

innodisk

► 2024 SUSTAINABILITY REPORT



2024 SUSTAINABILITY REPORT

Sustainable Management

Environmental Policy and Climate Strategy

Social Responsibility and Social Participation

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About This Report

About This Report

This is the tenth annual sustainable report issued by Innodisk Corporation (hereinafter referred to as the Company or Innodisk), presenting Innodisk's continuous efforts and achievements in the advancement of the environment, society, and corporate governance. Innodisk has always adhered to the principles of being sincere and pragmatic, transparent and open, as well as co-prosperity with stakeholders. The report discloses Innodisk's sustainable development and social responsibility practices in 2024 to the general public, and also serves as a communication channel with our stakeholders.

Scope of Report and Data Coverage

The financial and governance indicators information in this Report covers the entire Group. The environmental and social indicators information is mainly based on the operating boundary in Taiwan (including the Xizhi Headquarters, Xizhi Plant, and Yilan Plant). Some information covers data of related enterprises and overseas subsidiaries. In the future, the Company will continue to expand the reporting scope to disclose more comprehensively its impact and achievements in the value chain.

The Company has always been concerned about environmental issues. Since 2012, introduction and third-party verification of management systems including ISO9001, ISO14001, QC080000, ISO45001, ISO14064- 1, ISO27001, and TIPS (Taiwan Intellectual Property Management System) have been successively introduced and obtained. Other sustainability performance metrics are presented in accordance with internationally recognized standards; any estimates or assumptions will be noted in the relevant sections.

Report Guidelines

The information content in this report is mainly from January 1 to December 31, 2024. To explain the management approaches and performance of various sustainability topics, some content also covers information before or after 2024.

This report refers to the "GRI Universal Standards 2021" issued by the Global Reporting Initiative (GRI), the sustainability metrics of the Sustainability Accounting Standards Board (SASB), and the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This Report discloses the Company's strategies, goals, and specific actions related to material topics in accordance with the reporting principles. The GRI and SASB content indexes are detailed in Appendix I and Appendix II.

Report Review and Third-Party Verification

The 2024 Sustainability Report Editorial Team was composed of all business units for the compilation of data from all departments and the response to the sustainability metrics identified. After the metrics information was initially reviewed by all department heads, the Sustainable Development Office consolidated and reviewed the information. After the third-party verification, the Report was submitted to the Board for finalization before the approval for public disclosure.

To enhance the reliability of the information, this Report has been verified by SGS, a third-party impartial and independent organization, and complied in accordance with the requirements of GRI Standards (2021) and AA1000ASv3 Type 1 moderate assurance level. Please see the appendix for the verification statement.

Publication Schedule

Innodisk issues its Sustainability Report periodically every year, and also discloses the information on its official website.

Previous issue: August, 2024

Current issue: August, 2025

Next issue: Scheduled to be released in August, 2025

Contact Information

Should you have any questions or suggestions about this Report, please contact us. The contact information is as follows.

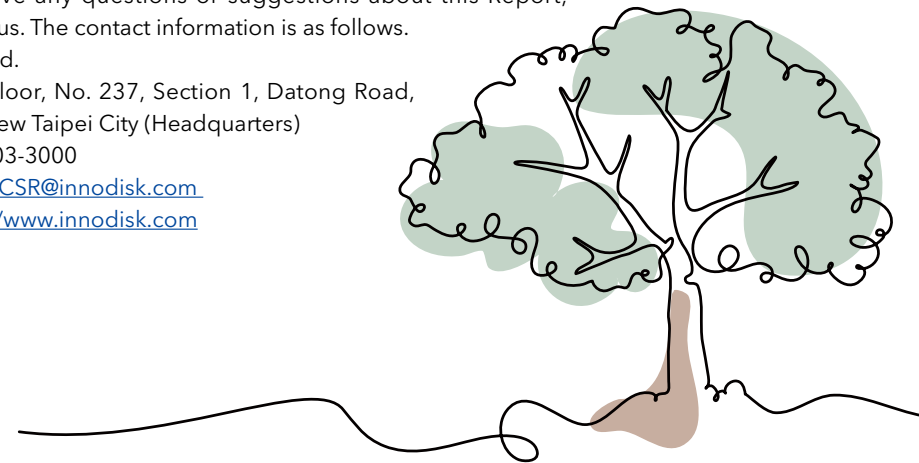
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Message from the Management

In 2024, the world continued to be impacted by geopolitical tensions, extreme weather events, and inflationary pressures. As the global leader in industrial-grade storage devices and edge computing (Edge AI) solutions, Innodisk also shoulders the responsibility as a global citizen. We are dedicated to operational performance and product innovation, and also actively give back and make contributions to the environment, society, and economy. After years of dedicated efforts, we are honored to have received the CommonWealth Magazine's Corporate Citizenship Award, the Talent Sustainability Award, and the TPEx Happy Enterprise Award. In response to the ESG sustainability trends, Innodisk takes concrete actions guided by the core value of "partnering as one" for collective growth with our partners, pays attention to the expectations of all stakeholders, integrates partner resources, and jointly promotes sustainable development. The concept of ESG has been imprinted into Innodisk's DNA. With the forward-thinking mindset, we remain firmly committed to sustainable management and local engagement.

- In terms of environmental sustainability, in the face of the increasingly severe climate issues, Innodisk aligns itself with the international standards. In addition to our commitment to reach net-zero emissions by 2050, Innodisk also pledges to achieve a 50% reduction in Scope 1 and Scope 2 GHG emissions by 2030. Starting from 2021, Innodisk has continued to increase the green electricity utilization. We installed solar panels on the roofs of our own plants from 2023 to achieve the goal of self-generation for self-use. We will further expand our Phase II plant in Yilan, and hope to increase the proportion of renewable energy use for carbon footprint reduction through various methods, such as the purchase of renewable energy certificates (RECs) and direct supply of green electricity. Moreover, we also understand the risks and opportunities the natural environment brings to the organization through the guidance of the TNFD framework, and are fully aware of the importance of ecological protection. Therefore, the 3-Year Yilan Wu-Wei-Kang Biodiversity Project was initiated in 2024, covering three aspects of ecological restoration, environmental monitoring, and community integration. We restore wetland ecology, strengthen local animal and plant habitats, and actively cooperate with experts, scholars, and local groups to jointly promote environmental education through practical actions. We also encourage our suppliers and partners to join us in building a resilient and sustainable business model.
- When it comes to giving back to society, we have focused on education, supporting children facing family hardships for the ninth consecutive year to ensure that they can continue their schooling without disruption. We encourage students from 15 junior high schools in New Taipei City and Yilan, where our facilities are located, to develop their skills, navigate their next stage of education, and gradually build their own human capital. We further integrated environmental education with public welfare initiatives and launched a three-year sustainability impact program in 2023. With over 700 trained students and volunteers, assistance was provided to 30 schools and community groups and 28 disadvantaged households across Taiwan to carry out maintenance of small appliances to promote resource sustainability. In addition, we also promoted the electrical safety awareness among the elderly to enhance residential and daily living safety. The concept of the UN Sustainable Development Goals (SDGs) is introduced in the process of service provision, expanding the influence of "goodness" on Innodisk's partners, upstream and downstream partners, students, and every family and household to deeply root sustainability values and spirit of services.

Chairman

簡川勝





- **For talent cultivation**, we have always believed that talent is the key to the success of the Company. Our employees are not only the most important assets, but also the most important partners for Innodisk. We organize various training courses and club activities from time to time to promote interpersonal interaction within the organization while enhancing the soft and hard power as well as the organizational cohesion of our employees. Meanwhile, we continue to care for the physical and mental health of every single member at Innodisk through diverse health promotion activities. The Company also promotes the Employee Assistance Program (EAP) with an aim to help every employee achieve work-life balance and enjoy a happy workplace while maintaining a high quality of life and good family relationships. In addition, we actively support our employees at every critical timing of their careers. In addition to onboarding programs for new hires, we expanded our employee care and check-in conversations last year to include pre- and post-maternity periods, return from leave, promotions, and job transfers. Through the in-depth understanding of employees' needs and concerns, we provide relevant information, access to resources, and necessary support. This also enhances employee engagement and serves as a reference for the adjustment of employee benefits and assistance programs. Innodisk aims at becoming the strongest support for its employees in the workplace and also in family care.

Looking into 2025, despite the uncertainties in the global situation, Innodisk still adheres to the concept of sustainable management, and expands its focus to supplier management in the hope of expanding our positive influence. We believe that environmental sustainability and human rights protection are the important cornerstones for our sustainable development. We will strengthen supplier due diligence, encourage our partners to commit to and comply with high ethical standards, ensure that every worker is treated fairly and has a safe working environment to defend human rights with concrete actions. At the same time, as a technology brand with global business, Innodisk uses AI to advance sustainable development by applying it to intelligent energy management, GHG emissions monitoring, and the optimization of operational workflows. We have also introduced AI-based smart factory to not only improve our corporate efficiency, but also bring positive changes to society and the environment. We also support the International Plastics Treaty, plan plastic inventories in our plants, and develop reduction or substitution plans to achieve our plastic reduction goals.

On the path to sustainability, Innodisk actively aligns with international trends and also implements corporate culture and sustainable actions in our corporate operations. We will continue to work on various sustainability issues with the spirit of "Partner Collaboration, Technology Empowerment, Local Engagement, and Sustainable Inclusion" to ensure the sustainable use of natural resources. Meanwhile, we also fulfill our commitment to corporate social responsibility and join hands together with all stakeholders on the path toward sustainable development.





About This
Report

Message from the
Management

Sustainable
Development
Management

About Innodisk
Corporation

Corporate
Governance

Environmental
Policy

Climate
Strategy

Human
Capital

Occupational
Safety and Health
Management

Social
Engagement

Appendix

05

Sustainable Development Management

Sustainability Achievements



■ Honored with
TEPx OTC SEMs Partner Award



■ Honored with
TPEX 2024 Happy Enterprise Award



■ Honored with the 2024
EcoVadis Bronze Medal (Top 35%)



■ Honored with the 2024
**CommonWealth Magazine
Corporate Citizen Awards**



■ Honored with 2024
**CommonWealth Magazine
Talent Sustainability Awards**



■ Received the 2023-2026
**Taiwan iSports Certification from the Sports
Administration, Ministry of Education**



Sustainable Governance Framework

To implement corporate sustainable management, Innodisk established the Sustainable Development Office in 2022. The Chairman appointed CFO/Vice President Li-Cheng Wang as the Chief Sustainability Officer (CSO) to strengthen the sustainable development of the enterprise and be in charge of the identification and management of the impact of organizational operations on the economy, environment, and human rights, serving as the Company's foundation for the promotion of environmental sustainability, creation of social co-prosperity, and implementation of corporate governance. It also deepens the stakeholder engagement, leading Innodisk to become a benchmark enterprise for sustainability.

The Sustainable Development Office is responsible for coordinating and planning the sustainability goals of the Company, identifying and managing organizational risks, and assessing opportunities and impacts in terms of Environmental, Social, and Governance (ESG) aspects for the integration of Company's sustainability action plans and compilation of the results and trend development information in relation to sustainability promotion. It reports to the board of directors at least once a year to strengthen the board's role in promoting sustainable governance.

Work Responsibilities of the Sustainable Development Office

- Track the implementation of various sustainability topics and establish continuous improvement plans
- Integration and implementation of cross-departmental sustainability topics
- Identification of sustainability issues and establishment of management approaches
- Risk identification and management
- Stakeholder identification and engagement
- Sustainability due diligence
- Sustainable performance evaluation

2024 Board of Director's Oversight of Sustainability Governance

Date: June 27, 2024

Report content:

1. Report on the implementation of sustainability policy objectives, strategies, and action plans in 2024.
2. Report on Task Force on Climate-related Financial Disclosures (TCFD) implementation





The Company's planning and development of sustainable development strategies based on the four major aspects of **Quality/ HSF/ Environment/ Information Security**

Quality Policy ISO9001

- Innovative and reliable design
- Professional and attentive service
- Satisfactory and reliable quality
- Fast and accurate delivery

HSF Policy IECQ : QC080000

- Effective monitoring
- Implementation of laws and regulations
- Green products
- Customer satisfaction

Information Security Policy ISO27001

- Information security is everyone's responsibility

EHS Policy ISO14001+ISO45001 +ISO14064-1

- Strengthen environmental education, implement energy conservation and carbon reduction
- Sustainable business operation, enhancement of safety awareness
- Promotion of employee health, control of hazard risks
- Implementation of laws and regulations, continuous improvement
- Achievement of waste reduction and zero disaster goals

Intellectual Property Management Policy TIPS

- Implementation of regulations
- Enhancement of intellectual property awareness
- Protection of trade secrets
- Deepening of sustainability





Sustainable Development Strategies and Goals

In terms of sustainable development, the Company has established the Innodisk Impact Actions under the vision of ARCHITECT SUSTAINABILITY INTELLIGENCE, focusing on the two strategic pillars of "Technology Intelligent Development" and "Local Environmental Sustainability". Through the core focuses, we aim to highlight our influence as a technology-driven enterprise deeply rooted in local engagement. We are actively driving a range of sustainability projects to achieve our corporate sustainability goals.

Innodisk Impact Actions

Sustainable Development Visions

ARCHITECT SUSTAINABILITY INTELLIGENCE

Description of Main Axes of Sustainable Development

-  **Technology Intelligent Development:** Make use of knowledge and innovation capabilities through technological development to pass on sustainable inheritance.
-  **Local Environmental Sustainability:** Deepen local influence and create a sustainable and prosperous community environment.

Main Axes of Sustainable Development

To think further for the world, exert our influence and become a key driver to

 **Technology Intelligent Development** and  **Local Environmental Sustainability.**

Core Projects for Sustainable Development

Technology and Intelligence Development

-  Electronic Maker Club
-  Future Talents Dream Building Program
-  Innodisk Group AI Training Competition
-  InnoGAI Smart Assistant

Local Environmental Sustainability

-  Wanli Emerald Bay (Feitsuiwan) Beach Cleaning Project
-  Support for ecological diversity at Wuweigang
-  Hands-On Regeneration Project Series
-  Local green electricity integration: Self-built power plant and T-REC (Taiwan Renewable Energy Certificate) integration

All-round Sustainability Deployment

Sustainable Energy:

- Install solar power generation systems
- Use T-REC certified renewable energy
- Increase the proportion of green energy and indirectly reduce carbon emissions from production

Climate Action:

- Comply with ISO 14064-1 standard to conduct GHG inventory and disclose GHG emissions on a regular basis.

Diversity and Equality

- Establish Maternity Protection Plan
- Provide birth subsidies
- Gender equality education and training

Good Health and Well-Being:

- Purchase safety protection equipment
- Safe and health promotion and training
- Comply with ISO 45001 Occupational Safety and Health Management System to strengthen workplace safety
- Promote sports culture and was granted the Taiwan iSports Certification from the Sports Administration, Ministry of Education

Reduced Inequalities

- Establish human rights policy to implement non-discrimination, equal treatment and diversity and inclusion.

