals of innovation-driven and sustainable development.





4.2 Supply chain management

Material Issues - Management Approach

Topic impact note

Acon-Holding requires suppliers to operate in good faith and legally, and has established clear evaluation and introduction procedures to ensure that new suppliers meet the company's requirements in terms of quality, delivery, cost, service, compliance and trade security. Through institutionalized management and regular audits, we maintain a stable and reliable supply chain relationship. In accordance with CSR and international standards, the company also requires suppliers to sign social responsibility and environmental protection agreements, implement labor, environmental and moral responsibilities, and jointly build a supply system of mutual trust, common prosperity and sustainable development.

Policies & Commitments

Acon-Holding attaches great importance to all suppliers as important strategic partners, and hopes to establish a long-term and stable supply chain through mutual cooperation. In addition to attaching importance to the technical capabilities, quality, delivery time and price competitiveness of each supplier, suppliers are also required to commit to environmental protection, safety and health, attach importance to human rights, jointly fulfill corporate social responsibility, work together with suppliers, improve supplier capabilities and further promote to their suppliers, strengthen the overall supply chain sustainability, jointly establish sustainability goals, and combine supplier social assessment related guidelines with green procurement, so that the entire supply chain can follow the corporate ethics norms and create a new world of both justice and benefit.

Acon-Holding believes that the promotion of sustainability must be through the improvement of its own awareness, in line with the expectations of stakeholders, and through the business philosophy, people-oriented, value-creating, integrity and pragmatism, improvement and innovation of the core values to create maximum benefits.

1. Comply with and comply with local environmental, safety and health laws and regulations and relevant requirements signed by the company
2. Committed to green design to achieve pollution prevention
3. Provide MSDS or material composition list
4. Promote waste reduction and implement waste reuse
5. Improve the efficiency of energy and resource use in production activities, advocate energy conservation, and reduce resource waste

6. We are committed to eliminating hazards, reducing risks, and continuously improving, and are committed to creating a safe working environment and achieving the goal of zero accidents
7. Implement the people-oriented business philosophy, so that workers and worker representatives can consult and participate, and continue to care for the health of employees
8. Formulate evaluation items in accordance with the Corporate Social Responsibility Code of Conduct, Supplier Sustainability Management System and ISO14001 Environmental Management System, including environmental management, occupational safety and health, human rights norms, etc
9. According to the specifications of the supplier audit control system, the evaluation results are used as an important reference basis for procurement decisions. In addition, the "HSPM/GP" product and process assessment is also included, requiring suppliers to have "RoHs Six Hazardous Substances Test Report" and provide a "Letter of Commitment" to ensure that the products they supply to Nexcom do not contain relevant hazardous substances 10. Sign a letter of commitment to integrity - reduce unnecessary expenses in the supply chain 11. Sign an environmental protection agreement - expect Acon-Holding and all stakeholders to establish a sustainable green supply chain with a sincere attitude of mutual trust and mutual assistance
12. Sign the Social Responsibility Agreement - Spare no effort to promote the sustainable strategy of all partners, comply with relevant domestic and foreign laws and regulations, and supplement the implementation, hoping to improve the effectiveness of sustainable supply chain management and reduce the risk of supply chain operation

Material Issues - Management Approach

Responsible unit

Environmental Safety and Health Office, Management Department, Quality Assurance Department, Operations Research Management Department, production, sales and procurement of each factory

Put in the resources

1. Domestic waste removal, transportation/management and storage of industrial waste.
2. Use recycled plastics - the use of recycled plastics for products fully implements the concept of circular economy
3. Automatic detection and introduction - optimize the measurement point to increase the efficiency of mass production
4. Recycling of packaging materials, and the factory has formulated specifications for the use of rubber trays
5. Copper scraps are recycled and reused
6. Supplier conference is held
7. Waste management and disposal
8. Introduction of production automation equipment
9. RPA Usage

Grievance channels

Stakeholder contact information - anonymous whistleblower mailbox
trust@acon.com

Short, medium and long-term goals

1. Implement waste reduction in daily life and reuse of imported packaging materials.
2. Material control planning, centralized mailing, reduce transportation energy consumption and emissions.
3. Environmental management conducts investigations in accordance with REACH regulations, and updates environmental protection agreements and related forms in a timely manner; Investigation and collection of conflict minerals data.

2024 Action Plan and performance

The procurement strategy adopts the supply of more than two suppliers, so that there is substitution and competition between each other, so as to diversify procurement risks and reduce costs; For electronic materials and parts with high commonality, a secondary source management mechanism is established. Safety stocks are also established for major materials to prevent risks caused by material shortages or quality problems.

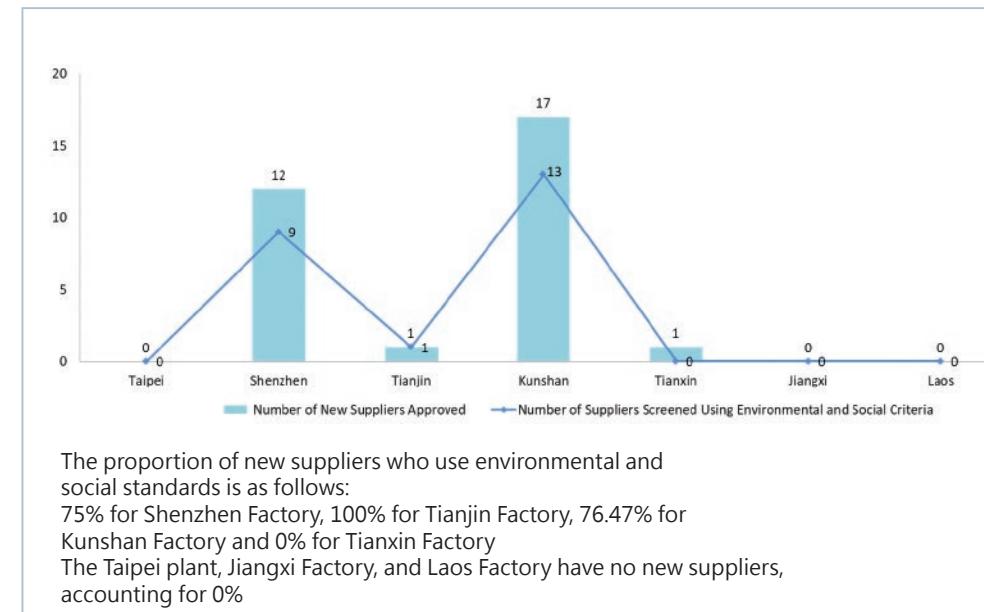
Waste Removal and Transportation Management Procedures - Raw Material Process Scrap Sorting Scale Rewarehousing Management:

1. Reuse of incoming packaging materials (filling/packaging/sorting and selling).
2. Plastic remake secondary material into the BOM list for reuse.
3. Reuse of plates from suppliers or professional recyclers.
4. Reuse of feeding packaging materials (filling/packaging/sorting and selling).
5. Rubber tray packaging in the factory turnover use.
6. The supplier recycles the carton and converts it into materials at the equivalent price.
7. Scrapped parts are reused by professional recycling manufacturers.
8. Hazardous waste is recycled by qualified suppliers.
9. Plastic tray, Styrofoam recycling.
10. Reuse of scrap suppliers or professional recyclers.
11. Some materials are shipped directly from the supplier's packaging to reduce the waste of secondary packaging.

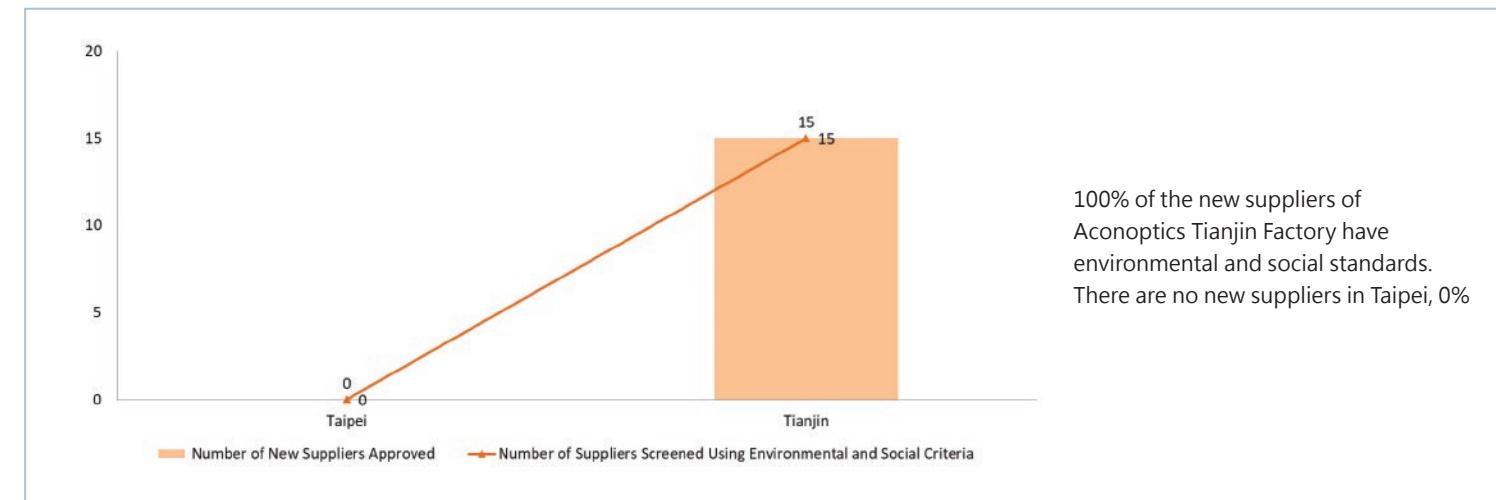
Effectiveness evaluation

In order to ensure the effectiveness of the supply chain management system, Acon-Holding has established the "Supplier Social Responsibility Agreement" in accordance with the international code of conduct and corporate social responsibility (CSR) norms, and requires suppliers to implement responsibility management in terms of labor, health and safety, environment, ethics and regulatory compliance, and joined the Responsible Business Alliance (RBA) to strengthen the consistency and driving force of sustainability standards. Through regular visits, audits and continuous follow-up mechanisms, we review the actual performance of suppliers to ensure that they comply with local regulations and company requirements. According to the implementation results, most suppliers have signed and established relevant management measures, and can continue to cooperate with improvements, with stable overall results, and continue to move towards improving the resilience and sustainability of the supply chain.

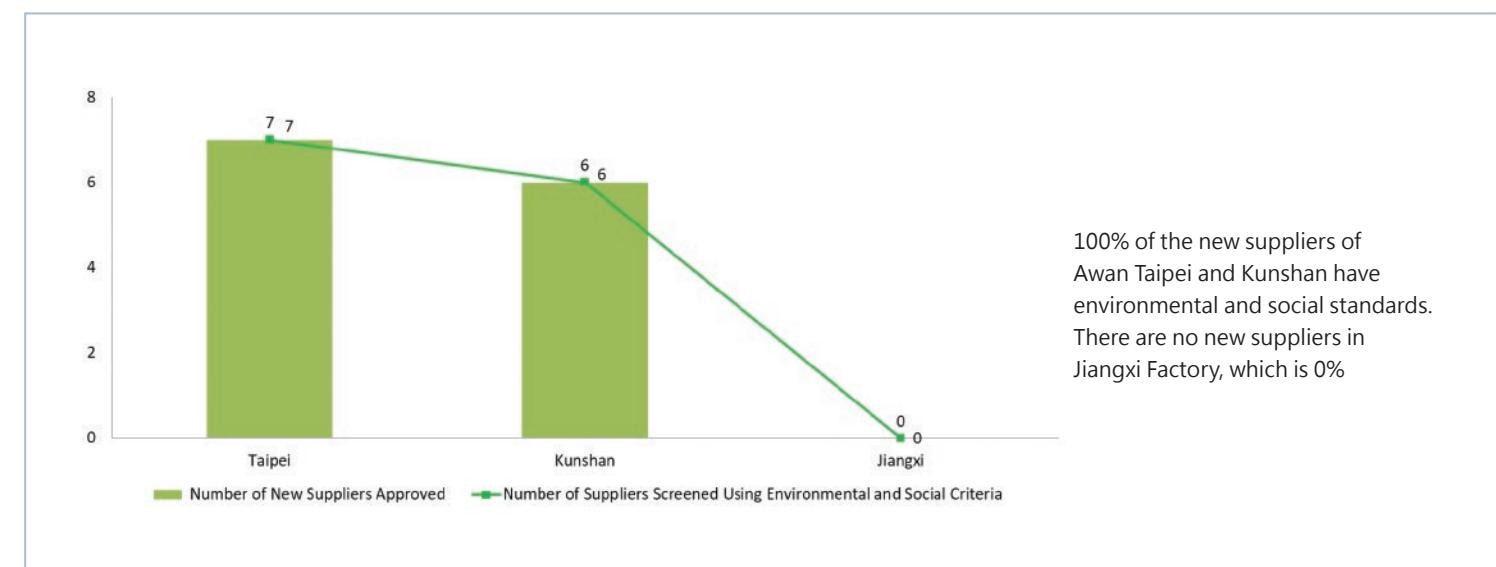
With the goal of promoting the establishment and development of a green supply chain, Acon-Holding continues to promote the use of environmental standards to select new suppliers, reduce the environmental risks of enterprises, and meet the expectations of the society for corporate social responsibility. In accordance with and with reference to the international code of conduct and international norms (CSR, etc.), the supplier CSR social responsibility agreement has been formulated, and the relevant operating procedures have been introduced in Taiwan, including the "Supplier Evaluation and Supervision Procedures", "Supplier Management Procedures", "Environmental Protection Agreement", and "Integrity Commitment". The relevant operating procedures have been introduced in the mainland factory, including "Supplier Evaluation Procedures and Self-Assessment Form", "RBA Code of Conduct 8.01", "Business Ethics Consent", "Green Goods and Services Control", etc. The mainland is the main manufacturing unit, and its main material and parts suppliers should meet the requirements of environmental and social responsibility, and adopt the supplier assessment form for new supply, and only after passing the assessment and evaluation can they become qualified suppliers in accordance with the company's internal control systems and operating methods.



New Suppliers Approved in 2024 – Acon



New Suppliers Approved in 2024 – Aconoptics



New Suppliers Approved in 2024 – Awan

● Actions taken in response to positive/negative supply chain shocks

Acon-Holding will immediately terminate the cooperative relationship if it is determined to be a major deficiency in the following circumstances:

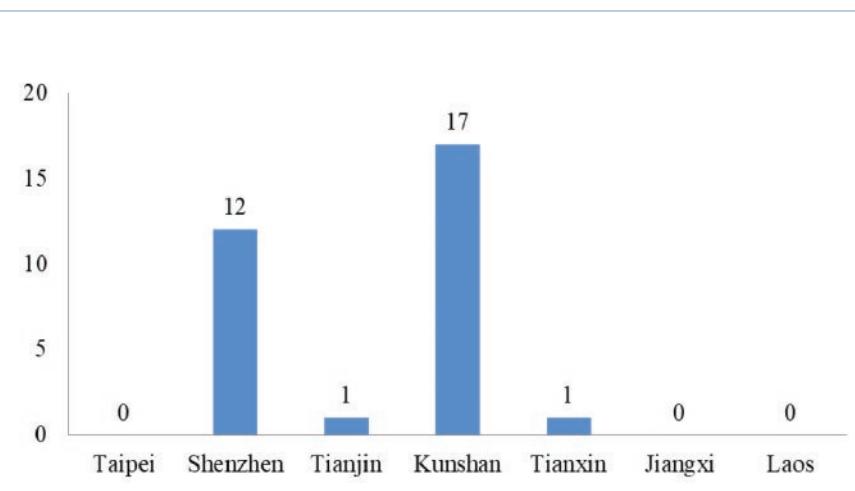
1. There is no abnormality in the factory audit, but the cooperative relationship is terminated due to abnormal delivery quality
2. If the system is incomplete and the evaluation is unqualified, the subsequent transaction will be stopped

Other reasons for the termination of the cooperative relationship by the supplier (due to the supplier's BLOCK):

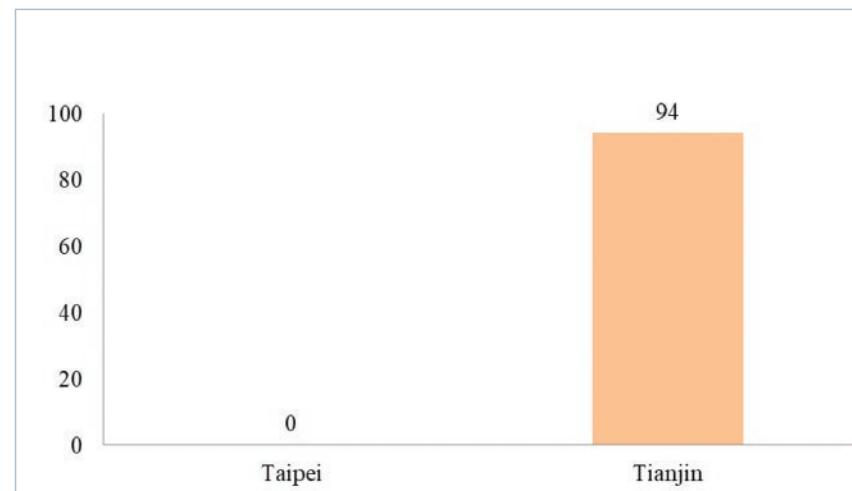
1. Change agents
2. The customer designates the merchant and will not trade in the future

3. No follow-up mass production has been carried out
4. Case sample stage
5. The evaluation has not been completed within three months
6. The case is closed
7. Cooperate with customers to transfer goods at one time
8. The manufacturer loses money, and the supplier gives up cooperation
9. The timeliness of delivery & the timeliness of payment, the supplier gives up cooperation

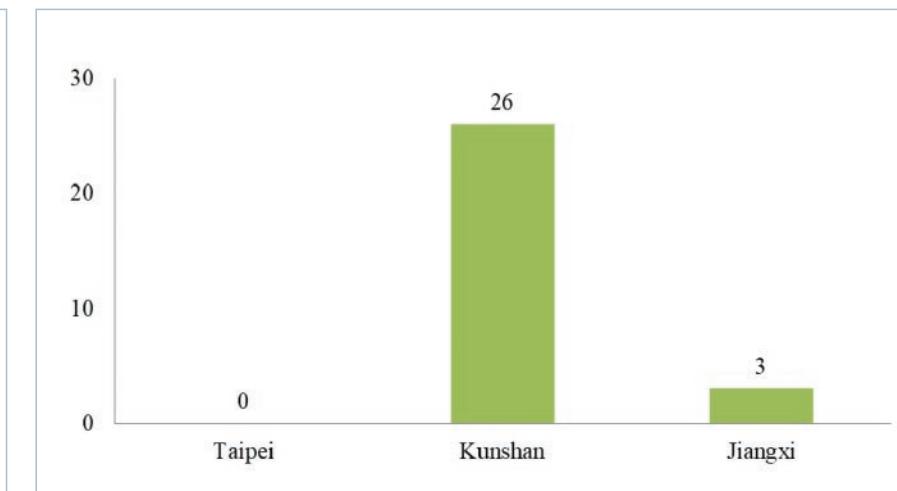
In accordance with the above and internal regulations, Lian Zhan, Lian Xun and Lian Teng will review and review the reasons for the termination of the cooperative relationship, and conduct regular and irregular audits for suppliers in various regions, and the relevant information in 2024 is as follows:



Number of Suppliers Audited Across Acon Sites



Number of Suppliers Audited Across Aconoptics Sites



Number of Suppliers Audited Across Awan Sites

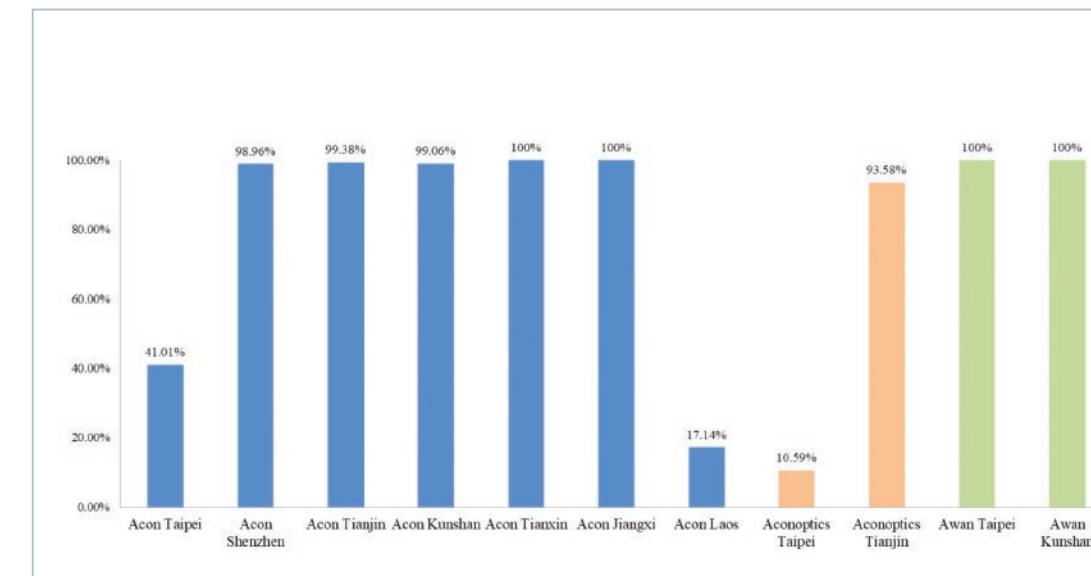
There are no major deficiencies in the suppliers audited in the above-mentioned Acon, Aconoptics and Awan factories, so there are no improved suppliers with major deficiencies and suppliers who have terminated the cooperative relationship without improvement.



● Procurement Practices

Acon-Holding continues to promote procurement according to the country where it is located, so as to improve operational efficiency and implement localization strategies. Among them, the Chinese production base is an important operating base of the company, and in order to pursue production and supply efficiency, reduce logistics costs, improve after-sales service quality and strengthen product quality control, it has actively implemented local procurement policies over the years. In addition to helping to promote local economic development, this will also reduce the impact on the environment by reducing carbon dioxide emissions generated during transportation, demonstrating the company's commitment to sustainable development.

