

1. Basic Information and Sustainability Management

1.1 About This Report

1.1.1 Reporting Period

(GRI 2-3)

This report is a sustainability report (this report) issued by Pan-International Industrial Corp. and its group (hereinafter referred to as Pan-International Group, Pan-International, the Group or we), published in both Chinese and English. It discloses the Group's performance, management policies and objectives in five major aspects: governance, products, supply chain, environment and society for the year 2025 (January 1, 2025, to December 31, 2025). The Group publishes a sustainability report annually and on its website.

- Release date of the previous report: August 2025
- Release date of this report: August 2026
- Expected release date of the next report: August 2027

The reporting period of this report aligns with that of the consolidated financial statements. To ensure completeness and comparability, certain chapters include information from before January 1, 2025, and after December 31, 2025, which will be indicated in those chapters.

1.1.2 Guidelines Followed

This report adheres to the GRI Standards issued by the Global Sustainability Standards Board (GSSB), the Electrical & Electronic Equipment SASB Standards issued by the Sustainability Accounting Standards Board (SASB), and the framework of Task Force on Climate-Related Financial Disclosures (TCFD) issued by the Financial Stability Board (FSB).

It also follows the TWSE's "Preparation and Filing of Sustainability Reports by TWSE Listed Companies," as promulgated by the Taiwan Stock Exchange Corporation, and discloses the relevant disclosure of items related to the United Nations' 17 Sustainable Development Goals (SDGs).

1.1.3 Boundaries and Scope

(GRI 2-2)

The scope of information disclosure in this report covers the Group's parent company and all subsidiaries included in the consolidated financial statements, with operating locations spanning Taiwan, Mainland China, the United States, and Southeast Asia. Compared to the previous year, the boundary of this year's report has been expanded to include 8 subsidiaries that are not directly 100% owned but are included in the consolidated income statement, 8 investment holding companies within the consolidation scope, as well as P.I.E. INDUSTRIAL BERHAD in the Southeast Asia region (hereinafter referred to

as the PIB Group). If the disclosure scope of some indicators differs from the aforementioned boundary, it will be separately noted in the corresponding chapter or section.

Economic Performance	The economic performance information in this report covers Pan-International Industrial Corp. and all subsidiaries included in the consolidated financial statements. The scope of disclosure for overall financial and economic information accounts for 100% of the Group's revenue.
The report's environmental and social performance is prepared using a segmented disclosure approach based on the regional attributes, legal regulations, and information disclosure requirements of each operating location, to fully reflect the sustainable management achievements of the entire Group. The overall scope of operations includes operating locations in Taiwan, Mainland China, and the United States (accounting for 76.60% of revenue) and the Southeast Asian PIB subgroup (accounting for 23.40% of revenue). However, the explanation of the disclosure scope for each performance indicator is as follows. By incorporating the relevant information disclosed on the PIB official website, the Group's overall sustainability disclosure achieves 100% coverage. The PIB official website https://pieib.com.my/ .	
Environmental Performance	<ul style="list-style-type: none"> The disclosure scope of general environmental performance indicators (such as energy, water resources, waste, etc.) does not include the PIB subgroup. For related information, please refer to the sustainability report published on the PIB official website. However, the Greenhouse Gas (GHG) emissions are disclosed based on the summary of the Group's Greenhouse Gas Inventory boundary, including the PIB subgroup, reaching 100% of the Group's revenue. Therefore, the disclosure boundary for GHG-related data differs from that of other environmental performance indicators.
Social Performance	The disclosure scope of social performance indicators does not include the PIB subgroup. For related information, please refer to the sustainability report published on the PIB official website.

Note: In accordance with IFRS S1 standards, the Boundary of this year's report aligns with that of the consolidated financial statements.

▼ The actual disclosure subjects of this report include:

No.	Company	English	Type	Abbreviation 1	Abbreviation 2	English Abbreviation	Level (For the Group)
(1)	廣宇科技股份有限公司(母公司) A:中和廠 (新廠辦公室) B:新店廠 (廢止)	Pan-International Industrial Corp.	Pan-International, Taipei (Office)	Pan-International, Taipei	Taipei Headquarters	PI	Various Factories and Locations
(2)	東莞廣宇精密電子有限公司	Pan-International Precision Electronic Co., Ltd.	Subsidiary (Factory)	Dongguan Pan-International	Dongguan Plant	PDG	
(3)	新海洋精密組件(江西)有限公司	Newocean Precision Component (Jiangxi) Co., Ltd.	Subsidiary (Factory)	New Ocean, Jiangxi	Jiangxi Plant	NOPC	
(4)	宏華勝精密電子(煙台)有限公司	Honghuasheng Precision Electronics (Yantai) Co., Ltd.	Subsidiary (Factory)	Honghuasheng, Yantai	Yantai Plant	HHS	
(5)	蕪湖瑞昌電氣系統有限公司	CJ Electric Systems Co., Ltd.	Subsidiary (Factory)	CJ Electric Systems, Wuhu	Wuhu Ruichang	CJE	
(6)	PAN-INTERNATIONAL ELECTRONICS (USA) INC.	<<<	Subsidiary (Office)	PIU (USA)	US Office	PIU	
(7)	巢湖瑞昌電氣系統有限公司	Chaohu Ruichang Electric System Co., Ltd.	Subsidiary (Factory)	Chaohu Ruichang	Chaohu Plant	CRC	
(8)	安慶瑞宇汽車電氣系統有限公司	Anqing Ruiyu Automotive Electrical System Co., Ltd.	Subsidiary (Factory)	Anqing Ruiyu	Anqing Plant	ARAE	
(9)	蕪湖合重智能科技有限公司	Wuhu Herzhong Smart Technology Co., Ltd.	Subsidiary (Factory)	Wuhu Hezhong	-	WHAE	
(10)	宜賓廣宇汽車裝備有限公司	YiBing Pan-International Vehicle Wire Co., Ltd.	Subsidiary (Warehouse)	Yibin Pan-International	Yibin Plant	YBPI	
(11)	台捷電子股份有限公司	Tekcon Electronics Corp.	Subsidiary (Office)	Tekcon (Taiwan)	-	Tekon	
(12)	惠州台捷電子有限公司	Tekcon Huizhou Electronics Co., Ltd.	Subsidiary (Office)	Tekcon (Huizhou)-	Huizhou Location	THZ	
(13)	東莞廣尚電子有限公司	Pan-International Sunrise Trading Co., Ltd.	Subsidiary (Office)	Dongguan Pan-International Sunrise	-	PST	
(14)	鄂爾多斯市瑞昌電氣系統有限公司	Ordos City Ruichang ElectriSystem Co., Ltd.	Subsidiary (Warehouse)	CJ Electric Systems, Ordos	Ordos Plant	ORES	
(15)	P.I.E. INDUSTRIAL BERHAD	<<<	Malaysian Subgroup	PIB Group	PIB	PIB	Subgroup
PIB Group	PAN-INTERNATIONAL ELECTRONICS (THAILAND) CO., LTD.	<<<	PIB-Subsidiary (Factory)	PIT	-	PIT	PIB-Subsidiary
	PAN-INTERNATIONAL WIRE & CABLE SDN. BHD.	<<<	PIB-Subsidiary (Factory)	PIW	-	PIW	
	PAN-INTERNATIONAL ELECTRONICS(M) SDN.BHD.	<<<	PIB-Subsidiary (Factory)	PIE	-	PIE	
(16)	PAN GLOBAL HOLDING CO., LTD., Yen Yung Investments Co., Ltd., BEYOND ACHIEVE ENTERPRISE LIMITED, Team Union International Ltd., East Honest Holdings Ltd, TEKCON BAHAMAS LTD., PIE ENTERPRISE (M) SDN. BHD., and PIW ENTERPRISE (MALASIA) SDN. BHD. are 8 subsidiaries included in the consolidated financial statements, all primarily engaged in investment holding. Due to the absence of substantial operating locations and production activities during the reporting period, no relevant data was generated. This report includes them based on the principle of consistency with the consolidated financial statements but, in essence, there is no data, thus they are not separately listed in the report.						

