

AXIOMTEK CO., LTD.

2024

Annual Report

Notice to readers

This English-version Annual Report is a translation of the Chinese version and is not an official document of the Shareholders' Meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

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Taiwan Stock Exchange Market Observation Post System:

https://mops.twse.com.tw/mops/web/t57sb01_q5

Axiomtek's Annual Report is available at:

<https://www.axiomtek.com/Default.aspx?MenuId=AboutUs&ItemId=225&C=Shareholders+Meeting>

I. Spokesman and Acting Spokesman:

Spokesman

Name: Skin Huang

Title: Senior Special Assistant

Tel: +886-2-86462111

Email: skin.huang@axiomtek.com.tw

Acting Spokesman

Name: Jane Hsu

Title: Senior Vice President

Tel: +886-2-86462111

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II. Headquarters and Factory

Headquarters

Address: 8F., No.55, Nanxing Rd., Xizhi Dist., New Taipei City, Taiwan

Tel: +886-2-86462111 (Representative No.)

Factory

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Tel: +886-2-26953888 (Representative No.)

III. Stock Transfer Agency

Name: Taishin Securities Co., Limited, Stock Transfer Agency Department

Address: B1, No. 96, Sec. 1, Jianguo N. Rd., Zhongshan Dist., Taipei City, Taiwan

Website: <https://www.tssco.com.tw/>

Tel: +886-2-25048125

IV. Certified Public Accountants

Names of the CPAs: Wu, Han-Chi and Wang, Song-Tse

Name of Accounting Firm: PricewaterhouseCoopers, Taiwan

Address: 27F, No.333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City, Taiwan

Website: <https://www.pwc.tw>

Tel: +886-2-27296666

V. Name of Any Exchanges Where the Company's Securities Are Traded Offshore, and the Method by Which to Access Information on Said Offshore Securities: None.

VI. Company Website

<https://www.axiomtek.com/>

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I. Report to Shareholders

Dear Shareholders,

Thank you for your support over the past year. (hereinafter referred to as “the Company” or “Axiomtek”) and its subsidiaries (the Company and its subsidiaries are hereinafter referred to as “the Group”) have the consolidated operating revenue of NT\$6.893 billion in 2024, an increase of 2.87% from NT\$6.7 billion in 2023.

The Group has grown for four consecutive years despite global instability, with both revenue and profit reaching new highs. In the future, the market is not expected to gradually explore more business opportunities through the application of AI artificial intelligence, edge computing, Internet of Things, network security, autonomous mobility and green technology innovation. The Group continues to focus on the core technologies of the Industrial Internet of Things, connecting digital technology, software and hardware integration, and ecosystem partners, making good use of existing hardware professional manufacturing and flexible design advantages to create technology service value and provide customers with in-depth solutions for the Domain application industry. The Group will continue to pursue sustainable operations as its goal, fulfill its corporate social responsibilities and attach importance to sustainable development, in order to achieve common prosperity with our partners.

The Group’s operating results in 2024 and business plan for 2025 are illustrated as follows:

1. Operating Results in 2024:

(1) Outcome of business plan implementation:

The Group’s consolidated operating revenue reached NT\$6.893 billion, the consolidated net income was NT\$770 million, the total consolidated comprehensive income was NT\$830 million and the earnings per share was NT\$7.53 in 2024.

(2) Budget implementation:

The Group has not disclosed its financial forecast for 2024, so there is no budget achievement.

(3) Analysis of receipts, expenditures and profitability:

Item		2024	2023
Financial Structure (%)	Debt to Assets Ratio	35.42	38.71
	Long-term Capital to Property, Plant and Equipment Ratio	250.01	237.26
Solvency (%)	Current Ratio	338.11	282.82
	Quick Ratio	218.52	165.26
	Interest Earned Ratio (Times)	4,744.67	5,340.00
Profitability	Return on Assets (%)	11.17	11.54
	Return on Equity (%)	17.33	18.76
	Ratio of Pre-Tax Income to Paid-in Capital (%)	101.68	96.67
	Profit Ratio (%)	11.18	10.86
	Earnings Per Share (NT\$)	7.53	7.19

(4) Research and development status:

In response to sustainable management and market development trends, the following medium and long-term development directions are planned:

- A. Focus on the industrial application in vertical markets such as factory automation, rail transit, green energy, and smart grid; provide edge computing platforms, machine vision solutions, touch panel computer, and combine core technologies such as video, audio, and smart platforms to provide comprehensive AIoT solutions.
- B. The edge computing system is developing toward intelligent, compact, and modular products. Strengthen the integrated application of the embedded operating system and provide a security upgrade solution for the Internet of Things.
- C. Develop specific domain-focused platforms for smart retail, medical, gaming, entertainment markets, and integrate software expertise to provide customers with a complete and reliable solution.
- D. Migrate the system level to an application market solution, combine DigiHub to provide software and hardware integration services; deepen the added value, and provide exclusive, customized, and flexible services for partners.

2. Business Plan for 2025:

(1) Business policy:

- A. Focus on the integration of artificial intelligence and the Internet of Things, smart manufacturing-related technologies and edge computing platforms, and continue to invest in domain industries such as factory automation, smart energy, transportation, medical, gaming, and smart retail.
- B. Provide a complete product line and professional customization services for targeted vertical markets.
- C. Collaborate with strategic partners to create alliances, integrate software and hardware to enhance value-added products, and pursue long-term development and sustainable operation of the enterprise.
- D. Global localization business policy, actively deploying overseas Design Engineering Service to provide localized professional services; adding overseas service bases, global marketing channels to deepen customer relationships, and establishing global distribution partners.
- E. Form follows function can organize corresponding development, pursue the vision of sustainable development of the enterprise and long-term talent cultivation.

(2) Production and sales policies:

- A. Introduce MES (Manufacturing Execution System) smart factory operations management and progress towards full factory automation.
- B. Implement green production supply chain and supplier management, use GPMS and SCM management mechanisms to confirm that products are non-toxic and harmless, and regularly audit the quality of suppliers.
- C. Use the PLM and global information systems to get data on materials, semi-finished products, inventories, and market demands. This reduces inventory costs and losses from slow-moving stock.

3. The Development Strategy:

(1) Sales strategy:

- A. Give full play to the key influence of digital transformation, accumulate innovative design service capabilities, software and hardware integration technology, deepen the added value of the industry, and provide customers with exclusive technology services.

- B. Focusing on research and development, design, professional manufacturing, and global sales, marketing worldwide with its own brand; actively deploying global localization strategies, establishing sales bases and technical bases, expanding marketing channels, and realizing localized services.
- C. Formulate strategies and tactics for the sales strategies of major global customers including key accounts, domain-focused system integrators, and channel partners, expand sales scale and assist customers to develop a new market.
- D. Strengthen the added value of software and hardware integration, duplicate success cases, shorten customer development time and development costs, and create a win-win model.
- E. Utilize the Salesforce cloud application and platform, use IT and BI (Business Intelligence) to effectively manage customer relationships and manage project progress, and integrate digital marketing models to improve customer experience.

(2) Product technology:

- A. The industrial IoT edge computing platform integrates software and hardware services, emphasizing user experience, and targets automation, smart green energy, machine vision, AMR, AI, and IoT applications.
- B. Targeting the industrial network security application market, developing edge computing platforms, remote monitoring technology IPMI, high-speed Ethernet modules, and multi-layer network security architectures.
- C. Provide digital signage players and self-service kiosks with integrated touch screens, barcode readers, and payment devices.
- D. The computer for medical equipment offers customized services for high-performance, compact hosts, speeding up diagnostic instruments, and AI chip cards boost computing power, creating an intelligent medical environment.
- E. Developing a Botton Deck platform for gaming, Video Mixer technology, and the PTS (Player Tracking System) for machines. Also focusing on backend management, image processing, Jackpot servers, and ARM-based products with vertical industry expertise and integration.

4. The Effect of the External Competitive, the Legal Environment and the Overall Business Environment:

As technologies like AI, IoT, edge computing, smart mobility, green energy, and network security rapidly evolve, these technologies will be deeply integrated with more vertical application markets. The Group will drive digital transformation and regional growth, enhancing innovative design services and developing flexible strategies based on organizational needs. We prioritize sustainable operations, corporate social responsibility, and nurturing talents from a global perspective.

As part of its long-term development strategy, the Group plans to enhance industrial IoT technology capabilities, target vertical application markets, and improve software and hardware integration. By leveraging innovative technology services, the goal is to achieve performance growth. The Group will collaborate with key customers, system integrators, and distribution partners to establish an industrial alliance ecosystem and encourage joint development.

Additionally, the Group focuses on corporate governance and sustainable development, sets visions and goals, and is committed to working with strategic partners to achieve sustainable growth and create more business opportunities.

Yang, Yu-Te

Chairman of Axiomtek Co., Ltd.

II. Corporate Governance Report

1. Directors and Management Team

(1) Directors

March 24, 2025

Job Title	Nationality/ Place of Registration	Name	Gender & Age	Date of Election	Term of Office	Commencement Date of First Term	No. of Shares Held at Time of Election		No. of Shares Currently Held		Shares Currently Held by Spouse & Minor Children		Shares Held Through Nominees		Principal Work Experience and Academic Qualifications	Positions Held Concurrently in the Company and/or in any other Company	Other Officer(s) or, Director(s), with which the Person has a Relationship of Spouse or Relative Within the Second Degree			Remarks
							No. of Shares	Shareholding ratio	No. of Shares	Shareholding ratio	No. of Shares	Shareholding ratio	No. of Shares	Shareholding ratio			Job Title	Name	Relationship	
Chairman of the Board	ROC	Yang, Yu-Te	Male 61-70 years old	May 24, 2024	3	Mar 05, 2002	1,578,512	1.87	2,037,156	1.89	64,067	0.06	0	0.00	Founder and President of Axiomtek Co., Ltd. Manager of Advantech Co., Ltd. Automation System Unit Bachelor of Electrical Engineering, Fu Jen University	Note 1	None	None	None	None
Director	ROC	Advantech Co., Ltd.	Male 31-40 years old	May 24, 2024	3	Jun 30, 2003	22,495,984	26.65	28,080,142	26.11	0	0.00	0	0.00	Investment Representative of Advantech Co., Ltd. Master of Business Administration, National Taiwan University Bachelor of Electrical Engineering, University of Illinois	Note 2	None	None	None	None
		Representative Liu, Wei-Ting					0	0.00	0	0.00	0	0.00	0	0.00			None	None	None	None
Director	ROC	Tsai, Shih-Yang	Male 61-70 years old	May 24, 2024	3	Jun 03, 2015	408,000	0.48	1,697,855	1.58	156,919	0.15	0	0.00	Co-founder, Advantech Co., Ltd. Bachelor of Electronic Engineering, MingHsin University Bachelor of Applied Mathematics (Information Dept.), Chinese Culture University	Note 3	None	None	None	None

Job Title	Nationality/ Place of Registration	Name	Gender & Age	Date of Election	Term of Office	Commencement Date of First Term	No. of Shares Held at Time of Election		No. of Shares Currently Held		Shares Currently Held by Spouse & Minor Children		Shares Held Through Nominees		Principal Work Experience and Academic Qualifications	Positions Held Concurrently in the Company and/or in any other Company	Other Officer(s) or, Director(s), with which the Person has a Relationship of Spouse or Relative Within the Second Degree			Remarks
							No. of Shares	Shareholding ratio	No. of Shares	Shareholding ratio	No. of Shares	Shareholding ratio	No. of Shares	Shareholding ratio			Job Title	Name	Relationship	
Director	ROC	Huang, Jui-Nan	Male 61-70 years old	May 24, 2024	3	May 29, 2018	0	0.00	319,865	0.30	0	0.00	0	0.00	President, Axiomtek Co., Ltd. VP, Advantech Industry Automation Group Chairman of Cermate Technologies Inc. Master of Management Sciences, Tamkang University Bachelor of Computer Science & Information Engineering, National Taiwan University	Note 4	None	None	None	Note 8
Independent Director	ROC	Chang, Jen-Chih	Male 71-80 years old	May 24, 2024	3	May 29, 2018	0	0.00	0	0.00	0	0.00	0	0.00	Department Head, Department of Accounting & Statistics, Chungyu College of Business Management Department Head, National Taipei College of Business Master of Accounting, National Chengchi University Bachelor of Accounting, National Chung Hsing University	Note 5	None	None	None	None
Independent Director	ROC	Yu, Chwo-Ming	Male 71-80 years old	May 24, 2024	3	July 5, 2021	16,915	0.02	18,595	0.02	0	0.00	0	0.00	Professor of Department of Business Administration, National Chengchi University Independent Director of Yuanta Futures Co., Ltd. Independent Director of Advantech Co., Ltd. Independent Director of Yuanta Commercial Bank Co., Ltd. Ph.D. of Business Administration of University of Michigan	Note 6	None	None	None	None
Independent Director	ROC	Lin, Hsiu-Ting	Female 51-60 years old	May 24, 2024	3	May 24, 2024	0	0	0	0.00	0	0.00	0	0.00	CFO of SCT Ltd. Taiwan Branch Bachelor of Accounting, National Chengchi University	Note 7	None	None	None	None

- Note 1: (1) Chief Strategy Officer of Axiomtek Co., Ltd.
 (2) Chairman of the following companies: Axiomtek Deutschland GmbH, Axiomtek UK Limited, Axiom Technology, Inc. U.S.A.
 (3) Director of UNI-Innovate Technology Co., Ltd.
- Note 2: (1) Assistant manager of group fund dispatch and related financial department, Advantech Co., Ltd.
 (2) Chairman of the following companies: ChuanTing Investment Co., Ltd., Tran-Fei Development Co., Ltd., Shiung-Yang Investment Corporation, IoT Vision Investment Corporation, Advantech Intelligent City Services Co., Ltd., Cermate Technologies Inc., Huan Yan Water Solution Co., Ltd., Advanixs Corporation
 (3) Director representative of the following companies: Advantech Co., Ltd., Advantech Investment Co., Ltd., Spingence Technology Co., Ltd, Yan Xu Green Electricity Co., Ltd., Expetech Co., Ltd.
 (4) Director of the following companies: K&M Investment Co., Ltd., CZ Investment Co., Ltd., Yanben Investment Co., Ltd., Aures Technologies S.A., Aures Technologies Ltd. (UK), J2 Technology Systems, Retail Technology Group Inc., AGH US Holding Company Inc., Aures Technologies Pty (AUS)
- Note 3: (1) Chairman of the following companies: Smart Management Consulting Co., Ltd., Fudi Investment Co., Ltd., Junzhuang Comprehensive Development Co., Ltd.
 (2) Director of the following companies: JAYA Networks Corp., Legendaire Technology Co., Ltd.
 (3) Independent Director of Jeilin Technology Corporation Ltd.
 (4) Non-profit organization chief Adviser, Global Talentpreneur Innovation & Collaboration Association.
- Note 4: (1) Special Assistant of Chairman of Axiomtek Co., Ltd.
 (2) Legal representative of Paytronex Co., Ltd.
- Note 5: (1) Hot Tai Public Accountant Firms Certified Public Accountant.
 (2) Chairman of Renchuang Investment Co., Ltd.
 (3) Director of Liang Guan Investment Co., Ltd.
- Note 6: (1) Department of Industrial and Business Management, Chang Gung University.
 (2) Independent Director of Integrated Service Technology Inc, WPG Holdings Limited, Song Chuan Precision Co., Ltd.
 (3) Director and CEO of Kung - Hwa Management Foundation
- Note 7: (1) Chairman of the following companies: I Am That Co., Ltd., Dong Qiong International Music Co., Ltd.
 (2) Independent Director of Thai Kin Co., Ltd.
 (3) Supervisor of Powerful Content Inc.
- Note 8: On February 26, 2025, the Board of Directors resolved to dismiss director Huang, Jui-Nan from his position as president of Axiomtek and appointed him as special assistant to the chairman, effective March 1, 2025.

A. Major shareholders of the corporate shareholders

March 24, 2025

Name of Corporate Shareholders (Note 1)	Major Shareholders of the Corporate Shareholder (Note 2)
Advantech Co., Ltd.	ASUS Computer Technology Co Ltd. (13.13%) K&M Investment Co., Ltd. (11.63%) AIDC Investment Corp (11.49%) Liu, Ke-Chen (3.24%) Advantech Foundation (2.84%) Tran-Fei Development Co., Ltd (2.32%) Yong-Shun Zhuang (2.24%) The Overlook Partners Fund L.P (2.00%) First Sentier Investors ICVC - Stewart Investors Asia Pacific Leaders Sustainability Fund (1.47%) New Labor Pension Fund (1.27%)

Note 1: If a director is a representative of a corporate shareholder, fill in the name of that corporate shareholder.

Note 2: Fill in the names of the corporate shareholder's major shareholders (those with a shareholding ratio ranking among the top 10) and their shareholding ratios. If any of the major shareholders is a corporate/juristic person, also complete Form 2 below.

Note 3: If a corporate/juristic person shareholder is not organized as a company, the shareholder names and shareholding ratios required to be disclosed as mentioned above shall be the names of the capital contributors or donors (for further information, please refer to the announcements of the Judicial Yuan) and their capital contribution or donation rates, respectively. If a donor has died, please further note "deceased."

B. Major shareholders of the major institutional shareholders

March 24, 2025

Name of Corporate / Juristic Person (Note 1)	Major Shareholders of the Corporate/Juristic Person (Note 2)
ASUS Computer Technology Co., Ltd.	Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF (4.34%) Jonney Shih (4.05%) Yuanta Taiwan High Dividend Fund Account (2.95%) Cathay United Bank in Custody for Infinity No. 1 Company Investment Account (2.78%) ASUS's Certificate of Depository with CitiBank (Taiwan) (2.63%) New Labor Pension Fund (2.42%) JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds (1.34%) J.P. MORGAN SECURITIES PLC (1.30%) Vanguard Emerging Markets Stock Index Fund, a Series of Vanguard International Equity Index Funds (1.22%) Yuanta/P-shares Taiwan Top 50 ETF (1.12%)

Name of Corporate / Juristic Person (Note 1)	Major Shareholders of the Corporate/Juristic Person (Note 2)
K&M Investment Co., Ltd	Liu, Ke-Chen (32.29%), Chang, Mei-Ling (31.95%), Liu, Wei-Zhi (1.38%), Liu, Wei-Ting (1.35%)
AIDC Investment Corp	Liu, Ke-Chen (18.77%), Advantech Foundation (10.08%), Chang, Mei-Ling (5.08%), Liu, Wei-Zhi (1.00%)
Advantech Foundation	Advantech Co., Ltd. (100%)
Tran-Fei Development Co., Ltd	Liu, Wei-Ting (5.32%), Huang, Hui-Li (2.12%), Chang, Mei-Ling (0.62%)

Note 1: If any major shareholder in Form 1 above is a corporate/juristic person, fill in the name of that corporate/juristic person.

Note 2: Fill in the names of the corporate/juristic person's major shareholders (those with a shareholding ratio ranking among the top 10) and their shareholding ratios.

Note 3: If a corporate/juristic person shareholder is not organized as a company, the shareholder names and shareholding ratios required to be disclosed as mentioned above shall be the names of the capital contributors or donors (for further information, please refer to the announcements of the Judicial Yuan) and their capital contribution or donation rates, respectively. If a donor has died, please further note "deceased."

C. Professional qualifications and independence analysis of Directors

<div>Qualification</div> <div>Name</div>	Professional Qualifications and Experience (Note1)	Independence Analysis (Note2)	No. of Other Public Companies at Which the Person Concurrently Serves as an Independent Director
Director Yang, Yu-Te	Founder, President and Chief Strategy Officer of Axiomtek Co., Ltd. Possesses the work experience required for business and corporate business and being good at leadership, business judgment, business management, crisis management and have industry knowledge and international market outlook.	Not been a person of any conditions defined in Article 30 of the Company Act.	0
Director Advantech Co., Ltd. Representative Liu, Wei-Ting	Assistant manager of Group fund dispatch and related financial department, Advantech Co., Ltd. Possesses the work experience required for business and corporate business and being good at leadership, business judgment, business management, crisis management and have industry knowledge and international market outlook.	Not been a person of any conditions defined in Article 30 of the Company Act.	0
Director Tsai, Shih-Yang	Chairman of Smart Management Consulting Co., Ltd. and Co-founder of Advantech Co., Ltd. Possesses the work experience required for business and corporate business and being good at leadership, business judgment, business management, crisis management and has industry knowledge and international market outlook.	Not been a person of any conditions defined in Article 30 of the Company Act.	1
Director Huang, Jui-Nan	President & Special assistant of Chairman. Had once worked as VP of Advantech Industry Automation Group. Possesses the work experience required for business and corporate business and being good at leadership, business judgment, business management, crisis management and have industry knowledge and international market outlook.	Not been a person of any conditions defined in Article 30 of the Company Act.	0

Qualification Name	Professional Qualifications and Experience (Note1)	Independence Analysis (Note2)	No. of Other Public Companies at Which the Person Concurrently Serves as an Independent Director
Independent Director Chang, Jen-Chih	Master of Accounting, National Chengchi University. Passed the national examination and obtained the accountant certificate. Certified Public Accountant of Hot Tai Accounting Firm. Possesses the work experience required for business finance, accounting and corporate business and being good at leadership, accounting and financial analysis, crisis management and have industry knowledge and international market outlook.	Independent Directors continue to meet the qualification requirements stipulated in “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” promulgated by the Securities and Futures Bureau of the Financial Supervisory Commission during the two years prior to their election and during their term of office and there is no situation under Article 30 of the Company Act, including but not limited to the following:	0
Independent Director Yu, Chwo-Ming	Professor of Department of Industrial and Business Management, Chang Gung University and had once service as Independent Director of Advantech Co., Ltd. and Yuanta Financial Holdings and Professor of Department of Business Administration, National Chengchi University. Possesses the work experience required for business and corporate business and being good at leadership, business judgment, business management, crisis management and have industry knowledge and international market outlook.	1. The self, spouse, or relatives within the second degree of kinship do not serve as Directors, Supervisors or employees of the Company or its affiliated companies. 2. Except for the Independent Director Yu, Chwo-Ming who holds 18,595 shares of the Company, with a shareholding ratio of 0.02%, other Independent Directors, their spouses, relatives within the second degree of kinship (or in the names of others) do not hold any shares in the Company.	3
Independent Director Lin, Hsiu-Ting	Graduated from the Bachelor of Accounting, National Chengchi University Chairman of I Am That Co., Ltd. and Dong Qiong International Music Co., Ltd., Independent Director of Thai Kin Co., Ltd., Supervisor of Powerful Content Inc. Previously served as the CFO of SCT Ltd. Taiwan Branch. Possess work experience required for business and corporate operations, and be good at operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market perspective and decision-making ability.	3. The self, spouse, relatives within the second degree of kinship do not serve as serving as Director, supervisor or employee of any company which has specific relations with the Company. 4. In the past two years, there has been no compensation from the Company or its affiliate enterprise in commercial, legal affairs, financial, accounting and other service places.	1

- Note 1: Professional qualifications and experience: State the professional qualifications and experience of individual Directors. If they are members of the Audit Committee and have accounting or financial expertise, it should state their accounting or financial background and work experience and explain whether they have not the conditions that stated in the Article 30 of the Company Act.
- Note 2: Please describe Independent Director's condition, including but not limited to himself or herself, spouse, relative within second degree of kinship, whether serving as the Company or its affiliate enterprise's Director, supervisor or employees; number of shares and ratio of himself or herself, spouse, relative within second degree of kinship (or in the names of others); whether serving as Director, supervisor or employee of any company which has specific relations with the Company (please refer to sub-item 5~8 of Item in Article 3 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies"); the amount of reward he or she gets in recent 2 years from the Company or its affiliate enterprise in commercial, legal affairs, financial, accounting and other service places.
- Note 3: Please refer to the best practical reference example in Taiwan Stock Exchange Corporate Governance Center website for the manner of disclosure.

D. Diversity and independence of Board of Directors:

(A) Diversity of Board of Directors

The Company advocates and respects the diversity policy of Directors. To strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, it is believed that the diversity policy will help improve the overall performance of the Company. The selection and appointment of Board members are based on the principle of talent-based selection, and they have diverse and complementary capabilities across industries, including basic conditions (like nationality, gender, age and years of service as Independent Directors, etc.), as well as professional knowledge and skills and other professional qualifications and experience required for business, legal, financial, accounting or corporate business. According to Article 20 of the Company's "Corporate Governance best practice principles", members of the Board of Directors should generally possess the knowledge, skills and qualities necessary to perform their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall have the following abilities:

- a. Operational judgment.
- b. Accounting and financial analysis ability.
- c. Operation and management ability.
- d. Crisis management ability.
- e. Industry expertise.
- f. International market outlook.
- g. Leadership.
- h. Decision-making ability

Diversity policy and implementation status of the Board of Directors are as follows:

Core of Diversity <div>Name</div>		Nationality	Basic Composition							Professional Knowledge and Skills										Professional Qualifications and Experience			
			Gender	Employee of the Company	Age				Tenure and seniority of independent directors		Operational Judgment	Accounting and Financial Analysis Ability	Operation and Management Ability	Crisis Management Ability	Industry Expertise	International Market Outlook	Leadership	Decision-making Ability	College Professor of Business, Legal Affairs, Finance, Accounting	Financial Accounting Professional	Possesses the Work Experience Required for Business and Corporate Business		
					31~40 Years	51~60 Years	61~70 Years	71~80 Years	Less than 3 Years	4~8 Years													
Title	Director	Yang, Yu-Te	ROC	Male	V			V					V	V	V	V	V			V			
	Director	Advantech Co., Ltd. representative Liu, Wei-Ting	ROC	Male		V							V	V	V	V	V			V			
	Director	Tsai, Shih-Yang	ROC	Male				V					V	V	V	V	V			V			
	Director	Huang, Jui-Nan	ROC	Male	V			V					V	V	V	V	V			V			
	Independent Director	Chang, Jen-Chih	ROC	Male					V		V		V	V	V		V	V		V			
	Independent Director	Yu, Chwo-Ming	ROC	Male					V		V		V	V	V		V			V			
	Independent Director	Lin, Hsiu-Ting	ROC	Female		V				V		V	V	V	V		V	V		V			

Assess the 7 Directors (including 3 Independent Directors) of the 13rd Board of Directors of the Company, who have overall business judgment ability, accounting and financial analysis ability, management ability, crisis management ability, industry knowledge, international market outlook, leadership ability and decision-making ability, etc., as well as professional qualifications and experience required by the Company's business. The Company pays attention to the diverse professional knowledge and skills of the members of the Board of Directors. Two Director is good at financial accounting professional knowledge and skills, and a college professor has professional knowledge of enterprise operation and management. Each Director has professional background and experience in different industries and positions.

The age of Directors of the Company is between 39 and 73 years old. The average tenure of Independent Directors is 6 years. The consecutive tenure of Independent Directors are not more than three consecutive terms. The nationalities of all Directors are R.O.C, and 2 of them are employees. In the 2024 Annual General Meeting of Shareholders, the Company conducted a full re-election of its directors and appointed one additional female director. The proportion of female Directors is 14%. In order to implement the gender diversity policy of the Board of Directors, we will strive to increase the number of seats of directors of either gender on the Board of Directors to one-third in the future.

The orientation, complementarity and implementation of Directors' diversity still meet the standards set out in Article 20 of the "Corporate Governance best practice principles". In the future, in addition to increasing the proportion of directors of either gender on the Board, the diversification policy will be updated in a timely manner depending on the operation of the Board of Directors, the operation type and the development needs, including but not limited to basic conditions and values, professional knowledge and skills, etc., to ensure that members of the Board of Directors should generally have the knowledge, skills and qualities necessary to perform their duties.

(B) Independence of Board of Directors

There are 7 Directors on the Board of Directors of the Company, including 3 Independent Directors, accounting for 43% of the Board members. Independent Directors shall continue to meet the qualification requirements stipulated in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Securities and Futures Bureau of the Financial Supervisory Commission during the two years before their election and during their term of office. The relationship between Directors who do not have a spouse or relatives within the second degree of kinship complies with the provisions of Article 26-3, Items 3 and 4 of the Securities and Exchange Act. The self, spouse, or relatives within the second degree of kinship do not serve as Directors, supervisors or employees of the Company or its affiliated companies. Except for the Independent Director Yu, Chwo-Ming who holds 18,595 shares of the Company with a shareholding ratio of 0.02%, other Independent Directors, their spouses, relatives within the second degree of kinship (or in the names of others) do not hold shares of the Company, and they do not receive remuneration for providing business, legal, financial, accounting and other services to the Company or its affiliates. The Board of Directors of the Company is independent.

(2) Management Team

March 24, 2025

Job Title (Note 1)	Nationality	Name	Gender	Date of Appointment to Position	Shares Held		Shares Held by Spouse & Minor Children		Share Held Through Nominees		Principal Work Experience and Academic Qualifications (Note 2)	Positions Concurrently Held in other Companies at Present	Other Managerial officer(s) with which the Person has a Relationship of Spouse or Relative within the Second Degree			Remarks
					No. of Shares	Shareh olding ratio	No. of Shares	Shareh olding ratio	No. of Shares	Shareh olding ratio			Job Title	Name	Relations hip	
President	ROC	William Wu	Male	Jul 01, 2011	344,832	0.32	0	0.00	0	0.00	Executive Vice President, Axiomtek Co., Ltd. Deputy Director, R&D Division, Chaintech Technology Corporation Bachelor of Electronic and Computer Engineering, National Taiwan University of Science and Technology	None	None	None	None	Note 3
President	ROC	Chiven Fan	Male	Aug 19, 2016	206,270	0.10	0	0.00	0	0.00	Executive Vice President, Axiomtek Co., Ltd. Sales Manager, eBizrise Technology Ltd. Sales Manager, Asiatic Inc. EMBA Master of National Chengchi University	Director & President, Paytronex Co., Ltd.	None	None	None	Note 3
Chief Strategy Officer	ROC	Yang, Yu-Te	Male	June 01, 1990	2,037,156	1.89	64,067	0.06	0	0.00	Founder and President of Axiomtek Co., Ltd. Manager of Advantech Co., Ltd. Automation System Unit Bachelor of Electrical Engineering, Fu Jen University	Serves as Chairman of the following companies: AXIOM TECHNOLOGY, INC. U.S.A. AXIOMTEK DEUTSCHLAND GMBH AXIOMTEK UK LIMITED Serves as director of the following companies: Uni-innovate Technology Co., Ltd.	None	None	None	None

Job Title (Note 1)	Nationality	Name	Gender	Date of Appointment to Position	Shares Held		Shares Held by Spouse & Minor Children		Share Held Through Nominees		Principal Work Experience and Academic Qualifications (Note 2)	Positions Concurrently Held in other Companies at Present	Other Managerial officer(s) with which the Person has a Relationship of Spouse or Relative within the Second Degree			Remarks
					No. of Shares	Shareh olding ratio	No. of Shares	Shareh olding ratio	No. of Shares	Shareh olding ratio			Job Title	Name	Relations hip	
Senior Vice President Head of Accounting/Finance Chief Corporate Governance	ROC	Jane Hsu	Female	May 03, 2010	374,408	0.35	0	0.00	0	0.00	Vice President, Leadtek Research Inc. Manager, Deloitte & Touche EMBA Master of National Taiwan University Master of Accounting, National Chengchi University	Vice President, Paytronex Co., Ltd.	None	None	None	None
Senior Vice President	ROC	Henry Lin	Male	Jan 08, 2007	1,135,425	1.06	0	0.00	0	0.00	Vice President, Hi-Top internal Co., Ltd. EMBA Master of National Chengchi University Bachelor's in Electronic Engineering, National	None	None	None	None	None
Assistant Vice President	ROC	Alex Pan	Male	Sep 01, 2014	67,156	0.06	0	0.00	0	0.00	Senior R&D Manager, EtherWAN Systems Inc. R&D Manager, Atop Technologies Inc. Master of Electrical Engineering, National Tsing Hua University	None	None	None	None	None
Assistant Vice President	ROC	Shang Hsieh	Male	Sep 01, 2017	77,978	0.07	0	0.00	0	0.00	Senior Quality Manager, Axiomtek Co., Ltd. R&D Manager, Axiomtek Co., Ltd. Associate's degree in Electrical Engineering, St. John's and St. Mary's Institute of Technology	None	None	None	None	None

Note 1: The information in this table should be disclosed for the general manager, assistant general managers, deputy assistant general managers, and the chiefs of all the Company's divisions and branch units, including all persons in positions equivalent to general manager, assistant general manager, or deputy assistant general manager, regardless of job title.

Note 2: Specify experience and qualifications related to the current position. If during a period specified above, the person has served in a position at a CPA firm that serves as external auditor/attestor, specify the position held and the duties for which the person was responsible.

Note 3: On February 26, 2025, the Board of Directors resolved to dismiss director Huang, Jui-Nan from his position as president of Axiomtek and appointed him as special assistant to the chairman, William Wu and Chiven Fan were newly appointed as co-presidents, effective March 1, 2025.

2. Remuneration Paid during the Most Recent Fiscal Year to Directors, President and Vice Presidents

(1) Remuneration to Directors and Independent Directors (Individual Disclosure of Names and Remuneration Items)

Unit: Thousand shares/NT\$ Thousand

Job Title	Name	Remuneration to Directors								Sum of A+B+C+D and Ratio to Net Income (%)		Remuneration Received by Directors for Concurrent Service as an Employee								Sum of A+B+C+D+E+F +G and Ratio to Net Income (%) (Note 10)		Remuneration Received from Investee Enterprises other than Subsidiaries or from the Parent Company (Note 11)
		Base Compensation (A) (Note 2)		Retirement Pay and Pension (B)		Directors Profit-Sharing Compensation (C) (Note 3)		Expenses and Perquisites (D) (Note 4)				Salary, Rewards, and Special Disbursements (E) (Note 5)		Retirement Pay and Pension (F)		Employee Profit-Sharing Compensation (G) (Note 6)						
		The Company	All Consolidated Entities (Note 7)	The Company	All Consolidated Entities (Note 7)	The Company	All Consolidated Entities (Note 7)	The Company	All Consolidated Entities (Note 7)	The Company	All Consolidated Entities (Note 7)	The Company	All Consolidated Entities (Note 7)	The Company	All Consolidated Entities (Note 7)	The Company		All Consolidated Entities (Note 7)		The Company	All Consolidated Entities (Note 7)	
																Amount in Cash	Amount in Stock	Amount in Cash	Amount in Stock			
Chairman	Yang, Yu-Te	0	0	0	0	2,351	2,351	35	35	2,386 0.31%	2,386 0.31%	9,999	9,999	0	0	0	0	0	0	12,385 1.61%	12,385 1.61%	None
Director	Advantech Co., Ltd.	0	0	0	0	1,213	1,213	0	0	1,213 0.16%	1,213 0.16%	0	0	0	0	0	0	0	0	1,213 0.16%	1,213 0.16%	None
	Representative: Liu, Wei-Ting	0	0	0	0	0	0	35	35	35 0.00%	35 0.00%	0	0	0	0	0	0	0	0	35 0.00%	35 0.00%	None
Director	Tsai, Shih-Yang	0	0	0	0	1,243	1,243	35	35	1,278 0.17%	1,278 0.17%	0	0	0	0	0	0	0	0	1,278 0.17%	1,278 0.17%	None
Director	Huang, Jui-Nan	0	0	0	0	1,243	1,243	35	35	1,278 0.17%	1,278 0.17%	11,912	11,912	108	108	0	0	0	0	13,297 1.73%	13,297 1.73%	None
Independent Director	Chang, Jen-Chih	0	0	0	0	1,404	1,404	35	35	1,439 0.19%	1,439 0.19%	0	0	0	0	0	0	0	0	1,439 0.19%	1,439 0.19%	None
Independent Director	Yu, Chwo-Ming	0	0	0	0	1,490	1,490	35	35	1,525 0.20%	1,525 0.20%	0	0	0	0	0	0	0	0	1,525 0.20%	1,525 0.20%	None
Independent Director	Lin, Hsiu-Ting (Note 12)	0	0	0	0	993	993	20	20	1,013 0.13%	1,013 0.13%	0	0	0	0	0	0	0	0	1,013 0.13%	1,013 0.13%	None
Independent Director	Lin, Yih-Jong (Note 13)	0	0	0	0	503	503	15	15	518 0.07%	518 0.07%	0	0	0	0	0	0	0	0	518 0.07%	518 0.07%	None

1. The policies, systems, standards, and structure of Independent Directors' remuneration, and describe the correlation with the amount of remuneration according to the responsibilities, risks, and investment time:
The Company mainly distributes the remuneration of Directors in accordance with the "Operating Procedures for Performance Evaluation of Board of Directors" and "Directors' Remuneration Distribution Method". According to the Articles of Incorporation, if the Company is profitable in the current year (means the Pre-tax Income before deduction of the employees' and Directors' compensation) in the current year. Directors' payout should be no more than 2%. The remuneration of Directors in the preceding paragraphs only can receive the profit in the form of cash. The proportion and amount of Directors' remuneration allocation each year are proposed by the Remuneration Committee based on the Company's operating performance, business risks, development trends and reference to industry standards, and by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of Directors. The distribution of remuneration for Directors and Independent Directors is first based on the Directors' attendance at the Shareholders' Meeting, the degree of participation in the Company's operations, and the evaluation of the value of their contribution. The distribution of reasonable remuneration is given priority, and the weighted calculation is based on the content of positions and functional committee members. In general, Directors' remuneration is evaluated according to the performance of the responsibilities, risks, and time invested, and the rationality of the remuneration has been evaluated by the Nomination Committee, reviewed by the Remuneration Committee, and passed by the Board of Directors. Relevant laws and regulations review the remuneration system in a timely manner to implement corporate governance and expect to make the distribution of remuneration for Directors transparent, rational and institutionalized.
2. Except as disclosed in the above table, the remuneration received by the Directors of the Company for providing services to all the companies in the financial report in the most recent year (such as serving as a non-employee consultant for the parent company, all companies and investment enterprises in the consolidated financial statements): TWD\$0
3. Retirement pay and Pension is the contribution of labor pension funds paid on a monthly basis according to the law.

- Note 1: The names of Directors shall be listed separately (the institutional shareholder and its representative should be illustrated separately), and Directors and Independent Directors shall be listed separately, and the various payment amounts shall be disclosed in a collective manner.
- Note 2: Refers to remuneration in the past year for the Directors (including Director's salaries, additional fees, severance pay, various bonuses, incentive payouts, etc.)
- Note 3: Director's remuneration for the past year, approved by the Board.
- Note 4: Director's operating expenses in the past year (includes transportation, special fees, various allowances, lodging, allotted vehicles, other amenities, etc.) In the case of the provision of housing, cars and other means of transport or exclusive payments, the nature and cost of the assets provided, rental at actual or at a fair market price, fuel and other payments should be disclosed. Where a driver is assigned, including the payment made by the Company that is not already included in the remuneration.
- Note 5: Remuneration for Directors who are also employees (includes Presidents, Vice Presidents, other managerial officers, and employees) including salaries, job add-on, severance pay, various bonuses, incentive payouts, transportation expenses, special skills fees, various allowances, lodging, allotted vehicles and other amenities. In the case of the provision of housing, cars and other means of transport or exclusive payments, the nature and cost of the assets provided, rental at actual or at a fair market price, fuel and other payments should be disclosed. Where a driver is assigned, including the payment made by the Company that is not already included in the remuneration. Per IFRS 2 the salary expenses recognized in the "Share-based payment", including the acquisition of employee stock option certificates, restricted shares, and participation in cash increase subscription shares, shall also be included in the remuneration.
- Note 6: Past year's remuneration (including stock and cash) approved by the Board of Directors to Directors also serving as employees (includes the President, Vice Presidents, other managerial officers, and employees). If an estimate is not available, compute using the previous year's actual payouts and complete Table 1-3.
- Note 7: All categories of remuneration paid to the Directors by the companies (including this Company) listed in the consolidated report, must be disclosed.
- Note 8: Total remuneration paid to each Director must be disclosed in the appropriate range against the Name of Director.
- Note 9: All categories of remuneration paid to the Directors by the companies (including this Company) listed in the consolidated report, must be disclosed in the appropriate range against the Name of Director.
- Note 10: Net profit after tax refers to the past year's net profit after tax. Per international financial reporting standards, net profit after tax refers to the net profit after tax of the parent company or individual companies in the past year.
- Note 11: a. State clearly the remuneration amount paid to the Director by reinvested businesses other than subsidiary or parent company (Fill in "None" if not in the case).
b. If the Director has received remuneration from reinvested businesses other than subsidiary or parent company, please specify the amount received in the relevant ranges tabled and denote these as "Parent company and all reinvested businesses".
c. Remuneration here refers to any fees, compensation (including the remuneration for employees, Directors, and supervisors) and reimbursement for expenses incurred while executing their duties in the appointments held by Directors, supervisors or Presidents in reinvested businesses other than subsidiary or parent company.
- Note 12: Appointed on May 24, 2024.
- Note 13: Dismissed on May 24, 2024.

* The remuneration disclosed in the table differs from the concept of income defined according to Income Tax Law, therefore, the table is for the purpose of information disclosure instead of tax levy.

(2) Remuneration to President and Vice Presidents (Disclosure of Aggregate Remuneration Plus Disclosure of Names by Remuneration Range)

Unit: Thousand shares/NT\$ Thousand

Job Title	Name	Salary (A) (Note 2)		Retirement Pay and Pension (B)		Rewards and Special Disbursements (C) (Note 3)		Employee Profit-Sharing Compensation (D) (Note 4)				Sum of A+B+C+D and Ratio to Net Income (%)		Remuneration Received from Investee Enterprises other than Subsidiaries or from the Parent Company (Note 9)
		The Company	All Consolidated Entities (Note 5)	The Company	All Consolidated Entities (Note 5)	The Company	All Consolidated Entities (Note 5)	The Company		All Consolidated Entities (Note 5)		The Company	All Consolidated Entities (Note 5)	
								Amount in Cash	Amount in Stock	Amount in Cash	Amount in Stock			
President	William Wu (Note 10)	26,071	26,337	916	932	22,269	22,269	0	0	0	0	49,256 6.41%	49,538 6.44%	0
President	Chiven Fan (Note 10)													
President	Huang, Jui-Nan (Note 10)													
Chief Strategy Officer	Yang, Yu-Te													
Senior Vice President	Jane Hsu													
Senior Vice President	Henry Lin													
Vice President	Joanne Lin (Note 11)													
Vice President	Gary Tsao (Note 11)													

* Disclosures must be made for all persons in positions equivalent to general manager or assistant general manager, regardless of job title (e.g., president, chief executive officer, chief administrative officer...etc.)

* Retirement pays and pension is the contribute labor pension funds paid on a monthly basis according to the law.

Remuneration Range Table for President and Vice Presidents

Ranges of Remuneration Paid to Each of the Company's President and Vice Presidents	Names of President and Vice Presidents	
	The Company (Note 6)	All Consolidated Entities (Note 7)
Less than NT\$1,000,000	None	None
NT\$ 1,000,000 ~ NT\$ 2,000,000(excl.)	None	None
NT\$ 2,000,000 ~ NT\$ 3,500,000(excl.)	Gary Tsao (Note 11)	Gary Tsao (Note 11)
NT\$ 3,500,000 ~ NT\$ 5,000,000(excl.)	Joanne Lin (Note 11), William Wu, Chiven Fan, Henry Lin	Joanne Lin (Note 11), William Wu, Chiven Fan, Henry Lin
NT\$ 5,000,000 ~ NT\$ 10,000,000(excl.)	Yang, Yu-Te, Jane Hsu	Yang, Yu-Te, Jane Hsu
NT\$ 10,000,000 ~ NT\$ 15,000,000(excl.)	Huang, Jui-Nan (Note 10)	Huang, Jui-Nan (Note 10)
NT\$ 15,000,000 ~ NT\$ 30,000,000(excl.)	None	None
NT\$ 30,000,000 ~ NT\$ 50,000,000(excl.)	None	None
NT\$ 50,000,000 ~ NT\$ 100,000,000(excl.)	None	None
NT\$100,000,000 or more	None	None
Total	8	8

Note 1: The name of each general manager and assistant general manager shall be stated separately, based on the amount of the aggregated remuneration items paid to each. If a director concurrently serves as a general manager or an assistant general manager, please complete this table and Table (1-1), or Tables (1-2-1) and (1-2-2).

Note 2: This includes salary, duty allowances, and severance pay to the general manager(s) and assistant general manager(s) in the most recent fiscal year.

Note 3: This includes the amounts of all types of rewards, incentives, travel expenses, special disbursements, stipends of any kind, provision of facilities such as accommodations or vehicle, and other compensation to the general manager(s) and assistant general managers(s) in the most recent fiscal year. If housing, car or other form of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base compensation paid by the Company to the driver, but do not include it in the calculation of the director remuneration. Additionally, salary expenses recognized as share-based payment under IFRS 2—including employee share subscription warrants, new restricted employee shares, and participation in share subscription under a rights offering,—should be included in the calculation of remuneration.

Note 4: This refers to employee profit-sharing compensation (including stocks and cash) received by the general manager(s) and assistant general manager(s) as approved or expected to be approved by the board of directors for the most recent fiscal year (including concurrent service as general manager, assistant general manager, other managerial officer, or non-managerial employee). If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed

in the preceding fiscal year. Table 1-3 should also be completed.

Note 5: Disclose the total amount of remuneration in each category paid to the general manager(s) and assistant general manager(s) by all companies in the consolidated financial report (including the Company).

Note 6: Disclose the names of the general manager(s) and assistant general manager(s) in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each general manager and assistant general manager by the Company.

Note 7: Disclose the names of the general manager(s) and assistant general manager(s) in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each general manager and assistant general manager of the Company by all companies in the consolidated financial report (including the Company).

Note 8: Net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note 9: a. In this column, specifically disclose the amount of remuneration received by the general manager(s) and assistant general manager(s) of the Company from investee enterprises other than subsidiaries or from the parent company (if none, state “None”).

b. If general manager(s) or assistant general manager(s) of the Company have received remuneration from investee enterprises other than subsidiaries or from the parent company, that remuneration shall be added into the amount in Column E of the Remuneration Range Table, and the name of that column shall be changed to “Parent company and all investee enterprises.”

c. Remuneration means remuneration received by the general manager(s) and assistant general manager(s) of the Company for serving in capacities such as director, supervisor, or managerial officer at investee companies other than subsidiaries or at the parent company, including base compensation, profit-sharing compensation (including employee, director, and supervisor profit-sharing compensation) and expenses and perquisites.

Note 10: On February 26, 2025, the Board of Directors resolved to dismiss director Huang, Jui-Nan from his position as president of Axiomtek and appointed him as special assistant to the chairman, William Wu and Chiven Fan were newly appointed as co-president of Axiomtek, effective March 1, 2025.

Note 11: Dismissed from managerial officers on Dec 31, 2024

* This table is for information disclosure purposes only and is not intended to be used for tax purposes, as the remuneration disclosed in this table differs from the concept of income under the Income Tax Act.

Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officers:

Unit: NT\$ Thousand

	Job Title (Note 1)	Name (Note 1)	Amount in Stock	Amount in Cash	Total	As a % of Net Income
Managerial officers	Assistant Vice President	Alex Pan	0	671	671	0.09%
	Assistant Vice President	Shang Hsieh				

Note 1: Names and job titles should be disclosed individually, but profit distributions received may be disclosed in aggregate.

Note 2: Fill in the amount of employee profit-sharing compensation (including stocks and cash) received by the managerial officers as approved or expected to be approved by the board of directors for the most recent fiscal year. If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed in the preceding fiscal year. If the Company has already adopted the IFRS, net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note 3: The applicable scope of “managerial officers” is defined under the 4 October 2023 FSC Order No. 1120384295 as persons in the following positions:

- (1) General manager(s) and equivalent level positions
- (2) Assistant general manager(s) and equivalent level positions
- (3) Deputy assistant general manager(s) and equivalent level positions
- (4) Chief officer of the finance division
- (5) Chief officer of the accounting division
- (6) Other persons who have the power to manage affairs and sign up for the Company

Note 4: If any director, general manager, or assistant general manager receives profit-sharing compensation (including stocks or cash), complete this table in addition to Table 1-2.

- (3) Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports, as paid by the Company and by each other company included in the consolidated financial statements during the past 2 fiscal years to Directors, president and vice presidents, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure:
 - A. Total remuneration paid by the Company and by each other company included in the consolidated financial statements during the past 2 fiscal years to Directors, president and vice presidents of the Company, and the ratio of net income stated in the parent company only financial reports.