In terms of procurement practices, Acon-Holding adheres to the principles of economy and efficiency in obtaining resources in accordance with local laws and ethics, understands product demand through market research, and selects competitive suppliers from the aspects of price, quality and service. Subsequently, through procurement execution management and supply performance evaluation, we will ensure the stability and quality of the overall supply chain, and achieve the dual goals of operational efficiency and sustainable development.



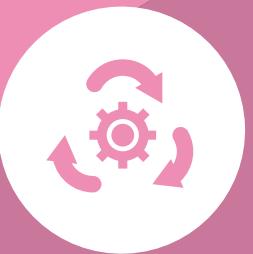
Local Procurement Ratio at Each Operating Site in 2024

5

Environmental Sustainability

Climate change response

5-1



Environmental management

5-2



Material Issues - Management Approach

Topic impact note

Acon-Holding adheres to the concept of continuously creating and improving employees' environmental awareness and occupational safety and health performance, and attaches more importance to the implementation of social responsibility, environmental protection and occupational safety and health related activities and management systems while building customer trust and profits.

We are well aware that the Earth's climate and environment are gradually deteriorating due to the multiplication of greenhouse gases. As a member of the earth and in order to fulfill its corporate responsibility, Acon-Holding will be committed to promoting the direction of greenhouse gas management from now on.

In the face of global warming, Acon-Holding has established a greenhouse gas inventory system at its Longgang plant in Shenzhen and its plant in Taiwan since 2009 and 2010 respectively, setting that year as the base year for carbon management of the plant, and passing the inspection of the external verification agency to comply with the ISO 14064-1 standard. Since then, each site has complied with the ISO 14064-1 standard and independently completed the Scope 1 and Scope 2 greenhouse gas inventories of the previous year, which will continue to be used as a reference indicator for carbon reduction strategies.

In addition, the inventory is systematic and digitized, and the Q-Carbon greenhouse gas inventory system of the project subsidy and lightning technology information is introduced.

We are committed to:

- (1) Continue to save energy and reduce carbon emissions, and protect the earth's ecological environment.
- (2) Introduce and develop low-carbon technologies, promote the reduction of greenhouse gases in the supply chain, and reduce carbon emissions at source through green design and green procurement.
- (3) Continuously improve the greenhouse gas management system to develop low-carbon products.
- (4) Carry out education and training and promotion of reduction actions, and fulfill corporate social responsibility.
- (5) Committed to carbon information disclosure and become an important partner for customers to reduce greenhouse gases.

Policies & Commitments

Responsible unit

ESG Committee

Put in the resources

In order to effectively grasp the use of major energy consumption and energy flow, track management and improve, and then reduce energy costs and the use of operating energy resources, Acon-Holding has established a "Global Intelligent Energy Management System" in Taiwan and Shenzhen since 2012 with reference to international ISO50001 energy management standards:

- (1) Introduce a ISO50001 system and establish an energy management framework.
- (2) Establish real-time total power supply, major energy consumption equipment, box-type air conditioning and other power monitoring systems, and optimize the load operation of equipment.
- (3) Perform light environment analysis and simulation to improve ambient lighting.
- (4) Establish a detection and monitoring system for carbon dioxide, temperature and humidity and illumination in the workplace, and build a fresh air system according to the environmental comfort level (PMV). Through the integration of energy management information through intelligent technology, the plant can effectively improve the efficiency of environmental resource use. In addition to responding to the world's energy-saving and low-carbon trend business model, and reducing greenhouse gas emissions through energy conservation, we fulfill our social responsibilities as a global citizen.

Grievance channels

trust@acon-holding.com

1. Comply with and comply with local environmental safety and health laws and regulations and relevant requirements of environmental safety and health signed by the company;
2. Committed to green design to achieve pollution prevention;
3. Promote waste reduction and implement waste reuse;
4. Improve the efficiency of energy and resource use in production activities, advocate energy conservation, and reduce resource waste;
5. Commitment to eliminate hazards, reduce risks and continuously improve, and strive to create a safe working environment to achieve the goal of zero disasters;
6. Implement the people-oriented business philosophy, so that workers and worker representatives can consult and participate, and continue to care for the health of employees.

Acon will continue to educate employees to understand and support this policy; This policy will be communicated through appropriate channels to enable all relevant parties to understand our ambition and sense of responsibility for environmental, safety and health management.

2024 Action Plan and Performance

1. The data on the use of energy management, which is reported by the Occupational Safety and Health Committee on a quarterly basis, has increased or decreased cumulatively compared to the previous year.
2. The main production plants continue to save technological transformation and eliminate old equipment and pay attention to low-carbon energy.
3. Acon-Holding promotes carbon reduction in life.

Effectiveness evaluation

Follow the Energy Resource Management Procedure:

1. Regularly inspect all water/electricity facilities and equipment.
2. Set up each level of management inspection switch or fault report.
3. Immediate repairs are made to reduce waste.
4. Water and electricity consumption is reviewed and analysed on a monthly basis.
5. Notices, use of data, information, and publicity announcements.

Follow waste management procedures

1. Implement the separate collection and storage of waste and scraps.
2. Commissioned by a qualified removal and disposal provider to carry out the removal and disposal operations.
3. Continue to classify and sell raw materials to create a cycle.

5.1 Climate change response



Climate change brings far-reaching risks and challenges to the global economy, society and ecosystem, as well as potential impacts and transformation pressures on business operations. Acon-Holding pays attention to the multiple impacts caused by climate change issues, and recognizes that actively managing climate risks and seizing low-carbon transition opportunities are crucial to the sound operation and sustainable development of enterprises.

In response to stakeholders' expectations for transparent disclosure of climate information, the Company has referred to the Task Force on Climate-related Financial Disclosures (TCFD) issued by the Financial Stability Board (FSB) since 2023 onwards. Indicators and Targets", which are the four core elements of "Indicators and Targets", which take stock of and disclose the management status and response actions of climate-related risks and opportunities.

Through the introduction and continuous optimization of the TCFD framework, Acon-Holding is committed to strengthening organizational resilience, improving climate risk resilience, and steadily promoting low-carbon transformation with clear strategic directions and measurable goals, so as to ensure the realization of long-term competitiveness and overall sustainable value of the enterprise.



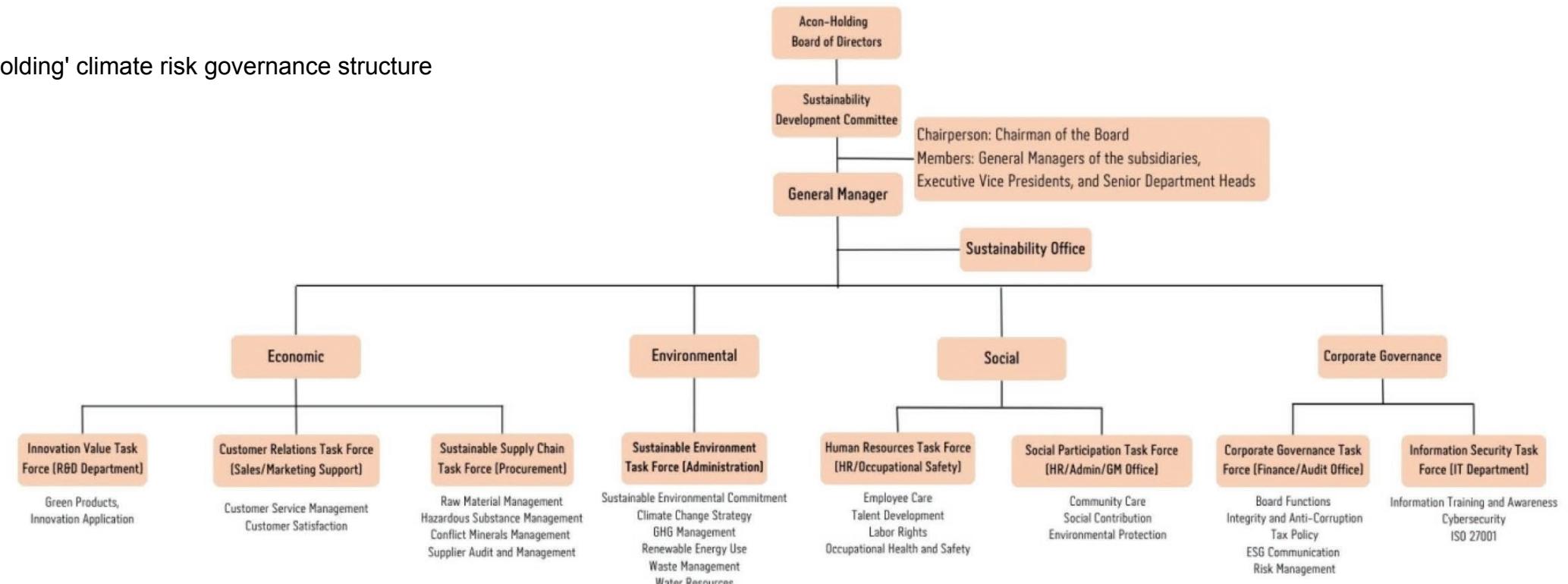
● Climate governance architecture

Acon-Holding continued to strengthen its sustainable operation capabilities and environmental governance mechanism, and established a sustainable development management committee as the core authority and responsibility unit for climate risk and environmental management, and coordinated and promoted relevant strategies and actions. The committee is responsible for:

1. Identify climate-related risks and opportunities
2. Perform climate impact assessments
3. Supervise and manage the effectiveness and implementation performance
4. Report the implementation and results to the Board of Directors on a regular basis every year

The members of the Sustainability Management Committee cover a number of key departments such as factory affairs, general affairs, finance, procurement and legal affairs. Each department regularly assesses the risks and opportunities that may be brought about by climate change according to its scope of responsibility, analyzes its occurrence probability and potential impact, and formulates specific countermeasures and management measures accordingly to ensure effective risk management and continuous improvement of overall environmental management performance.

● Acon-Holding' climate risk governance structure

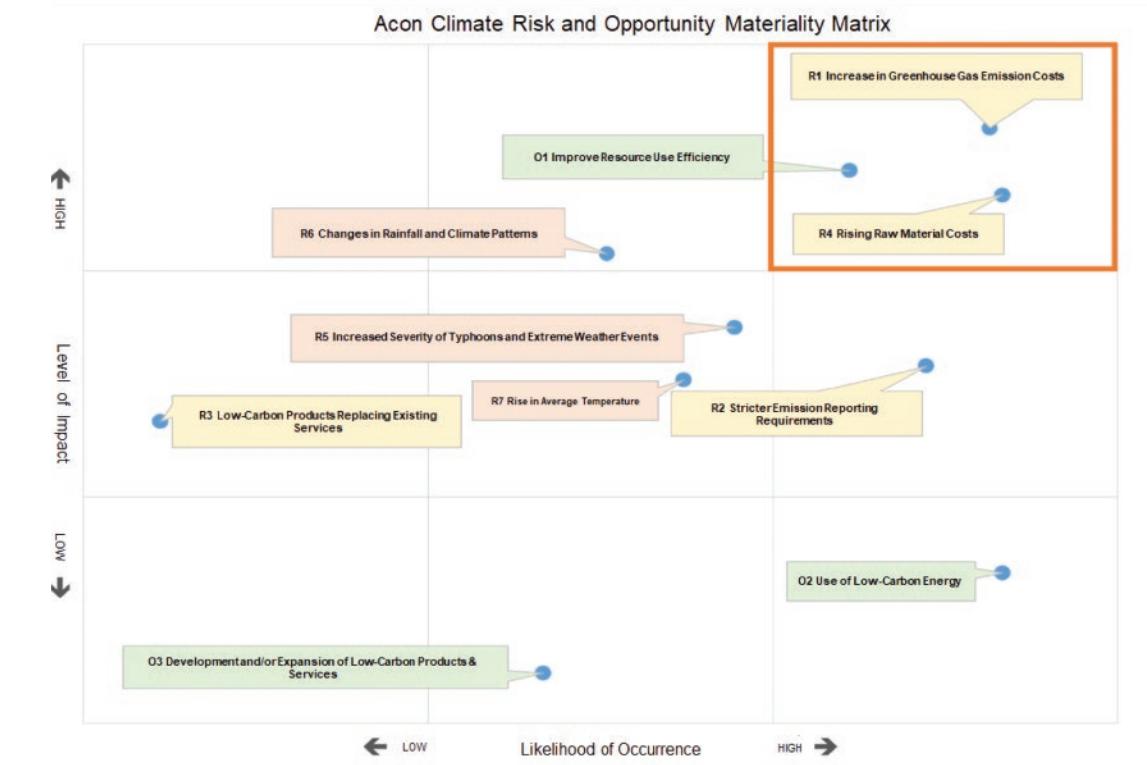


● Acon-Holding' climate risk governance structure

In order to systematically identify and assess the key climate risks and opportunities that may have an impact on the operations of Acon-Holding, the Company is coordinated by the Sustainability Development Committee and convenes five major groups, including the Corporate Governance Group, the Supply Chain Management Group, the Environmental Protection and Energy Conservation Group, the Social Employee Group and the Customer Service Group, to jointly conduct an inventory and analysis of climate-related issues.

Based on the analysis of international trends and the practical experience of the plant over the years, each team collected information related to climate change, divided the topics into three categories according to the TCFD framework: physical risks, transition risks and climate opportunities, and conducted multi-faceted discussions and scoring assignments on each topic.

The scoring is based on the "degree of impact" and "likelihood of occurrence" to determine the materiality of the issue, and the Climate Risk and Opportunity Matrix is drawn to visualize the assessment results. In response to the identified key issues, the teams further developed specific adaptation and mitigation strategies that could serve as a reference for climate action and risk management.



● Climate risk and opportunity identification results

The 2024 edition of Climate Risks and Opportunities identified three material issues, including two transition risks and one opportunity.

Through interviews with various plant units, we took stock of the climate risks and opportunities faced by frontline colleagues in recent years, and included the historical records of climate disasters and regulatory responses in each plant into the assessment, so as to focus on key climate risk issues, and defined the impact period as: short-term is expected to occur within 3 years, medium-term occurrence within 3-5 years, and long-term occurrence in 5 years, and estimate the actual impact degree to propose a continuous climate risk opportunity response strategy.

face	Issues	Affect the schedule	The impact of risk/opportunity issues on the impact of continuous exhibitions	Response Strategy
Transition risk Policies & Regulations	The cost of greenhouse gas emissions has increased	medium term	<ul style="list-style-type: none"> Taiwan's Legislative Yuan passed the "Climate Change Response Act" in the third reading, and it is expected that carbon fees will be levied on high-carbon emission enterprises with annual carbon emissions of more than 25,000 tons in Taiwan starting in 2024, and it is estimated that the carbon fee may fall below NT\$300 per ton, and the carbon emission threshold will be lowered year by year after the follow-up policy. The total annual carbon emissions of the Taiwan plant of Acon did not reach 25,000 yuan, and it is not subject to the first wave of carbon fee collection for the time being, but considering the possibility of a downward revision of the carbon emission threshold in the future, there is still a risk of increasing operating costs due to greenhouse gases. If the carbon emissions exceed the annual carbon emission allowance, the Shenzhen Factory needs to purchase carbon credits through the Shenzhen Carbon Emission Exchange to make up the difference. In recent years, the transaction price per ton of carbon trading in the Shenzhen carbon trading market has risen rapidly, resulting in an increase in carbon trading expenses in the Shenzhen Factory, affecting the basic operating costs of the plant. 	<ol style="list-style-type: none"> 1. It is planned to introduce ISO 14064-1 greenhouse gas inventory, incorporate carbon inventory into the annual routine work, and implement management and greenhouse gas reduction plans for each plant, and the plant will submit the annual carbon reduction performance of the head office to implement the supervision mechanism. 2. Plan to participate in the establishment of SBTi carbon reduction targets, calculate the global carbon budget scenario, and set a reasonable carbon reduction path and targets. 3. The planning plant reviews the rationality of electricity consumption every month, optimizes the start-up control of high-power equipment, promotes the elimination and renewal of old energy-consuming equipment, and reduces the overall electricity consumption of the plant. 4. The new factory office is planned for green buildings, plans the power grid in accordance with the ISO50001, eliminates the old high-energy-consuming air conditioners, and adopts more energy-saving water-cooled central air conditioners. 5. Based on the expected future demand, the Shenzhen Factory will evaluate the pre-purchase carbon trading. 6. The Tianjin Factory has invested in green solar power generation.
Transition risk Market Risk	Rising raw material costs	short term	<ul style="list-style-type: none"> In recent years, the global demand for renewable energy and electric vehicles has been growing, which has affected the increase in global demand for copper ore, resulting in an increase in copper prices. The main products of Acon are connectors, copper accounts for more than 40% of the total materials, and metal is also the highest raw material in the product cost. 	<ol style="list-style-type: none"> 1. Actively invest in innovation and R&D, lay out product diversification, and avoid the main products from a single raw material that greatly affects operating costs. 2. Layout planning of multiple suppliers, through the diversification of supplier sources, to ensure that the company can switch sources at any time to obtain cheaper prices and raw material quality. 3. Plan the inventory management system, plan the layout of raw material inventory in advance, and minimize the need for large purchases when copper prices are high.
Opportunity to improve resource efficiency	Improve the efficiency of resource use	medium term	<ul style="list-style-type: none"> In recent years, with the impact of climate change on environmental resources, not only the abnormal climate has caused extreme scarcity of water resources, but also the cost of various energy materials has also increased. By improving the energy efficiency of production machinery and equipment, including electricity, water resources, raw material management and reuse, the basic operating costs of Acon can be reduced in the long run, and the consumption of natural resources can be reduced. 	<ol style="list-style-type: none"> 1. Regularly review the energy efficiency of the equipment in the factory, replace the old equipment, and reduce the electricity consumption in the factory. 2. Implement scraps and waste plastic pellets into the manufacturing process for reuse, carton recycling, and tray recycling to suppliers. 3. Evaluate and introduce a global intelligent energy management system, build a real-time total power supply, major energy consumption equipment, box-type air conditioning and other power monitoring systems, optimize the load operation of equipment, and reduce the power consumption of the plant.

● Climate-related risks and opportunities identification and assessment process

In 2024, the Acon Sustainable Development Committee will continue to hold a climate change risk and opportunity identification meeting based on the guidance of the external consultant team in 2022, and divide it into transition risks, physical risks and opportunities according to the recommendations of the TCFD; Among them, the identification of risks and opportunities includes the impact period, occurrence probability and impact degree, and the "Continuous Climate Risk and Opportunity Materiality Matrix" is drawn after evaluation. After the matrix analysis, after discussion by the Sustainable Development Committee, three major climate change risks and opportunities were finally identified, and relevant goals and response strategies were formulated, and the implementation and achievement of the goals will be regularly monitored every year in the future.

■ Climate-related risk opportunity issue identification process

Process Phases	Illustrate
Climate Issue Inventory	By collecting various international trends, regulations and industry concerns related to sustainability and climate, 10 climate-related risks and opportunities related to the exhibition were screened, including 4 transition risks, 3 physical risks and 3 opportunities.
Materiality Assessment	The Sustainable Development Committee will convene relevant units to identify and evaluate the 10 issues, score the impact period, the probability of occurrence and the degree of impact, and draw a materiality matrix.
Material Climate Topics	Referring to the materiality matrix and based on the current operation status and future strategic development, the Sustainable Development Committee identified three major climate issues, including two transition risks, one opportunity to improve resource efficiency, including two transition risks and one opportunity to improve resource use efficiency.

● Metrics & Goals

In the face of global warming, the first task of Acon is to check the total amount of greenhouse gases emitted by its own operations. Therefore, since 2009 and 2010, we have established a greenhouse gas inventory system in Shenzhen Longgang Plant and Taiwan Plant respectively, and passed the inspection of compliance with the ISO14064-1 standard by an external third-party verification agency.

Subsequently, each plant will independently complete the Scope 1 and Scope 2 greenhouse gas inventory of the previous year with reference to the ISO14064-1 standard every year, and continue to provide the carbon emission data and carbon reduction performance of the headquarters every year as a reference index for the carbon reduction strategy.

■ Achievement of climate targets for 2024

target	Achievement
The total electricity consumption in Taiwan decreased by 1% compared with the previous year (unit: kWh)	In 2024, Taiwan's electricity consumption will be 578,978 kWh, compared with 582,021 kWh in 2023; 3,043 kWh less, -0.52%
The water consumption in Taiwan decreased by 1% compared with the previous year (unit: kWh)	Taiwan's electricity consumption in 2024 will be 2,560 kWh, compared with 2,656 kWh in 2023. Reduced water by 96 degrees by -3.75%
Acon-Holding I has reduced carbon emissions by 2,000kgCO2 in Taiwan	The use of disposable tableware was reduced by 13,511 pairs, resulting in a cumulative reduction of 1,878.97 kg of CO2Health Promotion Walking Campaign 2024
Continue to save energy and promote the elimination and renewal of old energy-consuming equipment	The Taipei plant has updated a set of first-class energy-efficient air conditioners, which can save about 848 kWh of electricity. The Shenzhen Factory has updated 15 inverter air conditioners, saving about 129,168 kWh of electricity
Invest in photovoltaic power generation or other green power purchases	Photovoltaic power generation in Tianjin Factory in 2024: 916,269.95kWh, accounting for 3% of the group's total electricity consumption

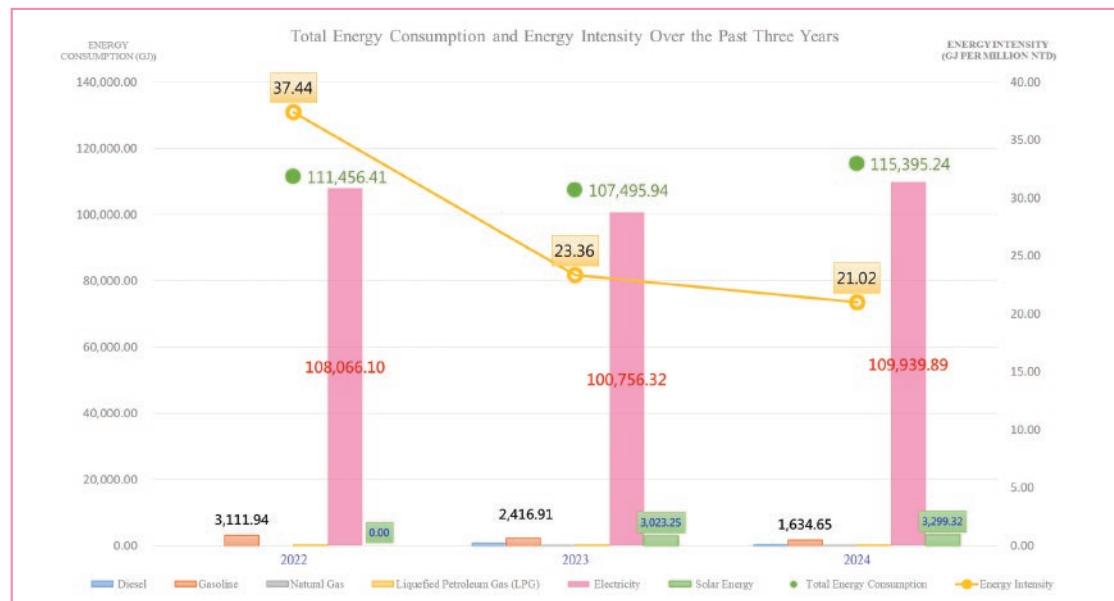


5.2 Environmental management

● Greenhouse Gas and Energy Management

With the end of COP27, the risk of global climate action failure is increasing day by day, and the global community should strengthen cooperation within the time limit to jointly respond to the challenges of climate change, reducing greenhouse gas emissions and phasing out fossil fuels has become an important issue that every enterprise must pay attention to.