- ※ The operational boundary of (1) the Parent Company disclosed in this report, which includes the Zhonghe Plant (new operational office), has incorporated complete data for the full year of 2025. For the former Xindian Plant (not in actual operation since November 25, 2024/awaiting urban renewal), the environmental data generated from maintaining basic operations (such as Greenhouse Gas Emissions, Energy, water resources, and Waste) have all been consolidated into the Zhonghe Plant for unified calculation. If any individual indicator involves an adjustment of the disclosure boundary, it will be separately noted in each specific section.
- ※ Wuhu Hezhong Intelligent Technology Co., Ltd., formerly Wuhu Hezhong Automotive Electronics Co., Ltd., was renamed in September 2025.
- ※ In subsequent report content, when referring to the above companies, Abbreviation 1 and Abbreviation 2 will be used interchangeably to enhance reading convenience and consistency.
- ※ Regarding Global Greenchain Innovation Sdn. Bhd. (hereinafter referred to as GGCI), the Group's Board of Directors resolved to increase capital on August 13, 2025. Although the Company has completed its registration, as of December 31, 2025, it has not yet obtained the local factory registration certificate, and was in the preparation and construction stage throughout the Year, with no substantial operational activities. According to the principle of operational control, the 2025 Year is excluded from the ESG/GHG inventory boundary and is not listed in the aforementioned list. It will be included in the Group's disclosure scope starting from the formal production year.
- ※ For detailed sustainability information of the PIB Group, please refer to their official website. <https://pieib.com.my/>
- ※ For all entities covered in the consolidated financial statements, please refer to the financial information in the Investor Relations section of our Group's website: https://www.panpi.com.tw/tw/investor_service/financial/reports

If the scope of disclosure in each chapter of this report differs from the above, it will be specified within that chapter. The calculation basis for various statistics presented in the report is as follows:

Financial data	The economic income distribution table uses data from the consolidated financial report certified by accountants. Unless otherwise specified, all financial data are presented in New Taiwan Dollars. If presented in other currencies, it will be separately noted.
Operating Revenue	The Operating Revenue described in this report is calculated by totaling the individual turnover of each Operating Location. This standard aims to present the actual operational scale and individual performance of each entity; since there is no accounting offset of intra-group transactions, the total turnover will differ from the revenue data in the consolidated financial statements.
Environmental data	The Environmental Performance Indicators in this report are compiled in accordance with authoritative domestic and international standards and regulations. The Greenhouse Gas emissions are comprehensively inventoried in accordance with the international "Greenhouse Gas Protocol" and Taiwan's Environmental Protection Administration's "Greenhouse Gas Inventory Registration Management Measures" and other related regulations. To gradually respond to the compliance requirements of the Financial Supervisory Commission's "Sustainable Development Roadmap for Listed Companies," the Group continues to deepen the third-party external verification mechanism: some plants have obtained Limited assurance from a Certified Public Accountant for Greenhouse Gases, while others have obtained ISO 14064-1 Greenhouse Gas verification certificates to ensure the accuracy of the data. Water resource and waste statistics are based on data reported by each operating site to local authorities.
Other data	Summarized statistics from each operating base.

1.1.4 Information Restatement

(GRI 2-4)

1. August 21, 2026 Version. Revisions: (1) Corrected certain corresponding page numbers in "8.1 GRI Standards Index Table" and "8.2 SASB Standards Index Table." (2) Corrected the total water consumption to 345.383 thousand cubic meters in "8.3 Sustainability Disclosure Indicators for Electronic Components Industry."