Peace, Justice and Strong Institutions

- Establish integrity management policy to implement anti-corruption and anti-bribery management.

No Poverty

- Provide scholarship to children from underprivileged families to support their continued education and ensure access to learning opportunities.
- Organize career skill training to foster professional capabilities for students from underprivileged families to enhance their future employability.

Quality Education

- Promote innovative education, strengthen students' technology application and forward-looking mindset
- Combine learning tasks of public welfare and social participation to cultivate sustainable concepts

Maintaining Ecological Diversity

- Ecological restoration at Wuweigang in Yilan County
- Emerald Bay (Feitsuiwan) Beach Cleaning Project in New Taipei City



United Nations Sustainable Development Goals (SDGs)

Rooted in the fundamental values, the Company responds to the UN Sustainable Development Goals (SDGs) by incorporating them into everyday practices and business strategies to demonstrate our determination to promote sustainable development.

SDGs Compliance Items		Innodisk's Response to SDGs
	No Poverty	▪ Skill cultivation and training for students from underprivileged families ▪ Provision of scholarship and aid for talent cultivation
	Good Health and Well-Being	▪ Provision of free safety protection equipment ▪ Employee Assistance Programs (EPAs), on-site nurses and physician consultations ▪ Provision of childbirth and childcare allowances, with 6% of the salary (for newborns aged 0-6 years of age) ▪ Health and safety publicity and training ▪ Regular risk assessment to reduce the chances of occupational accidents
	Quality Education	▪ Educational Support Program for underprivileged children ▪ Inviting experienced employees to serve as the professional industry teachers for the cultivation of students (children) and assistance with their development ▪ Scholarship for employees' children
	Gender Equality	▪ Maternity Protection Plan and transportation subsidies for pregnant employees during pregnancy ▪ Support the "International Demin Day" to show respect to gender equality
	Affordable And Clean Energy	▪ Expand renewable energy usage with a 5% growth rate annually ▪ Self-built solar PV power generation system on the roof of our Yilan Plant
	Reduced Inequalities	▪ Charity sales and promotional activities for the underprivileged groups ▪ Innodisk's 3D core culture, "Diversity, Dedication, Driving Change"
	Climate Action	▪ Conduct annual GHG inventory to identify annual carbon reduction effectiveness ▪ Identify climate risks and opportunities based on the TCFD framework, and it is scheduled to participate in CDP (Carbon Disclosure Project) in 2027 to publicly disclose Innodisk's environmental information
	Peace, Justice and Strong Institutions	▪ Fair trade, anti-corruption and prohibition of the use of conflict materials



Stakeholder Communication Mechanism

Target	Communication Issues	Communication Models
Clients	- The annual satisfaction survey has been completed as required by clients. - The annual conflict mineral source survey has been completed in accordance with customer requirements, with a declaration affirming that no minerals sourced from conflict-affected regions are used. - Confidentiality measures are implemented as required by clients. - Declarations regarding the prohibition of child labor and the disclosure of product origin have been provided at the client's request. - The client conducts audits on its suppliers. - Client-side factory manufacturing process tour	- Annual customer satisfaction surveys - Ad-hoc meetings for urgent issues - Conference calls on specific topics - Annual scheduled client visits - Quarterly Performance Reviews (QPR) - External communication mailbox - VIP conferences - On-site client audits/visits
Employees	- Set up a suggestion box in the staff canteen to allow employees to provide feedback at any time - Hold labor-management meetings	- Regularly implemented - Hold quarterly with representatives from both labor and management attending
Investors and shareholders	- Hold general shareholders' meetings where the Chairman, directors, and senior executives present the Company's financial statements and operational performance to all shareholders. The distribution of earnings and key resolutions are also approved in the meeting. - Disclose the Company's financial statements and major financial and operational information on the Market Observation Post System (MOPS)	- The general shareholders' meeting is held once a year. - Regularly disclose financial and operational information. - Disclose material information on the Market Observation Post System (MOPS) as needed. - Set up a spokesperson system to address shareholders' inquiries. - Hold or attend investor conferences on an occasional basis.
Suppliers	- Certification of qualified suppliers - Green Product Management (GPM) compliance for green suppliers - Status of Incoming Quality Control (IQC) inspections	- New product approval - Updates to relevant quality documentation - Irregular phone and email communication - On-site audit/ every 6 months - Questionnaire audit / every 6 months
Media	- Product information release (including new products and new technologies) - Company information release (such as relocations, awards, and public welfare events)	- Irregular media interviews and gatherings - One press release for relevant media per month on average
Schools	- Industry-academia collaboration - Talent cultivation scholarship - Scholarship for financially disadvantaged students - Summer/semester internships	- Annual updates of collaboration contracts and related procedures - Communication through the phone and correspondence from time to time focusing on collaboration details
Non-profit organizations	- Collaboration on public welfare projects and resource sharing - Assessment of needs and resource allocation for beneficiaries - Training and volunteer exchange programs - Social impact and sustainable development	- Regular meetings with internal employees and directors of the Foundation - Physical events and workshops - Relevant records of events and exposure on social media platforms
Government and competent authorities	- Handle various declaration in accordance with government regulations (such as environmental protection, labor, taxation, energy use, GHG inventory, etc.) - Implementation and response to policies promoted by competent authorities (such as ESG disclosure, energy conservation and carbon reduction, green procurement, etc.) - Participate in relevant sustainable policy briefings and promotional events organized by the government - Provide audit information and receive on-site inspections as required by competent authorities. - Operation-related registration, changes, and compliance confirmation	- Regularly or irregularly fill in various reporting systems specified by the government (such as GHG, occupational safety and health, energy conservation, etc.) - Interact with the competent authorities via policy briefings, public hearings, and consultation meetings. - Official document exchange or online email and telephone consultations. - Submit formal reports or supporting materials as required by the government. - On-site inspection reception and accompaniment during inspections



Material Topic Identification Process

Materiality analysis is an important prerequisite for the compilation of the annual sustainability report. The Company attaches great importance to stakeholder engagement and adopts the five principles of AA1000 Shareholder Engagement Standards (AA 1000 SES) for the identification of stakeholder groups. We also refer to the GRI Standards (2021) Material Topics Management process for the identification of material topics, so as to identify the actual/potential and negative/positive impacts of Innodisk on the economy, environment, and people (including human rights) and to facilitate disclosure and management.

A systematic description of the material topic identification process is detailed as follows.

Selection of Sustainability-Related Topics

Innodisk regards the sustainability report as an important bridge for stakeholder communication. Sustainable development is to collect sustainable indicators extensively as the best guidelines for sustainable development practices, and identify material topics through four steps of Identification, Prioritization, Validation, and Review. We collected relevant topics from domestic and foreign sustainability indicators such as GRI Standards, SDGs, TCFD, Taiwan Stock Exchange Corp.'s Corporate Governance Evaluation Indicators, WEF 2024 Global Risk Report, and domestic and international ESG award rating standards. Then a list of topics worthy of disclosure was organized, and a total of 31 sustainability-related topics were summarized, covering five major aspects of Risk Management, Environmental Management, Corporate Governance, Social Participation, and Operational performance.

Identification of Stakeholders

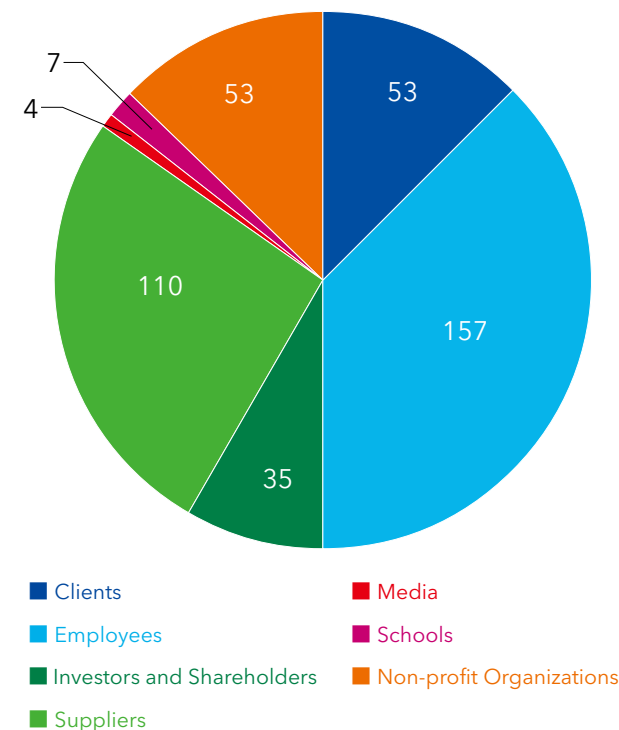
Innodisk referred to the five principles of AccountAbility's AA 100 SES 2015, namely the Dependency, Responsibility, Tension, Influence, and Diverse Perspective, in the identification of stakeholders and scoring of the importance. Members of the Company's Corporate Sustainable Development Committee then identified eight major categories of stakeholders for prioritized engagement through internal meetings, including (1) Clients, (2) Employees, (3) Investors and Shareholders, (4) Suppliers, (5) Media, (6) Schools, (7) Non-profit Organizations, and (8) Governments and Competent Authorities.

Identification of Material Sustainability Topics

We distributed questionnaires on sustainability-related topics to all stakeholders to understand their level of concern for each topic. We have also sent out questionnaires to the Company's senior executives to evaluate the impact of each topic on the operation of the Company. The results of the two questionnaires were then integrated and analyzed, and those of high concern to stakeholders and also have high level of impact on the Company were listed as the material sustainability topics of this year. After stakeholder engagement and the internal senior management assessment of the operational impact of sustainability topics, a total of six material topics were identified and disclosed this year in accordance with the principle of materiality.

Analysis of Survey Results

A total of 419 copies of stakeholder questionnaire were returned, and the percentage of stakeholders filling out the questionnaire is shown in the figure below.





Based on the results of the questionnaires collected and weighted analysis, the material topics matrix was created by ranking the degree of concern of stakeholders and the degree of impact on the Company's operations, and a total of six material topics were identified this year.

As stakeholders pay more attention to corporate sustainable management and are more willing to respond to questionnaires, the number of sustainability topic identification questionnaires collected this year was slightly lower than 2023. Based on the questionnaire results and after weighted analysis, a total of six material topics were identified for 2024. Compared with 2023, the material topics for this year have changed significantly due to the following reasons:

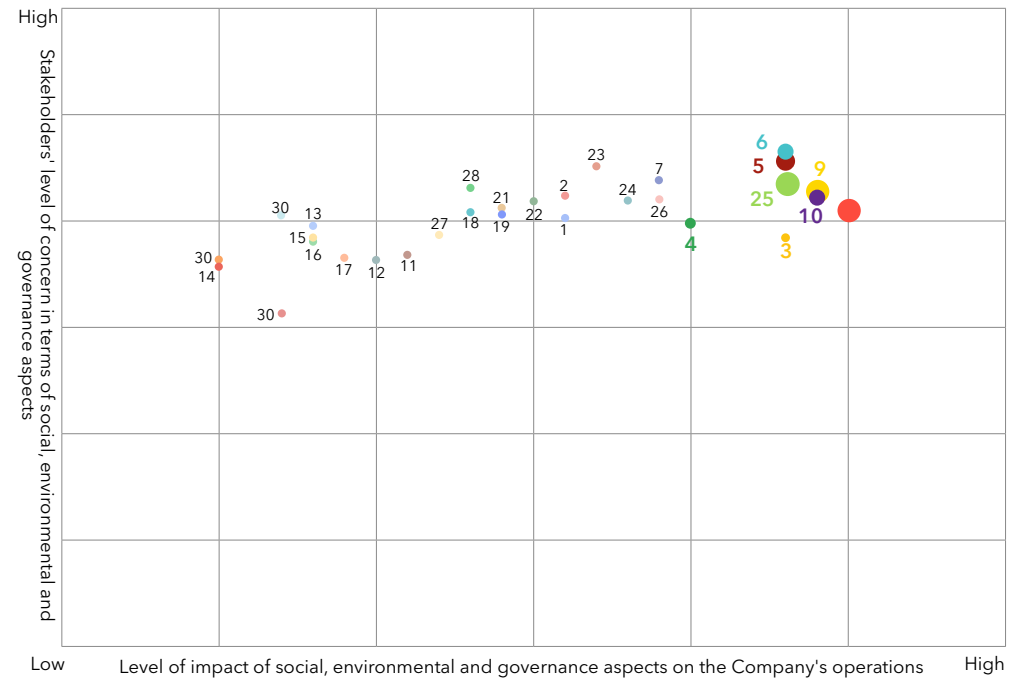
1. Due to changes in the market environment, supplier management has been drawn attention to and become increasingly challenging for businesses, resulting in its identification as one of the material topics in 2024.
2. Information security issues are on the rise: with the acceleration of digital transformation, information security risks are increasingly emphasized. Therefore, Information Security has been added to the material topics in 2024.
3. Regulatory Compliance and Integrity Management: In the context of a stricter regulatory environment, we placed more emphasis on regulatory compliance and integrity management in 2024.
4. Talent Cultivation and Retention: In response to the goal to increase corporate competitiveness and sustainable development, Talent Cultivation and Retention were listed as a material topic in 2024.

The material topics identified in 2024 were significantly different from those in 2023, and details are shown in the following table.