In order to effectively reduce energy consumption and achieve green operation, Acon-Holding implements internal energy management policies and formulates energy management process documents with reference to ISO 50001 and ISO 14001, and introduces an energy resource management system to monitor electricity consumption data and detect abnormal electricity consumption in real time. Each department proposes corrective and preventive measures to avoid energy waste.



In 2024, the total energy consumption of Acon-Holding will be 115,395.24GJ, and the energy structure will be dominated by electricity accounting for 95.3% of the total energy consumption, mainly due to the electricity consumption of the connector manufacturing process, including the development of plastic and terminal molds, plastic injection and terminal stamping, electroplating assembly and other equipment, followed by gasoline consumption of official vehicles, accounting for 1.4% of the total energy. Overall, the energy intensity is relatively lower than that of the previous year, and Acon-Holding will continue to evaluate and promote the demand for photovoltaic power generation and the replacement of old equipment in the plant in major production areas, and reduce the overall process electricity consumption through the replacement of energy-saving new machines.

● Total energy consumption in the last three years

Total Internal Energy Consumption (GJ).		2022	2023	2024
Non-renewable energy	Diesel (litres)	0.00	896.27	190.40
	Petrol (litres)	3,111.94	2,416.91	1,634.65
	Natural gas (litres)	0.00	117.17	41.32
	Liquefied petroleum gas (litres)	278.36	281.97	286.14
	steam	0.00	4.06	3.52
renewable energy	Electricity (10,000 kWh)	108,066.10	100,756.32	109,939.89
	Solar energy (10,000 kWh)	0.00	3,023.25	3,299.32
The total calorific value of energy consumed		111,456.41	107,495.94	115,395.24
Unit revenue (GJ/NT\$ million)		37.44	23.36	21.02

2024 Internal Energy Description:

Note 1: The scope of statistics includes:

Acon-Holding (Taipei), Acon (Taipei/Shenzhen/Tianjin/Kunshan/Tianxin/Jiangxi/Laos), Aconoptics (Taipei/Shenzhen/Tianjin), Awan (Taipei/Kunshan/-Jiangxi).

Note 2: Taiwan's electricity calorific value = 860 kcal/kWh, gasoline calorific value = 7,800 kcal/L, coefficient source: Unit calorific value of energy products of the Energy Bureau of the Ministry of Economic Affairs.

Note 3: The calorific value of electricity in Shenzhen Factory = 860 kcal/kWh, the calorific value of gasoline = 7,985.5 kcal/L, the coefficient source: provincial greenhouse gas inventory compilation guide.

Note 4: The total power generation capacity of the green solar power generation facilities in Tianjin is 916,269.95kWh for self-consumption. (Acon 510,927.53 / Aconoptics 405,342.42)

Note 5: IN 2024, THE SHENZHEN FACTORY WILL PURCHASE 3,100 LITERS OF DIESEL, AND THE TIANXIN FACTORY WILL PURCHASE 1,312,340 KG OF STEAM POWER IN 2024

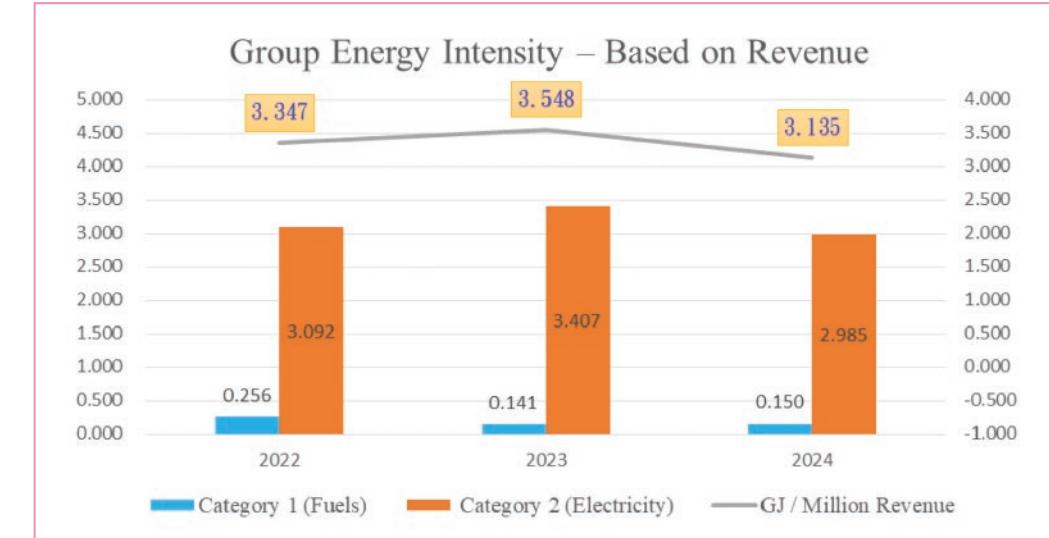
Acon-Holding is well aware that it is necessary to invest in mitigating global warming, and the total amount of greenhouse gases in the company's own operations is the primary task. Therefore, as early as 2009 and 2010, Acon-Holding has established a greenhouse gas inventory system in Shenzhen and Taiwan respectively, and has passed the ISO 14064-1 standard inspection by an external third-party verification organization. Each year thereafter, each site independently completes the Scope 1 and Scope 2 greenhouse gas inventory of the previous year with reference to the ISO 14064-1 standard and compiles the greenhouse gas inventory report, which internalizes the carbon inventory operation into the routine work of Acon Factory, so that Acon Headquarters can make more accurate decisions based on the quantitative carbon emission data of each plant when evaluating future carbon reduction strategies and plans.

In 2024, the total carbon emissions of Acon-Holding will be 17,204.65 tons of carbon dioxide equivalent, with Scope 2 electricity carbon emissions as the main emission source, the total carbon emissions will increase compared with the previous year, and the emission intensity will be 0.413 lower than last year.

The Shenzhen Factory is a key carbon emission control enterprise under the Shenzhen Municipal Bureau of Ecology and Environment, and the emission data is supervised by the Shenzhen Municipal Bureau of Ecology and Environment, and the total carbon emissions are required to be declared regularly every year in accordance with ISO14064 the requirements of laws and regulations.

- In the past three years, the total amount of carbon emissions has been exhibited and controlled

project	2022	2023	2024	unit
Scope 1	1,413.515	647.603	821.084	tonCO2e
Scope 2	17,074.911	15,677.322	16,383.561	tonCO2e
Total carbon emissions	18,488.426	16,324.925	17,204.645	tonCO2e
Carbon intensity	3.347	3.548	3.135	tonCO2e/ Millions of revenues



Note 1: Scope of greenhouse gas inventory: Acon-Holding (Taipei), Acon(Taipei/Shenzhen/Tianjin/Kunshan/Tianjin/Jiangxi), Aconoptics (Taipei/Shenzhen/Tianjin), Awan (Taipei/Kunshan/Jiangxi).

Note 2: Scope 1 direct emissions: Covers fuel combustion, process emissions, fugitive emission sources and mobile sources such as official vehicles for stationary equipment.

Scope 2 indirect energy emissions: The source of emissions is purchased electricity.

Note 3: Inventory methodology: The Shenzhen Factory follows the "Norms and Guidelines for the Quantification and Reporting of Organizational Greenhouse Gas Emissions", and the Taiwan plant follows ISO14064-1 calculation.

Note 4: Source of GHG coefficient: The GWP value is AR4 as announced by the IPCC.

Note 5: Electricity carbon emission coefficient: China adopts the electricity carbon emission factor announced by the "China Regional Power Grid Baseline Emission Factors", and Taiwan adopts the electricity carbon emission factor announced by the Energy Bureau of the Ministry of Economic Affairs.

Note 6: Types of greenhouse gas inventory: According to the requirements of the Shenzhen Ecological Environment Bureau, the Shenzhen Factory covers 2 greenhouse gases, CO2 and CH4, and the Taiwan plant covers 7 greenhouse gases, including CO2, CH4, N2O, HFCs, PFCs, SF6 and NF3.

Note 7: Greenhouse gas inventory boundary setting: The Taiwan plant adopts the equity ratio method, and the Shenzhen Factory adopts the equity ratio method.

Note 8: Emission intensity = (Scope 1 + Scope 2 total CO2 equivalent) / Plant revenue (NT\$ million).

● Waste management

Although the general waste is mostly non-toxic, if it is disposed of arbitrarily, it may become a flammable substance that causes fire if it is not properly placed, and it may also produce plastic and particulate dust after long-term weathering, or become a breeding source of pests and diseases due to arbitrary disposal of rainwater, so Acon-Holding does not ignore its risk to the environment. Acon-Holding waste contains a very small amount of hazardous waste, which originates from the production of auxiliary materials and chemical containers, and if accidentally enters the groundwater system, it may cause long-term impact on the nearby ecosystem and bring potential risks to the health of residents in the surrounding neighborhood.

● Identification of major waste uses and potential impacts on the environment

Name of the waste	Sources and Uses	Potential impacts on society and the environment
Scrap steel	<ul style="list-style-type: none"> The production of raw materials is produced by hardware processing units 	
Waste wood	<ul style="list-style-type: none"> Production of raw materials, produced from various units 	
wastepaper	<ul style="list-style-type: none"> Production of raw materials, produced from various units 	
Waste plastics	<ul style="list-style-type: none"> Raw materials for the production of injection molding units 	Although most of the general waste is not toxic, if it is disposed of arbitrarily, it may become a flammable material that causes fire, and after long-term weathering, it may also produce plastic dust, or become a breeding ground for pests and diseases due to rainwater.
Scrap copper plate scraps	<ul style="list-style-type: none"> The production of raw materials is produced by hardware processing units 	
Waste lubricating oil	<ul style="list-style-type: none"> Production of auxiliary materials, machine lubrication use 	
Waste emulsion	<ul style="list-style-type: none"> Production of auxiliary materials, machine cooling use 	
Oily rags	<ul style="list-style-type: none"> Production of auxiliary materials, machine wiping and use 	Lubricating oil is mixed with emulsion oil, water, additives, etc., and if it accidentally enters the groundwater system, it may cause long-term impact on the nearby ecosystem and pose a potential risk to the health of the surrounding residents.
Waste empty containers	<ul style="list-style-type: none"> Contains chemicals for use 	Oily rags contain flammable substances, which pose a safety risk of fire, while waste empty containers, waste filters and waste activated carbon will leave polluting substances during use, which may also have an impact on the environment if not properly disposed of.
Waste filters	<ul style="list-style-type: none"> Production of auxiliary materials, machine filtration use 	
Waste activated carbon	<ul style="list-style-type: none"> Use of waste gas treatment facilities 	



In order to abide by the local environmental safety and health laws and regulations of each operating base and the environmental safety and health specifications signed by the company, Acon-Holding requires all factories to follow the internal waste removal and transportation management procedures, properly store and record the type and total amount of waste according to the category, and the storage area management unit regularly inspects the storage area status once a month, and registers it in the waste storage area checklist, and its original is kept in the storage area management unit. and should be kept for more than three years for future reference.

The waste of Acon-Holding is entrusted to a third-party removal and transportation company approved by the local government to carry out the waste removal and transportation operation, and in accordance with the provisions of the Waste Disposal Law, the removal content shall be declared online before removal. In addition, they are also required to accept the annual audit of waste removers planned by relevant units in the plant area to ensure that waste removers dispose of waste in accordance with local environmental protection laws and regulations, and there is no potential risk of violating laws and regulations and impacting the environment.



- Acon-Holding all kinds of waste data measurement specifications

Type of waste	Data Measurement Specifications
Waste electronic components	Before purging, a qualified cleaner should be appointed to classify and calculate the weight and registration records on the spot.
Scraps	Depending on the type of scraps, the weight records are registered separately.
Waste Oil	Weight records should be registered separately for each change, depending on the type of oil.

- Acon-Holdingall kinds of waste storage and labeling specifications

Type of waste	Storage and labeling specifications
Waste electronic components	The designated storage area is the warehouse designated by the storage and transportation management unit, and there should be an independent area and mark when storing it to facilitate identification and management.
Scraps	The designated storage area is the area designated by the production unit, and there should be a separate area and mark when storing it to facilitate identification and management.
Waste oil	For example, discharge oil, circulating oil, cutting oil, lubricating oil, stain removal oil and other waste oil products, the designated storage area is the area designated by the production unit, and there should be an independent area and label when storing to facilitate identification and management, and solid waste oil and liquid waste oil shall not be mixed and stored.
Household waste	The designated storage area is the designated area on each floor, and there should be a separate area and sign when storing it to facilitate identification and management.
Recyclable waste	For example, paper, bottles and cans, batteries, etc., should be placed in the storage area of general industrial waste, and a recycling box should be set up for recycling.

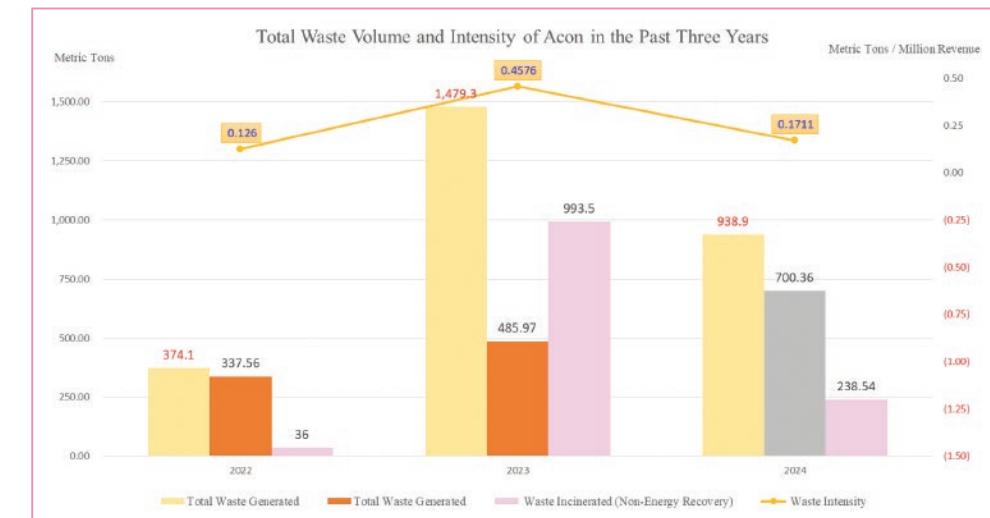
In 2024, the total amount of waste generated by Acon-Holding will be 938.9 tons, of which non-hazardous waste will account for 99.17% of the total, mainly from employee domestic waste and waste raw materials, and a very small amount of hazardous business waste will account for 0.83%, mainly production accessories, which will be recycled and reused by a professional industrial waste disposal company.

- In 2024, the total amount of waste generated by Acon-Holding will be divided according to the waste item

Type of waste	Waste breakdown	Processing	Amount of waste generated (tonnes)	Divide the total amount by category	Percentage %
Non-hazardous waste	Household waste	incinerate (Non-energy recovery)	238.5412	931.117	99.17%
	Household waste	reclaim	0		
	Scrap steel	reclaim	353.534		
	Waste wood	reclaim	7.67		
	wastepaper	reclaim	79.093		
	Waste plastics	reclaim	82.3559		
	Scrap copper plate scraps	reclaim	169.923		
Hazardous waste	Waste lubricating oil	reclaim	0.525875	7.789	0.83%
	Waste emulsion	reclaim	1.105875		
	Waste cleaning agents	reclaim	0.2		
	Oily rags	reclaim	0.303355		
	Waste empty containers	reclaim	1.809855		
	Waste filters	reclaim	1.2639		
	Waste activated carbon	reclaim	2.58		
	total		938.9060		

Note 1 : Waste category: Acon-Holding (Taipei), Acon(Taipei/Shenzhen/Tianjin/Kunshan/Tianjin/Jiangxi),
Aconoptics (Taipei/Shenzhen/Tianjin), Awan (Taipei/Kunshan/Jiangxi)

- The total amount and intensity of waste in the past three years



Overall, in 2024, the waste recycling/utilization rate of Acon-Holding will reach 80.45%, and Acon-Holding will gradually increase the proportion of waste recycling and explore the possibility of developing a circular economy based on the management principles of waste recycling, stability, harmlessness and economy.

- In 2024, the total amount of waste will be divided according to direct/transfer disposal

Waste category	Hazardous waste		Non-hazardous waste		Total throughput	
	Throughput (tons)	%	Throughput (tons)	%	Throughput (tons)	%
Disposition Transfer	7.50	100%	673.37	80.27%	680.88	80.45%
Reuse/Recycling						
Direct disposal	0	0%	165.46	19.73%	165.46	19.55%
Incineration/burial						

● Water management

In recent years, water management and risk assessment have become an issue that companies must carefully manage and evaluate due to the increasingly severe climate extremes caused by global warming, and the continuous disruption of operations at the plant site due to water depletion or flooding caused by extreme rainfall. In Taiwan, the number of typhoons that have made direct landfall has dropped sharply in the past few years, resulting in a shortage of available water in Taiwan, and in 2021, it also led to a large-scale water shortage in western Taiwan. Although the main water used by Acon-Holding's plants is the livelihood of employees, and the manufacturing process is not highly dependent on water resources, Acon-Holding is still committed to maximizing the benefits of every cent of water resources through water-saving strategies to reduce operational risks and the impact on external water resources.

The water intake of each plant of Acon-Holding comes from the local third-party water supply unit, and the water is not taken from groundwater, surface water or seawater, and the main water is the bulk of the water used for people's livelihood in the plant area, and the domestic wastewater is discharged from the drainage pipeline to the confluence pipeline of the industrial zone, and then discharged into the local stream after sewage treatment, which has no significant impact on the local ecological environment and neighborhood.

Since the wastewater without process does not need to consider the characteristics of the wastewater, it does not have a significant impact on the stream of the wastewater discharge

● The source of water intake and the destination of drainage of each operating base of Acon-Holding

Operational bases	Catchment area	Source of water intake	Wastewater treatment	Drainage destinations
Acon-Holding Acon Taipei Aconoptics Taipei Awan Taipei Acon-eco	Emerald Reservoir	Taipei Water Supply Office	drainage system	Xindian Creek
Acon Tianxin	New Fortune Environmental Protection Industrial Park	New Fortune Environmental Protection Industrial Park	New Fortune Environmental Protection Industrial Park	New Fortune Environmental Protection Industrial Park
Acon Shenzhen Aconoptics Shenzhen	Songzikeng Reservoir	Shenzhen Water Supply Company	Shenzhen Pingshan Water Bureau Municipal sewage treatment plants	Pingshan River
Acon Tianjin Aconoptics Tianjin	Tianjin TEDA Water Compan	Tianjin TEDA Water Supply Company	Municipal drainage system	Tianjin TEDA Water Supply Company
Acon Kunshan Awan Kunshan	Kunshan Zhangpu Water Company	Kunshan Zhangpu Water Company	Municipal sewage treatment plants	Kunshan Zhangpu Water Company
Acon Jiangxi Awan Jiangxi	Yingtan City Water companies	Yingtan City Water Supply Company	Municipal drainage system	Yingtan City Water Supply Company

In 2024, the total water intake of Acon-Holding will be 450.52 million liters, in order to reduce the consumption of the company's water resources and maximize the benefits of water resources, the toilets of the company's toilets are all two-stage flushing devices. The total water withdrawal intensity decreased by 0.012 compared with last year.

- In the past three years, the total amount of water intake, drainage and water consumption has been continuously controlled, and the unit: million literst

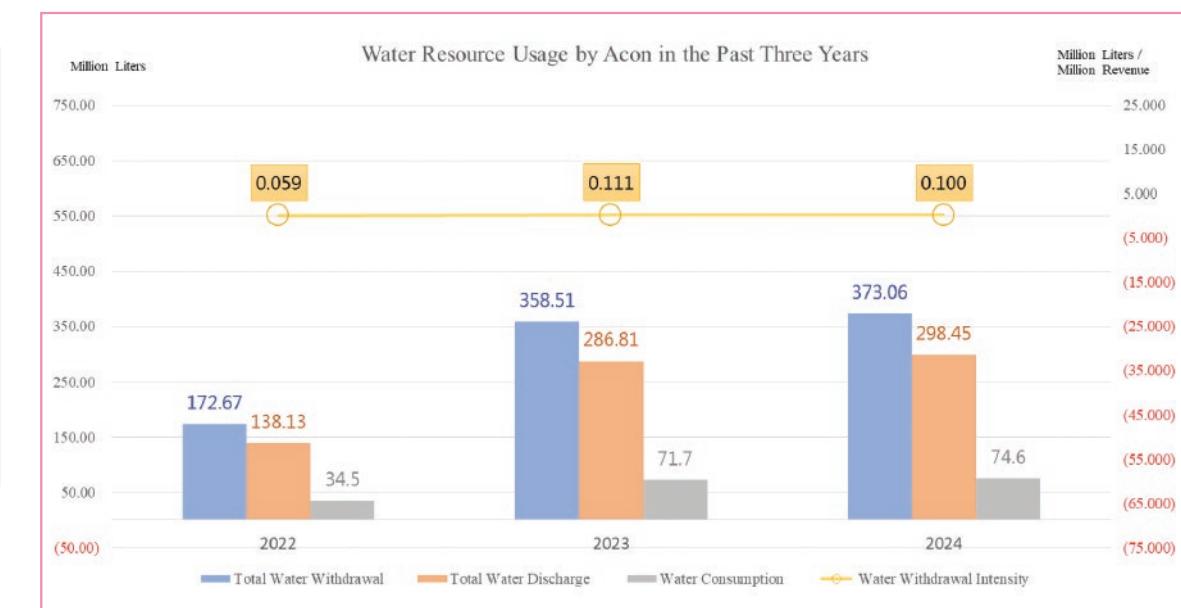
	2022	2023	2024
Total water withdrawal	172.94	433.93	450.52
Total displacement	138.35	347.15	360.42
Water consumption	34.6	86.8	90.1
Water intake intensity (Water withdrawal/million revenue)	0.058	0.094	0.082

Note 1: Water Intensity Category: 2023 / 2024: Acon-Holding (Taipei),
Acon (Taipei/Shenzhen/Tianjin/Kunshan/Tianxin/Jiangxi/Laos), Aconoptics (Taipei/Shenzhen/Tianjin), Awan (Taipei/Kunshan/Jiangxi).
2022: Acon (Taipei/Shenzhen)

Note 2: None of the plants of Acon-Holding have installed flow meters, so the discharge volume is estimated based on 0.8 of the water intake.