Unit: NT\$ Thousand

Year	Total Remuneration Paid to Directors, President and Vice Presidents of the Company		Ratio of Total Remuneration Paid to the Company's Directors, President and Vice Presidents to the Net Income of Parent Company Only Financial Reports (%)	
	The Company	All Consolidated Entities	The Company	All Consolidated Entities
2024	59,940	60,222	7.81%	7.84%
2023	80,870	80,870	11.11%	11.11%

The total remuneration paid by the Company and by each other company in the consolidated reports to the Directors, president and vice presidents of the Company in 2024 and 2023 accounted for 7.81%, 7.84% and 11.11%, 11.11% of the net income of parent company only financial report, respectively. This is mainly due to the decrease in individual performance achievement YOY (such as company revenue and operating profit achievement rate) compared to 2023, which affected the remuneration calculation, and the increase in profit in 2024 compared to 2023, resulting in a decrease in the proportion of total remuneration to net profit after tax in the individual financial report.

- B. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with operating performance and future risk exposure:

The Company's remuneration policy for Directors is mainly handled in accordance with the “Operating Procedures for Performance Evaluation of Board of Directors” and the “Measures for the Distribution of Directors’ Remuneration”. According to the Article 27 of the Company’s Articles of Incorporation: This Company shall set aside 1%-20% as employees’ remuneration and the percentage lower than 2% as Directors’ remuneration if the Company has the profit (means the pre-tax income before deduction of the employees’ and Directors’ remuneration) in the current year. However, the Company’s accumulated deficit

shall have been covered, if any (including the adjustment of unappropriated retained earnings). The remuneration of Directors can only be paid in cash.

The ratio and amount of Directors' remuneration and employee's remuneration are proposed by the Remuneration Committee based on the Company's operating performance, business risks, development trends and reference to the industry standard, and it is implemented by a resolution of more than two-thirds of the Directors present at the Board of Directors and approved by more than half of the Directors present. The distribution of Directors and Independent Directors' remuneration is first based on the Directors' attendance at the Shareholders' Meeting, the degree of participation in the Company's operations, and the evaluation of the value of their contribution. The distribution of reasonable remuneration is given priority, and the weighted calculation is secondly based on the positions held and the number of functional committee members. Additional travel expenses will be paid according to the attendance of Directors. All in all, Directors' remuneration is evaluated according to the performance of the responsibilities, risks, and time invested, and the rationality of the remuneration has been evaluated by the Nomination Committee, reviewed by the Remuneration Committee and approved by the Board of Directors, and to review the remuneration system at any time according to the actual operating conditions and relevant laws and regulations, in order to implement corporate governance, and hope to make the distribution of remuneration for Directors transparent, rational and institutionalized.

The remuneration of the president, vice presidents, and managerial officers are based on the Company's compensation and benefits management process and in consideration of the average salary of the same position in the industry, the scope of responsibilities of the role in the Company, and the achievement of the personal Objective and Key Results (OKR) set by the Company. Reasonable remuneration shall be distributed in consideration of not only the Company operating performance, potential risks and development trends, but also the personal goal achievements (ex. the achievement of the Company's revenue, operating income, income before tax, and OKR) and contribution to the Company's operating results. Evaluation of the performance and reasonableness of the remuneration shall be assessed by the Nomination Committee, reviewed by the Remuneration Committee, and resolved by the Board of Directors and may be adjusted in a timely manner according to the operations and the related laws and regulations, so as to achieve the Company's sustainable development and risk management.

3. Implementation of Corporate Governance

(1) Operations of the Board of Directors

A total of 7 (A) meetings of the Board of Directors were held in 2024. The attendance by the Directors was as follows:

Title	Name	No. of Attendance in Person (B)	No. of Attendance by Proxy	In-Person Attendance Rate (%) 【B/A】	Remarks
Chairman	Yang, Yu-Te	7	0	100	None
Director	Advantech Co., Ltd. Representative: Liu, Wei-Ting	7	0	100	None
Director	Tsai, Shih-Yang	7	0	100	None
Director	Huang, Jui-Nan	7	0	100	None
Independent Director	Chang, Jen-Chih	7	0	100	None
Independent Director	Yu, Chwo-Ming	7	0	100	None
Independent Director	Lin, Hsiu-Ting	4	0	100	This Director was appointed on May 24, 2024 and is required to attend four Board meetings in 2024.
Independent Director	Lin, Yih-Jong	3	0	100	This Director was dismissed on May 24, 2024 and is required to attend three Board meetings in 2024.

Other information required to be disclosed:

I. If any of the following circumstances exists, specify the board meeting date, meeting session number, content of the motion(s), the opinions of all the independent directors, and the measures taken by the Company based on the opinions of the independent directors:

(I) Any matter under Article 14-3 of the Securities and Exchange Act:

The Company has established the Audit Committee. As such, the circumstances listed under Article 14-3 of Securities Exchange Act regulation do not apply.

(II) In addition to the matters referred to above, any dissenting or qualified opinion of an independent director that is on record or stated in writing with respect to any board resolution.: None.

II. The status of implementation of recusals of directors with respect to any motions with which they may have a conflict of interest: specify the director's name, the content of the motion, the cause for recusal, and whether and how the director voted:

(I) Board of Directors on Feb 22, 2024:

1. The Company's managerial officers received operating bonus in the second half of 2023.

Voting situation: Due to the self-interest of Chairman and Chief Strategy Officer Yang, Yu-Te, and Director and president Huang, Jui-Nan, the Chairman and the president recused the meeting before the case proceeded. The resolution was passed by the acting Chairman Lin, Yih-Jong, the independent director after consultation with all the

Directors attending the meeting without objection.

- III. For a TWSE or TPEX listed company, disclose information including the evaluation cycle and period(s) of the Board of Directors' self-evaluations (or peer evaluations) and the evaluation method and content. Additionally, complete the table of Implementation of Evaluations of the Board of Directors.
- IV. Give an evaluation of the targets that were adopted for strengthening the functions of the board during the current and immediately preceding fiscal years (e.g., establishing an audit committee, increasing information transparency, etc.) and the measures taken toward achievement thereof:
- (I) In order to improve Corporate Governance and strengthen relevant functions of the Board of Directors, the Company has elected three Independent Directors in accordance with the Articles of Incorporation and Article 14-2 of the Securities and Exchange Act and established a Remuneration Committee since August 2011 to assist the Board of Directors in implementing relevant compensation management. Since its establishment on June 3, 2015, the Audit Committee has, in accordance with Article 14-5 of the Securities Exchange Act conducted audits of the relevant operations and the scope of responsibilities of the supervisor. Since October 26, 2016, the Company has established a Nominating Committee to improve the functionality of the Board of Directors and strengthen the management mechanism. In order to implement the sustainable development of the enterprise, the "Sustainable Development Committee" was established on October 26, 2023.
- (II) Since the establishment of the Remuneration Committee in 2011, and the operation has been running smoothly.
- Since the establishment of Audit Committee in 2015 and according to Article 14-5 of the Securities and Exchange Act, the Audit Committee conducted audits of the relevant operations and the scope of responsibilities of the Supervisor, and the operation was running smoothly.
- Since the establishment of the Nominating Committee in 2016, and the operation has been running smoothly. The "Sustainable Development Committee" was established on October 26, 2023 and the first Sustainable Development Committee was convened on March 21, 2024, and the operation was running smoothly.
- The Company adheres to the principle of information transparency and publishes important resolutions on the Market Observation Post System and the Company website after the meeting of the Board of Directors to protect the rights of shareholders.
- (III) In order to improve the performance of the Board of Directors, an external professional independent organization or a team of external experts and scholars shall conduct an evaluation of the performance of the Board of Directors at least once every three years. In August 2024, the Company appointed the Taiwan Corporate Governance Association (hereinafter referred to as the "Association") to conduct an external performance evaluation of the Board of Directors. The Association has no business dealings with the Company and is independent. The review period for this evaluation is from December 1, 2023 to November 30, 2024. The evaluation was conducted through an open questionnaire, and the evaluation committee and the specialists conducted a video review and video interview. The Association completed the on-site evaluation on January 15, 2025 and issued a performance evaluation report and certificate for the Board of Directors on February 11, 2025. The Company has disclosed the implementation status and evaluation results on its website and annual report. The recommendations of the Association and the improvement measures taken by the Company are as follows:

Item	Recommendations from the Assessment Report	Improvement measures of the Company
1	Incorporate ESG promotion goals into the performance indicators of senior executives	The performance indicators of senior executives will be widely incorporated into the ESG promotion goals and are expected to be completed by the end of April 2025.
2	Expanding the reporting procedures for major incidents to include independent directors	A new "Major Incident Reporting Procedure" has been formulated and submitted to the Board of Directors for approval on February 26, 2025.
3	Incorporate new director training into corporate governance system norms.	The "Corporate Governance Code of Practice" has been amended to include training assignments for new directors and was submitted to the Board of Directors for approval on February 26, 2025.

Note 1: For a director that is a juristic person (corporate entity), disclose the name of the corporate shareholder and the name of its representative.

Note 2: a. If any director or supervisor leaves office before the end of the fiscal year, specify the date that they leave office in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of board meetings held and the number they attended in person during the period they were in the office.

b. If any by-election for directors or supervisors was held before the end of the fiscal year, the names of the new and old directors and supervisors should be filled in the table, with a note stating whether the director or supervisor left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of board meetings held and the number attended in person during the period of each such person's actual time in office.

Note 3: Implementation of the Board of Directors Evaluation

Evaluation Cycle	Evaluation Period	Scope of Evaluation	Method of Evaluation	Evaluation Content
Performed Once a year	2024/01/01 ~ 2024/12/31	Performance evaluation of the Board of Directors	Evaluated by the convener of the Nomination Committee	1. Degree of participation in company operations 2. Improve the quality of Board decisions 3. Board composition and structure 4. Selection of Directors and continuing education 5. Internal control
Performed Once a year	2024/01/01 ~ 2024/12/31	Performance evaluation of the individual Directors	Self-evaluation by the Board of Directors members	1. Master the Company's goals and tasks 2. Director's responsibilities 3. Degree of participation in company operations 4. Internal relationship management and communication 5. Professional and continuous education of Directors 6. Internal control
Performed Once a year	2024/01/01 ~ 2024/12/31	Performance evaluation of Audit Committee	Evaluated by the convener of the Nomination Committee	1. Degree of participation in company operations 2. Audit Committee responsibilities 3. Improve the quality of Audit Committee decision-making 4. Composition of the Audit Committee and selection of its members 5. Internal control
Performed Once a year	2024/01/01 ~ 2024/12/31	Performance evaluation of Remuneration Committee	Evaluated by the convener of the Nomination Committee	1. Degree of participation in company operations 2. Remuneration Committee responsibilities 3. Improve the quality of Remuneration Committee decision-making 4. Composition of the Remuneration Committee and selection of its members
Performed Once a year	2024/01/01 ~ 2024/12/31	Performance evaluation of Nomination Committee	Evaluated by the convener of the Nomination Committee	1. Degree of participation in company operations 2. Nomination Committee responsibilities 3. Improve the quality of Nomination Committee decision-making 4. Composition of Nomination Committee and selection of members
Performed Once a year	2024/01/01 ~ 2024/12/31	Performance evaluation of Sustainable Development Committee	Evaluated by the convener of the Nomination Committee	1. Degree of participation in company operations 2. Sustainable Development Committee responsibilities 3. Improve the quality of Sustainable Development Committee decision-making 4. Composition of Sustainable Development Committee and selection of members

(2) Operation of the Audit Committee

Professional qualifications and experience of Audit Committee members

Title	Name	Professional Qualifications and Experience	Principal Work Experience and Academic Qualifications
Independent Director	Chang, Jen-Chih	Master of Accounting, National Chengchi University. Passed the national examination and obtained the accountant certificate. Certified Public Accountant of Hot Tai Accounting Firm. Possesses the work experience required for business finance, accounting and corporate business and being good at leadership, accounting and financial analysis, crisis management and have industry knowledge and international market outlook.	Department Head, Department of Accounting & Statistics, Chungyu College of Business Management Department Head, National Taipei College of Business Master of Accounting, National Chengchi University Bachelor of Accounting, National Chung Hsing University
Independent Director	Yu, Chwo-Ming	Possesses the work experience required for business and corporate business, currently serving as Professor of Department of Industrial and Business Management, Chang Gung University, and previously serving as Professor of Department of Business Administration, National Chengchi University and Independent Director of the TWSE/TPEX listed companies. Being good at leadership, business judgment, business management, crisis management and have industry knowledge and international market outlook.	Professor of Department of Business Administration, National Chengchi University Independent Director of Yuanta Futures Co., Ltd. Independent Director of Advantech Co., Ltd. Independent Director of Yuanta Commercial Bank Co., Ltd. Ph.D. of Business Administration of University of Michigan
Independent Director	Lin, Hsiu-Ting	Graduated from the Bachelor of Accounting, National Chengchi University Chairman of I Am That Co., Ltd. and Dong Qiong International Music Co., Ltd., Independent Director of Thai Kin Co., Ltd., Supervisor of Powerful Content Inc.. Previously served as the CFO of SCT Ltd. Taiwan Branch. Possess work experience required for business and corporate operations, and be good at operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market perspective and decision-making ability.	CFO of SCT Ltd. Taiwan Branch Bachelor of Accounting, National Chengchi University

A total of 6 (A) Audit Committee were held in 2024. The attendance of the Independent Directors was as follows:

Title	Name	No. of Attendance In Person (B)	No. of Attendance by Proxy	In-Person Attendance Rate (%) 【B/A】	Remarks
Independent Director (Convener)	Chang, Jen-Chih	6	0	100	None
Independent Director	Yu, Chwo-Ming	6	0	100	None
Independent Director	Lin, Hsiu-Ting	4	0	100	This member was appointed on May 24, 2024 and is required to attend four Board meetings in 2024.
Independent Director	Lin, Yih-Jong	2	0	100	This member was dismissed on May 24, 2024 and is required to attend two Board meetings in 2024.

Other information required to be disclosed:

- I. If any of the following circumstances exist, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the Audit Committee:
- (I) Any matter under Article 14-5 of the Securities and Exchange Act.

Audit Committee	Subjects & Follow Up	Article 14-5 of the Securities and Exchange Act	Not Approved by the Audit Committee but was Approved by a two-thirds or Greater Majority Resolution of the Board of Directors
The 14 th time of the 3 rd term Feb 22, 2024	1. 2023 Business Report and Financial Statements (including Parent Company Only and Consolidated Financial Statements) of the Company.	V	
	2. The Company's 2023 earnings distribution.	V	
	3. Design and implementation effectiveness of 2023 internal control systems and statement of internal control system.	V	
	4. Revise Internal Control System and Internal Audit Implementation Rules of the Company.	V	
	5. The Company's 2023 annual operating plan.	V	
	6. Matters of CPA Change.	V	
	7. Release of the restrictions on the competition of the Company's directors and their representative.	V	
	Contents of Independent Directors' objections, reservations or major suggestions: All Independent Directors have no objection or reservation.		
	Result of the Audit Committee meeting: The chairman consulted with all the members present and passed the resolution.		
	The measures taken by the Company based on the opinions of the Audit Committee: After consultation with all directors' present (including independent directors), the		

	proposal was approved without objection.		
The 15 th time of the 3 rd term Apr 25, 2024	1. The Company's consolidated financial statements for the first quarter of 2024.	V	
	2. The Company intends to renew the contract with Taishin Bank to apply for TWD loan and derivative financial product transaction quota.	V	
	Contents of Independent Directors' objections, reservations or major suggestions: All Independent Directors have no objection or reservation.		
	Result of the Audit Committee meeting: The chairman consulted with all the members present and passed the resolution.		
	The measures taken by the Company based on the opinions of the Audit Committee: After consultation with all directors' present (including independent directors), the proposal was approved without objection.		
The 2 nd time of the 4 th term Jul 25, 2024	1. The Company's consolidated financial statements for the second quarter of 2024.	V	
	2. The Company intends to lend funds to its subsidiary, Paytronex Co., Ltd. (hereinafter referred to as Paytronex), with a maximum limit of NT\$50 million to supplement its operating capital.	V	
	3. The Company intends to issue 2024 employee stock options at par value.	V	
	4. Regarding PwC's review of the Company's issuance of 2024 employee stock option certificates	V	
	5. Proposal for the Company's 2024 and 2025 PWC audited expense adjustment	V	
	6. The Company intends to renew the contract with E.SUN Bank for an unsecured comprehensive and medium-term credit line of TWD250 million and a derivative financial product exposure limit of USD500,000.	V	
	7. Release of the Restrictions on the Competition of the Company's Directors.	V	
	Contents of Independent Directors' objections, reservations or major suggestions: All Independent Directors have no objection or reservation.		
	Result of the Audit Committee meeting: The chairman consulted with all the members present and passed the resolution.		
	The measures taken by the Company based on the opinions of the Audit Committee: After consultation with all directors' present (including independent directors), the proposal was approved without objection.		
The 3 rd time of the 4 th term Sep 26, 2024	1. Proposal for the Allocation List of Employee Stock Options for the 2024 for Employees Without Director or Managerial Status.	V	
	Contents of Independent Directors' objections, reservations or major suggestions: All Independent Directors have no objection or reservation.		
	Result of the Audit Committee meeting: The chairman consulted with all the members present and passed the resolution.		
	The measures taken by the Company based on the opinions of the Audit Committee: After consultation with all directors' present (including independent directors), the proposal was approved without objection.		
The 4 th time of the 4 th term Oct 29, 2024	1. The Company's consolidated financial statements for the third quarter of 2024.	V	
	2. The Company's audit results for the third quarter of 2024.	V	
	3. Regularly evaluate the independence of the	V	

	Company's CPA every year (once a year)		
	4. Amendment of the Company's "Internal Control System" and "Internal Audit Implementation Rules"	V	
	5. 2025 annual audit plan	V	
	6. Apply for liquidation and dissolution of subsidiary Axiomtek Japan Co., Ltd. (AXJP)	V	
	7. The Company intends to renew the contract with Hua Nan Bank to apply for TWD 250 million and derivative financial product trading quota of USD 400,000.	V	
	Contents of Independent Directors' objections, reservations or major suggestions: All Independent Directors have no objection or reservation.		
	Result of the Audit Committee meeting: The chairman consulted with all the members present and passed the resolution.		
	The measures taken by the Company based on the opinions of the Audit Committee: After consultation with all directors' present (including independent directors), the proposal was approved without objection.		
	(II) In addition to the matters referred to above, any matter that was not approved by the Audit Committee but was approved by a two-thirds or greater majority resolution of the Board of Directors: None.		
II.	Implementation of recusals of Independent Directors with respect to any motions with which they may have a conflict of interest: specify the Independent Director's name, the content of the motion, the cause for recusal, and whether and how the Independent Director voted: None. Each Audit Committee member fully expressed their opinion at the meeting.		
III.	Communication between the Independent Directors and the head of internal auditor and the CPAs that serve as external auditor (including any significant matters communicated about with respect to the state of the Company's finances and business and the method(s) and outcomes of the communication.):		
	(I) The accountants explain to Independent Directors on the Audit Committee non periodically every year (at least twice a year) about the result of review or audit the Company's financial report, adjusted or reclassified entries and IFRSs revision compliance, and the impact of recent changes in fiscal and taxation comprehensive strategies such as securities management laws, tax laws and labor laws on the Company. In case of major anomalies, a meeting may be called at any time. Accountants communicate with Independent Directors every year and reach consensus on important key audit matters of the Company.		
	(II) The Company's head of internal auditor sent the confirmed audit report for the previous month to the Independent Directors' email address before the end of each month and obtain the Independent Directors' receipt letters. In addition to the audit report and tracking improvement report being delivered to Independent Directors for inspection before the end of the next month after the audit project is completed, the head of internal auditor attend the Audit Committee at least once a quarter to explain to the Independent Directors the findings and improvement of the previous quarter's auditing and report the results of the meeting to the Board of Directors. The head of internal auditor is subject to amendments to the "Internal Control System" and "Implementation Rules for Internal Audit", and the relevant content shall be submitted to the Audit Committee for discussion and approval before being submitted to the Board for approval.		
	(III) Independent Directors communicate directly with head of internal auditor and CPAs by email, telephone or meeting as required, and communication between the Independent Directors, the Company's head of internal auditor and CPAs have been functioning well.		
	(IV) The communication between the Company's Independent Directors, head of internal auditor, and CPAs (methods, events, and results of communication on the Company's financial reports and financial business status) has been disclosed on the Corporate Governance/Audit Committee page of the Company's website.		

(V) Summary of communication between the Independent Directors, head of internal auditor and the CPAs.

Participant	Date	Attendees	Significant Matters of Communication	Outcome of the Communication
Head of Internal Auditor	Feb 22, 2024 Audit Committee	Independent Directors: Chang, Jen-Chih, Lin, Yih-Jong, Yu, Chwo-Ming Internal Auditor: Alex Mou PwC Taiwan: CPA Lin, Po-Chuan, Manager Raby Cheng	1. 2023 Q4 audit report 2. The status of the execution of the internal control system and the results of the self-audits. Discuss the effectiveness of the 2023 internal control system and the internal control system statement. 3. Explanation and discussion on the revision of the "Internal Control System" and "Internal Audit Implementation Rules" of the company.	The defect part has been improved immediately. Report to the Board of Directors after resolution passed.
	Apr 25, 2024 Audit Committee	Independent Directors: Chang, Jen-Chih, Lin, Yih-Jong, Yu, Chwo-Ming Internal Auditor: Alex Mou	1. 2024 Q1 audit report	The defect part has been improved immediately. Report to the Board of Directors after resolution passed
	Jul 25, 2024 Audit Committee	Independent Directors: Chang, Jen-Chih, Yu, Chwo-Ming, Lin, Hsiu-Ting Internal Auditor: Alex Mou PwC Taiwan: CPA Lin, Po-Chuan, Manager Raby Cheng	1. 2024 Q2 audit report	The defect part has been improved immediately. Report to the Board of Directors after resolution passed
	Oct 29, 2024 Audit Committee	Independent Directors: Chang, Jen-Chih, Yu, Chwo-Ming, Lin, Hsiu-Ting Internal Auditor: Alex Mou	1. 2024 Q3 audit report 2. 2025 annual audit plan 3. Explanation and discussion on the revision of the "Internal Control System" and "Internal Audit Implementation Rules"	The defect part has been improved immediately. Report to the Board of Directors after resolution passed

Head of Internal Auditor	Jan 29, 2024 Mar 5, 2024 Apr 16, 2024 May 3, 2024 Jun 5, 2024 July 4, 2024 Aug 13, 2024 Sep 5, 2024 Oct 7, 2024 Nov 4, 2024 Dec 2, 2024 Dec 31, 2024 Internal audit reports	Send the confirmed internal audit report of the previous month to the mailbox of each Independent Director before the end of each month	Jan 2024 Monthly audit and tracking report. Feb 2024 Monthly audit and tracking report. Mar 2024 Monthly audit and tracking report. Apr 2024 Monthly audit and tracking report. May 2024 Monthly audit and tracking report. Jun 2024 Monthly audit and tracking report. Jul 2024 Monthly audit and tracking report. Aug 2024 Monthly audit and tracking report. Sep 2024 Monthly audit and tracking report. Oct 2024 Monthly audit and tracking report. Nov 2024 Monthly audit and tracking report. Dec 2024 Monthly audit and tracking report.	According to the 2024 annual audit plan passed on Oct 26, 2023, various circular audits will be carried out monthly, and the audit results and follow-up reports will be sent to each Independent Directors before the end of each month and obtained all Independent Director's Receipt letter.
Certified Public Accountant	Feb 22, 2024 Audit Committee	Independent Directors: Chang, Jen-Chih, Lin, Yih-Jong, Yu, Chwo-Ming Internal Auditor: Alex Mou PwC Taiwan: CPA Lin, Po-Chuan, Manager Raby Cheng	1. Explain and communicate the results of the audit for 2023 parent company only and consolidated financial reports. 2. The latest comprehensive financial and taxation strategy report: Explain the recent update of laws and regulations on accounting, auditing, securities, taxation, stock affairs and labor, and its impact assessment on the Company and corresponding countermeasures. 3. Audit quality index (AQI) and pre-approval non-assurance service policy. 4. CPA explained to questions raised by the Audit Committee.	The accountant explained the results of the financial report and discussed it with three Independent Directors. Report to the Board of Directors after resolution passed
	Jul 25, 2024 Audit Committee	Independent Directors: Chang, Jen-Chih, Yu, Chwo-Ming, Lin, Hsiu-Ting Internal Auditor: Alex Mou PwC Taiwan: CPA Lin, Po-Chuan, Manager Raby Cheng	1. Explain and communicate the review results of 2024 Q2 consolidated financial statements and the review plan for 2024. 2. The latest comprehensive financial and taxation strategy report: Explain the recent update of laws and regulations on accounting, auditing, securities, taxation, stock affairs and labor, and its impact assessment on the Company and corresponding countermeasures. 3. CPA explained the questions raised by the Audit Committee.	The accountant explained the results of the financial report and discussed it with three Independent Directors. Report to the Board of Directors after resolution passed

IV.	<p>Major tasks and matters of authority of the Audit Committee for the year:</p> <ul style="list-style-type: none"> (I) Discuss the annual operation plan and internal audit plan. (II) Amendments to the internal control systems and assessment of the effectiveness of the internal control systems. (III) Amendments to the procedures for “Operating Procedures for Acquisition and Disposal of Assets” and “Operating Procedures for Loaning of Funds and Making of Endorsement/Guarantee “. (IV) Matters in which a director is an interested party. (V) Asset transactions or derivatives trading of a material nature. (VI) Loans of funds, endorsements, or provision of guarantees of a material nature. (VII) The offering, issuance, or private placement of equity-type securities. (VIII) The hiring or dismissal of a certified public accountant, or their compensation and evaluation of the independence of accountants. (IX) The appointment or discharge of the head of financial, accounting, or internal auditor. (X) Discuss the quarterly and annual financial reports which shall be signed or stamped with the seal of the Chairman, manager, and head of accounting officer. (XI) Discuss the business report and earnings distribution. (XII) Regularly communicate with the head of internal auditor on a quarterly basis and with CPA on a semi-annual basis individually on the audit situation of the previous quarter and the audit/review plan and execution results of the financial statement. (XIII) Other material matters may be required by the Company or by the competent authority.
V.	<p>Review of financial reports</p> <p>The Board of Directors has created the Company’s 2024 annual business report, financial statements, and earnings distribution proposals. The financial statements have been audited by PwC CPAs Lin, Po-Chuan and Wang, Song-Tse and issued an unqualified audited report. The above-mentioned business report, financial statements and surplus distribution proposal have been discussed by the Audit Committee and it is considered that there is no disagreement.</p>
VI.	<p>Evaluate the effectiveness of the internal control systems.</p> <p>Based on the judgment of the effectiveness of the internal control systems as stipulated in the “Guidelines for the Establishment of Internal Control System by Public Issuance Companies”, the Company judges that the design and implementation of the internal control system is effective, and it can reasonably ensure the achievement of the objectives of the internal control systems. The Audit Committee believes that the Company's risk management and internal control systems are effective and that the Company has adopted the necessary controls to monitor and correct violations.</p>
VII.	<p>Appointment of CPAs</p> <p>According to the “ Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies” and Article 29 of the “Corporate Governance Best Practice Principles” of the Company, the Company shall assess the independence and competence of the appointed accountant on a regular basis (once per year/first appointment). Internal self-evaluation of the independence and eligibility of the accredited accountants, Lin, Po-Chuan and Wang, Song-Tse, and the independence statement of the accountant, did not find that the Company's accountants may affect the independence. The 12th time Audit Committee of the 4th term on October 29, 2024, reviewed and approved the independence of Lin, Po-Chuan and Wang, Song-Tse, both meet the independent evaluation criteria, and are fully qualified as financial and tax visa accountants of the Company.</p> <p>On February 26, 2025, the appointed CPA firms of PricewaterCoopers, Taiwan submitted the 2023 audit quality indicators (AQIs) reports to the 5th time Audit Committee of the 4th term. The five aspects of AQIs, including professionalism and quality Control, independence, supervision and innovation capabilities are all superior to the average level of the industry. The Audit Quality Indicators (AQIs) report provides a set of quantitative indicators to measure audit quality, which can assist the Company and the Audit Committee to evaluate the accounting firms and audit teams in improving audit quality capabilities and commitments, with a view to strengthening corporate governance and promoting sustainable business operations.</p>

Note1: If any independent director left the office before the end of the fiscal year, specify the date that they left office in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of audit committee meetings held and the number they attended in person during the period they were in the office.

Note2: If any by-election for independent directors was held before the end of the fiscal year, the names of the new and old independent directors should be filled in the table, with a note stating whether the independent director

left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of board meetings held and the number attended in person during the period of each such person's actual time in office.

(3) Corporate Governance Implementation Status and Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons:

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
1. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	V		The Company has established the “Corporate Governance Best Practice Principles” and posted it on the Company’s website and the Market Observation Post System.	None
2. Shareholding Structure and Shareholders’ Rights				
(1) Does the Company have Internal Operation Procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	V		We have established the “Rules of Procedure for informing of Illegal, Unethical or Unseemly Conduct”, and the spokesman is the corresponding window for handling shareholders’ suggestions, doubts, disputes, and litigation matters, and will be implemented in accordance with the procedures.	None
(2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	V		The Company’s stock affairs have been entrusted by a professional stock agency. Shareholders holding more than 10% of the shares and insiders report their shareholding changes to the Company on a monthly basis. A list of shareholders with a shareholding ratio of more than 5% will be obtained quarterly, and the latest list of major shareholders will be disclosed in the quarterly financial statements and the Company’s website.	
(3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	V		The financial operations of the Company and its related companies are independent of one another with clear lineation of management rights and responsibilities. The Company has established the “Rules Governing Financial and Business Matters Between this Corporation and its Related Parties”, and	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and the Reasons
	Yes	No	Summary Description	
(4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	V		<p>corporate transactions are always executed in accordance with internal control, internal audit, and other relevant regulations, for effective risk management.</p> <p>The Company has established the “Axiomtek Co., Ltd. Operating Procedures and Conduct Principles for Ethical Corporate Management”, clearly prohibiting insider trading; the “Operating Procedures for Handling Material Inside Information” and other internal control procedures like “CB-103 Preventing Insider Trading” etc. to protect the shareholders and the rights and interests of the Company.</p> <p>At least once a year, the Company conducts educational announcements on “Operating Procedures for Handling Material Inside Information” and related regulations for Directors, managerial officers, and employees.</p> <p>This year, the current Directors, managerial officers, and employees were educated on November 1, 2024. The course content includes the confidential operation of major information, as well as the reasons for the formation of internal transactions, the identification process and transaction examples. The relevant information has been placed in the internal employee announcement system, which employees can refer to at any time.</p> <p>The Company’s “Corporate Governance best practice principles” stipulates that insiders should take stock trading control measures from the date when they know the Company’s financial report or related performance content, including (but not limited to) Directors are not allowed 30 days before the announcement of the annual financial report, and every During the closed period of 15 days before the quarterly financial report announcement, its stocks were traded. For the above-mentioned work,</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
			since the revision of the measures in 2022, the company will conduct publicity to a total of 56 insiders every quarter.	
3. Composition and Responsibilities of the Board of Directors				
(1) Have a diversity policy and specific management objectives been adopted by the board and have they been fully implemented?	V		The Board passed a resolution to establish the “Corporate Governance Best Practice Principles”. Chapter 3 “Enhancing the Function of Board of Directors” highlights a diversified approach. The nomination and re-election of the members of the Board is in accordance with the Company’s Articles of Incorporation, applying the method of nominating candidates. We adhere to the “Methods for Election of Directors” and the “Corporate Governance Best Practice Principles” to ensure the diversity and independence of the elected Directors. Please refer to “Diversification and independence of Board of Directors” (page 17~19) in the annual report.	None
(2) Has the Company voluntarily established other functional committees in addition to the Remuneration Committee and the Audit Committee?	V		The Company has established the Remuneration Committee since August 29, 2011; the Audit Committee since June 3, 2015; the Nominating Committee since October 26, 2016. The Company established the functional committees such as Sustainable Development Committee on October 26, 2023.	
(3) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance	V		The Company has established the “Operating Procedures for Performance Evaluation of Board of Directors” which stipulates that the implementation of the performance evaluation of the Board of Directors should be conducted once every three years by an external professional independent organization or a team of external experts and scholars. In August 2024, the Company again appointed the Taiwan Corporate Governance Association (hereinafter referred to as the "Association") to conduct an	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?			external performance evaluation of the Board of Directors for the period from December 1, 2023 to November 30, 2024. The Association completed the on-site evaluation on January 15, 2025 and issued the Board of Directors' performance evaluation report and certificate on February 11, 2025. The Company will also disclose the implementation status and evaluation results on the Company website and annual report. The results of the internal performance evaluation of the Board of Directors shall be completed before the end of the first quarter of next year. The executive unit collects relevant information on Board activities, distributes it to the Directors and the convener of the Nomination Committee, and scores the major evaluation items and the actual operation of the Board of Directors. After the deliberating unit collects the data in a unified manner, the consolidated Board performance evaluation results (Note 2) are sent to the Nomination Committee for review and submitted to the Board of Directors. The performance evaluation results of the Company's directors, Board of Directors and Audit Committee, Remuneration Committee, Nomination Committee and Sustainable Development Committee for 2024 have been submitted to the Nomination Committee for discussion and approval after the directors and independent directors have completed self-evaluation, and the convener of the Nomination Committee has evaluated the performance of the Board of Directors and each functional committee. The results will serve as the basis for the Remuneration Committee to review the directors' remuneration and will be submitted to the Board of Directors on February 26, 2025.	
(4) Does the Company regularly evaluate its external auditors’	V		The Audit Committee of the Company regularly (at least once a year) refers to the latest audit quality indicators (AQIs) and	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
independence?			evaluation notes issued by accounting firms to evaluate the independence and competence of the certified public accountant every year. The Company obtained a declaration of independence issued by the CPA in year 2023. The CFO of the Company assessed the independence and competence of Lin, Po-Chuan and Wang, Song-Tse, CPA of PwC, both of which are in compliance with the assessment criteria (Note 3). No circumstance that may affect the independence of the Company’s CPA has been found. The Company has also submitted the results of the independence assessment to the Board of Directors on October 29, 2024 for review and approval. On February 26, 2025, the appointed CPA firms of PricewaterCoopers, Taiwan submitted the 2023 audit quality indicators (AQIs) reports to the 5 th time Audit Committee of the 4 th term. The five aspects of AQIs, including professionalism and quality Control, independence, supervision and innovation capabilities are all superior to the average level of the industry. The Audit Quality Indicators (AQIs) report provides a set of quantitative indicators to measure audit quality, which can assist the Company and the Audit Committee to evaluate the accounting firms and audit teams in improving audit quality capabilities and commitments, with a view to strengthening corporate governance and promoting sustainable business operations.	
4. Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not	V		The Board of Directors has appointed the Senior Vice President Jane Hsu as the Chief Corporate Governance officer on April 26, 2018 to manage and supervise corporate governance related affairs, so as to protect the rights and interests of shareholders and strengthen the functions of the Board of Directors. Senior Vice President Jane Hsu is a qualified accountant with more than 3 years’ experience in managing financial, stock	None

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?			<p>affairs, or the corporate governance affairs for listed company. The main responsibility of the Chief Corporate Governance is to conduct the related matters of the Board of Directors and Shareholders' Meetings, to prepare the Board and Shareholders' Meetings minutes, to assist the Directors in taking office and continuing training, to provide the Directors with the necessary resources for the operation of the business, and other matters as prescribed by the Company's Articles of Incorporation or agreement matter.</p> <p>Operation implementation conditions in 2024 are as below:</p> <ol style="list-style-type: none"> 1. Assist Independent Directors and General Directors to perform their duties, provide necessary information and arrange Directors' continuing education: <ol style="list-style-type: none"> (1) The Board members are regularly notified of the revision of the Company's business areas and the latest laws and regulations related to corporate governance. (2) Review the relevant information confidentiality level and provide company information required by the Directors, maintain smooth communication between the Directors and business executives. (3) In accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, assist in arranging relevant meetings when Independent Directors need to communicate with the internal audit supervisor or certified accountant individually about the Company's financial matters. (4) In consideration of industry-specific needs and the respective Director's background and experience, assist the Independent Director or Director with annual refresher courses and schedule them accordingly. 	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
			<p>Coordinate and arrange various training activities for new directors, including but not limited to arranging company briefings, field visits, and discussions with important management or board members of the Company to introduce the Company's organization, business and products, and provide relevant promotional materials and precautions related to the rights and obligations of directors for the reference of new directors, so as to help new directors quickly grasp the Company's operating conditions and facilitate their performance of director duties.</p> <p>2. Assist the Board of Directors and shareholders’ meeting procedures and resolutions on compliance matters:</p> <p>(1) Report to the Board, Independent Directors, Audit Committee the state of corporate governance, confirming that the Board of Director and Shareholders’ Meetings are conducted in accordance with related regulations and the Company’s corporate governance guidelines.</p> <p>(2) Assist and remind the Directors of the rules that should be followed in business operations the business or when making a formal resolution and offer suggestions when the Board is about to make a resolution that contravenes the law.</p> <p>(3) After the meetings, check the content of the critical resolutions planned for publication, to ensure accuracy and compliance with regulation, protecting the investors’ interests.</p> <p>3. Notify Directors seven days before the agenda of the Board of Directors, convene the meeting and provide meeting materials. If any Director has a conflict of</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
			<p>interest that needs to be avoided on the motions, it will be reminded in advance. The minutes of the Board of Directors should be completed within 20 days after the meeting.</p> <p>4. In accordance with the law, register the meeting prior to the meeting date and, within the statutory time limit, create the necessary notifications, meeting handbook, minutes and register these during the amendment of the Charter or re-election of the Directors.</p> <p>The scope, system and other training matters of the Company’s Chief Corporate Governance Officer is handled in accordance with the provisions of the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies”. 15 hours of training have been completed in 2024. For the training status, please refer to “Skills upgrade & training” about employee / employer relations in “V. Operation Highlights”.</p>	
<p>5. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholder’s section on its company website? Does the Company appropriately respond to stakeholders’ questions and concerns on important corporate social responsibility issues?</p>	V		<p>The Company has an employee hotline and a complaint mailbox internally, and a spokesman system externally. The Company’s Chinese and English website has established an investor relations area to provide contact information for interested parties (including but not limited to investors, external customers, and suppliers, etc.), and establish a complete communication channel. The Company reports to the Board of Directors about the identity of the identified stakeholders, issues of concern, communication channels, response methods, and communication status once a year. The Company has reported the status of communication with stakeholders (Note 4) to the Board of Directors on Oct 29, 2024.</p>	None

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	V		The Company has appointed Taishin Securities Co., Limited Stock Transfer Agency Department to deal with the Shareholders’ Meeting affairs.	None
7. Information Disclosure				
(1) Has the Company established a corporate website to disclose information regarding its financial, business, and corporate governance status?	V		The Company has set up Chinese and English websites to disclose financial business and corporate governance and other related information.	None
(2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	V		The Company has set up an English website and has a dedicated person responsible for the collection and disclosure of various company information. A spokesman has been set up and reported to the competent authority in accordance with regulations. According to the law, the Company's corporate briefing will release important information on the day of the meeting or the day before the meeting, upload the corporate briefing presentation file on the day of the meeting, and upload audio and video information after the meeting. The relevant information regarding the corporate briefing has been placed on the Company's website.	
(3) Does the Company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the	V		The Company has uploaded 2024 and 2023 consolidated and parent company only financial reports on February 27, 2025 and February 23, 2024, respectively. In addition, the Company also announced and reported the first, second and third quarter financial reports and monthly consolidated revenue before the specified deadline.	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
specified deadlines?				
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors’ continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	V		<p>(I) Employees’ rights and care: The Company aims to create a safe working environment, fulfill corporate social responsibility and take care of employees. In addition to providing various insurance benefits, leave types and pension contributions in accordance with the law, other employee welfare items are listed as follows:</p> <ol style="list-style-type: none"> 1. Adopt a flexible work and rest system and provide free commuting buses. 2. The Employee Welfare Committee organizes and organizes various welfare systems and diversified club activities, and organizes various arts, culture and recreational activities from time to time. 3. In addition to labor and health insurance, the Company provides five days of paid sick leave each year and group insurance for all employees. Employees’ families can purchase insurance at their own expense, expanding the coverage of group insurance from employees to their families. For employees on business trips abroad, we purchase travel insurance and overseas medical insurance. 4. The Company conduct regular employee health checks every year and have professional occupational nurses and doctors stationed in the factory regularly. In addition to routine employee health care and health guidance (new and current employees), maternal health protection (pregnancy, one year after childbirth) and abnormal workload, the Company also provide consulting services for any physical and mental 	None

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
			<p>health or medical problems of our colleagues. We protect the rights and interests of employees and fulfill our employee care responsibilities through a complete welfare system.</p> <p>5. Provide internal and external training courses with the goal of long-term talent development.</p> <p>6. There is free gymnasium, yoga room, library, employee lounge, nursing room, health room, group meals for employees, self-service shop and beautiful working environment, providing a friendly workplace and a place for employees to relax, socialize and take care of their health.</p> <p>7. There is an art gallery that regularly exhibits artists' works and holds art and cultural lectures. In addition to appreciating art, it also relaxes the body and mind.</p> <p>8. The Company continues to participate in the Ministry of Labor's "Work-Life Balance" award activities, and holds several health lectures, stress relief lectures and parent-child health activities every year to help colleagues achieve work-life balance.</p> <p>9. The Company promotes a number of sports activities within the Company, holds sports meets every year, encourage sports club activities, promote sports culture, and promote the physical and mental health of employees. We were awarded the "Excellent Enterprise Award for Employing Sports Instructors" by the Sports Administration.</p> <p>10. The Company has implemented the "Employee Stock Ownership Trust" since February 2022. Employees who have worked for the Company</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
			<p>for one year can choose to set aside a certain amount of money from their salary every month, and the Company will also set aside 30% as a bonus. In the spirit of long-term investment, it helps employees save a second pension.</p> <p>11. Payment of year-end bonuses, holiday bonuses, performance bonuses and employee remuneration. the Company conduct performance appraisals twice a year as a basis for employee promotions, salary increases, training and development, and various bonus distributions. The Company establish a good relationship of mutual trust and mutual dependence with employees, ensure the work and life safety of employees, and jointly achieve the Company's overall operating goals.</p> <p>(II) Investor relations: Full disclosure of information through the Market Observation Post System. The Company’s Chinese and English website has established an investor relations area to provide information on various financial services, Shareholders’ Meetings, dividends, stock prices, stock operations and corporate governance, and non periodically communicate with investors through Shareholders’ Meetings and spokesman. The Company holds or participates in at least two corporate briefings a year. The relevant information, presentation files, audio and video materials, etc. of the corporate briefings have been announced and placed on the Company's website in accordance with the law.</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
			<p>(III) Supplier Relations: The Company has formulated the "Ethical Corporate Management Best Practice Principles", which requires that the content of the contract signed with its agents, suppliers, customers, or other business partners should include compliance with the integrity management policy, and when the counterparty of the transaction is involved in dishonest conduct, the terms of the contract may be terminated or rescinded at any time. The Company works closely with suppliers to work together to improve corporate social responsibility. The major suppliers that communicate with the Company are all required to sign the “Axiomtek Integrity Commitment” in order to establish a pure and honest long-term trading relationship and jointly pursue the sustainable growth of the performance.</p> <p>(IV) Stakeholders’ Rights: The Company attaches importance to the balance of rights and obligations between stakeholders and has established the “Code of Conduct for Reporting Illegal and Unethical or Dishonest Behavior” to establish a reporting channel and corresponding window for shareholders and investors, external suppliers and customers, and internal colleagues. The Company’s Chinese and English website has established an investor relations section to provide stakeholders’ contact information. Stakeholders may communicate and consult with the Company to safeguard their legitimate rights.</p> <p>(V) Directors’ continuous education: According to the resolution of the Company's Nomination Committee, the</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
			<p>2024 Directors' Training Program is mainly based on M&A, ESG and Risk Management, Internal Control and Digital Governance courses. According to statistics, the total training hours for the Company's Directors in 2024 were 51 hours, of which 42 hours (82.35%) were in line with the above-mentioned course scope. The Directors' Training meets the minimum hours required by the "Key Points for the Implementation of Training for Directors and Supervisors of Listed Companies". For a summary of the Directors' Training in that year, please refer to (Note 5).</p> <p>(VI) Implementation of risk management policies and risk measurement standards: Various internal guidelines are formulated in accordance with the law to conduct risk management and evaluation. Please refer to VII.-6, the analysis and evaluation of risk matters.</p> <p>(VII) Implementation of customer policies: The Company's Chinese and English website has established an investor relations section to provide stakeholders' contact information. The Company maintains close contact with customers, communicates customer needs, and uses Salesforce cloud applications and platforms to effectively manage customer relationships and manage project progress, and organizes product launch conferences or solution seminars from time to time every year to increase the interaction between customers and the Company. In addition, the Company provides product introductions, solutions, technical support, and product services on the website platform to ensure product quality and customer needs and improve customer</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
			<p>satisfaction.</p> <p>(VIII) The Company has purchased liability insurance for Directors and managers every year and reports the insurance coverage status before the 15th day of the month following the effective date of the policy in accordance with regulations.</p> <p>(IX) Relevant licenses of financial information personnel: Refer to (Note 6)</p> <p>(X) Succession planning and operation of Board members and important management:</p> <p>1. Succession planning and operation of Board members:</p> <p>The Board passed a resolution to establish the “Corporate Governance Best Practice Principles”. Chapter 3 “Enhancing the Function of Board of Directors” highlights a diversified approach. The nomination and re-election of the members of the Board is in accordance with the Company’s Articles of Incorporation, applying the method of nominating candidates. We adhere to the “Methods for Election of Directors” and the “Corporate Governance Best Practice Principles” to ensure the diversity and independence of the elected Directors.</p> <p>Diversity must be considered in the composition of the Board, considering the Company’s operation and business model and development needs in addition to the basic values like gender, age, nationality and culture. The candidate’s professional knowledge and capabilities, including professional background (e.g., legal, accounting, industrial, finance, sales, or technology), professional capability and industrial experience. A diversified Board of Directors with various opinions and insights will improve the</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
			<p>quality of decision-making and benefit the Company’s shareholders and other stakeholders.</p> <p>The Company pays attention to the diversified professional knowledge and skills of the Board of Directors. At least a director has professional knowledge and skills in financial accounting, and a university professor has management knowledge. Each Director has professional background and experience in different industries and positions.</p> <p>The Company established the Nominating Committee in October 2016, which is responsible for constructing and developing the organizational structure of the Board of Directors and committees, conducting performance evaluations of the Board of Directors, committees, Directors, and senior managerial officers, and evaluating the independence of Independent Directors. Considering the professional knowledge required by the Directors and senior managerial officers of the Company, regularly reviewing the number and conditions that should be met, searching for, and reviewing suitable candidates, and recommending a reference list, which is submitted to the Board of Directors. The Nomination Committee regularly evaluates the performance of managerial officers and internal audit supervisors every half year. The convener of the Nomination Committee completes the performance evaluation of the Board of Directors and various functional committees by the end of January each year and recommends to the Board of Directors whether replacement is necessary to ensure that Board members have appropriate professional knowledge, experience, and gender diversity. It also</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
			<p>implements the corporate governance policy of “strengthening the functions of the Board of Directors” by reviewing the Director’s education plan and formulating succession plans for Directors and senior managerial officers.</p> <p>In 2024, the Directors were fully re-elected. The addition of a female director changes the situation in which the Company's Board of Directors has been all male for many years. Currently, female directors account for 14%. In order to implement the Board's gender diversity policy, the Company will strive to increase the number of seats of directors of either gender on the Board to one-third in the future.</p> <p>The Company has re-elected a new female director, Lin, Hsiu-Ting, as its independent director in 2024. Lin's expertise in financial accounting and corporate management, as well as her experience as a person in charge and director of various companies, will be leveraged to improve the decision-making quality of the Board of Directors and implement the policy of diversification of Board members.</p> <p>2. Succession planning and operation of key management level: The Company plans for succession for important management, focusing on the personality traits of integrity, enthusiasm and innovation, and excellent work ability and recognition of company values are also necessary. The Company follows the example of well-known Japanese entrepreneurs to develop the Amoeba profit center organization and cultivates talents with the vision of managerial officers. After establishing the three major Business Groups (BG) in 2021 and promoting the</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
			<p>AVP of these BGs, in 2023, we cultivated ten Product Business Units (BU) directors. Our goal is to ‘create new opportunities and inherit excellence’ and to implement the succession plan and experience inheritance, so that each of the BG heads of the Company can manage the product or market with the attitude of an operator, plan and adjust the organization and operation direction according to the industrial change. The Company irregularly arranges for the business executives to report to the Directors on the results of operations and future strategic planning every year. Through the communication process with the Directors, in addition to providing insights and suggestions and familiarity with the members of the management team, the Directors can also evaluate the performance of the management executives and include them in future succession planning. The training content of the successors of senior management includes core, management, and professional capabilities. Each year, human resources units plan and supplement with project programs for training and rewards to maintain the competitiveness of enterprises and develop successors. The Company holds mid-year workshop and year-end Kickoff meeting every year, and executive managerial officers need to report on the Company’s overall operating results and future development plans. Through the preparation of the activities, executive managerial officers can learn to plan the Company’s future strategies and improve strategic thinking, performance management, talent management, organizational change, and talent development.</p>	

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	Yes	No	Summary Description	
			<p>Inheritance and other abilities with leaders.</p> <p>The Nominating Committee and Remuneration Committee of the Company regularly reviews the performance evaluation and salary and remuneration of Directors, managerial officers and head of internal auditor to maintain the professionalism and experience of Board members and senior management. In addition, through the planning of rewards and financial tools, it can effectively implement the retention of talents in enterprises and retain excellent talents.</p> <p>The training courses for human resources planning include vertical and horizontal team management, emotional management and relief, and time and goal management. It actively cultivates the leadership and professional cultivation required by management successors. On the occasion of the 35th anniversary of Axiomtek's establishment, the Company officially launched the professional manager succession plan. On February 26, 2025, the Board of Directors approved the implementation of the dual president system and appointed William Wu and Chiven Fan as co- president. The two presidents will uphold Axiomtek's vision and mission, jointly lead the Company to focus on the smart industrial Internet of Things industry, deepen core technology development and value innovation services, and grow together with customers by providing excellent products and services.</p> <p>(XI) Intellectual property management plan linked to operational objectives.</p> <p>1. Management policy Axiomtek is a leading designer and manufacturer in the field of industrial</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and the Reasons
	Yes	No	Summary Description	
			<p>computers, based on cultivating its embedded computer technology capabilities and promoting brand core values. To strengthen its leading position in the industry and maintain its advanced technological achievements, the Company has formulated a smart property strategy that combines the Company’s operational goals and research and development resources. Therefore, we will continue to move forward in accordance with the goals set by the smart property management policy to safeguard brand core values and goodwill, while protecting the Company's rights from infringement. We hope to create more enterprise value and ensure the Company's operational freedom. On the other hand, we can also strengthen our competitive advantage and help the Company achieve profits.</p> <p>2. Goals and systems</p> <p>Smart property management is not just a matter of time but also requires all colleagues to work together to fully implement it. Therefore, it is necessary to supplement it with periodic education and training to implement the legal compliance awareness of smart property regulations, so that smart property management is not only a slogan, but also a practical action.</p> <p>(1) Trademark</p> <p>A. Globalization of trademark layout to ensure brand value and defend company rights.</p> <p>B. Trademark inspection before naming the product name to avoid infringing on the intellectual property rights of others.</p> <p>C. In response to the global layout of trademark registration, regulatory monitoring should be carried out in countries. In case of disputes or</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and the Reasons
	Yes	No	Summary Description	
			<p>regulatory adjustments, relief channels should be sought immediately to protect the rights of the Company, ensuring that its interests are not affected.</p> <p>(2) Patent</p> <p>A. To protect the Company's research and development capabilities and technological leadership position through implementation measures such as rewards and advocacy.</p> <p>B. Deepen the collaboration mechanism between legal and intellectual property units and research and development units and use specialized selection and incentive to promote the system of intellectual property.</p> <p>C. Promote electronic workflow operations to reduce unnecessary resource waste.</p> <p>(3) Copyright</p> <p>To avoid intellectual property infringement caused by improper use of computer software.</p> <p>(4) Business secrets</p> <p>According to the employee work rules, employment contracts, and resignation management procedures, in addition to the obligation to keep personal business and company related secrets confidential during employment, colleagues are also not allowed to disclose information after resignation. If there is a violation, the Company not only has the right to dismiss, but also has the right to pursue legal action and compensate for the Company's losses.</p> <p>3. Execution situation</p> <p>(1) The Company submits matters related to intellectual property to the board of directors at least once a year, with the latest submission date being October 29, 2024.</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
			<p>(2) The Company actively promotes the smart property management plan, and in recent years, the main implementation status is as follows:</p> <p>A. In response to the announcement by the Intellectual Property Office regarding the addition of designated product and service names for trademark application registration, a trademark application is submitted. Bill to expand protection - add product categories, postponed implementation after resolution.</p> <p>B. Develop intellectual property management policies, goals and systems related to operational goals.</p> <p>C. Revision of the operating procedures for patent management and proposal awards.</p> <p>(3) Obtain intellectual property list and achievements by the end of 2024</p> <p>A. Patent : A total of 11 patents have been approved, including 6 patents for inventions and 5 patents for new models.</p> <p>B. Trademark : 56 certificates obtained.</p>	
<p>9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement.</p>				
No.	Assessment Criterion		Note	
2.6	Does the Company's Board of Directors include at least one female director?		A new female Independent Director, Lin, Hsiu-Ting, has been added for the re-election of directors at the 2024 Annual General Meeting of Shareholders of the Company.	
4.5	Has the Sustainability Report prepared by the Company been verified by a third party?		The Company's Sustainability Report was commissioned by the British Standards Institution Limited (BSi) to conduct a Type 1 Medium Assurance Level Verification in accordance with AA 1000:AS V3, confirming that it complies with the GRI Standards 2021 and obtained an assurance statement.	