2. October 2, 2026 Version. Revisions: (1) Title change: Renamed "Product R&D and Innovation" to "Green R&D and Design." (2) Supplemented information in the following sections: 1.4.1 Material Topic Assessment Process – Step 4: Continuous Review; 2.1.1 Basic Information – Expenditures on External Initiatives; 2.5.2 Risk Identification and Response Measures; 3.1 Green R&D and Design; 4.2.1 Supply Chain and Chemical Management Policy – Green Products and Chemical Management & Reduction and Source Management of Chemicals; 5.3.3 Waste Transportation, Disposal, and Reduction/Recycling Performance – Waste Reduction Education and Training; 5.1.1 Climate Governance and Related Financial Disclosures – Net-Zero Transition Plan; 6.1.3 Employee Composition and Diversity and Inclusion – Proportion of Female Managers by Category as of the End of 2025; 6.3.1 Equal and Competitive Remuneration – Employee Stock Ownership Trust Participation Rate; 6.3.3 Family-friendly Workplace – Maternity Leave Regulations by Region.

1.1.5 Internal Control

The Group has established procedures for preparing and verifying sustainability reports. The Investor Relations Department is responsible for the overall planning and communication of the annual sustainability report. Every year, the Sustainable Development Department is responsible for collecting the information required for the report and drafting its content. Once the annual sustainability report is prepared, it is submitted to the Sustainability Committee for a preliminary review, followed by an internal audit conducted by the audit supervisor. Finally, the report is approved by the Board of Directors.

1.1.6 External Assurance/Verification

(GRI 2-5)

After the report is finalized, management commissions an independent third-party Assurance Organization to perform audit/assurance procedures. After the report is finalized, management commissions an independent third-party agency for verification. This year we engaged PwC Taiwan to perform limited assurance procedures in accordance with International Standard on Assurance Engagements 3000 (TWSAE3000) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (referring to International Standard on Assurance Engagements 3000 (ISAE 3000)). For relevant assurance methods and results, please refer to the appendix. 8.5 Assurance Statement Sustainability Report.

1.1.7 Contact Information

(GRI 2-3)

This report will be published on the Market Observation Post System and the Company's website for all stakeholders to access. Through the issuance of this report, we hope to have further communication and mutual understanding with stakeholders on relevant issues. We welcome any suggestions or feedback you may have on this report. Please contact us using the following methods:

Contact unit: Sustainable Development Department, **Pan-International Industrial Corp.**

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Address: **6F., No. 200, Jian 8th Rd., Zhonghe Dist., New Taipei City 235042**

Report download URL:

<https://www.panpi.com.tw/tw/sustainability/report>



1.2 Sustainability Strategy and Performance

1.2.1 Message from the Management

Intelligent transformation, sustainable mutual benefit

Looking back at 2025, the global industrial environment underwent dramatic changes due to the interplay of AI technological revolutions, geopolitical influences, and the trend of sustainable development. Facing the challenges of the broader environment, all colleagues at Pan-International Industrial Corp. stand together, working closely with supply chain partners to fulfill customer-delivered tasks and meet order requirements. This demonstrates strong operational strength and resilience, continuing to progress gradually toward the goal of building a century-old enterprise and sustainable operations.

In order to actively seize the opportunities arising from global digital transformation and the surge in computing power demand, we are securing AI server product orders through our plant layout in Southeast Asia, aiming to enter the AI industry and expand new opportunities. At the same time, we are proactively delving into the humanoid robot market, acquiring key technologies and extending our core expertise in precision harness manufacturing and Electronic Manufacturing Services (EMS) into the advanced intelligent sector.

We aim to establish ourselves as a key supplier in the future humanoid robot industry supply chain.

In addition, we deeply understand that "technological advancement should not come at the expense of the environment." Therefore, we strive to improve processes, enhance Resource Usage Efficiency and recycling rates, establish solar energy generation facilities, reduce Waste emissions, and through annual education and training, strengthen employees' green concepts and enhance circular economy thinking. Suppliers also play a critical role in the sustainable value chain. Therefore, we collaborate with suppliers to enhance labor human rights, establish a safe production environment, and gradually implement carbon reduction pathways, jointly building a Green Supply Chain and creating core competitiveness for sustainable development.

Implementing carbon reduction commitments, deepening local care.

On the environmental (E) front, we are steadily progressing towards the "2050 Net Zero Emissions" goal. In 2025, we will conduct a Greenhouse Gas Inventory for the consolidated Company (Scope 1 to Scope 3) and arrange for

assurance, while actively establishing an Energy Management System. We will also install additional solar energy facilities to increase the proportion of renewable energy usage in each Plant and minimize the ecological impact of production through waste reduction and water resource recycling in our processes.

In the Social (S) aspect, employees are Pan-International Industrial Corp.'s most valuable and cherished assets. We are committed to creating a diverse, equal, and safe work environment, offering comprehensive career development and professional training programs, and actively responding to employee concerns and needs, enabling employees and the Company to shape a better future together. In addition, Pan-International Industrial Corp. continues to extend its influence to society by participating in local community development programs and supporting care in remote areas in the long term, hoping to share prosperity with society.

Integrity governance, co-creating long-term value for stakeholders

In the Corporate Governance (G) aspect, integrity and earnestness are the company maxim and the cornerstone of Pan-International Industrial Corp. We continue to optimize the structure of the Board of Directors, enhance the functions of Independent Directors, establish various functional committees, and implement and refine risk control and information security protection to improve the Board's guidance and supervision of the Company's operations. The Company's operations prioritize legality and compliance as the highest standards, ensuring that all business activities conform to regulations. For future development, we have formulated a five-year plan and goals, advancing towards the role of a key component supplier for humanoid robots. We will incorporate significant sustainability issues into the Company's strategic decision-making, co-creating long-term value with the stakeholders in the value chain.



Moving towards a century-old enterprise, fulfilling sustainable commitments.

Looking ahead, on the path to building a century-old enterprise and sustainable operations, Pan-International Industrial Corp. will continue to uphold the concept of "intelligent transformation and sustainable co-prosperity." In facing the rapidly changing era of AI and robotics, we will proceed with stable governance, innovative green technology, and community care. This is to create long-term and fruitful returns with both business value and social benefits for our customers, suppliers, shareholders, employees, and all other stakeholders.

Finally, I sincerely thank each partner who has accompanied the growth of Pan-International Industrial Corp. Let's continue to join hands and stride towards an even lower-carbon, smarter, and brighter future!

