

2. Corporate Governance

2.1 Company Profile

2.1.1 Basic Information

(GRI 2-1、2-7、2-28)

Pan-International Group was established in 1971 with its headquarters located in New Taipei City, Taiwan. It has operating bases in China, the United States, Malaysia, and Thailand engaged in manufacturing, sales, and customer service businesses.

Since its establishment, Pan-International Industrial Corp. has adhered to the spirit of innovation, aiming to care for employees while maximizing profits for shareholders, and has worked tirelessly to achieve these goals. With the evolution of product technology and market changes, the main business has gradually expanded from the production and sales of terminals and plugs to the research and development and production of signal cables, wire harnesses and PCBs for consumer, communication, industrial and medical products, while also entering professional EMS services to meet customers' one-stop solution needs. Due to climate change and the increasing frequency of extreme natural disasters, achieving carbon neutrality to mitigate global warming has become a major trend. Electric vehicle products are in line with this trend and are expected to become mainstream consumer products in the future. To contribute to the carbon neutrality trend and create new business opportunities, the Company actively invests in the automotive wire harness industry. Over the past two years, with increased customer shipments, automotive wire harness products have also developed into one of the Company's important sources of revenue. The rapid advancement of AI technology has revolutionized current production models and products. To overcome the bottlenecks and limitations of old products and production models, we have initiated a transformation and upgrading strategy. Through mergers, acquisitions, and strategic alliances, we are acquiring new products and technologies, actively entering the market for AI industry-related components. Simultaneously, we are setting the primary goal of becoming a key component supplier for future robots, striving to capture a significant market share and paving a new path for the Company's future development.

The global economic environment continues to create new difficulties and challenges. Pan-International will actively face these challenges, consistently uphold its corporate culture of pragmatism and innovation, and formulate sustainable development policies and strategies. By leveraging the competitiveness of its global operating locations and talent, the company aims to enhance its technological capabilities and increase the group's influence through mergers, acquisitions, and strategic alliances. Entering new niche markets to increase revenue and profitability serves as the operational goal, reducing the impact of various new challenges on the company's normal operations and transforming them into a new driving force for the company's continuous growth. The ultimate goal is to achieve sustainable operations and build a century-old enterprise.

Company Name	Pan-International Industrial Corp.
Company Type:	Listed & Limited Company
Date of Establishment:	May 19, 1971
Headquarter Location:	6F, No. 200, Jian 8th Rd., Bihe Vil., Zhonghe Dist., New Taipei City 235, Taiwan.

Company Name	Pan-International Industrial Corp.
Industry Category	Electronic Components and Products Manufacturing
Primary Products or Services:	Manufacturing and sales of electronic components such as signal cables, wire harness products, connectors, and PCBs, and providing EMS services.
Paid-in Capital:	NTD 5,183,462,820
Net Sales:	NTD 22,167,928,086
Number of Employees*	8,466

* The entire group includes PIB.

• Association Memberships

Pan-International Group continues to participate in business-related associations. In 2025, the Group was a general member of the Taiwan Electrical and Electronic Manufacturers' Association, exchanging industry knowledge, information, and practical experience with peers and professionals, aiming to respond to changes in the international situation together and improve industry standards.

• Total Contributions & Other Spending

Item (NT\$)	2022	2023	2024	2025
Lobbying, interest representation or similar	-	-	-	-
Local, regional or national political campaigns/organizations/candidates	-	-	-	-
Trade associations or tax-exempt group	42,000	42,000	42,000	42,000
Others	-	-	-	-
Total	42,000	42,000	42,000	42,000
Name of organization	Description			Amount (NT\$)
Taiwan Electrical and Electronic Manufacturers' Association	Through participation in industry association activities and industry exchanges, Pan-International Industrial Corp. stays informed of the latest developments in the electrical and electronics industry, technological trends, regulatory and policy changes, and sustainability issues, while sharing experiences and exchanging views with industry peers and relevant stakeholders.			42,000

• Climate-Related Lobbying Activities and Industry Association Management System

Pan-International Group is committed to promoting industrial upgrading, operational resilience, and sustainable transformation, while continuously monitoring domestic and international sustainability trends, climate policies, and relevant regulatory developments. The Company supports efforts aligned with the goals of the Paris Agreement, including Greenhouse Gas emissions reduction, improvements in energy efficiency, increased use of renewable energy, and the transition toward a low-carbon economy. To stay abreast of industry developments and strengthen engagement with stakeholders, the Group actively participates in relevant industry associations and external organizations and has established management mechanisms for external organization participation and policy advocacy.

These management mechanisms are coordinated and periodically reviewed by the Sustainability Development Department. Where necessary, material policy advocacy activities and participation in external organizations are submitted to the Sustainability Committee for review to ensure that such activities remain aligned with the Group's sustainability direction, climate strategy, and the goals of the Paris Agreement.

When participating in industry associations, industry organizations, or other external organizations, as well as when engaging in public policy communication or advocacy activities, the Group carefully assesses the positions, advocacy agendas, and activities of the relevant organizations to determine whether they are consistent with Group's climate policies, decarbonization pathway, climate targets, and net-zero transition direction.

For industry associations and external organizations in which the Group participates, the Group periodically reviews their climate policy positions and related advocacy activities. It also periodically reviews its direct public policy engagement and lobbying activities to assess their alignment with the Group's climate strategy, sustainability targets, and the goals of the Paris Agreement. If a material discrepancy is identified between the position of a participating organization and the Group's climate strategy or sustainability targets, the Group will prioritize communication, exchange of views, and appropriate improvement mechanisms to promote greater alignment. If such discrepancies cannot be effectively resolved after continued engagement, the Group will further consider reducing its level of participation or terminating its membership to maintain consistency with its policy positions and sustainability commitments.

In 2025, the Group did not engage in any direct climate-related lobbying activities and participated in one industry association. Following a review of the association's climate policy position and related advocacy activities, the Group confirmed that they were aligned with its climate targets and the goals of the Paris Agreement. No industry associations with climate policy positions inconsistent with those of the Group were identified.

2.1.2 Operating Locations

▼ Operating Layout of Pan-International Group

Region	Operating Location and Business Nature	Number of Operating Locations
Taiwan	Headquarters and R&D center	1
Mainland China	Product manufacturing and sales locations	11
Malaysia	Product manufacturing and sales locations	2
Thailand	Product manufacturing and sales locations	1
United States	Sales location	1

Global Locations



2.2 Governance Structure

2.2.1 Governance Framework

(GRI 2-9)

The highest authority of the Group is the shareholders' meeting, where shareholders elect directors to form the Board of Directors. The Board serves as the Company's highest governing body, responsible for making overall business decisions. Beneath the Board are Functional Committees, including the Sustainable Development and Nominating Committee, Remuneration Committee, and Audit and Risk Management Committee, which respectively oversee the Group's management, operational risks and performance, financial statements, compensation of directors and managers, climate risks and opportunities, and key ESG goals. In addition, an Audit Office has been established to monitor the effectiveness of the Company's internal control system. Each committee performs its duties according to its responsibilities and division of powers, reporting its implementation results and resolutions to the Board of Directors to safeguard the interests of the Company and all stakeholders.

Board of Directors Operations and Composition (GRI 2-9、2-10、2-11、405-1)

The Board of Directors serves as the balancing and supervisory body between the Company's owners and its management. It exercises the rights and obligations authorized by shareholders and formulates operating guidelines based on stakeholder interests. In addition, it appoints and oversees the Company's management team, supervises business operations, establishes sustainability development-related strategies, and monitors the effectiveness of their implementation.

The Group adopts a candidate nomination system for its Board of Directors. Seven directors are elected from the list of candidates by the shareholders' meeting. The term of office of directors is three years and they may be re-elected. The nomination and selection criteria are the independence and professional background of the candidates and their relevance to the Company's operational development, while also considering the diversity of the Board's composition. The current Board of Directors consists of seven directors (including four Independent Directors), with a male to female ratio of 5:2. The proportion of directors who also serve as employees is 0%, and independent directors account for more than half at 57%. Three independent directors have served for less than three years, and one independent director has served for three to six years. Currently, only two directors (29%) are between 61-70 years old, achieving the goal of Board rejuvenation. Female directors account for 29%, also meeting the original gender equality target. For the next board election nominations, the inclusion of at least one-third of directors from either gender will be a key criterion, and outstanding director candidates will be nominated based on the Company's future development needs.

Pan-International Group generally holds Board of Directors meetings quarterly. In 2025, a total of six regular board meetings were held, with an average attendance rate of 98%. For the attendance of each director and the agenda items, please refer to page 13 of Pan-International Group's 2025 Annual Report.

http://www.panpi.com.tw/tw/investor_service/shareholder_meeting/information

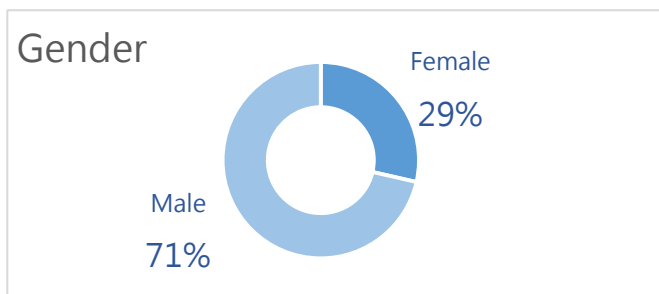
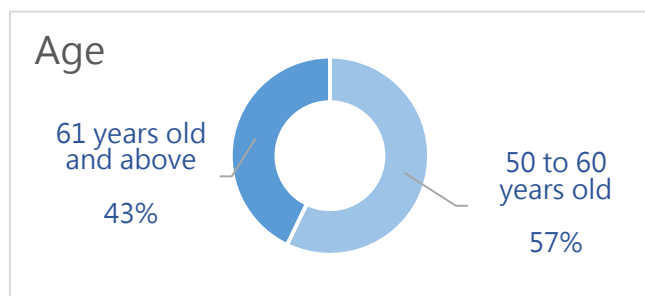


▼ **Pan-International Group's Director Information** (Current term of Board of Directors: From June 9, 2023 to June 8, 2026)

Title	Total Years of Service	Name	Gender	Age	Concurrent Position in the Group	Concurrent Position in Other Companies	Functional Committees		
							Audit Committee	Remuneration Committee	Sustainability Committee
Chairperson	2	Lee, Kuang-Yao	Male	61 years old and above	-	Assistant Vice President of Hon Hai Precision Industry Co., Ltd.			
Director	2	Huang, Ying-Shih	Male	50 to 60 years old	-	Senior Officer of Hon Hai Precision Industry Co., Ltd.			
Director	23	Huang, Feng-An	Male	61 years old and above	-	-			
Independent Director	5	Cheng, Wen-Jung	Male	50 to 60 years old	-	Fubo Accounting Firm Managing Partner Supervisor, Top Food Industrial Corporation SOE Co., Ltd. Independent Director	V		V
Independent Director	2	Chen, Chih-Keng	Male	61 years old and above	-	National Taipei University of Technology Department of Vehicle Engineering Professor	V	V	V
Independent Director	2	Lin, Ching-Wei	Female	50 to 60 years old	-	-	V	V	V
Independent Director	2	Kuo, Ming-Yi	Female	50 to 60 years old	-	Consultant, Lexcel Law Offices KGI Bank Co., Ltd. Independent Director Independent Director of Chia Yi Health Business Co., Ltd.	V	V	

Note: Director Feng-An Huang retired in September 2024 and no longer serves as the Vice President of the Group.