Evaluation Item	Implementation Status (Note 1)			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and the Reasons
	Yes	No	Summary Description	
4.18			Does the Company disclose information related to governance, strategies, risk management, indicators, and objectives for climate-related risks and opportunities in accordance with the Task Force on Climate-Related Financial Disclosures (TCFD) framework?	The Company has disclosed relevant information on the corporate governance, strategy, risk management, indicators and goals for climate-related risks and opportunities in accordance with relevant regulations. Please refer to P.80-84 of the 2023 Annual Report and P.52-63 of the Sustainability Report.

Note 1: Regardless of whether “Yes” or “No” is ticked regarding the implementation status, an explanation should still be provided in the explanation column for each item.

Note 2: 2024 Board of Directors Performance Evaluation Report:

The Company has formulated the “Operational Procedures for the Performance Evaluation of the Board of Directors”, which clearly stipulates that the implementation of the performance evaluation of the Board of Directors should be conducted by an external professional independent organization or a team of external experts and scholars at least once every three years. The internal and external performance evaluation results of the Board of Directors should be completed before the end of the first quarter of next year. The evaluation operation procedure is to first determine the subject, period, scope and method to be evaluated. The designated unit should collect relevant activity information of the Board of Directors, distribute and ask to fill in the relevant self-evaluation questionnaires such as the “Questionnaire of Self-Evaluation of Performance of the Board”, “Questionnaire of Self-Evaluation of Performance of Board Members” and “Questionnaire of Self-Evaluation of Performance of the Functional Committee”. Finally, after the designed unit collects all the questionnaires, according to the scoring criteria of the evaluation indicators, the evaluation result report is recorded, and the report is sent to the Board of Directors for review and improvement.

Internal performance evaluation:

The internal performance evaluation of the Board of Directors, Audit Committee, Remuneration Committee and Nomination Committee of the Company in 2024 has been reviewed by the Nomination Committee and Sustainable Development Committee on February 26, 2025, and the overall operation is excellent. The results of the internal performance evaluation were reported to the Board of Directors on February 26, 2025, and were summarized as follows:

Evaluation Scope	Evaluation Method	Evaluation Orientation	Evaluation Item	Average Score	Comprehensive Comment
Overall Board of Directors performance evaluation	Information about Board activities is collected by the deliberating units of Board of Directors and evaluated by the convener of the Nomination Committee	1. Degree of participation in company operations	12	4.92	The overall average score is 4.98, and the evaluation result is excellent. The evaluation results show that the overall operation of the Company's Board of Directors is sound and conforms to the spirit of corporate governance.
		2. Improve the quality of Board decisions	12	5.00	
		3. Board composition and structure	8	5.00	
		4. Director selection and continuing education	7	5.00	
		5. Internal control	7	5.00	
		Total	46	4.98	

Evaluation Scope	Evaluation Method	Evaluation Orientation	Evaluation Item	Average Score	Comprehensive Comment
Individual Director performance evaluation	Self-assessment by each Board member	1. Mastery of company goals and tasks	3	4.76	The average score of individual Directors is 4.75, and the evaluation results are excellent. The evaluation results show that the Directors of the Company actively participate in the Board of Directors, and the efficiency and effectiveness of the operation of various evaluation indicators are positively evaluated.
		2. Awareness of Directors' duties	3	4.90	
		3. Degree in participation in the Company operations	8	4.68	
		4. Internal relationship management and communication	3	4.76	
		5. Director profession and continuing education	3	4.67	
		6. Internal control	3	4.86	
		Total	23	4.75	
Audit Committee performance evaluation	Information about Audit Committee activities is collected by the deliberating units of the Board of Directors and evaluated by the convener of the Nomination Committee	1. Degree of participation in the Company operations	4	5.00	The average score of the Audit Committee is 5 points, and the evaluation result is excellent. The evaluation results show that the Audit Committee operates smoothly and effectively, which conforms with the spirit of corporate governance.
		2. Responsibility recognition of Audit Committee	5	5.00	
		3. Improve the quality of Audit Committee decisions	7	5.00	
		4. Audit Committee composition and member selection	3	5.00	
		5. Internal control	3	5.00	
		Total	22	5.00	
Remuneration Committee performance evaluation	Information about Remuneration Committee activities is collected by the deliberating units of Board of Directors and evaluated by the convener of the Nomination Committee	1. Degree of participation in the Company operations	4	5.00	The average score of Remuneration Committee is 5 points, and the evaluation result is excellent. The evaluation results show that the Remuneration Committee operates smoothly and effectively, which conforms with the spirit of corporate governance.
		2. Responsibility recognition of Remuneration Committee	5	5.00	
		3. Improve the quality of Remuneration Committee decisions	7	5.00	
		4. Remuneration Committee composition and member selection	3	5.00	
		Total	19	5.00	
Nomination Committee performance evaluation	Information about Nomination Committee activities is collected by the deliberating units of the Board of Directors and evaluated by the convener of the Nomination Committee	1. Degree of participation in the Company operations	4	5.00	The average score of Nomination Committee is 5 points, and the evaluation result is excellent. The evaluation results show that the Nomination Committee operates smoothly and effectively, which conforms with the spirit of corporate governance.
		2. Responsibility recognition of Nomination Committee	4	5.00	
		3. Improve the quality of Nomination Committee decisions	7	5.00	
		4. Nomination Committee composition and member selection	4	5.00	
		Total	19	5.00	
Sustainable Development Committee performance evaluation	Information about Sustainable Development Committee activities is	1. Degree of participation in the Company operations	4	5.00	The average score of Sustainable Development Committee is 5 points, and the evaluation result is excellent. The
		2. Responsibility recognition of Sustainable Development Committee	3	5.00	

Evaluation Scope	Evaluation Method	Evaluation Orientation	Evaluation Item	Average Score	Comprehensive Comment
	collected by the deliberating units of Board of Directors and evaluated by the convener of the Nomination Committee	3. Improve the quality of Sustainable Development Committee decisions	7	5.00	evaluation results show that the Sustainable Development Committee operates smoothly and effectively, which conforms with the spirit of corporate governance.
		4. Sustainable Development Committee composition and member selection	3	5.00	
		Total	17	5.00	

External Performance Evaluation:

The Company appointed the Taiwan Corporate Governance Association (hereinafter referred to as the "Association") to conduct an external performance appraisal of the Board of Directors in August 2024. The Association has no business relationship with the Company and is independent. The evaluation period is from December 1, 2023 to November 30, 2024, The evaluation was conducted through an open questionnaire, and the evaluation committee and specialists of the association jointly conducted a video review and video interview on the five major aspects of the composition and division of labor of the Board of Directors, guidance and supervision, authorization and risk management, communication and collaboration, and self-discipline and improvement. The Association has issued a Board of Directors performance evaluation report and certificate on February 11, 2025.

The Company has submitted the performance evaluation report of the Board of Directors issued by the Association, the recommendations and the improvement measures that the Company plans to adopt to the Board of Directors report dated February 26, 2025. The evaluation summary, recommendations and improvement measures that the Company plans to adopt in the Association's evaluation report are summarized as follows:

A. Evaluation Summary of the Evaluation Report

A sound corporate governance mechanism is the pillar of a company's sustainable development and high resilience. The focus of corporate governance is on the performance of the Board of Directors. Therefore, regular review and continuous improvement of the performance of the Board of Directors is in line with the long-term interests of the Company and is also an important driving force for the Company to move towards sustainable operation. Regularly evaluating the performance of the Board of Directors can not only clarify the roles and functions of individual directors, functional committees and the Board of Directors, but also examine whether the board of directors has appropriately paid attention to relatively important governance and operating matters, invested appropriate resources, and actively addressed issues related to corporate growth and sustainable operations in an appropriate manner at different stages of the Company's development.

Your company's Board of Directors was re-elected in May 2024. The Nomination Committee discussed development goals with the Company's management and selected a new female independent director with experience in mergers and acquisitions based on talent needs. The seven board members have diverse professional backgrounds, and many have practical operational leadership experience, which meets the Company's operational development needs.

The atmosphere of your Company's Board of Directors meetings is open, the chairman respects the professionalism of the directors, the independent directors actively perform their duties, and the board members can directly exchange opinions on major issues with the management team and fully discuss them in the Board of Directors, thereby improving the efficiency of the Company's decision-making and enabling the board of directors to fully play its role of guidance and supervision.

Your company focuses on talent cultivation and succession. It plans relevant training activities for the talents needed for the Company's development. In terms of supervisor training (about 20 to 30 people each time), it employs EMBA teachers from universities to conduct courses once a

year for three months each time, supplemented by the accumulation of on-the-job practical experience, to systematically cultivate a successor team. In addition, the Nomination Committee and the Remuneration Committee regularly review managers' performance evaluations and remuneration, supervise the design of reward mechanisms, and motivate and retain outstanding talents. Your company attaches great importance to talent cultivation and continues to accumulate momentum for the sustainable inheritance of the Company.

In order to implement corporate governance and improve the effectiveness of the board of directors, your company has again commissioned our association to conduct an external assessment this year. In this assessment, all board members responded to the online questionnaire. The overall recognition of the five dimensions reached 6.52 points (out of 7 points), indicating that your company's board of directors attaches importance to corporate governance and demonstrates that all directors are fulfilling their duties.

After reviewing relevant written materials, analyzing questionnaire results and interacting with directors, the evaluation team proposed the following areas for improvement in the operation of the board of directors. (1) Incorporate ESG promotion goals into the performance indicators of senior executives; (2) Expand the reporting procedures for major incidents to independent directors; (3) Incorporate training for new directors into corporate governance system regulations.

B. The suggested items of the evaluation analysis report, and our expected improvements are summarized as follows.

Items	Suggesting Items	Expected Improvements
1	Incorporate ESG promotion goals into the performance indicators of senior executives	The extensive incorporation of senior executives' performance indicators into ESG promotion goals is under planning and is expected to be completed by the end of April 2025.
2	Expanding the reporting procedures for major incidents to include independent directors	A new "Major Incident Reporting Procedure" has been formulated and submitted to the Board of Directors for approval on February 26, 2025.
3	Incorporate new director training into corporate governance regulations	The "Corporate Governance Code of Practice" has been revised to include training assignments for new directors and submitted to the Board of Directors for approval on February 26, 2025.

C. The Performance Evaluation Certificate of Board of Directors issued by Taiwan Corporate Governance Association on February 11, 2025.

This is to certify

Axiomtek Co., Ltd.

Entrust the Association to implement the external board performance evaluation service project.

The Association reviews the Company's relevant documents

from December 1, 2023 to November 30, 2024.

Video conferences with the Company management team and Board members on January 15, 2025.

The performance evaluation report of the Board of Directors has been issued on February 11, 2025,

providing the suggestion of the Association to the Company's Board of Directors.

Hereby certify

Chairman Chen Qing-Xiang
Taiwan Corporate Governance Association

February 11, 2025

Note 3: CPA's Independent status assessment:

Independent Evaluation Items	Evaluation Result	Meet the Criteria for Independence
Do the CPA and audit team members have no direct or significant indirect financial relationship with the Company or its Directors?	Yes	Yes
Do the CPA and audit team members have no close commercial relationship with the Company or its Directors?	Yes	Yes
Do the CPA and audit team members have no potential employment relationship with the Company?	Yes	Yes
Do the CPA and audit team members have no financing or guarantee activities with the Company or its Directors?	Yes	Yes
Do the joint CPA dismissed within one year have not held the position of Director or manager of the Company or has a significant impact on the audit work in the current or most recent two years?	Yes	Yes
Do the CPA does not provide the Company with non-audit services that may directly affect the audit work?	Yes	Yes
Do the CPA has not acted as the defender of the Company or coordinated the conflict with other third parties on behalf of the Company?	Yes	Yes
Do the CPA and audit team members do not have close personal relationships with the Company's Directors, managerial officers or employees who have significant influence on the audit?	Yes	Yes
Do the CPA and audit team members have not received gifts or gifts of great value from the Directors and managerial officers of the Company?	Yes	Yes
Does the CPA not hold shares of the Company?	Yes	Yes
Does the Company have obtained the CPA's independence statement?	Yes	Yes
Does the Company refer to the Audit Quality Indicators (AQIs) to evaluate the independence and suitability of the appointed CPA?	Yes	Yes

Note 4: Stakeholder identity, issues of concern, communication channel and response method and communication situation:

Stakeholders Identity	Issues of Concern	Communication Channel & Response Method	Execution Result
Shareholder / Investor	Economic performance Sewage and waste Environmental regulatory compliance Supplier environmental assessment	Contact: Senior Special Assistant Spokesman Skin Huang Phone: +886-2-8646-2111 #8010 Annual Shareholders' Meeting Investor conferences twice a year Phone & Email Company website stakeholder's section	In 2024, the Company release of 24 major messages in both Chinese and English and 19 announcements and was invited to participate in 2 investors conferences. Information disclosure on the "About Us" page of the Company's official website in both Chinese and English.
Director	Economic performance Socio-economic regulations compliance No discrimination Workforce Diversity and Equality Risk Management	Contact person: Head of Finance & Corporate Governance Jane Hsu Phone: +886-2-8646-2111 #8600 At least 5 times the Board of Directors every year Nominating Committee/ Remuneration Committee/Audit Committee/Sustainable Development Committee Phone/LINE/email Internal audit report CPA / Head of Audit and Corporate Governance Team Communication	In 2024, 7 Board Meetings, 6 Audit Committees, 5 Remuneration Committees, 2 Nomination Committees and 3 Sustainable Development Committee. were held. From time to time, it provides Directors' training information and corporate governance news clippings and publicity conference materials for reference and conducts management publicity on preventing insider trading every year.
Customer	Customer health and safety Marketing and labeling Customer privacy Socio-economic regulations compliance Child labor	Contact: Senior Sales Vice President Joanne Lin Phone: +886-2-8646-2111 #8888 Customer satisfaction survey Customer business review meeting Interactive forums / Domestic & international exhibitions Company website stakeholder's section	In 2024, 66 pieces of information related to products, exhibitions and forums were published on Facebook. The community has accumulated more than 1,274 times, and the total number of followers was more than 1,333. YouTube current subscribers are 843. A total of 126 videos have been listed on YouTube, with 550,230 views. LinkedIn is used by 230 employees and has been followed by more than 8,070 people. INSTAGRAM has accumulated 132 posts and has 382 followers.
Employee	Economic performance Employer-Employee Relations Labor-Management Relations Education and Training Occupational health and safety	Contact: HR Director Sonny Hsu Phone: +886-2-8646-2111 #8110 Intranet site & email Employee welfare committee departmental meetings / Heads' meetings Employee feedback box / employee hotline Internal and external education and training	26 internal announcements in 2024. Regular monthly notification of education and training courses Axiomtek's e-newsletter is issued every month (contents include columns on finance and law, product innovation, Axiomtek Academy and Welfare Committee activities

Stakeholders Identity	Issues of Concern	Communication Channel & Response Method	Execution Result
			etc.) Regular labor-management meetings. Self-employed factory nurses and special factory doctors regularly provide services on site and provide stress relief courses and health seminars.
Supplier	Anti-corruption Occupational health and safety Forced and compulsory Labor Customer privacy	Contact: Purchasing Manager Eva Liu Phone: +886-2-2695-3888 # 7150 Sharing of CSR with supplier & readiness evaluation Supplier survey On-site evaluation of supplier Company website stakeholder's section	Supplier evaluation is conducted once a quarter for quality, delivery and service, and the degree of follow-up contact with the supplier is determined according to the evaluation results. Regularly audit key parts suppliers.
Government	Environmental regulations compliance Health and safety of customers Socio-economic regulations compliance	Contact: HR Director Sonny Hsu Phone: +886-2-8646-2111 #8110 Corporate Governance Evaluation Participate in policy seminars and symposiums of the competent authority from time to time. Phone & Email Official correspondence Email Newcomer induction training	As a result of the 3 rd to 11 th (2016~2024) Corporate Governance Evaluations, Axiomtek has been listed in the top 5% of the TPEx listed companies for nine consecutive years.
Others (bank, neighborhood groups etc.)	Economic performance Anti-corruption Employer-Employee Relations Labor-Management Relations	Contact: HR Director Sonny Hsu Phone: +886-2-8646-2111 #8110 Actively participate in forums and seminars organized by various civil organizations and academic groups. Phone & Email Company website stakeholder's section Newcomer induction training	New recruits will clearly inform Axiomtek's six values during the newcomer guidance training on the first day of employment. One of them is "Integrity and Honesty", We abide by the business philosophy of honesty, pragmatism, and business ethics, and win the trust of customers. In the content of the guidance training, colleagues will also be informed that the Company's environmental, occupational safety, and health policy, stated that all operations of the Company must comply with laws and regulations.

In addition to the above contact methods, each stakeholder can contact us through the following spokesman's contact window:

Spokesman	
Contact person	Skin Huang
Title	Senior Special Assistant
Email	skin.huang@axiomtek.com.tw
Address	Address: 8F., No.55, Nanxing Rd., Xizhi Dist., New Taipei City 221026, Taiwan
Phone	+886-2-86462111#8010
Fax	+886-2-86462555

Note 5: Director's Continuing education:

Title	Name	Training Date		Organizer	Name of Course	Hours
		From	To			
Chairman	Yang, Yu-Te	2024/04/12	2024/04/12	Taiwan Corporate Governance Association	Shareholders' meetings, management rights and equity strategies	3
		2024/05/10	2024/05/10	Taiwan Corporate Governance Association	Introduction to Nomination and Compensation Committees in US Law: Case Analysis	3
Director	Liu, Wei-Ting	2024/09/06	2024/09/06	Taiwan Corporate Governance Association	Strategic thinking on group enterprise reorganization	3
		2024/11/01	2024/11/01	Taiwan Institute of Directors	Aligning growth strategies with M&A transactions	3
Director	Tsai, Shih-Yang	2024/10/01	2024/10/01	Taiwan Corporate Governance Association	How can the board of directors formulate ESG sustainable governance strategies	3
		2024/11/05	2024/11/05	Securities and Futures Institute	The understanding and connotation of corporate ESG sustainable governance - the global trend of net zero carbon emissions and how companies should respond	3
Director	Huang, Jui-Nan	2024/07/09	2024/07/09	Taiwan Corporate Governance Association	Discussion on the strategy and tool application of enterprise employee reward	3
		2024/11/12	2024/11/12	Taiwan Corporate Governance Association	New thinking on enterprise growth in the AI era	3
Independent Director	Chang, Jen-Chih	2024/06/18	2024/06/18	National federation of certified public accountant associations	International development trends and practices in money laundering prevention	3
		2024/07/04	2024/07/04	National federation of certified public accountant associations	Inheritance tax verification and valuation of various properties	3
		2024/09/10	2024/09/10	National federation of certified public accountant associations	Comprehensive look at sustainable internal control	3
Independent Director	Yu, Chow-Ming	2024/05/09	2024/05/09	Taiwan Institute of Directors	Create sustainable performance indicators and rewards	3

Title	Name	Training Date		Organizer	Name of Course	Hours
		From	To			
		2024/08/01	2024/08/01	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulation	3
		2024/08/13	2024/08/13	Taiwan Institute of Directors	Carbon-carbon connection: discussion in carbon fees, carbon taxes, carbon rights and rights trading	3
Independent Director	Lin, Hsiu-Ting	2024/10/28	2024/10/28	Taiwan Corporate Governance Association	Global Trend Analysis - Risks and Opportunities	3
		2024/11/05	2024/11/05	Taiwan Corporate Governance Association	How to draw a roadmap for corporate sustainability	3
		2024/11/08	2024/11/08	Taiwan Corporate Governance Association	Corporate mergers and acquisitions, equity investment planning and joint venture agreement practice analysis	3

Note 6: Financial information related personnel license

Job Title	Name	License
Senior Vice President, Finance Division Head of Accounting & Finance Chief Corporate Governance	Jane Hsu	Accountant Qualified Certificate Number (78) Zhuan Gao No. 303
Head of Internal Auditor	Alex Mou	Certificated Internal Auditor (Certificate) No. 9220100 of the Internal Audit Association of the Republic of China

(4) Composition, responsibilities, and operations of each functional committee
A. Composition, responsibilities and operations of the Remuneration Committee
(A) Information on Remuneration Committee Members

April 18, 2025

<div> <div>Qualifications</div> <div>Capacity (Note1)</div> <div>Name</div> </div>		Professional Qualifications and Experience (Note2)	Independence Analysis (Note3)	Number of Concurrently Serving as Members of the Remuneration Committee of Other Public Companies
Independent Director (Convener)	Yu, Chwo-Ming	Ph.D. of Business Administration of University of Michigan. He used to be Independent Director of Yuanta Bank Co., Ltd., Advantech Co., Ltd., Yuanta Futures Co., Ltd., and professor of department of National Chengchi University. He is currently the professor of Industrial and Business Management, Chang Gung University, Independent Director of Integrated Service Technology Inc, and Independent Director of WPG Holdings Limited. Possesses over 20 years of work experience required for business and corporate business and being good at leadership, accounting and financial analysis, business judgment, business management and crisis management and have not been a person of any conditions defined in Article 30 of the Company Act. Please refer to page 10 ~ 12 for the information on the Director's main experience (educational).	1. None of the circumstances set out in Article 30 of the Company Act has occurred. 2. The self, spouse, or relatives within the second degree of kinship do not serve as Directors, Supervisors or employees of the Company or its affiliated companies. 3. The self, spouse, or relatives within the second degree (or in the name of others) do not hold more than 1% of the Company’s shares. 4. Not serving as a Director, Supervisor or employee of a company that has a specific relationship with the Company (refer to the provisions of Article 3, Paragraph 1, Subparagraphs 5 to 8 of “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”). 5. In the past two years, there has been no compensation from the Company or its affiliate enterprise in commercial, legal affairs, financial, accounting and other service places.	0
Independent Director	Chang, Jen-Chih	Master of Accounting, National Chengchi University. He used to be department head of department of accounting & statistics of Chungyu College of Business	1. None of the circumstances set out in Article 30 of the Company Act has occurred. 2. The self, spouse, or relatives within the second degree of kinship do not serve as Directors, Supervisors or	0

Capacity (Note1)	Name	Qualifications	Professional Qualifications and Experience (Note2)	Independence Analysis (Note3)	Number of Concurrently Serving as Members of the Remuneration Committee of Other Public Companies
			<p>Management and National Taipei College of Business. He is currently the CPA of Hot Tai Accounting Firm. Passed the national examination and obtained the accountant certificate. Possesses over 20 years of work experience required for business finance, accounting and corporate business and being good at leadership, accounting and financial analysis, crisis management and have industry knowledge and international market outlook and have not been a person of any conditions defined in Article 30 of the Company Act. Please refer to page 10 ~ 12 for the information on the Director's main experience (educational).</p>	<p>employees of the Company or its affiliated companies.</p> <p>3. The self, spouse, or relatives within the second degree (or in the name of others) do not hold any shares in the Company.</p> <p>4. Not serving as a Director, Supervisor or employee of a company that has a specific relationship with the Company (refer to the provisions of Article 3, Paragraph 1, Subparagraphs 5 to 8 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies").</p> <p>5. In the past two years, there has been no compensation from the Company or its affiliate enterprise in commercial, legal affairs, financial, accounting and other service places.</p>	
Independent Director	Lin, Hsiu-Ting		<p>Graduated from the Bachelor of Accounting, National Chengchi University Chairman of I Am That Co., Ltd. and Dong Qiong International Music Co., Ltd., Independent Director of Thai Kin Co., Ltd., Supervisor of Powerful Content Inc.. Previously served as the CFO of SCT Ltd. Taiwan Branch. Possess work experience required for business and corporate operations, and be good at operational judgment, accounting and financial analysis, business</p>	<p>1. None of the circumstances set out in Article 30 of the Company Act has occurred.</p> <p>2. The self, spouse, or relatives within the second degree of kinship do not serve as Directors, Supervisors or employees of the Company or its affiliated companies.</p> <p>3. The self, spouse, or relatives within the second degree (or in the name of others) do not hold any shares in the Company.</p> <p>4. Not serving as a Director, Supervisor or employee of a company that has a specific relationship with the</p>	0

Capacity (Note1)	Name	Qualifications	Professional Qualifications and Experience (Note2)	Independence Analysis (Note3)	Number of Concurrently Serving as Members of the Remuneration Committee of Other Public Companies
			management, crisis management, industry knowledge, international market perspective and decision-making ability. Please refer to page 10 ~ 12 for the information of the Director's main experience (educational).	Company (refer to the provisions of Article 3, Paragraph 1, Subparagraphs 5 to 8 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies"). 5. In the past two years, there has been no compensation from the Company or its affiliate enterprise in commercial, legal affairs, financial, accounting and other service places.	

Note 1: Please specifically fill in the number of years of relevant work experience, and the professional qualifications and experience, and the status of independence, of each remuneration committee member. If the member is an independent director, you may add a note directing readers to refer to the relevant information in Table 1 Information on Directors and Supervisors (1) on p. _____. For "Capacity," please specify whether the member is an independent director or other (if the member is the convenor, please note that fact).

Note 2: Professional qualifications and experience: Describe the professional qualifications and experience of each member of the remuneration committee.

Note 3: Independence analysis: Describe the status of independence of each remuneration committee member, including but not limited to the following: whether the member or their spouse or relative within the second degree of kinship serves or has served as a director, supervisor, or employee of the Company or any of its affiliates; the number and ratio of shares of the Company held by the member, their spouse, and their relatives with the second degree (or through their nominees); whether the member has served as a director, supervisor or employee of a "specified company" (see Article 6, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); the amount(s) of any pay received by the remuneration committee member for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.

Note 4: Regarding the method for disclosure, please refer to the "SAMPLE ANNUAL REPORT" page on the website of the Taiwan Stock Exchange Corporate Governance Center.

(B) Responsibility of the Remuneration Committee members

The Company set up a Remuneration Committee on August 29, 2011. The Remuneration Committee is composed of three Independent Directors. The members of the committee should perform the following duties faithfully with the attention of kind managerial officers, and be responsible to the Board of Directors, and submit the recommendations to the Board for discussion:

- a. Schedule regular review sessions with the Directors, managerial officers and head of internal auditor to evaluate remuneration strategies, system, standards and structure.
- b. Regularly evaluate and confirm the remuneration for the Directors, managerial officers, and head of internal auditor.

(C) Operation of the Remuneration Committee:

- a. The Company's Remuneration Committee has a total of three members.
- b. The term of the current members is from June 5, 2024 to May 23, 2027. The number of remuneration committee meetings held in the most recent fiscal year was: 5 (A). The attendance by the members was as follows:

Title	Name	No. of Attendance in Person (B)	No. of Attendance by Proxy	In-person Attendance Rate (%) 【B/A】	Remarks
Convener	Yu, Chwo-Ming	5	0	100	None
Member	Chang, Jen-Chih	5	0	100	None
Member	Lin, Hsiu-Ting	3	0	100	This member was appointed on June 5, 2024 and is required to attend three Remuneration Committee meetings in 2024.
Convener	Lin, Yih-Jong	2	0	100	This member was dismissed on May 24, 2024 and is required to attend two Remuneration Committee meetings in 2024.

Other information required to be disclosed:

- I. If the Board of Directors does not accept, or amends, any recommendation of the remuneration committee, specify the board meeting date, meeting session number, content of the recommendation(s), the outcome of the resolution(s) of the board of directors, and the measures taken by the Company with respect to the opinions given by of the remuneration committee (e.g., if the salary/compensation approved by the board is higher than the recommendation of the remuneration committee, specify the difference(s) and the reasons) : None.
- II. With respect to any matter for resolution by the remuneration committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the remuneration committee meeting date, meeting session number, content of the motion, the opinions of all members, and the measures taken by the Company with respect to the members' opinion: None.

Note1: If any remuneration committee member left the committee before the end of the fiscal year, specify the date that they left the committee in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of remuneration committee meetings held and the number they attended in person during the period they were on the committee.

Note2: If any by-election for remuneration committee members was held before the end of the fiscal year, the names of the new and old committee members should be filled in the table, with a note stating whether the member left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of remuneration committee meetings held and the number attended in person during the period of each such person's actual time on the committee.

- c. Outcome of the discussion and decision of the Remuneration Committee and the Company's handling of the members' recommendations.

Remuneration Committee	Content of the Motion & Follow up
The 12 th time of the 5 th term Feb 22, 2024	1. 2023 remuneration to employees and remuneration to Directors and the related distribution policy.
	2. 2023 H2 incentive for managerial officers.
	3. 2023 H2 performance bonus for managerial officers and the head of internal auditor.
	4. The Company's managers Employee Stock Ownership Trust special Deposits (other bonus)
	Result of Remuneration Committee meeting: The chairman consulted with all the members present and passed the resolution.
	The measures taken by the Company based on the opinions of the Remuneration Committee: When discussing the operating bonus of Chairman and Chief Strategy Officer Yang, Yu-Te and Director and president Huang, Jui-Nan, Yang, Yu-Te and Huang, Jui-Nan had left the meeting to avoid his conflict in interest, and the Chairman had consulted all the attending Directors (including Independent Directors) without objection and passed the proposal.
The 13 th time of the 5 th term Mar 21, 2024	1. 2023 allocation of remuneration to managerial officers and the head of internal auditor.
	2. 2024 managerial officers OKR goals and annual reward plan.
	3. 2024 Managers' remuneration adjustment.
	4. 2023 allocation of remuneration to Directors.
	Result of Remuneration Committee meeting: The chairman consulted with all the members present and passed the resolution.
	The measures taken by the Company based on the opinions of the Remuneration Committee: After consultation with all directors' present (including independent directors), the proposal was approved without objection.
The 1 st time of the 6 th term Jul 25, 2024	1. 2024 H1 operating incentive for managerial officers.
	2. 2024 H1 performance bonus for managerial officers and the head of internal auditor.
	3. 2024 adjustment of remuneration for managerial officers and the head of internal auditor.
	4. The employee stock trust special deposit fund (other bonus) of manager.
	Result of Remuneration Committee meeting: The chairman consulted with all the members present and passed the resolution.
	The measures taken by the Company based on the opinions of the Remuneration Committee: After consultation with all directors' present (including independent directors), the proposal was approved without objection.
The 2 nd time of the 6 th term Sep 26, 2024	1. Issue the 2024 employee stock option certificates to the distribution list of people who are directors or managers.
	Result of Remuneration Committee meeting: The chairman consulted with all the members present and passed the resolution.

Remuneration Committee	Content of the Motion & Follow up
	The measures taken by the Company based on the opinions of the Remuneration Committee: After consultation with all directors' present (including independent directors), the proposal was approved without objection.
The 3 rd time of the 6 th term Oct 29, 2024	1. Propose the proportion of compensation for employees and Directors in 2024.
	Result of Remuneration Committee meeting: The chairman consulted with all the members present and passed the resolution.
	The measures taken by the Company based on the opinions of the Remuneration Committee: After consultation with all directors' present (including independent directors), the proposal was approved without objection.

B. Information on The Composition, Responsibilities and Operation of Members of Nomination Committee

(A) Qualifications and Responsibilities of Nomination Committee Members

The Company set up a Nomination Committee on October 26, 2016. The Committee is composed of at least three Directors nominated by the Board of Directors, of which more than half of the Independent Directors shall participate. The term of Directors joining the committee, unless otherwise stipulated by laws or the Company's Articles of Incorporation, shall be from the day when the Director is elected by the Board of Directors until the expiry of the term of the Director, resignation of the committee or Director, or the Board of Directors elects to replace the original Director until the date of being a member of the committee.

(B) Responsibilities of Nomination Committee Members

The committee is authorized by the Board of Directors to perform the following functions and powers, and submit the recommendations to the Board of Directors for discussion:

- a. Develop a standard of diversified background and independence for the knowledge, skills, experience, and gender required by Board members and senior managerial officers, and seek, review and nominate candidates for Directors and senior managerial officers.
- b. Build and develop the organizational structure of the Board of Directors and committees, conduct performance evaluations of the Board of Directors, committees, Directors, and senior managerial officers, and assess the independence of Independent Directors.
- c. Establish and regularly review the Director's progress plan and the succession plan for Directors and senior managerial officers.
- d. Formulate the Company's corporate governance code of practice.

When performing the above functions, if anyone has a conflict of interest, the details must be discussed in the said committee meeting; and if deemed to be harmful to the Company, they must be exempted from and not be present in further discussions or decision-making. This person cannot represent any other members in decision-making. If the spouses, the second degree of kinship of committee members, or companies with control and affiliation with the committee members have an interest in the matters of the meeting, the committee members shall be deemed to have interests in the matters.

- (C) The professional qualifications and experience of the members and status of operations of the Nomination Committee
- The Company's Nomination Committee has a total of three members.
 - The term of the current members is from June 5, 2024 to May 23, 2027. The number of nomination committee meetings held in the most recent fiscal year was: 2 (A). The professional qualifications and experience and meeting attendance record of the members and matters discussed by the committee are as follows:

Title	Name	Professional Qualifications and Experience	No. of Attended in Person (B)	No. of Attendance by Proxy	In-Person Attendance Rate (%) 【B/A】 (Note)	Remarks
Convener (Independent Director)	Yu, Chwo-Ming	Ph.D. of Business Administration at University of Michigan. He used to be Independent Director of Yuanta Bank Co., Ltd., Advantech Co., Ltd., Yuanta Futures Co., Ltd., and professor of department of National Chengchi University. He is currently the professor of Industrial and Business Management, Chang Gung University, Independent Director of Integrated Service Technology Inc, and Independent Director of WPG Holdings Limited. Possesses over 20 years of work experience required for business and corporate business and being good at leadership, accounting and financial analysis, business judgment, business management and crisis management. Please refer to page 10 ~ 12 for the description of the Director's information for the main educational qualifications.	2	0	100	None
Member (Independent Director)	Lin, Hsiu-Ting	Graduated from the Bachelor of Accounting, National Chengchi University Chairman of I Am That Co., Ltd. and Dong Qiong International Music Co., Ltd., Independent Director of Thai Kin Co., Ltd., Supervisor of Powerful Content Inc.. Previously served as the CFO of SCT Ltd. Taiwan Branch. Possess work experience required for business and corporate operations, and be good at operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market perspective and decision-making ability. Please refer to page 10 ~ 12 for the information of the Director's main experience (educational).	1	0	100	This member was appointed on June 5, 2024 and is required to attend one Nomination Committee meeting in 2024.

Title	Name	Professional Qualifications and Experience	No. of Attended in Person (B)	No. of Attendance by Proxy	In-Person Attendance Rate (%) 【B/A】 (Note)	Remarks
Member (Director)	Yang, Yu-Te	Founder, President and Chief Strategy Officer of Axiomtek Co., Ltd. Possesses the work experience required for business and corporate business and being good at leadership, business judgment, business management, crisis management and have industry knowledge and international market outlook. Please refer to page 10 ~ 12 for the information on the professional qualifications of Directors.	2	0	100	None
Member (Independent Director)	Lin, Yih-Jong	Bachelor of Electrical Engineering, National Cheng Kung University. He used to be president/COO of Advantech Automation Group, VP of Computer Systems Organization, HP Taiwan and managing Director of Tektronix China. He is currently the chairman of Vossic Technology Co., Ltd. Possesses over 20 years of work experience required for business and corporate business and being good at leadership, business judgment, business management, crisis management and have industry knowledge and international market outlook.	1	0	100	This member was dismissed on May 24, 2024 and is required to attend one Nomination Committee meeting in 2024.

Other information required to be disclosed:

For any major motion put before the nomination committee, specify the meeting date, meeting session number, content of the motion, content of recommendations or dissenting opinions of the nomination committee members, the outcome of the resolution of the nomination committee, and the measures taken by the Company with respect to the nomination committee members' opinions.

Nomination Committee	Content of the Motion & Follow up
The 6 th time of the 3 rd term February 22, 2024	1. 2023 implementation and review of directors' further education.
	2. 2023 performance evaluation results of Board of Directors, individual Directors, and functional committees.
	3. Nomination of candidates for directors (including independent directors).
	4. 2023 performance evaluation of managerial officers and the head of internal auditor.
	5. Replacement of the CEO of the AXUS and appointment of a legal representative director.
	Result of Nomination Committee meeting: The Chairman consulted with all the members present and passed the resolution.
	The measures taken by the Company based on the opinions of the Nomination Committee: After consultation with all directors' present (including independent directors), the proposal was approved without objection.
The 1 st time of the 4 th term July 25, 2024	1. 2024 H1 performance evaluation of managerial officers and the head of internal auditor.
	Result of Nomination Committee meeting: The Chairman consulted with all the members present and passed the resolution.
	The measures taken by the Company based on the opinions of the Nomination Committee: After consultation with all directors' present (including independent directors), the proposal was approved without objection.

Note1: If any nomination committee member left the committee before the end of the fiscal year, specify the date that they left the committee in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of nomination committee meetings held and the number they attended in person during the period they were on the committee.

Note2: If any by-election for nomination committee members was held before the end of the fiscal year, the names of the new and old committee members should be filled in the table, with a note stating whether the member left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of nomination committee meetings held and the number attended in person during the period of each such person's actual time on the committee.

C. Information on members and operations of the Sustainable Development Committee

(A) Qualification criteria for members of the Sustainable Development Committee.

The Company established the "Sustainable Development Committee" by the president and operating supervisor on October 26, 2023, and is supervised by the audit committee. Five working groups were established, focusing on Environmental Sustainability, Corporate Social Responsibility, Corporate Governance, Integrity in Business Operations, and Risk Management. The number of members of the Committee shall not be less than three, and shall be appointed by resolution of the Board of Directors. The membership of the Committee shall have professional knowledge and ability of enterprise sustainability, and at least one Director shall participate in the supervision. President Huang, Jui-Nan, Independent Director Chang, Jen-Chih and Yu, Chwo-Ming formed the first Sustainable Development Committee, and President Huang, Jui-Nan served as convener and chairman of the meeting. The Company's shareholders' meeting fully re-elected directors on May 24, 2024. President Huang, Jui-Nan, Independent Director Yu, Chwo-Ming and Independent Director Lin, Hsiu-Ting served as members of the Second term of Sustainability Committee, and President Huang, Jui-Nan continued to serve as convener and chairman of the meeting.

The terms of the members of the Committee shall be in accordance with the term of the Board of Directors, and they shall be eligible for re-election.

(B) The responsibilities of the Sustainable Development Committee

In accordance with the authorization of the Board of Directors, the Committee shall faithfully perform the following duties and powers with the care of a kind manager and report to the Board of Directors:

- a. Develop, promote, and strengthen the Company's sustainable development policies, annual plans, and strategies.
- b. Review, track, and revise the implementation and effectiveness of sustainable development.
- c. Supervise the disclosure of sustainable information and review the sustainability report.
- d. Supervise the implementation of the Company's sustainable development code of conduct or other sustainable development related work approved by the Board of Directors.

The dedicated (part-time) unit for sustainable development assists the Committee in promoting various plans such as corporate governance, sustainable environment, social welfare, and sustainable information disclosure, and reports on the implementation of sustainable development to the Committee.

- (C) Professional qualifications, experience, and operational status of members of the Sustainable Development Committee
- The Sustainable Development Committee consists of three members.
 - The term of office for the current committee: From June 5, 2024 to May 23, 2027. The Nomination Committee held 3 times in 2024(A), and the qualifications and attendance of committee members are as follows:

Title	Name	Professional Qualifications and Experience	No. of Attended in Person (B)	No. of Attendance by Proxy	In-Person Attendance Rate (%) 【B/A】 (Note)	Remarks
Convener (President)	Huang, Jui-Nan	Previously served as vice president of Advantech Industry Automation Group and possesses the work experience required for business and corporate operations, excelling in operational judgment, accounting and financial analysis, business management, crisis handling, industry knowledge, international market insights, leadership abilities, and decision-making skills. In addition, involved in specialized fields such as ESG regulations and supply chain management, supporting organizations in planning medium- and long-term sustainability projects. Please refer to page 10 ~ 12 for the information on the professional qualifications of Directors.	3	0	100	None
Member (Independent Director)	Yu, Chwo-Ming	Ph.D. of Business Administration at University of Michigan. He used to be Independent Director of Yuanta Bank Co., Ltd., Advantech Co., Ltd., Yuanta Futures Co., Ltd., and professor of department of Business Administration of National Chengchi University. He is currently the professor of department of Industrial and Business Management, Chang Gung University, Independent Director of Integrated Service Technology Inc, and Independent Director of WPG Holdings Limited. Possesses over 20 years of work experience required for business and corporate business and being good at leadership, accounting and financial analysis, business judgment, business management and crisis management, and effectively applies these experiences to drive projects related to organizational resource management and sustainable corporate development strategies. Please refer to page 10 ~ 12 for the information on the Director's main experience (educational).	3	0	100	None

Title	Name	Professional Qualifications and Experience	No. of Attended in Person (B)	No. of Attendance by Proxy	In-Person Attendance Rate (%) 【B/A】 (Note)	Remarks
Member (Independent Director)	Lin, Hsiu-Ting	Graduated from the Bachelor of Accounting, National Chengchi University Chairman of I Am That Co., Ltd. and Dong Qiong International Music Co., Ltd., Independent Director of Thai Kin Co., Ltd., Supervisor of Powerful Content Inc.. Previously served as the CFO of SCT Ltd. Taiwan Branch. Possess work experience required for business and corporate operations, and be good at operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market perspective and decision-making ability. Also equipped with professional knowledge in ESG regulations and corporate governance, contributing to sustainable development initiatives. Please refer to page 10 ~ 12 for the information of the Director's main experience (educational).	2	0	100	This member was appointed on June 5, 2024 and is required to attend two Sustainable Development Committee meetings in 2024.
Member (Independent Director)	Chang, Jen-Chih	Master of Accounting, National Chengchi University. He used to be department head of department of accounting & statistics of Chungyu College of Business Management and National Taipei College of Business. He is currently the CPA of Hot Tai Accounting Firm. Passed the national examination and obtained the accountant certificate. Possesses over 20 years of work experience required for business finance, accounting and corporate business and being good at leadership, accounting and financial analysis, crisis management, with industry knowledge, international market outlook, and corporate governance. Furthermore, does not fall under any of the conditions defined in Article 30 of the Company Act. Please refer to page 10 ~ 12 for the information on the Director's main experience (educational).	1	0	100	This member was dismissed on May 24, 2024 and is required to attend one Sustainable Development Committee meeting in 2024.
<p>Other matters:</p> <p>The meeting date, period, content of the main proposals of the Sustainable Development Committee, content of the proposals, content of the proposals or objections of the members of the Sustainable Development Committee, the resolution of the Sustainable Development Committee, and the Company's handling of the opinions of the Sustainable Development Committee.</p> <p>On February 26, 2025, the Board of Directors approved the dismissal of director and president Huang, Jui-Nan from his</p>						

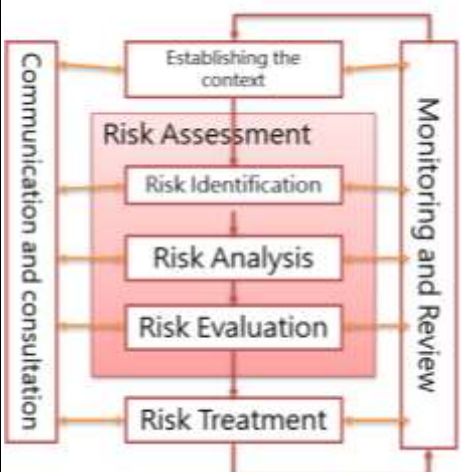
Title	Name	Professional Qualifications and Experience	No. of Attended in Person (B)	No. of Attendance by Proxy	In-Person Attendance Rate (%) 【B/A】 (Note)	Remarks
positions as president and manager, and newly appointed William Wu and Chiven Fan as co-presidents. Meanwhile, the Company dismissed Huang, Jui-Nan from his position as convener of the second sustainable development committee, and nominated the new president William Wu as convener and chairman of the meeting.						
Sustainable Development Committee	Content of the Motion & Follow up					
The 1 st time of the 1 st term March 21, 2024	1. Propose to adjust the working group structure of the Sustainable Development Committee and amend the Organization Charter of the Sustainable Development Committee.					
	2. Formulate relevant management guidelines and specific promotion plans for each working group in 2024.					
	3. Progress of PWC project guidance and 2024 greenhouse gas inventory planning.					
	4. The 2023 Sustainability Report verifies the guidance plan and progress plan.					
	Result of the Sustainable Development Committee meeting : The Chairman consulted with all the members present and passed the resolution.					
	The measures taken by the Company based on the opinions of the Sustainable Development Committee: After consultation with all directors' present (including independent directors), the proposal was approved without objection.					
The 1 st time of the 2 nd term July 4, 2024	1. Sustainable development implementation results in 2024 and future promotion goals.					
	2. Results of the 2023 Chinese sustainability report preparation.					
	3. Implementation of the 2024Q2 Greenhouse Gas Inventory and Verification Schedule.					
	Result of the Sustainable Development Committee meeting : The Chairman consulted with all the members present and passed the resolution.					
	The measures taken by the Company based on the opinions of the Sustainable Development Committee: After consultation with all directors' present (including independent directors), the proposal was approved without objection.					
The 2 nd time of the 2 nd term September 26, 2024	1. The planning of Sustainable development operation platform system.					
	2. Implementation of the 2024Q2 Greenhouse Gas Inventory and Verification Schedule.					
	Result of the Sustainable Development Committee meeting : The Chairman consulted with all the members present and passed the resolution.					
	The measures taken by the Company based on the opinions of Sustainable Development Committee: After consultation with all directors' present (including independent directors), the proposal was approved without objection.					