Chairman and Chairperson of Sustainability Committee



1.2.2 Sustainability Performance

Pan-International Group External Sustainability Honors



Evaluation / Certification Organizations	Evaluation Items	Score / Rating	Detailed Description / Ranking
MSCI (Morgan Stanley Capital International)	ESG Rating	BB	 Rating range AAA ~ CCC (AAA being the best)
S&P Global Corporate Sustainability Assessment	CSA Assessment	50 points	Score up 13 points year-over-year to a record high, ranking in the top 10% (90th percentile) of the Electronic Components industry.
Corporate governance evaluation	Corporate governance evaluation	Top 21% - 35%	—
FTSE Russell	ESG Rating	3	—
Taiwan sustainable evaluation	Sustainable evaluation	AA	—
Business Weekly	Enterprise Certification	All-Age Enterprise Certification	—
Fitwel International Healthy Building Certification	Healthy Building Certification	Highest Level (3 Stars)	Pan-International, Taipei obtained 3-star certification



※ Source: Company Investor Integrated Relations Platform <https://irplatform.tdcc.com.tw/ir/zh/#>

※ Pan-International Group Sustainability Highlights 2025



I. Governance	
1. Corporate Governance	
Corporate governance and external evaluations improved.	
Youth and diversity of the board of directors: Female 29%, and the proportion of Independent Directors reaches 57%	
Zero violations record: no violations of business integrity, antitrust, monopoly, and related commercial laws.	
Integrity Management Education Training with High Coverage: 10,358 participants, accumulating 9,922 hours	
2. Information Security	
Information security rating Grade A: SecurityScorecard (SSC) external cybersecurity rating upgraded to Grade A.	
Zero Information Security Incidents:3 consecutive years.	
II. Social	
1. Talent Development and Age-Friendly Practices	
Human Rights Training 100% Coverage: 8,523 participants, 6,302.5 hours	
Zero major occupational accidents, labor disputes, discrimination, or forced labor incidents throughout the year.	
2. Achievements in Shared Business Growth (New):	
Employee Stock Ownership Plan: Competitive rewards to drive retention and profit-sharing.	
III. SP: Sustainable Procurement	
100% New suppliers assessment: 100% of new suppliers approved for ESG and Human Rights risk assessment	
SEDEX-SMETA Certification: Honghuasheng, Yantai obtained	
100% corrective action completion across 55 audited suppliers.	
Share of revenue from products exceeding regulated substance limits: 0%	
IV. Product & Customer Service	
1. Product R&D and Intellectual Property Innovation	
Patent Breakthrough: 18 Patents Added Throughout 2025 (Including Invention and Utility Patents)	
2. Quality and Customer Satisfaction	
100% customer satisfaction: Overall customer satisfaction at hotspot sites in 2025 reached 100%	
Zero product safety incidents and zero product liability lawsuits.	
Zero Customer Privacy Breaches: in the past 3 years.	

V. Environmental	
1. Climate Change and Carbon Reduction Effectiveness	
Carbon Intensity - Scope 1+2: Decreased by 23.5%	
From 2022's 3.629 ↓ to 2025's 2.776 tCO2e/Million Revenue	
Hotspot Plants - Dongguan, Jiangxi, Yantai - Scope 1+2 Total Emissions	
Compared to the baseline year (2022), decreased by 31,279.934 tCO2e.	
The Yantai Plant has accumulated a carbon reduction of 37.98%.	
Comprehensive Greenhouse Gas Inventory: Consolidated Report - Full Boundary for Scope 1, 2, and 3	
Parent Company and major plants introduced PwC and CEPREI third-party assurance/verification.	
2. Significant Leap in Green Transformation	
The renewable energy usage rate reached 29.44% (the baseline year 2022 0.06%).	
The Yantai Plant's renewable energy usage rate even reached 31.87%.	
Total non-renewable energy consumption decreased by 91,365.550 GJ compared to 2024.	
3. Waste Resource Utilization and Circular Economy	
UL 2799 Platinum Certification: Honghuasheng, Yantai obtained UL 2799 Zero Waste to Landfill Platinum level.	
Global Recycled Standard (GRS): New Ocean, Jiangxi obtained GRS certification	
Total waste recycling rate 84.57%	
Hazardous Waste Recycling Rate reached 87.97% (promoted technical recycling of copper-containing waste)	
Non-hazardous Waste Recycling Rate reached 79.50%	
4. Water Resource and Environmental Expenditure	
The total Environment Sustainability input expenditure in 2025 reached NT\$148 million, representing a 56.27% ↑	
Compared to the 2022 base year, the total water withdrawal ↓ ↓ 107.45 thousand cubic meters,savings rate 5.86%.	

1.2.3 Management Systems and Other Verification Assurance Qualifications (Please refer to the appendix for certificates)

ESG	Item	Name	Pan-International, Taipei	Dongguan Pan-International	New Ocean, Jiangxi	Honghuasheng, Yantai	CJ Electric Systems, Wuhu	Chaohu Ruichang	Anqing Ruiyu
G	ISO 9001	Quality Management System	Non-production location, not applicable, excluded.	2026/12/24	2028/1/11	2027/11/7	NA	NA	NA
G	ISO 13485	Medical devices Quality management systems standards		2028/1/7	2028/5/29	NA	NA	NA	NA
G	IATF 16949	Automotive Quality Management System Standard		2026/12/24	NA	2027/11/7	2026/11/16	NA	2026/11/03
G	ISO/IEC 27001	Information Security Management System		NA	NA	July 28, 2026 (Corporate Joint)	NA	NA	NA
E	ISO 14001	Environmental Management Systems	Non-production location, not applicable, excluded.	2027/4/3	2028/3/11	2027/6/27	2027/2/1	NA	NA
E	IECQ QC 080000	Hazardous Substance Process Management System		2027/8/18	NA	NA	NA	NA	NA
E	ISO 50001	Energy Management System		NA	NA	2026/10/12	NA	NA	NA
E	GRS	Global Recycled Standard	Non-production location, not applicable, excluded.	NA	2026/8/14	NA	NA	NA	NA
E	UL2799 Platinum Certification	Zero Waste to Landfill Validation		NA	NA	September 15, 2027 Platinum Certification	NA	NA	NA
S	ISO 45001	Occupational Health and Safety Management Systems	Non-production location, not applicable, excluded.	NA	2029/4/6	2027/9/15	2028/12/02	NA	NA
S	SEDEX (SMETA)	Suppliers Ethical Data Exchange Audit		NA	NA	Obtained on January 16, 2026	NA	NA	NA

Note: Dates listed in the table represent the expiration dates of the certificates.