Note 3: None of the plants of Acon-Holding take water from areas with high water pressure.

- In the past three years, we have continuously invested in the use of water resources



6

Happy Workplace and Social Prosperity

Talent attraction and retention

6-1



Talent cultivation

6-2

Occupational Safety and Health

6-3

Social participation and common prosperity

6-4





6.1 Talent attraction and retention

Material Issues - Management Approach

Talent is the foundation of business operation and innovation. If an enterprise fails to provide comprehensive talent cultivation resources and a systematic development plan, it may weaken the innovation momentum within the organization, and have a negative impact on the overall talent quality and professional development of the industry in the long run, which in turn will indirectly affect the company's operational efficiency and financial soundness.

With a deep understanding of the importance of talent development to the sustainable operation of enterprises, Acon-Holding actively creates a diversified learning and development mechanism, covering functional training, leadership development, digital capability construction and cross-departmental experience, etc., in order to improve employee effectiveness and innovation ability, and create a working environment with positive motivation and learning culture.

In addition, in the face of the rapidly changing market and workforce structure, the Company continues to pay attention to the retention of key talents, and through internal data monitoring and risk assessment mechanisms, it can grasp the potential impact of talent turnover on operations and finances, and formulate response strategies in real time.

Topic impact note

Policies & Commitments

The education and training planned by Acon-Holding is forward-looking and holistic, and the design and promotion of training are closely aligned with the company's annual strategic objectives, departmental development blueprint, employee functional needs and regulatory compliance requirements.

The sources of training needs include, but are not limited to, the organization's annual business strategy and transformation priorities, departmental operational needs and organizational adjustments, employee performance evaluation results and functional gaps, development goals assigned by supervisors, and professional certification or retraining requirements required by laws and regulations.

Through the rolling planning and implementation of the annual training plan, it can not only effectively improve the work efficiency and cross-functional collaboration ability of employees, but also help their career development and workplace competitiveness, thereby consolidating the talent base of the organization and supporting the continuous innovation and sustainable operation of the enterprise.

Responsible unit

Human Resources Department.

Put in the resources

In order to create a good learning environment and implement the goal of a learning organization, Acon-Holding provides diversified training support from two aspects: hardware facilities and resource subsidies, and actively cultivates professionals with industrial competitiveness and innovative thinking:

1. In-house training facilities are perfect

The Group is equipped with multi-functional training classrooms, professional technical laboratories and simulation areas to support the teaching needs of basic and advanced courses.

For example:

Training Classrooms: Equipped with projection and recording equipment to support physical and blended teaching.

Digital learning station area: Establish digital education and training courses for employees to flexibly use digital learning resources and complete internal training courses.

Internal Lecturer Program: Encourage knowledge sharing and cross-departmental professional inheritance to enhance the overall organizational learning ability.

2. Encouragement of external study and professional development

In order to enhance employees' self-learning momentum and cross-border vision, Acon-Holding provides an annual external training subsidy program to encourage colleagues to actively participate in the following activities:

Enroll in professional certification courses, technical seminars, management programs, etc
Participate in external training on topics related to business, process, sustainability, digital transformation, etc

Professional learning activities in cooperation with domestic and foreign academic institutions

The company prepares a training budget every year, and grants subsidies for external training expenses according to the development needs of departments or individuals, and the maximum subsidy amount is adjusted according to the rank and nature of the course, and provides a feedback system for learning results to promote knowledge diffusion and internal transformation and application.

Material Issues - Management Approach

Acon-Holding is committed to creating a respectful and safe workplace environment, strictly complying with the Gender Equality in Work Act and other relevant laws and regulations, and establishing clear complaint channels to protect employees from sexual harassment, discrimination and mistreatment in the workplace.

Grievance channels
The company has set up a dedicated sexual harassment prevention mailbox and a complaint window of the Human Resources Department, so that employees can submit specific complaints in a confidential manner when they encounter misconduct, and the responsible unit will conduct independent, immediate and impartial investigation and handling in accordance with internal procedures.

All complaints are registered, tracked and responded to in accordance with internal norms, and if necessary, a prevention committee is convened to deliberate and take protective measures to avoid secondary harm. In addition, the company also regularly organizes sexual harassment prevention education and training to enhance the gender equality awareness and legal compliance ability of all employees.

Short, medium and long-term goals

Short term:

- The average number of learning hours of employees per year is 40 hours (20 hours for direct personnel and 30 hours for indirect employees)
- 60% satisfaction with education and training
- 80% completion rate of annual education and training courses
- Enhance the introduction of diversified resources of talents; Effectively implement the management level of talent selection, training, employment and retention (in line with the standards of socially responsible employment)
- Continue to improve the skills and responsibility of personnel in key positions, and stabilize employment.
- Select and hire high-quality talents according to the direction of product transformation to improve the level of labor in the factory.

Medium term:

- The average number of hours of employees per year is 50 hours
- 60% satisfaction with education and training
- 90% completion rate of annual education and training courses
- Continuous improvement of human resources, stable employment, and ESG sustainable management.
- Talent career planning and development, digital and effective management.

Long-term:

- The average number of learning hours of employees is 60 hours a year
- 90% satisfaction with education and training
- 100% completion rate of annual education and training courses
- Establish and promote capability models and digital and effective management.
- Improve the skills and quality of personnel on a large scale, and lay a solid personnel foundation for the long-term development of the enterprise.

In order to implement the concept of "people-oriented and sustainable cultivation", Acon-Holding continues to invest resources to promote employee education and training and functional development. In 2024, the average learning hours of all employees will reach 40 hours, including an average of 20 hours for direct personnel and 30 hours for indirect personnel.

The total investment in 2024 is NT\$3 million, and the curriculum covers a wide range of learning and development needs, including:

2024 Action Plan and Performance

- Subsidy for external training courses taken by employees every year
- Exclusive internal leadership training program for middle and senior executives
- Consultancy and skill-building courses required for the introduction of digital transformation projects
- Design of multiple courses such as professional license examinations, compliance training and cross-departmental functional training. Through systematic learning planning and rolling review mechanism, Acon-Holding continues to enhance the professional competence and workplace competitiveness of employees, and further strengthens the talent resilience and organizational agility required for corporate transformation and sustainable development.

In order to ensure the strategic consistency and effectiveness of the implementation of the education and training plan, Acon-Holding has established a systematic target management and review mechanism. Each training plan is regularly reviewed in the first and second half of the year, and the necessary corrections and optimizations are made according to the actual promotion situation and training results. The company also regularly reviews its short-term (current year), medium-term and long-term talent development goals, including:

Effectiveness evaluation

- Course participation rate and completion rate
- Learning satisfaction and practical application
- Improvement of the gap between core functions
- The degree of support for the organization's operational metrics or transformation effectiveness

Through the rolling review and feedback correction mechanism, Acon-Holding continues to improve the efficiency of training investment, ensure that education and training are on the same track as the company's business strategy, and strengthen the learning ability and resilience of the organization.

● Composition of the staff

As of 2024, the total number of employees in Acon-Holding is 2,935, and due to factors such as industry characteristics and the job market, the positions in the manufacturing plant are all automated technology, resulting in a high proportion of male employees. However, we maintain a certain percentage of female employees, treat employees equally, provide job security, and do not discriminate in selection and promotion based on gender, so as to balance the gender ratio of employees.

The non-employee workers of Acon-Holding only include a small number of on-site personnel (usually guards, cleaning personnel, canteen personnel, etc.), and relevant management procedures are formulated in accordance with occupational safety and health management standards to ensure that these employees have a safe and healthy working environment.

■ Acon-Holding manpower statistics

Operational bases	< 30 years old (excluding 30 years old)		30~50 years old		> age 50 (excluding 50 years old)	
	male	female	male	female	male	female
Acon-Holding Taiwan	10	11	108	86	50	27
Acon-Holding China Factory	356	202	746	1,072	63	17
Acon-Holding Laos factory	39	85	28	33	2	0
total	405	298	882	1,191	115	44

■ Distribution of employee management positions

Employee category	Acon-Holding Taiwan		Acon-Holding Mainland China Factory		Acon-Holding Laos factory	
	male	female	male	female	male	female
Managerial positions	62	23	139	112	31	24
Non-managerial positions	106	101	1,026	1,179	38	94
total	172	124	1,165	1,291	69	118

Note: The definition of management and non-management positions is as follows: Management position: a supervisor with personnel management responsibilities, but excluding the chairman of the board; Non-managerial positions: personnel who are not responsible for personnel management.

● Overview of new and former employees

In addition to taking into account factors such as academic qualifications, work experience, professional skills, job responsibilities, future development and work performance, the employment of employees is evaluated, analyzed and calculated, and is not based on factors such as race, class, language, religion, politics, nationality, gender, age, marital or trade union status and any discriminatory or discriminatory treatment. We do not employ child labor, do not force labor, and protect the work rights and interests of ethnic minorities and people with disabilities.

In 2024, the total number of new entrants in Acon-Holding will be people, including new entrants in Taiwan, mainland China, and Laos, including the distribution of new entrants by age and gender of each subsidiary and region:

■ Distribution of employees' educational qualifications

Employee category	Acon-Holding_Taiwan				
	doctor	Master	bachelor	Specialist	High school (inclusive) or below
Managerial positions	2	24	38	16	5
Non-managerial positions	2	36	117	33	19
total	4	60	155	49	24

Note: There are no part-time and temporary (contractual) employees of Acon-Holding, and they are all full-time employees.

Employee category	Acon-Holding_Mainland Factory				
	doctor	Master	bachelor	Specialist	High school (inclusive) or below
Managerial positions	0	2	42	81	126
Non-managerial positions	0	0	126	358	1,721
total	0	2	168	439	1,847

Note: There are no part-time and temporary (contractual) employees of Acon-Holding, and they are all full-time employees.

Employee category	Acon-Holding_Laos Factory				
	doctor	Master	bachelor	Specialist	High school (inclusive) or below
Managerial positions	0	3	25	12	15
Non-managerial positions	0	0	18	7	107
total	0	3	43	19	122

Note: There are no part-time and temporary (contractual) employees of Acon-Holding, and they are all full-time employees.

■ 2024 New Hire Statistics

Acon-Holding_Taiwan New Entrants								
Employee category	< 30 years old (excluding 30 years old)		30~50 years old		> 50 years old (excluding 50 years old)		New entry rate	
	male	female	male	female	male	female	male	female
Managerial positions (Indirect Personnel)	0	0	1	0	0	2	0.34%	20.68%
Managerial positions (Indirect Personnel)	4	4	20	12	4	1	9.59%	5.82%
Managerial positions (Indirect Personnel)	0	0	0	0	0	0	0.00%	0.00%
End Total number of people	292						16.44%	

Acon-Holding_Mainland Factory New Entrants								
Employee category	< 30 years old (excluding 30 years old)		30~50 years old		> 50 years old (excluding 50 years old)		New entry rate	
	male	female	male	female	male	female	male	female
Managerial positions (Indirect Personnel)	0	0	7	1	1	0	0.33%	0.04%
Managerial positions (Indirect Personnel)	39	13	30	27	1	1	2.85%	1.67%
Managerial positions (Indirect Personnel)	665	375	513	477	0	0	47.96%	34.69%
End Total number of people	2,456						87.54%	

Acon-Holding_Laos Factory New Entrants								
Employee category	< 30 years old (excluding 30 years old)		30~50 years old		> 50 years old (excluding 50 years old)		New entry rate	
	male	female	male	female	male	female	male	female
Managerial positions (Indirect Personnel)	9	2	6	1	0	0	8.02%	1.60%
Managerial positions (Indirect Personnel)	4	8	1	3	0	0	2.67%	5.88%
Managerial positions (Indirect Personnel)	53	119	15	24	0	0	36.36%	76.47%
End Total number of people	187						131.02%	

Note The proportion of new employees in the age range: the total number of new employees in the age range of the region in the current year/the total number of companies in the region at the end of the year.

In 2024, Acon-Holding will continue to actively control the total turnover rate, and is committed to providing a positive workplace environment, effectively controlling the turnover of management personnel and creating a friendly workplace environment belonging to Acon-Holding.

In 2024, the total number of resignations of Acon-Holding is based on the number of resignations in Taiwan, mainland China, and Laos, including the distribution of the number of resignations by age and gender of each of its subsidiaries and regions:

■ 2024 Departures Statistics

Acon-Holding_The number of resignations in Taiwan								
Employee category	< 30 years old (excluding 30 years old)		30~50 years old		> 50 years old (excluding 50 years old)		Turnover rate	
	male	female	male	female	male	female	male	female
Managerial positions (Indirect Personnel)	0	0	2	2	7	1	3.08%	1.03%
Managerial positions (Indirect Personnel)	2	2	16	13	5	3	7.88%	6.16%
Managerial positions (Indirect Personnel)	0	0	2	0	0	0	0.68%	0.00%
End Total number of people	292					18.84%		

Note: The proportion of total resignations in the age range: the total number of employees who left in the age range in the region in the year / (the total number of employees who left in the year + the total number of companies in the region at the end of the year).

Acon-Holding_Mainland China Plant Number of resignations								
Employee category	< 30 years old (excluding 30 years old)		30~50 years old		> 50 years old (excluding 50 years old)		Turnover rate	
	male	female	male	female	male	female	male	female
Managerial positions (Indirect Personnel)	1	0	7	2	3	0	0.45%	0.08%
Managerial positions (Indirect Personnel)	28	13	37	26	3	2	2.77%	1.67%
Managerial positions (Indirect Personnel)	657	348	534	449	3	12	48.62%	32.94%
End Total number of people	2,456						86.52%	

Acon-Holding_Laos Factory Number of resignations								
Employee category	< 30 years old (excluding 30 years old)		30~50 years old		> 50 years old (excluding 50 years old)		Turnover rate	
	male	female	male	female	male	female	male	female
Managerial positions (Indirect Personnel)	7	6	2	0	0	0	4.81%	3.21%
Managerial positions (Indirect Personnel)	5	1	2	0	0	0	3.74%	0.53%
Managerial positions (Indirect Personnel)	40	118	19	22	0	1	31.55%	75.40%
End Total number of people	187						119.25%	

■ In 2024, the proportion of local employment of people with disabilities will be continuously expanded

Operational bases		Acon-Holding_Taiwan	Acon-Holding_Mainland Factory
Actual number of employees	Managerial positions	1	2
	Non-managerial positions	3	2
	total	4	4

Note: The Laos Factory does not employ people with disabilities

● Diversity of employees

Acon-Holding provides appropriate working environment, technical support and training for people with disabilities. In 2024, a total of 1 person with a disability will be hired in Taiwan, which is in line with Taiwan's relevant employment regulations for people with disabilities.

● Talent retention

Employees are the most important assets of the company, and Acon-Holding adheres to the concept of profit sharing with employees, and provides incentives such as perfect management system and employee remuneration, year-end bonuses and three-section bonuses for long-term retention. Acon-Holding attaches great importance to talent cultivation and nurtures talents by providing diversified learning and development solutions, with a view to improving efficiency and innovation capabilities, and establishing a high-quality working environment that attracts talents. Acon-Holding gives talents of all academic qualifications the opportunity to take up management positions, and provides talent development opportunities in all aspects, so that talents of all academic qualifications can have room to play without restrictions, with the goal and vision of talent cultivation.

The overall remuneration of employees of Acon-Holding does not differ in any way due to factors such as race, class, language, religion, politics, nationality, gender, age, marriage, etc., and fully reflects the work performance to achieve the incentive effect according to the degree of personal contribution, and strives for fairness and reasonableness of employee compensation.

■ In 2024, the ratio of basic salary to remuneration for women and men will be continuously exhibited

Acon-Holding_Taiwan (NTD).			Acon-Holding_Mainland China Plant (RMB).			Acon-Holding_Laos Factory (Liaoyuan).		
male average Monthly salary	female average Monthly salary	pay proportion	male average Monthly salary	female average Monthly salary	pay proportion	male average Monthly salary	female average Monthly salary	pay proportion
77,525	49,525	0.64	7,935	5,589	0.70	4,358,592	3,795,557	0.87

Note 1: Average average monthly salary = (basic salary + reward + three bonuses) / annual salary

Note 2: Salary ratio = average monthly salary per woman / average monthly salary per man

● Labor human rights

Acon-Holding abides by local labor laws and regulations, international norms and the "Acon Human Rights Policy", and earnestly implements relevant internal laws and regulations, and is committed to protecting the basic labor rights and interests of employees. The company provides a gender-equal and diverse working environment, upholds the principles of openness and fairness, and ensures that employees enjoy dignity, safety and equal treatment in the workplace. To achieve this goal, Acon continuously strives to create a working environment free from discrimination, harassment and any form of unfair treatment, and to promote the physical and mental health and career development of its employees.

The Taiwan Region of Acon-Holding has established a Sexual Harassment Prevention and Control Committee in accordance with the law, which is responsible for operation and management, and actively prevents and investigates related discrimination and sexual harassment incidents. The Committee ensures that the company culture meets high standards of anti-discrimination and sexual harassment prevention through regular training and a well-developed reporting and handling process.

In the recruitment and appointment management measures, Acon-Holding' mainland factory clearly stipulates that it resolutely prohibits any form of discrimination and ensures that all employees receive fair and reasonable work opportunities. Through the careful implementation of the non-discrimination policy, Acon ensures that every workplace maintains a friendly and inclusive workplace environment.

In FY2024, we did not receive any discrimination-related complaints or notifications at any of our sites, demonstrating our effective efforts to promote a friendly workplace.

■ Continuously exhibit Acon-Holding actions and policies for human rights protection

Action to safeguard human rights	Policies and Status
Regular town hall meetings and department meetings	In order to protect the rights and interests of employees and ensure the smooth channels of benign interaction between labor and management, we regularly communicate with colleagues through internal meetings. Proactively communicate the company's operational strategy, goal setting and important measures and other reform matters, so that employees can fully understand the company's operation status and fully express their opinions.
Internal Announcements	The company's internal system or major information is classified and announced according to different contents, so that employees can grasp the information content in real time and achieve zero error in information.
Labor-management meetings	Acon-Holding holds labor-management meetings in Taiwan on a regular basis, provides diversified and open communication channels, regularly recruits labor-management meetings, promotes harmony between labor and management, creates a good labor-management relationship, and effectively adjusts differences of opinion. In 2024, a total of four meetings will be held, and the minutes of the meetings will be published on the bulletin board to ensure that opinions are fully communicated.
Prevention of sexual harassment in the workplace	In order to ensure gender-friendliness in the workplace, we strictly prohibit any visible or invisible sexual harassment in the workplace, and clearly formulate relevant measures, such as the "Measures for the Prevention and Control of Sexual Harassment", and set up a complaint hotline and E-mail address for the prevention and control of sexual harassment to protect the information of complainants and ensure the rights and interests of complainants. In 2024, the Company did not have any sexual harassment complaints.
Grievance channels	There are multiple communication channels such as employee opinion mailboxes, labor-management meetings, and welfare committees to provide employees with feedback on problems. Employee Opinions: sammy@acon.com Workplace Illegal Infringement: trust@acon.com / Hotline (02) 2917-5598 ext. 1306

● Prohibition of Child Labor Policy

When recruiting talents in Taiwan, Acon-Holding strictly examines the recruitment of talents, screens resumes through the recruitment platform and excludes employees under the age of 16 in a timely manner, only accepts and hires applicants with the legal minimum employment age in the country and region, and checks the hired employees, so as to ensure that nothing is omitted.

In accordance with the internal regulations related to the recruitment and appointment of employees, the mainland factory of Acon-Holding clearly prohibits the employment of child labor and juvenile workers, and prohibits the employment of dangerous positions. Candidates are required to identify their age through the ID card verification system before the interview. During the interview, the identity information will be doubled to verify the age, and the actual age of the employee from birth to the date of employment will be recalculated to ensure compliance with internal regulations. Suppliers are regulated and required to comply with the "Corporate Social Responsibility Management Measures".

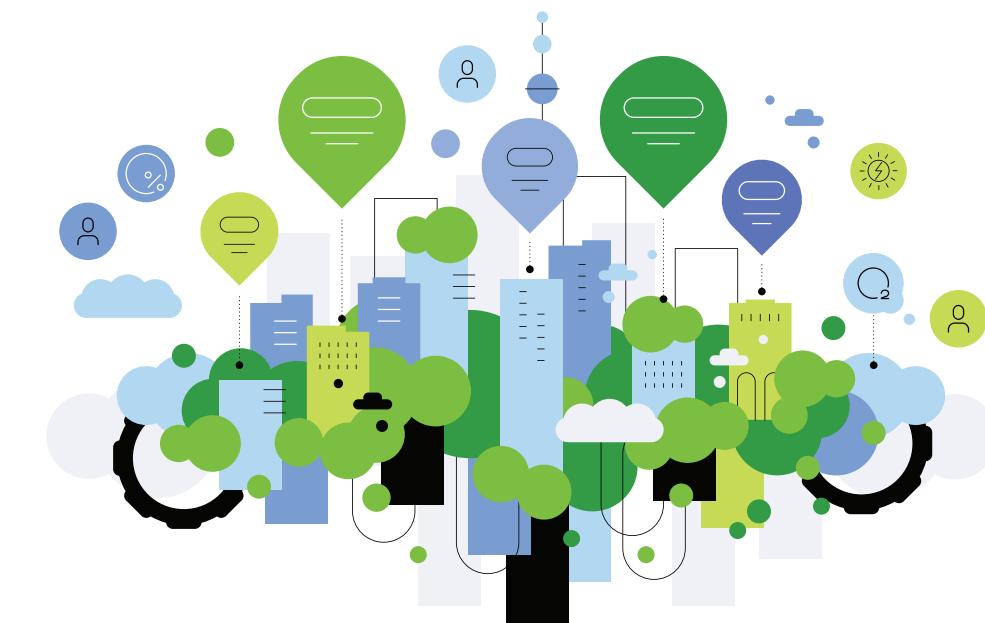
Acon-Holding' Laos factory strictly abides by labor laws to ensure that child labor is not employed. The specific measures are as follows:

1. Prohibition of Child Labor: The company strictly follows the labor laws of the Lao People's Democratic Republic and prohibits the employment of individuals under the age of 18.