Note1: If any nomination committee member left the committee before the end of the fiscal year, specify the date that they left the committee in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of nomination committee meetings held and the number they attended in person during the period they were on the committee.

Note2: If any by-election for nomination committee members was held before the end of the fiscal year, the names of the new and old committee members should be filled in the table, with a note stating whether the member left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of nomination committee meetings held and the number attended in person during the period of each such person's actual time on the committee.

(5) Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	V		<p>1. To assist the Board of Directors to continue to promote risk assessment and countermeasures in all aspects of corporate environmental, social and corporate governance, and to implement the purpose of sustainable management. To implement corporate sustainable development, the "Sustainable Development Committee" was established on October 26, 2023. The first Sustainable Development Committee is composed of President Huang, Jui-Nan and two independent directors Yu, Chwo-Ming and Chang, Jen-Chih, with President Huang, Jui-Nan serving as convener and chairman of the meeting. The Company's shareholders' meeting fully re-elected directors on May 24, 2024. President Huang, Jui-Nan, Independent Director Yu, Chwo-Ming and Independent Director Lin, Hsiu-Ting served as members of the Second term of Sustainable Development Committee. President Huang, Jui-Nan continued to serve as the convener and chairman of the meeting. The Promotion Office (Human Resources unit) was established to oversee the committee's affairs, integrate the annual plans and execution results of each working group, report them to the Sustainable Development Committee, and coordinate and track the implementation of the committee's annual plans with each working group.</p> <p>2. The Promotion Office of the "Sustainable Development Committee" regularly reports to the Board of Directors on its operational results (including the communication with stakeholders), as well as issues of concern to stakeholders, specific promotion plans and implementation status. In the next year, the Sustainability Report will be completed and placed on the Company's website for stakeholders to view. On October 29, 2024, the relevant handling situation was reported to the Board of Directors, and the Board of Directors listened to the report of the management team (including the ESG report), they evaluate and supervise the management policy, strategy and target formulation and review measures reported by the management, regularly review the progress of the strategy, and urge the management team to execute the planned</p>	Comply with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies"

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			schedule continuously.	
2. Does the Company conduct risk assessment of environmental, social and corporate governance (ESG) issues related to the Company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2)	V		<p>1. The Company has established a risk management working team under the “Sustainable Development Committee” to formulate risk management policies, and plan and implement the Company’s risk management-related operations.</p> <p>2. The Company’s risk management process:</p>  <p>3. Based on the principle of materiality, conduct risk assessment on environmental, social, or corporate governance issues related to company operations, and formulate relevant risk management policies or strategies (Note 4), and the promotion of sustainable development is supervised by the Board of Directors and disclosed on the Company’s website and annual report. The information disclosed in the 2023 Sustainability Report covers the period of disclosure from January 1, 2023 to December 31, 2023. The Company's practices and performance in corporate governance, corporate commitment, environmental protection, and social participation, and responded to the concerns of stakeholders. The boundaries of Axiomtek’s Sustainability Report only include Axiomtek’s important operating locations in Taiwan (Xizhi Headquarters, Xizhi Plant), and additionally disclose some performance data of Taichung Office. The Sustainable Development Committee conducts analysis according to the materiality principle of the sustainable report, and each relevant unit formulates management policies based on the analysis results of major themes, and handles various operations in combination with the organization’s business strategy, and</p>	Comply with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			<p>through Axiomtek's corporate social responsibility group meeting and discussion, the effectiveness of the management policy is reviewed and evaluated from time to time as the Company's sustainable policy. Actively encourage stakeholders to participate in identifying, understanding and responding to sustainability issues and each other's priorities, and reporting to stakeholders, explaining its decisions, actions and performance and enabling stakeholders to evaluate the organization's performance, thereby developing management policies and performance measurement systems.</p> <p>The Board of Directors of the Company has formulated the "Risk Management Policy and Procedure" and "Risk Management Best Practice Principles", and its operation has been disclosed on the Company's website and annual report. (Note 4)</p>	
3. Environmental Issues				
(1) Has the Company set up an environmental management system designed to industry characteristics?	V		The Company has obtained ISO-14001 (International Standard for Environmental Management) and ISO-45001 (Occupational Safety and Health Management System) certification (Note 5) and regularly audits and evaluates.	Comply with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies"
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	V		The Company is committed to improving from the basics, upgrading the usefulness of each category of material to achieve the goals of reducing raw material usage and waste, thereby lowering the impact on the environment (Note 4&6).	
(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	V		<p>The Company's potential risks are mainly at the environmental level, such as resource shortages, increased raw material costs, etc. To mitigate climate change, the Company is committed to reducing energy consumption, and has established energy-saving measures such as water saving/saving/paper saving and computer recycling and re-use (Note 4&6). Please refer to the Company's "2023 Axiomtek Corporate Sustainability Report" (page 112, Part 6 environmental protection). https://www.axiomtek.com/company/investor/US/2023_CSR_report.pdf</p>	
(4) Did the Company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste,	V		The Company counts the greenhouse gas emissions, water consumption and total waste every year, and formulates policies on energy conservation and carbon reduction, greenhouse gas reduction, water consumption or other	

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons						
	Yes	No	Summary Description							
and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?			waste management, and commits to reducing energy consumption and environmental protection (Note 4&6) and on January 4, 2024, we obtained the 2024 Greenhouse Gas Verification Statement issued by BSI. In December 2024, BSI also obtained verification results of reasonable assurance and agreed process level after checking the greenhouse gas emissions of all categories of projects in Scope 1, Scope 2, and Scope 3 in 2024. On January 8, 2025, the BSI certificate was obtained (certificate number: GHGEV 815845).							
4. Social Issues (1) Has the Company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	V		<p>In order to fulfill its corporate social responsibility and protect the basic human rights of all colleagues, the Company agrees and voluntarily follows the “UN Universal Declaration of Human Rights”, “UN Global Compact”, “UN Guiding Principles on Business and Human Rights”, “UN International Labor Organization” and other internationally recognized human rights standards and puts an end to any violations and violations of human rights, treats all colleagues with dignity and respect. Related “Axiomtek Co. Ltd. Social Responsibility Policy Statement” (Note 7) have been disclosed on the Company’s website.</p> <p>Every two years, the Company regularly reviews its own operations, value chain, new business activities (such as mergers and acquisitions, joint ventures) and other related activities by paying attention to major social issues, data monitoring, questionnaire surveys, etc. to identify and assess the groups at risk and potential human rights risks, formulate a control plan for human rights issues based on potential risks, and continuously monitor and improve the implementation of the plan.</p> <p>The Company’s human rights management policies and specific plans are summarized as follows:</p> <table><tr><th>Human Rights Management Policy</th><th>Specific Plan</th></tr><tr><td>Provide a safe and healthy work environment.</td><td>Please refer to “Working Environment and Employee Personal Safety Protection Measures” in Labor</td></tr><tr><td>Help employees maintain physical</td><td></td></tr></table>	Human Rights Management Policy	Specific Plan	Provide a safe and healthy work environment.	Please refer to “Working Environment and Employee Personal Safety Protection Measures” in Labor	Help employees maintain physical		Comply with the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”
Human Rights Management Policy	Specific Plan									
Provide a safe and healthy work environment.	Please refer to “Working Environment and Employee Personal Safety Protection Measures” in Labor									
Help employees maintain physical										

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			<p>and mental health and work-life balance.</p> <p>Announce Axiomtek's corporate social responsibility policy announcement and formulate and commit to labor and human rights policies.</p>	<p>Relations on page.169-171</p> <p>In 2021, passed the complete CSR due diligence of the third-party certification agency entrusted by the international manufacturer Amazon to ensure that the Company's code of conduct is consistent with the "RBA Code of Conduct", and according to the third-party audit frequency of every two years, in December 2023, Axiomtek's factory was re-evaluated and passed.</p> <p>Axiomtek's corporate social responsibility policy statement, please refer to Note 7.</p> <p>Continue to implement the principle of free employment of foreign migrant workers. All employment fees such as agency fees, domestic service fees, health examination fees, visa fees, etc. for foreign migrant workers are born by the Company, and foreign migrant workers keep their passports, seals, passbooks, etc. for safekeeping to protect their rights and interests in fair employment and free choice of employment.</p>
			Prohibit forced labor and abide by local government labor laws.	Implement the vacation system and encourage colleagues to focus on work-life balance.

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
(2) Has the Company established and implemented reasonable employee welfare measures (including salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	V		Set out human rights clauses in supplier contracts and implement on-site audits.	
			labor and human rights requirements have been officially added to the supplier evaluation form. It will be listed as a formal evaluation item in 2024. It is currently listed as an encouragement item for extra points. In 2026, it will be fully included as a formal scoring item.	
			Education and training in labor and human rights.	
			In 2024, we completed labor and human rights education and training for more than 161 Taiwanese employees, including both internal and external training, accounting for approximately 24% of the total number of employees. We also invited 105 major suppliers to participate.	
			<p>The Company aims to become a happy enterprise, fulfill its corporate social responsibility, and take care of employees. The main employee benefits are as follows:</p> <p><u>Employee compensation and reward system linked to business performance</u></p> <ol style="list-style-type: none"> 1. Adopt a fixed year-end bonus system. 2. According to the overall performance of the unit and the Company, performance bonuses are issued on a quarterly or half-yearly basis. 3. Performance evaluation is conducted twice a year, and annual salary adjustments are made every year. 4. According to the Articles of Association, if the Company has a profit in the year (that is, the profit of income before tax deducting the employee's remuneration and Director's remuneration), 1% to 20% should be allocated as employee remuneration, and it should be paid twice a year. 5. Issue employee stock option certificates from time to time. 6. Implement employee stock ownership trust, 	

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			<p>and the Company allocates 30% of the bonus according to the employee's self-raised fund. As of the end of March 2025, a total of 325 employees have joined the Axiomtek stock ownership trust as members.</p> <p><u>Measures of employee benefits</u></p> <ol style="list-style-type: none"> 1. The Company has established an Employee Welfare Committee, which allocated 0.15% of the employee welfare fund based on the total revenue every year. In 2024, the Company provided employee welfare fund exceeding NT\$7.2 million to plan and implement various welfare systems for colleagues, including family day activities, travel subsidies, wedding and funeral subsidies, hospital condolences for injuries and illnesses, maternity subsidies, sports competitions, departmental snack funds, special store discounts, and multi-society activities that combine arts and humanities, sports and fitness, and educational fun. 2. Xizhi Headquarters adopts a flexible commuting system. In response to the relocation to the new factory in Xizhi in August, 2023, besides providing additional transportation allowances to colleagues who assist with the relocation, the Company also launched commuting vehicles for the Danshui Line, Beitou Line, Zhonghe and Xindian Line and Nangang MRT Station. 3. The vacation system is based on a fixed two-day weekend. Colleagues can also apply for leave without pay in case of childcare, serious injury, major accident, etc. and need a longer period off, so as to consider the needs of personal and family care. 4. The Company aims to become a happy enterprise and has implemented several welfare measures that are superior to the Labor Standards Act since 2025, including five days of fully paid sick leave each year, no need to make up for overtime on make-up days, and sports meets held on workdays. <p>For the relevant content, please refer to the content of employee welfare measures in labor-management relations in the chapter "IV.</p>	

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons																													
	Yes	No	Summary Description																														
			<p>Overview of Business Operations” of the annual report.</p> <p><u>Workplace diversity and gender equality</u></p> <p>In terms of workplace diversity and gender equality, we achieve equal pay for equal work and equal promotion opportunities for men and women. In 2024, the proportion of female managerial officers was 22%, and the average proportion of female employees was 45%. The details of the implementation of the policy are as follows:</p> <table><tr><th>Position</th><th>Male</th><th>Female</th></tr><tr><td>Operator/assistant</td><td>0.97</td><td>1</td></tr><tr><td>Professional and technical position</td><td>1.10</td><td>1</td></tr><tr><td>Junior supervisor</td><td>1.06</td><td>1</td></tr><tr><td>Senior supervisor</td><td>0.92</td><td>1</td></tr></table> <p>Note1: Annual salary includes an annual basic salary and annual bonus. Note 2: Statistical scope excludes foreign migrant workers.</p> <p>The Company’s main operating base is in the headquarters in Taiwan, where the minimum monthly salary is 15% higher than the minimum wage, and the average monthly salary of the lowest grade male and female employees is even higher 22% of the statutory basic salary.</p> <table><tr><th>Item</th><th>Taiwan Headquarter</th></tr><tr><td>Ratio of male minimum wage to statutory basic wage</td><td>1.18</td></tr><tr><td>Ratio of female minimum wage to statutory basic wage</td><td>1.13</td></tr><tr><td>Minimum wage ratio for female to male</td><td>1.04</td></tr><tr><td>Ratio of average wage to statutory minimum wage for male at the lowest level</td><td>1.27</td></tr><tr><td>Ratio of average salary to statutory minimum wage</td><td>1.22</td></tr><tr><td>Average salary ratio at the lowest level</td><td>0.96</td></tr></table> <p>Note 1: The minimum wage is defined as the full salary on the payroll. In 2024, the statutory basic wage in Taiwan is TWD 27,470 per month. Note 2: Statistical scope excludes foreign migrant workers.</p>	Position	Male	Female	Operator/assistant	0.97	1	Professional and technical position	1.10	1	Junior supervisor	1.06	1	Senior supervisor	0.92	1	Item	Taiwan Headquarter	Ratio of male minimum wage to statutory basic wage	1.18	Ratio of female minimum wage to statutory basic wage	1.13	Minimum wage ratio for female to male	1.04	Ratio of average wage to statutory minimum wage for male at the lowest level	1.27	Ratio of average salary to statutory minimum wage	1.22	Average salary ratio at the lowest level	0.96	
Position	Male	Female																															
Operator/assistant	0.97	1																															
Professional and technical position	1.10	1																															
Junior supervisor	1.06	1																															
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Item	Taiwan Headquarter																																
Ratio of male minimum wage to statutory basic wage	1.18																																
Ratio of female minimum wage to statutory basic wage	1.13																																
Minimum wage ratio for female to male	1.04																																
Ratio of average wage to statutory minimum wage for male at the lowest level	1.27																																
Ratio of average salary to statutory minimum wage	1.22																																
Average salary ratio at the lowest level	0.96																																

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	V		<p>The Company's occupational safety policy: law-abiding teaching, communication and participation, risk management and performance improvement, to comply with relevant national safety and health laws and regulations and other requirements that must be complied with, to provide colleagues with safe and healthy working conditions, to eliminate hazards and reduce occupational safety and health. Risks, prevent work-related injuries, ill health, diseases and accidents, to protect the safety and health of all employees and suppliers, contractors and visitors entering the Company, and continuously improve the safety and health management system and safety and health performance, for employees, Suppliers and contractors provide necessary education and training to ensure safety and health awareness and correct behaviors, encourage employees to participate in safety and health management and consultation, and establish and maintain a good communication channel between the Company's senior management and employees.</p> <p>There were 8 occupational injury cases in 2024, including 2 cutting injuries and 3 falling injuries, of which 1 falling injury caused temporary total disability, with a loss of 32 days; the frequency of disability injuries in 2024 was 3.66, and the severity rate of disability injuries was 23.</p> <p>In addition, there were 3 types of occupational accidents that were commuting accidents. Since commuting accidents involving workers are not considered occupational accidents under the Occupational Safety and Health Act, they do not need to be included in the calculation of the disabling injury frequency and disabling injury severity rate. The Company non-periodically promotes defensive driving and other traffic safety concepts through electronic newsletters, reminding colleagues to not only abide by traffic rules but also be aware of their surroundings, develop a mindset to anticipate potential accidents, and take necessary defensive actions in advance to prevent accidents.</p> <p>The Company obtained the TOSHMS Taiwan</p>	

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
(4) Has the Company established effective career development training programs for employees?	V		<p>Occupational Safety and Health Management System Certification of the Labor Committee and regularly conducts employee health inspections and safety and hygiene lectures every year.</p> <p>The Company has a resident nurse service, and a physician to Xizhi plant for 3 hours each time. In addition to routine attendance to employee health and health guidance, maternal health protection and abnormal workload, any employee who has physical and mental health issues can make an appointment for consultation. In addition, to achieve the purpose of the occupational safety and health policy, “pay attention to employee safety and comply with occupational safety regulations”, specific measures include:</p> <ol style="list-style-type: none"> 1. Implement occupational safety training for new recruits for 3 hours per person. 2. Improve occupational safety training for incumbents by 4 hours every 3 years. 3. Regular implementation of occupational safety management system audit once a year. 4. Implement and improve the occupational safety management system to audit each deficiency. <p>For the relevant content, please refer to the content of labor-management relations, working environment and employee personal safety protection measures in the chapter “IV. Overview of Business Operations” of the annual report.</p> <p>The Company provides relevant internal and external professional education and training to enrich employees’ career skills. The Company also encourages employees to assess their interests, skills, values, and goals and communicate their personal career intentions with managerial officers to plan future career plans. For the relevant content, please refer to the content of the training and training of labor-management relations in the chapter “IV. Overview of Business Operations” of the annual report.</p> <p>In order to implement the spirit of "People are the most important asset of Axiomtek", we provide our employees with a series of training</p>	

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	V		<p>courses that combine corporate strategic goals and career development. Please refer to the description of the Company's "2023 Corporate Sustainability Report" (pages 98 to 101).</p> <p>During the annual regular performance interviews, the supervisors and employees discuss and set up their own annual ability development plans. Through regular review and feedback, they help employees to tailor the best development plan.</p> <p>The Company follows the relevant laws and international standards for customer health and safety, customer privacy, marketing and labelling of products and services, and has good after-sales service procedures to protect consumers' rights. Please refer to the Company's "2023 Corporate Sustainability Report" (page 72).</p>	
(6) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	V		<p>The Company has established supplier management policy and developed supplier evaluation and management procedures. The Company carefully defines the criteria for selecting and evaluating suppliers, which include aspects such as organizational structure and systems, quality management, production management, inventory management, technical management, environmental management, and CSR management. This ensures that our suppliers meet the requirements of our company's policies and that the purchased raw materials meet quality standards. In terms of environmental health and safety, suppliers engaging in transactions with us must also adhere to our company's established "Contractor Safety and Health Management Procedure" and "Procurement Operation Safety and Health Management Procedure" to jointly contribute to enhancing corporate social responsibility. Please refer to the Company's "2023 Corporate Sustainability Report" (page 36~39) for the description of the supplier audit and evaluation operation and implementation (Note 8).</p>	

Item	Implementation Status (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
5. Does the Company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the Company obtain third party assurance or certification for the reports above?	V		The Company has completed the preparation of the 2023 Corporate Sustainability report in accordance with the GRI Standards issued by the Global Reporting Initiative (GRI), the operating procedures for the preparation and submission of sustainability reports by OTC companies and reference to SASB standards and TCFD standards, completed the preparation of the "2023 Corporate Sustainability Report" to disclose the Company's non-financial information, and obtained the Type 1 medium assurance level verification from the British Standards Institution Limited (BSI) based on AA 1000:AS V3, confirming compliance with the GRI Standards 2021 and obtaining an assurance statement.	Comply with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies"
6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: The Company has formulated the "Sustainable Development Best Practice Principles". The Sustainable Development Committee is composed of the president and two independent directors appointed by the Board of Directors, and establish the operation office (Human Resources unit) coordinates the planning and establishes various operation groups to actively participate in the implementation of sustainable development related activities. In 2024, the 2023 Corporate Sustainability Report in accordance with the GRI Standards issued by the Global Reporting Initiative (GRI), and all operations comply with the requirements of the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies".				
7. Other important information to facilitate better understanding of the Company's promotion of sustainable development: (1) In addition to pursuing the development of environmentally friendly products, the Company is committed to becoming a green enterprise that values and practices cherishes the environment and ecology. In view of global warming, global citizens have a responsibility to participate in activities, combine innovation with the Company's core values and corporate operations, promote corporate volunteers to serve a good culture, make corporate volunteers an important resource for building a good civic environment, and work together to care for society and change the world. The Company has invested in social welfare activities in the past two years as follows:				
	Year	Month	Day	Item
2024		Nov	26	During the week of Thanksgiving, the "IEI Blood Donation Day" event was held once again. Employees expressed their gratitude by giving back to society and helping others with their generous blood donations.
		Oct	16	Participate in the E.Sun Bank perpetual deposit project, jointly commit to sustainable development, take concrete actions in response to climate change, implement environmental protection and other impacts, and practice ESG together. This perpetual deposit funds will be used for green, ESG and other related credit and investment projects. Please refer to Note 9.
		Feb	23	2024 Lantern Festival: Tangyuan Feast x ABRAZO Charity Sale In addition to the lively Lantern Festival celebration, we invited ABRAZO to our company for a charity sale. With their sincere hands, children with Down syndrome lovingly crafted handmade cookies, each filled with warmth and care. Let's join in the spirit of "embrace" to support them and individuals with disabilities!
		Jan	29	Lovenature Workshop Charity Sale Before the Lunar New Year, we invited Lovenature Workshop to hold charity sales at both our Xizhi headquarters and factory. This event

Item				Implementation Status (Note 1)		Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
				Yes	No	
				Summary Description		
				allowed employees to purchase festive gifts while supporting children with disabilities. Through hands-on work, these children can develop professional skills and build a brighter future.		
2023		Dec	21	The Welfare Committee purchased handmade cookies from Bear House on Christmas and shared them with all colleagues, warming the hearts of Axiomtek colleagues and public welfare organizations in the cold winter.		
		Sep	22	On the eve of Christmas, the "Axiomtek Blood Donation Day" event was held for the first time. Successful blood donors can also receive a charity cake, which not only injects blood and warms others, but also warms public welfare organizations. Love never stops.		
		Sep	11	Mid-Autumn Festival shares the love of Axiomtek colleagues, and specially invites the Lovenature Workshop in New Taipei City to hold a charity sale of "Love in Mid-Autumn Festival, Full of Happiness".		
		Jun	20	Participated in the sustainable deposit project of E.SUN Bank, jointly committed to sustainable development, taking specific actions to address the impacts of climate change and environmental protection, and practicing ESG together. This sustainable deposit fund is used for credit and investment projects that comply with green and ESG sustainability requirements. Please refer to Note 9.		
		Feb	03	The Welfare Committee organized the "Dragon Boat Festival Celebration" event, and in conjunction with the charity sale event of the Lan-chui Social Welfare Foundation, Axiomtek employees worked together to promote charity.		

(2) Number of participants in welfare activities and cash input in the past 2 years: Unit: NT\$

Participant	Participation Total Number of Person	2024	2023
		Charity Sale and Activity	Charity Sale and Activity
Lan-chui Social Welfare Foundation	Free to participate by all employees	-	28,160
Lovenature Workshop	Free to participate by all employees	19,625	30,020
Bear House	All employees	-	240,840
Taipei Blood Center	36 employees	52 bags of blood	81 bags of blood
ABRAZO	Free to participate by all employees	20,680	-

(3) Support for Cultural Development Strategies Program

To encourage employees to get in touch with cultural and artistic activities, performance venues, etc., and respond to the government's policy of cultivating arts and cultural consumption habits, the Company encourages employees to consume arts and cultural consumption. On March 2, 2024, the Welfare Committee invited colleagues to watch the Godot Theatre Company's performance of "I Work in a Scam Company" at the National Theater for free. A total of 60 people participated in this event, which cost NT\$38,400. On May 4, 2024, on the eve of Mother's Day, colleagues were invited to listen to the OneSong Orchestra's thrilling concert.

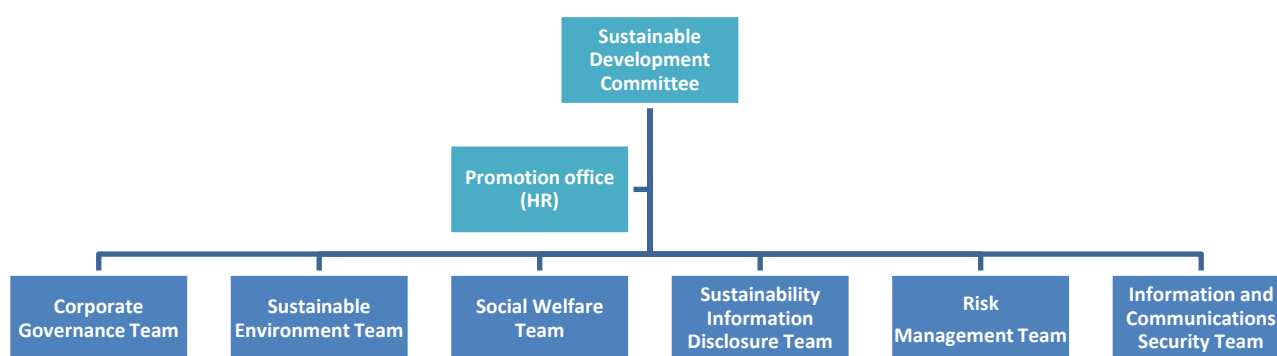
(4) To support local education and increase students' practical work experience, the Company actively collaborates with major universities for industry-academia cooperation. From October 2023 to October 2024, we collaborated with the Department of Electrical Engineering of Fu Jen Catholic University on the National Science Council's Industry-Academia Cooperation Project. Since June 2023, we provided Ph.D. students from the Department of Computer Science and Engineering of Fu Jen Catholic University with practical

Item	Implementation Status (Note 1)		Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	
			Summary Description
			work training, so that they could directly join the Company after graduation. Beyond these efforts, Axiomtek is committed to local talent development and sustainability by actively recruiting professionals from Keelung, Xizhi, and Nangang. As a result, the proportion of local employees (excluding foreign migrant workers) has increased from 19% (115 employees) in 2023 to 21% (130 employees) in 2024.
(5)			Purchase energy-saving equipment air compressors for approximately NT \$1.14 million, with an annual power consumption reduction of 95304 kWh and a carbon reduction of 56.23 (tons of CO ₂ e/year).
(6)			Climate-Related Information: Note 10

Note 1: If “Yes” is ticked in the “Implementation status” column, please concretely describe the major policies, strategies, and measures adopted and the status of their implementation. If “No” is ticked in the “Implementation status” column, please explain the deviations and the reasons in the “Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons” column and explain the Company’s plans for adoption of related policies, strategies, and measures in the future. However, for Items 1 and 2, the TWSE/TPEX listed company shall describe its governance and supervisory framework for sustainable development, including but not limited to management policy, strategy and goal formulation, review measures, etc. It additionally shall describe the Company's risk management policies or strategies for operations-related environmental, social, and corporate governance issues, and their assessment status.

Note 2: The principle of materiality refers to those who have a significant impact on the Company’s investors and other stakeholders in relation to environmental, social and corporate governance issues.

Note 3: Sustainable Development Committee



Member	Organizational Function
Corporate Governance Team	Responsible for compliance with corporate governance laws and regulations, establishing reasonable compensation policies and employee performance appraisal systems, education and training, and stakeholder communication mechanisms to achieve the Company's goal of sustainable development.
Sustainable Environment Team	Responsible for the environmental management system, compliance with environmental laws and regulations and international standards, evaluation of sustainable transformation, improvement of resource utilization, climate change response mechanism, and establishment of dedicated environmental management units or personnel to achieve the goal of environmental sustainability.
Social Welfare Team	Responsible for human rights management policies and procedures, compliance with human rights-related laws and regulations and international standards, establishing internal and external communications among all members of the organization (such as employees, subsidiaries, joint ventures, etc.) and key members of the value chain, assessing related risks and management mechanisms, and promoting community and cultural development to achieve the goal of sustainable operations.
Sustainability Information Disclosure Team	Responsible for the sustainable information management policy, compliance with relevant laws and regulations and international standards for sustainable information disclosure, and fully disclose relevant and reliable sustainable information to enhance the transparency of sustainable information. The inter-departmental team shall execute the tasks assigned by the preceding paragraph, organize and implement the plan or other sustainability-related matters, and submit the implementation results to the full-time (part-time) sustainable development unit or this committee.
Risk Management Team	Responsible for conducting various risk management and assessments based on the environmental, social, and governance management frameworks, regularly reviewing whether various systems can achieve operational objectives, ensuring the integrity, effectiveness, and rationality of the Company's operational, financial, environmental, internal control, and legal risk project management, and regularly reporting the Company's risk management overview to the board of directors.
Information and Communications Security Team	Responsible for formulating, planning and implementing information and communications security policies, and regularly reporting to the Board of Directors on the Company's information and communications security governance status.

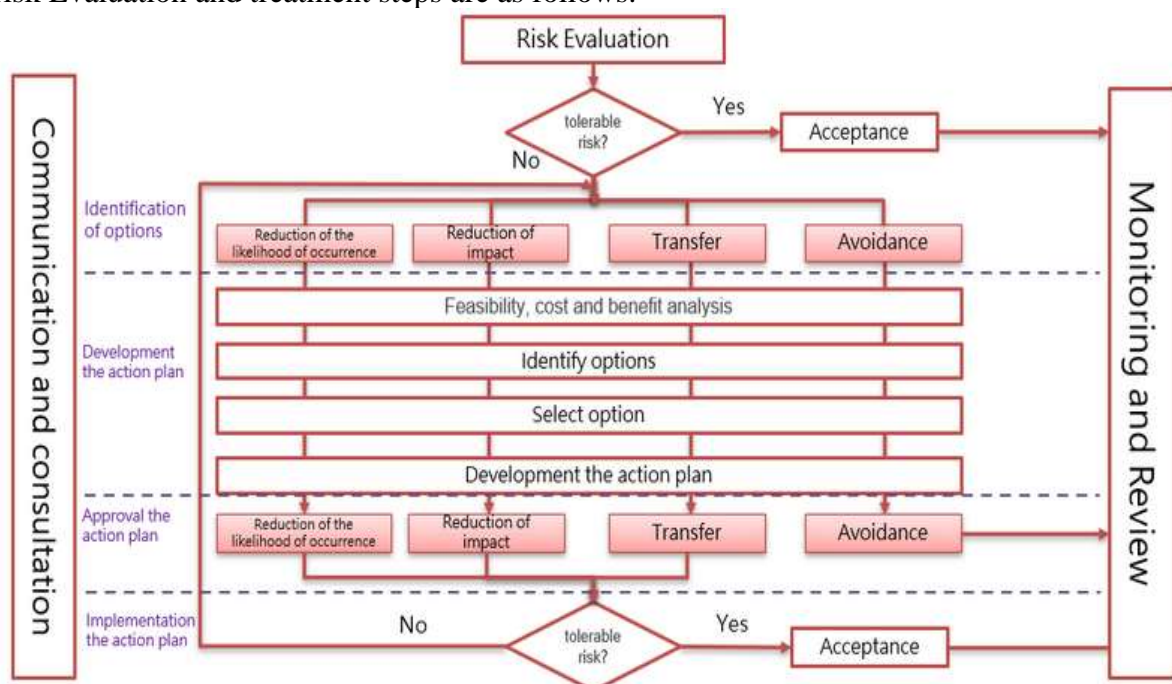
Note 4: Identifying the boundary of the consideration area

Based on the identification of each major concern, Axiomtek evaluates its impact and decides the impact on the internal and external aspects of the organization through conferences and discussions. It is divided into the internal boundary of the organization and the external boundary of the organization. The internal boundary of the organization includes Axiomtek and its subsidiaries, and the external boundary objects of the organization include customers and suppliers.

Issues of Concern	Boundary Consideration	Organizational Internal Boundaries		Organizational External Boundaries	
		Axiomtek	Subsidiary	Supplier	Customer
Economy	Economic performance	•	•		
	Anti-corruption	•	•	•	
Environment	Environmental compliance	•			
Society	Relations of labor and employer	•			
	Labor relations	•			
	Occupational health and safety	•		•	
	Training and education	•			
	Employee diversity and equal opportunity	•			
	Non-discrimination	•			
	Child Labor	•			
	Forced and compulsory labor	•		•	
	Customer health and safety	•			•
	Marketing and labeling	•			•
	Customer privacy	•			•
	Socio-economic compliance	•		•	•

- Material and disclosed in this report

The risk Evaluation and treatment steps are as follows:



Based on materiality, the Company conducts risk assessments on environmental, social and corporate governance issues related to company operations, and develops relevant risk management policies or strategies:

ESG	Risk Classification	Risk Evaluation	Risk Management Policy or Strategy
Environmental	Environmental Protection and Ecological Conservation	Environmental pollution prevention and control	<ol style="list-style-type: none"> 1. Comply with the relevant regulations of the “Waste Disposal Act” and regularly review the harm and impact of the industry on the environment. 2. The Company has got "ISO14001" since 2015, and on a regular basis for the following year. 3. Strictly comply with legal requirements and provide adequate training for responsible personnel. 4. Set implementation plans every year and regularly track and review the progress of each plan to ensure that the goal is achieved.
	Climate Change	Disaster prevention and control Climate change Risk of non-compliance with environmental, climate and other international regulatory agreements	<ol style="list-style-type: none"> 1. The schedule and requirements of carbon neutrality have now become a topic of concern to domestic companies. Since the relevant domestic and foreign laws, schedules and requirements have not yet been fully finalized, the Company will continue to pay attention to it and complete the project under the premise of meeting the domestic and foreign requirement. 2. Regularly assess the adequacy of the relevant natural disaster insurance amount.
Social	Social Responsibility	Occupational safety and health	<ol style="list-style-type: none"> 1. The Company got the OHSAS occupational safety and health management system certification in 2016 and subsequently got the certification regularly. 2. Held the fire drills regularly and industrial safety training every year to cultivate employees' emergency response and self-safety management capabilities. 3. All SOPs are required to be followed thoroughly.
		Product safety	<ol style="list-style-type: none"> 1. The Company's products comply with government regulations, comply with EU RoHS regulations, and do not contain any hazardous substances. Through a rigorous quality management system, we provide customers with stable product quality. In order to ensure customer service quality and improve customer satisfaction, our employees set up customer service phone numbers and websites and conduct regular customer satisfaction surveys every year to strengthen our relationship with customers. And the relationship has become the cornerstone of the sustainable development of the enterprise. 2. Strengthen the product design safety concept. 3. Confirmation of regulation compliance during manufacturing procedure. 4. Got product safety certification aggressively. 5. Apply product liability insurance for all of products.
Corporate Governance	Socioeconomics and Compliance	Operational risk	<ol style="list-style-type: none"> 1. Review the compliance with regulations of operation and strengthen the Company's compliance training. 2. Implement the internal control system, conduct self-assessment of the internal control system on a regular basis every year, and issue an internal control statement. 3. Discussions on the industry environment changes and adjustments of the strategy are made through regular business weekly, monthly and strategic meetings. 4. An “Annual Business Plan” meeting is held every year to discuss possible changes in technology, products and industries in the coming next three years, and develop strategies to respond to environmental changes.

ESG	Risk Classification	Risk Evaluation	Risk Management Policy or Strategy
			5. Hold Partners Connect Event with important customers from time to time to understand customer needs and market changes
		Financial risk	<ol style="list-style-type: none"> 1. Financial department monitor the changes in financial market, such as interest rates and exchange rates, and have relevant transactions or hedging operations. 2. Forecast cash flow weekly and provide countermeasures timely. 3. Maintain a good relationship with banks to ensure that the credit line is sufficient to meet the short- and medium-term capital demands and reduce the cost of capital. 4. Implement the management of customers' credit lines and overdue accounts to avoid expected credit risk.
		Information security risk	<ol style="list-style-type: none"> 1. A firewall is built for the external network, anti-virus software is installed on the Company's computer, and the virus pattern is updated regularly, and virus scanning is carried out. 2. Filtering the website content to avoid connecting to problematic websites. 3. The Company implement Microsoft 365, email and important files are placed in the Microsoft cloud, and they are automatically backed up. Even if they are encrypted by hackers, the pre-encrypted files can be restored. 4. The emergency UPS in the server room can supply for about four hours power when the power is cut off. 5. The Company implement Microsoft 365, and emails and important files are placed in the Microsoft cloud. Even if the Company's internal equipment is damaged, employees can still send and receive emails and access cloud files. 6. All servers of the Company are backed up regularly, according to the backup principle 321. 7. Report the Company's information security governance to the board on a regular basis every year.
	Enhance the Functions of Directors and Fulfilling the Responsibilities of Directors	Enhance the structure and operation of the Board of Directors	<ol style="list-style-type: none"> 1. Have a corporate governance supervisor to help Directors in understanding legal responsibilities and related regulations, plan the training of Directors, and invite CPA to introduce the latest fiscal, tax and legal issues every year. 2. Insuring Directors' liability insurance for Directors to ensure that Directors perform their duties and protect them from lawsuits or claims. 3. Arrange for Independent Directors to communicate with external auditors individually every year. 4. In addition to the regular annual performance evaluation of internal Directors, external evaluations are carried out at least once every three years.
	Stakeholders' Communication	Stakeholders' communication	<ol style="list-style-type: none"> 1. Value communication with stakeholders and reports the situation of communication with stakeholders to the Directors on a regular basis every year. 2. Establish communication channels for stakeholders, actively communicate, and reduce confrontation and misunderstanding. 3. For effective communication with stakeholders, a stakeholder questionnaire is conducted every two years to understand the level of concern of stakeholders on corporate governance, environment, society and other related issues.

Note 5: Certification Data

Category	Environmental Management System	Job Health & Safety Management System
Name of Certification	ISO14001 Environmental Management System	ISO45001 Job Health & Safety Management System
Certification Unit	SGS	BSI
Date of Certification	2004/10/14	2023/12/25
Effective Period	2022/10/14-2025/10/14	2023/12/25-2026/12/24
Certificate		

Note 6: Greenhouse gas inventory, corporate energy conservation and carbon reduction and greenhouse gas reduction strategies.

I. Environmental management policy

Axiomtek environmental policy is “Environmental Protection and Sustainable Resources”. The participation of all staff, continuous improvement, improvement of working methods and management skills, so that the Company’s products, service quality, environmental management can meet the needs of customers, the annual environmental policy, goals, measures to achieve are listed as follows:

Environmental Policy	
Policy Goal	Boundary less environmental protection; sustainable resources
Target	<ol style="list-style-type: none"> 1. Workplace environment measurement pass rate is 100% 2. The pass rate of drinking water quality testing is 100% 3. Energy consumption is reduced by 1.5% per year. 4. Greenhouse gas emission reduction of 1.5% per year 5. Conserving water, the average water consumption per person decreases by 1.0% per year 6. The proportion of non-recyclable business waste decreases by 1.0% from the previous year
Strategy to Meet Targets	Strictly abide by environmental laws and regulations, implement environmental education management, and reduce the impact of the global environment
Measures to Achieve Targets	<ol style="list-style-type: none"> 1. Workplace environment compliance twice a year. 2. Test drinking water quality 4 times a year 3. Monitor and review monthly electricity/water usage 4. Monitor and review annual GHG/waste output

Axiomtek has been using the lead-free manufacturing process since 2006. In order to avoid cross-contamination of production equipment, lead-free Wave Flow is uniformly used. During the manufacturing process, ventilation facilities are installed in the reflow furnace, tin furnace, and repair area to protect the employees from smoke and other harmful emissions. Waste generated from the manufacturing process is collected every 2 hours, according to Axiomtek's policy. The waste collected is consolidated and then removed by a company appointed waste management vendor.

II. Energy Consumption

(I) Energy consumption inventory

1. Electrical Power

Electrical power is the main source of energy in Axiomtek's production and business operations. From the perspective of energy intensity, the per capita electricity consumption is calculated based on the electricity consumption and the number of electricity users. In 2024, the per capita electricity consumption increased by 31.95% compared with the previous year. This is mainly due to the increase in the electricity fee collection rate of government agencies in 2024. In addition, the statistical scope of 2024 included Axiomtek's Taichung office, which is different from the statistical basis of the previous year, resulting in a significant increase in per capita electricity consumption.

Year	2024	2023
Electricity Consumption/ Million Joules	13,797,759	10,272,654
Electricity Users	682	670
Electricity per Person / Year	20,231	15,332

2. Water Resource

Axiomtek's manufacturing process does not require water or industrial wastewater, so water is consumed only in common daily use. Since the Company is in a public park and is not a privately owned factory, it is difficult to recycle and reuse, and the emissions are fully managed by the park administration for centralized treatment and discharge.

Examining the trend of water consumption over the years, there is a clear downward trend in per capita water consumption in 2024. This is mainly because Axiomtek's headquarters and factories have installed water-saving faucets and strengthened the promotion of water-saving measures, allowing employees to develop water-saving habits in their daily lives. The obvious decline in per capita water consumption is enough to show its effectiveness.

Year	2024	2023
Water Consumption	7,338	10,603
Number of People	682	670
Per Capita Water Consumption / Year	10.76	15.83

3. Greenhouse Gases

In addition to data on power and water usage, Axiomtek's environmental team has since 2015 began ISO14064 greenhouse emission inspections on direct emissions (scope 1), indirect emissions from energy sources (scope 2), indirect emissions from other sources (scope 3), the scope of which is as follows:

Scope	Category	Equipment (Emission Source)
Scope 1 Direct Greenhouse Gas Emissions	Fixed combustion source: Refers to combustion of fixed facilities e.g., emergency power generators.	No such facility.
	Mobile combustion source: refers to combustion from transportation e.g., cars	Business vehicles - Petrol and diesel (CO ² , CH ⁴ , N ² O)
	Emission source: refers to intentional or unintentional emission e.g., methane from equipment connections, leakage from fissures or during wastewater management; carbon dioxide from firefighting equipment; HFCs released from air-conditioners, coolers, and household freezers.	CO ² fire extinguisher (CO ²) Drinking fountain, air-conditioner, refrigerator, AC units in business vehicles, dryer, Chamber (HFCs) Septic tank (CH ₄)
Scope 2 Energy Indirect Greenhouse Gas Emissions	Originate from externally sourced power, heat, steam, or other fossil fuel-derived energy sources.	Externally sourced power (CO ²)
Scope 3 Other Indirect Greenhouse Gas Emissions	Example: Employee business travel; transportation of damaged / unwanted material or packages by 3rd parties; foreign aid activities, outsourced manufacturer, and authorized distributors; when the greenhouse emissions originate outside the facility boundaries or from waste generated by the facility; employee commute to/from the workplace (includes emissions from non-energy raw materials).	Transportation of documents and parcels - gasoline, diesel (CO ² , CH ⁴ , N ² O), refrigerant (HFCs) Clearing and transportation of waste - gasoline, diesel (CO ² , CH ⁴ , N ² O), refrigerant (HFCs) Employee commute to/from workplace and business travel - gasoline, diesel (CO ² , CH ⁴ , N ² O), refrigerant (HFCs) Vending machines - refrigerant (HFCs)

The 2024 and 2023 greenhouse emission survey reports indicate that the greenhouse gas emissions generated by electricity provided outside the organization's boundaries account for 88.29% of the total emissions. In accordance with our love the earth concept, Axiomtek's greenhouse gas reduction strategy stipulates a reduction of 1.5% every year to achieve the goal of power conservation /reduction of greenhouse emissions.

Year	Scope 1				Scope 2	Scope 3	Total Emission Equivalent (Metric Tons CO2e/Year)
	Fixed Emission	Process Emission	Move Emission	Escape Emission	Energy Indirect Emission	Other Indirect Emission	
2023	0.00	4.16	24.98	2,003.05	2,046.81	784,410.62	788,489.62 (Note 1)
2024	0.00	4.22	3.60	243.25	1,893.36	NA	2,144.43 (Note 2)

Note 1: Update the data based on the actual inventory data after certification of the 2023 Greenhouse Gas Inventory Report

Note 2: The 2023 inspection and certification data are still being counted. The current statistical data does not include the group's subsidiaries and Category 3. A complete inspection report is expected to be issued in the second half of 2024.

As Axiomtek has become more rigorous in its greenhouse gas inventory, the 2023 inventory scope has been expanded to include the group's subsidiaries. In addition, as inventory technology was not mature in the past, the scope of the Scope 3 inventory was limited to only five behavioral indicators. By 2023, all items in Scope 3 have been fully covered. Therefore, the total emission equivalent in the 2023 greenhouse gas inventory report has increased significantly compared to the past, demonstrating Axiomtek's emphasis on greenhouse gas inventory and environmental sustainability. However, as the 2024 inventory certification data is still being compiled, there is no two-year comparative data on the same basis for reference.

Starting from 2025, the ratio of the Group carbon emissions to the Group revenue is expected to decrease by 3% each year; the design of green and energy-saving products and the improvement of product recycling ratio were initiated. In 2025, the Company held a carbon reduction creative competition to encourage employees to participate in creative proposals for carbon reduction actions. It is expected that green and energy-saving products will account for 5% of the Company's product revenue in 2025. In addition, the OKR indicators for performance evaluation of senior executives already cover ESG-related indicators.

It is expected that the carbon reduction target will be set in 2025 and submitted to SBTi, and that the customer requirements will be met in 2032, with carbon emissions reduced by 32% (2024 is the base year).

(II) Changing of Climate and Energy Conserving

Axiomtek loves the earth and is always concerned about the issue of climate change and are committed to reducing energy consumption. Since the adoption of the Paris Agreement in 2015, the global issue of climate change and energy management has officially entered a new stage. Not exceeding 2 degrees Celsius has become a global urgent management issue. As part of the manufacturing industry, energy conservation and environmental protection to reduce greenhouse gas emissions are also our important responsibility. In order to achieve the goal of reducing energy consumption, the Company has implemented measures for saving water/ energy/ paper and recycling of computers for re-use.