Note: Not applicable: Locations such as PIU, Taiwan-Czech Electronics, Huizhou Taiwan-Czech Electronics, Dongguan Guangshan, Yibin Pan-International, and CJ Electric Systems, Ordos are small offices or warehouses, and therefore are excluded from related management system verification.

Note: Not applicable: Wuhu Hezhong, being a small and simple assembly plant (30 people) under the management of CJ Electric Systems, Wuhu, is excluded from related verification considering the principle of materiality and practical scope.

Note: ISO 14001 certification coverage is 96.96%, calculated as the revenue attributable to certified operations divided by the total revenue attributable to operations for which ISO 14001 certification is applicable.

Greenhouse Gas and ESG certificates						
ESG	Item	Name	Pan-International, Taipei (Office)	Dongguan Pan-International, CJ Electric Systems Wuhu	New Ocean, Jiangxi	Honghuasheng, Yantai
E	ISO 14064-1 ISAE 3410	Greenhouse Gas Inventories Greenhouse Gas Assurance Report	Obtained 2024 ISO certificate, obtained 2025 assurance qualification.	ISO Certificate for Year 2024 (Obtained), Provisional Assurance Qualification for 2025 (Expected to obtain in August 2026)	From 2023, an ISO certificate is obtained annually (2025 certificate expected in September 2026).	From 2021, an ISO certificate is obtained annually (2025 certificate expected in September 2026).
G	ESG Sustainability Report - Assurance Certificate (TWSAE3000)		Starting from 2022 (certificate obtained in 2023), the entire group obtains the certificate annually, with the 2025 certificate to be obtained in August 2026.			

1.3 Stakeholder Engagement

1.3.1 Identifying Stakeholders

(GRI 2-29)

The Company's operations are deeply intertwined with the environment and communities in which it operates and do not function independently. Therefore, company decisions have different degrees of impact on downstream customers, upstream suppliers, community partners, and the natural environment. Companies with a sense of responsibility must mitigate the impact of their decisions on stakeholders.

Considering the Company's industry attributes and operations, Pan-International Group's Sustainability Committee and each of its issue units, along with the heads of the corresponding external communication departments, referred to the five major principles of the AA1000 Stakeholder Engagement Standard (2015): Dependency, Responsibility, Tension, Influence, and Diverse Perspectives, to assess the groups or organizations that impact **Pan-International** and are affected by it. After identification, there are seven categories of stakeholders directly related to our group, including employees, customers, investors/shareholders, suppliers, communities/public welfare organizations, government agencies, and media. To concentrate resources, gain a deeper understanding of stakeholders' concerns, and actively respond.

1.3.2 Stakeholder Communication

(GRI 2-12、2-29)

To understand and respond to stakeholders' concerns, we engage in both regular and irregular communications with stakeholders through various channels, allowing them to provide feedback at any time regarding ESG issues that matter to them. The Company will respond by formulating strategies or modifying management measures accordingly. Communication Frequency: Once every 2 years and reported to the Board of Directors. The communication mechanisms and the key issues of concern for various stakeholders in 2025 are summarized as follows:

▼ Pan-International Group's Stakeholder Communication Mechanism and Management Procedures

No.	Communication Procedure	Description
1	Identification for Stakeholder and Issue of Concern	<ul style="list-style-type: none"> The Sustainability Committee's various issue units and corresponding external communication departments are responsible for identifying relevant stakeholders and gathering their issues of concern.
2	Corresponding External Communication Departments	<ul style="list-style-type: none"> Following the annual strategic goals and stakeholder concern response guidelines established by the Sustainability Committee, the responsible departments develop response modes and practices, and promote their implementation.
3	Sustainability Committee	<ul style="list-style-type: none"> Identify major issues of concern for stakeholders and formulate response guidelines.
4	Board of Directors	<ul style="list-style-type: none"> Oversee each relevant department in formulating response strategies, reviewing implementation progress, and making improvements for deficiencies.
5	External Disclosure	<ul style="list-style-type: none"> Engagement results and ESG-related issues are compiled in the annual sustainability report, which is submitted to the Board of Directors for discussion and approval before being announced publicly.