Table o Material Topic Difference

The same material topics as the previous year	Difference in Material Topics	
	2024	2023
- Product Quality - Product / Technology R&D	- Supplier Management - Compliance - Talent Cultivation and Retention - Information Security - Integrity Management	- Corporate Governance - Environmental Policy/ Management System - Risk Management - Sustainable Development Policy - Operational and Financial Performance

Material Topic Matrix



- | | |
|--|--|
| 1. Corporate Governance and Information Transparency | 16. Waste Management |
| 2. Sustainable Development Strategy | 17. Use of Raw Materials and Recycled Materials |
| 3. Management of Financial Performance | 18. Hazardous Substance Management |
| 4. Risk Management | 19. Green Products |
| 5. Integrity Management | 20. Biodiversity |
| 6. Product Quality | 21. Occupational Safety and Health |
| 7. Customer Service and Satisfaction | 22. Employee Diversity and Equal Opportunity |
| 8. Supplier Management | 23. Employee Rights |
| 9. Information Security | 24. Employee Benefits and Compensation |
| 10. Compliance | 25. Talent Cultivation and Retention |
| 11. Environmental Policy/Management System | 26. Employee Satisfaction |
| 12. GHG Emissions | 27. Community Engagement and Social Welfare |
| 13. Energy Management | 28. Human Rights |
| 14. Water Stewardship | 29. Freedom of Association and Collective Bargaining |
| 15. Air Pollutant Control | 30. Forced or compulsory Labor |



Material Topic Management

■ Analysis of the Impact of Material Topics

Material Topics	Actual/Potential Positive Impact	Actual/Potential Negative Impact	Specific Actions	Management Mechanism
Supplier Management	Effective supplier management can reduce waste, optimize resource utilization, and thereby improving the overall operational efficiency.	Factors such as natural disasters, political unrest, or epidemics may cause supplier disruptions and affect the business operations.	Use historical data and market trends to forecast future demand, ensuring that suppliers can meet market demands.	(1) Establish a supplier risk management system to monitor market trends and historical data to forecast demand and ensure supplier stability and flexibility. (2) Establish long-term partnerships with key suppliers to ensure transparency and stability of suppliers. (3) Regularly evaluate suppliers' sustainable performance to ensure alignment with the Company's environmental, social, and governance (ESG) standards. (4) Promote the localization of suppliers to reduce carbon emissions from logistics and thereby reducing waste of resources.
Information Security	(1) Robust information security enhances customer and partner trust, thereby facilitating business development. (2) Information security measures can help enterprises to resume operations rapidly from cyberattacks or other security incidents, ensuring business continuity.	(1) As the scale of the Company expands, information security management becomes more complex, requiring effective management strategies and appropriate resource allocation. (2) Information security measures require significant investment in technology infrastructure, employee training, and personnel costs.	(1) Update operating systems and applications on a regular basis to patch known vulnerabilities. (2) Provide information security training to employees to improve their security awareness and response capabilities.	(1) Establish information security policies, covering data access, system protection and emergency responses to ensure the security of corporate information assets. (2) Update operating systems and applications on a regular basis to prevent from cyber attacks and vulnerability exploits. (3) Carry out information security risk assessment on a yearly basis to identify potential threats and take appropriate mitigation measures. (4) Provide all employees with information security education to raise awareness of security threats such as phishing and malware. (5) Establish an incident response mechanism to ensure prompt response and rapid business recovery in the event of a security incident.
Compliance	(1) Compliance with regulations enables a company to avoid legal disputes, fines, and other legal consequences, thereby maintaining a good regulatory compliance. (2) Enhance the company's reputation and trust in the market to attract more customers and partners.	Failure to have a full understanding or compliance with regulations may face non-compliance risks with severe consequences.	Conduct regular internal controls and make sure whether all departments comply with established policies and procedures.	(1) Each department dispatches personnel to review applicable regulations on a regular basis to ensure the corporate policies and procedures meet the latest regulatory requirements. (2) Promote internal audit mechanisms and conduct compliance assessment annually to ensure all departments meet compliance requirements. (3) Provide regulatory training and guidance through professional consultants or legal teams to ensure that employees comply with applicable regulations. (4) Establish a whistleblowing mechanism to allow employees to anonymously report potential compliance risks, thereby safeguarding the legality and transparency of corporate operations.
Product Quality	(1) High-quality products can meet or even exceed customer expectations, thereby increasing their satisfaction and loyalty. (2) High-quality products usually reduce return rates and warranty costs, thereby saving the company's resources and expenses.	(1) It may require overcoming technical challenges to improve product quality, which could lead to longer development and production cycles. (2) Improving product quality may require higher production costs, including the use of better materials, increased quality inspections, and stricter manufacturing processes.	(1) Establish and implement standard operating procedures (SOPs) to ensure the consistency and efficiency through the production process. (2) Establish and maintain the ISO 9001 quality management system to ensure the systematic and continuous quality improvement.	(1) Establish and maintain ISO 9001 quality management system to ensure the production processes meet international standards. (2) Promote quality management to ensure that every stage of product development, production, testing, and market launch meets high standards. (3) Establish a quality monitoring mechanism to constantly optimize product quality through regular testing and customer feedback mechanisms. (4) Improve quality awareness through employee education and training to ensure that all team members understand the quality management standards. (5) Strengthen supplier quality management to ensure that raw materials and components meet the company's quality standards.



Material Topics	Actual/Potential Positive Impact	Actual/Potential Negative Impact	Specific Actions	Management Mechanism
Integrity Management	Integrity management helps establish and uphold a company's reputation, strengthen trust among customers and partners, and contribute to building a stable customer base, thereby promoting long-term and sustainable business growth.	Integrity management requires companies to uphold ethical standards even in adverse circumstances, which may involve taking more risks.	(1) Ensure that all employees understand and comply with the integrity policy and enhance employee awareness through training and publicity activities. (2) Select partners with good integrity record and ensure the transparency and reliability of suppliers.	(1) Establish an integrity management policy and incorporate it into the corporate governance framework to ensure transparency and fairness in decision-making. (2) Conduct regular integrity training for all employees to ensure understanding of the company's ethical standards and codes of conduct. (3) Establish a reporting mechanism and protection measures to encourage reporting of unethical behavior and uphold a culture of integrity. (4) Ensure partners and suppliers meet the company's integrity standards and sign a commitment to ethical business. (5) Carry out regular internal and external audits to ensure the effectiveness of the integrity management system and continue to make improvements.
Talent Cultivation and Retention	(1) Through systematic talent cultivation, the company can improve employees' professional skills and work efficiency, thereby strengthening the overall operational performance and productivity. (2) Attach importance to employees' career development and capability growth to effectively enhance employees' loyalty and a deeper sense of belonging, lowering the turnover rate and stabilizing workforce structure. (3) A sound talent cultivation system helps build a positive corporate culture and strengthen employer brand image, which will further attract and retain top talents.	(1) Talent cultivation system and promotion pathways should be transparent to prevent employee turnover and lower morale, which may undermine organizational cohesion and stability. (2) Talent cultivation and retention requires significant investments, manpower, and time, which may increase the company's operational costs. (3) The risk of post-training turnover remains an issue, posing challenges to long-term development for the company. (4) Gaps in critical skills or technical capabilities may compromise product quality, innovation capabilities and customer service standards.	(1) Establish and promote a systematic talent cultivation plan that include professional skill training and cross-departmental rotation mechanism to facilitate diversified growth of employees. (2) With the performance as the core to flexibly plan promotions to avoid rigidity and bureaucracy. Through a semi-annual evaluation appraisal, combined with department needs and employee performance, supervisors propose recommendations for promotions that are reviewed and implemented by the HR, stressing the performance orientation and flexible operation. (3) Establish a diversified employee care and incentive program that include performance bonuses, employee stock options, career counseling services, and mental health support (EAPs) to enhance sense of belonging and loyalty among employees. Strating from 2025, two welfare systems are implemented, including the provision of a 2-day family caregiver leave and adjusting the minimum leave unit to half an hour for further strengthening of work-life balance. (4) strengthen the knowledge management and transfer of key technologies and competencies helps avoid the risk of skill gaps and ensure the quality of products and services. (5) Conduct thorough exit interviews and monitor talent turnover allows better understanding of the root causes for employee departures and refined retention strategies accordingly.	(1) Establish a comprehensive career development plan for employees, provide diversified learning and growth opportunities, including internal lectures, external training subsidies and a digital learning platform to promote experience transfer and cross-departmental learning to improve professional skills. (2) Carry out semi-annual performance appraisal for the supervisors to comprehensively access employees based on overall performance, potential, and departmental needs and propose promotion recommendations. HR Department is responsible for the review and tracking of the developmental progress to ensure alignment between promotion opportunities and organizational goals. At the same time, procedural flexibility is maintained to avoid rigidity of the process. (3) Establish a competitive compensation and welfare system to attract and retain outstanding talents and improve employee satisfaction and loyalty. (4) Promote the work-life balance policy, such as flexible shifts and health and well-being programs to enhance sense of happiness and productivity among employees. (5) Establish multiple communication channels, including employee satisfaction survey (once every two years), labor-management meetings, and supervisor interviews, regularly collect feedback from employees, and establish improvement measures for problems of different aspects. (6) Establish a dedicated talent development team to formulate training, promotion, and retention strategies, and connect with the human resources management systems to monitor talent dynamics and skill inventory, and provide early warning of key functional gaps.

01

About Innodisk Corporation

- 1.1 Company Profile
- 1.2 Main Products and Added Value
- 1.3 Product Quality and Customer Satisfaction
- 1.4 Compliance

Annual Performance Highlights

- Selected in the **TIP TPEx 30** Index in 2024
- The 2024 customer satisfaction survey has an average score of **4.7** points for four years in a row.
- Maintained high profitability with the EPS at NT\$ **12.98** in 2024
- There were no major violations of regulations in 2024.
- Continued to pass third-party verification of **ISO 27001** Information Security Management System in 2024
- Innodisk focuses on the core technical competencies and harnesses its strength in industrial-grade intelligent applications from edge computing to AI identification, deeply integrating ESG core values into smart applications through air quality management and occupational safety recognition solutions to implement the dual goals of sustainable environment and safety governance and create innovative solutions with sustainable value.



1.1 Company Profile

Innodisk's leadership position is built upon its strong foundation in industrial-grade storage. Headquartered in Taiwan, Innodisk's footprint spans the globe. Since the official establishment of the Group's AI development strategies, it has continued to step toward becoming a global leader in AI-driven solutions through the forward-looking planning and strong capabilities in hardware-software integration.

Innodisk is committed to providing ultimate service and integration, providing global customers with comprehensive range of industrial memory and storage modules, AI computing solutions, and various intelligent peripheral expansion modules, strengthening infrastructure from data center server to edge devices. We collaborate with global technology leaders, ISVs (Independent Software Vendors), and industry partners and simplify AI training and inference workflows through the integration of hardware and software, creating a one-stop AI solution for industrial scenarios and accelerating the application of AI across vertical domains such as global smart cities, intelligent in-vehicle systems, smart healthcare, and smart manufacturing.

We pay close attention to the market trends and industry demands in the field of industrial control and edge AI, and uphold an innovative spirit to make long-term investment in R&D resources, actively consolidate our market share and leading technologies, while striving to improve customer service satisfaction globally.

In addition to operations and profit growth, Innodisk also attaches great importance to corporate sustainability and implementation of ESG management. We have upheld the core spirit of "partnering as one" for collective growth with partners and pay attention to the expectations of all stakeholders. The concept of ESG has been imprinted into Innodisk's DNA. With the forward-thinking mindset, we remain firmly committed to sustainable management and local engagement. We jointly respond to environmental issues, implement social responsibility, and strengthen corporate governance with our partners, aiming to continue investment and move forward steadily with the goal of creating a model of sustainable enterprise.

Company Profile

Company Name	Innodisk Corporation
Abbreviation	Innodisk
Capital	NT\$ 914,560,950
2024 Turnover	NT\$ 8,915,642 (thousand)
Industry	Computer and peripheral equipment
Main Business	Industrial embedded storage devices
Chairman	Chuan-Sheng Chien
President	Chuan-Sheng Chien
Spokesperson	Li-Cheng Wang
Headquarters	5F, No. 237, Section 1, Datong Road, Xizhi District, New Taipei City, Taiwan
Telephone	02-77033000
Website	www.innodisk.com



■ Global Market Recognition

Global Market Recognition

Forbes

Listed in Asia's 200
Best SME

Interbrand

One of the Top 40 Best
Taiwan Global Brands

intel.

Official Intel® IoT Solution
Partner

Gartner

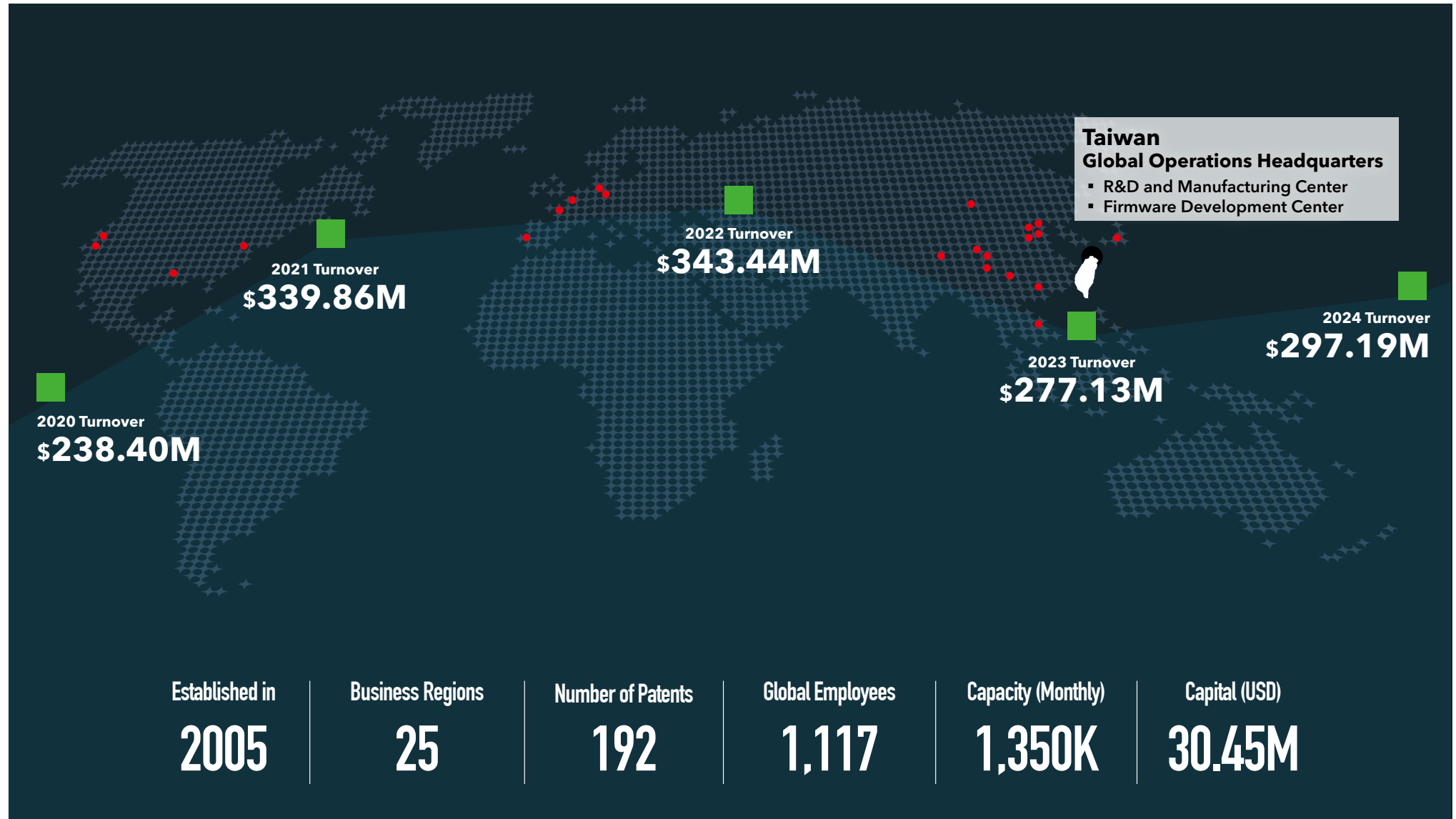
No. 1 in the global industrial
solid-state drive