Water and Electricity Saving Measures	<ol style="list-style-type: none"> 1. Use energy-saving lamps. 2. Use sunshade to reduce sun exposure. 3. Install air circulating fan to AC air outlets, adjust indoor temperature (1st floor of Xizhi Plant), reduce compressor starting frequency. 4. Spread the word about not using electrical power during lunch breaks and after hours. 5. Increase the ice water temperature of the air conditioner main unit, reduce the compressor starting frequency, and avoid waste of
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	<p>resources.</p> <ol style="list-style-type: none"> Set the SLEEP function for the water dispenser during non-working hours to reduce power consumption. Implement air conditioning main unit ice water pipeline insulation measures. Understand the actual power consumption and count the power statistics of each region as the basis for improvement. Use water-saving taps in the bathrooms.
Paper Saving and other Measures	<ol style="list-style-type: none"> Implement electronic sign-off system, digitize document signing, digitize technical documents, promote double-sided printing internally and make good use of second-hand paper to save paper. Do not print the fax number on the business card. Replace faxes with electronic file transfer. In addition to the employees using their own eco-cups, visiting customers to also use eco-cups to reduce the use of paper cups. Promote waste sorting, increase the number of recyclable resources, and reduce the amount of general waste Encourage employees to go to work by public transport or carpool. Advocate employees to use environmentally friendly tableware to reduce waste generation and related resource consumption. Donate used PCs or NBs to related agencies for use by vulnerable groups

(III) Waste treatment and resource recovery

Axiomtek Investigates the types of waste generated in the factory into three categories: general domestic waste, general business waste, and hazardous business waste. The three categories of waste have different management modes as shown in the table below:

Classification	Waste Content	Treatment	Final Treatment
General Domestic Waste	Wastepaper/glass bottle/plastic/iron aluminum can	Xizhi Headquarter-Management Committee Xizhi Factory-Special person recycling	Reuse
	Lunch box/household waste/kitchen waste	Xizhi Headquarter - Management Committee Xizhi Factory-Entrust a qualified removal company to handle	Sanitary landfill Incineration Fertilizer use
General Business Waste	Material tape/static tape/Styrofoam/hose/empty solder paste can/packaging tape/discarded parts/discarded motherboard/Wood pallet...	Entrust a qualified removal company to handle	Sanitary landfill Incineration
Hazardous Business Waste	PCB waste board edge	Entrust a qualified removal company to handle	Sanitary landfill Incineration

Axiomtek also pays attention to waste contractors every year. If the contractor breaches the contract or violates government regulations, it will take corresponding disposal or counseling or replacement. There is no major breach of contract or violation of laws by waste contractors in 2024.

1. General domestic waste

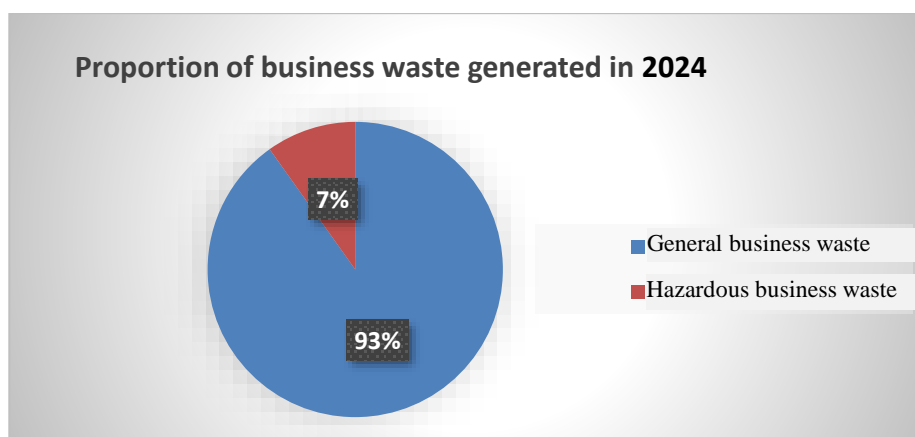
Axiomtek Xizhi headquarters and Xizhi factory have different disposal methods for the domestic waste generated. The Xizhi headquarters entrusts the building management committee to collect and dispose of them, and both the Xizhi factory and the relocated Xizhi factory are independent buildings, so it is entrusted to be recycled by special personnel and entrusted to qualified cleaning and disposal operators. It also stipulates that general domestic waste is unified into general waste and resource waste (wastepaper, glass bottles, plastics, iron and aluminum cans). Except for waste that can be recycled and reused, general wastes are disposed of by sanitary landfill or incineration. Review the annual removal contract weight of general household waste as follows:

Factory	Contract Weight/Month	Treatment
Xizhi Headquarters	2.0 metric tons	Management committee Entrust a qualified removal company to handle
Xizhi Factory	1.6 metric tons	Special person to recycle Entrust a qualified removal company to handle

2. General business waste

Axiomtek not only entrusts legal manufacturers to remove and dispose of industrial waste but also cares about the final disposal method of the manufacturer. Only after reviewing the final disposal process of the manufacturer's waste can, we safely approve the appointment.

Axiomtek's waste output in 2024 is approximately 45.13 metric tons, as shown in the figure below. Since Axiomtek is mainly based on SMT/DIP assembly/testing process, the proportion of hazardous industrial waste is relatively low, and the output of hazardous industrial waste is about 3.22 tons, accounting for about 7% of the total waste. Moreover, the output of hazardous waste materials slightly decreased by 0.68 metric tons compared to 2023, mainly due to the increase in outsourcing production proportion in response to the relocation operation in 2023. Therefore, the PBC waste produced in the factory showed a downward trend in the current year. The total output of general business waste is about 41.91 tons, accounting for about 93% of the total. Axiomtek produces most of the hazardous industrial waste in the production process, PCB waste. In the future, we will continue to improve the process yield, reduce the output of PCB waste, and achieve the effect of industrial waste reduction.



Axiomtek also listed “1.0% reduction in the proportion of non-recyclable business waste compared with the previous year” as its annual waste reduction target. Monitor the output of non-recyclable waste during the three years as follows. In 2024, there was a slight increase of 17.27 metric tons compared with 2023. The reason for the decrease in total output was that the factory implemented garbage classification to increase the proportion of recyclable waste and thus reduce the output of plastic waste.

Year	2022	2023	2024
Total Output (Metric Tons/Year)	57.28	59.18	41.91
Increase/Decrease (Metric Tons/Year)	Benchmark	+1.90	-17.27

III. Adherence to environmental protection regulations

Axiomtek has not been involved in any major violation of environmental laws and regulations since its establishment. Axiomtek’s Xizhi headquarters and Xizhi factory have introduced ISO 14001 environmental management system to ensure that environmental management is strictly required while pursuing operations. Compliance with local government environmental regulations is the most basic requirement for Axiomtek’s environmental management standards. Therefore, we take zero environmental violations as the basic goal of sustainable development. The management strategy includes regular identification of environmental regulations, employee training, and regular monitoring of various environmental indicators to achieve sustainable development.

Management Strategy	Frequency (Years)	Sustainable Development Goals	Goal (Annual)	Results (Annual)
Regular Identification of Regulations	≥ 2 times	Maintain zero environmental violations	Number of environmental violations in 2024: 0	Number of environmental violations in 2024: 0



艾訊股份有限公司社會責任宣示

Axiomtek Co., Ltd. Social Responsibility Declaration

艾訊股份有限公司為專業工業電腦產品製造之企業，自創立以來深刻了解員工與供應商夥伴為企業永續發展中最重要的資產，因此在公司產品之研發、製造、測試、銷售過程中，應善盡企業社會責任，並遵循相關法規、國際標準與客戶要求：

Axiomtek Co., Ltd. is a professional manufacturer of industrial computer products. Since its establishment, the company has deeply understood that employees and supplier partners are the most important assets for sustainable corporate development. Therefore, throughout the processes of product research and development, manufacturing, testing, and sales, we are committed to fulfilling our corporate social responsibility while complying with relevant regulations, international standards, and customer requirements.

在此承諾我們的社會責任總體政策為：

We hereby commit to the following overall social responsibility policies:

- 符合客戶及法令要求，維護員工人權。
Comply with customer requirements and legal regulations to uphold employee rights.
- 採取最高廉潔道德標準，作為從事商業經營及員工操守準則。
Adhere to the highest standards of integrity and ethical conduct in business operations and employee behavior.
- 確保工作環境及作業安全，以零災害為目標。
Ensure workplace safety and operational security with a goal of zero incidents.
- 落實綠色環保政策，以達永續經營。
Implement green environmental policies to achieve sustainable operations.
- 設計並執行符合法令及客戶要求之管理系統，減輕經營風險並持續改進。
Design and execute management systems in compliance with legal and customer requirements to mitigate business risks and drive continuous improvement.

在此承諾我們的勞動與人權政策為：

We hereby commit to the following labor and human rights policies:

- 不使用童工，不使用強迫、抵債或非自願的勞工。
Prohibit the use of child labor, forced labor, bonded labor, or involuntary labor.
- 與勞工建立正規且可自由選擇的僱傭關係。
Establish formal and freely chosen employment relationships with workers.

- 工作及休息時間符合勞基法規定。
Ensure that working hours and rest periods comply with labor laws and regulations.
- 支付給員工的薪資福利符合所有適用的法令。
Provide wages and benefits in full compliance with all applicable legal requirements.
- 公平對待與尊重每位員工，不以體罰、威脅、侮辱、虐待等不人道方式對待。
Treat all employees with fairness and respect, prohibiting corporal punishment, threats, insults, abuse, or any other inhumane treatment.
- 提供平等的工作機會，不因種族、膚色、年齡、性別、性傾向、殘疾、國籍、懷孕、宗教、政治背景、社團成員、婚姻或其他法律規範等有所歧視。
Provide equal employment opportunities without discrimination based on race, color, age, gender, sexual orientation, disability, nationality, pregnancy, religion, political affiliation, union membership, marital status, or any other legally protected characteristic.
- 尊重員工言論自由及結社自由，以及集體談判的權利，建立申訴管道，保障員工不受報復及威脅。
Respect employees' freedom of speech, freedom of association, and collective bargaining rights, while establishing grievance mechanisms to protect employees from retaliation and threats.
- 提供安全衛生的工作條件與處所。
Provide safe and healthy working conditions and environments.
- 遵守當地適用之相關勞動法令、客戶規範，以及國際準則。
Comply with all applicable local labor laws, customer requirements, and international standards.

在此承諾我們的環境政策為：(同 ISO14001)

We hereby commit to the following Environmental Policy: (Aligned with ISO 14001)

- 環保無限 Environmental Protection Infinity
- 資源永續 Natural Resources Sustainable

在此承諾我們的職安衛政策為：(同 ISO45001)

We hereby commit to the following Occupational Safety and Health Policy: (Aligned with ISO 45001)

- 『遵法施教、溝通參與、管控風險、提升績效』
『 Compliance and Education, Communication and Participation, Risk Management, and Performance Enhancement. 』



在此承諾我們的誠信經營政策為：

We hereby commit to the following Ethical Business Policy:

公司應本於廉潔、透明及負責的經營理念，制定以誠信為基礎之政策，並建立良好之公司治理及風險控管機制，以創造永續發展之經營環境。本公司依循董事會通過之「公司誠信經營守則」、「艾訊股份有限公司道德行為準則」、「艾訊股份有限公司誠信經營作業程序與行為指南」等政策，進行宣導及執行作業。

The company shall uphold the principles of integrity, transparency, and accountability in its business operations by formulating integrity-based policies and establishing sound corporate governance and risk management mechanisms to create a sustainable business environment.

The company follows the policies approved by the Board of Directors, including the "Corporate Integrity Management Guidelines", the "Axiomtek Code of Ethical Conduct", and the "Axiomtek Integrity Management Procedures and Conduct Guidelines," to promote and implement integrity management practices.

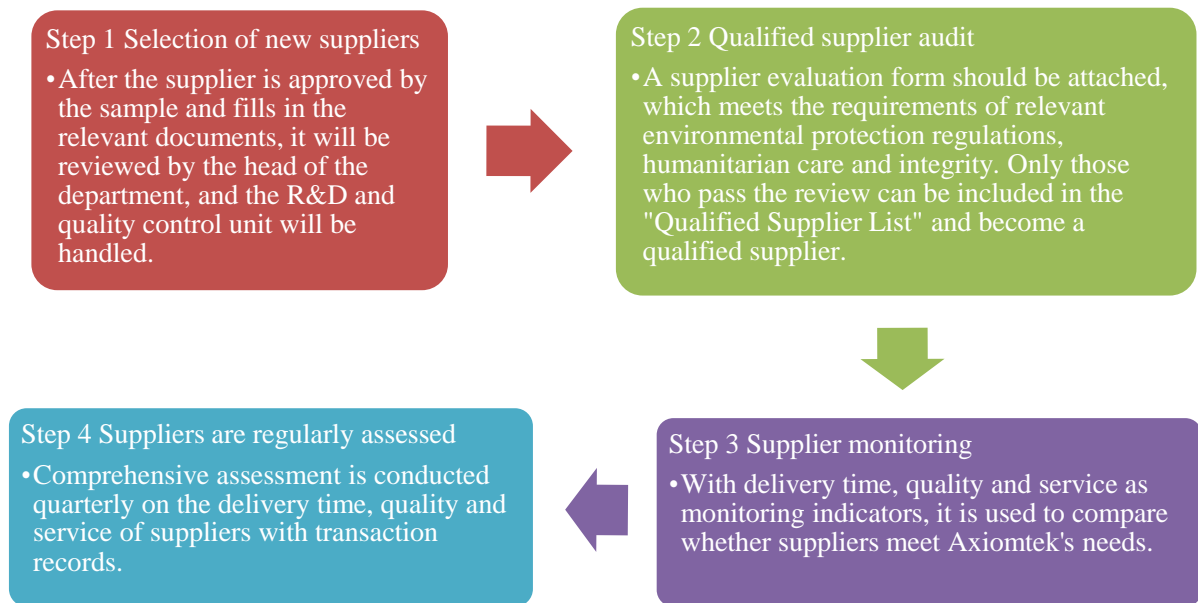
總經理 President :

頒布日期 Date of Issuance : 2025. 3. 6

Note 8: Supplier Audit and Evaluation Work

■ Procurement management process

In order to enable raw material suppliers to establish a close working relationship and feedback system with Axiomtek, to improve product quality, and to supply materials required for production in a timely, appropriate and quality manner, to achieve stable quality and reduce costs, all cooperating suppliers must pass the evaluation standards set by Axiomtek's supplier management regulations to ensure that the raw materials can meet the regulatory requirements, and through the supplier's evaluation, regular evaluation mechanism, to manage the supplier's delivery status and quality.



■ Supplier evaluation/audit

In order to evaluate the quality and added value of suppliers' products and services, Axiomtek conducts supplier evaluations on quality, delivery time and services once a quarter (executed in January, April, July and October), and according to the evaluation results, the level of follow-up contacts with suppliers will be determined. If the supplier's grade is below grade B (inclusive) and above grade C, the relevant unit will draw up an audit list based on the score at the quality meeting. The purchasing department confirms the audit schedule with the suppliers according to the list, and cooperates with QC, engineering, QA and other departments to conduct on-site audits and re-evaluate the suppliers.

■ Judgment and handling of evaluation levels



永續存款專案通知書

親愛的顧客 您好：

貴公司與玉山商業銀行股份有限公司（下稱本行）共同致力於永續發展，因應氣候變遷、落實環境保護等影響採取具體行動，一同實踐 ESG。

下列定期存款為貴公司本次參與「永續存款」G2023-03專案

戶名	艾訊股份有限公司					
存款種類	交易日期	定存帳號	存單號碼	起訖日	幣別	存款金額
定期存款	2023.09.11	0314-446-027075	-	2023.09.11-2024.03.11	TWD	10,000,000

註1. 如對於通知書內容有任何錯誤或不相符，請洽詢本行營業單位主管人員。

註2. 本次專案期間為2023.09-2023.12，若在定期存款到期前辦理中途解約，即不符合永續存款之定義，該定存之金額將排除於專案額度中。

註3. 永續存款資金將運用於符合綠色、ESG永續等相關授信及投資項目。

此致

玉山商業銀行股份有限公司
E.SUN COMMERCIAL BANK, LTD.

Note 10: Climate-Related Information

1. Climate-related information implementation status

Item	Execution Status							
(1) Describe the supervision and governance of the Board of Directors and management on climate-related risks and opportunities.	The Company adopted the Risk Management Policy adopted by the Board of Directors as the highest guiding principle of risk management, and the risk management team under the Sustainable Development Committee implements risk management in terms of environment (including climate change), society and corporate governance, and the resolution of risk projects is passed by the Board of Directors. The implementation of risk management in 2024 was reported to the Board of Directors on October 29, 2024.							
(2) Describe how the identified climate risks and opportunities affect a company's business, strategy, and finances (short-term, medium-term, long-term). (3) Describe the financial impact of extreme climate events and transformation actions.	No.	Climate Change Risk Issues	Risk Level	Time Category	No.	Climate Change Risk Issues	Risk Level	Time Category
	R1	Carbon fee for greenhouse gas emissions	High	Short, medium and long term	R5	Rising raw material costs	High	Short, medium and long term
	R2	Product carbon tariff collection (EUCBAM)	High	Medium and long term	R6	The severity of extreme weather events such as typhoons, floods, and droughts has increased	High	Medium and long term
	R3	Carbon emissions information disclosure	Medium	Short term	R7	Average temperature rise	High	Short, medium and long term
	R4	Customers demand low-carbon products	High	Medium and long term				
	NO.	Climate change risk issues	Opportunity level	Time category	NO.	Climate change risk issues	Opportunity level	Time category
	O1	Use more efficient production processes	High	Medium term	O2	Recycle	Medium	Short and medium term

Item	Execution Status	
	Risk	Financial Impact
	<p>Transition risk</p> <p>Carbon fee for greenhouse gas emissions</p>	<p>According to the climate change response law, carbon fees will be levied in 2025 for products that directly or indirectly emit high emissions. The possible financial impact of this structural risk is an increase in operating costs. At this stage, the Company is not a high-carbon emission industry, so it has a moderate impact on the overall operation. At present, the Company continues to carry out comprehensive greenhouse gas inventory, and will also carry out assessment operations for the purchase of green electricity, biomass energy and other parts, and set carbon reduction targets, in the hope of achieving zero net emissions in 2050.</p> <p>It is estimated that Taiwan Province will levy a carbon fee: 1 ton of carbon fee will be collected in advance from NT \$500, and the annual emission in 2022 will be 1,700 metric tons, with an estimated increase of NT \$850,000 and a short-term increase of NT \$4 million, with low financial impact.</p>
	<p>Transition risk</p> <p>Carbon tariff on greenhouse gas emitting products (CBAM)</p>	<p>The EU's CBAM trial operation in October 2023 plans to impose carbon tariffs on products in 2026. Based on the current EU shipments accounting for about 20% of revenue, it is estimated that the cost of carbon taxes will increase by 5%, which will have an overall impact on revenue of about 1% and have a low financial impact.</p>
	<p>Transition risk</p> <p>Carbon emissions information disclosure</p>	<p>In response to the requirements of the competent authority, all listed cabinets are required to complete greenhouse gas inventory and disclosure in a timely manner.</p> <p>Estimated financial impact: Starting from 2022, the Company will fully comply with the requirements of ISO 14064-1 greenhouse gas inventory system, with an investment cost of NT \$400,000. The short-term 5-year operational impact will increase by NT \$2 million, indicating a low financial impact. the Company's response strategy is that the parent company has investigated and disclosed on the annual report official website, and the</p>

Item	Execution Status	
		subsidiary will complete it before the regulatory deadline.
	<p>Transition risk</p> <p>Customers demand low-carbon products</p>	<p>In response to the product's compliance with ISO 14067 and environmental standards, it is necessary to conduct a carbon footprint inventory and achieve low-carbon transformation. It is estimated that the supply chain, transportation, and low-carbon processes will fully comply, and a single product will require an additional cost of NT \$3 million, with low financial impact. the Company plans to complete product carbon footprint certification from 2024 to 2026.</p>
	<p>Transition risk</p> <p>Rising raw material costs</p>	<p>Due to carbon tariffs and the demand for low-carbon goods from customers, the cost of raw materials has increased, resulting in an estimated increase of about 15% to 20% in product costs, with a moderate financial impact. The Company's response plan is to continuously monitor carbon tariff requirements in various countries and develop new suppliers to mitigate the impact of rising raw material costs.</p>
	<p>Physical risk</p> <p>The severity and frequency of extreme weather events such as typhoons and floods will increase</p>	<p>It may cause natural disasters to the Company's operating base, increase maintenance costs for building equipment, and even cause operational interruptions or casualties. The Company's response measures are to develop suppliers from multiple sources, and establish emergency response mechanisms related to typhoon and rainstorm to reduce immediate risks. Based on the actual impact of typhoons on Taiwan's operating base in the past three years, which caused an operational interruption, the estimated loss for the repair of the operating base is NT \$1 million, and the financial impact is low.</p>
	<p>Physical risk</p> <p>Average temperature rise</p>	<p>In the middle and late 21st century, the annual average temperature may rise by more than 1.8°C and 3.4°C. The number of days with high temperatures above 36°C has increased in various places, with the increase range of about 8.5 days and 48.1 days in the middle and late 21st century, especially in urban areas. Due to the transformation of power structure in Taiwan Province, it is</p>

Item	Execution Status	
		estimated that the electricity price will gradually increase in the future, which will increase the Company's operating costs. On the premise of fixing the electricity price, if the electricity consumption increases by 5% for every 1 °C temperature increase, the annual electricity fee will increase by 7.5%, and the financial impact will be low. The subsequent response plan will consider the use of renewable energy and the purchase of green electricity certificates.
	Opportunity	Financial impact
	Use more efficient production processes	The use of high-efficiency equipment and tools can effectively improve production efficiency, bring opportunities to reduce electricity costs, and reduce greenhouse gas emissions between categories, resulting in low financial impact.
	Recycle	The recycling strategy of waste in circular economy will become more and more important, reducing the cost of waste treatment, recycling plastic parts or the utilization rate of biomass energy will reach more than 90%, and the financial impact will be low because of the small amount of waste.

Item	Execution Status
<p>(4) Describe how the identification, evaluation, and management processes of climate risks are integrated into the overall risk management system.</p>	<p>The Company has implemented climate risk governance in accordance with the TCFD Climate Change Financial Information Disclosure Guidelines and is effectively operating. The progress of the 2024 annual performance and sustainability report was reported to the board of directors on July 25, 2024.</p> <div data-bbox="734 343 1818 909"> <pre> graph TD S1[Step1 •Collection of climate and environmental background information by members of the Sustainable Development Committee •Climate risk and operational scope assessment] --> S2[Step2 •Establish a project inventory of climate risks and opportunities •Create an internal operational impact questionnaire] S2 --> S3[Step3 •Sustainability committee conducts climate risk opportunity and operational impact analysis •Decide on major risk projects] S3 --> S4[Step4 •Establish execution strategy and goal setting] S4 --> S5[Step5 •Conduct annual rolling reviews of the effectiveness of implementation strategies and goals through Sustainability Committee meetings] </pre> </div>
<p>(5) If situational analysis is used to evaluate resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used should be explained.</p>	<p>A. Set the benchmark scenario and 2 C scenario to identify and analyze the short, medium and long-term climate risks and opportunities of the Company's business scope and the whole life cycle of assets. In the transition risk, baseline scenario and 2 C scenario, RCP8.5 and RCP 2.6 climate scenarios of IPCC are cited respectively, and the immediate entity risk and long-term entity risk are assessed.</p> <p>B. The average temperature continues to rise, resulting in an increase in energy consumption and operating costs. In response to an increase in the average temperature of the whole station by 1 degree, resulting in an increase in electricity consumption by increase 5%, if the unit price of electricity remains stable, it is estimated that the electricity consumption and derived electricity charges will by at least 22.5% in a short period of three years by raising the temperature by 1.5 degrees.</p>

Item	Execution Status
<p>(6) If there is a transformation plan for managing climate related risks, explain the content of the plan, as well as the indicators and goals used to identify and manage entity risks and transformation risks.</p>	<p>In response to rising temperatures:</p> <p>A. The factory has completely replaced old lamps with cost-effective LED lamps.</p> <p>B. Set up induction devices in the factory to avoid unnecessary waste of electricity.</p> <p>C. Evaluate the construction of energy storage systems to reduce electricity costs.</p> <p>Resource efficiency improvement and low-carbon products:</p> <p>A. Continuously updating the old generation production equipment in the factory, the new equipment not only saves energy, but also reduces production costs and improves production performance by improving production efficiency.</p> <p>B. The R&D department's products include the use of PCR materials and the development of low-carbon raw materials, aiming to achieve high efficiency in product performance and circular economy.</p> <p>C. The factory is evaluating the comprehensive installation of solar power generation equipment in the factory area.</p> <p>Related indicator goals:</p> <p>A. Completed the group's ISO 14064 inventory inspection between 2024 and 2026, and passed third-party verification; Complete a product carbon footprint inventory and obtain environmental protection labels before 2026.</p> <p>B. The R&D department follows the ESG trend and develops efficient and energy-saving products.</p> <p>C. Continuously optimize the process and improve performance to reduce production energy consumption.</p>
<p>(7) If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</p>	<p>There is no internal carbon pricing yet.</p>
<p>(8) If climate related goals are set, information should be provided on the activities covered, greenhouse gas emission categories, planning period, and annual progress achieved; If carbon credits or renewable energy certificates (RECs) are used to achieve relevant goals, the source and quantity of carbon reduction credits to be offset or the quantity of renewable energy certificates (RECs) should be explained.</p>	<p>Emissions reduction targets</p> <p>Compared with the base year of 2023 of the headquarters</p> <p>20% reduction in greenhouse gas emissions in Scope 1 + Scope 2 in 2030</p> <p>30% reduction in greenhouse gas emissions in Scope 1 + Scope 2 in 2040</p> <p>The Company plans to purchase renewable energy certificates starting from 2030, and the purchase amount is the scope 2 purchased electricity usage.</p>

Item	Execution Status
(9) Greenhouse gas inventory and confirmation of the situation, reduction goals, strategies, and specific action plans (to be filled out separately in 1-1) and (1-2).	Refer to 1-1 and 1-2

1-1 Company greenhouse gas inventory and confirmation status in the last two years

1-1-1 Greenhouse gas inventory information

Describe the emission volume (metric tons CO2e), intensity (metric tons CO2e/million yuan) and data coverage of greenhouse gases in the past two years.				
Item Year	Scope 1 (tons of CO2e)	Scope 2 (tons of CO2e)	Total emissions Scope 1+2 (tons of CO2e)	Information covers: 2023 Taiwan parent company, German subsidiary, USA subsidiary 2024 Taiwan parent company
2023	2,032.1895	2,046.8069	4,078.9964	
2024	251.0703	1,893.3591	2,144.4294	

Item Year	Company revenue (millions)	Total emissions (tons of CO2e)	Intensity (ton CO2e/million revenue)	Information covers: 2023 Taiwan parent company, German subsidiary, USA subsidiary 2024 Taiwan parent company
2023	6,700.5	4,078.9964	0.6087	
2024	6,893.1	2,144.4294	0.3111	

1-1-2 Greenhouse gas confidence information (statement of the assurance situation in the past two years, including the extent of the assurance, assurance organization, assurance criteria and assurance opinions)

The parent company of the Company's greenhouse gas emissions inventory has appointed a third party, the British Standards Institution BSI, to conduct verification starting in 2021. The verification of the 2024 annual information is expected to be completed in the third quarter of 2025.

1-2 Greenhouse gas reduction goals, strategies and specific action plans

Emissions Reduction Targets	Strategic Action	Planning Schedule
Compared with the base year of 2023 20% reduction in greenhouse gas emissions in Scope 1 + Scope 2 in 2030 30% reduction in greenhouse gas emissions in Scope 1 + Scope 2 in 2040	(1) Through green procurement, purchase environmentally friendly infrastructure equipment, and fully replace refrigeration and air conditioning systems with energy efficiency level 1. (2) Implement energy-saving projects for facilities and equipment (3) Renewable energy usage and purchase of green electricity certificates	(1) 2023~2030 (2) 2023~2030 (3) 2023~2040

(6) Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation Item	Implementation Status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
1. Establishment of ethical corporate management policies and programs				
(1) Does the Company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	V		(1) In order to establish a corporate culture of integrity management and sound development, and to engage in business activities based on the principles of fairness, honesty, trustworthiness, and transparency, the Board of Directors has adopted the “Ethical Corporate Management Best Practice Principles” and “Operating Procedures and Conduct Principles for Ethical Corporate Management” to express the policies and practices of integrity management. Applicable objects include Directors, supervisors, managerial officers, employees, assignees, and people with substantial control capabilities of the Company and Group organizations, and actively implement the commitment to the integrity management policy.	Comply with the "the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies "
(2) Whether the Company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?	V		(2) The Company has established the “Operating Procedures and Conduct Principles for Ethical Corporate Management” to clearly define dishonest behaviors and benefits and related preventive measures, and actively prevent untrustworthy behavior, and set up the “Rules of Procedure for informing of Illegal, Unethical or Unseemly Conduct” to launch the system for internal/external reporting of such behaviors and how they are managed. Every year when the internal control self-assessment is conducted, the validity of the design and implementation is re-examined to implement the “Rules of Procedure for Adoption of Codes of Ethical Conduct” and “Ethical Corporate Management Best Practice Principles” established by the Company.	
(3) Does the Company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	V		(3) The Company has formulated the “Operating Procedures and Conduct Principles for Ethical Corporate Management” to specify operating procedures, behavioral guidelines, punishment, and appeal systems for violations, etc., to implement the integrity management policy. The Company always pays attention to the	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			<p>development of relevant standards for integrity management at home and abroad, and encourages Directors, managerial officers, and employees to make suggestions, regularly review and improve the Company's integrity management policies and measures to promote the effectiveness of the Company's integrity management.</p> <p>(4) The Company's Directors, managerial officers, servants, or persons with substantial control of the Company are strictly forbidden to directly, or indirectly, provide or accept any illegitimate interests or make other violations of integrity, or lawlessness or breach of fiduciary duty.</p> <p>(5) The employees of the Company are self-disciplined in the principle of honesty and integrity, honestly treating customers, investors, colleagues, suppliers, and adhering strictly to the rule of not accepting any improper gifts and hospitality.</p> <p>(6) The Company has established the "Axiomtek Co., Ltd. Rules of Procedure for Adoption of Codes of Ethical Conduct" to guide the Company's Directors, managerial officers, and all employees in complying with ethical standards.</p>	
<p>2. Ethical Management Practice</p> <p>(1) Does the Company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?</p>	V		<p>The Company has established an "Ethical Corporate Management Best Practice Principles" which requires a contract with its agents, suppliers, customers or other business transactions, and its content should include compliance with the integrity management policy and the transaction of the relatives, such as dishonest behavior. The terms of the contract may be terminated or terminated at any time. The Company requires major suppliers to sign the "Axiomtek Integrity Commitment Letter" to establish a pure and honest long-term trading relationship, and jointly pursue the sustainable growth of the performance of both parties.</p>	Comply with the "the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"
<p>(2) Has the Company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy</p>	V		<p>The Company has established the "Ethical Corporate Management Best Practice Principles" for the management of integrity in business operations. The HR unit is the dedicated unit to be responsible for the formulation of the integrity management policy and prevention plan, and report to the Board of Directors on a regular basis once a</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
and program to prevent unethical conduct and monitor their implementation?			year.	
(3) Has the Company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	V		The Company has established “Axiomtek Co., Ltd. Operating Procedures and Conduct Principles for Ethical Corporate Management” to provide guidance on the conduct of employees of the Company in the execution of their business in the event of a situation of conflict of interest. If the Directors or their legal representatives have a stake in the motions set forth by the Board of Directors, they shall disclose the nature of their interest and not be included in the related discussion or vote on the said motion or represent other Directors in exercising their voting rights.	
(4) Does the Company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	V		The Company has established an “Ethical Corporate Management Best Practice Principles” to establish an effective accounting system and internal control system and should review it at any time to ensure that the design and implementation of the system continues to be effective. The internal auditing unit of the Company regularly checks the compliance of the system of the preceding paragraph and submits an audit report to the Board of Directors.	
(5) Does the Company provide internal and external ethical corporate management training programs on a regular basis?	V		The Company has established an “Ethical Corporate Management Best Practice Principles”. The Chairman, general manager or senior management of the Company shall regularly communicate the importance of integrity to the Directors, servants and assignees Integrity, enthusiasm and innovation are the core values of the Company. The Company regularly organizes education, training and promotion for Directors, managerial officers, servants, assignees, and substantive controllers to fully understand the Company’s determination, policies, preventive measures and violations of dishonest behavior. Since 2022, Axiomtek has begun requiring all qualified suppliers to sign the ethical code of honest business operations. In 2022, 103 suppliers signed up, 151 suppliers signed up in 2023, and 135 suppliers signed up in 2024. Currently, a total of 389 suppliers have signed up, accounting	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			for approximately 72% of all 543 suppliers. In 2024, we held internal and external education and training on integrity management issues for new employees (including courses on compliance with integrity management, accounting systems, internal controls, etc.), totaling 109 people and 109 hours in total. Since late December 2024, all employees and major suppliers have been required to complete the online course "ESG and Integrity Management" education and training. So far, 600 people have completed the course, totaling 500 hours.	
3. Implementation of Complaint Procedures				Comply with the "the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"
(1) Has the Company established specific whistleblowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistleblowers?	V		The Company has established the "Rules of Procedure for informing of Illegal, Unethical or Unseemly Conduct". The feedback / reporting can be sent via the channel on the Company's website. All interested parties can report by phone, email, or report. Information received is categorized accordingly and followed through by dedicated staff.	
(2) Has the Company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?	V		The Company has established the "Rules of Procedure for informing of Illegal, Unethical or Unseemly Conduct". It will provide confidentiality and protection for the whistleblower and the contents of the report. It will clearly communicate the investigation procedure and the investigation results.	
(3) Has the Company adopted proper measures to protect whistleblowers from retaliation for filing complaints?	V		The Company will provide confidentiality and protection for the whistleblower and the content of the report. The personnel involved in the investigation of the reported case shall not disclose it without authorization, so as to avoid unfair treatment, retaliation or threat.	
4. Strengthening Information Disclosure				Comply with the "the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"
(1) Does the Company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	V		Post the "Ethical Corporate Management Best Practice Principles" and "Rules of Procedure for informing of Illegal, Unethical or Unseemly Conduct" on the Company website and Market Observation Post System.	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
5. If the Company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation: In order to establish a corporate culture of business integrity and sound development of business integrity, the Company has established an “Ethical Corporate Management Best Practice Principles” to be disclosed on the websites of the Company but with no regular advocacy. The Company has long upheld a business philosophy of integrity, fairness, transparency, and self-discipline, establishing good corporate governance and risk control mechanism to ensure sustainable development of the Company.				
6. Other important information to facilitate a better understanding of the status of operation of the company’s ethical corporate management policies (e.g., the Company’s reviewing and amending of its ethical corporate management best practice principles): (1) In order to enable new employees to fully understand the Company’s determination, policies, preventive measures and violations of dishonest behavior, the Company plans to strengthen the Company’s new personnel education and training courses. (2) Manufacturers who have ongoing business transactions, in addition to engaging with the Company in various business activities, should also comply with the Company’s “Axiomtek Co., Ltd. Operating Procedures and Conduct Principles for Ethical Corporate Management”. They should also be informed that they can use the Company’s reporting line to report on the Company’s colleagues who violate the code of conduct or are unethical. (3) Responsibilities of the unit responsible for integrity management: a. Assist in integrating integrity and ethical values into the Company’s business strategy and cooperate with laws and regulations to formulate relevant anti-fraud measures to ensure integrity in business. b. Regularly analyze and evaluate the risks of dishonest behavior in the business area and formulate plans to prevent dishonest behaviors based on this and formulate standard operating procedures and behavior guidelines related to work and business within each plan. c. Plan the internal organization, organization, and responsibility, and install a mutual supervision and check-and-balance mechanism for business activities with a higher risk of dishonesty within the business scope. d. Promotion and coordination of integrity policy advocacy training. e. Plan the reporting system to ensure the effectiveness of implementation. f. Assist the Board of Directors and management to check and evaluate whether the preventive measures established in the implementation of integrity management are operating effectively, and regularly evaluate and follow related business processes and prepare reports. (4) The implementation of the Company’s implementation of the integrity management policy in 2024: a. Law Compliance: The legal affairs unit promotes the promotion and education of all colleagues. In the monthly financial law column of electronic newsletter, various laws, and regulations, matters those colleagues should pay attention to when performing business, honest business operations, prohibiting dishonest behavior and damage to the interests of interested parties, and confidentiality obligations for the Company’s intellectual property rights, etc. are announced. b. Education Training: Since 2022, Axiomtek has begun requiring all qualified suppliers to sign the ethical code of honest business operations. In 2022, 103 suppliers signed up, 151 suppliers signed up in 2023, and 135 suppliers signed up in 2024. Currently, a total of 389 suppliers have signed up, accounting for approximately 72% of all 543 suppliers. In 2024, we held internal and external education and training on integrity management issues for new employees (including courses on compliance with integrity management, accounting systems, internal controls, etc.), totaling 109 people and 109 hours in total. Since late December 2024, all employees and major suppliers have been required to complete the online course "ESG and Integrity Management" education and training. So far, 600 people have completed the course, totaling 500 hours. c. Whistleblower system and whistleblower protection: There are no reports of illegal, unethical, or dishonest behavior in 2024.				

Evaluation Item	Implementation Status (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
d. The chief executive office of the unit responsible for integrity management has reported to the Board of Directors on the implementation of the 2024 Integrity management code and the expected work plan for 2025 on October 29 2024.				

Note 1: Regardless of whether “Yes” or “No” is ticked regarding the implementation status, an explanation should still be provided in in the explanation column for each item.

- (7) Other information enabling better understanding of the Company’s corporate governance:
Please refer to the Market Observation Post System:
<https://mops.twse.com.tw/mops/web/index>

(8) The Implementation of the Internal Control System

A. Statement of Internal Control System:

Axiomtek Co., Ltd.

Statement of Internal Control System

February 26, 2025

Based on the result of a self-assessment, Axiomtek Co., Ltd. (Axiomtek) States the following regarding its internal control system during the year 2024:

- I. The Company is fully aware that the Board of Directors and the management are responsible for the establishment, implementation, and maintenance of the internal control system and it is established accordingly. The purpose of establishing the internal control system is to reasonably ensure the fulfillment of operation effect and efficiency (including profit, performance, and protection of assets safety), financial report reliability, and compliance.
- II. The internal control system is designed with inherent limitations. No matter how perfect the internal control system is, it can only provide a reasonable assurance of the three objectives referred to above. Moreover, the effectiveness of the internal control system could be affected by the changes of environment and circumstances. The Company's internal control system is designed with a self-monitoring mechanism; therefore, corrective actions will be activated upon identifying any nonconformity.
- III. The Company has assessed the effectiveness of the internal control system design and implementation in accordance with the criteria provided in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as "the Regulations"). The criteria defined in "the Regulations" include five elements depending on the management control process: (1) environment control, (2) risk assessment, (3) control process, (4) information and communication, and (5) supervision. Each of the five elements is then divided into a sub-category. Please refer to the "Operations Guide".
- IV. The Company has implemented the criteria of the internal control system referred to above to evaluate the effectiveness of internal control system design and implementation.
- V. The Company based on the assessment result referred to above have concluded that the internal control system (including the supervision and management over the subsidiaries) on December 31, 2024 is reasonably effective in achieving the objectives of operation effect and efficiency, financial report reliability, and compliance with related regulations.
- VI. This statement will be a key content in the Company's annual report and public documents. For public access. Any false and concealment of the published contents referred to above involves the liability illustrated in Article 20, Article 32, Article 171, and Article 174 of the Securities and Exchange Act.
- VII. The Statement of Internal Control System was approved by the Board of Directors on February 26, 2025 with all the 7 attending Directors all affirming the contents of this statement.

Axiomtek Co., Ltd.

Chairman of the Board: Yang, Yu-Te

President: Huang, Jui-Nan

B. The internal control audit report issued by the CPA commissioned to conduct an internal control audit, if any: None

(9) Major Resolutions of Shareholders' Meeting and Board Meetings in the most recent year and up to the date of the printing of the Annual Report:

Major Resolutions of Shareholders' Meeting	Implementation Situation
<p>2024 Shareholders' Meeting held on May 24, 2024:</p> <p>(1) 2023 Business Report and Financial Statements</p> <p>(2) 2023 Profit Distribution</p> <p>(3) Approval of a full re-election of directors</p> <p>(4) Release of the Prohibition on newly appointed Directors and their representatives from Participation in Competitive Business</p>	<p>August 7, 2024 has been set as the ex-dividend base date and a cash dividends of NT\$ 4.29279723 per share was distributed on August 21, 2024.</p> <p>On July 4, 2024, the Ministry of Economic Affairs approved the change of registration and announced it on the Company website.</p> <p>The Directors concurrently assume the positions in other companies according to the content of the release of the competition prohibition.</p>

Major Resolutions of Board of Directors
<p>Board of Directors held on February 26, 2025</p> <p>(1) 2024 Remuneration Distribution to Employees and Directors.</p> <p>(2) 2024 Business Report and Financial Statements (including Parent Company Only and Consolidated Financial Statements) of the Company.</p> <p>(3) 2024 Profit Distribution.</p> <p>(4) Effectiveness of 2024 internal control systems and statement of internal control system.</p> <p>(5) Set the capital increase base date for the exercise of employee stock options by employees and the application of bondholders to convert corporate bonds into new shares for issuance.</p> <p>(6) Revision of the "Internal Control System" and "Internal Audit Implementation Rules"</p> <p>(7) 2025 business plan.</p> <p>(8) Change of CPA matters</p> <p>(9) Amendments to certain provisions of the Company's "Corporate Governance Code of Practice"</p> <p>(10) Establishment of "Operating Procedures for Reporting Material Contingencies"</p> <p>(11) Amendments to certain provisions of the Company's "Board of Directors Performance Evaluation Procedures"</p> <p>(12) Amendments to certain provisions of the Company's "Risk Management Policies and Procedures"</p> <p>(13) Amendments to certain provisions of the Company's "Risk Management Code of Practice"</p> <p>(14) Amendments to some of the provisions of our company's "Corporate Integrity Management Code"</p> <p>(15) Amendments to certain provisions of the Company's "Axiomtek Integrity Management Operating Procedures and Behavior Guidelines"</p> <p>(16) Amendments to some of the provisions of the Company's "Operational Procedures for</p>

Major Resolutions of Board of Directors
<p>Conducting Derivatives Transactions"</p> <p>(17) Amendments to some of the provisions of the Company's "Fund Loan and Endorsement Guarantee Procedures"</p> <p>(18) Define the scope and salary level of the Company's "basic employees"</p> <p>(19) Amendments to certain articles of the Company's Articles of Association</p> <p>(20) Approve the proposals provided by the Nomination Committee.</p> <p>(21) Dismissal of Huang, Jui-Nan, member of the Second term Sustainable Development Committee, and dismissal of his positions as convener and chairman of the meeting. Appointment of new member William Wu, and re-election of the convener and chairman of the meeting of the committee.</p> <p>(22) Approve the proposals provided by the Remuneration Committee.</p> <p>(23) Release the prohibition on Directors and their representatives from participation in competitive business.</p> <p>(24) Approve the proposal for convening the 2025 Shareholders meeting.</p>
<p>Board of Directors held on October 29, 2024</p> <p>(1) 2024Q3 Consolidated Financial Statements.</p> <p>(2) Set a capital increase base date for employees to exercise employee stock options and issue new shares.</p> <p>(3) The Company regularly (at least once a year) evaluates the independence and competence of the certified public accountant every year.</p> <p>(4) Amendments to the Company's "Internal Control System" and "Internal Audit Implementation Rules"</p> <p>(5) 2025 Internal Audit Plan</p> <p>(6) Apply for liquidation and dissolution of subsidiary Axiomtek Japan Co., Ltd. (AXJP)</p> <p>(7) Recognize the Company's contract renewal with the Far Eastern Bank for NTD loan.</p> <p>(8) Recognize the Company and Hua Nan Bank to renew the application for an unsecured comprehensive credit line of TWD 150 million and a derivative financial product exposure limit of USD 400,000.</p> <p>(9) Adjustment of the Company's management team</p> <p>(10) Approve the proposals provided by the Remuneration Committee.</p>
<p>Board of Directors held on September 26, 2024</p> <p>(1) Amendment to the "2024 Regulations on the Issuance and Subscription of Employee Stock Option Certificates "</p> <p>(2) Issuance of 2024 Employee Stock Option Certificates Allocation List</p> <p>(3) Amendments to certain provisions of the Company's "Rules of Procedure for Board Meetings"</p> <p>(4) Amendments to certain provisions of the Company's "Audit Committee Organization Charter"</p> <p>(5) Amendments to certain provisions of the Company's "Corporate Governance Code of Practice"</p>
<p>Board of Directors held on July 25, 2024</p> <p>(1) 2024Q2 Consolidated Financial Statements.</p> <p>(2) Lend funds to subsidiary Paytronex Co., Ltd. (hereinafter referred to as Paytronex) with a maximum limit of NT\$50 million.</p> <p>(3) Issuance of 2024 employee stock option certificates at par value.</p> <p>(4) Issuance of 2024 employee stock option certificates, related to the review of public fees by PwC.</p> <p>(5) Adjustment of 2024 Audit Fees for PwC</p> <p>(6) Set a capital increase base date for employees to exercise employee stock options and issue new shares.</p> <p>(7) 2023 Sustainability Report</p>

Major Resolutions of Board of Directors
<ul style="list-style-type: none"> (8) Amendments to some articles of the "Sustainable Development Committee Organizational Regulations" (9) The feasibility of entrusting the 2024 Board of Directors Performance Evaluation to an external professional organization (10) Recognize the Company's contract renewal with the Yuanta Bank for NTD loan. (11) Recognize the Company and E.Sun Bank to renew the application for an unsecured comprehensive credit line of TWD 250 million and a derivative financial product exposure limit of USD 500,000. (12) Approve the proposals provided by the Nomination Committee. (13) Approve the proposals provided by the Remuneration Committee.
<p>Board of Directors held on June 5, 2024</p> <ul style="list-style-type: none"> (1) Election of Chairman of the 13th Board of Directors (2) Appointment of the 6th Remuneration Committee Member and the Convener and Chairman of the Selection Committee (3) Election of the 4th Nomination Committee members and the convener and chairman of the selection committee (4) Appointment of the 2nd Sustainable Development Committee and the Convenor and Chairman of the Selection Committee
<p>Board of Directors held on April 25, 2024</p> <ul style="list-style-type: none"> (1) 2024Q1 Consolidated Financial Statements. (2) Reorganization of the Sustainable Development Committee Task Force and Amendments to the Sustainability Committee Organizational Regulations. (3) Release the prohibition on managers from participating in competitive business. (4) Proposed renewal of the contract with the Taishin Bank for the application of NTD loans and derivative financial commodity transactions. (5) Recognize the Company and Citibank (Taiwan) to renew the application for comprehensive credit line of USD 15 million.
<p>Board of Directors held on March 21, 2024</p> <ul style="list-style-type: none"> (1) Approve the proposals provided by the Remuneration Committee. (2) Reorganization of the Sustainable Development Committee Task Force and Amendments to the Sustainability Committee Organizational Regulations. (3) Approve the proposals provided by the Sustainable Development Committee.
<p>Board of Directors held on February 22, 2024</p> <ul style="list-style-type: none"> (1) 2023 Remuneration Distribution to Employees and Directors. (2) 2023 Business Report and Financial Statements (including Parent Company Only and Consolidated Financial Statements) of the Company. (3) 2023 Profit Distribution. (4) Effectiveness of 2023 internal control systems and statement of internal control system. (5) Set a capital increase base date for employees to exercise employee stock options and bondholders apply for conversion of corporate bonds and issue new shares. (6) Revision of the "Internal Control System" and "Internal Audit Implementation Rules" (7) 2024 business plan. (8) Revision of partial Articles in the "Rules of Procedure for Board Meetings". (9) Revision of partial Articles in the "Audit Committee Organizational Charter". (10) Reassigned the CEO of the US subsidiary and appointed a legal representative director (11) Change of CPA matters (12) Comprehensive re-election of Directors (13) Nomination of candidates for directors (including independent directors) (14) Release of the Prohibition on newly appointed Directors and their representatives from Participation in Competitive Business

Major Resolutions of Board of Directors
(15) Approve the proposals provided by the Nomination Committee. (16) Approve the proposals provided by the Remuneration Committee. (17) Approve the proposal for convening the 2024 Shareholders meeting.