2. Identity Verification System: Identity Information Verification - During the interview process, the Human Resources Department will verify the applicant's age through the ID card or household registration booklet. Age Calculation - The company uses an Excel spreadsheet to accurately calculate the age from the date of birth to the date of employment to ensure that no underage workers are hired. 3. Voluntary Labor: Respect the Wishes of Employees - The company respects the wishes of employees and prohibits forced labor. Overtime Work - Employees are encouraged to complete work tasks during normal working hours. Any required overtime work must be performed voluntarily by the employee. In addition, the company has set up a complaint box for employees to report any violations of these policies or grievances.

Acon-Holding attaches great importance to and takes specific actions, carefully checks the pre-recruitment operations, and is committed to practicing the situation of unemployed child labor and juvenile labor, and there will be no appointment of child labor in 2024.

During the reporting period, Acon took practical actions to eliminate all forms of forced or compulsory labor, respected the wishes of employees by complying with local government labor laws and regulations, international norms and Acon human rights policies, prohibited forced labor, and set up relevant complaint channels for this purpose. In addition, the Shenzhen Factory conducts management, regular audits and interviews with suppliers and dispatched workers, and strictly controls the elimination of forced or forced labor incidents by 2024 by complying with the relevant laws and regulations of each region, establishing internal rules and respecting the wishes of employees.



● Employee communication channels

Labor-management meetings

Acon-Holding attaches great importance to communication and negotiation with employees, has a formal labor-management consultation mechanism, and holds regular labor-management meetings in accordance with regulations. The meeting was attended by labor representatives and management representatives to exchange views and negotiate on matters such as working conditions, employee welfare, working environment and labor disputes, so as to strengthen mutual trust and cooperation between the two parties and continue to promote workplace harmony.

Labor Discussion Matters:

- Matters requiring the approval of the labor-management council under the Labor Standards Act - Implement a two-week, four-week, and eight-week variable working hours system
- Enabling workers to work longer hours
- Enable female workers to work at night from 10 p.m. to 6 a.m
- Extended working hours adjustments
- Shift spacing adjustment
- Seven days off and one adjustment on menstrual holidays

Frequency of communication :

- Meetings are held every three months

■ The shortest notice period for changes in the operation of each operating base

Acon-Holding_Taiwan	Acon-Holding_Mainland Factory	Acon-Holding_Laos Factory
<ul style="list-style-type: none"> ● If you continue to work for more than 3 months but less than 1 year, you will be notified 10 days in advance ● If you continue to work for more than 1 year and less than 3 years, you will be notified 20 days in advance ● If you continue to work for more than 3 years, you will be notified 30 days in advance 	<ul style="list-style-type: none"> ● During the trial period, 3 days' advance notice is required ● The probationary period has expired, and one month's notice is required 	<ul style="list-style-type: none"> ● 30 days for DL ● 45 days for IDL

We always put the interests of our employees first, and we are committed to providing adequate communication and advance notice when planning for personnel transfers, quarterly vacations or departures. This approach can not only effectively reduce the uncertainty of employees in the face of changes, but also promote the consensus between labor and management to protect the rights and interests of both parties. Through these transparent and trusting processes, we lay a solid foundation for the stable development of our company and the long-term well-being of our employees.

Sexual harassment prevention

In order to ensure gender-friendliness in the workplace, any visible or invisible sexual harassment in the workplace is strictly prohibited, and a sexual harassment prevention and complaint hotline and complaint mailbox are set up to protect the information of complainants and ensure the rights and interests of grievance colleagues.

Employee Welfare Committee

Acon-Holding has set up an employee welfare committee, which is invested in advocating and implementing measures related to employee welfare, hosting various dinners, leisure, cultural and recreational activities throughout the year and implementing various benefits.

Matters to be discussed at the Career Welfare Committee:

- ★ Discuss the execution of the current year's activities
- ★ Within one month before the end of the year, the implementation plan and budget for the next year shall be prepared, which shall be approved by the committee meeting and submitted to the competent authority for future reference
- ★ Within three months after the end of the year, the handling situation and final accounts shall be reported to the competent authority for future reference, and the public institution shall be informed.

Frequency of communication :

- ★ Hold a meeting every three months to discuss the implementation of activities for the year.

Selection of Representatives of the Career Welfare Association:

- ★ In addition to one member designated by the public institution, the remaining member is elected by the staff and one person is elected by the member as the chairman, and the member candidate must have served in the company for more than one year before the re-election.

Employee benefits

Acon-Holding attaches great importance to the personal safety, health and related benefits of employees, and employees enjoy insurance (such as life insurance, medical insurance, disability insurance, etc.) and retirement benefits as follows

category	Acon-Holding_Taiwan	Acon-Holding_Mainland Factory	Acon-Holding_Laos Factory
Bonus benefits	Three-section bonus, performance bonus, business bonus, long-term bonus	Performance funds, business bonuses, and other special funds	-
Leave benefits	Birthday leave and leave stipulated in the Labor Standards Act	Leave under the Labor Standards Act	Maternity leave, Public holidays and Annual leave, Sick Leave.
Insurance benefits	Labor insurance, health insurance, employee group insurance (life insurance/accident/medical treatment), employee pension, labor retirement fund	Pension, medical care, unemployment, work-related injury, maternity insurance and housing provident fund (collectively referred to as five insurances and one housing fund), employee accident insurance (critical illness/accident insurance/medical insurance)	No have insurance but we have SSO.
Food and beverage benefits	Food allowance	Food allowance, free food and lodging, business trip meal allowance, and working meals for middle and high vocational schools	Food allowance, free for lunch and free accommodation for employee from another district.
Transportation benefits	Fuel subsidy for management and business personnel	Reimbursement of fuel and toll subsidies for field staff	-
Entertainment benefits	Employee travel, birthday parties, and irregular festivals	Irregular festival activities, twice a year outstanding staff commendation conference	Birthday gift (cake) for employees of the month.
Subsidized benefits	On-the-job education and training for employees	On-the-job free skills and special training	Training First Aid and Fire for employee.
Other benefits	Wedding and funeral allowance, employee maternity subsidy, female employee nursing allowance, senior employee praise, three festivals and birthday gifts for employees, regular health check-ups and health care programs	Distribution of daily necessities, commemorative gifts for outstanding employees, gifts for three festivals, free occupational health examinations, and mental health care	Free annual health check up.

Pension contributions

In accordance with the provisions of the Labor Standards Law, the retirement reserve fund for employees is paid to the special personal pension account of the Labor Insurance Bureau on a monthly basis.

■ The extent to which employees participate in retirement plans

region	project	Retirement appropriation as a percentage of salary	ratio
Acon-Holding Taiwan	Labor Standards Act old pension system	Employers: 2% of the monthly salary to pay the labor retirement reserve At present, all have been paid in full.	100%
	Labor Retirement Regulations New Pension System	Employers: 6% of workers' monthly insured wages Labor: 0~6% of monthly insured salary At present, they are all paid in accordance with the regulations	100%
Acon-Holding Mainland China Factory	Social Security - Pension	Pay 14% of the pension payment base (the payment percentage is adjusted according to local policies)	100%

Parental leave and childcare allowance

Acon-Holding is committed to creating a child-friendly workplace and helping employees achieve a good balance between work and family. The company has signed cooperation contracts with legally established childcare centers and kindergartens, and employees can enjoy tuition discounts with their identification cards to reduce the burden of childcare.

In addition, to support breastfeeding among female colleagues, the company has set up a nursing room in the office space to provide a comfortable, private and hygienic environment. A children's play area and a children's book area are also planned in the social hall to allow employees' children to have a safe and entertaining space during waiting or short companionship, further creating a working environment for parents and children to be inclusive and caring.

Employee Welfare Committee

Acon-Holding has set up an employee welfare committee, which is invested in advocating and implementing measures related to employee welfare, hosting various dinners, leisure, cultural and recreational activities throughout the year and implementing various benefits.

The Employee Welfare Committee of Acon-Holding Taiwan operates in accordance with relevant laws and regulations: providing employees who have been employed for more than three months, including three festivals/May Day/Christmas/birthday gift tickets, employee travel (one day, two days), year-end parties, dinners, wedding and funeral subsidies and other welfare and welfare activities.

At the same time, in accordance with the internal "Salary Management Measures", the annual salary adjustment mechanism will take effect on April 26 and October 26 each year. In addition, some factories do not have a job welfare association, but there is an employee mutual aid association, which hosts various cultural and recreational activities and implements various welfare distributions.

Through a variety of parenting support measures, the exhibition demonstrated the importance of employees' physical and mental health and family care, and continued to promote a friendly workplace culture.

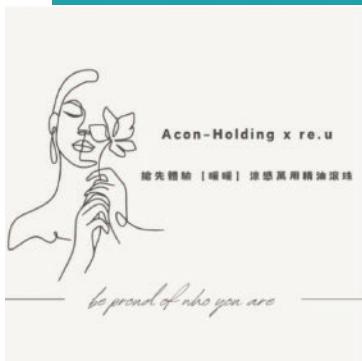
In accordance with laws and regulations, Acon-Holding in mainland China is entitled to paid leave (maternity leave, paternity leave, breastfeeding leave, parental leave, and maternity examination leave) for childbirth. However, according to local laws and regulations, female colleagues are entitled to maternity leave, but there is no regulation of parental leave, so no relevant information is disclosed.

Acon-Holding Taiwan responds to the government's policy of childcare leave without pay, and complies with the "Gender Equality Work Act" and other relevant laws and regulations to protect employees' childcare rights and interests, and provides a channel to apply for childcare leave without pay.

In FY2024, the number of employees who can apply for childcare leave without pay in accordance with the law is 1, and the employee has submitted and approved the application, fully demonstrating the company's support for family-friendly workplaces.

Employee activities

03/08 Women's Day

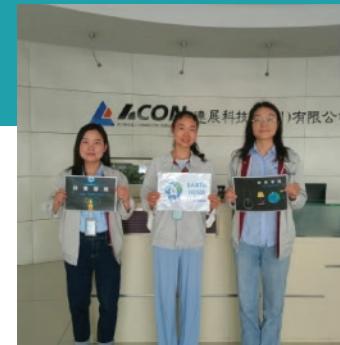
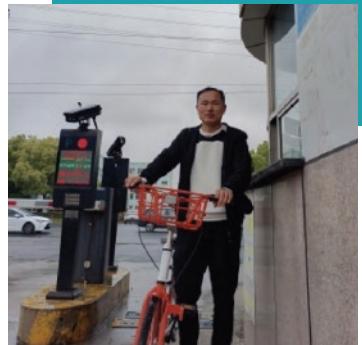


07/20 Movie Viewing Event



Birthday parties are held regularly every month to send blessings to the birthday star of the month

04/22~04/26 Earth Week



Traffic Day

Meat-free day

Lights off day

Coat of arms day

Coat of arms day



6.2 Talent cultivation

● Talent education, training and development

In order to implement the company's sustainable business philosophy, Acon-Holding's operating bases continue to build a systematic talent cultivation blueprint, strengthen employee functions, stimulate potential, and build a professional team with forward-looking vision and innovation through a sound education and training mechanism and career development planning. According to the actual operational needs and laws and regulations, each plant formulates training management procedures and related systems, including but not limited to "Education and Training Procedures", "Management Measures for Employee Recruitment and Appointment", "Training Operation Procedures", "Job Training Plan" and "Performance Appraisal Measures", to ensure that personnel have clear training arrangements and effectiveness evaluation at all stages from entry, transfer, promotion to key functional development.

Key points of education and training in each plant:

1. Taipei Plant: Continue to promote the education and training blueprint to enhance employees' professional ability and leadership potential, and introduce training courses related to intelligent manufacturing and AI applications to help employees cope with digital transformation.
2. Tianjin Factory and Tianxin Factory: the training of new personnel adopts a dual-track system, the human resources department is responsible for the introduction of the company's system and concept, and the department head conducts on-the-job training for professional skills and department practice; Professional functional training is also provided for rotating employees.

3. Kunshan Factory: Plan multiple training courses according to the "Education and Training Procedures", including orientation training, professional skills, information security, job transfer training, multi-skilled workers and promotion development, etc.; The results of the training will be assessed and verified by written test, oral test or practice.

4. Shenzhen Factory: Set short, medium and long-term talent development goals, and build a management mechanism for selection, education, employment and retention. In line with digital transformation, we will promote capability models, digital training programs and high-potential talent development programs to improve both personnel quality and production efficiency.

Talent Development Featured Programs:

1. AI and Intelligent Manufacturing Transformation Courses: Introduce courses such as enterprise AI application and intelligent manufacturing practices to strengthen employees' core skills in the future and reduce the gap in industrial technology.
2. High potential talent reserve plan: For outstanding employees, through individual ability assessment and career consultation, we design the training path of reserve cadres and accelerate the cultivation of leadership echelon.

Through various education and training and system implementation, Acon-Holding Group continues to cultivate a talent team with professional quality, sense of responsibility and sustainable vision, which is the foundation and driving force for the sustainable growth of the enterprise.



■ Acon-Holding Staff Training Planning

Type of course	Course content	Rank of trainee employee
Training for new employees	Assist new employees to provide company culture, rules and regulations, job responsibilities, quality assurance policy/environmental safety and health policy, intellectual property rights, occupational safety and health, etc.	All new hires
General Education Training	Assist colleagues to develop learning and growth in common areas of knowledge.	All new hires
Agile training courses	In the face of digital transformation and changes in the market, this course introduces the core concepts and practical skills of agile management to help students master the project promotion methods of rapid iteration and small steps, strengthen cross-departmental collaboration and continuous feedback mechanism, and cultivate team resilience and innovation effectiveness.	All new hires
Workplace wrongdoing	Through legal advocacy and case analysis, we enhance employees' awareness and prevention of sexual harassment, bullying and other workplace violations, create a safe, respectful and friendly working environment, and demonstrate the company's determination to implement human rights protection and sustainable governance.	All new hires
Management development training	Management function development training, etc.	All in-service supervisors
Strategic Thinking Course on Operational Layout	With the geopolitics and global supply chain map restructuring. It assists the management and key personnel of the enterprise to grasp the latest trends in the operation layout, and through systematic strategic analysis, improves the resilience and adaptability of the enterprise in the uncertain environment, and ensures long-term stable development and sustainable operation.	All in-service supervisors
Enterprise Digital Transformation and Professional Function Enhancement Integration Course	This course combines professional functional training, management ability improvement and AI application practice, covering on-the-job training, professional licenses, quality systems and AI tools, etc., and plans special management training according to the needs of the department to help employees strengthen their skills and make up for functional gaps. The course also introduces AI foundation and application scenario practice to cultivate innovative thinking and practical ability, comprehensively improve team quality and organizational resilience, and accelerate enterprises to move towards intelligent manufacturing and sustainable operation.	All in-service supervisors

■ Acon-Holding_Laos factory staff training planning

Type of course	Course content	Rank of trainee employee
New employee traing	Orientationn to the new employee about company, philosophy, rules and regulation, SSO, etc.	New Employee
Capital estimate payment in excel		Finance Staff
Check daily Balance in SAP system	Employees will have knowledge and skills necessary to complete the required work, and to provide their own ability to work.	Finance Staff
Training about level approval in OA		Office Staff
Fixed Assets SAP System Operation Training		Admin Staff
New Payroll System	Let HR know how to use system to calculate salary for employees	HR
Health and Safety	Let person get knowlegde about this jobs and know how to deal while have emergency case	All Employee
Fire extinguisher	Let employees know how to use extinguisher.	All Employee
Annual training plan review	Cooperate with the important positions and education and training procedures of various departments to review the homework, and rearrange the course if it is not qualified.	All Employee

Acon-Holding provides education and training for employees in all factories and at all levels, and injects efforts and resources to enable employees to obtain training opportunities and professional skills to improve their work efficiency in the workplace.

■ In 2024, the average training hours of Acon-Holding employees

Acon-Holding-Taiwan				
Employee category	gender	Number	Training hours	Average number of training hours
Managerial positions	male	84	534	6.36
	female	55	284	5.16
Non-managerial positions	male	189	858	4.54
	female	177	921	5.20
	total	505	2,596	5.14

Acon-Holding- Mainland Factory				
Employee category	gender	Number	Training hours	Average number of training hours
Managerial positions	male	314	1,429	4.55
	female	222	1,223	5.51
Non-managerial positions	male	14,501	46,048	3.18
	female	16,370	45,081	2.75
	total	31,407	93,780	2.99

Acon-Holding - Laos Factory				
Employee category	gender	Number	Training hours	Average number of training hours
Managerial positions	male	11	12	1.09
	female	3	48	16.00
Non-managerial positions	male	55	522	9.49
	female	106	558	5.26
	total	175	1,140	6.51

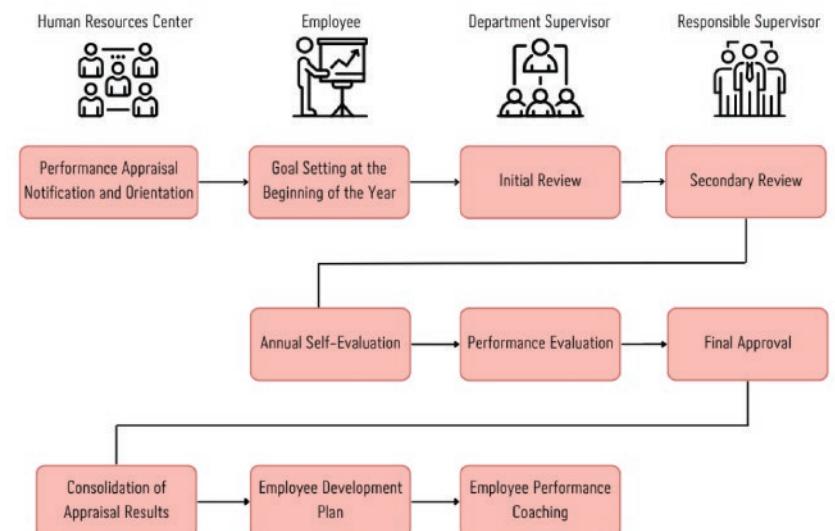
Note: The mainland plant includes the data of each subsidiary

● Performance appraisal system

In order to improve the efficiency of human capital management and promote the connection and integration of employees with organizational goals, Acon-Holding continues to promote an institutionalized performance management mechanism in all operating locations to strengthen talent development and organizational resilience. In 2024, the Taipei plant will fully introduce a performance goal setting model based on the SMART principles (specificity, measurability, achievability, relevance and timeliness), and implement annual performance appraisal, which is committed to strengthening the clarity of work goals and the alignment with development, and promoting the two-way improvement of employees' self-growth and the overall performance of the enterprise.

At the same time, Acon-Holding also takes into account the differences in management characteristics and labor patterns of different operating bases, and designs a performance appraisal system with local adaptability in each region, taking into account the consistency of the system and the flexibility of implementation, so as to improve the effectiveness and fairness of management. In addition, in addition to reviewing the current results, the performance appraisal also sets targets for the second period to strengthen the culture of continuous improvement and dialogue. For employees whose performance does not meet expectations, Acon-Holding has launched a performance coaching and support mechanism to assist them in adjusting their goals and action strategies, and continues to pay attention to their career development and potential cultivation, demonstrating their long-term commitment to talent development and sustainable management.

■ Performance appraisal process





6.3 Occupational Safety and Health

Material Issues - Management Approach

Topic impact note

With safety and health as the core, Acon-Holding implements occupational safety and health policies in its global operating bases. According to the results of health examinations, the Taipei headquarters optimizes subsidies and new health examination items, and strengthens the mechanism for preventing occupational diseases; China (Tianxin, Tianjin, Jiangxi, Kunshan, Shenzhen) emphasizes compliance and operational risk management, while Shenzhen promotes a monitoring and monitoring management system. In Laos, the plant integrates environmental and occupational health management to promote continuous improvement; Lian Teng focuses on reducing the incidence of occupational accidents for workers. Through system establishment, education and training, and employee participation, the company improves safety culture and practices sustainable management.

Policies & Commitments

Acon-Holding attaches great importance to occupational safety and employee health, and is committed to complying with local environmental, safety and health laws and regulations and the relevant requirements of environmental safety and health signed by Acon to ensure that production activities will not cause harm to the environment. In terms of safety, we are committed to eliminating hazards, reducing risks, and continuously improving, and are committed to creating a safe working environment and achieving the goal of zero accidents. We will continue to strengthen the implementation of safety education and training, improve the safety awareness of employees, and conduct regular safety inspections and evaluations to ensure that there are no potential safety hazards in the production process.

Responsible unit

General Management Office/Labor Safety and Health Office

Put in the resources

- Set up safety and health personnel in accordance with laws and regulations
- Education and training: initial retraining of occupational safety and fire protection licenses
- Annual ISO45001 and ISO14001 verification fees
- Safety and health personal protective equipment, goggles, gloves and other necessary safety and health measures and equipment
- Regular equipment maintenance, annual inspection, etc., and online system monitoring operations are carried out according to equipment maintenance

Grievance channels

Set up a "Stakeholder Area" on the company's website, and set up a special mailbox, which can be contacted by phone or e-mail at any time if necessary.
 Stakeholder Zone: <http://www.acon-holding.com>
 The Taiwan plant set up 143000-P-0003 for environmental safety and health consulting and participated in the communication operation procedures.
 Awan Taipei Plant: 143201-P-1027 Communication Management Measures
 Tianxin factory set up 143801-P-0007 communication management program.
 The Shenzhen Factory set up 140601-P-0049 operation control procedures.
 The Jiangxi Factory set up 144401-P-0008 information exchange control procedures.
 The Tianjin Factory has set up a 140201-P-0041 employee complaint and complaint management system, a 140201-P-0039 worker representative and trade union management system, and the company has set up a suggestion box and a public complaint telephone mailbox to ensure that the employee complaint channel is unimpeded.
 The Laos Factory has set up a worker representative management system, and the company has set up a suggestion box to ensure that the channels for employee complaints are unimpeded.