▼ **Director Gender and Age Distribution Chart**



▼ Director Professional Skills and Experience Distribution

Title	Name	Director Professional Skills and Experience Distribution											
		Leadership Decision-Making	Business Management	Finance and Accounting	Industry Knowledge	Industry Technology	Marketing	Business Development	Information Technology	Risk Management	Environment Sustainability	Social Participation	Supply Chain Management
Chairperson	Lee, Kuang-Yao	V	V		V	V	V	V		V	V	V	V
Director	Huang, Ying-Shih	V	V	V	V				V	V	V	V	
Director	Huang, Feng-An	V	V	V	V				V	V	V	V	
Independent Director	Cheng, Wen-Jung	V	V	V	V				V	V	V	V	
Independent Director	Chen, Chih-Keng	V			V	V			V	V	V	V	
Independent Director	Lin, Ching-Wei	V	V	V						V	V	V	
Independent Director	Kuo, Ming-Yi	V	V	V					V	V	V	V	



- **Director Training (GRI 2-17)**

Pan-International Group arranges annual training courses and forums for directors on professional skills, knowledge, and sustainability development-related issues to strengthen their expertise to address operational impacts. In 2025, a total of 50 hours and 14 sessions of training courses and Material Topic forum meetings were participated in.

2025 director training items: Page 22 of Pan-International Group's 2025 Annual Report.

http://www.panpi.com.tw/tw/investor_service/shareholder_meeting/information

- **Remuneration Structure for Directors and Senior Executives (GRI 2-19, 2-20)**

The remuneration of Pan-International Group's directors includes cash remuneration for independent directors, directors' remuneration, salaries and remuneration for concurrent employees, and pensions. The Remuneration Committee refers to industry levels and individual director performance as a basis for adjusting individual remuneration. In addition to fixed salaries and retirement pensions, performance bonuses are calculated based on the achievement of various performance indicators. For details on director remuneration, the Remuneration Bracket Table, and payment standards in 2025, please refer to pages 8-10 of Pan-International Group's 2025 Annual Report.

The remuneration system for Pan-International Group's senior management is proposed and recommended to the Board of Directors by the Remuneration Committee and approved by the Board of Directors. In addition to fixed salaries and retirement pensions, performance bonuses are calculated based on the achievement of various performance indicators. The retirement system for senior management is the same as that for other employees. For details on senior management salaries and brackets in 2025, please refer to pages 11-12 of Pan-International Group's 2025 Annual Report. The Remuneration Committee has formulated the "Executive Salary and Remuneration Regulations" and submitted it to the first Board meeting in 2024 for review and approval, serving as the basis for evaluating and determining senior executive remuneration.

- **Resignation and Retirement Policy for Directors and Senior Executives**

The notice period for resignation of Pan-International Group's directors and senior executives is in accordance with local government regulations. The number of notice days and calculation method of severance pay are the same as those for other employees. In addition to severance pay, no other payments or benefits in kind will be provided to departing directors and senior executives.

For details, please refer to page 70 of Pan-International Group's 2025 Annual Report.

http://www.panpi.com.tw/tw/investor_service/shareholder_meeting/information

- **Amendments to the Articles of Association require Resolutions by the Shareholders' Meeting.**

The amendment of the Articles of Incorporation of Pan-International Industrial Corp. shall be handled in accordance with Article 277 of the Company Act. Changes to the Company's Articles of Incorporation must be resolved by the Shareholders' Meeting; such changes require the presence of shareholders representing more than two-thirds of the total issued shares, and approval by a majority of the voting rights of the shareholders present. If the total shares represented by the shareholders present do not reach the quorum mentioned in the previous clause, a meeting may be convened with the presence of shareholders representing more than half of the total issued shares, and resolutions require the approval by more than two-thirds of the voting rights of the shareholders present.

- **No restrictions on director responsibilities**

Pan-International Industrial Corp. values the Directors' duty of loyalty and the duty of care of a good manager towards the Company and shareholders, and has not set any improper limitations or pre-arranged exemptions on the legal responsibilities of Directors within the Company's Articles of Incorporation or related regulations. Directors should participate prudently in major Company decisions according to their duties and bear corresponding responsibilities for their actions in the execution of their duties; if there are any violations of laws or failure to fulfill their duties, they should assume responsibility in accordance with relevant legal provisions. To reduce the risk of lawsuits and compensation that Directors may face while performing their duties, the Company provides appropriate protection through directors' liability insurance; however, such insurance does not affect the legal responsibilities that Directors must bear.

- **Link between Director and Senior Executive Remuneration and ESG Performance**

The Group is currently developing short-term and medium-term ESG implementation plans and achievement goals; therefore, the remuneration of directors and senior executives has not yet been linked to ESG performance. After commissioning an independent professional organization to assess the performance evaluation model and target items for the Company's directors and senior executives, a procedure for ESG performance evaluation will be established. ESG performance indicators will be gradually introduced each year to link individual participation in ESG issues and the achievement of ESG goals with their annual bonuses, thereby strengthening the accountability of directors and senior executives for the Company's sustainability vision.

- **Clawback Provision**

A clawback provision has not yet been established. In the future, we will seek advice from external consultants and consider the Company's operating conditions for further discussion.

- **Board Performance Evaluation (GRI 2-18)**

In principle, the Group conducts annual self-performance evaluations of the Board of Directors, functional committees (including Audit and Risk Management Committee, Remuneration Committee, and Sustainable Development and Nominating Committee), and individual board members. To further enhance board operation efficiency and strengthen corporate governance, the Group plans to engage an external professional independent institution or a team of external experts and scholars once every three years to conduct board performance evaluations, which serves as a reference for improving the board's operational performance.

Measurement items for board performance evaluation:	Performance evaluation for individual board members
<ol style="list-style-type: none"> 1. Participation in company operations 2. Enhancing the quality of board decisions 3. Board composition and structure 4. Director selection and ongoing education 5. Internal control 	<ol style="list-style-type: none"> 1. Understanding of company goals and tasks 2. Awareness of director duties 3. Participation in company operations 4. Internal relationship management and communication 5. Director's Expertise and Ongoing Education 6. Internal control

• Board Evaluation Implementation

To enhance evaluation quality, on August 14, 2024, the Board of Directors approved amendments to certain provisions of the board evaluation procedures. The performance evaluation of the Group's Board of Directors and functional committees should be conducted by an external professional independent institution or a team of external experts and scholars at least once every three years. The Group appointed the Taiwan Investor Relations Institute to conduct the 2023 external performance evaluation of the Board of Directors and functional committees (covering the period from July 1, 2023, to June 30, 2024). The institution and the evaluation experts had no business dealings with the Group and were therefore considered independent. Their independent experts conducted questionnaire surveys and actual evaluations focusing on five major dimensions: objectives, organization, expertise, operational participation, and internal control of the Board and functional committees. The evaluation report was completed in December 2024. The recommended items from the report are summarized as follows:

1. Advance planning to achieve one-third female representation on the Board: The Company will plan the slate of director candidates in 2026 in accordance with this recommendation.
2. Oversight of risk management by the Audit and Risk Management Committee or board-level functional committees: Will establish an Audit and Risk Management Committee in 2025 to supervise risk management.
3. Establishing a succession plan for Board members and key management: A first-line manager acting system has been established to cultivate acting managers as succession candidates, and outstanding Board candidates are being identified.
4. Add provisions in the Corporate Governance Practice Principles prohibiting directors from trading company shares during the closed period before financial report releases: Will complete the amendment of provisions in 2025.
5. Prepare English version of Sustainability Report: The English version of the 2023 Sustainability Report has been completed and uploaded to the Market Observation Post System and company website for stakeholders to download.
6. Holding at least two institutional investor conferences annually: The Company complies with this recommendation and will gradually increase the frequency of investor conferences to enhance information transparency.
7. Actively promote environmental and social governance: The company will more actively engage in environmental issues, set emission reduction targets and work to achieve them, evaluate climate change impacts, assess opportunities and risks, and enhance volunteer and resource contributions to society, fulfill social responsibilities, and make the greatest efforts to advance governance across all ESG dimensions.

The external evaluation report and its implementation status were presented to the first Board meeting of 2025 on March 11, 2025.

Frequency of evaluation	Evaluation Period	Method of evaluation	Scope of evaluation	Evaluation Result
Once a Year	2024/01/01~ 2024/12/31	Self Evaluation	Overall Performance of the Board of Directors	Excellence Grade
Once a Year	2024/01/01~ 2024/12/31	Self Evaluation	Individual Board Members	Excellence Grade
Once a Year	2024/01/01~ 2024/12/31	Self Evaluation	Audit and Risk Management Committee	Excellence Grade
Once a Year	2024/01/01~ 2024/12/31	Self Evaluation	Remuneration Committee	Excellence Grade
Once a Year	2024/01/01~ 2024/12/31	Self Evaluation	Sustainable Development and Nominating Committee	Excellence Grade

2025 performance evaluation results: Page 14 of Pan-International Industrial Corp.'s 2025 Annual Report.

http://www.panpi.com.tw/tw/investor_service/shareholder_meeting/information

- **Conflict of Interest Management (GRI 2-15)**

The rules of procedure for Pan-International Group's board meetings, Audit and Risk Management Committee, and Remuneration Committee, include provisions on avoiding conflicts of interest. When a director's proposal involves the interests of themselves, their spouse, or relatives within the second degree of kinship, or companies that have a controlling or subordinate relationship with the director, they must disclose their interests at the board meeting. If there is any concern about harming the Company's interests, they shall not participate in the discussion and voting, and must exclude themselves from both. Additionally, they may not exercise voting rights on behalf of other directors. The names of the related directors, important content explanations and recusal are all recorded in the meeting minutes. Directors and managers must complete an annual related party transaction declaration, with results reported to the Audit and Risk Management Committee.

For 2025 related party transactions, cross-shareholdings of directors, controlling shareholders or other stakeholders, please refer to page 40 of Pan-International Group's 2025 Annual Report.

In addition, the Group has established codes of ethical conduct for personnel at different levels, as well as separate codes for directors and managers, and for employees. The Audit Office and General Administration oversee the implementation of these codes and regularly report the implementation results to the Board of Directors. As of the end of 2025, Pan-International Group had not experienced any major conflicts of interest.