(10) Major Issues of Record or Written Statements Made by Any Director Dissenting to Important Resolutions Passed by the Board of Directors in the Most Recent year and up to the printing date of the Annual Report: None.

4. Information on the Professional Fees of the Attesting CPAs

(1) Information on the attesting CPAs

Name of Accounting Firm	Name of CPAs	Period Covered by the CPA Audit	Remarks
PricewaterhouseCoopers Taiwan	Lin, Po-Chuan, Wang, Song-Tse	2024/01/01~ 2024/12/31	

(2) Information on the professional fees of the attesting CPAs Unit: NT\$ Thousand

Name of Accounting Firm	Name of CPAs	Period Covered by the CPA Audit	Audit Fees	Non-Audit Fees (Note)	Total	Remarks
PwC Taiwan	Lin, Po-Chuan,	2024/01/01~ 2024/12/31	2,340	420	2,760	
	Wang, Song-Tse					

Note: The service of non-audit fees is mainly the cost of tax audit.

(3) If the Company changes its accounting firm and the audit fees paid for the fiscal year in which such changes took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.

(4) If the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason therefore shall be disclosed: None.

5. Information on Replacement of CPAs:

Due to the internal organization adjustment of the accounting firm, the Company's attesting CPAs will be changed from CPA Lin, Po-Chuan and Wang, Song-Tse to CPA Lin, Po-Chuan and Tsai, Pei-Hua from the first quarter of 2025.

6. The Company's Chairman, President, or any Managerial Officer in Charge of Financial or Accounting Matters has in the Most Recent Year Held a Position at the Accounting Firm of its Certified Public Accountant or at an Affiliated Enterprise of such Accounting Firm, the name and position of the person, and the period during which the position was held, shall be disclosed. The term "affiliated enterprise of a certified public accountant's accounting firm" means one in which the certified public accountants at the accounting firm of the attesting certified public accountant hold more than 50 percent of the shares, or of which such accountants hold more than half of the directorships, or a company or institution listed as an affiliated enterprise in the external publications or printed materials of the accounting firm of the certified public accountant: None.

7. Any Transfer of Equity Interests and/or Pledge of or Change in Equity Interests by a Director, Managerial Officer or Shareholder with a Stake of More than 10% in the Most Recent Year and up to the Date of Printing of the Annual Report.

(1) Changes in Shareholding of Directors, Managerial Officers, and Major Shareholders

Unit: Thousand shares

Job Title (Note 1)	Name	2024		As of March 31, 2025	
		Shareholding Increase (or Decrease)	Pledged shareholding Increase (or Decrease)	Shareholding Increase (or Decrease)	Pledged Shareholding Increase (or Decrease)
Chairman & Chief Strategy Officer	Yang, Yu-Te	60	0	0	0
Director (Major shareholder)	Advantech Co., Ltd.	0	0	0	0
Corporate Representative	Liu, Wei-Ting	0	0	0	0
Director	Tsai, Shih-Yang	150	0	0	0
Director	Huang, Jui-Nan (Note 2)	100	0	0	0
Independent Director	Chang, Jen-Chih	0	0	0	0
Independent Director	Yu, Chwo-Ming	0	0	0	0
Independent Director	Lin, Hsiu-Ting (Note 3)	0	0	0	0
Independent Director	Lin, Yih-Jong (Note 4)	0	0	NA	NA
President	William Wu (Note 2)	40	0	30	0
President	Chiven Fan (Note 2)	77	0	24	0
Senior Vice President Head of Accounting & Finance Chief Corporate Governance	Jane Hsu	15	0	30	0
Senior Vice President	Henry Lin	24	0	24	0
Vice President	Joanne Lin (Note 5)	30	0	NA	NA
Vice President	Gary Tsao (Note 5)	24	0	NA	NA
Assistant Vice President	Alex Pan	(6)	0	0	0
Assistant Vice President	Shang Hsieh	0	0	0	0

Note 1: Any shareholder holding more than 10 percent of the Company's total share capital shall be noted as a major shareholder, and such shareholders shall be listed individually.

Note 2: On February 26, 2025, the Board of Directors resolved to dismiss director Huang, Jui-Nan from his position as president of Axiomtek and appointed him as special assistant to the chairman. William Wu and Chiven Fan were newly appointed as co-president of Axiomtek, effective March 1, 2025.

Note 3: Appointed on May 24, 2024.

Note 4: Dismissed on May 24, 2024.

Note 5: Dismissed from managerial officer on December 31, 2024

(2) Transfer of Shareholding with Related Parties: None.

(3) Pledge of Shareholding with Related Parties: None.

8. Relationship among the Top 10 Shareholders, with Which the Person is a Related Party or Has a Relationship of Spouse or Within the Second Degree.

Name (Note 1)	Shareholding		Shareholding Of Spouse and Minor Children		Total Shareholding by Nominee Arrangements		Specify the Name of the Entity or Person and Their Relationship to Any of the Other Top 10 Shareholders with Which the Person is a Related Party or Has a Relationship of Spouse or Relative Within the Second Degree (Note 3)		Remarks
	Shares	%	Shares	%	Shares	%	Name of Entity or Individual	Relationship	
Advantech Co., Ltd.	28,080,142	26.11	0	0.00	0	0.00	None	None	
Liu, Ke-Chen	0	0.00	0	0.00	0	0.00	None	None	
Standard Chartered Bank International Business Department in custody of safekeeping of Mizuho Securities Co., Ltd. Investment Account	2,410,000	2.24	0	0	0	0	None	None	
Wei-Te Investment Co., Ltd.	2,057,029	1.91	0	0.00	0	0.00	None	None	
Yan, Ya-Xian	64,067	0.06	2,037,156	1.89	0	0.00	Yang, Yu-Te	Spouse	
Yang, Yu-Te	2,037,156	1.89	64,067	0.06	0	0.00	Yan, Ya-Xian	Spouse	
Yushan Commercial Bank was entrusted with the trust property account of the employee stock ownership association of Axiomtek Co., Ltd.	2,23,085	1.88	0	0.00	0	0.00	None	None	
Tsai, Shih-Yang	1,697,855	1.58	156,919	0.15	0	0.00	None	None	
HSBC Bank(Taiwan) in custody of Merrill Lynch International Limited Investment Account	1,357,871	1.26	0	0.00	0	0.00	None	None	
Henry Lin	1,135,425	1.06	0	0.00	0	0.00	None	None	
HSBC Bank(Taiwan) in custody of Arcadian Emerging Markets Equity Small Cap Fund Co., Ltd. Investment Account	1,115,257	1.04	0	0.00	0	0.00	None	None	
Citibank (Taiwan) Limited in custody of DBS Bank Ltd - Administrator JPMORGAN Investment Account	1,022,000	0.95	0	0.00	0	0.00	None	None	

Note 1: All of the top 10 shareholders should be listed, and the names of corporate/juristic person shareholders and their representatives should be listed separately.

Note 2: The shareholding ratio (%) is calculated as the total numbers of shares respectively held by the shareholder, their spouse and minor children, or through nominees.

Note 3: Disclose the relationships among the above-listed shareholders, including corporate/juristic person shareholders and natural person shareholders, in accordance with the provisions of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

9. The Total Number of Shares and Total Equity Stake Held in any Single Enterprise by the Company, its Directors, Managerial Officers, and any Companies Controlled either Directly or Indirectly by the Company.

Investee Enterprise (Note 1)	Investment by the Company		Investment by the Directors, Managerial Officers and Directly or Indirectly Controlled Entities of the Company		Total Investment	
	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)
AXIOM TECHNOLOGY, INC. U.S.A.	23,418	100.00	0	0.00	23,418	100.00
AXIOMTEK DEUTSCHLAND GMBH	EUR 500,000 (Note 2)	100.00	0	0.00	EUR 500,000 (Note 2)	100.00
AXIOM TECHNOLOGY (BVI) CO., LTD. (Note 3)	-	-	-	-	-	-
AXIOMTEK (SHEN ZHEN) CO., LTD.	HKD 32,800,000 (Note 2)	100.00	0	0.0	HKD 32,800,000 (Note 2)	100.00
AXIOMTEK UK LIMITED	180,000	100.00	0	0.00	180,000	100.00
AXIOMTEK JAPAN CO., LTD. (Note 4)	600	100.00	0	0.00	600	100.00
AXIOMTEK ITALIA S. R. L.	EUR 78,000 (Note 2)	100.00	0	0.00	EUR 78,000 (Note 2)	100.00
PAYTRONEX CO., LTD. (Note 5)	2,170,000	59.95	0	0.0	2,170,000	59.95
UNI-INNOVATE TECHNOLOGY CO., LTD.	1,450,000	24.05	0	0.00	1,450,000	24.05

Note 1: This refers to invested enterprises in which the Company makes long-term investment calculated according to the equity method.

Note 2: Limited company, no shares issued.

Note 3: AXBVI was liquidated in June 2024. Axiomtek Shenzhen adjusted its investment structure and now holds 100% of the shares of the Company.

Note 4: AXJP completed its dissolution registration in November 2024 and is currently in the process of liquidation.

Note 5: On April 8, 2024, the Company purchased 2,170,000 shares of Paytronex Co., Ltd. from existing shareholders of Paytronex Co., Ltd. and participated in cash capital increase at NT\$30 per share, with a total investment price of NT\$65,100,000. The Company holds 59.95% of the equity of Paytronex Co., Ltd. The delivery and transfer were completed on April 8, 2024, and therefore it was included in the consolidated entity from that date (the acquisition date).

III. Capital Raising Activities

1. Capital and Shares

(1) Source of Capital Stock

April 18, 2025

Unit: Thousand shares / NT\$ Thousand

Year/ Month	Issued Price (NT\$)	Authorized Capital Stock		Paid-in Capital		Remarks			
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital		Capital Paid in by Assets Other than Cash	Other
1990.05	10	500	5,000	500	5,000	Capitalization by cash	5,000	None	
1993.10	10	2,500	25,000	2,500	25,000	Capitalization by cash	20,000	None	1993.10.22 Built 3 No. 468933
1997.07	10	6,600	66,000	6,600	66,000	Capitalization by earnings	13,200	None	1997.07.01 Built-3A No. 191380
						Capitalization by employee bonus	1,800		
						Capitalization by cash	26,000		
1997.12	10	10,000	100,000	10,000	100,000	Capitalization by cash	34,000	None	1997.12.06 Jin (86) -Son-Tzi No.125056
1998.10	10	20,000	200,000	18,150	181,500	Capitalization by earnings	24,000	None	1998.10.23 Jin (87) -Son-Tzi No. 132915
						Capitalization by employee bonus	1,500		
						Capitalization by capital surplus	6,000		
						Capitalization by cash	50,000		
1999.07	10	48,000	480,000	27,111	271,115	Capitalization by earnings	28,133	None	1999.07.09 (88) Tai-Tsai-Cheng (1) No. 63808
						Capitalization by employee bonus	2,500		
						Capitalization by capital surplus	9,983		
						Capitalization by cash	49,000		
2000.09	10	48,000	480,000	31,773	317,735	Capitalization by earnings	35,245	None	1999.09.21 (89) Tai-Tsai-Cheng (1) No. 80073
						Capitalization by employee bonus	3,242		
						Capitalization by capital surplus	8,133		
2001.09	10	48,000	480,000	37,256	372,569	Capitalization by earnings	44,483	None	2001.09.24 (90) Tai-Tsai-Cheng (1) No. 159299
						Capitalization by employee bonus	3,954		
						Capitalization by capital surplus	6,397		
2002.09	10	48,000	480,000	37,850	378,506	Capitalization by employee bonus	5,937	None	2002.09.19 (91) Tai-Tsai-Cheng (1) No. 0910151937
2003.08	10	55,000	550,000	41,966	419,666	Capitalization by employee bonus	10,880	None	2003.08.19 (92) Tai-Tsai-Cheng (1) No. 0920137556
						Capitalization by earnings	30,280		
2004.08	10	73,000	730,000	49,800	498,000	Capitalization by employee bonus	19,580	None	2004.08.31 Jin-Kwong-Cheng (1) No. 0930138236
						Capitalization by earnings	58,753		
2005.03	10	73,000	730,000	50,695	506,950	Exercising of employee stock option	8,950	None	2005.03.07 Jin-So-Son-Tzi No.09401036770
2005.03	10	73,000	730,000	51,300	513,000	Exercising of employee stock option	6,050	None	March 25, 2005 Jin-So-Son-Tzi No.09401045930
2005.09	10	73,000	730,000	55,470	554,700	Issuance of new shares due to acquisition	41,700	None	2005.09.29 Jin-So-Son-Tzi No.09401191220
2005.12	10	110,000	1,100,000	59,844	598,440	Capitalization by employee bonus	16,000	None	2005.12.01 Jin-So-Son-Tzi No.09401240760
						Capitalization by earnings	27,735		

Year/ Month	Issued Price (NT\$)	Authorized Capital Stock		Paid-in Capital		Remarks			
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital		Capital Paid in by Assets Other than Cash	Other
2006.01	10	110,000	1,100,000	60,075	600,750	Exercising of employee stock option	2,313	None	2006.01.26 Jin-So-Son-Tzi No.09501011230
2006.04	10	110,000	1,100,000	60,270	602,698	Exercising of employee stock option	1,950	None	2006.04.14 Jin-So-Son-Tzi No.09501066830
2006.05	10	110,000	1,100,000	61,295	612,948	Issuance of new shares due to acquisition	10,250	None	2006.05.25 Jin-So-Son-Tzi No.09501093740
2006.07	10	110,000	1,100,000	61,482	614,823	Exercising of employee stock option	1,875	None	2006.07.17 Jin-So-Son-Tzi No.09501146430
2006.09	10	110,000	1,100,000	65,073	650,728	Capitalization by employee bonus	17,000	None	2006.09.04 Jin-So-Son-Tzi No.09501191500
						Capitalization by earnings	18,906		
2006.10	10	110,000	1,100,000	66,348	663,478	Exercising of employee stock option	12,750	None	2006.10.18 Jin-So-Son-Tzi No.09501234950
2007.01	10	110,000	1,100,000	66,819	668,191	Exercising of employee stock option	4,713	None	2007.01.16 Jin-So-Son-Tzi No.09601007650
2007.04	10	110,000	1,100,000	66,879	668,791	Exercising of employee stock option	600	None	2007.04.26 Jin-So-Son-Tzi No.09601083520
2007.08	10	110,000	1,100,000	71,501	715,005	Capitalization by employee bonus	19,000	None	2007.08.29 Jin-So-Son-Tzi No.09601208700
						Capitalization by earnings	27,214		
2007.10	10	110,000	1,100,000	72,198	721,980	Exercising of employee stock option	6,975	None	2007.10.22 Jin-So-Son-Tzi No.09601259870
2008.04	10	110,000	1,100,000	72,792	727,925	Exercising of employee stock option	5,945	None	2008.04.22 Jin-So-Son-Tzi No. 09701093000
2008.07	10	110,000	1,100,000	72,830	728,300	Exercising of employee stock option	375	None	2008.07.17 Jin-So-Son-Tzi No. 09701177410
2008.09	10	160,000	1,600,000	75,886	758,858	Capitalization by earnings	30,559	None	2008.09.24 Jin-So-Son-Tzi No.09701246410
2008.10	10	160,000	1,600,000	76,361	763,608	Capitalization by earnings	4,750	None	2008.10.23 Jin-So-Son-Tzi No. 09701266930
2009.09	10	160,000	1,600,000	78,557	785,565	Capitalization by earnings	15,014	None	2009.09.02 Jin-So-Son-Tzi No. 09801199630
						Capitalization by employee bonus	6,943		
2009.09	10	160,000	1,600,000	78,832	788,320	Exercising of employee stock option	2,755	None	2009.09.17 Jin-So-Son-Tzi No.09801211840
2011.04	10	160,000	1,600,000	77,343	773,430	Cancellation of treasury stock	(14,890)	None	2011.04.06 Jin-So-Son-Tzi No. 10001066460
2013.10	10	160,000	1,600,000	77,431	774,310	Exercising of employee stock option	880	None	2013.10.31 Jin-So-Son-Tzi No. 10201218350
2014.01	10	160,000	1,600,000	77,654	776,540	Exercising of employee stock option	2,230	None	2014.01.23 Jin-So-Son-Tzi No. 10301009960
2014.04	10	160,000	1,600,000	78,074	780,740	Exercising of employee stock option	4,200	None	2014.04.18 Jin-So-Son-Tzi No. 10301068460
2014.07	10	160,000	1,600,000	78,093	780,930	Exercising of employee stock option	190	None	2014.07.30 Jin-So-Son-Tzi No. 10301145850
2015.01	10	160,000	1,600,000	78,345	783,450	Exercising of employee stock option	2,520	None	2015.01.23 Jin-So-Son-Tzi No. 10401009090
2015.04	10	160,000	1,600,000	78,807	788,070	Exercising of employee stock option	4,620	None	2015.04.29 Jin-So-Son-Tzi No. 10401077580

Year/ Month	Issued Price (NT\$)	Authorized Capital Stock		Paid-in Capital		Remarks			
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital		Capital Paid in by Assets Other than Cash	Other
2015.11	10	160,000	1,600,000	79,031	790,310	Exercising of employee stock option	2,240	None	2015.11.12 Jin-So-Son-Tzi No. 10401238090
2017.11	10	160,000	1,600,000	79,313	793,130	Exercising of employee stock option	2,820	None	2017.11.10 Jin-So-Son-Tzi No. 10601154790
2018.03	10	160,000	1,600,000	79,386	793,860	Exercising of employee stock option	730	None	2018.03.14 Jin-So-Son-Tzi No. 10701026710
2018.06	10	160,000	1,600,000	79,418	794,180	Exercising of employee stock option	320	None	2018.06.13 Jin-So-Son-Tzi No. 10701065620
2018.11	10	160,000	1,600,000	79,621	796,206	Exercising of employee stock option	1,680	None	2018.11.21 Jin-So-Son-Tzi No. 10701143180
						Conversion of convertible bond	346		
2019.03	10	160,000	1,600,000	79,684	796,836	Exercising of employee stock option	630	None	2019.03.19 Jin-So-Son-Tzi No. 10801028580
2019.11	10	160,000	1,600,000	80,395	803,954	Exercising of employee stock option	1,130	None	2019.11.28 Jin-So-Son-Tzi No. 10801165850
						Conversion of convertible bond	5,987		
2020.04	10	160,000	1,600,000	81,900	819,001	Exercising of employee stock option	500	None	2020.04.08 Jin-So-Son-Tzi No. 10901043830
						Conversion of convertible bond	14,547		
2020.08	10	160,000	1,600,000	82,403	824,033	Exercising of employee stock option	1,740	None	2020.08.27 Jin-So-Son-Tzi No. 10901155770
						Conversion of convertible bond	3,292		
2020.11	10	160,000	1,600,000	82,595	825,953	Exercising of employee stock option	1,610	None	2020.11.18 Jin-So-Son-Tzi No. 10901213720
						Conversion of convertible bond	310		
2021.03	10	160,000	1,600,000	83,450	834,499	Exercising of employee stock option	2,330	None	2021.03.16 Jin-So-Son-Tzi No. 11001043700
						Conversion of convertible bond	6,217		
2021.08	10	160,000	1,600,000	84,414	844,136	Exercising of employee stock option	3,110	None	2021.08.19 Jin-So-Son-Tzi No. 11001130530
						Conversion of convertible bond	6,526		
2021.11	10	160,000	1,600,000	88,483	884,829	Exercising of employee stock option	1,250	None	2021.11.17 Jin-So-Son-Tzi No. 11001207530
						Conversion of convertible bond	39,443		
2022.03	10	160,000	1,600,000	90,202	902,025	Exercising of employee stock option	700	None	2022.03.28 Jin-So-Son-Tzi No. 11101041660
						Conversion of convertible bond	16,496		
2022.08	10	160,000	1,600,000	90,401	904,015	Exercising of employee stock option	1,990	None	2022.08.24 Jin-So-Son-Tzi No. 11101154080
2022.11	10	160,000	1,600,000	91,023	910,235	Exercising of employee stock option	6,220	None	2022.11.22 Jin-So-Son-Tzi No. 11101225340
2023.03	10	160,000	1,600,000	91,960	919,605	Exercising of employee stock option	9,370	None	2023.03.22 Jin-So-Son-Tzi No. 11230048600
2023.09	10	160,000	1,600,000	101,423	1,014,234	Exercising of employee stock option	3,000	None	2023.09.28 Jin-So-Son-Tzi No. 11230186120
						Issuing new shares from capital surplus	91,629		
2023.12	10	160,000	1,600,000	101,537	1,015,374	Exercising of employee stock option	1,140	None	2023.12.207 Jin-So-Son-Tzi No. 11230224520
2024.04	10	160,000	1,600,000	102,020	1,020,205	Exercising of employee stock option	4,820	None	2024.04.02 Jin-So-Son-Tzi No. 11330045750
						Conversion of convertible bond	10		

Year/ Month	Issued Price (NT\$)	Authorized Capital Stock		Paid-in Capital		Remarks			
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital		Capital Paid in by Assets Other than Cash	Other
2024.08	10	160,000	1,600,000	102,253	1,022,535	Exercising of employee stock option	2,330	None	2024.08.28 Jin-So-Son-Tzi No. 11330153420
2024.11	10	160,000	1,600,000	102,432	1,024,325	Exercising of employee stock option	1,790	None	2024.11.28 Jin-So-Son-Tzi No. 11330206620
2025.04	10	160,000	1,600,000	107,106	1,071,060	Exercising of employee stock option	4,930	None	2025.04.07 Jin-So-Son-Tzi No. 11430039210
						Conversion of convertible bond	41,806		

Unit: Share

Type of Stock	Authorized Capital			Remarks
	Outstanding Shares (Note1)	Unissued Shares	Total	
Common Stock	107,563,017	52,436,983	160,000,000	Authorized capital stock, of which 10,000 thousand shares are reserved for exercising employee stock options.

Note1: The stock is stock of a TPEX listed company and the information is as of March 24, 2025.

Note2: Information relating to the shelf registration System: None.

(2) List of Major Shareholders

List all shareholders with a stake of 5 percent or greater, and if those are fewer than 10 shareholders, also list all shareholders who rank in the top 10 in shareholding percentage, and specify the number of shares and stake held by each shareholder on the list.

March 24, 2025

Names of Major Shareholders	Shares	Shareholding (Shares)	Shareholding (%)
Advantech Co., Ltd.		28,080,142	26.11
Standard Chartered Bank International Business Department in custody of safekeeping of Mizuho Securities Co., Ltd. Investment Account		2,410,000	2.24
Wei-Te Investment Co., Ltd.		2,057,029	1.91
Yang, Yu-Te		2,037,156	1.89
Yushan Commercial Bank was entrusted with the trust property account of the employee stock ownership association of Axiomtek Co., Ltd.		2,023,085	1.88
Tsai, Shih-Yang		1,697,855	1.58
HSBC Bank(Taiwan) in custody of Merrill Lynch International Limited Investment Account		1,357,871	1.26
Henry Lin		1,135,425	1.06
HSBC Bank(Taiwan) in custody of Arcadian Emerging Markets Equity Small Cap Fund Co., Ltd. Investment Account		1,115,257	1.04
Citibank (Taiwan) Limited in custody of DBS Bank Ltd - Administrator JPMORGAN Investment Account		1,022,000	0.95

(3) Company's Dividend Policy and the Implementation thereof:

A. The dividend policy defined by the Articles of Incorporation

Article 27-1:

When allocating the net income for each fiscal year, the Company shall first offset its losses in previous years and set aside a legal capital reserve at 10% of the profits left over, where such legal reserve amounts to the total authorized capital, this provision will not apply. The Company would set aside or fund another sum as special reserve in accordance with the regulations of the Law or the rules of the Authorities, plus the rest

of the and Accumulated Retained Earnings of preceding fiscal year (including the adjustment of undistributed earnings), and the meeting of Board of Directors would draft the Proposal for Distribution, and to authorize the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of Directors, and in addition thereto a report of such distribution shall be submitted to the Shareholders' Meeting.

The Company distributing surplus earning in the form of new shares to be issued by the Company in accordance with the preceding paragraphs shall follow the provisions of Article 240 of the Company Act of the Republic of China with a resolution adopted at a meeting of shareholders.

The Dividend Policy of the Company is in concert with the development plan of current and future, the environment of investment, funds requirement, and the competition condition of domestic and foreign, also considers the shareholders' interest, as results, the Company shall set aside earnings available for distribution which is not less than 25% as shareholders' dividends and bonuses, the stock dividends of share allocations will not be higher than 80% of the total dividends and bonuses.

Article 27-2:

When the Company incurs no loss, it may authorize the legal reserve (only the portion of legal reserve which exceeds 25 percent of the paid-in capital may be distributed) and the capital reserve following the provisions of the Company Law of the Republic of China in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of Directors, and in addition thereto a report of such distribution shall be submitted to the Shareholders' Meeting.

B. Resolution for dividends distribution of the Board of Directors

February 26, 2025 the Board meeting resolved to distribute the 2024 earnings in dividends amounting to NT\$ 466,243,110, or NT\$ 4.5 per share. After more than two-thirds of the Directors of the Board of Directors are present, and more than half of the Directors present have passed the resolution, it should be report to the Shareholders meeting in accordance with the law and authorize the Chairman to set additional dividend base date and payment date and other related matters. If the surplus distribution before the dividend base date is due to a change in the Company's share capital, which affects the number of shares in circulation, resulting in a change in the shareholder's dividend rate, the Chairman of the Board of Directors is authorized to adjust the dividend distribution ratio based on the actual shares outstanding on the record date for distribution. Regarding the cash dividend distribution this time, the cash dividend is to be calculated to the integral number with all decimals truncated. And all the truncated decimals from all distorted figures are accumulated to a summation amount which will then be adjusted among shareholders - in the order of decimal of each cash dividend amount from big to small as well as in the order of account number from the top to the bottom - until the total amount of cash dividend actually paid out can match that in the book.

C. Any expected significant changes in dividend policy: None

(4) Effect upon Business Performance and Earnings Per Share of any Stock Dividend Distribution Proposed or Adopted at the Most Recent Shareholders' Meeting:

The distribution of stock dividend was not proposed in this Shareholders' Meeting and therefore does not apply.

(5) Profit-Sharing Compensation for Employees and Directors

A. The percentages or ranges with respect to employee and director profit-sharing compensation, as set forth in the Company's Articles of Incorporation:

Article 27:

This Company shall set aside 1%-20% as employees' remuneration and the percentage lower than 2% as Directors' remuneration if the Company has profit (means the pre-tax income before deduction of the employees' and Directors' remuneration) in the current year. However, the Company's accumulated deficit shall have been covered, if any (including the adjustment of unappropriated retained earnings).

The Company may have the profit distributable as employees' remuneration in the preceding paragraphs distributed in the form of shares or in cash to the qualification requirements of employees, including the employees of parents or subsidiaries of the Company meeting certain specific requirements, the requirement and manner of distribution are authorized to Board of Directors for resolution. The remuneration of Directors in the preceding paragraphs only can receive the profit in the form of cash.

- B. The basis for estimating the amount of employee and director profit-sharing compensation, for calculating the number of shares to be distributed as employee profit-sharing compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

- (A) The current period was based on the pre-tax income before deduction of the employees' and Directors' remuneration with 6.71% and 1% as the employees' and Directors' remuneration ratio, respectively. In 2024, the estimated employee's remuneration was NT\$ 70,000,000 and the Directors' remuneration was NT\$ 10,439,000, all paid in cash.

In addition to the employee remuneration estimates set out in the above charter, the Company's remuneration policy stipulates the payment of three festival bonuses in addition to the year-end bonuses. And based on the goals achieved by the Company or unit during the year, operating and performance incentives will be awarded quarterly or semi-annually.

The Company's salary policy, performance evaluation twice a year, employee remuneration and promotion adjustment in July every year, the average salary adjustment range of employees in 2024 is as follows:

Category	Average Employee Salary Adjustment (%, recurring salary)	Remarks
Estimated salary adjustment (Note 1)	3%~4%	Reflecting the rising trend of prices and responding to the government's policy of encouraging companies to raise wages for their employees.
Actual salary adjustment (Note 2)	5%~6%	Average employee salary adjustment in 2024.
Salary adjustment of non-managerial officers (Note 2, 3)	5%~6%	Salary adjustment every year is based on the duties, positions, special professional abilities, etc. of colleagues.
Salary adjustment of managerial officers (Note 2, 3)	5%~6%	According to the performance of the managerial officers, different salary adjustments are given.

Note 1: The average employee salary adjustment is disclosed by the Company voluntarily. The information is about the Company's estimated average salary adjustment in 2025.

Note 2: The average employee salary adjustment is disclosed by the Company voluntarily. The information is about the Company's actual average salary adjustment in 2023.

Note 3: The applicable scope of "managerial officers" is defined under the 4 October 2023 FSC Order No. 1120384295 as persons in the following positions:

- (1) President and the equals
- (2) Vice President and the equals
- (3) Assistant Vice President and the equals
- (4) Finance Department Head

(5) Chief Accounting Officer

(6) Other authorized personnel for management and signature

The adjustment of the average salary (recurring salary) of non-manager employees refers to the general employees who are not in the former supervisor-level positions and do not serve as Directors.

(B) Basis for calculating the number of shares remunerated by the employees of the stock: None, the employees' remuneration for the current period will be paid in cash.

(C) 2024 profit distribution of cash dividend was approved by the Board of Directors on February 26, 2025.

According to the 27-1 of the Article of Incorporation, the Company shall, by a resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of Directors and such distribution shall be submitted to the Shareholders' Meeting.

If the amount of the distribution of the resolution is different from the estimated number of shares, it shall be treated according to the changes in the accounting estimates and adjusted into the profit and loss of the current year in the resolution year of the Board of Directors.

C. Information on any approval by the Board of Directors of distribution of profit-sharing compensation:

(A) The amount of any employee profit-sharing compensation and director profit-sharing compensation distributed in cash or stocks. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed.

On February 26, 2025 the Board approved the distribution of the 2024 employee remuneration and directors' remuneration, and the difference with the annual estimated amount of the recognized expenses is as follows:

Unit: NT\$

Item	Remuneration to Employees	Remuneration to Directors	Dealing with Discrepancy
Recognition of the annual estimated expenses (A)	70,000,000	10,439,000	None
Proposed distribution by the Board of Directors (B)	70,000,000	10,439,000	
Difference (B) - (A)	0	0	

(B) The amount of any employee profit-sharing compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee profit-sharing compensation: Not applicable, the employee profit-sharing compensation distributed for 2024 will be paid in cash.

D. The actual distribution of employee and director profit-sharing compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee or director profit-sharing compensation, additionally the discrepancy, cause, and how it is treated:

On February 22, 2024 the Directors' resolution on the distribution of employee and director profit-sharing compensation for 2023, and the difference with the annual estimated amount of the recognized expenses is as follows:

Unit: NT\$

Item	Profit-Sharing Compensation to Employees	Profit-Sharing Compensation to Directors	Dealing with Discrepancy
Recognition of the annual estimated expenses (A)	60,000,000	9,286,000	None
Proposed distribution by the Board of Directors (B)	60,000,000	9,286,000	
Difference (B) - (A)	0	0	

(6) Status of the Company Repurchasing its Own Shares: None.

2. Corporate Bonds

(1) Issuance of Corporate Bonds

April 18, 2025

Type of Corporate Bond (Note 2)		2 nd Domestic Unsecured Convertible Bonds (Note 5)
Issue (offering) date		August 28, 2023
Denomination		NT\$100,000
Issuing and transaction location (Note 3)		None
Issue price		Each denomination is NT \$100,000, issued at 106% of the face value
Total price		Total face amount issued: NT \$800,000,000 Total issuance amount: NT \$848,003,380
Coupon rate		Coupon rate 0%
Tenure		3 years, expiry date: August 28, 2026
Guarantee agency		None
Consignee		Trust Division of E.SUN Commercial Bank
Underwriting institution		KGI Securities
Certified lawyer		Handsome Attorney-at-Law, Lawyer Qiu, Ya-Wen
CPA		PwC Firm Most recent year: CPA Feng, Ming-Chuan and Wu, Han-Chi Most recent period: CPA Lin, Po-Chuan and Wu, Han-Chi
Repayment method		One-time payment of face value in cash upon expiration
Outstanding principal		NT\$368,600,000
Terms of redemption or advance repayment		Please refer to the Company's "Second domestic issuance of unsecured conversion of corporate bonds and conversion measures"
Restrictive clause (Note 4)		None
Name of credit rating agency, rating date, rating of corporate bonds		None
Other rights attached	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs, or other securities	Already converted to common stock totaling NT\$ 431,400,000
	Issuance and conversion (exchange or subscription) method	Please refer to the Company's "Second domestic issuance of unsecured conversion of corporate debt and conversion measures"
Issuance and conversion, exchange, or subscription method, issuing condition dilution, and impact on existing shareholders' equity		No significant impact
Transfer agent		None

Note 1: The corporate bonds include public offering corporate bonds and private placement corporate bonds. The public offering corporate bonds means those validated (approved) by the Commission. The private placement corporate bonds mean those resolved and approved by the Board of Directors.

Note 2: The number of fields depends on the actual number of adjustments.

Note 3: To be filled out by overseas corporate debtors.

Note 4: For example, limiting the distribution of cash dividends, foreign investment, or the requirement to maintain a certain proportion of assets.

Note 5: Any privately placed corporate bonds shall be prominently identified as such.

Note 6: In the case of convertible corporate bond, exchangeable corporate bonds, corporate bonds issued

under the categorical reporting method or corporate bonds with warrants, it is necessary to further disclose the information about convertible corporate bonds, exchangeable corporate bonds, corporate bonds issued under the categorical reporting method and corporate bonds with warrants by nature in a column format.

(2) Convertible Bonds

Type of Corporate Bond (Note 1)		2 nd Domestic Unsecured Convertible Bonds	
Item	Year	2024	Current year to April 18, 2025 (Note 4)
Market price of the convertible bond (Note 2)	Highest	134.80	167.00
	Lowest	107.05	106.20
	Average	119.67	144.66
Convertible Price		93.00	93.00
Issue date and conversion price at issuance		Issued Date: August 28, 2023 Conversion price at issuance: NT\$109.5/share	
Conversion methods (Note 3)		Issuing of new shares	

Note 1: The number of fields is adjusted according to the actual number of transactions.

Note 2: If overseas corporate bonds have multiple trading locations, please identify each trading location.

Note 3: Deliver issued shares, or issue new shares.

Note 4: Specify the information available up to the date of printing of the annual report.

3. Preferred Stock

None

4. Global Depositary Receipts

None

5. Employee Stock Options Certificates

- (1) The unexpired employee stock options certificates issued by the Company in existence as of the date of printing of the annual report, and shall explain the effect of such warrants upon shareholders' equity.

April 18, 2025

Type of Employee Stock Options (Note 2)	2020 Employee Stock Options	2024 Employee Stock Options
Effective registration date and total number of units	October 13, 2020 4,300 units	September 2, 2024 3,500 units
Issue (handling) date (Note 4)	October 29, 2020	September 26, 2024
Number of units issued	4,300 units (1,000 shares each unit)	3,500 units (1,000 shares each unit)
Number of units still available for issuance	0	0
Ratio of the number of issued subscribed shares to the total number of issued shares	5.22%	3.42%
Duration	6 years	5 years
Exercise method (Note 3)	Issue new shares	Issue new shares
Vesting period and percentages	Granted after 2 years 40% Granted after 3 years 60% Granted after 4 years 80% Granted after 5 years 100%	Granted after 2 years 40% Granted after 3 years 70% Granted after 4 years 100%
Number of shares subscribed through exercise of the warrants	2,719,000 shares	0 shares
Amount of the shares subscribed through exercise of the warrants (NT\$)	NT\$ 124,902,000	NT\$ 0
Number of unexercised shares	1,257,000 shares	3,500,000 shares
Subscription price per share of the unexercised shares	NT\$ 39.0	NT\$ 89.6
Ratio of the number of unexercised shares to the total number of issued shares (%)	1.17%	3.27%
The effect on shareholders' equity	The granted employee stock option after 2 years shall be exercised conditioned subscription period and ratio; also, the number of shares to be subscribed is 1.17% of the outstanding shares. There is no significant impact on shareholders' equity.	The granted employee stock option after 2 years shall be exercised conditioned subscription period and ratio; also, the number of shares to be subscribed is 3.27% of the outstanding shares. There is no significant impact on shareholders' equity.

Note 1: Employee stock option warrants include publicly offered and privately placed employee share subscription warrants. Publicly offered employee share subscription warrants are those that have been effectively registered with the FSC; privately placed employee share subscription warrants are those that have been approved by a resolution of the shareholders meeting.

Note 2: Adjust the number of columns according to the actual number of issues.

Note 3: Note whether the method is by delivery of issued shares or issuance of new shares.

Note 4: Fill in all the required information separately for warrants of different issue (handling) dates.

Note 5: If it is a private placement, the fact that it is a private placement should be prominently indicated.

(2) Names of managerial officers and the top ten employees who have obtained employee stock option certificates up to the date of printing of the annual report

2020 Employee Stock Option

April 18, 2025

	Job Title (Note 1)	Name	Number of Shares Subscrib- Able from Exercise of Warrants Granted (1,000 Shares)	Ratio of the Number of Shares Subscrib- Able from the Exercise of Warrants Granted to the Total Number of Issued Shares (%) (Note 4)	Exercised				Unexercised			
					Number of Shares (1,000 Shares)	Exercise Price (NT\$) (Note 5)	Total Exercise Price (Thousan d NT\$)	Ratio of the Number of Exercised Shares to the Total Number of Issued Shares (%) (Note 4)	Number of Shares (1,000 Shares)	Exercise Price (NT\$) (Note 5)	Total Exercise Price (Thousand NT\$)	Ratio of the Number of Unexercised Shares to the Total Number of Issued Shares (%) (Note 4)
Managerial Officers	President	Huang, Jui-Nan (Note 7)	1,670	1.56%	1,098	39.0~ 46.1	46,942	1.02%	572	39.0	22,308	0.53%
	Chief Strategy Officer	Yang, Yu-Te										
	President	William Wu (Note 7)										
	President	Chiven Fan (Note 7)										
	Senior Vice President	Jane Hsu										
	Senior Vice President	Henry Lin										
	Vice President	Joanne Lin (Note 8)										
	Vice President	Gary Tsao (Note 8)										
	Assistant Vice President	Alex Pan										
	Assistant Vice President	Shang Hsieh										
Employee (Note 3)	Senior Special Assistant	Skin Huang	1,170	1.09%	746	39.0~ 46.1	31,710	0.69%	424	39.0	16,536	0.40%
	Director	Seamus Su										
	Director	Alan Hsu										
	Director	Sonny Hsu										
	Senior manager	Leo Liu										
	Subsidiary President	Bill Shen										
	Subsidiary Executive Vice President	STARRETTDA VID PETER										
	Subsidiary Executive Vice President	Stanley Chang										
	Subsidiary Vice President	Eric Chiang										
	Subsidiary Vice President	Norm Chian										
	Subsidiary Assistant Vice President	Ryan Chen										

Note 1: The names and job titles of the managerial officers and employees should be presented individually (and an annotation should be made in the event an officer or employee has departed the Company or died), but the quantities acquired and subscribed may be presented in aggregate sums.

Note 2: Adjust the number of columns according to the actual number of issues.

Note 3: The top ten employees who have acquired share subscription warrants means employees other than managerial officers.

Note 4: The total number of shares issued means the number of shares in the amendment registration information on record with the Ministry of Economic Affairs.

Note 5: For exercised employees share subscription warrants, disclose the exercise price at the time of exercise.

Note 6: For unexercised employee share subscription warrants, disclose the adjusted exercise price as calculated based on the issuance rules.

Note 7: On February 26, 2025, the Board of Directors resolved to dismiss director Huang, Jui-Nan from his position as president of Axiomtek and appointed him as special assistant to the chairman. William Wu and Chiven Fan were newly appointed as co-president of Axiomtek, effective March 1, 2025.

Note 8: Dismissed from managerial officer on December 31, 2024

2024 Employee Stock Option

April 18, 2025

	Job Title (Note 1)	Name	Number of Shares Subscrib- Able from Exercise of Warrants Granted (1,000 Shares)	Ratio of the Number of Shares Subscrib- Able from the Exercise of Warrants Granted to the Total Number of Issued Shares (%) (Note 4)	Exercised				Unexercised			
					Number of Shares (1,000 Shares)	Exercise Price (NT\$) (Note 5)	Total Exercise Price (Thousan d NT\$)	Ratio of the Number of Exercised Shares to the Total Number of Issued Shares (%) (Note 4)	Number of Shares (1,000 Shares)	Exercise Price (NT\$) (Note 5)	Total Exercise Price (Thousand NT\$)	Ratio of the Number of Unexercised Shares to the Total Number of Issued Shares (%) (Note 4)
Managerial Officers	President	William Wu (Note 7)	640	0.60%	0	0	0	0%	640	89.6	57,344	0.60%
	President	Chiven Fan (Note 7)										
	Senior Vice President	Jane Hsu										
	Senior Vice President	Henry Lin										
	Assistant Vice President	Alex Pan										
	Assistant Vice President	Shang Hsieh										
Employee (Note 3)	Senior Special Assistant	Skin Huang	1,360	1.27%	0	0	0	0%	1,360	89.6	121,856	1.27%
	Director	Gary Tsao (Note 8)										
	Director	Joanne Lin (Note 8)										
	Director	Alan Hsu										
	Director	Sonny Hsu										
	Director	Stefenie Yang										
	Director	Michelle Lu										
	Director	Adam Lan										
	Director	Vincent Ji										
	Senior Manager	Wen Wang										
	Subsidiary President	Bill Shen										
	Subsidiary Executive Vice President	STARRETTDA VID PETER										
	Subsidiary Executive Vice President	Stanley Chang										
	Subsidiary Vice President	Eric Chiang										
	Subsidiary Vice President	Norm Chian										
	Subsidiary Assistant Vice President	Ryan Chen										

Note 1: The names and job titles of the managerial officers and employees should be presented individually (and an annotation should be made in the event an officer or employee has departed the Company or died), but the quantities acquired and subscribed may be presented in aggregate sums.

Note 2: Adjust the number of columns according to the actual number of issues.

Note 3: The top ten employees who have acquired share subscription warrants means employees other than managerial officers.

Note 4: The total number of shares issued means the number of shares in the amendment registration information on record with the Ministry of Economic Affairs.

Note 5: For exercised employees share subscription warrants, disclose the exercise price at the time of exercise.

Note 6: For unexercised employee share subscription warrants, disclose the adjusted exercise price as calculated based on the issuance rules.

Note 7: On February 26, 2025, the Board of Directors passed a resolution to dismiss Huang, Jui-Nan, the director and president, from his position as president and appoint him as special assistant of the chairman. William Wu and Chiven Fan were newly appointed as co-president of Axiomtek, effective March 1, 2025.

Note 8: Dismissed from managerial officer on December 31, 2024

6. Restricted Employee Shares

None.

7. New Shares Issuance in Connection with Mergers and Acquisitions
None.

8. Status of Implementation of Capital Allocation Plans

(1) Capital Allocation Plan:

A. Approved date and document number of the competent authority:

On Apr 27, 2023, the Board meeting passed the resolution for the 2nd domestic issuance of unsecured convertible corporate bonds. As approved by the Financial Supervisory Commission (FSC) on June 14, 2023 with the letter of approval of No. 1120345218.

B. Total fund required by the Plan: NT\$848,003 thousand.

C. Source of funds:

Issue 8,000 2nd domestic unsecured convertible corporate bonds at par value of NT\$100,000; total issue amount: NT\$800 million; duration: 5 years; coupon rate is 0%. This public underwriting was conducted through a competitive auction, with an issued amount of 106% of the face value. The actual total fundraising amount is NT\$848,003 thousand.

D. Issuance Plan & Estimated Benefit:

Unit: NT\$ Thousand

Project	Scheduled Completion Date	Total Fund Required	Projected Progress of the Fund Utilization
			2023
			Q3
Repayment of Bank Loan	2023Q3	666,300	666,300
Increase in Working Capital	2023Q3	181,703	181,703
Total		848,003	848,003
Projected Benefits Summary	<p>1. Repayment of Bank Loan The funds raised in this plan of NT\$666,300,000 are intended to be used to repay bank loans. Based on the loan interest rate proposed by the Company, it is estimated that interest expenses can be reduced by approximately NT\$3,708,000 in 2023, and by approximately NT\$11,125,000 per year in the future.</p> <p>2. Increase in Working Capital The funds raised in this plan, totaling \$181,703 thousand, are intended to be used to enrich working capital. Based on the current borrowing rate of approximately 1.75% from financial institutions, it is estimated that interest expenses can be reduced by approximately NT\$1,060,000 in 2023, and approximately NT\$3,180,000 per year in the future. This will moderately reduce the financial burden of the Company and improve its debt paying ability, and improve its financial structure, which will be beneficial to the overall operation and development of the Company.</p>		

(2) Status of Implementation

Unit: NT\$ Thousand

Project	Operational Status			Status of Progress, Ahead or Behind, and the Cause and Corrective Action Plan
Repayment of Bank Loan	Expenditure	Scheduled	666,300	Fully completed in 2023 Q3.
		Actual	666,300	
	Progress (%)	Scheduled	100	
		Actual	100	
Increase in Working Capital	Expenditure	Scheduled	181,703	
		Actual	181,703	
	Progress (%)	Scheduled	100	
		Actual	100	

IV. Overview of Business Operations

1. Business Activities

(1) Business Scope:

A. Main areas of business of operations of the Company:

- (A) Office machines manufacturing
- (B) Electronic parts and components manufacturing
- (C) Retail sale of electronic materials
- (D) Data processing services
- (E) Digital information supply services
- (F) Product design
- (G) Computer equipment's installation construction
- (H) Wired communication equipment and apparatus manufacturing
- (I) Telecommunication equipment and apparatus manufacturing
- (J) Computers and computing peripheral equipment manufacturing
- (K) Precision instruments manufacturing
- (L) Apparatus installation construction
- (M) Software design services
- (N) Retail sale of computing and business management equipment
- (O) All business items that are not prohibited or restricted by law, except those that are subject to special approval.

B. Revenue distribution

Unit: NT\$ Thousand; %

Main Products	2024	
	Amount	%
IOT Products	2,936,646	42.60
Intelligent Design-in Service Products	2,237,372	32.46
Gaming Products	899,434	13.05
Others	819,619	11.89
Total	6,893,071	100.00

C. Main products (services) of the Company

Key products planned by IOT Products, Intelligent Design-in Service Products (IDS), Gaming Products (GAM) and Others.

D. Development of new products (services)

- (A) Focus on industrial applications in factory automation, safety monitoring, rail transportation, smart cities, green energy, and intelligent healthcare domains. Provide AI IoT solutions and develop IT and OT integrated information security application platforms.
- (B) Develop DigiHub software service solutions, integrating software, peripherals and hardware design services. Launched high-performance products with flexible designs, supporting the loading of multiple microprocessors and additional video cards for parallel computing, accelerating software program execution. Through the MCU and built-in firmware program, the system is given more diverse extended functions.
- (C) Offer customized services for hospitals and medical equipment manufacturers, providing tailored computer hosts that meet the computing platform needs of

various devices.

- (D) Develop smart retail self-service systems and digital signage player systems, offering design-in system integration services.
- (E) Continuously develop AI image recognition application products for the gaming industry and integrate software and hardware.

(2) Overview of Industry

A. Industry overview and development

Industries like smart factories, smart transportation, smart retail, high-performance computing, smart cities, and smart medical care are evolving with AI, AR/VR, cybersecurity, and 5G/6G technologies. Industrial computer manufacturers have a complete structure of operations, technical talent, production bases, and strategic partnerships, providing advantages in developing the industry.