TRENDFORCE

Listed in the Top 10 DRAM
suppliers globally

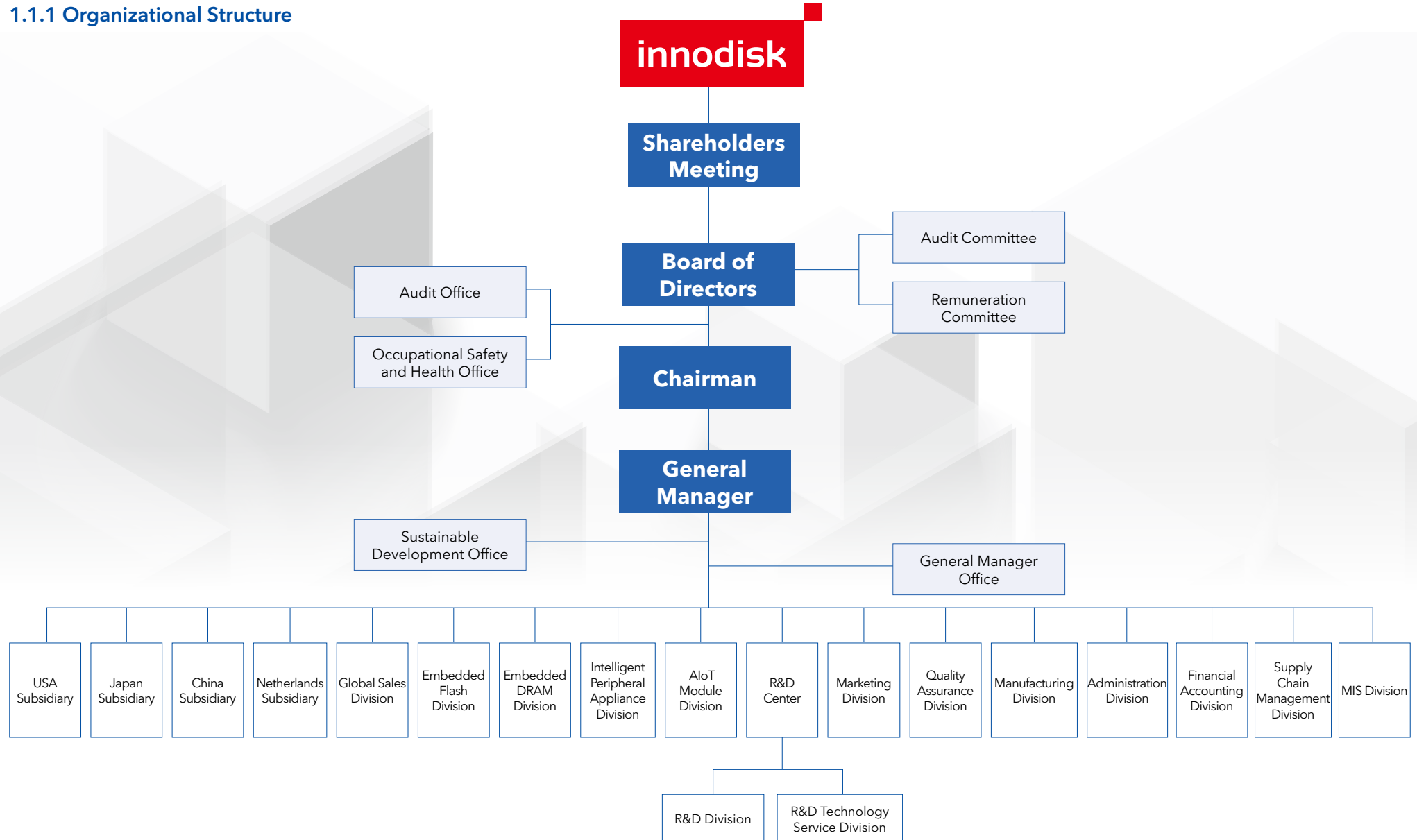


Global Operation Layout





1.1.1 Organizational Structure

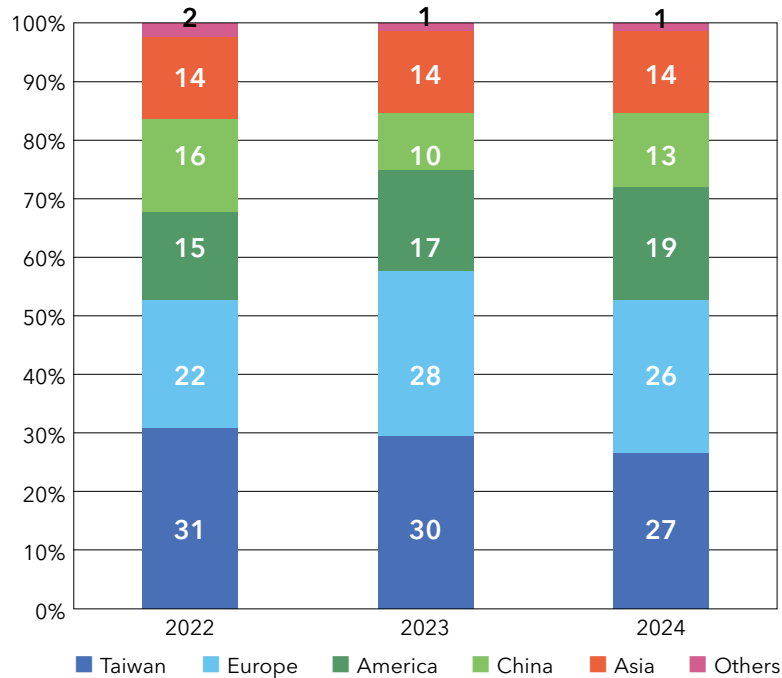




1.1.2 Global Revenue Share By Region

Based in Taiwan, Innodisk has a global vision. The global operations headquarters and the R&D and Manufacturing Center are both located in Taiwan. With the strong innovative R&D capabilities and ultimate customized product capabilities, we have successfully promoted our product business to the world, and have established operating bases in the U.S., China, Europe, and Japan, providing global clients with comprehensive and localized technical and business support.

Changes in the Company's regional revenue distribution around the world over the past three years are shown as follows.



1.1.3 Affiliated Enterprises

Unit: TWD 1,000

Name of Affiliated Enterprise Name	Relationship with Innodisk	Holding of the share of the Company			The Company's Holding of Affiliated Enterprise Shares		
		Number of Shares	Shareholding Ratio	Investment Amount	Number of Shares	Shareholding Ratio	Investment Amount
Innodisk Global-M Corporation	Subsidiary	-	-	-	665,000	100.00%	20,154
Innodisk USA Corporation	Subsidiary	-	-	-	2,046,511	100.00%	140,499
Aetina Corporation	Subsidiary	-	-	-	25,762,726	67.06%	24,091
Innodisk Japan Corporation	Subsidiary	-	-	-	196	100.00%	3,533
Innodisk Europe B.V.	Subsidiary	-	-	-	50,000,100	100.00%	17,802
Innodisk France SAS	Sub-subsidiary	-	-	-	5,000	100.00%	175
Innodisk Germany GmbH	Sub-subsidiary	-	-	-	250	100.00%	-
Shenzhen Innodisk Co., Ltd.	Sub-subsidiary	-	-	-	Note	100.00%	18,168
Antzer Tech, CO., LTD.	Subsidiary	-	-	-	58,400,000	100.00%	57,133
AETINA USA CORPORATION	Sub-subsidiary	-	-	-	200,000	100.00%	6,098
AETING Europe B.V.	Sub-subsidiary	-	-	-	100	100.00%	-
Aetina Japan Corporation	Sub-subsidiary	-	-	-	500	100.00%	1,087
Aetina (Shenzhen) Artificial Intelligence Co., LTD.	Sub-subsidiary	-	-	-	Note	100.00%	1,360

Note: Number of unissued shares



1.1.4 Participation in Industry and Trade Associations

Innodisk actively participates in industry and trade associations to promote industrial development and strengthen corporate social responsibility. Through close collaboration with industry partners, we focus on industrial policies, technological development and sustainable management issues.

Through the platform of industry and trade associations, Innodisk participates in industrial exchanges, policy initiatives, and standard setting to jointly promote industry innovation and sustainable development.

We are dedicated to enhancing the competitiveness of Taiwan's technology industry through cross-sector collaboration, and implementing corporate environmental, social and governance (ESG) goals to promote the common growth of the industry and society through specific actions.

Industry and Trade Associations Innodisk participated in 2024

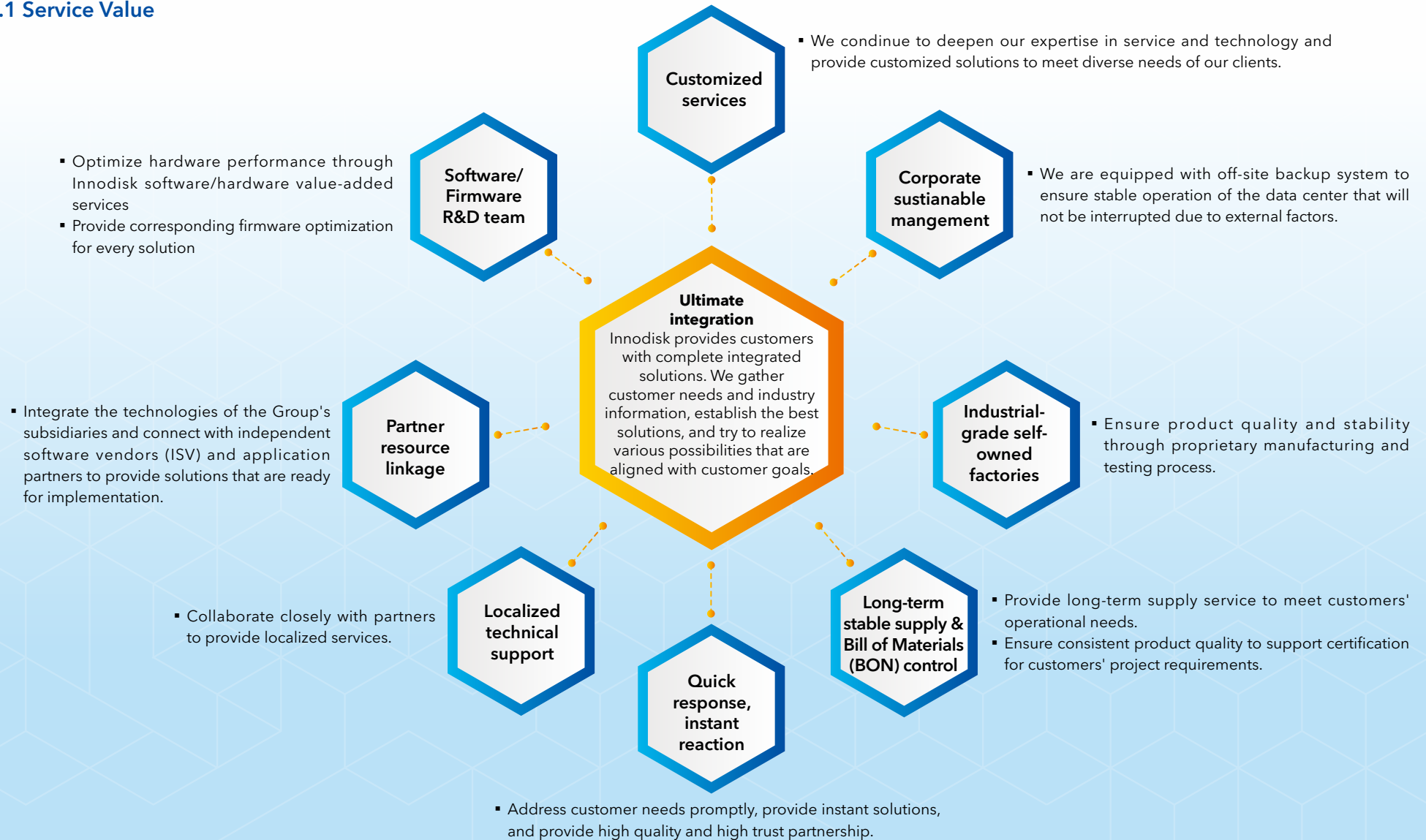
- Taipei Computer Association (TCA)
- New Taipei City Computer Association (NTCA)
- Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)
- Intelligent Computer & AIoT Association (ICAA)





1.2 Main Products and Added Value

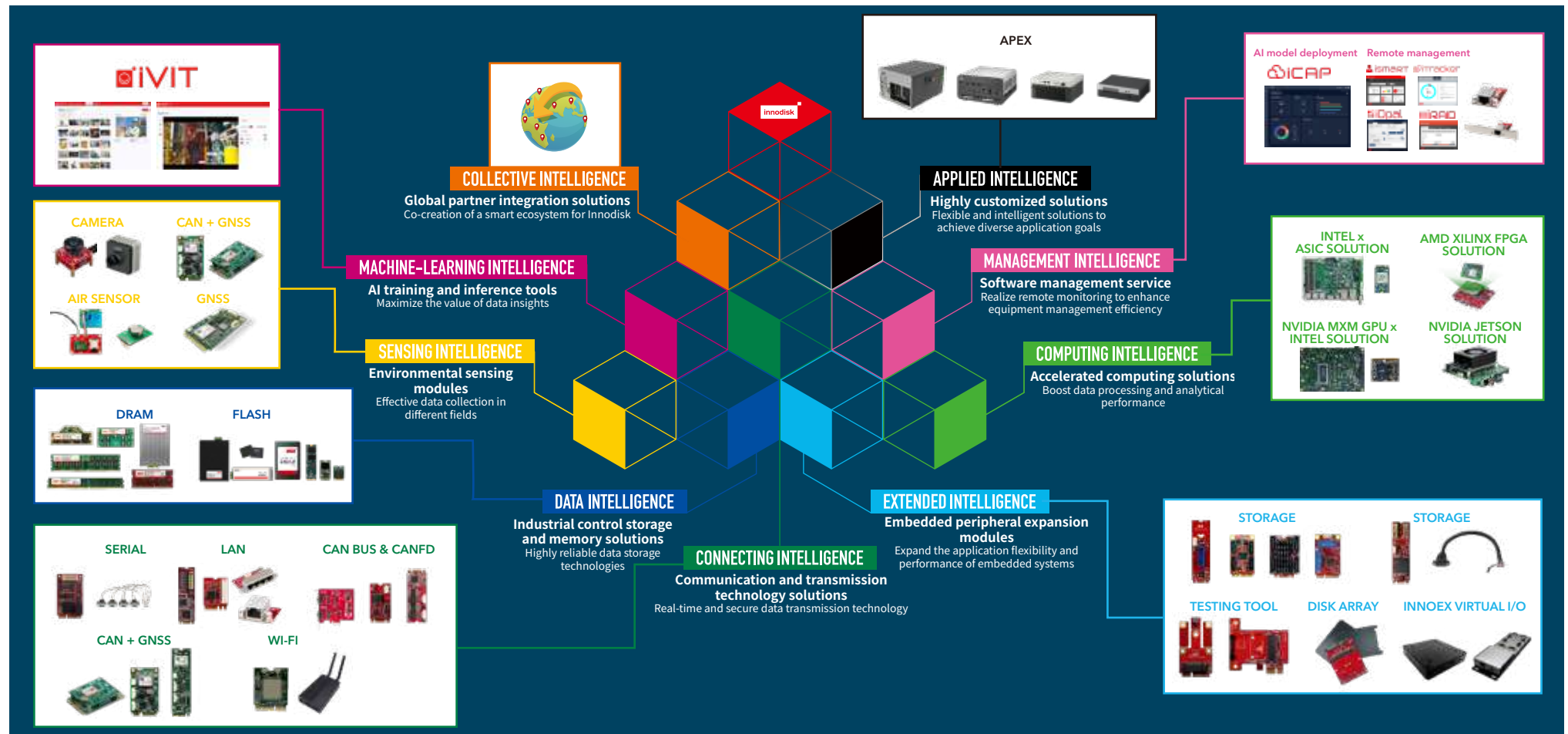
1.2.1 Service Value





1.2.2 Main Products

The Company's business territory was founded on the industrial control market, and now is steadily advancing toward AI applications, progressively expanding into areas such as edge AI and computer vision. To clearly define our AI development strategy, Innodisk officially established a new Architect Intelligence brand proposition in early 2024. Under this framework, the Company's various products ranging from embedded storage to memory modules, smart peripheral expansion modules, and AI edge computing solutions are redefined into nine distinct categories of intelligent products, each with its own strategic focus. Through the synergistic integration of these capabilities and our tailored service expertise, we partner with clients to jointly build comprehensive AI-driven solutions, accelerate edge computing efficiency, and perceive real-time dynamics in application fields to lay a solid foundation for future technological innovation.