2.2.2 Functional Committee

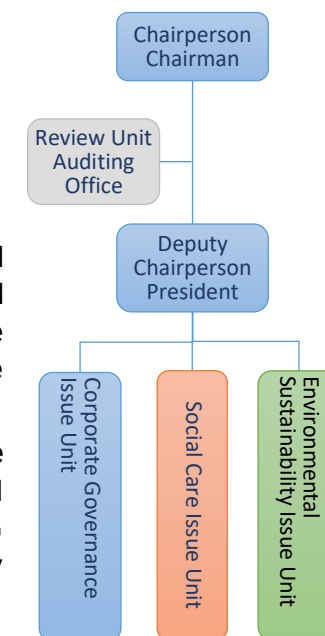
(GRI 2-9、2-13、2-14、2-16、2-19、2-20)

- **Sustainability Committee (GRI 2-12、2-13、2-14、2-16)**

Pan-International Industrial Corp. has established a Sustainability Committee directly managed by the Chairman as the highest-level dedicated sustainability unit within the company. The Sustainability Committee is composed of the Chairman, the President, and relevant department heads. The Sustainability Committee is mainly responsible for managing, resolving, and supervising the governance strategies, policy implementation effectiveness, and goal achievement rates of major ESG issues related to the company's operations, and reports implementation results to the Board of Directors annually.

Three functional issue units are established under the committee: Environmental Sustainability Issue Unit, Social Inclusion Issue Unit, and Corporate Governance Issue Unit. The President serves as the chief commander, integrates issue unit members, and assigns relevant department heads as leaders of each issue unit. The issue units are responsible for identifying significant ESG issues related to company operations, formulating management strategies and objectives, and preparing annual sustainability

Sustainability Committee



reports. The President will regularly review the performance and goal achievement of the issue units and report to the Sustainability Committee annually.

• Sustainability Committee Implementation

In 2025, the Sustainability Committee communicated 3 major items to the Board of Directors, mainly including the presentation of the annual business integrity implementation results report, approval of the 2024 Sustainability Report, and the 2026 operational risk assessment report. All related reports were acknowledged and approved by the Board of Directors.

▼ 2025 Sustainability Committee Communications with the Board of Directors

Meeting Date	Major Matters Communicated with the Board of Directors	The Board's Major Suggestion	Sustainability Committee Resolution Results	The Board's Resolution Results
May 13, 2025	Reported 2024 annual integrity management results	None	Approved by all attending committee members	Approved by all attending directors
August 13, 2025	Submitted 2024 annual sustainability report	None	Approved by all attending committee members	Approved by all attending directors
November 12, 2025	Submit 2026 Business Risk Assessment Report	None	Approved by all attending committee members	Approved by all attending directors

• IFRS Sustainability Disclosure Standards Project Team (GRI 213、214)

In order to promote the adoption of IFRS Sustainability Disclosure Standards and conform to regulatory requirements by the competent authorities, a team, comprised of heads from relevant responsible units, has been formed as the IFRS Sustainability Disclosure Standards Project Team. This team is responsible for current situation analysis and planning, project design and execution, the preparation of a sustainability information section in the annual report for standard introduction, and subsequent adjustments and improvements. The "IFRS Sustainability Disclosure Standards Implementation Plan" has been developed. Progress on each phase's work items is reported to the Board of Directors quarterly and disclosed in accordance with stock exchange regulations.

• Remuneration Committee (GRI 219、220)

The Remuneration Committee consists of three members, all of whom are independent directors, meeting the independence requirements of regulations. Their term of office runs from June 9, 2023 to June 8, 2026. The Group has formulated the Remuneration Committee Charter to define the powers and responsibilities of the Remuneration Committee, which is responsible for setting and regularly evaluating the remuneration systems and standards for directors and managers. In principle, the Remuneration Committee meets once every six months. In 2025, a total of five meetings were held, with a 100% attendance rate from all members.

To ensure the transparency in the remuneration system and protect stakeholders' interests, Pan-International Group will implement an external stakeholder mechanism, with third-party independent consultants regularly reviewing the performance of the Group's Board of Directors and various committees. Moreover, the remuneration distributed to employees and directors each year must be approved at the shareholders' meeting.

This year's employee and director remuneration was approved by resolution at the shareholders' meeting on May 27, 2026.

Status of Implementation of the Remuneration Committee: Pages 23-26 of Pan-International Industrial Corp.'s 2025 Annual Report.

- **Audit and Risk Management Committee (GRI 2-9、2-12)**

To enhance the Board of Directors' supervisory functions in risk management, on August 13, 2025, the Board approved the amendment to the "Audit and Risk Management Committee Charter." The committee, consisting of four independent directors, is named the "Audit and Risk Management Committee," with terms of office from June 9, 2023 to June 8, 2026. Its responsibilities include reviewing the Company's financial statements, overseeing the appointment and independence of certified public accountants, formulating or revising internal control systems, ensuring the Company's internal rules comply with relevant laws, establishing "Risk Management Policies and Procedures," and supervising the status of implementation of operational risk management control. In principle, meetings are held quarterly, and when necessary, department heads, internal auditors, certified public accountants, and legal consultants are invited to attend discussions. In 2025, a total of six meetings were held, with a member attendance rate of 96%.

Audit and Risk Management Committee implementation: Pages 15-17 of Pan-International Industrial Corp.'s 2025 Annual Report.

- **Sustainable Development and Nominating Committee (GRI 2-9、2-13)**

To enhance the Board of Directors' supervisory functions concerning the company's sustainable development, on November 12, 2025, the Board approved the amendment to the "Nominating Committee Charter," renaming it the "Sustainable Development and Nominating Committee." The committee consists of two independent directors and one general director, with terms of office from June 9, 2023, to June 8, 2026. Its responsibilities include nominating candidates for the Group's directors, assessing the qualifications of those candidates, structuring the functional committees under the Board, reviewing the organizational regulations of each functional committee, evaluating operational rules of the Group's Board of Directors, reviewing the Group's corporate governance practices, reviewing sustainable development policies and supervising their status of implementation, as well as other matters assigned by the Board of Directors. In 2025, a total of three meetings were held, with a 100% attendance rate from all members.

Status of Implementation of the Sustainable Development and Nominating Committee: Pages 24-25 of Pan-International Industrial Corp.'s 2025 Annual Report.

2.3 Economic Performance

2.3.1 Economic Value

(GRI 201-1)

In the fourth quarter of each year, each business unit and central management department prepare the internal budget for the following year. The Accounting Department consolidates budgets for sales, R&D, production, procurement, personnel expenses, and capital expenditures to prepare an internal projected income statement for the President's review. At the first Board meeting of the following year, the President reports the annual budget and business plan to the Board of Directors, with quarterly reports on implementation results.

We process daily accounting transactions and prepare financial statements according to the Business Entity Accounting Act, Generally Accepted Accounting Principles (GAAP), and International Financial Reporting Standards (IFRSs) on an accrual basis. The Accounting Department analyzes and compares the differences between budgeted and actual statements monthly, including the variance amounts and reasons. If there are significant differences or impacts from force majeure factors, they will be submitted to the Board of Directors for discussion and potential revision of business

objectives. After review and completion by the financial and accounting supervisor, quarterly financial statements are audited and certified by CPAs, then reviewed by the Audit and Risk Management Committee before being submitted to the Board of Directors for approval. Pan-International Group's quarterly consolidated financial reports, annual consolidated financial reports, and individual financial reports are all publicly available on the Group's official website and the Market Observation Post System.

Benefiting from the launch of new-generation consumer products and strong demand for other products, along with the contribution from new network communication orders, the revenue in the first half of 2025 showed significant growth. However, in the second half of the year, due to the impact of equivalent tariffs in the United States and geopolitical factors, customer sentiment became more conservative, and competition in the Chinese automotive market did not ease. This led to a revenue decline, and the total annual revenue was approximately the same as in 2024. In recent years, the Company has consistently focused on operating profit as a key business objective, striving to improve processes, reduce material costs, and control expenses. As a result, the annual gross margin and operating profit have been maintained. However, with the substantial appreciation of the New Taiwan Dollar (NTD) leading to foreign exchange losses, increased taxation due to the repatriation of earnings from mainland China, resulting in non-operating losses and higher income taxes, the annual net income experienced a significant decline compared to last year.

In summary for 2025, The Company's consolidated revenue was NT\$21,770,839 thousand, a decrease of 0.23% compared to 2024; consolidated net profit after tax was NT\$887,062 thousand, with earnings per share after tax of NT\$1.56. For other financial performance explanations and analyses, please refer to The Company's annual report.

▼ Pan-International Group Consolidated Financial Performance

Item	2023	2024	2025
Operating Revenue (NT\$ thousand)	25,634,258	21,820,835	21,770,839
Net Profit Before Tax (NT\$ thousand)	1,841,792	1,466,221	1,298,302
Net Profit After Tax (NT\$ thousand)	1,489,833	1,201,351	887,062
Earnings Per Share (NT\$)	2.42	2	1.56
Cash Dividend (NT\$/share)	1.30	1.1	0.9

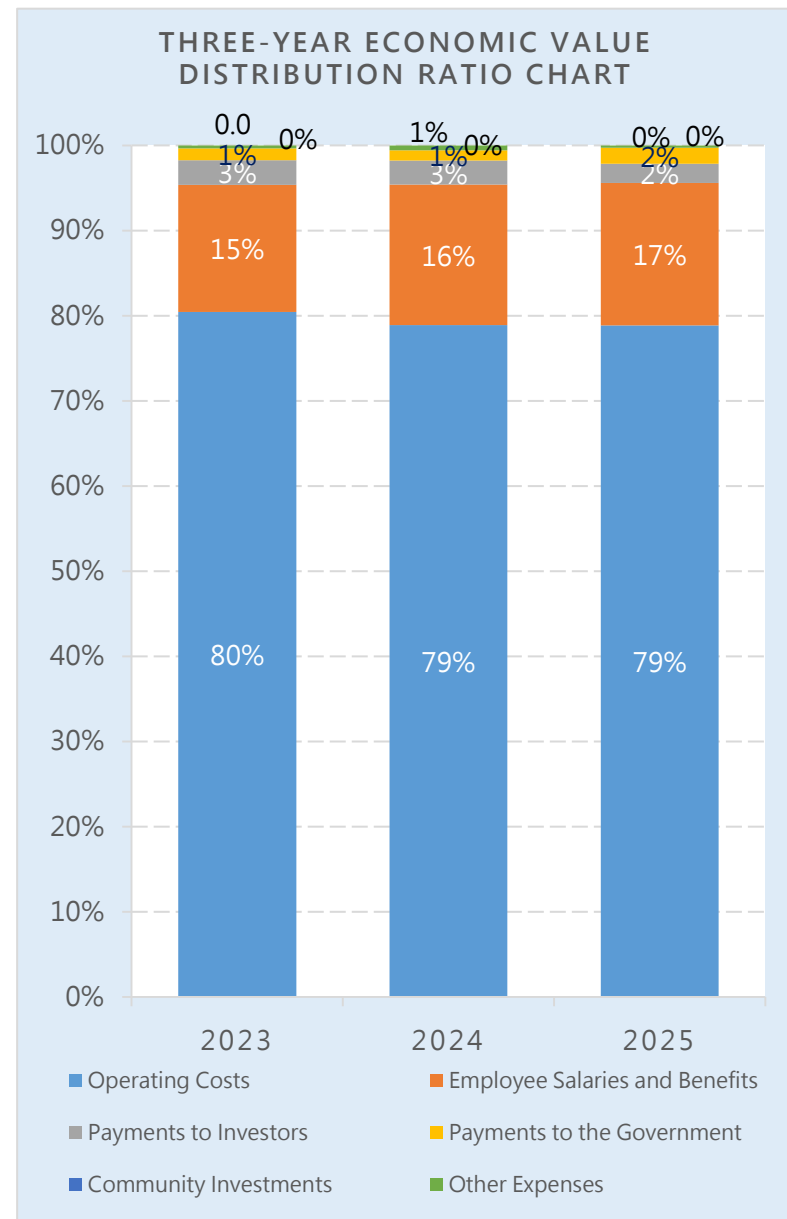
Note: Cash dividends are the amounts resolved for distribution in the earnings distribution proposals for each reporting year. (The distribution amount for 2025 was approved by the shareholders' meeting on May 27, 2026.)