B. Relationship between up-stream, mid-stream, and down-stream

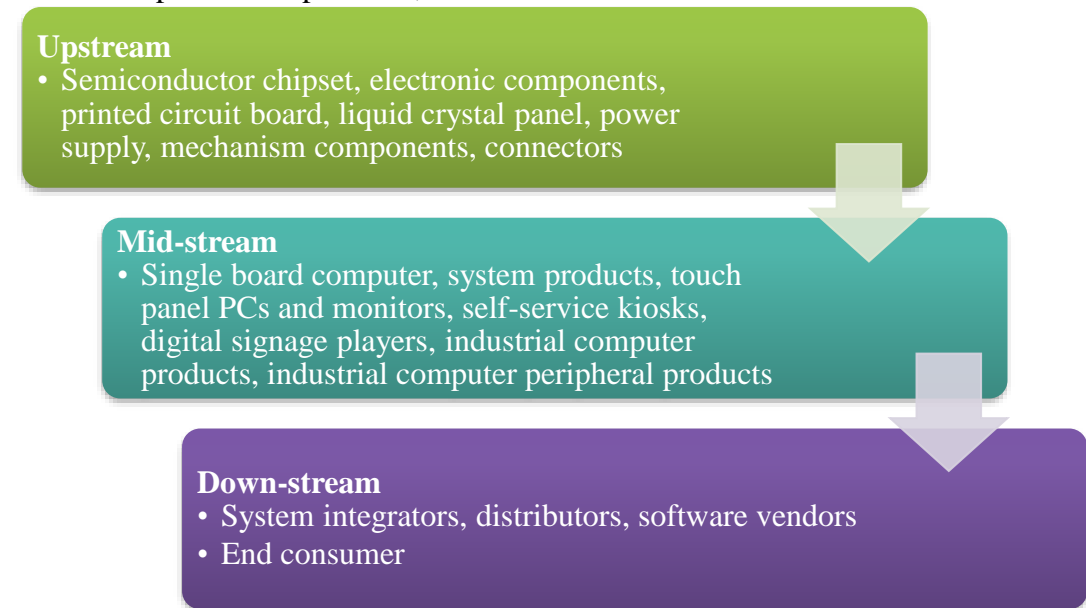
Industrial computer single-board products and system products have a very wide range of applications. The upstream includes suppliers of related components, materials, devices, etc., and outsourcing third parties. The midstream consists of products manufactured by the Company. The downstream varies based on the product characteristics, each having its own sales model.

The upstream supply of industrial computers closely resembles that of general PCs. The main components include components, mechanisms, and storage devices for special applications, as well as chipsets, CPUs, PCBs, memories, logic ICs, passive components, and fiber optic modules required for general PC products, connectors, power supplies, LCD, and wireless communication modules, etc.

The midstream segment includes single-board computers, barebones products, edge computing products, industrial computer products, touch panel computers and monitors, self-service machines, digital signage players, peripheral products, etc. The main application fields are outdoor, semi-outdoor, and severe environments, emphasizing the advantages of stability, reliability, waterproofing, dustproofing, antifouling, earthquake resistance, anti-vibration, anti-static, power-saving, high and low-temperature resistance, and professional certification. Due to their wide range of industrial applications, industrial computers are often developed in a customized or project-based manner. Products are tailor-made according to customer needs. It is an industry with small quantities of diversified products, having its own excellence and high added value, and its price is relatively lower than that of commercial computers. With resistance to decline, gross profit is more likely to remain stable.

The customer base of industrial computers mostly goes through system integrators (SI, System Integrator), dealers, software suppliers, or value-added resellers with engineering backgrounds. After adding value, they are sold to the final application supply chain.

Relationship chart of up-stream, mid-stream and down-stream



C. Product development trend

- (A) Technologies like AI, IoT, network security, and green technology are driving the growth of smart cities and diversifying the application market, providing significant room for industrial growth.
- (B) Customers value professional services and flexible customization capabilities: Due to the small number and diverse production characteristics, the industry entry threshold is high, and the high-function integration of products requires deep market cultivation, making them highly competitive.
- (C) The development of smart cities is driving applications in transportation and smart energy, involving IT and OT integrated information security platforms within smart IoT system architectures.
- (D) Platforms for smart retail and smart medical: The products have the advantages of professional design and modularization, along with investment in R&D resources and software integration. As the retail business develops towards intelligence, the retail industry is moving towards the introduction of immersive experience sales environment application markets. In the smart medical sector, the control host system of artificial intelligence detection instruments, AI data analysis and computing platforms, mobile medical carts, telemedicine, etc., are all the focus of future product development.

D. Industrial competition

At present, there are many industrial computer companies which have their own advantages of flexible production and specialize in niche markets. Industrial computers are customized with a small number of diverse industrial characteristics. Each manufacturer has developed unique core capabilities in the vertical application field. In terms of product strategy, the Company emphasizes the R&D design engineering capabilities and flexible customization service capabilities, adheres to the goal of pursuing professional product certification and high quality, with strict quality control and after-sales technical service.

Domestic manufacturers with key products similar to ours are listed as follows:

Key Competitor	Major Business Scope
Advantech	Industry measurement and control products, industrial computer products, industrial workstations, embedded computer cards, ultra-thin LCD computers, Ethernet switches, industrial-grade wireless solutions, serial communication cards
IEI	Industrial control interface card, industrial control motherboard, industrial computer products, industrial computer peripheral products
Aaeon	Single board computer and peripheral equipment, computer PC/104 series products, industrial workstation series
Adlink	Measurement products, automation products, communication, and computer products
Lanner	Network communication products, industrial computers, computer switches, embedded computers
iBase	Single board computer motherboard, embedded computer motherboard and system

(3) Overview of Technologies and their Research and Development

A. Research and Development Expenditures

Unit: in NT\$ Thousand / %

Item	2024	As of March 31, 2025
R&D Expenses	657,598	164,112
Operating Revenue	6,893,071	1,635,963
Ratio of R&D Expenses to Revenue (%)	9.54	10.03

B. Technology or product developed successfully

Product Type	Item
IOT Products	<ul style="list-style-type: none"> ● The industry's first ROS 2 Autonomous Mobile Robot (AMR) controller, ROBOX500, is a new ROS 2 AMR control system tailored for precise navigation and control for heavy-duty autonomous applications. ● AIE110 and System AIE100 are designed for edge AI applications, meeting both efficiency and performance needs with the NVIDIA Jetson Orin Nano Super. ● GOT710A enhances flexibility through an innovative I/O expansion window, allowing seamless customization to meet specific user needs. ● P117-ADL-TRA is designed for high-demand applications such as multimedia information stations, heavy industry, and factory automation. ● NA350C is compatible with mainstream Linux operating systems, meets CE and FCC Class A certifications, and has passed flexiWAN certification, accelerating application field deployment. ● NA721 enhances IT infrastructure management and network security, offering options from dual-core to ten-core and ultra-wide bandwidth, ensuring reliable security. ● IPC920 features advanced intelligent power management, providing multifunctional and easy expansion options through flexible I/O windows and PCIe x16 slot.

Product Type	Item
Intelligent Design-in Service Products	<ul style="list-style-type: none"> ● The new SDM310S, compliant with Intel® Smart Display Module architecture (Intel® SDM-S), offers high-performance display support in a slim and lightweight design, suitable for space-constrained applications such as interactive whiteboards and digital signage markets. ● Server-grade COM Express® Type 7 computer module, CEM710, equipped with Intel® Xeon® D-1700 processor, offers up to 10 cores, built-in AI acceleration, and supports hard real-time workloads. ● MANO566 provides excellent processing performance and has a multifunctional I/O expansion interface, making it ideal for self-service platform solutions in smart retail and industrial IoT applications.
Gaming Products	<ul style="list-style-type: none"> ● The RISC architecture embedded SMARC SoM module SCM186 helps users gain advantages in applications such as smart automation, transportation, autonomous mobile robots, surveillance systems, and portable computers that require rapid deployment, low power consumption, and regular upgrades.

(4) Long-term and Short-term Business Development Plans

The Company has a long-term layout of global sales channels, with subsidiaries in the United States, Europe, and Asia to serve key customers. More than 60 partners sell products and provide system integration services. We will continue to promote digital transformation and global localization and cultivate T-shaped talents with an international outlook. Making good use of its own R&D design advantages and flexible manufacturing energy, the Company will continue to deepen technology research and development and provide technology integration services to meet the needs of the domain application market.

A. Short-term business development plan

(A) Business marketing strategy

- a. We market our brands globally, focusing on product development, manufacturing, and sales. By integrating software and hardware technologies, we provide customers with diverse product applications and information.
- b. To understand vertical application fields globally, we will enhance R&D design and high-end system assembly capabilities in subsidiaries. We aim to serve local markets directly, developing customized services to meet customers' needs for domain technology and integrated services.
- c. To increase software and firmware value-added services, with design-in as the focus, accelerating the added value of software and hardware integration. We aim to improve service quality and customer satisfaction.
- d. To utilize the Salesforce Service Cloud application and platform to optimally manage and utilize sales, marketing, customer service, and IT.

(B) Product research and development

- a. The edge computing platform focuses on compact, modular, and intelligent design, enhancing embedded operating systems and developing reliable products. The IT/OT security platform provides IoT security upgrades and integrated IT and OT security platforms, including industrial IoT gateways.
- b. Specialize in the AGV/AMR smart mobile application market and develop the AMR Builder Package solution to integrate software, peripheral, and hardware design services.
- c. Digital signage players and self-service kiosks integrate multifunction machines like touch screens, barcode readers, and payment devices, achieving multi-screen splicing and system self-management through multiple screen

- output interfaces and customized software programs.
 - d. Systems for medical equipment: through design-in services, we can meet customers' needs for high performance and compact computer hosts, thereby accelerating the operation speed and efficiency of testing instruments.
 - e. Gaming industry-specific computer platform: develop dedicated hardware and application platforms for the global gaming and entertainment market. The product applications currently developed include EGM, backend management system, image processing, and Jackpot server solutions.
- B. Long-term business development plan
- (A) Business marketing strategy
- a. To leverage the advantages of innovative R&D design, flexible customization, and rapid integration of services, we utilize our own brands to market globally. We expand marketing channels to achieve localized services and maintain long-term customer relationships and project management.
 - b. To formulate sales strategies and tactics for global key customers, vertical application system integrators, and distribution channels. Our aim is to expand the sales scale and assist customers in exploring new markets.
 - c. To engage in long-term planning for global localization, focusing on proximity to the United States, Europe, Asia, and emerging markets. Deeply understand customer's needs in vertical application fields. To achieve localization, we enhance local design-in team and system assembly capabilities.
 - d. Through cloud service applications and platforms to effectively manage customer relationships and project progress with IT technology. Integrate digital marketing models to improve customer experience.
- (B) Product research and development
- a. Edge Computing Platform: scan the pulse of the market and continue to develop towards the application market of automation, smart energy, machine vision, AGV/AMR, artificial intelligence and Internet of Things. Provide software and hardware integration services for specific vertical applications and obtain professional product certification.
 - b. IT/OT cybersecurity platform: targets the industrial network security market to develop network appliance and edge computer with remote monitoring technology IPMI (Intelligent Platform Management Interface), high-speed Ethernet modules, and SDN (Software-Defined Networking) network security architecture.
 - c. The smart retail industry will introduce an immersive sales environment. In the future, touch-sensitive computers with multiple Internet of Things technologies will be integrated, such as interactive self-service kiosk, digital signage, and smart POS have become the mainstream of the new wave of smart retail.
 - d. Systems for medical equipment: combine with customer IT architecture to create a smart medical environment. The control host system of large-scale testing instruments, mobile medical carts, bedside computers, and information computers are all the focus of future product development.
 - e. Gaming industry-specific computer platform: newly developed AI image recognition application products for the gaming industry and self-developed patented products, providing a full range of professional services, and assisting customers to import products in the fastest time.

(C) Vertical Market Technology

a. Smart Internet of Things

- i. Intelligent applications: Industrial IoT gateways are used in the energy field. Integrate information security protection, support industry standard protocols, such as Modbus, MQTT and other device management software, and provide a complete IIoT Gateway solution. The intelligent transportation platform is applied to vehicles, rails, and autonomous mobile devices, meeting the needs of actual application fields. Edge AI artificial intelligence application field, providing software and hardware integrated development kits and creating value with ecosystem partners.
 - ii. Industrial application computers are used in low-end applications in response to the M-shaped industry: launch cost-effective products for automatic application in general factories.
 - iii. The embedded computer system with modular architecture emphasizes wide temperature range and flexible IO modular support capabilities. CPU controller and IO modules can be quickly and flexibly adjusted according to different market applications. Locked in the machine vision, AI, Industrial Cybersecurity, and AMR/AGV markets.
 - iv. The touch-sensitive industrial panel computer launched cost-effective products for general light industry applications and launched application-oriented products for high-end applications in smart manufacturing, medical care, rail transit, food processing plants, and automotive applications.
- b. Smart medical industry: all-round standard embedded system product line, with multi-function, high flexibility and expandability, through modular I/O and optional interface, tailor-made exclusive operation mode to satisfy customers' project needs. Combining AI artificial intelligence with efficient and reliable computer hardware, deep learning technology makes medical technology more intelligent, improving medical care experience and treatment effectiveness.
- c. Smart retail: provides a series of smart display modules, modular touch panel computers, digital signage players as well as retail application solutions such as antibacterial open touch displays. Develop one-stop shopping solutions such as self-service kiosks and smart ordering in fast food stores, and exclusive customized services to meet customers' diversified needs.
- d. Gaming industry-specific computer platform: develop dedicated hardware and application platforms for the global gaming and entertainment markets, integrate hardware and software expertise, AI image recognition application products, and self-developed patented products to provide a full range of professional services and solutions.

2. Analysis of the Market as well as the Production and Marketing Situation

(1) Market analysis

A. Sales districts for main products

Unit: in NT\$ Thousand / %

Sales Districts \ Year		2024		2023	
		Amount	%	Amount	%
Local		507,816	7.37	307,748	4.59
Export	America	2,942,602	42.69	2,941,657	43.91
	Europe	1,990,254	28.87	2,024,404	30.21
	Asia	1,390,411	20.17	1,383,099	20.64
	Others	61,988	0.90	43,571	0.65
Export Subtotal		6,385,255	92.63	6,392,731	95.41
Total		6,893,071	100.00	6,700,479	100.00

B. Market share

Smart Industrial IoT computers have a variety of industrial characteristics. The Company continues to introduce new products and open new markets, continuously striving to become a world-class leader by applying innovative technology in the fields of smart transportation, smart energy, and factory automation. We foresee great potential for growth.

C. Future supply & demand and growth of market

The industrial computer industry has transitioned into a new era of “Artificial Intelligence and Internet of Things applications”. With the market and application projects expanding, Taiwan has emerged as the world's largest computer producer. The global market demand continues to grow. It is expected that the Smart Internet of Things Industry will continue to expand and grow in the next ten years.

(A) Supply & Demand

a. Demand:

With the stable increasing expansion and demands of industrial IoT and Industry 4.0, we expect an inevitable trend in the development of 5G/6G, AIoT, and edge computing, anticipating the rise of demand in smart factories, the robot industry, intelligent transportation, smart healthcare, renewable energy, smart retail, and smart city-related industries. Product categories are trending towards diversity and the pursuit of exclusive customization services. Overall, the market will continue to expand.

b. Supply:

Develop core products and own manufacturing technology and integrate with ecosystem strategic partners. Besides develop intelligent system products and align with strategic partners to fulfill the customers’ demands, the Company values service and product quality and has established a professional quality engineering and customer service team to enhance customer relations, building a good reputation and goodwill to achieve vertical integration of the product value chain.

(B) Future Market Growth:

The demand for Smart Internet of Things and related products is growing steadily year on year. In the future, with the continuous development of artificial intelligence will gradually penetrate daily life (e.g., smart transportation, smart cities, smart factories, smart medical and retail, etc.). Hence, we expect the demand for industrial computers and the related products and services to continue to heat up in the future.

- D. Competitive niche
- (A) Comprehensive Product Lines and close to Market Demand
In the industry, Axiomtek is one of the companies with a complete line of products and solutions. The Company's products include touch panel computers, machine vision systems, edge AI platforms, network appliances, digital signages, transportation application platforms, industrial Internet of things gateway, and embedded boards & modules.
 - (B) Leading R&D Technology and System Integration Service
Focus on domain-focused technology development and innovation capabilities. Continuously develop vertical application market-specific solutions and enhance added value and product quality in the vertical application market.
 - (C) Global Sales Network
Establish a complete global marketing channel network, deepen customer relationships in various regions, understand customer needs and provide comprehensive services. To date, we have maintained long-term cooperation and good interaction with many well-known large manufacturers.
 - (D) Professional Services Team
Our talented and diverse R&D team is well-versed in product specifications and related vertical application needs and actively assist in servicing the customers. The team can quickly understand customer needs, provide prototypes in time and drive production, deploying the relevant engineering and technical personnel to respond to customers' questions, striving to match customer's special working environment and meeting their service needs.
- E. Positive and negative factors for future development, and response to such factors
- (A) Positive factors
 - a. Strong research, and development capabilities, smart modular products
The Company has excellent research and development capabilities and has been marketing internationally for over 35 years. Our team of highly competent hardware and software engineers continuously innovate and develop products that meet various industrial needs for different industries, including smart factories, rail transit, medical, smart retail, and gaming markets.
 - b. Vertical and horizontal industrial strategic alliance
From alliances with strategic partners to create complete solutions and plan joint marketing activities to increase brand awareness. In-depth development of the vertical application market, currently selected factory automation, smart transportation, smart energy, medical, and smart retail to jointly create a complete solution.
 - c. Brand awareness and strong global sales network
We work with dozens of distributors and value-added partners in five continents (Europe, America, Asia, Australia, and Africa). Our subsidiaries in Europe, the United States, and the mainland promote our brand and sell our products in the local market, building excellent relationships with customers and providing on-time support. Our order sources are stable and continue to grow.
 - d. Excellence in business management
Effective product development and operational management in the industrial computer business require professional embedded technology and field applicable domain know-how, emphasis on integration and service experience, continuous learning, and skills upgrade, which is challenging to implement. Also, market development is a long-haul process. As such, the entrance

threshold of this business is relatively high and competitive.

(B) Negative factors

- a. The development trend of the vertical application market is becoming more complex, with emphasis on system integration capabilities towards AI applications.

Response measures:

Bring together market demand and customer-centric and obtain future technical requirements and market strategies through customized projects, quickly respond to product design engineering and Domain Know-How, and develop intelligent system products and develop smart IoT application products.

- b. High export sales increase exchange risks.

Response measures:

Presently, the Company's financial unit has appointed a person dedicated to collating exchange rate changes at any time, grasp the trend of exchange rate changes, and to provide timely information and advice on the most appropriate time to buy or sell foreign exchange, and the impact of exchange rate changes when quoting to customers, and to do well in supplier management. The above measures will ensure reasonable profits.

- c. Market information deficiency

Response measures:

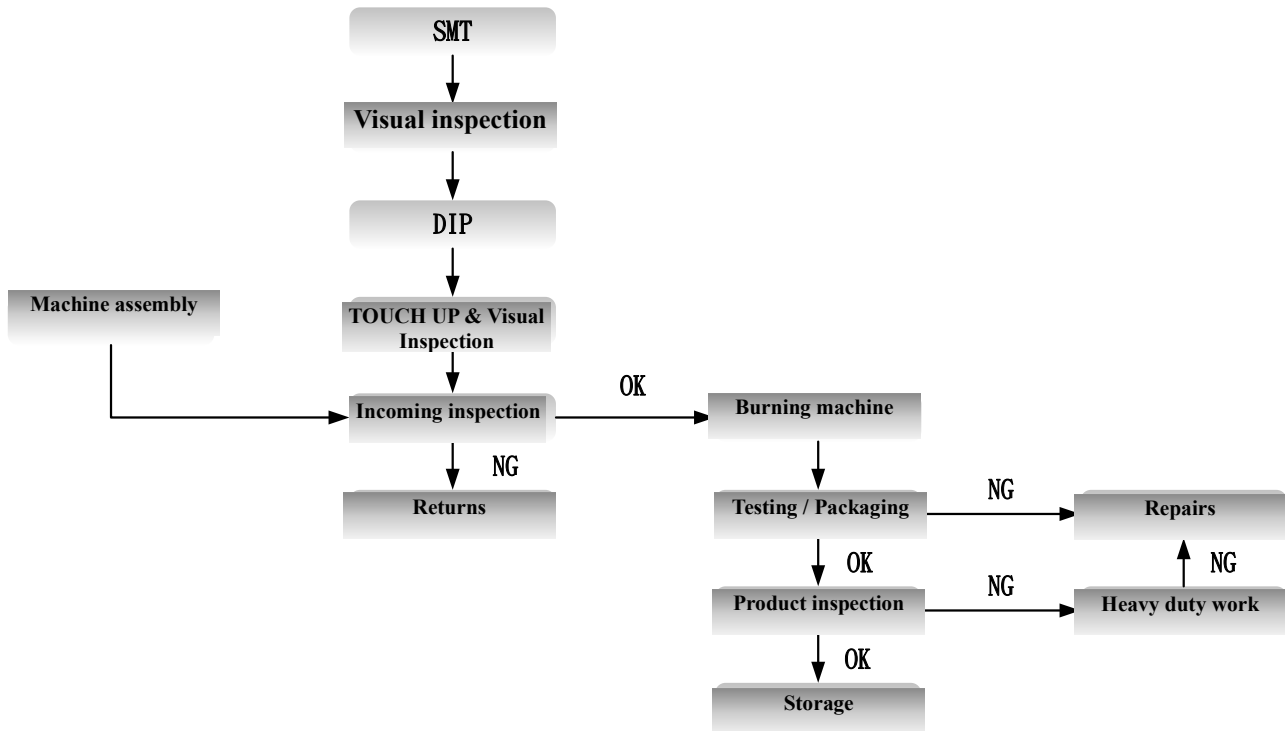
We will continue to establish more technical service bases, grasp technical issues or demand trends across fields and from multiple perspectives, and improve satisfaction and brand trust. Expand sales channels and realize local services, optimize customer management and project management, and make breakthroughs in innovative applications to accelerate industrial automation and digitalization.

(2) Usage and Manufacturing Process of the Main Products

A. Key purpose of main products:

Main Products	Primary Use / Functionality
IOT Products	The Internet of Things and artificial intelligence are taking automation and smart manufacturing to a new level, allowing more devices to cooperate with each other, gain insight into each other, and achieve greater efficiency. The Company's industrial computers, AI edge computing systems, industrial touch panel computers, and IoT-related equipment are rich in functions to meet the challenging operational requirements in the automation industry, while providing flexible and customized services.
Intelligent Design-in Service Products	Smart display modules, modular computers, digital signage players, and self-service kiosks enable smart retail application solutions. AI (artificial intelligence) is not only widely used in daily life but also promotes the digital transformation of the medical industry. The Company offers excellent integration of embedded computing technology and tailor-made medical platform solutions, making it the best choice for smart medical solutions.
Gaming Products	Develop dedicated platforms for the global gaming and entertainment market, integrate hardware and software expertise, AI image recognition application products, and self-developed patented products to provide a full range of professional services and solutions.

B. Manufacturing Process of Main Products



(3) Supply Situation for the Major Raw Materials

Over the years, the suppliers of the main raw materials of the Company's products have come from large domestic and foreign manufacturers with a good quality reputation and maintained long-term stable cooperation relationship, so that the Company is not lacking in the production of raw materials. List of main suppliers:

Name of Material	Domestic and Foreign Supplier
Chip sets, central processing units	Synnex, Arrow, Weikeng
IC	Arrow, Anewer, WT
Memory & storage module	Innodisk, Transcend
PCB	Everlast Win, Circuitech
LCD panel	Kyocera, Promate, Innotron
Power supply	FSP Group (FSP)
Industrial computer casing	Tzang Yang, J. T. Industry, ALPMETAL, Guan-Chin
Connectors	Supercon, Helm
Capacitor	Nichidenbo

- (4) List of suppliers and clients accounting for 10 percent or more of the Company's total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each, and an explanation of the reason for increases or decreases in the above figures.

A. Information on Major Suppliers for the Most Recent 2 Years

Unit: NT\$ Thousand

	2024				2023				Up to the preceding quarter of the current fiscal year (Note 2)			
Item	Name	Amount	Percentage of Annual net Purchases (%)	Relationship with the Issuer	Name	Amount	Percentage of Annual net Purchases (%)	Relationship with the Issuer	Name	Amount	Percentage of Net Purchases up to the Preceding Quarter of the Current Fiscal Year (%)	Relationship with the Issuer
1	Supplier A	393,905	11.29	N/A	Supplier A	511,371	14.59	N/A	None			
2	Others	3,095,972	88.71	N/A	Others	2,994,684	85.41	N/A				
	Net procurement	3,489,877	100.00		Net procurement	3,506,055	100.00					

Note 1: List all suppliers accounting for 10 percent or more of the Company's total procurement amount in the 2 most recent fiscal years and the amounts bought from each and the percentage of total procurement accounted for by each. If the Company is prohibited by contract from revealing the name of a supplier, or a trading counterparty is an individual person who is not a related party, it may use a code in place of the actual name.

Note 2: Up to the date of the printing of the annual report, there was no financial information recently audited and attested or reviewed by the CPAs for the most recent period.

Explanation of the reason for increases or decreases: Mainly due to the Company's procurement strategy and consideration of changes in market prices, there has been an increase or decrease in procurement from its suppliers.

B. Information on Major Customers for the Most Recent 2 Fiscal Years

Unit: NT\$ Thousand

	2024 (Note 3)				2023 (Note 3)				Up to the preceding quarter of the current fiscal year (Note 2)			
Item	Name	Amount	Percentage of Annual Net Sales (%)	Relationship with the Issuer	Name	Amount	Percentage of Annual Net Sales (%)	Relationship with the Issuer	Name	Amount	Percentage of Net sales up to the Preceding Quarter of the Current Fiscal Year (%)	Relationship with the Issuer
1	Others	6,893,071	100.00	N/A	Others	6,700,479	100.00	N/A	None			
	Net sales	6,893,071	100.00		Net sales	6,700,479	100.00					

Note 1: List all customers accounting for 10 percent or more of the Company's total sales amount in the 2 most recent fiscal years and the amounts sold to each and the percentage of total sales accounted for by each. If the Company is prohibited by contract from revealing the name of a customer, or a trading counterparty is an individual person who is not a related party, it may use a code in place of the actual name.

Note 2: Up to the date of the printing of the annual report, there was no financial information recently audited and attested or reviewed by the CPAs for the most recent period

Note 3: There were no customers who reached more than 10% of the total sales in 2024 and 2023.

3. Employee Statistics

Item \ Fiscal Year		2024	2023	As of March 31, 2025 of the Current Fiscal Year
Number of Employees	Sales	157	140	161
	G&A	132	122	135
	R&D	322	307	325
	Manufacturing	327	295	324
	Total	938	864	945
Average Age		40.36	40.38	41.15
Average Years of Service		7.49	7.36	7.64
Education Distribution Percentage (%)	Ph.D.	0.32	0.23	0.31
	Master's Degree	16.52	17.01	17.04
	College	62.37	62.04	62.54
	Senior High School	18.98	18.64	18.31
	Below Senior High School	1.81	2.08	1.80

4. Disbursements for Environmental Protection

Any losses suffered by the Company in the most recent fiscal year and up to the annual report printing date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the content of regulation violated and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

(1) Total losses and disposition due to environmental pollution

In the most recent year and up to the annual report printing date, there was no loss or punishment due to environmental pollution.

(2) Future plans (including improvement measures) and potential expenses.

The nature of our Company's business does not give rise to environmental pollution incidents; as such, there is no need for specific preventative measures to be implemented. All waste generated from our business operation is handled by a qualified professional waste management vendor.

(3) Adherence to the EU Restriction on Hazardous Substances (RoHS) guide

The Company's response to RoHS can be categorized as follows:

A. Supply chain management:

To ensure that raw materials and component parts meet the standards for environmental protection, the environmental protection team has already disseminated the guidelines and provided relevant training and guidance to the suppliers. This green supply chain is regularly audited with measures in order to gradually phase out non-compliant suppliers, driving root cause management to minimize risks.

B. R&D management:

All component parts and raw materials used by the R&D Division must come with environmentally friendly certificates. If R&D needs to change materials or any component parts, the supplier must present the corresponding certification for these materials or parts, which will be assessed by the R&D engineers.

C. Product quality management

At the time of incoming inspection, all materials are subject to XRF testing to confirm that they do not contain restricted or banned substances. When the final product is made, a reverse test analysis must be performed to determine again compliance with EU RoHS regulations.

D. Manufacturing and production:

All production bases of the Company are equipped to produce environmentally friendly products, including the material management systems, process control and lead-free production equipment, and since 2006, have obtained certification from many world-class manufacturers. Since Q4 2005, production began for RoHS-compliant products. Currently, the products being developed by the Company have fully met the requirements of EU RoHS, and the related products are being sold in the market.

5. Labor Relations

(1) Employee benefits, continuing education, training, retirement systems, and the status of their implementation, as well as the status of agreements between labor and management, and all measures aimed at preserving the rights and interests of employees.

A. Employee benefits:

The Company aims to create a safe working environment, fulfill the corporate social responsibility, and take care of employees. In addition to providing labor and health insurance, pensions, family care leave, medical leave, pre- and post-natal leave, paternity leave, and childcare leave, etc. in accordance with the law, other employee benefits are listed below:

- (A) For the Xizhi headquarters, implement flexi-time working hours and provide free commute to and from work (XinDian Line, ZhongHe Line). After the relocation of Beitou factory to Xizhi in Aug 2023, transportation vehicles for commuting on routes such as Danshui and Beitou also have been provided.
- (B) The Employee welfare committee is set up to plan and implement a varied welfare system, including family day activities, tourism subsidies, wedding and funeral welfare subsidies, hospitalization condolences for injuries, maternity subsidies, sports competitions, departmental dim sum funds, special store discounts and both. Artistic humanities, sports and fitness, puzzle fun, parent-child interaction, and other multi-social activities.
- (C) In addition to labor and health insurance, the Company also provides group insurance for all employees, including accidents, cancer prevention and hospitalization. Employees can pay a token sum so that the Group insurance coverage can be extended from the employees to their family members.
- (D) Employee health checkups are carried out on a regular basis every year. In addition, professional vocational nurses and doctors are stationed in the factory regularly, and they will patrol the Xizhi headquarters and Xizhi Factory to help take care of the health of colleagues.
- (E) Travel insurance and medical insurance for overseas business travel. Compensatory leave will be given in the event of national holidays during overseas business trips.
- (F) In addition to the salary fixed at the end of the year, there are three incentive bonus payments.
- (G) Employee incentive compensation is paid twice a year.
- (H) Performance bonuses are issued based on the achievement of operational goals.
- (I) Provide internal and external training courses with the goal of continuously nurturing talents.
- (J) At the Xizhi head office, there is a free gym, yoga classroom, library, staff saloon, breastfeeding room, health room, and a self-service shop and a beautiful working environment. Employee group meals are also handled in accordance with Xizhi Factory, improving employee satisfaction.
- (K) The employee restaurant of Xizhi Factory has a group meal, a free gym, a library, and audio-visual singing equipment. The office also has a nursing room and a medical room, providing a friendly workplace and for colleagues to relax and take care of their health.
- (L) There is an art gallery each at the Xizhi headquarters and the Xizhi Factory which regularly display artists' works and organize arts-related lectures. In addition to art appreciation, it also relieves the body and mind of the employees.
- (M) In recent years, the Company has continued to participate in the Ministry of Labor's "work-life balance" award event, holding several health seminars, stress relief seminars and parent-child health activities every year to help colleagues achieve work-life balance.
- (N) Promote multiple sports activities within the Company, hold sports events every year, encourage sports club activities, promote sports culture, and promote the physical and mental health of employees. The Company has been

awarded the Excellent Enterprise Award for “Hiring Sports Instructors” by the Sports Department.

- (O) In collaboration with local pharmacies, we offer monthly medication delivery services for employees who require regular refills under long-term prescriptions. Medications can be delivered either to the workplace or directly to employees' residences. This initiative is part of our commitment to supporting the health and well-being of our employees and their families.
- (P) The Company has implemented the “Employee Stock Ownership Trust” since February 2022. Employees who have worked for one year can choose to allocate a certain amount from their salary to purchase company stocks every month, and the Company also allocates 30% of the amount as a bonus. With the spirit of long-term investment, the Company helps colleagues save the second retirement fund. By the end of March 2024, 325 employees had joined the Stock Ownership Trust, accounting for 34% of all employees, and the number of shares held by the shareholding trust had climbed to the fifth largest shareholder of the Company.
- (Q) The Company aims to become a happy enterprise and has implemented several welfare measures that exceed the Labor Standards Act since 2025. These include 5 days of full-paid sick leave annually, no makeup work on makeup days, and holding the sports day on working days.

B. Skills upgrade & training

The Company has “education and training management procedures” to establish the Company’s education and training system and norms and assist all levels of personnel that are involved in all aspects of quality and environmental management activities to have access to appropriate and necessary education and training. This will enhance their knowledge, skills, and quality, and improve work efficiency, increasing the Company’s overall quality. Annual education and training programs are planned according to training needs, and the scope includes the job training, programs targeted by corporate level, professional expertise, projects, and also self-teaching programs. Education and training programs are funded by the annual education and training budget. It also has established an online learning platform, mobile phones, tablets, PC & NB can be used online, the arrangement of online training courses can be learned at anytime, anywhere. The actual expenditure on staff education in the past year was NT \$1,083,441. Training methods include:

- (A) Internal training: The HR unit organizes or facilitates various internal training courses in accordance with the annual education and training plan.
- (B) External training: In order to strengthen the professional knowledge and improve management skills of the employees, the parties must apply for training and training according to the annual education training plan.

Item	Number of Classes	Total Number of Person	Total Hours	Total Expenses (NT\$)
1. Training for specific organizational levels	11	191	82	688,728
2. Training by profession	36	1,222	244	162,480
3. Training by project	31	919	285	186,633
4. Self-Learning	1	12	36	45,600
Total	79	2,344	647	1,083,441

Employees related to ensuring the transparency of the Company's financial information have, in accordance with the relevant regulations, attended classes organized by external institutions. The resulting certificates are as follows:

Title	Name	Training Date		Organizer	Name of Course	Hours
		From	To			
Senior Vice President Head of Accounting & Finance	Jane Hsu	2024/11/05	2024/11/06	Accounting Research and Development Foundation	Continuing education for Head of Accounting Officer	12
Chief Corporate Governance	Jane Hsu	2024/06/26	2024/06/26	Taiwan Corporate Governance Association	Seminar on Practical Sharing of Board Performance Evaluation	3
		2024/10/01	2024/10/01	Taiwan Corporate Governance Association	How can the Board of Directors formulate ESG sustainable governance strategies?	3
		2024/10/16	2024/10/16	Taiwan Corporate Governance Association	20th (2024) Corporate Governance International Summit – Focusing on Governance Priorities	3
Deputy of principal accounting officer & Report preparer	YM Huang	2024/10/17	2024/10/18	Accounting Research and Development Foundation	Continuing education for Head of Accounting Officer	12
Head of Internal Auditor	Alex Mou	2024/06/26	2024/06/26	The Institute of Internal Auditors-Chinese Taiwan	Subsidiary Audit Practices	6
		2024/10/04	2024/10/04	Accounting Research and Development Foundation	Risk-Based Internal Audit: Methods and Practices	6
Deputy of Head of Internal Auditor	Wen Lan	2024/06/26	2024/06/26	The Institute of Internal Auditors-Chinese Taiwan	Subsidiary Audit Practices	6
		2024/10/04	2024/10/04	Accounting Research and Development Foundation	Risk-Based Internal Audit: Methods and Practices	6

C. Pension system implementation:

- (A) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee.

- (B) On July 1, 2005, the Company established the pension mechanism for the distribution of pension funds in accordance with the “Labor Pension Act” which is applicable to employees of ROC nationality. For the employees electing to adopt the “Labor Pension Act” for retirement, the Company allocates 6% of the respective monthly salary to their individual personal pension account at Labor Insurance Bureau. Pension will be disbursed based on the deposit in the personal pension account with the accumulated sum payable monthly or in lump sum.
- D. The agreement between labor and management and the maintenance measures of various employee rights:
 Since its inception, the Company has placed great importance on employee welfare and their mental and physical well-being. The personnel regulations formulated by the Company are in line with the “Labor Standards Law” and related labor regulations, and the human resources management and development are implemented with the business philosophy of “human management”. The Company has established an internal network information platform (EIP), which includes the Company’s vision and mission, group organization and contact information, department bulletin board, management system and form, learning development and employee’s space and other related service platforms. The best medium for information communication.
 In addition to the formal announcement method, a monthly e-newsletter is published to help colleagues understand the Company’s activities, provide information on the Company’s operations and product development, and establish a channel for employee interaction and sharing. With the limited interaction between staff and management, this provides a forum for employees to find a solution to their problems. The Company has not encountered any disputes with the employees in recent years.
- (2) In the recent year and up to the date of printing of the annual report, losses due to labor disputes (including the violation of the Labor Standards Act by the labor inspection results, the date of the punishment, the name of the punishment, the violation of the regulations, the content of the violation, and the content of the punishment), and disclose the estimated amount and countermeasures that may occur at present and in the future:
- A. The Company’s labor-management relationship is harmonious, and the personnel-related management system is based on the Labor Standards Act.
- B. The Taipei City Labor Bureau sent a notice letter on November 25, 2024, with the document number: Taipei City Labor No. 1134667623, and submit Taipei City Labor penalty letter.
- a. For violation of the provisions of Article 32, Paragraph 2 of the Labor Standards Act (exceeding the statutory limit for extended working hours), a fine of NT \$50,000 has been imposed in accordance with Article 79, paragraph 1, subparagraph 1, and Article 80-1, paragraph 1 of the same law.
- b. In July 2024, the city government where the Company is located announced typhoon holidays and suspended work for two consecutive days. In order to avoid production delays and damage to customer interests, overtime was arranged on Saturday of that week to reduce production capacity losses caused by natural disasters. Minor overtime occurred, which is an isolated incident.

(3) Work environment and safety measures:

The Company is committed to building a safe and healthy workplace environment and corporate culture to fulfill its corporate social responsibility. In addition to complying with relevant domestic laws and regulations, the working environment has been aligned with internationally recognized standards. The factory has introduced the ISO14001 environmental management system and the OHSAS18001 / TOSHMS occupational safety and health management system, which have been verified. In 2019, we switched to the ISO45001 / CNS45001 occupational safety and health management system, actively promoting environmental protection, safety and health activities. In addition to being committed to pollution prevention, waste reduction and resource recycling, we also control potential environmental, safety and health hazards through continuous risk improvement.

- a. In order to allow colleagues to feel at ease about the safety of the workplace environment, on-site service doctors will be arranged to provide services in the Company every month in 2024. In addition to continuously tracking colleagues with abnormal health examination results, they will also work with occupational safety and health personnel to check whether the working environment is safe, teach everyone how to stay healthy outside of work, and even help colleagues in need to develop relevant health plans, providing employees with multi-faceted health protection.
- b. All external and internal access control points of the Company are equipped with surveillance cameras or access control devices to strictly control access 24 hours a day.
- c. The Company has security personnel to assist in maintaining the safety of the office space at night.
- d. There were no fire incidents in 2024. Examples of workplace environmental protection measures (such as identification of fire risks in adverse situations and key feasible disaster reduction measures, etc.) and their implementation are as follows:
 - I. The company formulates an emergency response operation drill plan every year and has its personnel conduct escape and evacuation drills on site. In addition, the management unit of the chemical storage area of the factory formulates a leakage drill plan and invites the operation execution unit to conduct leakage treatment process and review to prevent accidents.
 - II. In addition to fire extinguisher equipment, the Company also installs automatic gas fire extinguishing facilities in important equipment rooms.
 - III. Emergency escape instructions are posted at the entrances and exits of each floor of the Company, requiring new employees to be familiar with the escape routes in their area.
 - IV. Fire management personnel in each area shall conduct independent inspections of fire sources, fire refuge facilities and fire safety equipment every month and keep records.

Regarding workplace safety, in addition to regularly implementing fire inspection and maintenance declarations, building public safety inspection and declaration operations, and labor work environment monitoring in accordance with relevant laws and regulations, the equipment and fire-fighting equipment used in the factory are also regularly maintained and inspected to ensure that they meet safety standards. In addition, in order to ensure that the working environment continues to meet safety and hygiene standards, Axiomtek regularly monitors the quality of drinking water, lighting, carbon dioxide concentration, and chemical concentration in the air in the employee working environment to ensure the quality of the working environment, protect employee health, and avoid the occurrence of occupational diseases.

The Company has established an "Environmental Policy" and an "Occupational Safety and Health Policy" as guidelines for employees' working environment and work safety.

Environmental Policy

The environmental policy goal of the Company is "Environmental protection is unlimited, resources are sustainable". We continue to make all employees understand the importance of environmental protection through publicity, communication, practical operation and continuous improvement. In product design and manufacturing, we strictly abide by relevant environmental laws and regulations and other necessary requirements to reduce the impact on the environment.

Occupational Safety and Health Policy

Axiomtek has a dedicated labor safety management unit and personnel. In the process of product development, manufacturing, testing, and sales, in addition to complying with safety and health regulations, the Company also cooperates with international and Taiwanese safety and health management systems to implement hazard risk management, conducts hazard assessments and continuously improves risks for each of the Company's operations and work areas. In addition, through pre-employment safety and health training for new employees, occupational safety and health training for on-the-job employees, safety promotion, fire drills, and escape drills, we instill correct occupational safety and health information in our colleagues, aiming to reduce occupational safety and health accidents and fulfill our responsibility to protect employees.

Policy purpose: Pay attention to employee safety and comply with occupational safety laws and regulations.

Policy goal: zero work-related injuries.

Achieve strategy: strictly abide by safety and health laws and regulations, implement hazard risk management, and reduce the occurrence of occupational safety accidents

Achievement measures:

- Implement occupational safety training for new employees for 3 hours per person
- Increase occupational safety training for employees to 4 hours every 3 years
- Regularly conduct occupational safety management system audits once a year
- Implement and improve the occupational safety management system and audit every defect

In 2021, the Company completed the SMETA external audit and verification for the first time. In addition to providing a safe and friendly workplace, the Company also attaches great importance to the rights of the Company's employees, respects the employment relationship of employees' free choice, respects the freedom of association and the right to collective bargaining, and adopts formal The employment relationship does not allow harsh and inhumane treatment of workers, no child labor is allowed in the Company, and discrimination is strictly prohibited to ensure compliance with local labor regulations.

In August 2023, due to factory planning, the Company relocated the entire area of the original Beitou factory to Xizhi Huanhe Street, and carried out relevant facility improvement measures in the new factory area to enhance the environmental safety of the employee workplace and provide a healthy workplace to ensure the quality of work. In December 2023, the Company passed the ISO45001 external audit verification and obtained the ISO 45001 Occupational Safety and Health Management System Certificate, which is valid from December 25, 2023 to December 24, 2026.

In accordance with the labor health protection rules, the Company has hired a full-time labor health service nurse to host the four major labor health protection plans and

employee health and injury case tracking management and consultation, first aid and emergency treatment, and regularly organize health promotion activities for all employees. At the same time, the Company arranges for factory doctors to visit the Company regularly every month to provide on-site health services and tracking for employees, and occupational medicine specialists will come to the factory for on-site services once every four months. The Company also conducts employee health checks every year, with an attendance rate of 100%.

For employees who have abnormal three highs and excessive obesity in health examinations, the nurses will ask the factory doctor to provide health consultation and establish tracking information. The factory doctor will recommend relevant measures to the employees, such as: seeking medical treatment for further examination, taking medication, adjusting work and stress management, etc., and continuing to track. In 2014, the number of employees providing consultation and tracking on the three highs and weight loss has reached 89.

The Labor Safety Office organizes several work-life balance activities every year, including stress relief lectures and aerobic activities, to promote the physical and mental health of employees. In 2024, the Company held 8 aerobic activities for a total of 12 hours, with more than 200 participants. The Company also attaches great importance to employee health and exercise. It holds a sports meeting in the middle of each year, and the competition events include sports events such as walking 10,000 steps in a month. The Company has also established a rhythm club for more than three years and organizes club activities during lunch breaks twice a week. More than 30 employees have participated.

(4) Code of Conduct & Moral Behavior

To maintain the trust and harmony of the employee-management relationship, employees should fulfill the following obligations:

- A. The Company's business, customer situation and trade secrets should be kept highly confidential and must not be disclosed.
- B. Develop ethical integrity, pay attention to maintaining the Company's reputation, and not abuse the position by requiring customers or manufacturers to entertain, give gifts or accept commissions, gratuities, and other improper benefits.
- C. Do not use drugs, gamble, or engage in any activities that are illegal or could potentially affect the reputation of the Company.
- D. In accordance with the "Code of Conduct for Listed Companies", the "Axiomtek Code of Conduct & Ethical Behavior" will be established so that employees and stakeholders can better understand and comply with the Company's standards.
- E. In accordance with the "Code of Conduct for Listed Companies", the "Guideline for Integrity in Business Operations" and "Axiomtek Code of Conduct & Ethical Behavior" are established. Business activities are conducted based on fairness, honesty, trustworthiness and transparency. Implement the integrity management policy and actively guard against dishonesty.
- F. In 2024, all employees have completed the 1-hour "Social Responsibility & Integrity Management" education and training course.

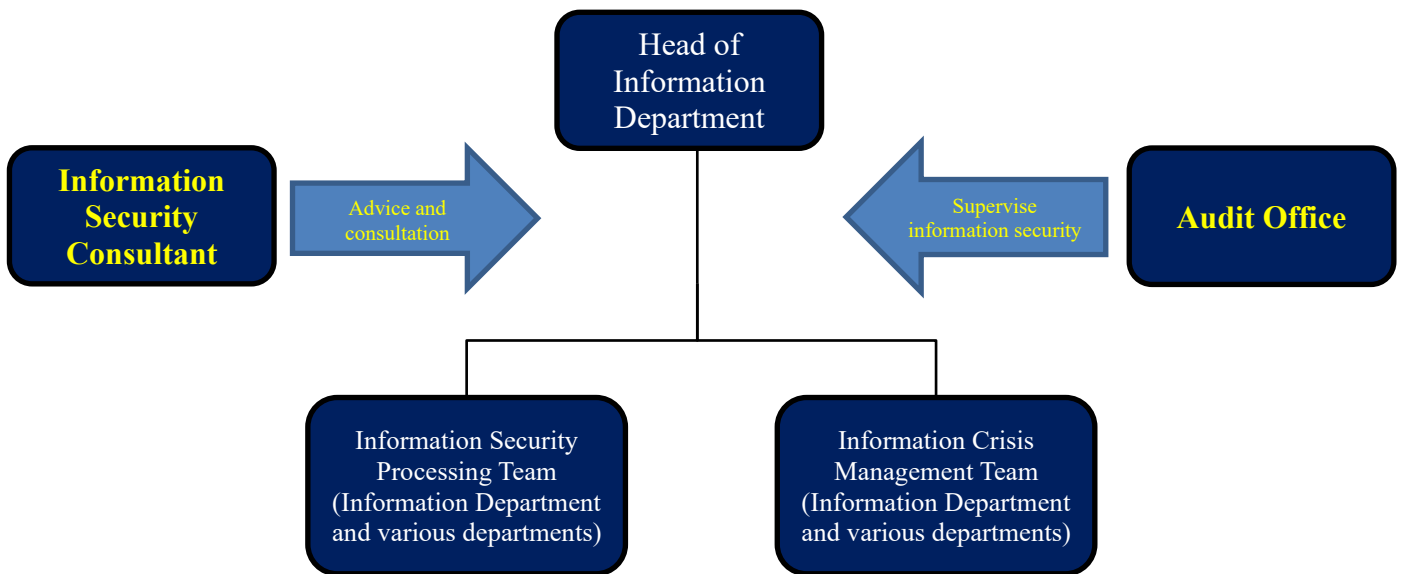
6. Cyber Security Management

- (1) The cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.

- A. The framework of cyber security risk management:
 - a. The Intelligent Information Division is the responsible unit for cyber security risk management and is equipped with one dedicated cyber security supervisor and

one dedicated cyber security specialist to be responsible for formulating, planning and implementing the cyber security risk management policies, and regularly report the Company's cyber security governance to the Board of Directors.