Short, medium and long-term goals

Short-term

- Continue to obtain international certifications for ISO45001 and ISO14001.
- Continue to promote health promotion, and conduct health activities or lectures at least once a year.
- Conduct annual physical examination for employees and strengthen education and training.
- Persist in carrying out on-site environmental hazard monitoring, workplace environmental monitoring, and annual physical examinations of occupational health in harm-stricken positions.
- Follow the specifications, and achieve the following indicators in the manufacturing plant goals:

(1) Safety and occupational health education and training compliance rate:

Note: The mainland plant includes the data of each subsidiary

Acon-Holding	Acon Taipei	Aconoptics Taipei	Awan Taipei	Acon-eco	Shenzhen Factory	Tianjin Factory	Tianxin Factory	Kunshan Factory	Jiangxi Factory	Laos Factory
95%	95%	95%	95%	95%	95%	100%	95%	96%	96%	95%

(2) Emergency drill compliance rate:

Acon-Holding	Acon Taipei	Aconoptics Taipei	Awan Taipei	Acon-eco	Shenzhen Factory	Tianjin Factory	Tianxin Factory	Kunshan Factory	Jiangxi Factory	Laos Factory
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(3) Rectification rate of hidden danger maturity:

Acon-Holding	Acon Taipei	Aconoptics Taipei	Awan Taipei	Acon-eco	Shenzhen Factory	Tianjin Factory	Tianxin Factory	Kunshan Factory	Jiangxi Factory	Laos Factory
90%	90%	90%	90%	90%	90%	100%	90%	100%	100%	100%

(4) Number of work-related accidents (minor injuries):

Acon-Holding	Acon Taipei	Aconoptics Taipei	Awan Taipei	Acon-eco	Shenzhen Factory	Tianjin Factory	Tianxin Factory	Kunshan Factory	Jiangxi Factory	Laos Factory
≤2	≤2	≤2	≤2	≤2	≤2	≤1	≤2	≤1	≤1	≤1

(5) The company's main person in charge, safety management personnel, and special operations personnel hold certificates

Acon-Holding	Acon Taipei	Aconoptics Taipei	Awan Taipei	Acon-eco	Shenzhen Factory	Tianjin Factory	Tianxin Factory	Kunshan Factory	Jiangxi Factory	Laos Factory
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

重大議題 - 管理方針

Short, medium and long-term goals

Medium and long-term

Implement the relevant systems of occupational safety management through the key management of Acon-Holding, and continuously promote health to improve the overall health indicators of employees; We are committed to eliminating hazards, reducing risks, and continuously improving, and are committed to creating a safe working environment, and continue to achieve the goal of zero accidents, including zero deaths, serious injuries (including acute industrial poisoning), fire and explosion, and occupational disease accidents.

2024 Action Plan and Performance

●Acon-Holding-Taiwan

1. Labor accidents regulated by the government (number of disability occupational accidents): zero accidents
2. Workplace health management and promotion:
 - (1) Medical Consultation - Personnel Interview/Assistance/Tracking/Case Closure _ 2024 Completed
 - (2) Implementation/regulation revision of the four major health plans
 - (3) Health check-up once a year
 - (4) Hold health lectures from time to time
3. Regular inspection of the working environment: entrust a third-party certification unit to test every six months, and the illuminance and carbon dioxide are qualified, the daily inspection office CO2 PPM - qualified, etching-chamber hydrochloric acid/hydrogen peroxide - qualified.
4. Labor safety education and training: general safety and health training in line with legal requirements / semi-annual fire training / education and training for new employees.
5. Occupational safety system indicators: continue to obtain ISO45001 certification.

●Acon-Holding - Mainland Factory

Shenzhen Factory:

1. Employees regularly accept relevant performance appraisals, summarize and commend their performance at the end of the year, and advocate the goals of the next year's plan.
2. By strengthening relevant training and continuously improving the safety skills and safety awareness of employees and managers, the company's safety accidents have shown a significant downward trend.
3. Arrange regular and irregular inspections internally, and conduct a major inspection of the whole plant every week and before and after the festival with the personnel of the third-party custodian agency on traditional holidays, and make the inspection into a rectification order, which will be followed up by a special person from the management department and urge each department to implement the rectification within a time limit.
4. There is a special person to file and implement dynamic management of the company's main person in charge, security management personnel, and special operation personnel holding certificates, and review them on time to ensure that the certificates are valid for reference.
5. Organize and carry out various drills such as evacuation and escape, emergency rescue, confined space operations, and chemical leakage, so as to improve the emergency response ability and level of employees in sudden emergencies.

Tianjin Factory:

In accordance with the ISO45001 on 2020/04/24, the company regulation 140201-P-0033 environmental safety and health target program management procedures, at the end of each year, the general management office/safety room to set the next year's target target, approved by the head of the group's plant, the safety and health committee to evaluate the performance and achievement of the management system.

1. Regularly educate and train employees, and employees regularly accept relevant performance appraisals, summarize performance at the end of the year and advocate the next year's plan goals.
2. By strengthening relevant training and continuously improving the safety skills and safety awareness of employees and managers, the company has no safety accidents this year.
3. Set up a special person to manage the environmental safety and health work, set up a safety committee in each department, form a safety committee, regularly inspect the factory, conduct a safety meeting every weekend, conduct a safety inspection every month, and make the inspection into a rectification sheet by the management department to follow up and urge each department to implement the rectification within a time limit. And keep all inspection and rectification records, and then use them for inspection by the Emergency Bureau.
4. There is a special person to file and implement dynamic management of the company's main person in charge, safety management personnel, and special operation personnel holding certificates, and conduct annual review on time to ensure that the certificates are valid for reference;
5. Formulate drill plans every year, regularly organize and implement evacuation and escape, emergency rescue, and limited space

1. Maintain the effectiveness of the operation of the Safety and Health Management Committee at least four times a year.

2. Perform internal audits on a regular basis at least once a year.

3. ISO45001 Verified by a third-party certification body, the frequency is once a year.

4. Shenzhen and Tianjin factories are verified by third-party certification bodies ISO14001 frequency, once a year.

5. Acon Shenzhen Factory set up 140601-S-0040 internal audit reward and punishment norms

6. Tianjin Factory Safety Committee, once a week safety meeting and once a month plant-wide safety meeting.

7. The company has a fixed safety inspection every month, and the safety officer in the factory area conducts special inspections on fire protection, power and environmental protection.

8. The safety and health of the Laos factory is audited once a year, and the personnel who have undergone internal audit education and training are audited by each other; External verification is done annually and is verified by a third-party certification body ISO14001.

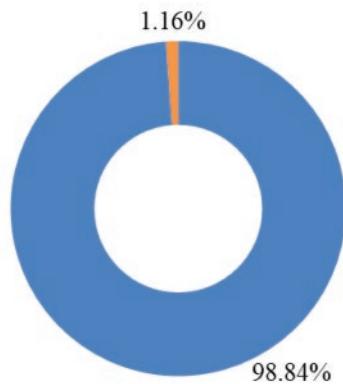
Effectiveness evaluation

● Occupational Safety and Health Management System

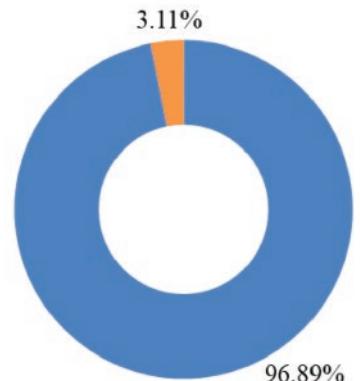
In view of the Occupational Safety and Health Law and its sub-laws, the Fire Protection Law and other relevant norms, Acon has introduced ISO 45001:2018 and ISO14001:2015, and has set up various rules and regulations of the company, including the environmental safety and health management manual, the plan management procedures for environmental safety and health target targets, the hazard identification and risk assessment management process, and the accident notification and investigation management sequence. .

Workers covered by the implementation of the occupational safety and health management system under the control of the Company:

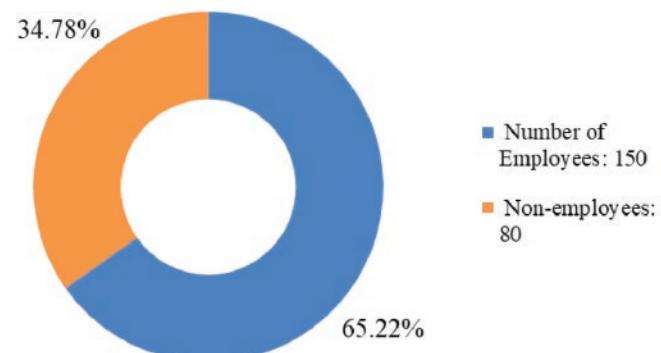
Taiwan Factory



Mainland China Factory



Laos Factory



Note 1: The mainland plant includes the data of each subsidiary Shenzhen/Tianjin Factory - Exclude canteen cooks, cleaners, and security personnel, as the above personnel are all foreign (contractor) personnel.

● Occupational safety and health risk assessment

The risk assessment management procedure is one of the norms that enterprises must comply with when conducting business operations, and hazard identification and risk assessment are important steps in assessing the degree of hazards and risks. In accordance with the 140101-P-0009 hazard identification and risk assessment management procedures, Acon conducted a risk assessment to assess the hazards and risks existing in each unit, so as to continuously improve the safety and health management system.

◎Acon-Holding/Acon Taipei/Aconoptics Taipei/Awan Taipei/Acon-eco/Tianxin Factory/Kunshan Factory/Laoguo Plant, the hazard identification and risk assessment management procedures are as follows:

1. Each unit conducts hazard identification and risk assessment on a regular basis every year to identify unacceptable risks as the basis for annual goals and management plans, so as to continuously improve the safety and health management system.
2. Each unit shall first establish an "Operation Inventory Form (Table A)", which shall include routine and non-routine activities, and list the required operating conditions according to the operation items, including the description of the working environment, equipment/tools, and raw materials, and identify possible hazard characteristics according to the corresponding operating conditions.
3. According to the hazard characteristics of the "Operation Inventory Form", each hazard characteristic should be filled in according to the classification items of the "Accident Code Table", and in that operation, fill in the "Hazard Identification and Risk Assessment Form (Form B)" with the existing protective measures.
4. The risk level assessment is based on the risk level assessment scoring benchmark, and the exposure rate, occurrence rate, and severity are filled in separately, and the risk level is calculated. The risk level is the frequency of exposure to the operation \times the probability of occurrence) and the severity of the consequences, and the results are analyzed against the risk matrix.
5. There are six levels of risk, with levels 4, 5 and 6 being considered "acceptable". Levels 1, 2 and 3 are considered unacceptable risks.
6. The labor safety and health management unit shall summarize the unacceptable risks (risk level 1.2.3) submitted by each unit into the list of unacceptable risk control plans (Table C).

◎Items 1-4 in the Shenzhen Factory are the same as above:

5. There are five levels of risk, and those with levels 1 and 2 are considered "acceptable" risks; Levels 3 and 4 are considered to be "in need of rectification"; Level 5 is considered an unacceptable risk.
6. The labor safety and health management unit shall summarize the unacceptable risks (risk level 5) in the (Table B) submitted by each unit into the list of unacceptable risk control plans (Table C).

◎Items 1-4 of the Tianjin Factory are the same as above:

5. The risk level is divided into five levels: non-tolerable risk, major risk, moderate risk, tolerable risk, and negligible risk.

◎In addition, the Jiangxi Factory regularly carries out 7S inspections related to safety and occupational health every month, which are composed of members of the Occupational Safety and Health Committee, and the activities are aimed at the missing on-site records, submitted to the corresponding department heads for improvement and determine the improvement date, and the members are organized to conduct on-site verification for the improvement defects, and then close the case.

In addition, for cases that are not routine operations, such as process changes, new equipment, changes in raw materials or changes in operating environmental conditions, etc., which will obviously affect the risk score, Acon-Holding should complete the hazard identification and risk assessment before the change or purchase.

● Occupational safety risks

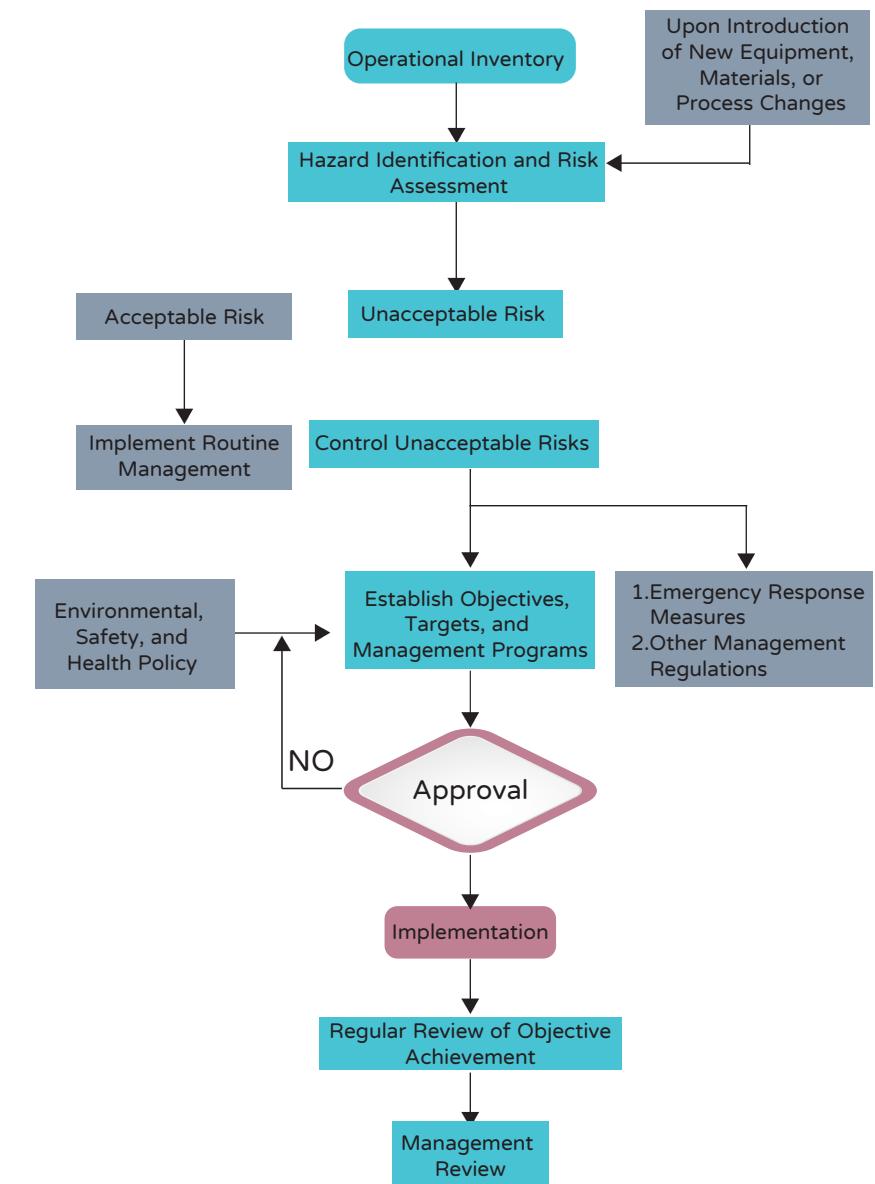
In accordance with the provisions of the Occupational Safety and Health Law and the Operation Code, the Company shall carry out emergency preparedness and emergency procedures for evacuation and escape, including that when there is an immediate danger in the workplace, the person in charge of the workplace shall immediately stop the operation and make the employee retreat to a safe place or if the employee is found to be in immediate danger while performing his duties, he or she may stop the operation and retreat to a safe place without endangering the safety of other workers, and immediately report to the immediate supervisor.

Acon-Holding will not punish the employee and shall not dismiss, transfer, refuse to pay wages or other disadvantages during the period of suspension of operation.

In the event of an occupational accident, the important investigation process is described as follows:

1. Notify and carry out emergency or first aid treatment; If it is a statutory major occupational disaster, it will be notified to the local competent authority.
2. Investigate the cause of the occupational accident and follow up the progress with the cooperation of the environmental safety and health management unit and labor representatives.
3. The accident department formulates improvement and prevention measures, and if it is a false alarm accident, it is still necessary to complete the filing for future reference.
4. Implement improvement measures, and submit a management review report on tracking progress and benefit evaluation after implementation.

Operational Process



● Occupational Safety and Health Consultation and Communication

To achieve its occupational safety and health (OSH) management objectives, Acon has adopted the ISO 45001 management system to establish standardized procedures and performance indicators, thereby strengthening operational safety and regulatory compliance. All sites implement a work permit system, where operations may only proceed after evaluation by OSH personnel. Risk is further mitigated through inspections and a stop-work improvement mechanism. In addition, safety and health education and training are promoted to enhance employees' risk awareness and emergency response capabilities.

To safeguard employee health, the company conducts occupational incident investigations, health monitoring, and health promotion programs, and continuously improves working conditions by addressing potential hazards such as noise and prolonged sitting, fostering a safe and healthy work environment.



■ Designated Units for Occupational Safety and Health

Location	Designated Unit Name	Number of Employer Representatives	Number of Employee Representatives (including Interns)	Number of Non-Employee Worker Representatives	Percentage of Labor Representatives
Acon-Holding	No designated unit; managed by the Administration Department of the General Management Office	1	-	-	64.2%
Acon Taipei Plant	Occupational Safety and Health Office; convenes the Occupational Safety and Health Committee	7	5	-	
Acon Taipei Plant	Occupational Safety and Health Office	1	2	-	
Aconoptics Taipei Plant	Occupational Safety and Health Office; convenes the Occupational Safety and Health Committee	6	6	-	
Awan Taipei Plant	Occupational Safety and Health Office	0	1	-	
Acon-eco Taipei Plant	Safety Office; convenes the Environmental, Safety and Health Committee	4	-	-	
Shenzhen Factory	Occupational Safety and Health Office; convenes the Occupational Safety and Health Committee	1	12	-	
Tianxin Factory	No designated unit; managed by the Administration Department of the General Management Office	2	-	-	
Kunshan Factory	General Affairs Department; convenes the Occupational Safety and Health Committee	4	8	2	
Jiangxi Factory	Safety Committee; convenes the Occupational Safety and Health Committee	2	8	2	
Laos Plant	No designated unit; managed by the Administration Department	1	6	-	

Note: Data for mainland China sites includes figures from all subsidiaries.

■ Acon Holdings Occupational Safety and Health Communication Frequency and Outcomes

Responsibilities

Occupational Safety and Health (OSH) Office:

Formulates occupational safety and health objectives

OSH Committee: Reports on matters related to occupational safety and health, including:

- 1. Environmental, Safety and Health (ESH) objectives and performance
- 2. Implementation of ISO 14001 & ISO 45001 management programs
- 3. OSH education and training programs
- 4. ESH regulatory identification
- 5. Workplace environment monitoring plans and results
- 6. Health management and health promotion initiatives
- 7. Occupational accident investigation reports
- 8. Internal and external ESH proposals
- 9. Self-inspections and on-site safety audits
- 10. Hazard prevention measures for machinery, equipment, and raw materials
- 11. Contractor safety and health management
- 12. Other labor safety and health management issues
- 13. Ad hoc motions

Jiangxi / Kunshan Sites

- 1. ESH objectives and performance
- 2. Education and training programs
- 3. ESH regulatory identification
- 4. Workplace environment monitoring plans and results
- 5. Occupational health management
- 6. Occupational health incident investigation reports
- 7. Hazard prevention measures for machinery and equipment
- 8. Other labor safety and health management issues

Laos Site

- 1. Raise awareness and implement seasonal safety precautions during rainy and high-temperature periods
- 2. Strengthen employee safety management during adverse weather conditions

Taiwan / Tianjin Sites

- 1. OSH Committee convenes quarterly
- 2. Management review meeting held once annually

Shenzhen Site

- 1. OSH Committee convenes monthly
- 2. Management review meeting held once annually

Kunshan Site

- OSH Committee convenes monthly

Laos / Tianxin Sites

- Management review meeting held once annually

Number of Meetings in 2024

Taiwan / Tianjin Sites

- 1. OSH Committee: 4 times
- 2. Management review meeting: 1 time

Kunshan Site

- OSH Committee: 12 times

Tianxin / Laos Sites

- Management review meeting: 1 time

Shenzhen Site

- 1. OSH Committee: 12 times
- 2. Management review meeting: 1 time

Jiangxi Site

- OSH Committee: 4 times

Discussion Topics in 2024

Taiwan / Tianxin / Shenzhen Sites

- 1. ESH objectives and performance
- 2. Implementation of ISO 14001 & ISO 45001 programs
- 3. OSH education and training programs
- 4. ESH regulatory identification
- 5. Workplace environment monitoring plans and results
- 6. Health management and health promotion initiatives
- 7. Accident investigation reports
- 8. Internal and external ESH proposals
- 9. Self-inspections and internal/external safety audit results
- 10. Hazard prevention for machinery and raw materials
- 11. Contractor safety and health management
- 12. Other labor safety and health matters
- 13. Ad hoc motions

Tianjin Site

- 1. OSH education and training programs
- 2. Accident investigation reports
- 3. Hazard prevention for machinery and raw materials
- 4. Contractor safety and health management
- 5. Hazard identification and operational control for maintenance and high-risk tasks

Laos Site

- 1. Inspection and on-site safety audits – internal and external audit results
- 2. Hazard prevention for machinery and raw materials

Jiangxi / Kunshan Sites

- 1. ESH objectives and performance
- 2. Education and training programs
- 3. ESH regulatory identification
- 4. Workplace environment monitoring plans and results
- 5. Occupational health management
- 6. Occupational health incident investigation reports
- 7. Hazard prevention for machinery and equipment
- 8. Other labor safety and health matters

● Occupational safety and health education and training

In order to improve the awareness and protection ability of new employees on workplace safety, Acon-Holding has established a sound occupational safety and health education and training mechanism in each factory, and completed relevant courses on the day of registration of new employees, so as to implement the first line of defense for risk prevention.

The training course is taught by occupational safety personnel with professional backgrounds from various units, and the course content covers the introduction of the working environment, emergency escape routes, safety equipment (such as fire extinguishers, first aid kits) for guidance, and the identification and response of high-risk work areas. Through the combination of theory and practical experience, the safety awareness and self-management ability of colleagues are effectively strengthened.

At the end of the course, an oral examination will be conducted to confirm the effectiveness of learning. All training records (including briefing materials and sign-in sheets) are properly kept as the basis for the human resources and safety management system to ensure the integrity and traceability of the training system.