From the stakeholder economic distribution perspective of GRI, analyzing the Group's consolidated financial position, the direct economic income (operating income and non-operating income) for this year totaled NT\$22,002,031 thousand, with a total distribution amount of NT\$21,581,481 thousand. The top three economic distribution items were operating costs (78.9%), employee salaries and benefits (16.7%), and payments to investors (2.3%).

GRI 201-1

Value	Item/Subject	2023	2024	2025
Direct Economic Income	Net Operating Income	25,634,258	21,820,835	21,770,839
	Financial Investment Income	203,428	195,341	181,339
	Asset Sales Income	0	0	13,699
	Royalty Income	0	0	0
	Government Subsidies	28,254	29,125	13,866
	Other Income	149,139	118,211	22,288
Direct Economic Value Generated		26,015,079	22,163,512	22,002,031
Economic Distribution	Operating Costs	20,268,775	16,991,789	17,018,004
	Employee Salaries and Benefits	3,764,016	3,547,130	3,610,059
	Payments to Investors	724,841	607,081	486,172
	Payments to the Government	351,959	264,870	411,240
	Community Investments	0	0	0
	Other Expenses	89,505	121,472	56,006
Economic Value Distributed		25,199,096	21,532,342	21,581,481
Economic Value Retained		815,983	631,170	420,550

Note: Economic value retained = Direct economic value generated - Economic value distributed.





2.3.2 Environment Sustainability Input

(GRI 3-3)

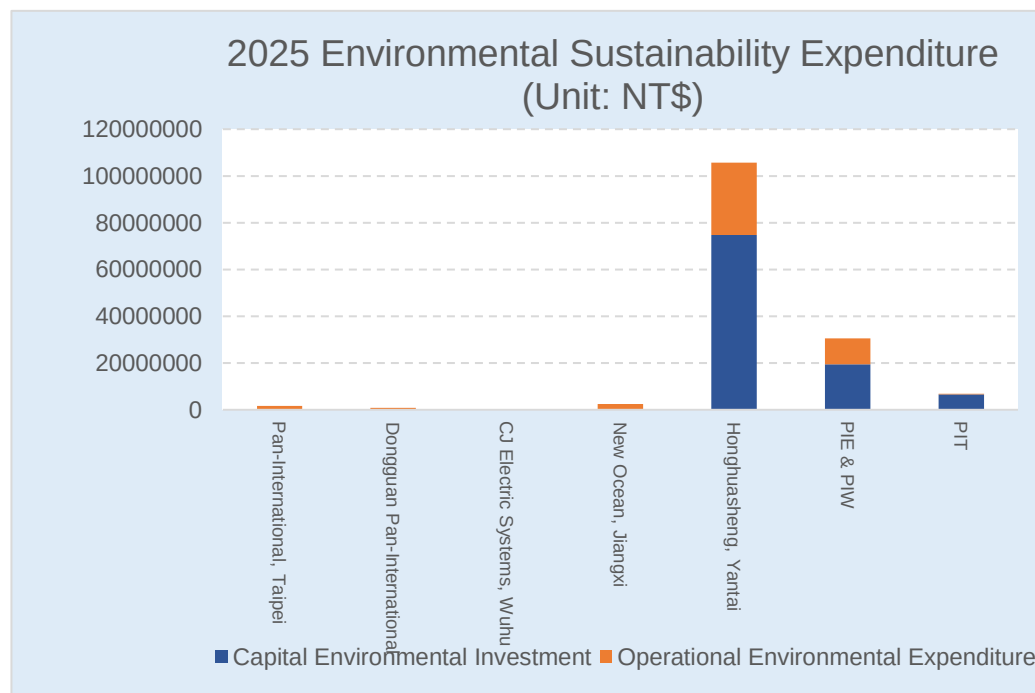
For the Group: The Environment Sustainability expenditure for 2025 amounted to NT\$148,268,528, showing a substantial growth of 56.27% compared to the 2024 expenditure of NT\$94,881,822.

The Environmental Expenditure for the Year has significantly increased, primarily due to the group's proactive implementation of Green Transformation and Environmental Protection at each Operating Location, with additional expenditures as follows:

- Improvement of Waste Recycling and Disposal: Strengthen classification management, enhance recycling efficiency, and ensure compliance in waste removal.
- Procurement and Upgrade of Energy Saving Equipment: Actively introduce high-efficiency, low-energy consumption equipment to effectively implement energy conservation at the source.
- Improvement of the wastewater treatment system: Optimize wastewater treatment processes to ensure that discharge water quality exceeds legal standards.
- Improvement of Chemical Storage and Protection: Upgrade the physical security of chemical storage warehouses and employee protection equipment to reduce occupational safety and environmental leakage risks.
- Promotion of sustainable internal education and training: Fund expenditure on professional training for ESG, Greenhouse Gas, IFRS S1/S2, Environmental Protection, ISO, etc., to comprehensively build the sustainable key competencies of employees.

▼ Environmental Sustainability Expenditure (Unit: NT\$)

Location	Capital Environmental Investment	Operational Environmental Expenditure
Pan-International, Taipei		1,660,000
Dongguan Pan-International		893,065
CJ Electric Systems, Wuhu	-	129,642
New Ocean, Jiangxi		2,493,373
Honghuasheng, Yantai	74,799,338	30,866,771
PIE & PIW	19,413,913	11,183,035
PIT	6,641,134	188,255
Total	100,854,386	47,414,142
Total	148,268,528	



Note 1: PIE (PIE Enterprise (M) Sdn. Bhd.), PIW (P.I.W. Enterprise (Malaysia) Sdn. Bhd.), and PIT (PIE Enterprise (M) Sdn. Bhd.) are all Malaysian subsidiaries of Pan-International Industrial Corp., under the PIB Group.

Note 2: Capital Environmental Investment: Refers to expenditures related to energy-saving equipment purchases, solar and other renewable energy facility construction, etc.

Note 3: Operational Environmental Expenditure: Includes expenditure items such as training consulting fees, energy-saving equipment rental, environmental disposal operations, energy-saving renovations, and plant greening.

2.4 Responsible Business Conduct

Material Topic Management Approach: Business Integrity

Corresponding GRI Indicators: GRI 3-3, 205-3, 206-1

Impact Description		<ul style="list-style-type: none"> • Damage to company reputation and corporate image. • Bear liable for compensation related to negligence. • Loss of orders.
Boundary		For the Group:
Policies or Commitments Established or Followed	Internal Regulations	The "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct"
	Government Regulations	V
Responsible Units		1. GM's Office. 2. Business Division Management Department. 3. Human Resources Department. 4. Information Department. 5. Investor Relations Department. 6. Auditing Office.
Management Actions		1. Strengthen internal education and training on integrity and business responsibility. 2. Enhance information security protection mechanisms. 3. Improve document and system data control mechanisms to prevent leakage. 4. Plan both regular and irregular audit programs. 5. Establish whistleblower mechanisms and reporting channels. 6. Arrange liability insurance to protect the Company's interests.
Process for Monitoring the Effectiveness of Actions		<ul style="list-style-type: none"> • Regularly review information systems for any data breaches. • Effectively implement regular and irregular audit programs. • 3. Regularly review whether liability insurance coverage is sufficient.

Management Performance Indicators				
Indicators	2025 Achievement	Short-term Goal (2025)	Mid-term Goal (2022-2027)	Long-term Goal (2022-2050)
No violations of integrity management, competitive behavior, trust and monopoly-related laws (Maintained)	<p>Achieved 100% in 2025</p>  			

2.4.1 Ethical Management



(GR12-23、2-24、2-25、2-26、206-1、205-1、205-2、205-3)

Pan-International Industrial Corp. firmly believes that integrity is the foundation of sustainable development. We adhere to the highest standards of business ethics, integrating Integrity, legality and compliance, and Information Transparency into all business activities of our daily operations, actively fostering a culture of integrity and honesty.

For the Group, business activities are conducted under the principles of fairness, honesty, trust, and transparency. To implement business integrity, the Board of Directors approved the "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct." Additionally, the "Employee Code of Conduct" is stipulated in the employee handbook, covering all directors, management, and employees of the Company, its subsidiaries, and affiliated enterprises. At the same time, a "Zero-Tolerance" attitude is adopted towards any form of corruption, bribery, intellectual property rights infringement, improper benefit transfer, illegal political contributions, and violations of laws and regulations. All employees must avoid conflicts of interest while performing their duties. In the event of a conflict of interest, they should proactively report it and take recusal measures to protect the best interests of the Company and its shareholders.

The Corporate Governance Issue Unit under the Sustainability Committee serves as the implementation unit for promoting and implementing the business integrity policy. It is responsible for preparing the code of conduct, supervising compliance, and establishing procedures to prevent unethical behavior. The Unit formulates Integrity, Honesty, Compliance and Fraud Prevention as guiding principles, aiming for zero incidents, and drives the company's ethical operations. It reports once a year to the Board of Directors on the annual implementation results of business integrity and the status of preventing unethical actions, ensuring that the Board exercises substantial supervisory functions.

The Audit and Risk Management Committee formulated the Group's "Risk Management Policies and Procedures" in 2025, and the Corporate Governance Issue Unit, based on these procedures, identifies and reviews activities with high risks of unethical behaviors in business operations (such as procurement contracting, business sales, engineering outsourcing, government relations, etc.), and formulates relevant preventive measures and safeguard plans. In the event of any abnormalities, the human resources and audit units will intervene to investigate and follow up on the subsequent handling of the incident. This is to ensure that the Group meets the requirements and goals of business integrity standards, in line with the spirit of establishing effective, accountable, and inclusive institutions as outlined in the United Nations Sustainable Development Goals (SDG 16 Peace, Justice and Strong Institutions).