▼ Pan-International Group's Primary Stakeholders and Communication Results

Stakeholder	Relationship Description	Communication Channels	Communication Frequency	Primary Issues of Concern <small>Note 1</small>	Responsible Units	Communication Results
Employees	Important partners for company operations and promoting sustainable management	Assembly Internal education and training Performance evaluation Grievance channels	Irregular Irregular Annual Irregular	Benefits and salaries, diversity and equality, human rights, career development	Human Resources Department	<ul style="list-style-type: none"> Adjusted employee salaries to align with market and industry trends. Allocated annual performance bonuses and profit-sharing based on evaluation results. Reviewed job levels and positions to promote outstanding talents.
Customers	Important partners for promoting sustainable management	Customer visits Plant visits Reporting channels	Irregular	Business integrity, product quality and safety, innovation and R&D, raw material use, marketing and labeling	Business Department, Business Units	<ul style="list-style-type: none"> Maintained good customer relationships and ongoing order transactions. Jointly developed new products and expanded revenue. Recognized as excellent suppliers by customers.
Suppliers	Important partners for promoting green supply chains, jointly implementing carbon management plans	Price negotiation meetings Supplier questionnaires Annual audits Supplier conferences	Irregular Irregular Annual Annual	Business integrity, supply chain management, product quality and safety, Greenhouse Gas emissions	Procurement Department Manufacturing Department	<ul style="list-style-type: none"> Conducted annual audits of 55 suppliers, all of which passed improvement review and were rated as Grade A suppliers. Held irregular educational training sessions on environmental protection, quality, conflict minerals, hazardous substances, and integrity issues
Investors/Shareholders	Important stakeholders supporting the company's Sustainable operations	Spokesperson channels Investor conferences Annual shareholders' meeting	Irregular Semi-annual/quarterly Annual	Operational performance, R&D, customer relationships, business integrity	GM's Office Investor Relations Department	<ul style="list-style-type: none"> The Chairperson/GM and participated in investor conferences hosted by securities firms to discuss the Company's current operations and future outlook. Responded inquiries from investors and shareholders through spokesperson channels. All proposals at the annual shareholders' meeting were approved by shareholders, and new directors were elected.
Communities/Public welfare organizations	Important partners in maintaining community harmony and protecting the environment	Community activities Charitable activities Spokesperson channels	Quarterly Irregular Irregular	Air quality, waste, Greenhouse Gas emissions, human rights, biodiversity	Human Resources Department Investor Relations Department Sustainability Development Department	<ul style="list-style-type: none"> Regularly communicated with community leaders, participated in community activities, and donated resources to give back to residents. Accepted proposals from public welfare organizations and cooperated with them to sponsor charitable activities that support disadvantaged groups. Collaborated with environmental groups to provide resources and volunteers for maintaining environmental cleanliness and reducing pollution.

Stakeholder	Relationship Description	Communication Channels	Communication Frequency	Primary Issues of Concern ^{Note 1}	Responsible Units	Communication Results
Media	Key partners in disclosing company information and ensuring transparency	Investor conferences Spokesperson channels	Semi-annual/quarterly Irregular	Operational performance, business integrity, R&D innovation, customer relationships	GM's Office Investor Relations Department	<ul style="list-style-type: none"> Responded to media inquiries and disclosed operations-related information appropriately to enhance company information transparency.
Government Agencies	The Group's operations are based on legal compliance, and timely reflect operational issues and industry opinions to government agencies to help adjust policies and support industry development	Meetings held by government departments Questionnaires Official document communication	Irregular	Regulatory compliance, business integrity, energy, information security, labor rights	GM's Office Investor Relations Department	<ul style="list-style-type: none"> Assigned personnel from relevant departments to participate in industry and environment-related seminars organized by government agencies, allowing them to provide feedback on behalf of the Company. Invited to participate in Corporate Governance 3.0 - Sustainable Development Roadmap exchange meetings held by the Financial Supervisory Commission and stock exchange to understand relevant policy development plans and formulate company response strategies.

Note 1: This table provides a brief overview of stakeholders' concerns. For detailed response measures, please refer to the relevant chapters of this report.

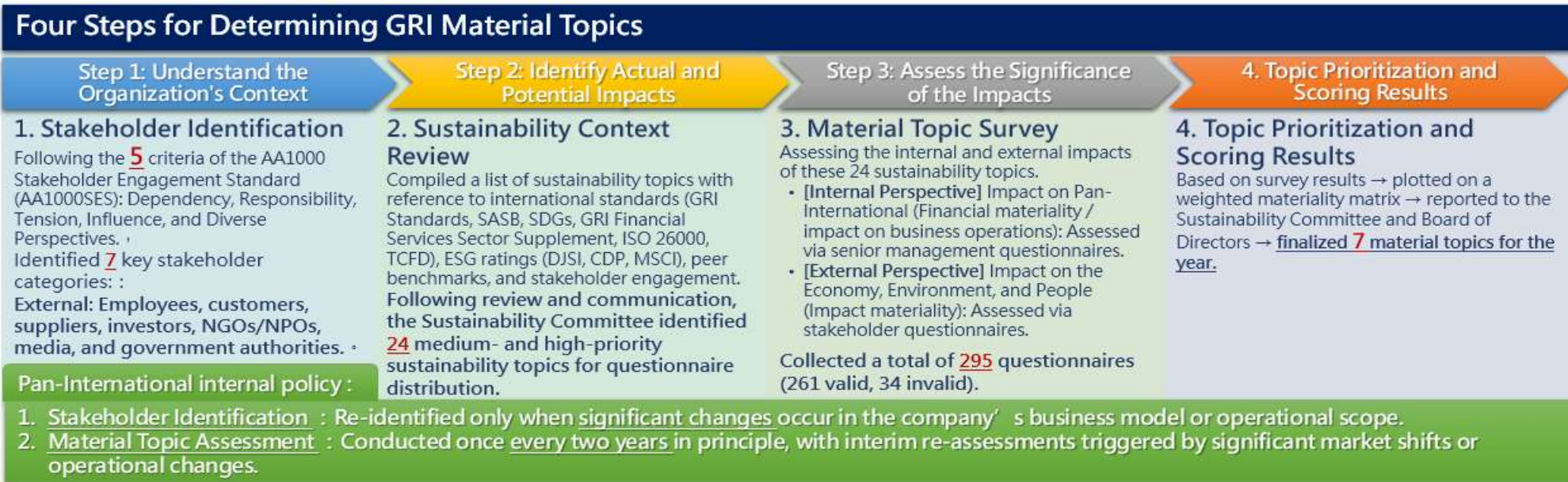
1.4 Material Topic Management

1.4.1 Material Topic Assessment Process

(GRI 2-14 、 3-1)

Material Topic Assessment Process

Every two years, Pan-International Group's Sustainability Committee evaluates the sustainability issues that significantly impact stakeholders based on the Group's operations, industry type, and the effects generated by the value chain. This evaluation is conducted through stakeholder engagement and consultant advice, in accordance with the materiality, completeness, and stakeholder inclusiveness criteria outlined in GRI 3 of the 2021 version of GRI Standards. The identified material topics are then reported to the Board of Directors, which determines the key sustainability issues for the current period. Furthermore, a resolution is made by the Sustainability Committee, and the communication status with each stakeholder is reported to the Board of Directors. The detailed assessment process is as follows:



Step 1: Identify Key Issues

- (1) Summarize industry attributes: Review the business items, models, product or service types, industry classifications, types of workers for each company in the Group, and analyze all the relevant industry attributes associated with **the Group**.
- (2) Identify sustainability issues: In addition to considering significant past events, both positive and negative, the Group also evaluates potential risks or opportunities based on feedback from stakeholder communications, as well as global regulations and standards (GRI Standards, TCFD, and Electrical &

Electronic Equipment SASB Standards, etc.). Additionally, the Group reviews industry regulations, standards, and benchmark enterprises within the same industry to comprehensively assess sustainability issues relevant to the Group. A total of 25 sustainability issues were identified during this reporting period.