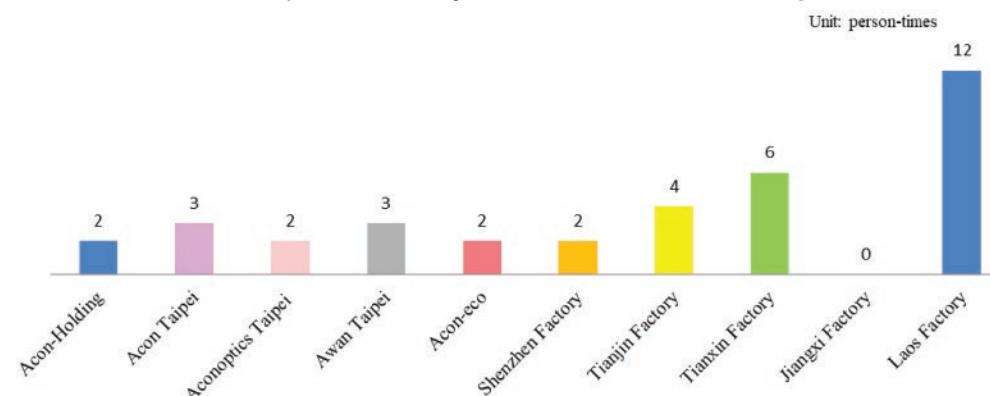
Through regular education and training, we can improve the learning ability of personnel to maintain a safe working environment and reduce the occurrence of disasters.

■ Number of training hours and hours for new employees in occupational safety and health

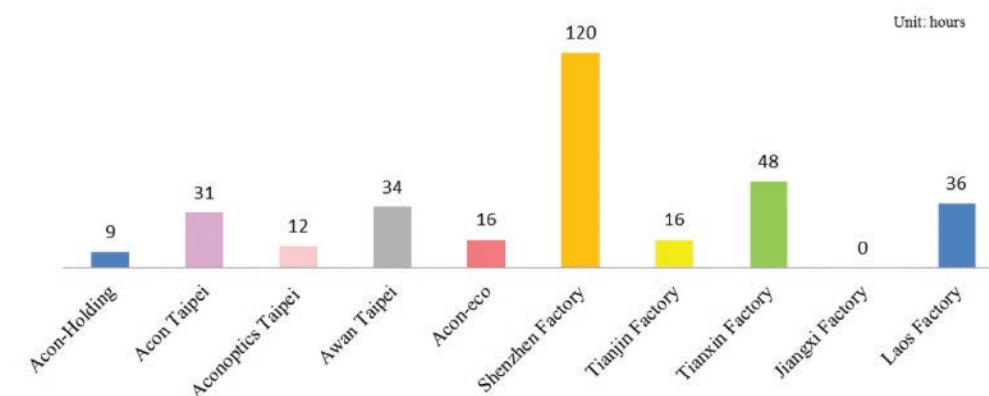
stronghold	Total number of trainees	Total training hours	Each person on the day of registrationNumber of hours to be completed
Acon-Holding	6	18	3hours
Acon Taipei	2	6	3hours
Aconoptics Taipei	8	24	3hours
Awan Taipei	19	57	3hours
Acon-eco Taipei	13	39	3hours
Shenzhen Factory	262	262	1hours
Tianjin Factory	50	150	3hours
Tianxin Factory	43	43	1hours
Jiangxi Factory	2	2	1hours
Laos Factory	246	246	1hours

Note: The mainland plant includes the data of each subsidiary

Total number of Occupational Safety and Health Worker Training



Total training hours for occupational safety and health workers



Note: The mainland plant includes the data of each subsidiary

Note: The mainland plant includes the data of each subsidiary

In order to strengthen employees' ability to respond to emergencies and fire safety awareness, the Company continues to promote occupational safety and health training and emergency response drills at all operating sites, and builds a complete occupational safety protection mechanism to reduce disaster risks and protect the lives of personnel and company property.

In the Taipei plant of Acon-Holding, the company regularly handles emergency evacuation and self-defense fire marshalling training, and conducts education and training on fire prevention, evacuation and other response measures. Conduct a self-defense fire marshalling drill every six months, and set up dedicated personnel to receive at least four hours of professional training; All employees are also required to participate in evacuation drills every year. Every year before the Lunar New Year, we will strengthen the implementation of emergency evacuation drills for all employees, match roll call and photo records, and make a report on the results and submit it to the fire unit for future reference.

The company also attaches great importance to the improvement of employees' professional quality, in addition to internal regular courses, it also sends staff to participate in external occupational safety and fire management related certification training and examinations to enhance the overall safety awareness and adaptability, and further strengthen the competitiveness of the organization.

In Tianxin, Tianjin and Jiangxi factories, fire fighting and emergency evacuation drills are regularly carried out every six months, self-defense fire groups are set up and relevant professional training is completed to ensure that employees are familiar with the response process. All staff are also required to participate in evacuation drills every year to strengthen their on-site response capabilities.

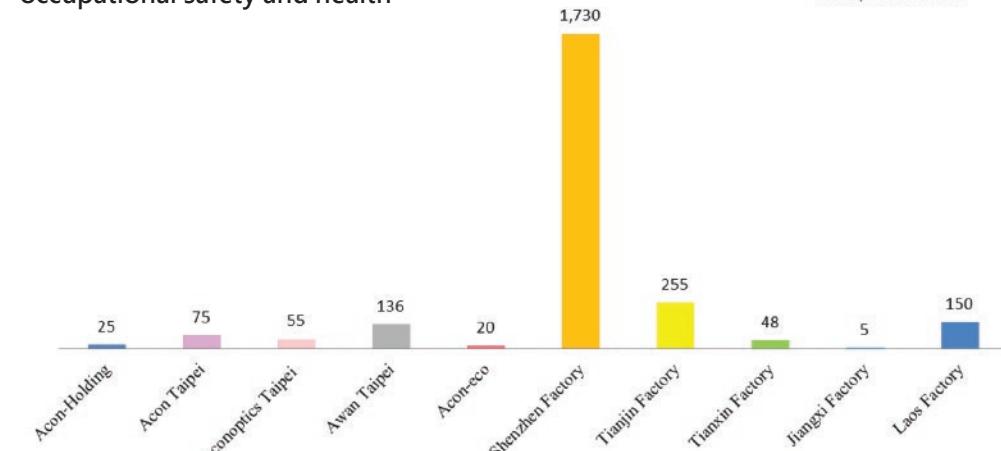
In Shenzhen, emergency evacuation and fire protection knowledge training drills are carried out, and monthly training is carried out by the volunteer fire brigade to continuously maintain the proficiency and responsiveness of emergency response.

The Laos Factory holds a fire and evacuation drill every six months, and sets up special fire safety personnel. Every year, the local fire department is also arranged to provide professional training to strengthen the ability of employees to deal with emergencies. All employees are required to participate in the annual evacuation drill, during which they will take records and make a report on the results, which will be used as the basis for internal improvement and external audit.

The Company will continue to promote systematic occupational safety education and on-site drills, and create a safe, healthy and resilient working environment through standard operating procedures and regular retraining.

Total number of fire safety training sessions for occupational safety and health

Unit: person-times



Note: The mainland plant includes the data of each subsidiary

Total hours of fire safety training for occupational safety and health

Unit: hours



Note: The mainland plant includes the data of each subsidiary

● Other highlights of occupational safety and health training

In addition to regular fire and emergency evacuation drills, each site also conducts multi-response drills according to the actual risk type to strengthen employees' resilience and safety awareness of specific situations. The Tianjin Factory conducts chemical leakage emergency drills, and strengthens the on-site personnel's response and emergency response capabilities in chemical accidents by simulating sudden leakage scenarios, and improves the awareness of environmental protection and safety management of the overall organization.

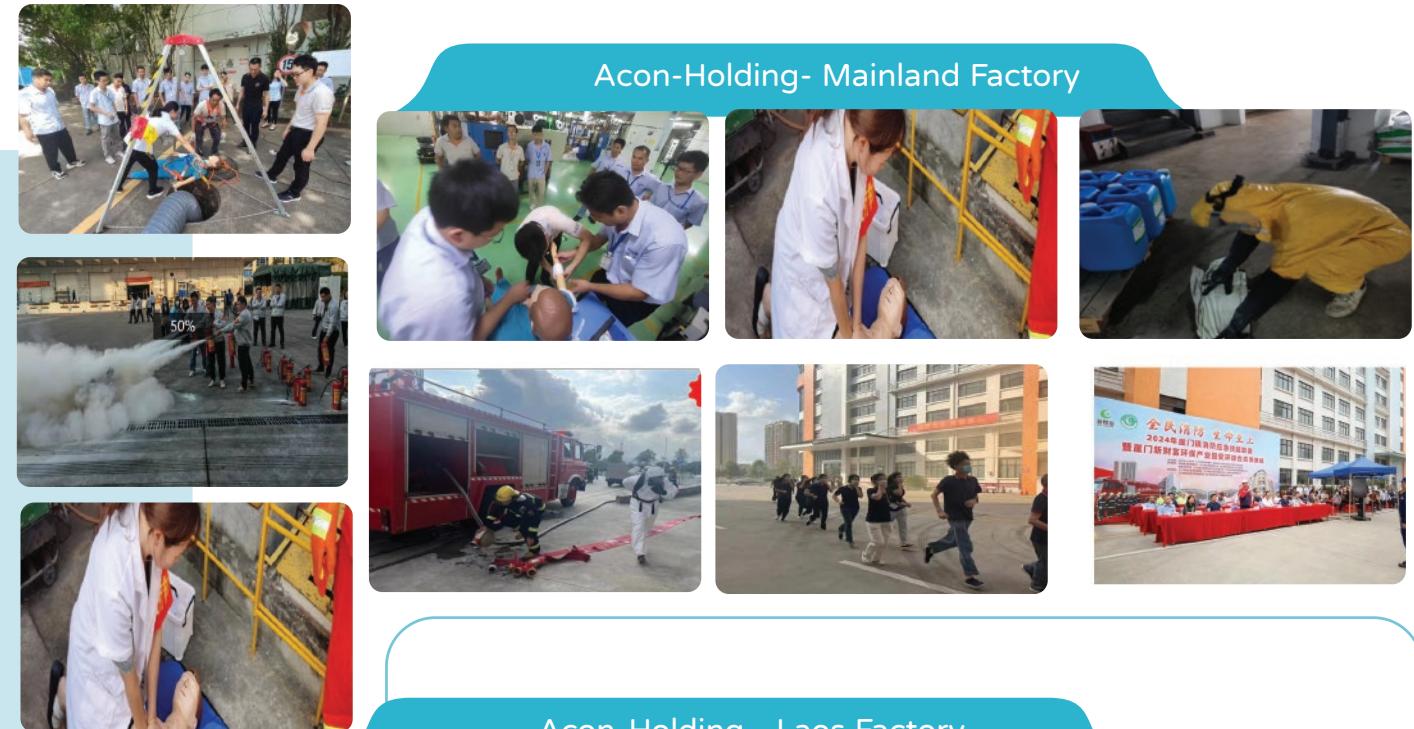
In Laos, a comprehensive emergency drill was held to strengthen the response and rescue capabilities of employees in the face of emergencies such as fire and personal injury, and further enhance the safety protection awareness and practical response experience of on-site personnel.

Acon-Holding-Taiwan Factory



Implementation status of occupational safety and health training

Acon-Holding- Mainland Factory



Acon-Holding - Laos Factory



● Occupational injuries and diseases

Occupational injuries and diseases refer to physical or psychological injuries caused to employees due to working conditions or environmental factors. Although the overall incidence rate is not high, it has potential risks to employees' health and business operations, and it is still necessary to take strict precautions. Acon continues to pay attention to occupational safety and health issues, and strengthens safety management and health monitoring through various risk control and preventive measures to protect the well-being of employees.

In order to effectively prevent occupational accidents and injuries, Acon requires all employees and contractors to apply for a work permit from the Labor Safety and Health Office before working, and the work can only be carried out after the occupational safety personnel have assessed and approved the potential hazards and personal protective equipment. Before the operation, it is necessary to sign and confirm by the operator, the person in charge of the contractor and the person in charge of occupational safety to ensure that the potential hazards of the working environment are fully understood.

Due to the high degree of automation, the production equipment in Shenzhen is equipped with automatic protection devices, and the incidence of mechanical occupational accidents is low. Common injuries include falling objects, crushing heavy objects, or traffic accidents. To this end, we continue to enhance employees' risk awareness through education and training and safety advocacy. In the part of occupational diseases, some workshops have excessive noise due to the high noise of machine operation. The Production & Technical Department has worked with the equipment supplier to make improvements, and the progress is continuously tracked by the Management Department.

Common types of occupational injuries at the Jiangxi/Kunshan Factory include falling objects, falls from heights, and traffic accidents. In view of the above risks, we have strengthened employee safety education and publicity training to enhance their awareness of prevention. In terms of occupational diseases, some employees have suffered musculoskeletal strain injuries caused by sitting or standing for a long time, which have been improved and prevented through human factors engineering adjustment and health promotion programmes.



■ Occupational injury statistics for 2024

stronghold	Worker categor	Total experience Total man-hours	General occupations Damage type	Number of general occupational injuries	General occupations Damage ratio	Lost work Number of days	Responding to occupational injuries and diseases Improvement actions	In 2024, there were no serious occupational injuries with more than 180 days of lost work, and there were no reports or cases of occupational diseases.
Acon-Holding	Full-time job employee	58,629	-	-	-	-	-	Through internal and external education and training, professional license planning, and various inspection and audit procedures of the company, Acon-Holding also continues to manage occupational safety and health-related norms to avoid various accidents and provide a safe and healthy workplace environment.
Acon Taipei	Full-time job employee	181,293	-	-	-	-	-	
Aconoptics Taipei	Full-time job employee	107,474	-	-	-	-	-	
Awan Taipei	Full-time job employee	182,275	-	-	-	-	-	
Acon-eco Taipei	Full-time job employee	34,509	-	-	-	-	-	
Shenzhen Factory	Full-time job employee	224,000	Mold crushing_ Illegal work	1	4.46	28	1. Confirm the safety grating of the punch press, the table cannot be started when the human body or object passes through the safety grating area, and the grating is effective. 2. Confirm the emergency stop switch related to the table, the emergency button cannot be operated when the emergency button is pressed, and the emergency stop switch is effective.	The Shenzhen Factory has established a special work plan for work-related injury prevention, established a special organizational structure for work-related injury prevention, with the top supervisor of the plant serving as the main person in charge, and the safety room will lead the re-assessment of the post risk of each department, make a post risk notification card, and conduct on-the-job risk training for each department. All departments are required to conduct daily self-inspection of potential safety hazards and eliminate potential safety hazards in a timely manner.
Tianjin Factory	Full-time job employee	607,059	-	-	-	-	-	
	Temporary employee	64,388	-	-	-	-	-	
Tianxin Factory	Full-time job employee	813,669	Inappropriate movements Cuts	1	1.23	4	Strengthen staff safety training to ensure proper use of tools and equipment	
Kunshan Factory	Full-time job employee	-	-	-	-	-	-	
Jiangxi Factory	Full-time job employee	-	-	-	-	-	-	
Laos Factory	Full-time job employee	374,400	-	-	-	-	-	
	save from damage personnel	8,760	-	-	-	-	-	Jiangxi/Kunshan/Laos factories have strengthened education and training and daily advocacy, formulated and strictly implemented work instructions at each station, and incorporated occupational injury prevention and management into performance management to prevent and reduce occupational injury accidents.
total		2,656,456	-	2	0.77	32	-	

Employee Health Promotion Service Items

Acon-Holding/
Acon Taipei/
Aconoptics Taipei/
Awan Taipei/ Acon-eco

Shenzhen Factory

Tianjin Factory

Tianxin factory

Kunshan/
Jiangxi Factory

Laos factory

1. Employee health check-up once a year.
2. On-site medical and health management services, hierarchical management of health examination reports, medical guidance and consultation; Human factors, overload, maternity, illegal infringement, middle-aged and elderly and other plans are implemented, and high-risk groups are guided and interviewed and tracked for management.
3. Dietitian healthy diet nutrition consultation, providing three highs, diabetes, metabolic syndrome and other related dietary concepts.
4. Hold health promotion lectures from time to time.
5. Publish a health update every month.
6. The operating environment is monitored once every six months, carbon dioxide, hydrochloric acid, hydrogen peroxide, illumination.
7. Identify hazard risks once a year, and conduct environmental inspections once a week to find out unsafe factors and reduce hazard risks.
8. Continuous education and training to enhance employees' awareness of safety and health. Provide employees with a healthy and safe working environment, and protect the health and safety rights and interests of employees.

1. Employees shall organize occupational health examinations before, during and after the job according to the regulations, and the occupational health examinations shall be conducted once a year during the period of employment.
2. Hazard risk identification once a year, and irregular inspections to find out unsafe factors and reduce hazard risks.
3. Continuous education and training to enhance employees' awareness of safety and health. Provide employees with a healthy and safe working environment, and protect the health and safety rights and interests of employees.

1. Occupational disease physical examination for employees once a year.
2. Identification of occupational hazards in the workplace once a year.
3. Continuous education and training to enhance employees' awareness of safety and health. Provide employees with a healthy and safe working environment, and protect the health and safety rights and interests of employees.

1. Occupational disease physical examination for employees once a year.
2. Identification of occupational hazards in the workplace once a year.
3. Continuous education and training to enhance employees' awareness of safety and health. Provide employees with a healthy and safe working environment, and protect the health and safety rights and interests of employees.

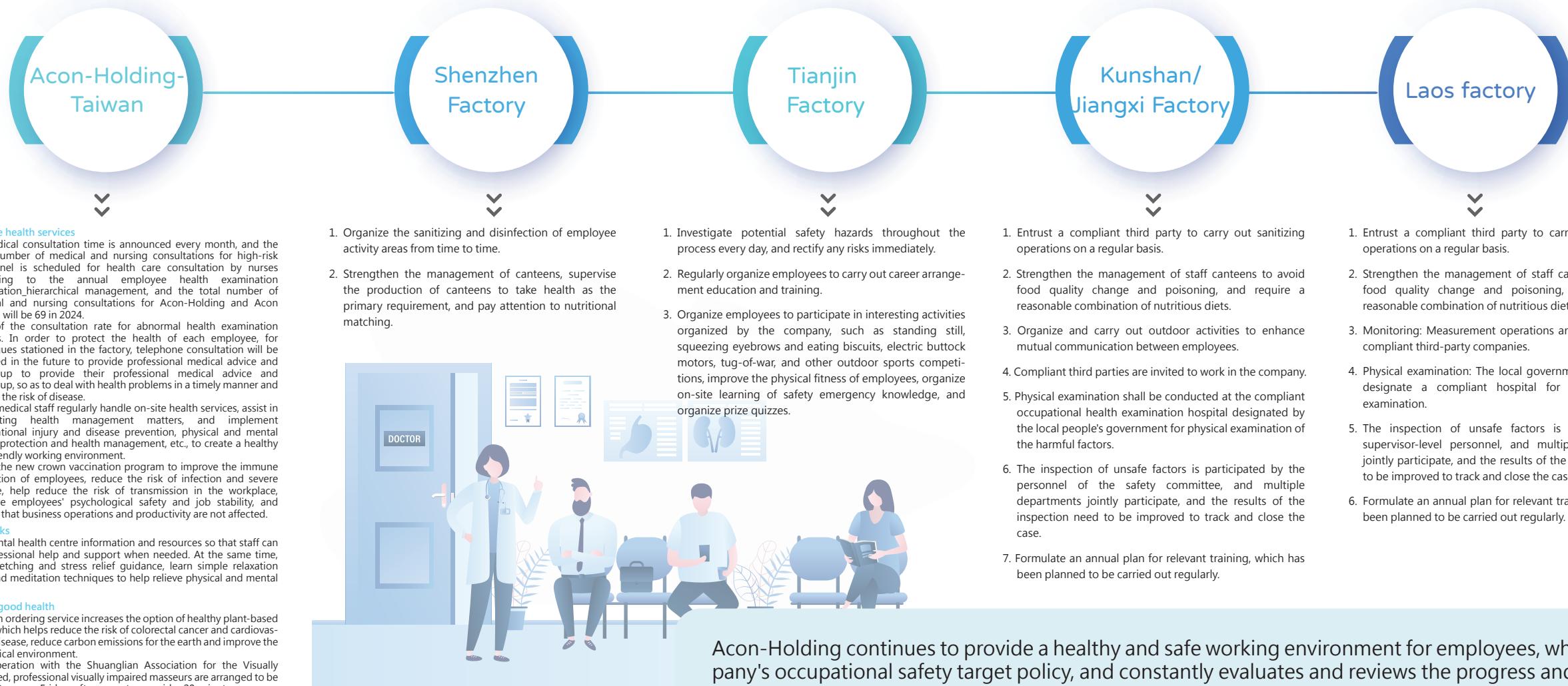
1. On-site environmental monitoring of air, water, noise, illumination and other environments once a year.
2. Monitor the environmental hazards of on-site operation once a year to see if there is any exceedance.
3. Carry out a physical examination of personnel in the victim post once a year.
4. Carry out hazard source investigation on a regular basis
5. Continue to carry out relevant health, safety, fire protection and other knowledge training and drills on a regular basis

1. On-site ambient air, water, noise, illumination, etc. are monitored once a year.
2. Monitor the environmental hazards of on-site operation once a year to see if there is any exceedance.
3. Carry out physical examinations for personnel in victimized positions twice a year.
4. Carry out hazard source investigation on a regular basis
5. Continue to carry out relevant health, safety, fire protection and other knowledge training and drills on a regular basis.