In addition to requiring our colleagues within the group to strictly adhere to regulations, Pan-International Industrial Corp. also expects all business partners to jointly follow high standards of ethical conduct. Before establishing business relationships with suppliers, customers, or other business partners, we conduct integrity record assessments to avoid transactions with those who have records of dishonest behavior. In addition, we require all suppliers to sign the "Supplier Commitment Letter," which clearly states that if business partners are involved in bribery, improper benefits, monopolistic or other illegal activities, Pan-International Industrial Corp. reserves the right to terminate or dissolve the contract at any time and seek compensation. For customers, in addition to meeting one-stop solution needs, we are also committed to ensuring the security and confidentiality of customers' product information, trade secrets, and related information, while maintaining product quality and preventing harm and losses. Current implementation results are positive with no related incidents occurring.

▼ Integrity Management Policy:

To guide and implement understanding of the Group's business integrity policies and related standards among members of all operating locations and company stakeholders, the Group has implemented a series of measures and management mechanisms. This includes signing relevant documents and utilizing communication meetings, educational training sessions, and briefings totaling 9,922 hours of continuous promotion. Through internal communication meetings, educational training, and briefings, we strengthen the integrity awareness and compliance knowledge of employees and partners. In 2025, after calculation, a total of 10,358 employees participated in Business Integrity training, including 40 participants who were Company directors and managers. Participants in Business Integrity training accounted for 9.22% of the total training participants, complying with "GRI 205-2 Communication and Training about Anti-corruption Policies and Procedures". The courses cover business ethics (trade secrets, intellectual property, information use, fair competition) and anti-corruption (including bribery, improper benefits, fraud, extortion, and money laundering), clearly defining prohibited conduct to prevent misconduct.

Approval Unit	Implementation Unit	Policy Regulations	Reference (Government official documents, guidelines, initiatives, etc.)
Board of Directors	Company directors and all employees	Pan-International Industrial Corp. and its subsidiaries Ethical Corporate Management Best Practice Principles	TWSE/TPEX Listed Companies Ethical Corporate Management Best Practice Principles
Board of Directors	Company directors and all employees	Pan-International Industrial Corp. and its subsidiaries Procedures for Ethical Management and Guidelines for Conduct	TWSE/TPEX Listed Companies Procedures for Ethical Management and Guidelines for Conduct
Chairperson	All employees	Pan-International Industrial Corp. Work rules	Ministry of Labor Template for Work Rules

Annual qualification audits are conducted for suppliers, with audit items including quality, delivery time, price comparison, environmental impact control, and improvement efficiency, for evaluation and selection purposes. Starting from 2025, social and human rights-related audit items will be gradually introduced to improve the overall ESG rating of the supply chain. Comprehensively improve supply chain ESG performance, aligning with (SDG 12 Responsible Consumption and Production).

▼ Integrity Management Education Training and Supplier Audits:

Identity		Timing	Documents to be Signed	Contract Signing Rate
Workers	New employees	Upon entry	Integrity Commitment / Integrity Conduct and Intellectual Property Rights Agreement	100%
Business Partners	New suppliers	Before signing contract	Supplier Evaluation Report / Supplier Risk Level and Evaluation Form / Environmental Protection Agreement	100%
	Existing suppliers	When signing contract	Integrity Commitment / Declaration of Non-use of Conflict Minerals (84.81% Wuhu Plant not yet completed) / Environmental Protection Agreement	100%
Identity	Other Integrity Management Education Training Topics			
All Employees / Dedicated Personnel	Integrity management, business ethics, the use of complaint and reporting channels , security awareness and trade secrets protection, employee integrity self-discipline and professional ethics cultivation, anti-fraud measures, ETI (Ethical Trading Initiative) advocacy and practical knowledge, supplier selection and ESG evaluation criteria			
Total Training Hours	9,922 hours			

To mitigate the impact of any violations of integrity management and business ethics, employees at all Pan-International Group operating locations can use internal whistleblower reporting procedures to report violations, while suppliers and stakeholders can report any illegal or integrity management violations through the reporting and grievance channels.

Reports can be made through dedicated hotlines/websites/mailboxes, which are handled by the Audit Office and Human Resources Department. They will investigate the reported content and related evidence. If the report involves directors or managerial officers, it should be submitted to the Independent Directors. The receiving units will conduct investigations according to company regulations and implement strict confidentiality measures for the whistleblower's personal information and investigation process. Once verified, corresponding disciplinary measures will be implemented according to the Group's integrity management policies and regulations, including compensation for losses, termination of employment contracts, and business relationship contracts.

- **Internal Integrity Management Guidelines**

The Group has established the "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" as the main regulations for internal integrity management, which are implemented and managed by the Human Resources Department. The above regulations were established in accordance with government-issued guidelines such as the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and "Procedures for Ethical Management and

Guidelines for Conduct of Public Companies" to establish employee conduct standards, strengthen integrity governance culture, and ensure the Group's operational behaviors comply with ethical and regulatory requirements.

▼ **Communication Channels for Stakeholders:**

Location	Employees or suppliers/contractors sign integrity management-related documents	Location	Employees or suppliers/contractors sign integrity management-related documents
Pan-International, Taipei	Employees: Integrity and Intellectual Property Confidentiality Agreement. Suppliers: Integrity Commitment Letter.	New Ocean, Jiangxi	Employees: Labor Contract, Intellectual Property Confidentiality Agreement. Suppliers: Integrity Commitment Letter.
Dongguan Pan-International	Employees: Labor Contract, Confidentiality Agreement. Suppliers: Integrity Commitment Letter.	CJ Electric Systems, Wuhu	Employees: Labor Contract.
Honghuasheng, Yantai	Employees: Labor Contract, Integrity Commitment Letter. Suppliers: Integrity Commitment Letter.	PIU (USA)	No Suppliers/Contractors (Sales Locations)
Chaohu Ruichang	Employees: Labor Contract.	Anqing Ruiyu	Employees: Labor Contract.
Wuhu Hezhong	Employees: Labor Contract.	Yibin Pan-International	Employees: Labor Contract.
Taiwan-Czech Electronics	No Suppliers/Contractors (Office)	Huizhou Taiwan-Czech Electronics	No Suppliers/Contractors (Office)
Dongguan Guangshan	No Suppliers/Contractors (Office)	CJ Electric Systems, Ordos	No Suppliers/Contractors (Office)

▼ **Whistleblowing and Grievance Mechanism: Grievance channels established for anti-corruption, anti-competitive behavior (antitrust), discrimination and harassment, or others.**

Location	Grievance Channels	Location	Grievance Channels
Pan-International, Taipei	Hotline: (02)2211-3066 # 7330 Mailbox: emily@panpi.com.tw	New Ocean, Jiangxi	Hotline: +86-18279521822
Dongguan Pan-International	Hotline: +86-769-85509710 #31306 Mailbox: RsWYH@panpi.com.cn	CJ Electric Systems, Wuhu	Hotline: +86-18155318767 Mailbox: zoujian@kwelec.com
Honghuasheng, Yantai	Hotline: 563-76261 Mailbox: yt-ghzx@mail.foxconn.com	PIU (USA)	Mailbox: andy.wang@panintl.com
Chaohu Ruichang	Hotline: +86-18505531172 Mailbox: sunjingjing@kwelec.com	Anqing Ruiyu	Hotline: +86-18726077393 Mailbox: lidan@kwelec.com

Wuhu Hezhong	Hotline: +86-18855321231 Mailbox: weixiaotong@kwelec.com	Yibin Pan-International	Hotline: +86-18016171615 Mailbox: Fighting@piyb.com.cn
Taiwan-Czech Electronics	Hotline: +886-2-22120369#2585 Mailbox: edisonyeh@tekcon.com.tw	Huizhou Taiwan-Czech Electronics	Hotline: +886-2-22120369#2585 Mailbox: edisonyeh@tekcon.com.tw
Dongguan Guangshan	Hotline: +86-769-85509710 #31306 Mailbox: RsWYH@panpi.com.cn	CJ Electric Systems, Ordos	Hotline: +86-15894833341 Mailbox: zhangwenfeng@kwelec.cm

Reports can be made through dedicated hotlines/websites/mailboxes, which are handled by the Audit Office and Human Resources Department. They will investigate the reported content and related evidence. If the report involves directors or managerial officers, it should be submitted to the Independent Directors. The receiving units will conduct investigations according to company regulations and implement strict confidentiality measures for the whistleblower's personal information and investigation process. Once verified, corresponding disciplinary measures will be implemented according to the Group's integrity management policies and regulations, including compensation for losses, termination of employment contracts, and business relationship contracts.

To mitigate the impact of any violations of integrity management and business ethics, employees at all Pan-International Group operating locations can use internal whistleblower reporting procedures to report violations, while suppliers and stakeholders can report any illegal or integrity management violations through the reporting and grievance channels.

If violations are discovered through reporting or auditing, and investigation reveals serious violations or potential significant damage to the company, a report should be immediately prepared and the Independent Director should be notified in writing. The Board of Directors shall discuss and resolve to restore the company's reputation and minimize losses in order to protect the interests of all stakeholders.

The receiving units will conduct investigations according to company regulations and implement strict confidentiality measures for the whistleblower's personal information and investigation process. Once verified, corresponding disciplinary measures will be implemented according to the Group's integrity management policies and regulations, including compensation for losses, termination of employment contracts, and business relationship contracts. **Pan-International Industrial Corp. adopts a zero-tolerance stance on retaliatory behavior, prohibiting any retaliation, threats, discrimination, or other adverse treatment against whistleblowers, complainants, or those assisting in investigations for reporting, lodging complaints, assisting in investigations, or providing related information.**

▼ Received Complaints and Major Illegal Incidents in 2025: Entire Organization Boundary

This year, the reporting channels received a total of 8 cases, primarily involving general management issues such as salary, attendance, work environment, and benefits. All related cases have been investigated and resolved. The investigation did not find any incidents involving corruption, bribery, major illegal acts, money laundering, insider trading, or major Information Security incidents.

Scope	Number of Cases	Scope	Number of Cases
Corruption and bribery	0	Conflict of Interest	0
Discrimination and harassment	0	Money laundering and insider trading	0
Customer data privacy	0	Other Matter	8

Note: Other matters include administrative management, employee benefits, work environment, facility services, and other general complaints not involving illegal or regulatory violations.

- **2025 Annual Business Integrity Performance Achievements:**

As of 2025, the Group has had no violations of business integrity, competitive behavior, antitrust and monopoly-related laws, **nor incidents related to corruption and bribery, resulting in neither fines nor convictions**. The execution results will be reported to the second board meeting of 2026 on May 13. We will continue to implement the above management measures to reduce potential risks and avoid the occurrence of negative incidents.