Step 2: Determine Material Topics

We conduct questionnaires for senior executives, members of the Group's Sustainability Committee, and external stakeholders to comprehensively assess the positive and negative impacts of each sustainability issue. Internal personnel evaluate the impact on company operations, while external stakeholders review the effects on the environment, society, and human rights (people). The evaluation aspects include:

- (1) Positive or negative impact: The impact on company operations or stakeholders resulting from the Group's management strategies and actions on various issues can be classified as positive or negative.
- (2) Impact level: Conduct a comprehensive evaluation of factors such as the magnitude of impact on company operations or stakeholders, the probability or frequency of occurrence, the scope of impact, and the ability to remedy any negative effects.

In 2025 (conducted every 2 years), a total of 295 questionnaires were collected. After excluding invalid questionnaires, there were 261 valid questionnaires, with 76 from internal and 185 from external sources. After calculating the positive and negative impact scores of each issue for the Company's internal and external stakeholders, we set weighted scores based on three industry-related standards or regulations to ensure

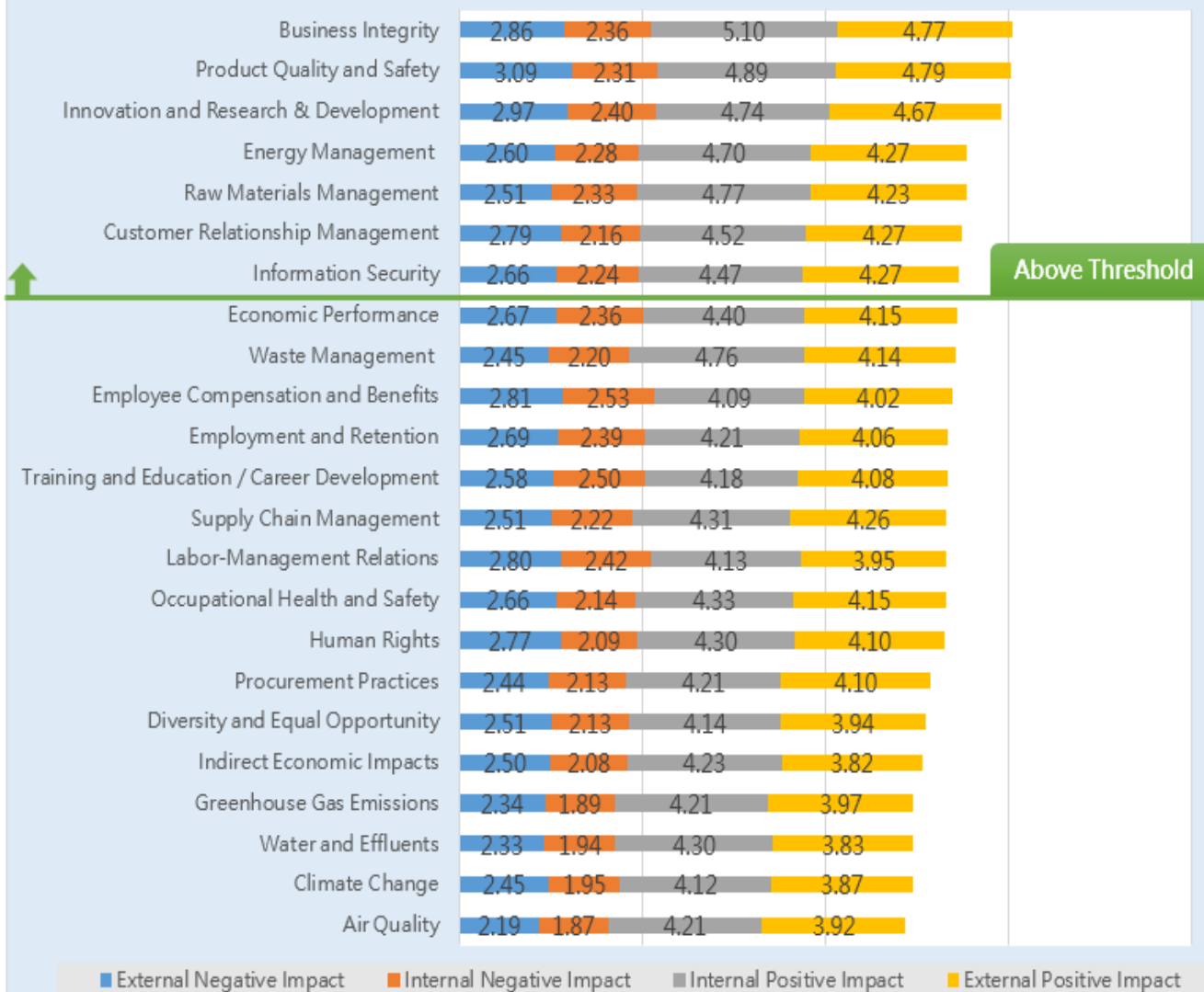


a comprehensive evaluation.

Finally, we ranked and weighted the total scores of each issue from high to low. The Sustainability Committee set the "top third of total scores" as the materiality threshold, selecting seven material topics for this period.

- ※ SASB Weighting: SASB (Sustainability Accounting Standards Board), if a topic is covered under the SASB RT-EE (Electrical & Electronic Equipment) Standards, it is weighted 1.1 times. Reason for Selection: In response to the convergence with the IFRS Sustainability Disclosure Standards (ISSB) and international trends, adopting SASB weighting can demonstrate the high level of governance at Pan-International Industrial Corp.