Innodisk's core memory and storage business also continues to innovate, and has developed Compute Express Link (CXL) Memory, E1.S EDSFF and other new products that meet next-generation specifications, consolidating our leading position in market share. 2025 Taiwan Excellence Award emphasizes AI applications and sustainable development, which aligns with our corporate mission. The shells of Innodisk's award-winning products are all made of recycled aluminum alloy, and all material used are selected in accordance with RoHs standards to ensure consistency with our ESG commitment. Innodisk continues to align with global trends in product design, quality, R&D, and manufacturing, striving to continuously create great products truly worthy of the reputation of Taiwan Excellence products, injecting new momentum into the future development of the industry. Innodisk will continue to promote the growth of its memory and storage businesses, and will accelerate business development and use case accumulation in emerging fields such as Edge AI, computer vision applications, and data centers. By leveraging AI, we aim to establish it as the third strategic pillar of the Company. Meanwhile, we will continue to strengthen our partner ecosystem with global tech leaders and independent software vendors (ISVs) to secure a solid foundation for sustainable growth.





1.2.3 Incorporation of ESG into the Core of Our Business

■ iCAP Air Cloud-Based Air Quality Management Solution, Autonomously Driving Decision-Making through Real-time Air Quality Data

As ESG environmental sustainability gain global prominence, "air quality" has taken on a multi-dimensional role. It serves as a critical metric not only in the environmental aspect, but also in corporate governance and risk control, making it an essential component in building a sustainable, healthy, and secure workplace environment. With its own R&D capabilities in edge computing and software and hardware integration, as well as its subsidiary Sysinno Technology's years of expertise in air quality management, Innodisk joined hands with Sysinno in the creation of the high-standard industrial-grade iCAP Air Air Quality Management Solution. iCAP Air uses Sysinno's iAeris7 air quality detector to provide high-specification industrial-grade precision detection in end-use application environments, accurately monitoring temperature, humidity, fine particulate matter (PM2.5), particulate matter (PM10), carbon dioxide (CO₂), formaldehyde, and total volatile organic compounds (TVOCs). Customizable options are also available for detecting various air pollutants such as nitrogen dioxide (NO₂), sulfur dioxide (SO₂), carbon monoxide (CO), and ammonia (NH₃). In addition, the Air Quality Server is also a highlight

of the iCAP Air solution; with its powerful computing capabilities, it supports data management and large-scale deployment of up to 100 air quality monitoring devices across multiple sites. The air quality data collected can be further managed through a cloud-based interface, enabling businesses to monitor real-time air quality through APPs or web browsers, supporting autonomous monitoring, instant alert notifications, and AI-generated management and analytical reports. Furthermore, through the exhaust equipment controller, enterprises can remotely manage the existing ventilation equipment via the cloud. Users can configure automatic schedules or define activation thresholds based on real-time air quality readings, enabling precise environmental regulation of air quality through smart IoT technologies.

iCAP Air is featured with three major advantages: intelligent integration, precise detection, and plug-and-play deployment. Our solution enables data-driven decision-making to achieve real-time air quality monitoring and optimization. It is particularly suitable for medium to large-scale venues or high-occupancy, enclosed environments such as healthcare facilities, smart manufacturing plants, public transportation stations, indoor parking garages, department stores, etc., delivering highly accurate and fully integrated air quality management.





■ InnoPPE: AI Recognition Solution, Responding to EHS Trends and Safeguarding Workplace Safety

With the growing emphasis on EHS (Environment, Health and Safety), the safety concerns of frontline workers, particularly in high-risk environments such as manufacturing lines, energy extraction, and construction, have become a key focus for many enterprises. At the same time, the standards for personal protective equipment (PPE) are becoming more rigorous, and enterprises need to proactively establish more effective monitoring mechanisms and auxiliary technologies to ensure that employees properly wear PPE, thereby complying with ISO 45001, Directive 89/656/EEC, and other international standards.

Utilizing an edge AI host as the core, the system integrates front-end IP cameras with a back-end management platform to enable real-time, customized recognition of workwear compliance.

InnoPPE: Personal Protective Equipment (PPE) Recognition Solution can support both industry-standard edge AI platform specifications, AMD Xilinx FPGA and Intel x86, based on the customer's existing system requirements, while ensuring low latency, high performance, and energy-efficient computing. This system can be seamlessly integrated with existing IP cameras in industrial facilities, eliminating the need for large-scale hardware replacement during deployment. In addition, a single PPE edge AI host is capable of simultaneously processing 1080p (Full HD) video streams from more than four camera channels, significantly reducing the overall deployment costs.

Building on Innodisk's core competitiveness of "ultimate service", InnoPPE offers a complete hardware-software integrated solution under a one-time purchase model. Currently, most comparable solutions on the market are sold as either software-only or hardware-only offerings, which not only lack end-to-end integration, but also require enterprises to connect with hardware and software vendors separately, resulting in higher deployment costs and ongoing subscription fees. Innodisk is currently the one and only manufacturer in Taiwan to provide both hardware and software integration and customized AI model ODM services, offering real-time support and high flexibility, enabling rapid adaptation to customer environments to produce highly accurate, customized AI recognition models in a short period of time.





1.3 Product Quality and Customer Satisfaction

1.3.1 Product Quality

■ Management Approaches of Material Topics

Product Quality	
Policies and Commitments	Good quality comes from rigorous production standards enforced at every stage, from design and development to manufacturing and delivery, maintaining high quality is the company's unwavering commitment.
Grievance/ Remediation Mechanism	We have established customer complaint channels to allow customers to notify the Company via phone, email, satisfaction survey, etc.
2024 Targets and Performance	Target: To maintain customer satisfaction score at 4.5 points and higher Performance: 2024 customer satisfaction survey scored 4.7 points.
Medium- and Long-term Goals	Continuous improvement to enhance product quality To maintain the customer satisfaction score at 4.5 points and higher
Long-term Goals	To provide long-term services to meet customers' business needs To continue deepening services and technology to provide customized solutions for different customer needs To enhance customer satisfaction year by year

In the field of industrial control (IC), quality management of storage devices such as solid-state drives (SSDs) and dynamic random-access memory (DRAM) is crucial. These products are widely used in automation, healthcare, transportation, and defense applications, where their reliability and stability directly impact system safety and efficiency. Therefore, from the R&D design, validation to production, establishing a rigorous quality management system throughout the entire process to ensure outstanding performance of the products under various harsh environments is a key for an enterprise's competitive advantage.

Quality Management in the R&D and Design Stage

In the early stages of R&D design, quality management has been integrated into every part of the product life cycle. First, detailed design specifications are established to ensure that the products meet the specific requirements of the industrial control sector, such as vibration resistance, high-temperature tolerance, and electromagnetic interference (EMI) immunity.





Quality Management in the Product Validation Stage

During the R&D stage, a comprehensive range of tests is conducted to ensure product stability and reliability across diverse environments. These include basic functional tests, long-duration tests, power cycling tests, power failure tests, environmental reliability tests (high/low temperature and humidity operation, drop, vibration, impact, storage conditions), EMC testing, safety certification testing, compatibility testing, data retention test, reliability demonstration test, etc.

Quality Management During Production Stage

During the production stage, implementation of strict quality control measures is critical. First, establish a complete supplier management system to ensure that raw materials and components provided by suppliers meet the required quality standards. Then, in the production process, use statistical process control (SPC) and other methods to monitor the production process to detect and correct deviations promptly. In addition, quality awareness among all employees should be cultivated, and the production processes should be continuously improved to enhance product quality, embedding a strong sense of Big Q quality awareness across the organization.

Environmental and Sustainability Considerations

In the pursuit of high quality, considerations for the environment and sustainable development are also becoming more and more important. To align with the Global Plastic Treaty that is expected to take effect in 2025, the Company has begun taking inventory of plastic usage across operations. We will gradually promote plastic reduction strategies in the future, including reducing the plastic content in product packaging, introducing recyclable or biodegradable materials, and enhancing environmental awareness among suppliers.

Continuous Improvement and Innovation

Quality management is a process of continuous improvement. Through regular quality audits and customer feedback, room for improvement can be identified and continuous optimization of products and processes can be promoted. At the same time, active attention is paid to the development of industry technology and advanced manufacturing technologies and management methods, such as automated production and AI testing are adopted to improve production efficiency and product quality.

In the field of industrial control, Innodisk's product quality is strictly controlled throughout the entire process from R&D design, verification to production. Meanwhile, combined with the considerations for the environment and sustainable development, the Company can fulfill its social responsibility while meeting customer needs.





1.3.2 Customer Satisfaction

An annual customer satisfaction survey is conducted for clients we have transactions with during the year. The survey covers aspects of product quality, hazardous substance management (HSF), delivery speed, after-sales service, technical support, and information circulation, etc., with 5 points being the full score. The questionnaire is automatically sent by the system, and customers with annual transaction amounts under NT\$ 500,000 are excluded from the survey.

If a customer scores under 3 points in any individual survey item or an overall average under 3 points, the low-scoring item will be reviewed with relevant internal departments to formulate improvement actions. A response will then be provided to the customer.

In 2024, the number of transacting customers was 1,297. A total of 680 customers with annual trading volume under NT\$ 500,000 were excluded. The number of valid questionnaires returned was 314, with a total average score of 4.7 points. The highest scoring item was "Overall response to customers and reply efficiency", which scored 4.8 points, while the lowest scoring item was "Updates of product-related information on the official website", which scored 4.6 points.

Valid questionnaires:

314

Total average score:

4.7 points

Highest-scoring item:

4.8 points

Lowest-scoring item:

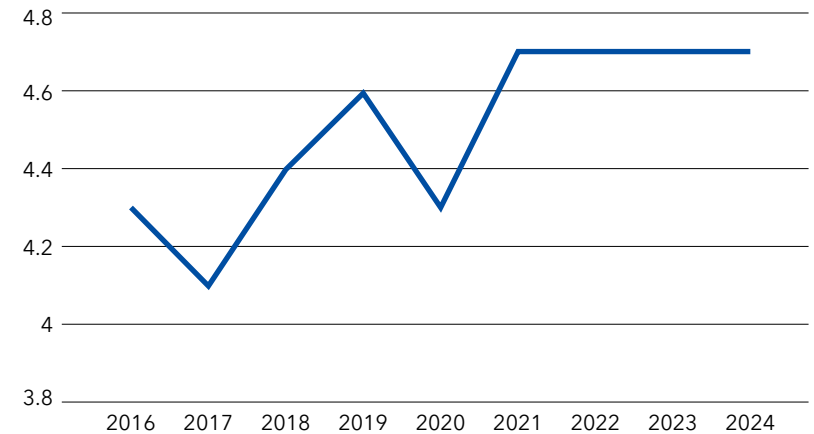
4.6 points

Customer Privacy (Confidentiality Clause)

It is our basic commitment to our customers that we will strictly abide by the contents of the confidentiality agreement. During the cooperation process, for any confidential information provided by the customer, from technical software and hardware technical data to customer information provided by agents, a confidentiality agreement is signed with customer in advance, upon request, to ensure the protection and security of customer information.



Customer satisfaction score curve over the years





1.4 Compliance

■ Management Approaches of Material Topics

Compliance	
Policies and Commitments	The Company is dedicated to complying with relevant domestic and international laws and regulations, and has established "Code of Ethics" and "Procedures for Ethical Management and Guidelines for Conduct". The above regulations have been reviewed by the management and approved by the chairman for announcement, fully demonstrating the Company's strong top-down commitment to regulatory compliance, ensuring that all business operations comply with government regulations and international standards. The Company also organizes relevant education and training courses to ensure the spirit of policy is thoroughly understood by all employees and effectively implemented in daily operations.
Grievance/ Remediation Mechanism	The Company has established a comprehensive grievance and remediation mechanism to ensure that all internal and external stakeholders can effectively raise their doubts and complaints. An internal whistleblower system and an independent complaint channel have been established, and we promise to maintain strict confidentiality in handling all whistleblowing and grievance cases to ensure that whistleblowers are protected from any form of retaliation. In addition, we have established a remediation mechanism in accordance with relevant regulations to promptly address and resolve reported issues, thereby upholding transparency and fairness of corporate operations.
2024 Targets and Performance	1. Continuously improve internal compliance management mechanism to ensure 100% compliance rate. 2. New employees have to complete compliance-related onboarding training within three months of their start date. Those who do not complete such training within the specified period will be assigned ongoing online courses to ensure that they all acquire the necessary awareness and understanding. 3. No violations of environmental, social, economic, or product sales regulations occurred in 2024. 4. Regularly review and update internal compliance policies to ensure compliance with the latest regulatory requirements.
Medium- and Long-term Goals	1. Establish a comprehensive digital compliance management system to improve compliance efficiency. 2. Prevent potential compliance risks through regulatory monitoring and risk assessment mechanisms. 3. Strengthen the internal compliance culture of the Company and enhance employees' awareness and execution of laws and regulations.
Long-term Goals	1. Ensure that the Company can continue operations and maintain market competitiveness under changes in international regulations. 2. Strengthen corporate governance and compliance through ESG and corporate social responsibility strategies. 3. Establish a mechanism that combines regulatory compliance and corporate sustainable development to ensure the Company's regulatory compliance and social responsibility in the global market.



Since 2005, Innodisk has established various internal operating procedures in accordance with the relevant laws and regulations of publicly listed companies, Occupational Safety and Health Act, environmental regulations and local requirements. Since we became an OTC-listed company, we have kept abreast of the changes in the laws made by the competent authorities and make timely adjustments, and require all branches and subsidiaries within the Group to comply with them. In response to relevant provisions of the Labor Standards Act, we plan to establish a compliance consolidation and oversight mechanism in 2025. Through a structured and institutionalized approach, we aim to strengthen systematic monitoring and real-time updates of labor regulations, ensuring both the protection of employee rights and the fulfillment of corporate responsibility.