2.4.2 Human Rights Policy

(GRI 2-25 、 GRI 412-2)

For the Group, adhering to the spirit of respecting human rights and caring for employees, it actively references international human rights conventions such as the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the United Nations Global Compact, and the International Labour Organization Declaration of Fundamental Principles and Rights at Work. **It implements core human rights commitments, including "Diversity, Equality, and Non-Discrimination," "Freedom of Association and Collective Bargaining for Employees," "Prohibition of Child Labor," and "Prohibition of Forced Labor,"** to substantially protect the fundamental human rights of all units and stakeholders.

- **Human Rights Progress: To improve the Group's Human Rights governance structure, The Company continues to promote the establishment and revision of related policies. Recent concrete implementations are as follows:**
 - **2024: Enhancing Workplace Friendliness.** The "Measures for the Prevention of Sexual Harassment, Grievance, and Disciplinary Actions" have been revised and officially announced to all units to ensure a safe, dignified, and harassment-free work environment.
 - **2025: Ensure privacy safety.** The Group completed the formulation of the "Personal Data Protection Policy" and published it on the official website, ensuring the protection of personal privacy for employees and business partners.
 - **2026: Formalization of Human Rights Code.** The Group has embarked on an internal compliance review to assess the current operating status of each plant and is currently drafting an employee and human rights code of conduct. It is expected to be officially incorporated into the Group's Work Rules in June 2026 as the most legally binding policy basis for protecting employee human rights.

In addition, regarding supplier management, the Group plans to include suppliers from each plant location in the annual Human Rights item audit and prioritize locations or suppliers with significant potential risk for focused review, to practically verify that their operations do not violate human rights.

- **Human Rights Policy Training**

To help employees, suppliers, and external stakeholders understand the content of Pan-International Group's various human rights policies, we not only provide human rights policy education and training courses for new employees but also adopt diverse methods such as training sessions, contract requirements, promotional meetings, company websites, opinion mailboxes, and various feedback channels. This ensures that all personnel understand their rights and company regulations. Moreover, all implementation results are publicly disclosed on the Company's official website and in the sustainability report.

▼ Number of Trainees/Total Hours of Human Rights Training in 2025

Category	Participants	Total Hours (hours)	Participation rate of employees (%)
Human Rights	8,523	6,302.5	100%

• Communication and Remedies for Human Rights Policies or Cases

The Group has set up feedback channels and opinion mailboxes to enable all employees and external stakeholders to communicate various human rights incidents with dedicated departments, including suggestions for policy improvements, potential risk warnings, and reports of human rights violations. To maintain fair procedures for reviewing and investigating complaint or report cases, a cross-departmental team composed of the Human Resources Department and the Audit Office is responsible for investigating and reviewing human rights incidents and formulating improvement measures.

• Human Rights Policy Commitments

For the Group, the Human Rights commitments to employees include: salary protection mechanism, working hours management measures, overtime rights protection, salary equality mechanism, and social security system, among others. See page 76 of this report for details on 6.2 Remuneration and Benefits.

2025 Annual Human Rights Performance Achievements: The Group did not experience any human rights incidents in 2025, such as violations of employees' freedom of association and collective bargaining rights, forced labor, infringement of Indigenous rights, discrimination and harassment, or employment of child labor.

• Commitment to Anti-Discrimination and Anti-Harassment

For the Group: We are committed to establishing a diverse, equal, respectful, and safe work environment. We adopt a zero-tolerance policy against any discrimination based on gender, gender identity, sexual orientation, age, race, religion, nationality, disabilities, or other legally protected characteristics, and explicitly prohibit sexual harassment and any form of workplace harassment. The Company regularly conducts anti-discrimination and anti-harassment education and training for all employees, establishes a dedicated handling and hierarchical reporting mechanism, and encourages employees to report related incidents through official channels. Upon verification, appropriate improvement measures will be taken according to Company regulations and relevant laws, and depending on the severity of the situation, warnings, dismissal, or other corresponding disciplinary actions may be issued to protect employee rights and maintain workplace safety.

2.4.3 Regulatory Compliance

(GRI 2-27)

In 2025, the Group had no violations of environmental regulations, social regulations, governance and economic regulations, and product and service regulations.

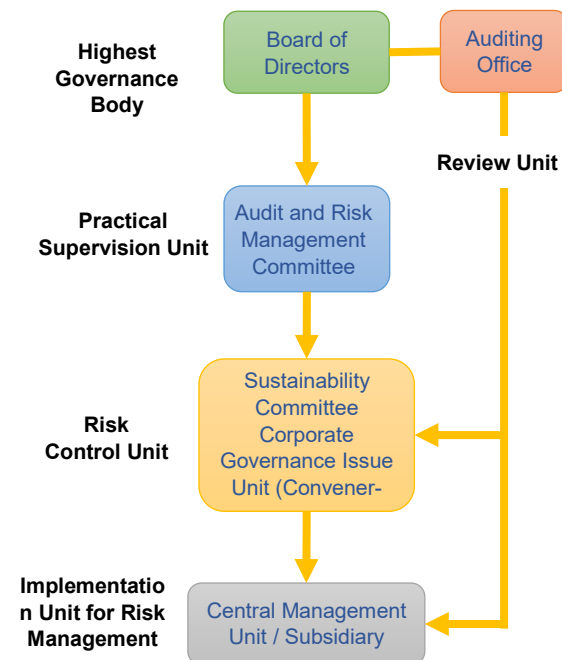
2.5 Risk Management

2.5.1 Risk Management Organization

Affected by geopolitical disputes, rising raw material prices, US-China trade competition, Climate Change, abnormal natural disasters, and the rapid development of AI technology, the business environment has encountered new risk challenges, but at the same time, new business opportunities have emerged. Developing a risk management model that assesses the impact of risks in advance, devises responsive strategies, effectively executes, reviews, and optimizes these strategies afterward, can minimize the impact of risk factors on revenue and profit. This not only strengthens the Company's operational resilience but also greatly aids in the pursuit of new business opportunities in the future. It should be a control mechanism that the Company actively establishes.

▼ Risk Management Committee Organizational Diagram

For the Group to enhance risk management capabilities and improve the management system, the oversight unit for risk management has been adjusted to be chaired by the Audit and Risk Management Committee. The committee name has been changed to the "Audit and Risk Management Committee," and it formulates the "Risk Management Policies and Procedures" and the guidelines for "Risk Appetite, Levels, and Response Methods." These serve as the basis for the Risk Assessment Department and Risk Control Department to conduct risk identification, analysis, assessment, and response. Additionally, a review mechanism has been established to ensure the effective operation of the risk management process. The responsibilities of each department are as follows:



Board of Directors	The highest governing unit for risk management, which approves risk management policies and related regulations, supervises the status of implementation of risk management, and ensures the effective operation of risk control.
Audit and Risk Management Committee	The Audit and Risk Management Committee is the board-level committee responsible for overseeing risk management. It supervises the Corporate Governance Issue Unit under the Sustainability Committee in assessing and managing operational risks. Risk management activities and implementation progress are reported to the Board of Directors at least annually.
Sustainability Committee Corporate Governance Issue Unit	The Corporate Governance Issue Unit, convened by the President and comprising senior management representatives, is responsible for second-line risk management and compliance oversight. The Unit establishes risk management procedures and control standards, monitors operational units' compliance with these requirements, and regularly reviews implementation results and corrective actions to strengthen the effectiveness of risk controls.
Central Management Unit / Subsidiary	The Central Management Unit and subsidiaries own and manage risks arising from their day-to-day operations. They are responsible for identifying and assessing operational risks, implementing controls and mitigation measures, and monitoring their effectiveness. Risk issues and implementation difficulties are escalated to the Corporate Governance Issue Unit for review and support in improving risk controls.
Auditing Office	As the third line of defense, the Auditing Office reports directly to the Board of Directors and provides independent assurance on the effectiveness of risk management, compliance processes, and internal controls. It develops an annual audit plan based on the Company's risk management policy, procedures, and internal control systems, and conducts annual audits of these processes. Audit results and recommendations are regularly reported to the Board of Directors to support improvements in risk management and internal controls.

▼ Risk Measurement Criteria and Risk Appetite:

Based on the Company's risk profile, the Corporate Governance Issue Unit establishes appropriate qualitative or quantitative measurement criteria, such as days, percentages, monetary amounts, and number of people affected. It collects key risk issues identified by operating sites and central management units and assesses the likelihood and potential impact of risk events as the basis for risk analysis.

The Corporate Governance Issue Unit is also responsible for defining the Company's risk appetite and corresponding risk tolerance levels, which are submitted to the Audit and Risk Management Committee for approval. This process clearly defines the level of risk the Company is willing to assume and the acceptable risk limits. Based on these parameters, the Company establishes risk levels corresponding to risk assessment scores and specifies the appropriate response measures for each level, providing the basis for subsequent risk assessment and risk response activities.

▼ Emergency Response Unit:

To coordinate resources and address swiftly in the event of emergencies or major incidents, the GM will act as the commander, convening units such as the Administration Department, Human Resources, Legal Affairs, Business and Finance to establish the Emergency Response Unit. This group will review the affected departments, extent of damage, and develop response plans. Quick decisions and announcements will be made to maintain the transparency of the Company.

2.5.2 Risk Identification and Response Measures

The Group's operational units review the risk exposure at least annually, following the Risk Management process and the guidelines for Risk Appetite, Levels, and Response Methods. In 2025, to identify a total of 28 annual operational risk topics were identified. They develop response methods which are then submitted to the Corporate Governance Issue Unit. After discussion, it is decided that 9 risk topics with a risk assessment level of 9 or above are to be the major risk topics for the year. These must be included in tracking items, regularly controlled, and their response methods' effectiveness and applicability reviewed in a timely manner. The description of the 9 risk topics and their responses are as follows:

Risk Aspect	Risk Issue Identification	Impact	Risk Mitigation Measures
Environment Sustainability Aspect	Issues of carbon neutrality	<ul style="list-style-type: none"> If customer requirements are not met, orders may be lost. Affect the company's image, facing audits from regulatory authorities and criticism from stakeholders. 	<ul style="list-style-type: none"> Establish a regular mechanism for carbon inventory and verification to ensure data transparency and accuracy, and consider gradually incorporating supply chain carbon reduction initiatives to expand the impact. Formulate a carbon neutrality roadmap, set annual carbon reduction targets, and actively achieve them. Replace old energy-consuming equipment, improve processes, and increase the use rate of green electricity to reduce carbon emissions. Explore carbon pricing mechanisms to prepare for future disclosures.