Material Topic Determination Results (SASB Weighted)



Pan-International 2025 Material Topic Determination Results (SASB Weighted)		Selected
Topic	Total Score	Material Topic
Business Integrity	G 15.09	V
Product Quality and Safety	SP 15.08	V
Innovation and R & D	NEW G 14.78	V
Energy Management	E 13.85	V
Raw Materials Management	NEW SP 13.84	V
Customer Relationship Management	SP 13.74	V
Information Security	NEW G 13.64	V
Economic Performance	13.58	
Waste Management	OLD 13.55	
Employee Compensation and Benefits	OLD 13.45	
Employment and Retention	13.35	
Training and Education Career Development	13.34	
Supply Chain Management	13.30	
Labor-Management Relations	13.30	
Occupational Health and Safety	13.28	
Human Rights	13.26	
Procurement Practices	12.88	
Diversity and Equal Opportunity	12.72	
Indirect Economic Impacts	12.63	
Greenhouse Gas Emissions	OLD 12.41	
Water and Effluents	12.40	
Climate Change	12.39	
Air Quality	12.19	

※ G: Governance (Corporate Governance), SP: Sustainable Procurement, E: Environmental.

※ Difference between 2025 and 2023 Year: NEW: Added in 2025, OLD: Material Topics in 2023. Others are not marked as the same.

Step 3: Reporting on Material Topics and Information

The Sustainability Committee evaluates relevant international standards for material topics, reviews management policies and objectives of material topics, collects annual data, and ensures the disclosure of key sustainability information to thoroughly address stakeholders' concerns. After completing the preparation of the annual sustainability report, the Sustainability Committee reviews the report again and submits it to the Board of Directors for approval, ensuring that all disclosed information is accurate and free of any concerns regarding misrepresentation.

Step 4: Continuous Review

The Company conducts an annual review of the implementation of material topic policies and goal achievement rates annually to optimize internal management approaches and quantitative goals. It also compares the differences in topics before and after the next identification process, investigates the reasons for these differences, and presents the findings in the report. In addition, the Company incorporates the material sustainability topics identified through its materiality assessment into its enterprise risk management process, serving as an important basis for identifying, assessing, and managing material sustainability-related risks. The Company integrates material sustainability topics with its enterprise risk management framework, assesses the associated risks, formulates risk mitigation measures, and continuously monitors progress and improvement. For further information on material topics and risk management, please refer to pages 33 and 71–73 of the Sustainability Report.

Dimension	Material Topic	Risk Issue	Risk Level	Mitigation Measures
Environment	Energy	Issues of carbon neutrality	12	Establish carbon inventory and emissions reduction management mechanisms; promote the replacement of energy-efficient equipment, process improvements, and the use of green electricity; and continuously monitor carbon reduction performance.
Corporate Governance	Information Security	Cybersecurity attack risks Risks of service interruption	12	Strengthen network segmentation, system monitoring, vulnerability scanning, and information security training, while establishing data backup and incident response mechanisms.
Sustainable Procurement	Usage of Raw Material	Supply chain material shortages and cost control	9	Establish supplier evaluation and alternative supplier mechanisms, and reduce supply chain disruption risks through inventory management, supplier monitoring, and collaboration.
Sustainable Procurement	Customer Relationship Management	Market changes and industry competition	9	Continuously monitor market, customer, and industry trends; analyze competitors' products and pricing; and adjust product and pricing strategies as appropriate.

1.4.2 Material Topic Impact Management

(GRI 2-12 、 2-13 、 3-2)

Material Topic Management Strategy

The Chairman of Pan-International Group is the highest decision-making and supervisory authority for the Group's management of material topics. The Chairman appoints the Sustainability Committee to oversee sustainable material topic management, which includes reviewing and evaluating management approaches, proposing suggestions for improvement. The Committee also establishes diverse communication channels for stakeholders, and regularly summarizes stakeholder feedback. Then, the Committee reviews these opinions and their impacts, formulates response measures or guidelines, and reports them to the Board of Directors. The Chairman and Sustainability Committee meet at least once a year to discuss the management of material topics and formulate new sustainability development directions and strategic goals for the upcoming year.

Material Topic List

Compared to 2024, this year included "Information Security," "Innovation and Research and Development," "Usage of Raw Material," and "Customer Relationship Management" as four new material topics and removed "Waste," "Greenhouse Gas Emissions," "Employee Benefits and Remuneration," and "Occupational Health and Safety" from the list of material topics.

▼ Material Topics and Corresponding GRI Topics

	Material Topic	Corresponding GRI Topic	Corresponding Report Chapter ※ The achievement status of policy, strategy, management goals, and management indicators can be found in the corresponding report chapter.
G	Business Integrity	GRI 3-3 Management of Material Topics GRI 205 Anti-corruption (205-3) GRI 206 Anticompetitive Behavior (206-1)	2.4 Responsible Business Conduct
SP	Product Quality and Safety	GRI 3-3 Management of Material Topics GRI 416 Customer Health and Safety (416-1, 416-2)	3.2 Product Quality and Safety
G	Innovation and R&D	GRI 3-3 Management of Material Topics	3.1 Green R&D and Design
E	Energy	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
SP	Usage of Raw Material	GRI 2-6 Activities, Value Chain, and Other Business Relationships GRI 204-1 Procurement Practices GRI 301 Materials (301-1, 301-2)	4.2 Supply Chain Management
SP	Customer Relationship Management	GRI 3-3 Management of Material Topics GRI 418-1	3.3 Customer Relationship Management
G	Information Security	GRI 3-3 Management of Material Topics GRI 418 Customer Privacy (418-1)	2.6 Cybersecurity 3.3 Customer Relationship Management (3.3.3 Protection of Customer Privacy and Trade Secrets)

※ G: Governance (Corporate Governance), SP: Sustainable Procurement, E: Environmental