Business ethics reflect the core of a company's culture. Innodisk strictly prohibits all forms of corruption, extortion, bribery, and embezzlement. Since 2012, we have followed Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies and established "Procedures for Ethical Management and Guidelines for Conduct" and "Code of Ethics".

We will continue to monitor changes in domestic and foreign policies and regulations, identify various risks that may affect the company's operations or financial performance, and have



established a comprehensive and rigorous legal compliance operating procedures. The legal department and related departments will coordinate and regularly review compliance practices and work to improve related procedures. In 2024, the Company was not involved in any lawsuits involving anti-competitive behavior, anti-trust, or monopoly practices. In accordance with the GRI Standards, we disclose compliance indicators related to economic, environmental, and social regulations, and confirm that there were no significant monetary fines or non-monetary sanctions resulting from non-compliance with laws and regulations.

▪ Environmental Compliance

In 2024, there were no major penalties for violations of environmental laws and regulations. Additionally, there were no complaints regarding environmental impacts filed, processed, or resolved through formal grievance mechanisms. We will strengthen environmental education, implement energy conservation and carbon reduction, work on sustainable business operations, enhance safety awareness, promote employee health, control hazards and risks, implement laws and regulations, continue improvements to achieve the goal of waste reduction and zero incident.

The Company has established the Innodisk Supplier Code of Conduct and set requirements for communication with suppliers in the aspects of environment, environmental protection, energy, human rights, and occupational hazards. Currently, the overall return rate of signed agreements reached 100%. (Detailed information of Supplier Management is available on Innodisk's Sustainability Website at <https://esg.innodisk.com/environment/supply-chain>).

▪ Social and Economic Compliance

There were no corruption incidents, customer privacy violations, or customer data loss in 2024. To ensure that the employees have a clear understanding of the Company's integrity management, anti-corruption policies, and whistleblower mechanism, employees in Taiwan have been arranged to participate in related courses since 2022. To ensure that the employees have an accurate understanding of the policies during the

communication process, the training includes not only video or in-person briefings, but also relevant questions to access each employee's comprehension and alignment with the company policies.

▪ Compliance with Product Sales Regulations

In terms of product sales, there were no violations of health and safety regulations for products and services in 2024. In terms of marketing and labeling, there were no violations of regulations related to products and services information labeling, nor were there any violations of marketing communications related regulations. The Company is committed to complying with all applicable laws and international standards concerning key issues such as customer health and safety, data privacy, marketing, and product labeling. Through the QPCS000300 Customer Compliant Management Procedure and System, we have established a comprehensive grievance mechanism to ensure effective control and handling of customer feedback, thereby enhancing the quality of our products and services.

In addition, the Company has made public disclosure on Innodisk's Sustainability Website at (<https://esg.innodisk.com/zh/environment/green>) stating our compliance and determination to promote sustainable development. Furthermore, this official website also provides timely feedback from customers or clients and responses are made within the required time limit, which further enhances the trust of our stakeholders.





1.4.1 Compliance Education and Training

To enable all employees to understand various compliance issues, the Company has established internal compliance regulations, and regularly conducts education, training, and promotion through a digital learning platform to promote awareness of Intellectual Property Law, Trade Secrets Act, Ethical Corporate Management Best Practice Principles, workplace misconduct prevention, Code of Conduct - Responsible Business Alliance Conduct, information security policy promotion and other regulations.

■ 2024 Compliance Information for All Employees

Course	Legal Provisions and Internal Systems Covered	Course Information	Completion Rate	Target Audience
RBA obligations and rights of company employees	▪ The Responsible Business Alliance (RBA) ▪ Human Rights Policy ▪ Code of Ethical Conduct	▪ Duration of course: 5 minutes ▪ Training method: Online video course ▪ Number of trainees: 161	▪ Total reading hours: 13 hours ▪ Number of people who completed the training: 151 ▪ Completion rate: 93.8%	Compulsory courses for new employees
Confidentiality and contract process	▪ Trade Secret Act ▪ Confidential Documents and Business Secrets Protection Management Measures	▪ Duration of course: 25 minutes ▪ Training method: Online video course ▪ Number of trainees: 161	▪ Total reading hours: 67 hours ▪ Number of people who completed the training: 145 ▪ Completion rate: 90.1%	
TIPS for new employees and Innodisk's intellectual property management rules	▪ Intellectual Property Law ▪ Intellectual Property Management Manual	▪ Duration of course: 110 minutes ▪ Training method: Online video course ▪ Number of trainees: 161	▪ Total reading hours: 276 hours ▪ Number of people who completed the training: 151 ▪ Completion rate: 93.8%	
Intellectual property rights: patents, trademarks, copyrights	▪ Intellectual Property Law ▪ Intellectual Property Management Manual	▪ Duration of course: 26 minutes ▪ Training method: Online video course ▪ Number of trainees: 161	▪ Total reading hours: 69 hours ▪ Number of people who completed the training: 145 ▪ Completion rate: 90.1%	
Workplace Illegality and Gender Equality Promotion	▪ Gender Equality in Employment Act ▪ Regulations for Establishing Measures on Prevention of Sexual Harassment in the Workplace ▪ Human Rights Policy ▪ Code of Ethics ▪ Measures on Prevention of Sexual Harassment in the Workplace	▪ Duration of course: 60 minutes ▪ Training method: Physical course + online video course ▪ Number of trainees: 821	▪ Total reading hours: 530 hours ▪ Number of people who completed the training: 804 ▪ Completion rate: 97.9%	All employees

*The formula for calculating the training completion rate = Number of trainees/Number of people who have completed training, and the number includes those who resigned in the current year.



1.4.2 Taiwan Intellectual Property Management System (TIPS)

The Company establishes and implements intellectual property management policies, objectives, and related processes in a planned and systematic manner. Our team, from R&D, technology, business, marketing, to manufacturing, all members have abundant experience in industrial control and embedded system applications. This enables us to respond promptly to customer requirements for customization and compatibility, while ensuring product quality and reliability. The Company uses this as a competitive niche to further implement smart application for customers through AIoT smart solutions and lead the industry's intelligent transformation.

The Company keeps striving for technological innovation and product breakthroughs. As of the end of 2024, we have accumulated and obtained more than 192 patents and 38 trademarks in Taiwan, U.S.A., Japan, and China, providing forward-looking product solutions for our industrial customers. By incentivizing innovation within the organization, we encourage employees to proactively submit innovative proposals that are aligned with our product development direction and future product concepts, and gradually expand the scope of intellectual property portfolio. Combined with our long-standing focus on the industrial control (IC) market, we are able to meet its relative stable and rigid demand, maintain growth, continue to further deepen the cultivation of vertical application markets, keep giving play to our competitive advantages such as customized development and industrial-grade high stability, actively develop AIoT smart applications, and further provide industrial customers with forward-looking product solutions.

A. Intellectual Property Strategies

Strengthen the Company's intellectual property (IP) rights management, including the establishment of an intellectual property management manual approved by the chairman as the basis for the implementation of IP management activities, ensuring and strengthening the management and application of IP rights. We encourage employees to innovate, and have established the Regulations Governing Patent Incentives and Regulations Governing Trade Secrets. Innovation proposal projects will be implemented in accordance with the Regulations Governing Patent Incentives and Regulations Governing Trade Secrets.

B. Policies and Targets

The following table shows the intellectual property management policy and annual implementation targets.

C. Implementation Status

The Company submits and reports IP-related matters to the board of directors at least once a year. The latest submission and report was on August 7, 2024.

Due to the continuous management of IP, we have established "Intellectual Property Management Manual", "Regulations Governing Patent Incentives", "Regulations Governing Trade Secrets", "Regulations Governing Trademark Management Measures", "Confidential Documents and Business Secrets Protection Management Measures", "Design and Development Control Management Procedure", and "Document Control Management Procedure" to strengthen the Company's determination and actions in IP management.

Relevant information has been disclosed simultaneously on the Company's official website at <https://www.innodisk.com/cht/investor>

Policy	2024 Implementation Goals
Implementation of compliance	Update the IP regulations database every six months
Enhance IP awareness	- Organize at least one session of patent proposal training course - Establish a comprehensive patent monitoring mechanism and at least one session of corresponding training course
Protect trade secrets	Review the business secrets inventory and perform confidentiality audit at least once
Deepen sustainable management	Report to the board of directors and disclose the IP management plan

02 Corporate Governance

- 2.1 Corporate Governance
- 2.2 Financial information
- 2.3 Information Security Management
- 2.4 Integrity Management
- 2.5 Supplier Management

Annual Performance Highlights

- Ranked among the top **6%-20%** of listed companies in 2024 Corporate Governance Evaluation
- **No corruption and violations** of integrity management in 2024
- **No information security breaches** were reported in 2024
- The proportion of local procurement in supply management amounted to **95.21%** in 2024.



2.1 Corporate Governance

2.1.1 Board of Directors

■ Board Members and Their Duties

Innodisk's Board of Directors is composed of 9 directors (including 4 independent directors), with a three-year term (May 31, 2024 to May 30, 2027). To ensure independence and diversity, the board members consist the chairman, directors, and independent directors, with 8 males and 1 female. All board members faithfully perform their duties and due diligence, and exercise their authority with a high level of self-discipline and diligence. Due to operational needs, the chairman concurrently serves as the general manager. However, the number of seats of independent directors has been increased to four, and over half of the Company's directors concurrently serve as Company managers and employees, allowing the board to maintain objectivity and supervisory power.

■ Duties and Responsibilities of the Board of Directors

The board of directors carries out corporate governance in accordance with the Regulations Governing Procedures for Board of Directors Meetings and Procedures for Ethical Management and Guidelines for Conduct and is convened on a quarterly basis (In 2024, a total of 7 board meetings were convened, with an attendance rate of 95.24%). Please refer to Innodisk's 2024 Annual Report- The Operations of the Board of Directors for more details (available at <http://mops.twse.com.tw/>). For agenda items involving conflicts of interest, the board follows the Regulations Governing Procedures for Board of Directors Meetings to disclose significant details of these conflicts during the meeting. Board members are to express opinions and inquire about potential harm to company interest, and they must abstain from discussion and voting when necessary to avoid conflicts of interest (for the recusal situation in 2024, please refer to Innodisk's 2024 Annual Report- Operations of the Board of Directors for more details (available at <http://mops.twse.com.tw/>). All existing directors faithfully perform their duties, express and reach consensus on the Company's business policies. After the resolutions are made, they are handed over to the management for execution. The implementation results are continuously monitored to fulfill the responsibilities of the board.

■ Director Nomination and Election

The Company has established the Procedures for Election of Directors, specifying the nomination system for director candidates, and the policies as well as standards for nomination, qualifications, and evaluation. The nomination of the Company's board members takes into account the overall composition of the board and undergoes a rigorous selection process, which not only considers diverse backgrounds, knowledge, skills, and qualities, but also selects based on the actual needs of the future planning. More than half of the board seats shall not be held by individuals who have a spousal or second-degree kinship relationship with one another.

■ Independent Directors

Since 2012, the Company has established a system of independent directors to enhance board operation effectiveness. Independent directors possess professional expertise and are subject to restrictions on shareholdings and concurrent positions. They are required to maintain independence within the scope of their duties and must not have any direct or indirect conflicts of interest with the Company. This enables them to fully perform their functions, enhances the transparency of financial reporting, safeguards shareholders' rights and interests, and strengthens corporate value, thereby contributing to the goal of sustainable management.

■ Performance Evaluation of the Board and Functional Committees (Audit and Remuneration Committees)

In August, 2020, the Company established the Rules for Performance Evaluation of Board of Directors to conduct annual performance evaluation of the overall Board of Directors, individual board members, and functional committees (Audit and Remuneration Committees) in the form of self-assessment questionnaires. The evaluation results for 2024 were great and reported to the board on February 26, 2025. For detailed annual performance evaluation results, please refer to Innodisk's 2024 Annual Report (available at <http://mops.twse.com.tw/>).

■ Board Diversity

It is set forth in Article 20 of the Company's Corporate Governance Best Practice Principles that the composition of the board of directors shall take diversity into



consideration. In addition to the fact that directors concurrently serving as managerial officers of the Company shall not exceed one-third of the total number of board seats, the board shall also establish appropriate diversity policies based on the Company's operations, business model, and development needs, which should include, but not limited to, the following two major aspects:

1. Basic criteria and values: Gender, age, nationality, culture, etc.
2. Professional knowledge and skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industrial experience.

■ Directors' In-Service Training in 2024

Position	Name	Training Date	Training Organization	Course Title	Course Type	Training Hours
Chairman	Chung-Sheng Jian	2024/10/30	Accounting Research and Development Foundation	Promoting Sustainable Development through Risk Management	Risk Management	6.0
Director	Zhong-Liang Li	2024/12/11	The Institute of Internal Auditors-Chinese Taiwan	Interpretation of Financial Analysis Indicators and Prevention of Operational Risks	Corporate Governance	6.0
Director	Qing-Zhong Zhu	2024/09/11	Securities & Futures Institute	Sustainable Development Strategy and Planning for TWSE/TPEX Listed Companies	Sustainable Development	3.0
		2024/09/11	Securities & Futures Institute	Shareholders' Meeting, Proxy Contest and Ownership Strategy	Corporate Governance	3.0
Director	Shan-Ke Hsu	2024/03/28	Taipei Foundation of Finance	Corporate Governance - Facing Stakeholders - How can listed companies narrow the distance with the capital market?	Corporate Governance	3.0
		2024/07/11	Securities & Futures Institute	Digital Reinvention Creates a New Future for AI - Case Study of Generative AI Application	Industrial Development	3.0
Corporate Director Representative	Xi-xi Wu	2024/09/05	Securities & Futures Institute	The Latest Status, Strategies and Challenges of Taiwan's Industrial Managers (PMI/NMI)	Industrial Development	3.0
		2024/09/19	Securities & Futures Institute	Silicon photonics-Defined Networks: Silicon Photonics (SiPh) and Co-Packaged Optics (CPO) and Development Trends	Industrial Development	3.0
Independent Director	Yin-Tian Wang	2024/08/08	Securities & Futures Institute	The Understanding and Connotation of Corporate ESG Sustainable Governance-Global Net-Zero Carbon Trends and Strategic Corporate Responses	Sustainable Development	3.0
		2024/08/08	Securities & Futures Institute	Mastering the ESG Sustainability Equation with Precision	Sustainable Development	3.0
Independent Director	Wei-Li Lin	2024/09/04	Securities & Futures Institute	Emerging Risk Management in Business: Perspectives from Ransomware, Trade Secret Protection, and Ethical Conduct	Risk Management	3.0
		2024/09/13	Securities & Futures Institute	Corporate Financial Cognition - Behavioral Finance and Corporate Decision Making	Corporate Governance	3.0

■ Competencies the Board of Directors Should Possess

Board members should generally possess the knowledge, skills, and qualities necessary to perform their duties. To reach the ideal goal of corporate governance, the board of directors as a whole should have the following capabilities

- | | | |
|--|---|---|
| 1. Ability to make operational judgement | 2. Ability to perform accounting and financial analysis | 3. Ability to conduct management administration |
| 4. Ability to conduct crisis management | 5. Knowledge of the industry | 6. An international market perspective |
| 7. Ability to lead | 8. Ability to make policy decisions | |



Position	Name	Training Date	Training Organization	Course Title	Course Type	Training Hours
Independent Director	Kai-Chan Yang	2024/05/09	Taiwan Institute of Directors	Creating Sustainable Performance Indicators and Rewards	Sustainable Development	3.0
		2024/08/13	Taiwan Institute of Directors	All About Carbon: On Carbon Fees, Carbon Taxes, Carbon Rights, and Carbon Trading	Sustainable Development	3.0
Independent Director	Shi-Xun Luo	2024/09/04	Securities & Futures Institute	Emerging Risk Management in Business: Perspectives from Ransomware, Trade Secret Protection, and Ethical Conduct	Risk Management	3.0
		2024/09/04	Securities & Futures Institute	How do directors and supervisors with no accounting background review financial reports	Corporate Governance	3.0
		2024/09/11	Securities & Futures Institute	Shareholders' Meeting, Proxy Contest and Ownership Strategy	Corporate Governance	3.0

The purpose of the Company's Board of Directors' Meeting Procedure Rules is to establish a good governance system, improve supervision functions and strengthen management functions. Board meetings shall be conducted in accordance with the Company's Board of Directors' Meeting Procedure Rules, unless otherwise stipulated by law or Articles of Incorporation. When the board of directors convenes, the deliberative unit designated by the board of directors shall prepare relevant materials for the attending directors to review at any time, and may notify non-director managers of relevant departments to attend the meeting depending on the content of the proposals. If necessary, accountants, lawyers or other professionals may also be invited to participate in the meeting.