Risk Aspect	Risk Issue Identification	Impact	Risk Mitigation Measures
	Responsibility and management of the supply chain	<ul style="list-style-type: none"> If customer requirements are not met, operating costs increase, profits are eroded, and orders may be lost. The product's relative competitiveness may weaken, leading to a decline in revenue. 	<ul style="list-style-type: none"> Conduct a survey of supplier ESG indicators items to understand the current implementation status and provide improvement suggestions for suppliers that do not meet the required standards. Establish non-economic indicators such as carbon reduction, human rights, labor rights, and prohibition of conflict minerals, requiring suppliers to comply with relevant standards and strengthening ESG accountability across the supply chain. Establish a supplier review (quality, integrity, human rights, environment) and grading system to regularly evaluate supplier performance, incorporating the results into procurement decisions and cooperation considerations to strengthen sustainable supply chain management. Strengthen chemical management and reduction measures.
Social Integration Aspect	Key talent attrition	<ul style="list-style-type: none"> There may be disruptions in technology and product production, affecting revenue and profitability. Increase employee recruitment and training costs. 	<ul style="list-style-type: none"> Track the retention status of key personnel monthly. Strengthen talent retention mechanisms (such as career development and compensation and benefits systems). Establish succession planning and knowledge transfer processes.
	Workplace safety and employee psychological health risks	<ul style="list-style-type: none"> Cause substantial losses to the company and employees, and litigation risks. 	<ul style="list-style-type: none"> Conduct employee satisfaction and stress surveys quarterly. Set up grievance channels and psychological counseling resources. Promote a healthy workplace culture and management training programs.
Corporate governance	Cybersecurity attack risks	<ul style="list-style-type: none"> Loss of data and operational disruption may lead to a loss of trust from customers and suppliers, resulting in future operational losses and increased monitoring costs. 	<ul style="list-style-type: none"> Strengthening network segmentation, vulnerability scanning, and cybersecurity awareness training.
	Risk of service interruption	<ul style="list-style-type: none"> Cause operational disruption, increased costs, and loss of trust from customers and company image. 	<ul style="list-style-type: none"> Strengthen system monitoring, alert mechanisms, and automated failover systems.
	Market changes and industry competition	<ul style="list-style-type: none"> Erroneous judgment in technology and product direction will lead to a loss of orders, resulting in a decline in revenue and profit. Being less competitive than industry peers will lead to a loss of orders and face the Risk of elimination. 	<ul style="list-style-type: none"> Engage in marketing research and analyze economic, customer, and industry trends. Analyze competitors' products and their pricing to evaluate the Company's pricing strategy.
	Risks of outdated systems	<ul style="list-style-type: none"> System issues will cause production interruption, increased costs, and impact profits. Potential product defects may occur, increasing repair and recall costs, and impacting profits. 	<ul style="list-style-type: none"> Evaluate replacement plans, extend system lifespan through virtualization, and allocate budgets annually.

Risk Aspect	Risk Issue Identification	Impact	Risk Mitigation Measures
	Supply chain material shortages and cost control.	<ul style="list-style-type: none"> • The shortage of critical materials will lead to production interruptions, increased operating costs, and profit erosion. • The establishment of material inventory will tie up funds and may result in devaluation losses, impacting profits. • Increased costs will affect product competitiveness, leading to a decline in revenue and profit. 	<ul style="list-style-type: none"> • Establish alternative suppliers: Regularly evaluate and screen suppliers to build an approved backup supplier pool, ensuring the ability to quickly adjust suppliers in emergency situations, thereby reducing the risk of delayed deliveries. • Establish inventory reserves: Based on market demand and price fluctuations, maintain an appropriate level of inventory reserves to address the risk of rising material prices. • Strengthen supply chain management: Establish long-term cooperation relations with suppliers, enhance communication and collaboration to jointly resolve potential issues in the supply chain, and reduce procurement risks. • Enhance supplier supervision: Conduct regular assessments and monitoring of suppliers to identify and address potential issues in a timely manner, ensuring a smooth procurement process.

Risk Management-Related Education and Training:

Pan-International Industrial Corp. plans relevant education and training based on risk identification and evaluation results for major risk topics, integrating risk awareness and management requirements into daily operations. The Company conducts annual Information Security education and training to strengthen employees' awareness of information security, data protection, and information security incident reporting. Additionally, it organizes occupational health and safety and healthy workplace-related education and training to enhance employees' capability in workplace hazard identification, occupational safety, and health risk prevention. Relevant training is provided to applicable units and personnel based on the nature of each risk and business requirements, to strengthen the risk management awareness and response capabilities of all employees.

In addition, in accordance with Article 40 of the Corporate Governance Best-Practice Principles, members of the Board of Directors are required to participate in continuing education courses. These courses cover topics related to corporate governance, including finance, risk management, business operations, commerce, accounting, legal affairs, and corporate social responsibility.

In 2025, all directors completed at least six hours of continuing education. The courses covered a broad range of risk-related topics, including climate change, corporate governance, geopolitics, anti-money laundering and international regulatory developments, and practical issues under the Company Act, thereby continuously strengthening the Board's ability to identify risks and make informed decisions.

Incorporating Risk Criteria into Product Development:

During the product development process, Pan-International Industrial Corp. incorporates customer requirements, product quality and reliability, Information Security, supply chain stability, and legal compliance-related risks into the assessment, with the responsible units conducting review and control. For the identified risks, corresponding preventive and improvement measures are adopted during the stages of product design, development, testing, validation, and mass production to reduce potential operational, quality, and customer impacts of products and services.

Integration of Risk Management Metrics into Financial Incentives

The Company incorporates risk management into the performance management and remuneration mechanisms applicable to relevant management personnel. Based on their respective responsibilities, applicable risk management indicators are included in annual performance evaluations. The assessment covers the identification and monitoring of material risks, the implementation of corresponding response measures, and the extent to which relevant risk management objectives are achieved. This approach strengthens management accountability for risk management effectiveness and promotes alignment between risk management and the Company's overall business objectives.

▼ Risk Issue Impact Table



- E1 Issues of carbon neutrality
- E2 Responsibility and management of the supply chain
- S1 Key Talent Attrition
- S2 Workplace safety and employee psychological health risks
- G1 Cybersecurity attack risks
- G2 Risk of service interruption
- G3 Market changes and industry competition
- G4 Risks of outdated systems
- G5 Supply chain material shortages and cost control.

2.5.3 Risk Management Policy

• Risk Management Policy

To establish a comprehensive Risk Management system and shape an overall Company Risk Management culture, thus enhancing Risk Management capabilities, ensuring sound Company operational development, safeguarding Stakeholders' rights and interests, and moving towards the Goal of sustainable operations. On August 13, 2025, the Board of Directors approved the "Risk Management Policies and Procedures," set risk management goals, established the scope and organizational structure of risk management, identified risk issues, impact levels, and response modes through management

procedures, and established monitoring and review mechanisms to ensure the effective operation of the risk control mechanism, as well as externally disclosed relevant information.

• Risk Management Goal

The Goal of Risk Management aims to manage various risks that may impact the achievement of corporate objectives through a comprehensive risk management framework. It integrates risk management into operational activities and daily management processes to achieve the following objectives:

I. Achieve corporate goals; II. Enhance Management Efficiency; III. Provide Reliable Information; IV. Efficient Allocation of Resources.

• Risk Management Policy for Major Events

When major events occur, to coordinate resources and respond quickly, the Crisis Response Team mechanism is immediately activated:

- The President serves as the commander, convening executives from Management, HR, Legal, Sales, and Finance departments.
- Quickly assess the scope of impact, extent of damage, and formulate response plans.
- Focus on core objectives of controlling impact scale and minimizing personnel and asset losses.
- After decisions are made, immediate public announcements are made to ensure information transparency and stakeholder trust.

▼ Risk management of major events and corresponding GRI topics

※ The achievement status of policy, strategy, management goals, and management indicators can be found in the corresponding report chapter.

Risk Aspect	Risk Issue Identification	Corresponding GRI Topic	Corresponding Report Chapter ※
Environment Sustainability Aspect	Issues of carbon neutrality (climate issues)	GRI 3-3 Management of Material Topics GRI 302 Energy (302-1, 302-3, 302-4)	5.1 Climate Change and Energy Carbon Emission Management
	Responsibility and management of the supply chain	GRI 2-6 Activities, Value Chain, and Other Business Relationships GRI 308 Supplier Environmental Assessment (308-1)	4.2 Supply Chain Management
Social Integration Aspect	Key talent attrition	GRI 3-3 GRI 401 Employment	6.2 Talent Development and Employee Relationships 6.3 Compensation and Benefits and a Healthy Workplace
	Workplace safety and employee psychological health risks	GRI 3-3 GRI 403 (All)	6.4 Workplace Safety
Corporate	Cybersecurity attack risks	GRI 3-3	2.6 Cybersecurity

Risk Aspect	Risk Issue Identification	Corresponding GRI Topic	Corresponding Report Chapter ※
governance	Risk of service interruption	GRI 418 Customer Privacy (418-1)	3.3 Customer Relationship Management (3.3.3 Protection of Customer Privacy and Trade Secrets)
	Risks of outdated systems		
	Market changes and industry competition	GRI 3-3 Management of Material Topics GRI 418-1	3.3 Customer Relationship Management
	Supply chain material shortages and cost control.	GRI 204-1 Procurement Practices GRI 301 Materials (301-1, 301-2)	4.2 Supply Chain Management

• **Emerging Risks**

Risk Items	Risk Descriptions	Potential Impact	Mitigation Measures
Artificial Intelligence(AI) Development	With the rapid development of generative AI and other artificial intelligence technologies, regulations, industry standards, and customer requirements relating to AI governance, personal data protection, information security, and intellectual property rights continue to evolve worldwide. This may increase the complexity of corporate operations and compliance management. The Company's product R&D, production management, supply chain decision-making, and internal operations may increasingly be affected by the application of AI. Failure to respond promptly to changes in relevant technologies, regulations, and market requirements may expose the Company to risks such as data leakage, intellectual property disputes, erroneous decision-making, legal liability, and loss of customer trust.	Increasingly stringent AI-related regulations, industry standards, and customer requirements may raise the Company's management costs associated with data governance, information security, product validation, and regulatory compliance, while also affecting product R&D, production management, supply chain decision-making, and customer collaboration requirements. If AI-generated outputs contain errors, biases, or incomplete information and are applied to product design, quality management, procurement, or other major operational decisions without appropriate validation, they may lead to inaccurate decisions, product quality issues, reduced operational efficiency, damage to customer interests, or legal liability.	The Company continuously monitors global developments in AI governance, personal data protection, information security, intellectual property regulations, and relevant industry standards, and adjusts its internal management systems as appropriate based on operational needs and customer requirements. The Company strengthens data protection, information security, and access controls for AI applications to prevent unauthorized use of customer data, product specifications, quotations, and R&D information. It also establishes human review and validation procedures for material information generated by AI, particularly when AI is used in product design, production management, procurement, finance, or other major operational decisions, thereby reducing risks arising from inappropriate or erroneous use of AI.