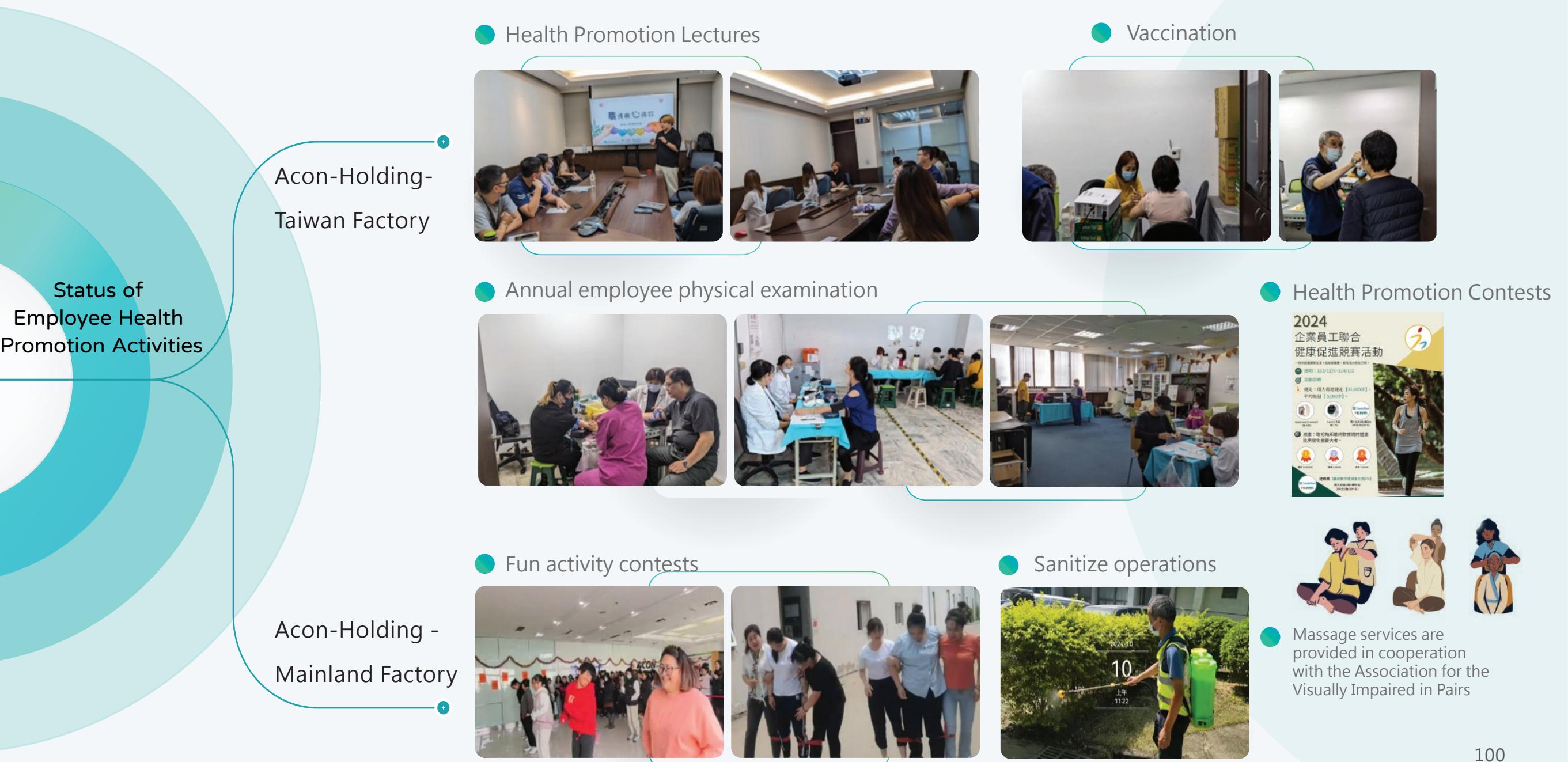
● Employee health promotion activities

Acon-Holding pays attention to the physical and mental health of employees and provides a number of occupational health services to help maintain the health of employees through these services. In addition to paying attention to the physical and mental health of employees, we also pay attention to and maintain the confidentiality of workers' personal health-related information.

Employee Health Promotion Service 2024 Implementation Results



Acon-Holding continues to provide a healthy and safe working environment for employees, which is the company's occupational safety target policy, and constantly evaluates and reviews the progress and improvement of shortcomings in accordance with PDCA management, so as to achieve excellent health services. The company firmly believes that only employees who are physically and mentally healthy can work with more peace of mind and create higher work value.





6.4 Social participation and common prosperity

Acon-Holding is committed to becoming a corporate citizen with a high sense of social responsibility, actively participating in social care and local development, combining the core competencies of the enterprise and the needs of the community, and promoting the social value of mutual benefit and inclusion. The company firmly believes that only when the enterprise and the society grow together can we establish a stable and long-term sustainable competitiveness.

In order to practice the concept of social co-prosperity, Acon-Holding focuses on four major vision directions and formulates specific action goals



Product innovation and quality

continue to develop and innovate electronic components, improve product quality and standard compliance, and meet customer needs and industrial responsibility.



Environmental sustainability

We are committed to reducing the environmental impact of our operations, promoting green manufacturing processes and supply chain management, and participating in environmental initiatives and related programs.



Social participation

Promote at least two community inclusion or disadvantaged care actions every year, covering education, child care, rural resources, physical and mental disability support, etc., and strengthen employee volunteer participation and service hours.



Social Responsibility

Pay attention to environmental protection, labor rights and community development, and formulate specific policies and measures to ensure legal operations and enhance social welfare and sustainable value.

In addition, Acon-Holding has also actively introduced the United Nations Sustainable Development Goals (SDGs), with a special focus on key issues such as quality education (SDG 4), reducing inequality (SDG 10), and partnerships (SDG 17), and continues to optimize the allocation of public welfare resources and the evaluation of results, so as to strengthen transparency and social trust. In the future, we will continue to expand cooperation with the public, private sector and non-profit organizations to create sustainable and shared value.

Practice and local action in each plant

In terms of practical promotion, each operating base actively implements the goal of social co-prosperity according to its local characteristics and corporate role.

In order to achieve the goal of sustainable development and establish a sound corporate governance system, the Taipei Plant actively implements corporate social responsibility, and refers to the "Corporate Social Responsibility Practice Code for Listed and OTC Listed Companies" jointly formulated by the Taiwan Stock Exchange and the OTC Exchange to strengthen the management mechanism of environmental, social and corporate governance (ESG) to ensure that the company takes into account economic benefits, social well-being and environmental protection responsibilities in the process of operation.

Adhering to the core concepts of corporate responsibility and value creation, the mainland plant is committed to enhancing the added value of products with innovative thinking, and building trust and cooperation between customers and suppliers. Respond to the expectations of shareholders and employees through corporate growth and steady profitability; At the same time, we invest in the research and development of new products with reliability and create core technologies that are superior to those in the industry. And by cultivating a high-performance management team, we can respond to the challenges and opportunities brought about by the rapid changes in the electronics industry.

Acon-Holding will continue to integrate resources, refine strategies, exert corporate influence through systematic social participation actions, and practice the sustainable vision of co-prosperity with society and the environment.

- Sponsored by the National Taiwan University of Science and Technology's 'Innovation and Entrepreneurship Training Program for Foreign Talents"

In 2024, Acon-Holding will participate in the "Global Talent Entrepreneurship Program (hereinafter referred to as GTEP)" held by Taiwan University of Science and Technology, and provide pitch day bonuses to the selected foreign student teams- Continue to support the innovative projects of foreign students, and introduce outstanding foreign talents to enterprises in advance to create a win-win situation.



● Sponsorship of Yuan Ze University's "EarthEver SDG Innovation and Entrepreneurship Competition"

In 2024, Acon-Holding participated in the "EarthEver SDG Innovation and Entrepreneurship Competition" organized by Yuan Ze University. The EarthEver competition showcases Yuan Ze's achievements in internationalized education and demonstrates its commitment to cultivating students' innovation and entrepreneurial spirit. This event not only highlights the university's outstanding talent but also emphasizes Yuan Ze's important role in promoting global sustainable development. Acon-Holding provided prize funding to the winning teams to encourage students to continue striving and to shine in their future careers.



● Caring for Local Underserved Communities and Fulfilling Corporate Social Responsibility

Aconoptics continues to respond to local social needs and, in 2024, donated NT\$300,000 to the Grace Care Association of Hualien County. The donation supports the association's work in providing care services for disadvantaged children, youth, and indigenous families. The association has long been rooted in Taiwan's eastern region, offering a wide range of support including educational assistance, essential supplies, psychological support, and emergency relief—providing stable and long-term companionship for individuals and families in need.

This philanthropic contribution reflects Aconoptics' commitment to addressing the needs of rural and underserved populations. Looking ahead, the company will continue to dedicate resources and collaborate with local organizations to expand its positive impact and help build a warm and inclusive society.



社團法人花蓮縣谷若思全人關懷協會

星光教室



課後輔導



(全國)

單親、隔代教養、新住民家庭或低收入戶等家庭，甚至有親眼目睹父母親吸 烟或家庭暴力等經歷，本是溫暖的家，一旦失去家庭功能，更可能是孩童害怕的夢魘。如果能適時給予幫助，也許他們也能翻轉自己的人生。所以，長年關懷兒童發展的陳在惠牧師開始推動偏鄉兒童課後輔導等課程。

陳在惠 牧師



照護型 學習型 發展型



Appendix

GRI Standards Index Table

Appendix-1

**Sustainability Disclosure
Indicators -
Electronic Component Industry**

Appendix-2

**SASB Content Index for
Sustainability Accounting
Standards**

Appendix-3

TCFD Disclosure Index Table

Appendix-4





Appendix I, GRI Standards Index Table

Notices of Use	Acon-Holding prepares the sustainability report in accordance with the GRI standards, and the data and information scope is from January 1 to December 31, 2024
GRI 1 uses versions	GRI 1: Foundation 2021
Application of GRI Industry Standards	not

GRI 2: General Disclosure (2021)

GRI Guidelines	Expose the project	page number	Additional Notes
2-1 Organizational Details	8-10		
2-2 Entities included in organizational sustainability reporting	3		
2-3 Period, frequency and contact person of the report	3		
2-4 Information recompilation	-		
2-5 External Assurance/Assurance	-		
2-6 Activities, Value Chains and Other Business Relationships	10		
2-7 Employees	73,74		
2-8 Non-employee workers	73,74		
2-9 Governance structure and composition	14,23		
2-10 Nomination and selection of the highest governance unit	23		
2-11 The Chairman of the highest governance body	24		
2-12 The role of the highest governance unit in overseeing impact management	24		
2-13 Person in charge of impact management	24,25		
2-14 The role of the highest governance unit in perpetual reporting	14		
2-15 Conflict of Interest	24,25		
2-16 Communicate key major events	24,25		

GRI Guidelines	Expose the project	page number	Additional Notes
2-17 The collective intellect of the highest unit of governance	25		
2-18 Performance evaluation of the highest governance unit	24		
2-19 Remuneration Policy	25		
2-20 Compensation Decision Process	25		
2-21 Annual Total Compensation Ratio	25		
2-22 Statement of Sustainability Strategy	4,5		
2-23 Policy commitments	26,28,32,42,51,52,57,71,72,87,88		
2-24 Inclusion of policy commitments	26,28,32,42,51,52,57,71,72,87,88		
2-25 Procedures for remedying negative shocks	26,28,32,42,51,52,57,71,72,87,88		
2-26 Mechanisms for seeking advice and raising concerns	26,28,32,42,51,52,57,71,72,87,88		
2-27 Compliance	32,33		
2-28 Membership in public associations	10		
2-29 Stakeholders agree on the policy	19,20		
2-30 Group Covenants	79,80		

GRI 3: Material Themes (2021)

GRI Guidelines	Expose the project	page number	Additional Notes
3-1 Process for deciding on material topics	15,16		
3-2 List of major topics	17,18		

compliance

3-3 Management of major themes	26,28,32,42,51,52,57,71,72,87,88	Management Approaches for Material Topics
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GRI Guidelines	Expose the project	page number	Additional Notes
Integrity management			
GRI 205 (2016): Anti-corruption	205-1 Operations that have conducted corruption risk assessments 205-2 Communication and training on anti-corruption policies and procedures 205-3 Confirmed Corruption Incidents and Actions Taken	27 27 27	
GRI 206 (2016): Anti-competitive conduct	206-1 Legal actions against competitive conduct, antitrust and monopolistic conduct	27	
Supplier management			
GRI 204 (2016): Procurement Practices	204-1 Proportion of procurement expenditure from local suppliers	55	
GRI 308 (2016): Supplier Environmental Assessment	308-1 uses environmental criteria to screen new suppliers 308-2 Negative environmental impacts of the supply chain, and actions taken	53 54	
GRI 414 (2016): Supplier Social Assessment	414-1 New Suppliers Use Social Criteria Screening 414-2 Negative social shocks in the supply chain and actions taken	53 54	
Greenhouse Gas and Energy Management			
GRI 305 (2016): Emissions	305-1 Direct (Scope 1) GHG emissions 305-2 Energy Indirect (Scope 2) Greenhouse Gas Emissions 305-4 Greenhouse Gas Emissions Intensity 305-5 Reduction in Greenhouse Gas Emissions	64 64 64 63	
GRI 302 (2016): Energy	302-1 Energy consumption within an organization 302-3 Energy Intensity	63 63	
Waste management			
GRI 306 (2020): Waste	306-1 The generation of 306-1 waste is associated with significant impacts related to waste 306-2 Management of Significant Impacts Related to Waste 306-3 Waste generation 306-4 Disposal and Transfer of Waste 306-5 Direct Disposal of Waste	65,66 65,66 67 67 67	
GRI Guidelines			
Expose the project			
Talent development and education and training			
GRI 401 (2016): Employment-employment relations	401-1 New Employees and Former Employees 401-2 benefits offered to full-time employees 401-3 Parental Leave	74,75 80,81 81	
GRI 402 (2016): Industrial Relations	402-1 Minimum notice period for changes in operations	79	
GRI 404 (2016): Training and Education	404-1 Average number of hours of training per employee per year 404-2 Employee Enhancement and Transition Assistance Program 404-3 Proportion of employees who receive regular performance and career development reviews	86 84,85 86	
Occupational safety and health			
GRI 403 (2018): Occupational Health and Safety	403-1 Occupational Health and Safety Management System 403-2 Hazard Identification, Risk Assessment, and Accident Investigation 403-3 Occupational Health Services 403-4 Worker Participation, Consultation and Communication on Occupational Safety and Health 403-5 Worker Training on Occupational Safety and Health 403-6 Worker Health Promotion 403-7 Prevention and mitigation of occupational safety and health shocks directly related to business relationships 403-8 Occupational Health and Safety Management System 403-9 Occupational Injuries 403-10 Occupational Diseases	89 89,90 98 91,92 93,94 99 91,92 89 96,97 96,97	
Data security and customer privacy			
GRI 418 (2016): Customer Privacy	418-1 Proven Complaint of Violation of Customer Privacy or Loss of Customer Data	28-31	
Innovative R&D			
Custom themes are not applicable	There is no GRI standard	41-50	

Other topics

GRI Guidelines	Expose the project	page number	Additional Notes
GRI 200: Economy			
GRI 201 (2016): Economic Performance	201-1 Direct economic value generated and distributed by the organization	11	
	201-2 Financial impacts and other risks and opportunities arising from climate change	58-69	
	201-3 defines benefit plan obligations with other retirement plans	80,81	
	201-4 Financial Subsidy from the Government	12	
GRI 300: Environment			
GRI 303 (2018): Water and Effluent	303-1 Mutual Impacts of Shared Water Resources	68	
	303-2 Management of Drainage-Related Shocks	68	
	303-3 Water withdrawal	69	
	303-4 displacement	69	
	303-5 Water consumption	69	

GRI Guidelines	Expose the project	page number	Additional Notes
GRI 400: Society			
GRI 405 (2016): Employee Diversity and Equal Opportunity	405-1 Governance Unit and Employee Diversity	73,76	
	405-2 Ratio of basic salary to remuneration for women and men	76	
GRI 406 (2016): Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	77	
GRI 408 (2016): Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	78	
GRI 409 (2016): Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	77	
GRI 413 (2016): Local Communities	413-1 Operational activities through local community communication, impact assessment, and development plans	101-103	Operational activities through local community communication, impact assessment, and development plans
	413-2 Operations that have a significant actual or potential negative impact on the local community	101-103	Operations that have a significant actual or potential negative impact on the local community



Appendix 2: Sustainability Disclosure Indicators - Electronic Component Industry

numbering	index	Types of indicators	2024 disclosure	unit
One	Total energy consumption, percentage of purchased electricity and renewable energy utilization	quantify	Total energy consumption: 115,395.24 GJ Percentage of purchased electricity: 95.3 %. Renewable energy use rate: 1.4%.	illion joules (GJ) Percentage (%)
Two	Total water withdrawal and total water consumption	quantify	Total water withdrawal: 45052m ³ Total water consumption: 901 m ³	1,000 cubic meters (m ³)
Three	The weight of the hazardous waste generated and the percentage of waste recycled	quantify	Hazardous waste weight: 7.789 t Proportion of hazardous waste recycling: 0.83 %.	Metric ton(t) Percentage (%)
Four	Describe the type, number and rate of occupational accidents	quantify	Occupational accidents: falls, traffic accidents on the way to work, contact with harmful substances, etc Number of occupational accidents: 2 Occupational accident rate: 0.84%	Ratio (%), quantity
Five	Product Life Cycle Management Disclosure: Including the weight of end-of-life products and e-waste and the percentage of recycling (Note 1).	quantify	1. End-of-life products (1) Weight: 0 t (2) Proportion of recycling: 0%. 2. E-waste (1) Weight: 0 t (2) Proportion of recycling: 0%.	Metric ton(t) Percentage (%)
Six	A description of risk management related to the use of critical materials	Qualitative description	Acon-Holding provides customers with small and diverse customized needs, strives for market information dynamics, invests development resources with customers, and binds follow-up needs. In addition to finding and coordinating external resources, we should strive to invest more effective resources in the fields of connectors, optical fiber communications, and wireless communications. In addition, the company will continue to participate in relevant development meetings organized by the government and major demand manufacturers, summarize relevant information, and add information for existing future R&D projects, so as to promote their development and form standards.	not applicable
Seven	The total amount of pecuniary loss resulting from legal proceedings related to the Anti-Competitive Conduct Ordinance	quantify	There is no total amount of pecuniary loss in 2024 as a result of legal proceedings related to the Anti-Competitive Conduct Ordinance	Reporting currency
Eight	The output of major products according to product category	quantify	10,243,584 thousand computer products, 1,324,143 thousand communication products, and 169,741 other products, totaling 11,737,468 thousand.	Varies depending on the type of product

Note 1: If scraps are sold or recycled, relevant instructions should be provided.



Appendix III: SASB Content Index for Sustainability Accounting Standards

index	numbering	Description of the metric	Indicator responses
Industry events	TC-HW-000.A	Production volume of each product category	11,737,468 (KPCS)
	TC-HW-000.B	Factory area	Acon-Holding_Taiwan: 6,536.63m ² Acon-Holding_Mainland Factory: 221,71285 m ²
	TC-HW-000.C	Percentage of production at own sites (output)	100%
Product safety	TC-HW-230a.1	A description of the method for identifying and addressing product data security risks	The main products of Acon are connectors, the main products of Aconoptics are optical fiber communication components, and the main products of Awan are wireless communication components, and there is no doubt about data leakage in the products themselves
Employee Diversity and Inclusion	TC-HW-330a.1	Percentage of gender and racial/ethnic group of management, technical staff, and all other employees	For details, please refer to 6.1 Talent Attraction and Retention_Workforce Composition and Workforce Diversity
Product life cycle	TC-HW-410a.1	Percentage of annual revenue for products that comply with IEC 62474 for declarable controlled substances	No restricted substances in IEC 62474 are used
	TC-HW-410a.2	The percentage of revenue from products that qualify for EPEAT registration or equivalent	Acon, Aconoptics and Awan products are not terminal products and are not EPEAT compliant product categories.
	TC-HW-410a.3	PRODUCTS THAT MEET THE ENERGY STAR® CRITERIA AS A PERCENTAGE OF REVENUE	Acon, Aconoptics and Awan products are not terminal products, and are not product categories of ENERGY STAR specifications.
	TC-HW-410a.4	Obtain the weight of end-of-life products and e-waste, and the percentage of recycling	0%
Supply chain management and raw material sourcing	TC-HW-430a.1	Tier 1 suppliers pass RESVAP or equivalent audits, depending on: (a) All Tier 1 supplier sites (b) All Tier 1 supplier sites are classified as high-risk sites	At present, Acon-Holding has not audited its first-tier suppliers in accordance with the RBA VAP, and will be included in its ESG business plan in the future.
	TC-HW-430a.2	Tier 1 suppliers (1) Percentage of non-compliance with RBA VAP (or similar). (2) Proportion of corrective measures, according to (a) Priority level is not met (b) Other levels are not compliant	
Material procurement	TC-HW-440a.1	Describe risk management that manages the use of critical materials	Acon-Holding provides customers with a small amount of customized needs, strives for market information dynamics, invests development resources with customers, and binds follow-up needs. In addition to finding and coordinating external resources, we should strive to invest more effective resources in the fields of connectors, optical fiber communications, and wireless communications. In addition, the company will continue to participate in relevant development meetings organized by the government and major demand manufacturers, summarize relevant information, and add information for existing future R&D projects, so as to promote their development and form standards.

Note: The SASB indicator is used for the Hardware Standard for Technology and Communication, 2018-10 version.



Appendix IV: TCFD Disclosure Index Table

The risks and opportunities caused by climate change to the company and the relevant countermeasures taken by the company

project	Disclosure	Corresponding chapters	page number
1	Board and management oversight and governance of climate-related risks and opportunities	5.1 Climate change response Climate governance architecture	59
2	How climate-related risks and opportunities identified affect the business, strategy and finance of the company (short, medium and long term)	5.1 Climate change response Climate Change Adaptation Strategies	61
3	The financial impact of extreme climate events and transformational actions	5.1 Climate change response Climate Change Adaptation Strategies	61
4	How the process of identifying, assessing and managing climate risks is integrated into the overall risk management system	5.1 Climate change response Climate-related risks and opportunities identification and assessment process	62
5	If scenario analysis is used to assess climate risk, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts used	Contextual analysis is not used	-
6	If there is a transition plan to address and manage climate-related risks, explain the content of the plan, and the indicators and targets used to identify and manage physical and transition risks	There is no transition plan for climate-related risks in place	-
7	If internal carbon pricing is used as a planning tool, the basis for price setting is stated	Carbon pricing tools are not used	-
8	If climate-related targets are set, information such as the activities covered, the scope of greenhouse gas emissions, the planning timeline, and the progress made in achieving them each year should be stated. If carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon reduction credits or renewable energy certificates (RECs) to be exchanged should be stated	5.1 Climate change response Metrics & Goals	62
9	Greenhouse gas inventory and conviction	Since 2009 and 2010, Acon has established a greenhouse gas inventory system in Shenzhen and Taiwan respectively, and has passed the ISO 14064-1 standard inspection by an external third-party verification organization	-