The Company's Procedures for Ethical Management and Guidelines for Conduct explicitly prohibit acts of bribery and corruption, the offering or acceptance of illegal political donations, improper charitable contributions or sponsorships, the giving or receiving of gifts, hospitality, or other improper benefits that violate principles of reasonableness, the infringement of trade secrets, trademarks, patents, copyrights, or other intellectual property rights, engagement in unfair competitive practices, and any actions during product or service development, procurement, manufacturing, or sales that directly or indirectly harm the rights, health, or safety of consumers or other stakeholders.

■ The Audit Committee

The Audit Committee is designed to assist the Board in performing its supervisory duties and to be in charge of the tasks assigned by the Company Act, Securities and Exchange Act, and other relevant laws and regulations. Matters to be reviewed include financial

statements, auditing and accounting policies/procedures, internal control systems, potential conflicts of interest, material asset or derivative commodity transactions, offering or issuance of securities, appointment/dismissal/remuneration of certified public accountants (CPAs), as well as the appointment and dismissal of financial/accounting/internal audit supervisors, etc. According to the Articles of Association of the Audit Committee, the Audit Committee has the right to conduct any appropriate audits and investigations within its scope of responsibility, and has direct contact with the company's internal auditors, CPAs and all employees. The Audit Committee also has the right to hire lawyers, accountants or other consultants to assist it in performing its duties. The Audit Committee meets at least four times a year.

(In 2024, the Audit Committee was composed of four independent directors and convened 5 times, with an attendance rate of 95%. Please refer to Innodisk's 2024 Annual Report- Operation of the Audit Committee at <http://mops.twse.com.tw/>).

■ Remuneration Committee

The remuneration policy of the highest governance unit is to assist the board of directors in implementing and evaluating the Company's overall remuneration policy and the remuneration of directors and managers. The Remuneration Committee is convened at least twice a year. (In 2024, the Remuneration Committee was composed of four independent directors and convened four times, with an attendance rate of 100%. Please refer to Innodisk's 2024 Annual Report- Operation of the Remuneration Committee at <http://mops.twse.com.tw/>).



Managers' Job Positions and Scope of Responsibilities

Job Position	Nationality	Name	Gender	Date of Appointment (or Assumption of Office)	Major Education and Experience
General Manager	R.O.C.	Chuan-Sheng Jian	Male	2010.06.23	- Department of Mechanical Engineering, Tamkang University - Master of Mechanical Engineering, National Central University - National Chengchi University Entrepreneur Program - Innodisk Co., Ltd. - General Manager
Chief Operating Officer (COO)	R.O.C.	Jia-Ying Wang	Male	2011.11.01	- Graduate School of Business Administration, Chung Yuan Christian University (Incomplete) - Department of Industrial Engineering, Hsinpu Technical College - VP of Marketing, Innodisk International Co., Ltd. - VP of Global Sales Division - Manager of Overseas Operation Center, Advantech Corporation - Manager of Peripheral Products Sales Division - Business Director of IBASE Technology - Deputy Director of VIA Technologies Inc. - Assistant Manager of Industrial Computer System Products Division of AAEON TECHNOLOGY INC.
Vice President of Global Sales Division	R.O.C.	Hau Fu	Male	2022.01.01	- Institute of Industrial Engineering and Management, National Chiao Tung University - Department of Mechanical Engineering, National Taipei University of Technology - Innodisk Corp., Special Assistant in General Manager's Office
Vice President of Embedded Flash Division	R.O.C.	Xi-Xi Wu	Male	2012.08.01	- Computer Science and Information Engineering, Fu Jen Catholic University - Power Quotient International Co., Ltd. - Engineer - POWER DIGITAL COMMUNICATIONS CO., LTD. - Engineer
Vice President of MIS Division	R.O.C.	John Liao	男	102.10.07	- Master of Information Management, Tamkang University - Department of Industrial Engineering, Taipei Institute of Technology - Associate Director of Information Technology, AAEON Technology - Vice President of Asia Yuan Technology - Team Leader of System Programming Development and Integration, EVA Airways
Vice President of Embedded DRAM Division	R.O.C.	Wei-Min Chang	Male	2014.02.10	- Global Business Management, National Chengchi University - Longhua University of Science and Technology - President of Patriot Memory Inc. - President of Jinqiang International Co., Ltd. - Assistant of Synnex Technology International Corp.
Assistant Vice President of R&D Center	R.O.C.	Jin-Zhong Guo	Male	2019.05.18	- Department of Mechanical Engineering, National Ocean University - Master's Program, Control Division, Institute of Mechanical Engineering, National Taiwan University - PhD Program, Control Division, Institute of Mechanical Engineering, National Taiwan University - RD Technical Director, Unibase Technology Ltd. - RD Senior Manager, Ultima Electronics Corp. - RD Assistant Manager, ASUSTEK Computer Inc.



Job Position	Nationality	Name	Gender	Date of Appointment (or Assumption of Office)	Major Education and Experience
Vice President of Manufacturing Division	R.O.C.	Ho-Tsang Tsai	Male	2011.06.27	- Department of Mechanical Engineering, Tsing Hua University - Institute of Mechanical Engineering, National Central University - Manager of Uniform Industrial Corp. - Assistant Manager of Transcend Information Inc.
Vice President of Supply Chain Management Division	R.O.C.	Yu-Chun Ko	Male	2005.03.22	- Department of Philosophy, Soochow University - Graduate School of Business, University of Dallas, USA - Special Assistant to the Chairman of Juicheng Technology Co., Ltd. - Product Manager of Power Quotient International - Business Director of LEOSYS - Senior Business Specialist of Walsin Technology Corp. - Senior Business Specialist of Nangang Rubber Tire Corp., Ltd.
Vice President of AIoT Module Division	R.O.C.	Ting-Huang Wei	Male	2021.05.10	- Bachelor of Mechanical Engineering, National Taiwan University - Studied at the Department of Mechanical Engineering, University of Siegen, Germany - Vice President of NCG/DMSO/ISG/ECG, Advantech Corporation - President of DFI Inc.
Assistant Vice President of Global Sales Division	R.O.C.	Li-Yin Yu	Male	2014.07.01	- Department of MIS Management, Chung Yuan Christian University - Business Manager, Gigabyte Technology Co., Ltd.
Financial and Accounting Division/ Administration Division Vice President Corporate Governance Officer	R.O.C.	Li-Cheng Wang	Male	2012.04.14	- Department of Industrial Management Science, National Cheng Kung University - Master of Business Administration, Rotterdam School of Management - Financial Manager, Browave Corporation - Senior Financial Manager, Prolific Technology Inc. - Litigation and non-litigation agent, Coland Holdings Ltd.
Assistant Vice President of the Financial and Accounting Division	R.O.C.	Guang-Yao Guo	Male	2024.11.07	- Master of Business Administration, National Chung Cheng University - Director, Vice President and CFO of Algotek Technology - CFO of ALCORLINK CORP. - Senior Special Assistant of Alcor Micro Corp. - Manager of Financial Planning Department of Far EasTone Telecommunications Co., Ltd.
Accounting Manager	R.O.C.	Wen-Kuei Hsiao	Male	2022.08.05	- Double Bachelor's Degrees in Accounting and Business Administration - Assistant Audit Manager of KPMG in Taiwan - President of Zenitron Corp.

Board Remuneration Policy

- Directors: The remuneration paid by the Company to the directors is in accordance with Article 19 of Innodisk's Articles of Incorporation that after deducting accumulated losses from the Company's pre-tax profit for the year, and before distributing remuneration to employees and directors, up to 2% of the remaining amount shall be

allocated as directors' compensation. Meanwhile, in accordance with the Company's Regulations Governing Directors' Compensation and Remuneration Distribution, a weighted point system is adopted to give different weights based on different factors such as the position and degree of participation in the Company's affairs to calculate the distributable remuneration. In addition, with the reference to the results of the board performance evaluation, reasonable compensation shall be granted based on



the individual director's contributions to the Company's operations and the industry's future operating needs and development. The proposed compensation is submitted to the Compensation Committee, for review and to the board of directors for approval.

- Remuneration of General Manager and Vice Presidents: Pursuant to Article 19 of the Company's Articles of Incorporation, if there remains a surplus after deducting accumulated losses from the current year's pre-tax earnings before distributing the remuneration to employees and directors, no less than 3% of such earnings shall be allocated as employee remuneration. The remuneration paid by the Company to managers is determined in accordance with the Managers' Remuneration Policy, considering their level of involvement in Company operations, performance evaluations, special contributions, and with reference to market conditions. The proposal is submitted to the Remuneration Committee for review and to the board of directors for approval.

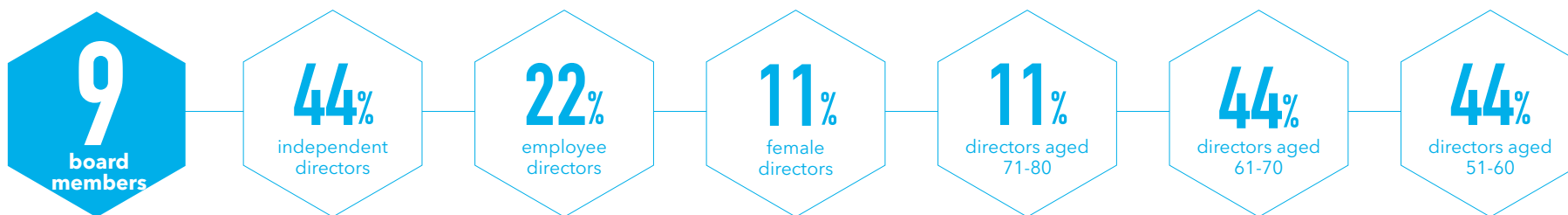
Category	Number of items	Content
Donation	1	2/2: Donations to the Innodisk Education Foundation
Financial information	4	2/22: Approved the 4th quarter consolidated financial report of 2023
		5/9: Approved the 1st quarter consolidated financial report of 2024
		8/7: Approved the 2nd quarter consolidated financial report of 2024
		11/7: Approved the 3rd quarter consolidated financial report of 2024
Dividend distribution	3	2/22: Approved the 2023 annual dividend distribution
		2/22: Resolution on the issuance of new shares by converting earnings into capital
		6/27: Resolution on the ex-right/ ex-dividend record date
External communication meeting	3	2/22: Resolution to convene the 2024 Annual Shareholders Meeting
		3/7: Invited to participate in the OTC Market Performance Conference held by the Taipei Exchanges
		8/2: Invited to participate in the OTC Market Performance Conference held by the Taipei Exchanges
Major decision-making	2	2/22: Resolution on the cooperation with the subsidiary Aetina Corp. in the future stock release plan before applying for stock listing (OTC) trading

- The correlation between operating performance and future risks: The Company's remuneration payments are evaluated and adjusted based on future environmental changes and operating performance, and the Company has established the Procedures for Ethical Management and Guidelines for Conduct and Code of Ethical Conduct to remind directors and managers not to engage in actions that exceed the Company's risk appetite in pursuit of salary compensation, so as to avoid inappropriate circumstances where Company suffers losses after remuneration has been paid. If any director or employee engages in unlawful conduct resulting in losses to the Company, he/she may be subject to necessary penalties in accordance with applicable laws and regulations.
- Types of material information: Excluding routine releases of material information, the Company released a total of 24 material announcements in 2024. The material information approved by the board of directors and disclosed publicly is summarized as follows.

Category	Number of items	Content
Major decision-making	2	6/27: The resolution passed to support the listing plan of the subsidiary Aetina Corp., under which the Company will subscribe to a portion of the cash capital increase and waive the remaining subscription rights in favor of the Company's shareholders, who may subscribe proportionally based on their shareholding.
Real estate transaction	1	6/27: Resolution to acquire real estate property in Japan
Others	7	5/31: Important resolutions of the 2024 shareholders' meeting
		5/31: Full re-election of directors (including independent directors) at the 2024 Shareholders' Meeting
		5/31: Lifting of non-competition restrictions for newly appointed directors (including independent directors) and their representatives
		5/31: Announcement of the election of chairman by the board of directors
		5/31: Announcement of the appointment of new members of the Audit Committee
		5/31: Announcement of the expiration of term for the 5th Remuneration Committee Members
		6/27: Announcement of the board resolution appointing members of the 6th term Remuneration Committee

2.1.2 Board Members

Innodisk's 8th board of directors consists of 9 directors (including 4 independent directors). All board members are equipped with the knowledge, skills, and competencies required to perform their duties, and are capable of providing timely recommendations on company decisions. For the policy of board diversity, there are currently four seats of independent directors (accounting for 44%), with a term of office less than three years. 22% of the directors are employees, and 11% are female, achieving the goal of having at least one female director. There are five directors aged between 61 and 70 (accounting for 56%), and four aged between 51 and 60 (accounting for 44%).