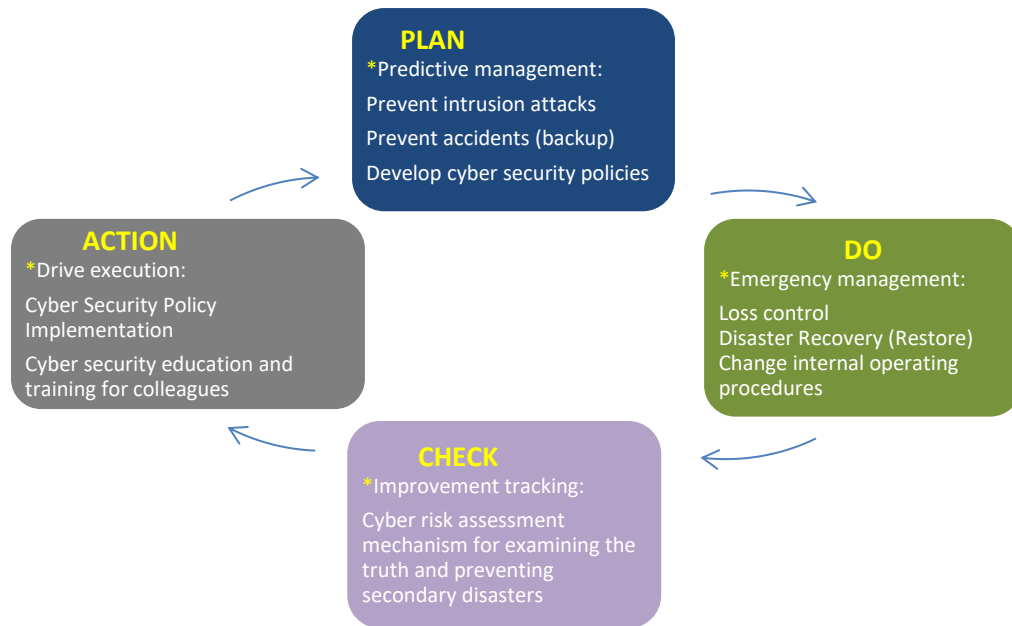
- b. The Company's audit office is the supervisory unit of cyber security risk management which is responsible for supervising the implementation of cyber security policy. If there is any defect found in the audit, it will require the inspected unit to propose relevant improvement plans and specific actions and regularly track improvement results to reduce cyber security risks.
- c. Cyber security organizational structure:



B. Cyber security policies

Cyber security refers to such effort to prevent information and communication system or information from being unauthorized access, use, control, disclosure, damage, alteration, destruction, or other infringement to assure the confidentiality, integrity and availability of information and system. The Company's cyber security policy is as follows:

Non interruption of information security protection, continuous risk control, and guarantee of enterprise operation: In order to strengthen information security management, enhance the rigor and security of information security management processes, the Company implements, effectively operates, supervises and manages in accordance with the requirements and spirit of ISO/IEC 27001:2022 Information Security Management Articles, and continuously improves the PDCA (Plan Do Check Act, PDCA) cycle process management to maintain the confidentiality, integrity, and availability of important core systems of the Company. We aim to reduce the frequency of service interruptions caused by operational risks and computer viruses, enhance the awareness of information security among colleagues, reduce information security incidents, strengthen the organization's risk management both internally and externally, enhance customer satisfaction with the quality of the Company, and achieve the goal of continuous operation of the enterprise.



C. The concrete management programs

- a. Cyber security incidents which refers to an event where the state of the system, service or network, through identification, likely shows violation of the cyber security policy, or failure of the security protective measures, thus adversely affect performance of information and communication system function and constitute a threat against the cyber security policy.

Prevention cyber security incidents (beforehand)	Handling cyber security incidents (beforehand)	Investigate cyber security incidents (beforehand)
<ul style="list-style-type: none"> • prevent intrusion • Antivirus • Accident Prevention (Backup) • Anti-leakage 	<ul style="list-style-type: none"> • Prevent disasters from spreading • stop loss • Shortest time recovery (restore) 	<ul style="list-style-type: none"> • Survey • check • review • Continuous Improvement (P.D.C.A.) • Risk control to prevent recurrence

b. Cyber Security Management

Item	Description	Tolerance Risk	Countermeasures	Expected Outcomes	Tolerate Residual Risks
Risk of Cyber Security	1. Hacking 2. Data Breach 3. Computer poisoning	No	1.Firewall, anti-virus software, regularly update the virus pattern and scan the virus. 2.Regular Windows Updates. 3.The AD password is changed regularly. 4.M365 and SSL VPN use MFA mobile multi-factor authentication. 5.OpenDNS web filtering. 6.Using the M365 cloud service, even if it is encrypted by hackers, the files before encryption can be reversed.	Reduce the chance and impact	Yes
Risk of Information Service Interruption	The Company's mainframe, network or other information-related equipment cannot be used due to man-made or unexpected disasters	No	1.The emergency UPS in the computer room can supply power to the host for about 4 hours when the power is cut off. 2.Using M365 cloud service, even if the server equipment is damaged, employees can still send and receive emails and access cloud files normally. 3.The server performs backup according to the backup 321 principle. 4.Offsite backup. 5. Cloud backup.	Reduce the chance and impact	Yes

c. The challenges faced by Cyber security, such as ATP advanced continuous attacks, DDoS attacks, ransomware, social engineering attacks, information theft and other Cyber security issues, the following strategies have been adopted:

(a)Improve IT infrastructure

- i. The server host has been replaced, the hardware is fully updated to Dell R740 server, and the operating system is fully upgraded to Windows Server.
- ii. Increase the external network bandwidth, update the high-speed bandwidth manager, and solve the situation of insufficient external bandwidth.
- iii. Upgrade the dedicated line to improve the quality of the Company's dedicated line.
- iv. Establish a remote backup line and mechanism: Back up the factory data to a third place and cloud.
- v. RD Lab test equipment environment is isolated.
- vi. Improve endpoint security, replace anti-virus software with more comprehensive protection, and provide integrated patches. Prioritize through vulnerability analysis and repair programs, and provide repairs, automatic detection of behavioral intrusion patterns, and antivirus software cloud protection to detect and automatically detect threats from multiple sources.

(b)Strengthen the backup mechanism

(c)Strengthening the Information Security Checking System (ISMS)

(d)Introduce ISO 27001 information security management system, upgrade IT

infrastructure and various mechanisms, such as server upgrade, endpoint protection, network external bandwidth, backup mechanism, etc., and continuously improve and enhance cyber security. In 2023, ISO27001:2022 was introduced and obtained the certificate. (Note 1)

(e) Assess whether to purchase information security insurance.

d. Resources devoted to Cyber security management:

(a) Upgrade M365 cloud collaboration and import ATP advanced threat protection to improve enterprise infrastructure security.

(b) Import Microsoft Gold-level Cyber Security SI-Free System to continuously improve enterprise cyber security.

(c) Import Microsoft Defender for Identity and Microsoft Defender for Endpoint to comprehensively improve AD account management and user endpoint security.

(d) Import Azure cloud backup, back up important systems locally and then copy them to the cloud.

(e) Regular social engineering phishing email drills to enhance employees' information security awareness. Social engineering drill has been conducted in September 2024, and colleagues always ask the information unit if there is an abnormality in information security. It is obvious that employees' awareness of information security has increased year by year. In the future, a drill will be carried out regularly every year.

(f) Regular cyber security education and training to implement employee information security knowledge. The information security education training for social engineering drills is arranged every year. If the colleagues have a click on the link, they will request to attend the information security training and test courses. The information security education training in 2024 has been completed in December and is planned to be carried out regularly every year.

(g) Join the CERT Computer Emergency Response Team and the CSIRT Computer Information Security Incident Response Team organization.

(h) Report to the Board of Directors regularly on the implementation of cyber security

According to Article 9 of the "Regulations Governing Establishment of Internal Control Systems by Public Companies", the relevant internal operation regulations of the computerized information system, with the IT Department as the responsible unit, is responsible for formulating cyber security policies, planning and implementation of cyber security policy promotion and implementation and regularly report to the Board of Directors on the Company's information security governance. The implementation of cyber security governance has been reported by the dedicated cyber security supervisor in Board of Directors on October 29, 2024.

Note1: ISO27001 Certificate

Category	Information Security Management System
Name of Certification	ISO27001 Information Security Management System
Certification Unit	SGS
Date of Certification	2024/03/25
Effective Period	2024/03/25-2027/03/25
Certificate	 <p>Certificate TW24/00000267</p> <p>The management system of Axiomtek Co., Ltd.</p> <p>8F., No. 55, Nanxing Rd., Xizhi Dist., New Taipei City 221026, Taiwan has been assessed and certified as meeting the requirements of ISO/IEC 27001:2022</p> <p>For the following activities The Scope of Registration appears on page 2 of this certificate</p> <p>This certificate is valid from 25 March 2024 until 25 March 2027 and remains valid subject to satisfactory surveillance audits. Issue 1. Certified since 25 March 2024 Multiple certificates have been issued for this scope, the main certificate is numbered TW24/00000267 Certified activities performed by additional sites are listed on subsequent pages.</p> <p><i>Jonathan H. Hall</i></p> <p>Authorised by Jonathan Hall Global Head - Certification Services</p> <p>SGS United Kingdom Ltd Rossmore Business Park, Ellesmere Port, Cheshire, CH85 3EN, UK t +44 (0)151 350-8686 - www.sgs.com</p> <p>SGS ISO/IEC 27001 UKAS MANAGEMENT SYSTEMS 0003 IAF MEMBER OF MULTILATERAL RECOGNITION ARRANGEMENT</p> <p>This document is an authentic electronic certificate for Client business purposes use only. Printed version of the electronic certificate are permitted and will be considered as a copy. This document is issued by the Company subject to SGS General Conditions of certification services available on Terms and Conditions SGS. Attention is drawn to the limitation of liability, indemnification and jurisdictional clauses contained therein. This document is copyright protected and any unauthorized alteration, forgery or falsification of the content or appearance of this document is unlawful.</p>

- (2) Losses suffered by the Company in the most recent fiscal year and up to the annual report printing date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken: None.

7. Important Contracts

Review of the Group's supply contracts that are current or due to expire in the current, technical collaboration contracts, engineering contracts, long-term loan contracts and other factors that affect the interests of investors as follows:

Nature of Contract	Parties	Beginning and End Dates of Contract		Major Content	Restrictive Clauses
		From	To		
Cooperate	Industrial Technology Research Institute.	2022/07/01	2025/06/30	FPGA-Based Robotic Computing powered by Xilinx AI	None
License	American Megatrends International, LLC Taiwan Branch.	2023/06/19	2026/06/18	Software license	None

V. Review and Analysis of Financial Position and Financial Performance and Risk Issues

1. Financial Position

(1) Comparative analysis of financial position in the past two (2) years

Unit: NT\$ Thousand

Item \ Year	2024	2023	Difference	
			Amount	%
Current Assets	4,402,460	4,093,723	308,737	7.54
Investments Accounted for Under Equity Method	16,201	16,617	(416)	(2.50)
Property, Plant and Equipment	2,383,412	2,280,458	102,954	4.51
Investment Property	36,992	37,488	(496)	(1.32)
Intangible Assets	122,713	111,228	11,485	10.33
Other Assets	299,074	318,476	(19,402)	(6.09)
Total Assets	7,260,852	6,857,990	402,862	5.87
Current Liabilities	1,302,063	1,447,450	(145,387)	(10.04)
Non-Current Liabilities	1,269,594	1,207,006	62,588	5.19
Total Liabilities	2,571,657	2,654,456	(82,799)	(3.12)
Share Capital	1,031,454	1,018,744	12,710	1.25
Capital Surplus	722,963	685,203	37,760	5.51
Retained Earnings	2,831,612	2,497,695	333,917	13.37
Other Equities	58,282	1,892	56,390	2,980.44
Total Equity	4,689,195	4,203,534	485,661	11.55
Analysis of changes in financial ratios of over 20%:				
1. Other Equities: Mainly due to the exchange rate changes resulting in an increase in exchange loss for foreign company.				

(2) Effect of changes on the Company's financial condition: The Company's financial condition has not changed significantly.

(3) Future response actions: None.

2. Financial Performance

(1) Comparative analysis of financial position in the past two (2) years

Unit: NT\$ Thousand

Item \ Year	2024	2023	Increase (Decrease)	Difference (%)
Operating Revenue	6,893,071	6,700,479	192,592	2.87
Operating Cost	4,353,531	4,297,582	55,949	1.30
Gross Profit	2,539,540	2,402,897	136,643	5.69
Operating Expenses	1,635,422	1,458,935	176,487	12.10
Operating Income	904,105	944,138	(40,033)	(4.24)
Non-Operating Income and Expenses	137,416	37,419	99,997	267.24
Income before Tax	1,041,521	981,557	59,964	6.11
Income Tax	271,119	253,933	17,186	6.77
Net Income	770,402	727,624	42,778	5.88
Analysis of changes in financial ratios of over 20%: Non-Operating Income and Expenses: Mainly due to the increase in foreign exchange gains caused by the depreciation of the New Taiwan Dollar.				

- (2) Effect of the Company's financial operations to be taken in response to the changes in sales volume forecast and its basis: The Company's business scope has not changed significantly. The Company will consider global economic development, industrial environment and product development trends, and act prudently based on past operating performance and financial condition.
- (3) Future response actions: None.

3. Cash Flow

(1) Analysis of changes in cash flows 2024:

Unit: NT\$ Thousand

Cash and Cash Equivalents at Beginning of Year ①	Net Cash Flows from Operating Activities ②	Cash Flows from Investing and Financing Activities ③	Effects Due to Changes in Exchange Rate ④	Cash and Cash Equivalents Surplus (Deficit) ① + ② + ③ + ④	Leverage of Cash Deficit	
					Investment Plans	Financing Plans
\$1,501,089	\$996,134	\$(809,638)	\$58,361	\$1,745,946	-	-
Analysis of change in cash flow: 1. Cash inflow from operating activities of \$996,134,000: Mainly due to cash inflows from revenue and service income. 2. Cash outflow from investing activities of \$294,306,000: Mainly due to the cash outflow from the acquisition of property, plant, and equipment. 3. Cash outflow from financing activities of \$515,332,000: Mainly due to cash outflow from distribution of cash dividend.						

(2) Improvement plan for insufficient liquidity: No cash shortage.

(3) Analysis of the liquidity for the future year: None.

4. The Effect upon Financial Operations of any Major Capital Expenditures during the Most Recent Year:

None

5. Investment Policy for the Most Recent Year, the Main Reasons for Profits or Losses Generated thereby, the Plan for Improving Investment Profitability, and Investment Plans for the Coming Year

Axiomtek adopts investment of equity method with all focusing on long-term strategic purpose; in 2024, the profits of the Company investment of equity method reach NT\$133.591 million with an decrease of NT\$120.674 million compared to the previous year, which major result from the substantial decrease in investment income of subsidiary Axiom Technology, Inc. U.S.A. In the future, the Company's reinvestment policy will remain unchanged, and it will still focus on business development and long-term strategic investments related to the industry and will conduct prudent evaluations. On April 8, 2024, the Company purchased a total of 2,170,000 shares of Paytronex Co., Ltd. from the existing shareholders of Paytronex Co., Ltd. and participated in the cash capital increase at a price of NT \$30 per share. The total investment price was NT \$65.1 million. The Company holds 59.95% stake in Paytronex Co., Ltd.

6. Analysis of Risks Issues during the Most Recent Year and up to the Date of Printing of the Annual Report.

- (1) Effects of changes in interest rates, foreign exchange rates and inflation on corporate finance, and future response measures:

The financial strength of the Group's companies is sound with sufficient funds and capital planning is based on the principles of conservation and stability. With the focus on safety and liquidity, the risk of increased capital costs is limited.

Unit: NT\$ Thousand

Item	2024		
	Interest Income	Interest Expenses	Net Exchange Gains (Losses)
Interest Income / (Interest Expenses) / Net Exchange Gains (Losses)	44,379	(22,424)	95,354
Ratio of Operating Revenue (%)	0.64%	(0.33%)	1.38%

Since the ratios are not high, the interest rate, exchange rate and inflation have a limited impact on the Group's revenue and profit. The funds required for the Group's operations are mainly self-owned funds, supplemented by borrowings. At the end of 2024, the amount of bank loans is NT\$55.293 million, accounting for 0.76% of the total assets of NT\$7,260.852 million and the loan amount is mainly used to supplement working capital. Therefore, the impact of changes in interest rates on the Group's profitability is limited. However, the Group is still implementing the following preemptive measures:

- A. Collect information on interest rate changes daily to take appropriate action in a timely manner.
- B. If the interest rate drops, getting a loan with a lower interest rate will be adjusted in to repay the loan with higher interest rate. If the interest rate rises, which may erode the overall profit of the Group, evaluate the method of cash increase or issue convertible corporate bonds; thus, reducing the dependency on bank borrowings and to spread the risk of changes in interest rate.

The market for the Group's products is mainly overseas markets, such as Europe, America, and Asia while most of the major components of the products are purchased from Taiwanese manufacturers. Only some raw materials such as ICs, power supplies and panels for special purposes are sourced from overseas. The ratio of overseas purchases is not high. Export transactions are mainly denominated in US dollars and Euros. After deducting the small amounts required for materials purchase, the net foreign currency position of the US dollar or the euro indicates a certain degree of impact on the Group's profit when the exchange rates fluctuate. The Group has taken the following measures to manage the exchange risk that may arise from holding foreign currency positions:

- A. The finance team monitors the development of the international political and economic situations and maintains a good relationship with the financial institutions to obtain collect real-time exchange rate information and be fully informed of the trend of exchange rate fluctuations.
- B. Adopt the natural hedging method by offsetting foreign currency items due to receivables and payables, estimating the future trend of the exchange rate to maintain appropriate foreign exchange positions in order to meet the demand for future foreign currency payments, and closing the net foreign currency position on a timely basis to reduce the impact of exchange rate changes on the Company.
- C. Based on the principle of hedging rather than investment trading, signing forward exchange contracts with financial institutions to avoid exchange rate fluctuation risks.

As the global economic growth in recent years is still in a sluggish phase, inflation will not significantly impact the Group.

- (2) Policy on high-risk, high-leverage investments, loaning of funds, endorsements and guarantees as well as transactions of financial derivatives, major causes for profits or losses and future countermeasures:

The Company has never engaged in the high-risk, high-leverage investments, loaning of funds, endorsements and guarantees as well as transactions of financial derivatives. Going forward, if trading in derivative commodities is based on the principle of hedging rather than investment trading, the risk of exchange rate fluctuations should be avoided in accordance with the rules.

- (3) Future R&D plans and expected R&D expenditure:

A. In response to future product development needs, the Group's 2025 R&D plan is as follows:

(A) IOT Business Group (IOT product line):

- a. Focus on vertical application markets such as factory automation safety monitoring, rail transit, green energy industry and smart grid.
- b. Embedded systems are developing toward intelligent, miniaturized, and modularized application products. Strengthen the integrated application of embedded operating systems and develop high-standard system products such as wide temperature range, shock resistance, dustproof, waterproof, and fanless.
- c. Provide IoT security upgrade solutions, develop IT and OT integrated information security application platforms and industrial IoT gateways.
- d. Develop edge AI application market, with machine vision and robotics industry applications, integrating software, peripheral and hardware design services.
- e. Promote the system to the application market solution, combine DigiHub to provide software and hardware integration services, and focus on application markets such as smart transportation, smart manufacturing, green energy and autonomous mobility.
- f. In response to the needs of various specific fields, several special safety certifications have been obtained, so that the application of products in special fields can obtain greater assurance and trust from customers.

(B) Intelligent Design-in Service Business Group (IDS product line):

Intelligent Design-in Service provides customer-specific services, focusing on two applications of intelligent retail and intelligent medical market.

The progress of the retail business in smart technology has created a sales environment where immersive experiences are introduced. Therefore, touch-based computers that integrate multiple IoT technologies, such as interactive self-service machines and digital signage, large-scale self-ordering kiosk and Mobile POS will be the key drivers of a new wave of smart retail.

In response to the above-mentioned vertical industry application requirements, customers can freely purchase from standard products. The Intelligent Retail Solution Division will provide a series of digital signage players and SDM (Smart Display Module) to meet multimedia digital signage and interactive self-service kiosk requirements. Retail Solution Division will provide a series of digital screens and SDM (Smart Display Module) to meet multimedia digital signage and interactive self-service machines.

In addition, in the intelligent medical part, the control host system of large-scale testing instruments, mobile medical carts, bedside computer information computers are the focus of future product development. Providing customized

systems for hospitals and equipment manufacturers through customized services will meet the computer computing platforms required by various equipment.

Finally, to meet customers' needs for customization, in addition to developing a full range of standard motherboards of different sizes based on Intel and AMD platforms, we also provide customized modifications and value-up services based on related products. This allows customers to meet the needs of end customers through small modifications in a short period of time, achieving the goals of rapid prototyping and rapid launch.

(C) Gaming Business Group (GAM product line):

In developing the hardware and application platforms for the global gaming and entertainment market, the current product development includes EGM, back-end management system, image processing and Jackpot server, and integrates hardware and software technical expertise to provide customers with complete and reliable solutions. At the same time, according to customer needs, develop a variety of customized products for gaming applications.

In addition to AMD, Intelx86 platform for product development, the Company also developed ARM Based platform products with breakthrough results.

B. Progress in R&D:

The R&D team is fully responsible for the technological research and product design for all product development projects and works according to a development schedule. The development status of each product is managed by the Group's PMC management platform.

C. Estimated investment in research and development costs:

The Group's estimated research and development expense for 2025 is approximately NT\$691 million. The expenditure plan is as follows:

Unit: NT\$ Thousand

Item	Project Content & Plan	Success Factors	R&D Expenses for 2025
IOT Products	Smart application computers Industrial Internet of Things Gateway: It is applied to the energy field, integrates information security protection, supports industrial standard protocols, such as Modbus, MQTT and other device management software, and provides a complete solution of IIoT Gateway. Intelligent transportation platform: It is applied to vehicles, rails and autonomous mobile devices, meeting the requirements of the actual application field. Edge AI : Artificial intelligence application field, providing software and hardware integrated development kits and creating value with ecosystem partners.	Smart application computers 1. The industry information and technical requirements required by IIoT to strengthen the technology and market interaction with the application customers. 2. Development resources for software required by DigiHub.	361,938
	Industrial application computers M-type industrial model for low end use: launch cost-effective products for general purpose. For high-end applications: launch high-performance HPC products and integrate products from ecosystem partners, focusing on smart	Industrial application computers 1. In response to the trends of Industry 4.0 and AIOT, products must be able to provide complete solutions for the terminal application required for smart manufacturing. 2. Provide AI with a high computing performance platform.	

Item	Project Content & Plan	Success Factors	R&D Expenses for 2025
	<p>manufacturing, machine vision and AI applications.</p> <p>Embedded industrial computer The embedded computer system with modular architecture emphasizes the wide temperature and flexible IO modular support capability. The CPU controller and IO module can be adjusted quickly and flexibly according to different market applications. Focus on machine vision, AI, 5G, Industrial Cybersecurity, and AMR/AGV.</p> <p>Touch-screen industrial tablet Used at the low end: Launch cost-effective products for general light industry and consumer electronics applications. For high-end applications: launch application products for smart manufacturing, medical, transportation, food & beverage factory, and vehicle applications.</p>	<p>Embedded industrial computer 1. Miniaturization and modularization. 2. Relevant technologies and market applications in the application field.</p> <p>Touch-screen industrial tablet 1. Application-related technologies and market applications. 2. Modular design. 3. Cost advantage.</p>	
Intelligent Design-in Service Products	<p>Digital Signage Player: Provide entry-level models and high-performance models, by using different number of screen output interfaces and customized software & firmware programs to enable multi-screen splicing and self-management.</p> <p>Self-service kiosks: Develop unmanned stores and to integrate multifunctional products such as touch screens, barcode readers and payment devices to improve the self-service Kiosk and increase market share.</p> <p>Computer for medical equipment: Through customized services to meet customers' needs for high-performance and small-sized computers, thereby accelerating the speed and efficiency of testing instruments. In addition, all high-level systems can be equipped with an AI chip card to increase the computing power of medical application software and speed up and shorten the development time.</p>	<p>1. Fanless system design can increase system stability and reliability. 2. The MCU and the built-in firmware program can give the system more diverse extension functions. 3. Empower small computers with powerful computing performance, and support to loading multiple microprocessors and additional graphics cards for parallel computing and speed up software programs.</p>	240,593
Gaming Products	<p>1. Continuous development gaming specific self-developed transparent button product, which has been obtained patent. 2. EGM and GMS products will continue to develop next-generation products. 3. Continuously developing AI image recognition application products for the gaming industry, providing a complete software and hardware integration solution.</p>	<p>1. Leading technology and the know-how of the game market. 2. A full range of services to help customers launch products in the fastest time schedule</p>	127,333

D. Future factors to R&D success

It is extremely important to actively understand market demand and key technologies for project success. The Company continues to carry out software and hardware research and design, combining technology, aesthetics and user experience to optimize products and integration services. Steadily increase the ratio of software R&D manpower every year and actively cooperate with industry ecosystem alliances to develop key technologies for data analysis to facilitate product value-added and differentiation, and further develop specific vertical industries to enhance competitiveness. Institutionalize the professional development training plan for R&D personnel to improve personnel design capabilities. Betting on the product development collaborative operation management system, using digital management platforms to record, control, and share resources to improve the quality and efficiency of research and development.

Technological innovation is a necessary factor to increase product competitiveness and successfully achieve sales goals. Through the annual business plan, the Company formulates new technology development plans, aligns the market domain and customer expectations, and achieves the goal of increasing product highlights.

- (4) Changes in important policies and the legal environment at home and abroad, and the effect on the financial status and operation of the Company, and Countermeasures:

The recent high reciprocal tariff policy of the Trump administration in the United States has caused multiple impacts on Taiwan's economy. The Group intends to coordinate the transfer of the increased tariffs to customers or share the burden with customers to reduce the impact on profits and actively observe the flexible adjustment strategies of peers. In addition to the above, upon evaluation, the recent changes in important policies and regulations internally or externally have no material impact on the Group's financial operation. Going forward, we will monitor related information continuously, evaluate the impact of any changes in policies and regulations on the Group and implement the appropriate response measures.

- (5) The effect of technological and industrial changes (including cyber security risks) on the financial status and operation of the Company, and countermeasures:

The new wave of industrial growth momentum is in related applications such as artificial intelligence, Internet of Things, 5G/6G, AR/VR, and high-computing platforms, mastering key technology niches, application market niches, and business strategy niches for vertical application industries. The Group will use the global distribution network and in-depth projects to gather customer demand and market trend information to quickly provide products that meet customer specifications. In terms of financial operations, we will strengthen cash flow management, production and sales management, and inventory management based on the characteristics of the industry and create a win-win situation with suppliers and partners in a sustainable business model.

- (6) Impact of corporate image change on corporate crisis management and response measures
Since its inception, the Group has actively enhanced the internal management of the Group and continuously improved its capability in product quality management. In order to improve corporate governance and strengthen the relevant functions of the Board of Directors, the Company has appointed three Independent Directors in accordance with Article 14-2 of the Securities Exchange Act. In August 2011, the Board of Directors set

up the Remuneration Committee to assist the Board of Directors in implementing the remuneration management function. The Audit Committee was established in June 2015, the Nomination Committee was established in October 2016, and the Sustainable Development Committee was established on October 26, 2023. Through participated in the “Corporate Social Welfare and Corporate Volunteer Promotion Assistance Program” which help companies develop their corporate social responsibilities, integrate public welfare actions with the core values of enterprises and business operations, and promote the good culture of corporate volunteer service. Through corporate volunteerism, create a good citizen environment and work together to contribute towards a caring society and changing the world. In the most recent year and as of the date of publication of the annual report, there has been no significant change in the corporate image of the Company, and there has been no potentially damaging report in the market on our corporate image.

- (7) Expected benefits and possible risks of merger and acquisition, and countermeasures:
In the most recent year and as of the publication date of the annual report, the Group has no plans for mergers and acquisitions.
- (8) Expected benefits and possible risks of facilities expansion, and countermeasures: None.
- (9) Risk from centralized purchasing or selling, and countermeasures:
 - A. Risk from centralized purchasing and countermeasures:
The main raw materials for the Group’s products can be divided into semiconductor ICs, printed circuit boards, LCD panels, power supplies and IPC products (including single-board computers and industrial computer chassis). There is a large variety of raw materials, the main one being the electronic components and parts, which are supplied by many domestic vendors. The materials can be easily substituted and there has never been an out-of-stock situation. Hence, there is no risk in this area.
 - B. Risk from centralized selling, and countermeasures:
The Group does not have a customer with whom sales of more than 15% of total sales have been transacted. Therefore, there is no risk arising from the concentration of sales.
- (10) Impact and risk associated with large share transfers or changes in shareholdings of Directors or shareholders who hold more than 10% of the Company’s shares, and countermeasures: None.
- (11) Impact and risk associated with changes in management rights, and countermeasures: None.
- (12) Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that involve the Company and/or any Director, the general manager, any person with actual responsibility for the firm and any major shareholder holding a stake of greater than 10 percent of the Company, and/or any company or companies controlled by the Company, and that have been concluded by means of a final and non-appealable judgment or are still under litigation. Moreover, where such a dispute could materially affect shareholders’ equity or the prices of the Company’s securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the publication date of the annual report:
As of the date of publication of the annual report, the Group has no other major litigation, non-litigation or administrative disputes that have been determined or are still in the system, and the results of which may have a significant impact on shareholders’ equity or

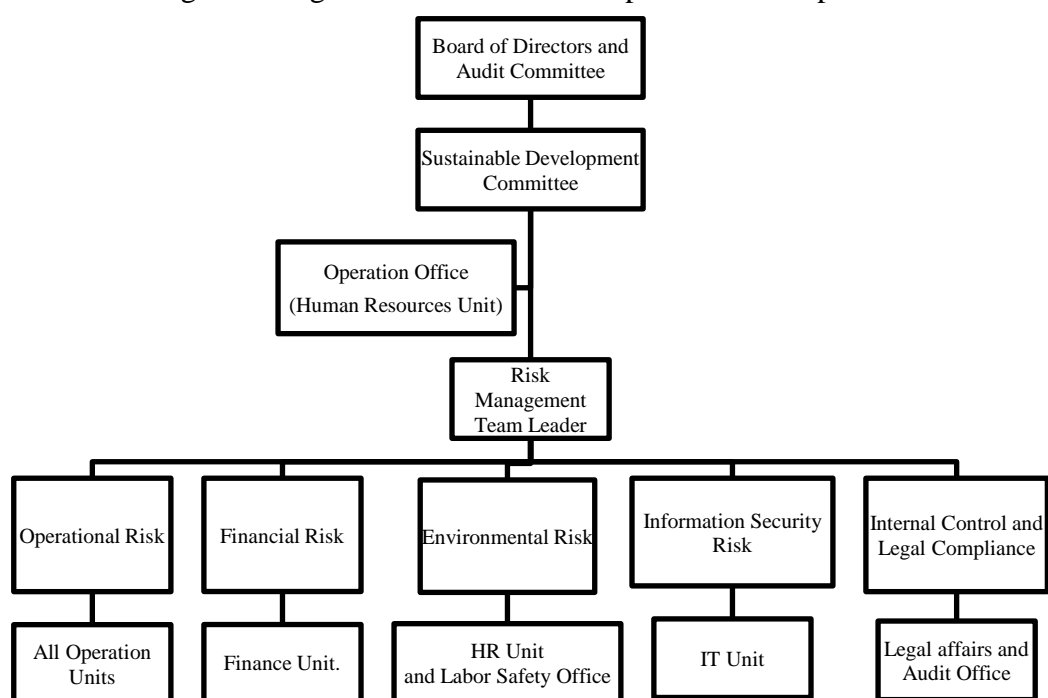
securities prices.

(13) Other important risks, and countermeasures being or to be taken:

The Board of Directors passed the "Risk Management Policy" on October 29, 2020, as the highest guiding principle of the Company's risk management. Establish a sound risk management system on October 27, 2022, formulate the Company's "Risk Management Best Practice Principles" and amend partial articles of "Risk Management Policy" and change its name to "Risk Management Policy and Procedures". The risk management team regularly conducts the identification of risk factors every year to identify relevant risks that may affect the sustainable development of the Company and formulate risk management policies for each risk. It also covers management objectives, organizational structure, ownership of rights and responsibilities, and risk management procedures and other mechanisms and implements them to effectively identify, measure, and control various risks of the Company, and control major risks within an acceptable range.

The Company has established a risk management organization. The overall risk management policy is mainly to establish early warning networks by risk category and reporting systems. Adopt a structured approach in risk management and monitoring to be able to respond accordingly and effectively when the need arises. This will minimize risks.

A. Risk management organization structure and powers and responsibilities



Organization	Responsibility
Board of Directors	Company risk management & policy making. Supervise major risk response directions and ensure the risk management mechanism is followed.
Sustainable Development Committee	Assist the Board of Directors to perform their risk management responsibilities, mainly responsible for reviewing risk management reports, integrating, and coordinating common risk management issues among subsidiaries, and advising and communicating important risk management issues.

Organization	Responsibility
Risk Management Team	Responsible for the monitoring and tracking of risks.
Management Team (Including Subsidiaries)	Review the risks involved in the Company's various operating activities to ensure that the Company's risk management system can control related risks in a complete and effective manner.
Legal Unit	Implement legal risk control and assist in evaluating the legal risks that may be involved in various businesses, legal documents, and contracts.
All operating Units(Including Subsidiaries)	Before implementing each business, thoroughly review various risk management regulations to ensure that business execution and compliance with laws and regulations can comply with relevant regulations.

B. Important risk projects & management structure

Major issues	Risk Classification	Risk Assessment Item	Risk Management Responsible Unit	Decision & Monitoring
Environment	Climate change	Carbon emission Product carbon footprint Environmental impact and management	Labor security office Human resources unit	Audit Office Risk Management Team Sustainable Development Committee Board of Directors
	Natural resources	Raw material purchase	Labor security office Purchasing unit	
	Pollution and waste	Toxic releases and waste	Labor security office Product unit	
Society	Human capital	Human capital development Occupational safety and health	Labor security office Human resources unit	
	Product liability	Product safety and quality	Product unit Quality control unit Supply chain & operations management unit	
Governance	Corporate behavior	Operational risk	Legal unit Each operating unit Supply chain & operations management unit President office	
		Environmental risk	Each operating unit	
		Financial risk	Financial unit	
		Information security risk	IT unit	
	Corporate governance	Strengthening the functions and fulfilling the responsibilities of Directors	Head of Corporate Governance Board of Directors	
		Legal Compliance	All operating units	
		Stakeholder communication	All operating units	

C. Operating situation:

The operation of the 2023 risk management policy had been reported to the Company's Board of Directors on October 26, 2023, including the Company's lawful formulation of various internal regulations, conducting various risk management and assessments, and regularly reviewing whether the system can achieve operational goals to ensure the integrity, effectiveness, and rationality of risk management. Establish an effective risk management mechanism, evaluate, and supervise its risk-bearing capacity, the status of risks it has already taken, determine risk response strategies and risk management procedures compliance. The organization of the Sustainable Development Committee was established on October 26, 2023. The Board of Directors appointed President Huang, Jui-Nan, Independent Director Chang, Jen-Chih and Yu, Chwo-Ming to form the first Sustainable Development Committee, and the President served as the convener and chairman of the meeting. The Company's shareholders' meeting fully re-elected directors on May 24, 2024. President Huang, Jui-Nan, Independent Director Yu, Chwo-Ming and Independent Director Lin, Hsiu-Ting served as members of the Second term of Sustainability Committee, and President Huang, Jui-Nan continued to serve as convener and chairman of the meeting. It is hoped that through the operation of the "Sustainability Development Committee", the concept of sustainable management will be popularized in a top-down manner, so that all employees can participate and implement the results of implementation.

7. Other Important Matters:

None.

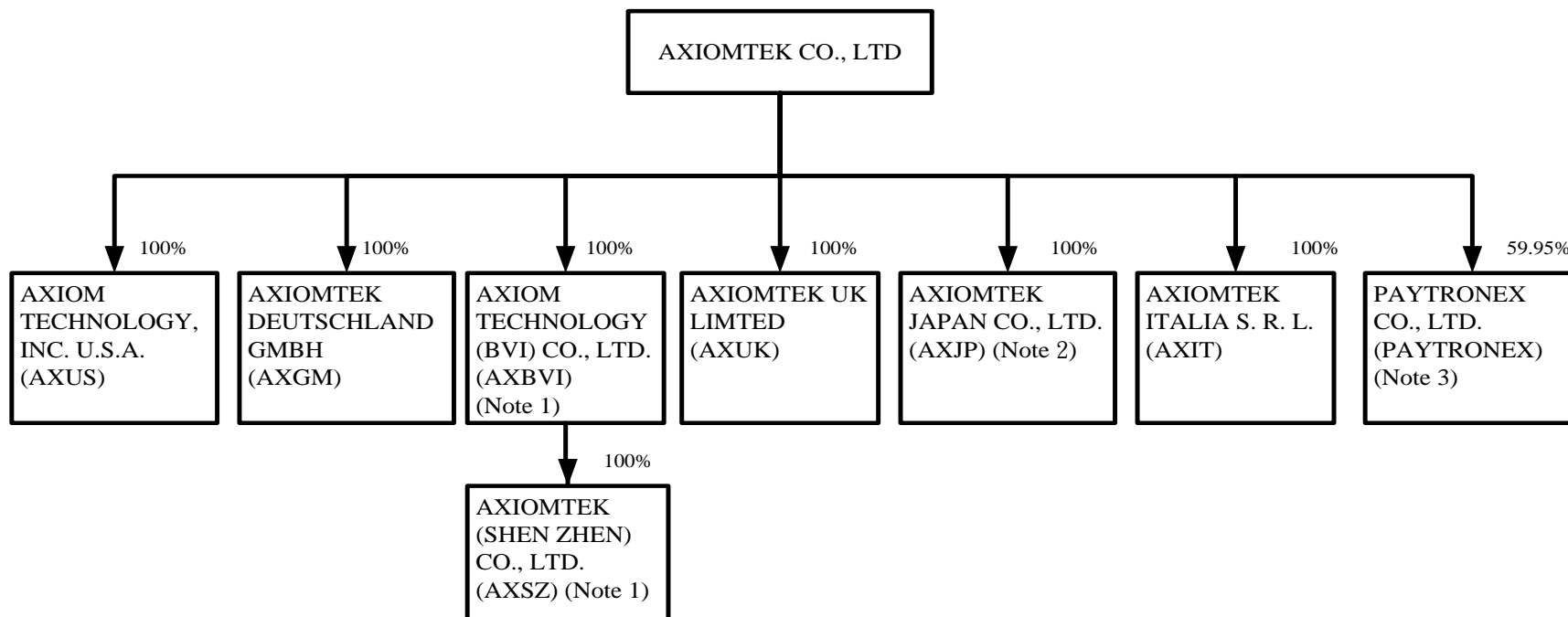
VI. Special Disclosures

1. Affiliates Enterprises

(1) Comprehensive business report of affiliates

A. Overview of affiliates

(A) Affiliates' organizational chart



Note 1: AXBVI was liquidated in June 2024. AXSZ adjusted its investment structure and now holds 100% of the shares of the Company.

Note 2: AXJP completed its dissolution registration in November 2024 and is currently in the process of liquidation.

Note 3: On April 8, 2024, the Company purchased 2,170,000 shares of Paytronex Co., Ltd. from existing shareholders of PAYTRONEX Co., Ltd. and participated in cash capital increase at NT\$30 per share, with a total investment price of NT\$65,100,000. The Company holds 59.95% of the equity of Paytronex Co., Ltd. The delivery and transfer were completed on April 8, 2024, and therefore it was included in the consolidated entity from that date (the acquisition date).

(B) Basic information of affiliates

Unit: NT\$ Thousand

Name of Enterprise	Date of Incorporation	Address	Paid-in Capital	Principal Business or Products
AXIOM TECHNOLOGY, INC., U.S.A. (AXUS)	1992.04	U.S.A.	10,856	Industrial computer and Embedded Board assembly and post-sales service
AXIOMTEK DEUTSCHLAND GMBH (AXGM)	1999.04	Germany	19,941	Industrial computer and Embedded Board assembly and post-sales service
AXIOM TECHNOLOGY (BVI) CO., LTD. (AXBVI) (Note 4)	1997.07	British Virgin Islands	-	-
AXIOMTEK (SHEN ZHEN) CO., LTD. (AXSZ)	2004.09	China, Shen-Zhen	130,487	Industrial computer and Embedded Board manufacturing, trading, and post-sales service
AXIOMTEK UK LIMITED (AXUK)	2016.02	United Kingdom	8,615	Industrial computer and Embedded Board post-sales service
AXIOMTEK JAPAN CO., LTD. (AXJP)	2017.07	Japan	8,235	-
AXIOMTEK ITALIA S. R. L. (AXIT)	1995.11	Italy	2,760	Industrial computer and Embedded Board trading and post-sales service
PAYTRONEX CO., LTD. (PAYTRONEX) (Note 6)	2001.08	Taiwan	36,200	R&D, manufacturing, sales, maintenance and leasing of smart parking, smart medical and self-service related equipment and solutions

Note 1: All of the affiliates should be disclosed, regardless of scale and size.

Note 2: where each affiliate has a factory with sales proceedings exceeding 10% of the operating income of the parent company, please provide the name of the factory, the date of establishment, the address, and the main production products.

Note 3: If the related company is a foreign company, the name and address of the Company must be expressed in English. The date of establishment must also be expressed in the western format. The amount of paid-in capital must be expressed in foreign currency (but the exchange rate on the statement date should be added).

Note 4: AXBVI was liquidated in June 2024. AXSZ adjusted its investment structure and now holds 100% of the shares of the Company.

Note 5: AXJP completed its dissolution registration in November 2024 and is currently in the process of liquidation.

Note 6: On April 8, 2024, the Company purchased 2,170,000 shares of Paytronex Co., Ltd. from existing shareholders of Paytronex Co., Ltd. and participated in a cash capital increase at NT\$30 per share, with a total investment price of NT\$65,100,000. The Company holds 59.95% of the equity of Paytronex Co., Ltd. The delivery and transfer were completed on April 8, 2024, and therefore it was included in the consolidated entity from that date (the acquisition date).

- (C) Presumed to be controlled and dependent in accordance with Article 369-3 of the Company Act: None.
- (D) Business lines included in the overall relationship
- a. Design, manufacture and sale of industrial computers and peripheral products, embedded single board motherboards.
 - b. Design, manufacture and sale of industrial tablet and display, automated measurement, and control interface cards.
 - c. The affiliates' trading and import/export operations for industrial computers and electronic parts and components.
 - d. Holding company
 - e. Affiliates with inter-related business operations:
The industrial computers and embedded single-board motherboards developed and produced by the Company are sold in the international market or provided after-sales service through subsidiaries such as AXUS, AXGM, AXUK, AXIT and AXSZ. PAYTRONEX is responsible for R&D, manufacturing, sales, maintenance and leasing of smart parking, smart medical and self-service related equipment and solution products.

(E) Profiles of Directors, Supervisors and Presidents of Affiliates

Unit: foreign currency; share, %

Name of Enterprise	Title (Note 1)	Name or Representative	Shareholdings	
			Shares	Ratio of Shareholding (%)
AXIOM TECHNOLOGY, INC., U.S.A.	Chairman of the Board	Axiomtek Co., Ltd. Representative: Yang, Yu-Te	23,418	100.00
AXIOMTEK DEUTSCHLAND GMBH	Chairman of the Board	Axiomtek Co., Ltd. Representative: Yang, Yu-Te	EUR500,000 (Note 2)	100.00
AXIOM TECHNOLOGY(BVI)CO., LTD. (Note 3)	Chairman of the Board	Axiomtek Co., Ltd. Representative: Yang, Yu-Te	-	-
AXIOMTEK (SHEN ZHEN) CO., LTD.	Director	Axiomtek Co., Ltd. Representative: Jack Liu	HKD32,800,000 (Note 2)	100.00
AXIOMTEK UK LIMITED	Director	Axiomtek Co., Ltd. Representative: Yang, Yu-Te	180,000	100.00
AXIOMTEK JAPAN CO., LTD. (Note 4)	Director	Axiomtek Co., Ltd. Representative: Yang, Yu-Te	600	100.00
AXIOMTEK ITALIA S. R. L.	Director	Axiomtek Co., Ltd. Representative: Wen Wang	EUR78,000 (Note 2)	100.00
PAYTRONEX CO., LTD. (Note 5)	Chairman of the Board	Ni, Ming-Tsung	1,125,000	31.08
	Director	Axiomtek Co., Ltd. Representative: Huang, Jui-Nan, Chiven Fan	2,170,000	59.95
	Supervisor	Skin Huang	0	0.00

Note 1: If the affiliated company is a foreign company, list the one of equivalent position.

Note 2: Limited company, no shares issued.

Note 3: AXBVI was liquidated in June 2024. AXSZ adjusted its investment structure and now holds 100% of the shares of the Company.

Note 4: AXJP completed its dissolution registration in November 2024 and is currently in the process of liquidation.

Note 5: On April 8, 2024, the Company purchased 2,170,000 shares of Paytronex Co., Ltd. from existing shareholders of Paytronex Co., Ltd. and participated in cash capital increase at NT\$30 per share, with a total investment price of NT\$65,100,000. The Company holds 59.95% of the equity of Paytronex Co., Ltd. The delivery and transfer were completed on April 8, 2024, and therefore it was included in the consolidated entity from that date (the acquisition date).

B. Overview of operation of affiliates

Unit: NT\$ Thousand (unless otherwise indicated)

Name of Enterprise	Capital	Total Assets	Total Liabilities	Net Worth	Operating Revenue	Operating Income (loss)	Net Income (Loss)	Earnings (Loss) Per Share NT\$
AXIOM TECHNOLOGY, INC. U.S.A.	10,856	1,770,254	698,779	1,071,475	2,929,930	28,931	9,815	419.11
AXIOMTEKDEUTSCHL AND GMBH	19,941	622,541	91,542	530,999	924,741	174,550	142,257	(Note 1)
AXIOM TECHNOLOGY (BVI) CO., LTD. (Note 2)	-	-	-	-	-	(290)	(271)	-
AXIOMTEK (SHEN ZHEN) CO., LTD.	130,487	126,551	57,968	68,583	168,499	(25,282)	(25,412)	(Note 1)
AXIOMTEK UK LIMITED	8,615	13,781	1,897	11,884	12,956	(530)	(562)	(3.12)
AXIOMTEK JAPAN CO., LTD. (Note 3)	8,235	6,784	0	6,784	177	(334)	(355)	(591.50)
AXIOMTEK ITALIA S. R. L.	2,760	71,289	31,640	39,649	134,931	11,176	7,960	(Note 1)
PAYTRONEX CO., LTD. (Note 4)	36,200	261,426	165,549	95,877	240,601	6,570	3,574	0.99

Note 1: Limited company, no shares issued.

Note 2: AXBVI was liquidated in June 2024. AXSZ adjusted its investment structure and now holds 100% of the shares of the Company.

Note 3: AXJP completed its dissolution registration in November 2024 and is currently in the process of liquidation.

Note 4: On April 8, 2024, the Company purchased 2,170,000 shares of Paytronex Co., Ltd. from existing shareholders of Paytronex Co., Ltd. and participated in cash capital increase at NT\$30 per share, with a total investment price of NT\$65,100,000. The Company holds 59.95% of the equity of Paytronex Co., Ltd. The delivery and transfer were completed on April 8, 2024, and therefore it was included in the consolidated entity from that date (the acquisition date).

(2) Comprehensive financial statements of affiliates

The companies to be included by the Company in the consolidated financial statement of affiliated enterprises in 2024 (Jan.01~Dec.31) pursuant to the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those to be included into the consolidated financial statement of the parent company and subsidiaries pursuant to the IAS No. 10. Further, the related information to be disclosed in the consolidated financial statement of affiliated enterprises has been disclosed in the said consolidated financial statement of parent company and subsidiaries. Accordingly, it is not necessary for the Company to prepare the consolidated financial statement of affiliated enterprises separately.

(3) Affiliation report: None.

2. Private Placement Securities in the Most Recent Year and up to the Date of Printing of the Annual Report.
None.
3. Other Supplementary Information.
None.
4. Significant Issues affecting Shareholders’ Equity or the Price of Shares Pursuant to Item 2, Paragraph 3 of Article 36 of the Securities and Exchange Act in the Most Recent Year and up to the Printing Date of the Annual Report.
None.



AXIOMTEK CO., LTD.

Chairman Yang, Yu-Te