Risk Items	Risk Descriptions	Potential Impact	Mitigation Measures
Geopolitical Risk	Global geopolitical conditions continue to evolve. Intensifying U.S.–China competition, regional conflicts, export controls, tariff policies, and restrictions relating to technology and supply chains may further increase uncertainty across the global electronics industry supply chain. As the Group’s operations are highly interconnected with the global electronics supply chain, raw material procurement, production site allocation, logistics and transportation, and customer markets may be affected by changes in international political and trade policies.	Changes in geopolitical conditions and international trade policies may lead to higher tariffs, transportation expenses, and raw material prices, increasing procurement and manufacturing costs and potentially affecting product margins and profitability. Export controls, import restrictions, or changes in customers’ supply chain policies may also affect product allocation, market deployment, customer deliveries, and operational scheduling, increasing the complexity of supply chain management and regulatory compliance.	The Company continuously monitors developments in global geopolitics, tariffs, export controls, and international trade policies, and regularly assesses their potential impacts on customers, products, suppliers, and operating sites. The Company strengthens supply chain resilience and diversification to reduce dependence on any single country, region, or supplier, and establishes alternative supply sources and necessary safety stock for key raw materials and critical components. In addition, the Company flexibly adjusts its global production capacity and supply chain configuration in response to market and customer needs to mitigate geopolitical and trade risks.



2.6 Cybersecurity

Material Topic Management Approach, Risk Management for Major Events: Cybersecurity

Corresponding GRI Indicators: GRI 3-3, 417, 418-1

Impact Description		[Negative] Negative aspects such as personal data breaches, ransomware attacks, and malware, if not properly protected, may directly lead to operational disruptions, breaches of customer privacy or business secrets, resulting in operational losses, regulatory penalties, and damage to the company's reputation. [Positive] By strengthening information security systems and transparent governance, a secure and reliable digital environment can be constructed, protecting customers' privacy and maintaining operational continuity.			
Location		For the Group:			
Policies or Commitments Established or Followed	Internal Regulations	"Procedures for Handling Major Internal Information", "Intellectual Property Management Plan", "Personal Data Protection Policy", "Information Security Policy"...			
	Government Regulations	V			
Responsible Units		1. Sustainable Development Committee 2. Information Department 3. Audit Office (Supervisory Unit)			
Management Actions		1. Establishment of Systems and Regulations 2. Technical Protection and Resource Input 3. Information Security Training and Awareness Enhancement			
Process for Monitoring the Effectiveness of Actions		1. Internal Independent Audit and Improvement: Regular internal security audits were conducted by the Audit Department, with identified deficiencies improved, achieving 100%. 2. PDCA Deming Cycle Mechanism: Establish a rolling PDCA improvement process to regularly review information security policies and implementation effectiveness. 3. External Rating Monitoring: Introduced third-party assessment Security Scorecard (SSC) information security rating.			
Management Performance Indicators					
Indicators		2025 Achievement	Short-term Goal (2025)	Mid-term Goal (2022-2027)	Long-term Goal (2022-2050)
Number of Information Security Incidents: 0 (Maintained)		Achieved 100% in 2025			
Number of Personal Data Complaint Incidents: 0 (Maintained)		Achieved 100% in 2025			
No financial impact due to personal data incidents in the past three years (Maintained)		Achieved 100% in 2025			



2.6.1 Information Security Management Policy



(GRI 3-3、GRI 418-1)

With the continuous advancement of technology, diverse information security incidents are emerging one after another, such as breaches of customer personal data, ransomware attacks, and malware. Information security and the protection of customer privacy have become important goals in the information security management of enterprises. For the Group, customer information security and privacy are of utmost importance. The Company has established an IT Department responsible for information security management, planning, and implementing information security operations. An Audit Department is established to supervise implementation status and track improvements for audit findings. A Corporate Governance Group is established under the Sustainability Committee to integrate ESG and information security management, enhancing the company's overall information security defense and response capabilities, with the aim of providing a safe and reliable digital environment and strengthening corporate sustainable governance.

The Group's information security governance strategy demonstrates our commitment to transparent governance and resilient systems, specifically addressing the following United Nations Sustainable Development Goals:

- **SDG 9: Industry, Innovation and Infrastructure** — Support smart manufacturing and innovative development by strengthening information security systems.
- **SDG 16: Peace, Justice and Strong Institutions** — Establish effective, accountable and inclusive governance frameworks to enhance organizational transparency and accountability.
- **Governance Framework**

To comprehensively enhance information security governance effectiveness and strengthen dedicated management, the Group is actively restructuring and expanding the information security management framework. In addition to the original IT Department, the "Information Security Department" has been officially added as a dedicated unit for information security. It is responsible for coordinating and promoting information security operations both within and outside the Group. To protect customer privacy and information security, the information security governance responsibilities of each unit are as follows:

- **Sustainable Development Committee (Corporate Governance Team):** Responsible for integrating ESG and information security management, incorporating information security into corporate sustainability governance and decision-making, and regularly reviewing information security policies (in principle, the policies are reviewed annually by the IT Department and updated as necessary).
- **IT Department (Information Security Dedicated Unit):** Responsible for planning, promoting, and executing overall information security operations and technical protections.
- **Audit Department (Supervisory Unit):** Responsible for independently supervising the status of information security execution, tracking improvements for audit findings, and compliance management.

Other subsidiaries have also established Information Security Committees based on their needs. The President/Chief Information Security Officer is appointed as the Convener, and senior managers are designated to oversee internal privacy matters within the company.

- **Risk Management**
 - **Risk Identification and Assessment** Regular information security risk assessments are conducted, with the main identified risks including:

External network attack threats/ Internal personnel operational risks/ System vulnerabilities and technical risks

- **Risk Control Measures**

Establish multi-layered protection mechanisms to reduce external attack risks/ Implement strict access control management to prevent internal risks/ Regularly perform system updates and vulnerability patches

- **Information Security Policies and Management Programs**

- **Policy Framework**

The Company has established comprehensive information security policies, creating a holistic management system covering data protection, access control, incident response, and other aspects to ensure information asset security and operational continuity.

- **Information Security Management System**

Establish comprehensive information security policies and management procedures / Implement systematic data protection and access control / Establish comprehensive information security protection and monitoring mechanisms

- **Important Information Security Measures**

In 2025, the Group formulated the "Procedures for Handling Major Internal Information," "Intellectual Property Management Plan," "Personal Data Protection Policy," "Information Security Policy," "APP Privacy Policy," "Personal Computer Management Procedures," and "Information Security Procedures," among other relevant operational procedures.

- **Implement Countermeasures**

- **Personnel Allocation:** Assign dedicated information security personnel / Continuously strengthen the professional capabilities of the information security team
 - **Resource input:** Continue investing in information security infrastructure development/ Invest in off-site backup system implementation project/ Invest in official website security upgrade project/ Allocate sufficient resources to support information security protection measures

Key focus of execution	Specific Management and Control Measures
Grasp the current state of the Group's Information Security.	Proactively identify information security risks at the headquarters and subsidiaries, assess safety gaps, and clarify the priority order for each location's resolution.
Establish basic information security defenses	Deploy and upgrade firewalls, antivirus software, login authentication mechanisms (MFA), and data backup systems.
Monitoring and response capacity	Integrate system and firewall logs, implement AI-assisted alerts for real-time monitoring of abnormal logins and file access, regularly identify system vulnerabilities and address them promptly.
Important data access permissions	Strictly enforce data access control, prohibit server exposure on public networks, restrict remote access (VPN), and immediately revoke permissions upon employee departure.

System disaster recovery	Implement daily backups and regular off-site backups, establish an annual system restoration drill schedule, and ensure operational resilience.
Education and training and Subsidiary guidance	Conduct information security training and social engineering drills for all members of the Group, guide Subsidiaries in establishing protection mechanisms, and implement regular information security audits.

- Education and Training (Information Security and Privacy Protection)**

For the Group, continuously strengthen employee information security awareness by providing differentiated security training for different positions, including ISO 27001 system training for professionals, basic information security training for general employees, intellectual property, and data protection.

Information Security Education and Training	Training target	Frequency	Training content	Implementation results
Information Security and Personal Data Education and Training for New Employees	New employees	When new employees join the company	Company Information Security/Personal Data Related Policy	All new employees must complete
Information Security and Personal Data Education and Training for All Current Employees	All employees	Once or more (carried out according to plant needs)	Information Security/Personal Data Related Training	All employees must complete
Information Security Education and Training for Dedicated Personnel	Dedicated Personnel	carried out according to plant needs	Information Security Professional Training	Dedicated personnel are required to complete
The group participated in educational training, reaching a total of 2,631 participants with a total of 5,178.33 training hours.				

- Information Security Objectives and Implementation Status (GRI 418-1)**

- Key Implementation Measures**

1. Establishment of off-site backup mechanisms for core services across plants: Completed off-site disaster recovery setup for core systems at all plants to enhance operational continuity
2. Overall enhancement of information security protection level: SecurityScorecard (SSC) rating improved to Grade A
3. Comprehensive upgrade of official website security: Completed security enhancement measures for the official website
4. External system security encryption: Comprehensive implementation of HTTPS encryption for external systems to ensure secure data transmission

• 2025 Objectives and Achievements

Item	Achievements
Number of information leakage incidents: 0	Achieved 
Regulatory Compliance Objectives	Achieved 
Percentage of information leakage incidents related to personal information: 0%	Achieved 

Item	Achievements
System availability target: Above 99%	Achieved 
Enhancement of Information Security Protection Level	Achieved SecurityScorecard Grade A
Number of customers affected by information or personal data leakage incidents: None	Achieved 

▼ Number of Information Security Incidents and Personal Data Complaint Incidents in the Past Three Years (Unit: Cases)

Information Security Incident	2023	2024	2025
The autonomous survey found	0	0	0
Complaints from Government Agencies	0	0	0
Complaints from third-party suppliers	0	0	0
Others - Information Security Incident	0	0	0

Personal Data Complaint Incident	2023	2024	2025
The autonomous survey found	0	0	0
Complaints from Government Agencies	0	0	0
Complaints from third-party suppliers	0	0	0
Others - Personal Data Incident	0	0	0

Establish information security monitoring and response mechanisms, and formulate comprehensive incident reporting and handling procedures. For the Group, in the three years since 2025, **no major information security and personal data incidents have occurred, and there have been no operational losses caused by such incidents**, demonstrating effective protection results.

• Audit and Improvement

Regular internal security audits were conducted, with annual audit operations completed in 2025. Improvements were made for identified deficiencies, achieving a 100% improvement rate, continuously enhancing information security management standards.

• Future Planning and Continuous Improvement

Continuous Improvement Mechanism: Establish a PDCA cycle improvement process to regularly review information security policies and implementation effectiveness, ensuring that the information security management system evolves in sync with business development and external threat environments, supporting corporate sustainable development goals.