Name / Type of diversity core items	Nationality	Gender	Holding employee status	Age			Tenure of the independent director			Ability to make operational judgement	Ability to perform accounting and financial analysis	Ability to conduct management administration	Ability to conduct crisis management	Knowledge of the industry	An international market perspective	Ability to lead	Ability to make policy decisions
				51-60	61-70	71-80	3 years or less	3-9 years	9 years or more								
Chuan-Sheng Chien	R.O.C.	Male	●	●						●	●	●	●	●	●	●	●
Zhong-Liang Li	R.O.C.	Male			●					●	●	●	●	●	●	●	●
Radiant Capital Investment Co., Ltd. Representative: Xi-xi Wu	R.O.C.	Male	●	●						●		●	●	●	●	●	●
Qing-Zhong Zhu	R.O.C.	Male		●						●	●	●	●		●	●	●
Shan-Ke Hsu	R.O.C.	Male				●				●	●	●	●	●	●	●	●
Yin-Tian Wang	R.O.C.	Male			●		●			●		●	●	●	●	●	●
Wei-Li Lin	R.O.C.	Male		●			●			●		●	●	●	●	●	●
Kai-Chan Yang	R.O.C.	Female			●		●			●	●	●	●		●	●	●
Shi-Xun Luo	R.O.C.	Male			●		●			●		●	●		●	●	●



■ Educational Background and Major Concurrent Positions of the Directors

Job Position	Name	Education and Experience	Major Concurrent Positions
Chairman	Chuan-Sheng Chien	- Department of Mechanical Engineering, Tamkang University - Master of Mechanical Engineering, National Central University - National Chengchi University Entrepreneur Program - Innodisk Co., Ltd. - General Manager	- Innodisk Co., Ltd. - General Manager - Shenzhen Innodisk Ltd. - Chairman - Innodisk USA Corporation - Director - Innodisk Japan Corporation - Representative Director - Innodisk Europe B.V. - Director - Innodisk France SAS - Director - Mauritius Innodisk Global-M - Chairman - Aetina Co., Ltd. - Representative of Juristic Person as Director/Chairman - MilliTronic Co., LTD - Representative of Juristic Person as Director - Sysinno Technology Inc. - Representative of Juristic Person as Director - ANPEC Electronics Co., Ltd. - Independent Director
Director	Zhong-Liang Li	- Department of Management Science, National Jiaotong University - Master of Management Science, Tamkang University - Power Quotient International Co., Ltd - General Manager	- Radiant Capital Investment Co., Ltd.- Chairman - I-Media Tech Co., Ltd. - Director - Aetina Co., Ltd. - Director
Director	Shan-Ke Hsu	- Department of Management Science, National Jiaotong University - Master of Business Administration (MBA), National Chengchi University - Yu-long Group - General Management Office – Deputy CEO - Xinyang Management Consulting Co., Ltd. - Chairman	3R Life Science Co., Ltd. - Chairman - Nuvoton Technology Co., Ltd. - Independent Director - ACME Electronics Co., Ltd - Representative of Juristic Person as Director - Winbond Electronics Co., Ltd. - Independent Director
Director	Radiant Capital Investment Co., Ltd. Representative: Hsi-Hsi Wu	- Computer Science and Information Engineering, Fu Jen Catholic University - Power Quotient International Co., Ltd. - Engineer - POWER DIGITAL COMMUNICATIONS CO., LTD. –Engineer	Vice President of Embedded Flash Division
Director	Qing-Zhong Zhu	- Department of Management Science, National Jiaotong University - Master of Department of Management Science, National Jiaotong University - Kobayashi Optical Co., Ltd. – President	- Department of Management Science, National Yang Ming Chiao Tung University - Associate professor - Director, Antec International Co., Ltd. - Executive Director, ALSME
Independent Director	Yin-Tian Wang	- University of Pennsylvania - Ph. D. in Mechanical Engineering - Department of Mechanical and Electro-Mechanical Engineering, Tamkang University - Associate professor - professor	- Department of Mechanical and Electro-Mechanical Engineering, Tamkang University - Professor - Chant Sincere Co., Ltd. – Independent Director



Job Position	Name	Education and Experience	Major Concurrent Positions
Independent Director	Wei-Li Lin	- National Yang Ming Chiao Tung University - Ph. D. in Information Management - Tailyn Technologies, Inc. - CTO - Good Way Technology Co., Ltd. - Vice President - NEW KINPO GROUP - CTO of R&D General Management Division - ZYXEL Group/MitraStar Technology Corp. - VP of Sales Department & Chief Assistant of the President - Groundhog Inc. - VP/Executive VP in the Greater China Area - Asia Pacific Telecom - Assistant Vice President	- Alley 55 Studios- General consultant - NUWA Robotics Co., Ltd.- Legal Supervisor-Representative - NUWA Robotics (Hong Kong Subsidiary)-Taiwan Branch Chief Strategy Officer (CSO)
Independent Director	Kai-Chan Yang	- MBA, National Chengchi University - Kansas State University – MBA - National Chengchi University Entrepreneur Program - CDIB Capital Group - Senior VP & Head of Entrepreneurship and Industrial Investment Department - CDIB Capital Management Corporation&CDIB - Venture Capital Corporation – President	- Sinipower Co., Ltd. – Independent Director - WPG Holdings Co., Ltd. – Independent Director - Young Shine Electric Co., Ltd. – Director - ASPEED Technology Inc. – Independent Director
Independent Director	Shi-Xun Luo	- College of Medicine, National Yang Ming Chiao Tung University - National Yang Ming Chiao Tung University - Professor of Surgery - Taipei Veterans General Hospital - Attending Physician, Surgery Dept. - National Yang Ming Chiao Tung University Hospital -Deputy Superintendent - National Yang Ming Chiao Tung University Hospital - Superintendent	National Yang Ming Chiao Tung University Hospital - Contract Physician



2.1.3 Corporate Governance at Innodisk

The Company is dedicated to maintaining the highest ethical standards and effective accountability mechanisms. We believe that sound corporate governance provides a solid foundation for sustainable development, enables the delivery of high-quality products and services to the market while enhancing long-term corporate value. Through a sound corporate governance system, Innodisk had outstanding performance in the Corporate Governance Evaluation and was ranked among the top 6%-20% of listed companies. In addition, the corporate governance policy is implemented in accordance with Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and relevant laws and regulations, and corporate governance-related regulations have been established as follows.

01	Board of Directors' Meeting Procedure Rules
02	Shareholders Meeting Rules of Procedures
03	Internal Control System
04	Procedures for Acquisition or Disposal of Assets
05	Procedures for Lending Funds to Other Parties
06	Procedures for Endorsement and Guarantee
07	Procedure for Election of Directors
08	Procedures for Ethical Management and Guidelines for Conduct
09	Code of Ethical Conduct

10	Audit Committee Charter
11	Remuneration Committee Charter
12	Rules Governing Financial and Business Matters between Innodisk and its Related Parties
13	Operating Procedures for Transactions among Members in the Same Group, Specific Companies, and Related Parties
14	Rules Governing the Scope of Powers of Independent Directors
15	Procedures for Handling Material Inside Information
16	Operating Procedure for Applying to Halt or Resume Trading
17	Standard Operating Procedure for Handling Demands by Directors
18	Corporate Governance Best Practice Principles

In addition to the Audit Committee's review and follow-up of the implementation of the internal control and internal audits in accordance with relevant regulations, the board of directors and management also conduct an annual review of each unit's self-assessment results and the audit reports submitted by internal audit department, and prepare an Internal Control Statement to be submitted to the competent authority on a regular basis.



2.2 Financial information

2.2.1 Innodisk's Financial Status

In 2024, the Company's operating income was NT\$8,915,642 thousand, an increase of 7% compared with the previous year. Net profit attributable to the parent company was NT\$1,106,172 thousand, with earnings per share of NT\$12.20. Affected by factors such as the proportion of product sales and the price drop in the memory market, the related profitability has slightly decreased compared with the previous period. Total accounts receivable amounted to NT\$ 1,185,701 thousand, a 12% decrease compared with the previous year. Total inventory amounted to NT\$ 1,883,428 thousand, an increase of 37.40% compared with the previous year, mainly due to the planned procurement of raw materials in response to 2025 sales and market price factors. The debt ratio was 21.35%, a decrease of 2.35% compared with 2023, indicating a sound financial structure and normal financial revenue and expenditure. Please see Innodisk 2024 Annual Report for detailed operating performance and financial information at <http://mops.twse.com.tw/>.



Three-Year Condensed Consolidated Income Statement

	2022	2023	2024
Operating income (A)	10,303,229	8,313,778	8,915,642
Economic value distributed (B)	2022 年	2023 年	2024 年
Operating cost	6,844,611	5,467,866	6,090,393
EPS	21.04	12.73	12.20
Cash dividend per share	14.00	10.40	9.60
Cash dividend per share	13.80	10.20	9.40
Stock dividend per share	0.20	0.20	0.20
Income tax (Taiwan)	345,770	285,525	214,242
Income tax (Asia)	34,374	599	1,506
Income tax (Europe)	1,089	1,173	1,977
Income tax (USA)	3,806	(376)	26,870
Employee compensations and benefits	1,349,067	1,395,071	1,559,091
Community investment	4,000	3,000	4,000
Retained economic value (C)	2022	2023	2024
Retained earnings	4,791,798	4,727,670	4,914,506

Unit: NT\$100 (All figures are denominated in NT\$ thousand except for EPS and dividends, which are presented in NT\$)

Note: The final values of dividends per share, cash dividends per share, and stock dividends per share are subject to the resolution to be made in the 2025 shareholders' meeting.



2.2.2 Tax Governance

■ Tax Policy

The Group calculates current income tax based on the tax rates that have been enacted or substantively enacted by the balance sheet date in the countries where it operates and generates taxable income. Management regularly evaluates the status of income tax filing in accordance with applicable tax regulations and recognizes income tax liabilities based on the taxes expected to be paid to the tax authorities.

■ Tax Governance, Control and Risk Management

The board of directors serves as the Company's highest decision-making unit for the establishment of an effective tax risk management mechanism. It determines the overall tax governance policy to ensure the effective operation of the tax management mechanism based on the overall operating strategy and the business environment. The tax management unit is the Finance and Accounting Department. The Company and its subsidiaries report tax matters through a hierarchical management structure, and

the highest supervisor of the Finance and Accounting Department reports on relevant tax implementation status to the general manager on an ad hoc basis, depending on the materiality of the issue, to ensure the effective operation of the tax governance mechanism.

The Company's net profit before tax and income tax expense in 2024 declined compared with the previous year. This was because of the micro-environmental factors that affected the current period's profits, and that the income tax expense was affected by the additional tax amount of NT\$25,566 thousand on the retained earnings of 2022 recognized in 2023 and that the investment deduction amount in 2024 increased by approximately NT\$ 7,000 thousand compared with the previous period, resulting in a slightly lower effective tax rate in 2024 than in 2023. In addition, the Company's cash tax rate in 2024 went up compared with the 2023, mainly because the Company was exempted from filing the provisional declaration of corporate income tax for 2023 due to the epidemic.

■ Effective Tax Rate

Unit: NT\$1,000

	2023	2024	Average of the two periods
Net profit before tax (A)	1,431,088	1,349,139	1,390,114
Income tax (B)	286,921	244,595	265,758
Effective tax rate (B)/(A)	20.05%	18.13%	19.09%
Tax impact of reconciling items (D)	2,311	15,884	9,098
Temporary difference	2,311	15,884	9,098
Others	-	-	-
Adjusted income tax expense (E)= (B) + (D)	289,323	260,479	274,856
Adjusted effective tax rate (E)/ (A)	20.21%	19.31%	19.76%
Income tax paid (F)	215,395	449,572	332,484
Cash tax rate (F)/ (A)	15.05%	33.32%	24.19%



▪ Stakeholder Engagement and Management on Tax-related Matters

The Company actively engages with stakeholders through multiple channels and participates in tax-related initiatives to support the implementation of various new tax policies and jointly build a good tax environment. In cases where uncertainties arise regarding the application of tax regulations, we will proactively consult and discuss with tax authorities. When receiving letters from the tax authorities requesting information, we will fully cooperate and submit relevant documents and explanations.

▪ Country-by-Country Report

The Company and its subsidiaries shall handle all tax operations in the principles of integrity and prudence, fully understand and comply with the tax laws and regulations of the jurisdictions in which we operate. When interpreting tax laws and regulations, both the literal meaning and the legislative intent are taken into consideration to accurately calculate taxes and pay them within the prescribed period, thereby fulfilling our social responsibilities as a taxpayer. We do not establish tax structure intended to evade tax obligations. Tax planning is based on legitimate commercial purposes. We refrain from engaging in transactions that lack commercial substance and deliberately transferring profits to jurisdictions listed as non-cooperative or tax havens, as defined by OECD (Organization for Economic Cooperation and Development) and the European Commission for the purpose of tax avoidance.

2.3 Information Security Management

▪ Management Approaches of Material Topics

Information Security Management	
Policies and Commitments	The Company is dedicated to information security management and complies with ISO 27001 Information Security Management System and relevant laws and regulations to ensure security of business operations and customer information.
Grievance/ Remediation Mechanism	The Company has established a sound information security incident notification and remedial mechanism to ensure prompt response and handling 1. Monthly platform monitoring → The MDR monitoring mechanism and EDR operations are mainly responsible for handling alert notifications, and an email notification is automatically issued to inform relevant personnel. 2. Information security intelligence/risk notification process → Hinet notification. 3. Early warning/notification tools such as Risk Eye → Weekly Risk Eye reports on the information security. 4. Unscheduled information security inspections or health checks → Quarterly EDR Health Check Report by Stark Technology Inc. An information security response team is set up to respond and recover promptly in the event of an information incident. In addition, employees can report suspected cybersecurity risks through internal complaint channels, and a professional team will conduct risk assessment and carry out remedial measures to reduce the impact of the incident to the minimum.
2024 Targets and Performance	1. Ensure that no major cybersecurity incidents occur throughout the year and reach the goal of zero data leakage. 2. Carry out penetration testing every six months to improve system security. 3. Completed off-site backup drills to ensure that data recovery would take less than one hour. 4. Fully introduced Zero-Trust security architecture to strengthen internal and external security protection. 5. The participation rate of employee information security education reached 100%, improving information security awareness.



Medium- and Long-term Goals	1. Continue to strengthen information security defense mechanisms, introduce AI threat detection technology, and improve information security monitoring and risk response capabilities. 2. Strengthen supplier information security management to ensure all suppliers meet security standards and mitigate supplier-related risks. 3. Promote a strong internal information security culture, and make information security the core of daily operations. 4. Continue the implementation of zero-trust network architecture and SASE framework to ensure enterprise network security and stability.
Long-term Goals	1. Achieve 100% cybersecurity compliance at global operating locations and ensure that all locations comply with international standards such as ISO 27001. 2. Continue to optimize information security protection strategies and adopt emerging technologies (such as quantum encryption and AI-driven information security defense). 3. Establish automated information security monitoring and incident response mechanism to reduce manual operation risks and improve efficiency of incident handling. 4. Through the combination of information security and corporate sustainability to ensure the long-term security of corporate digital assets and customer data.

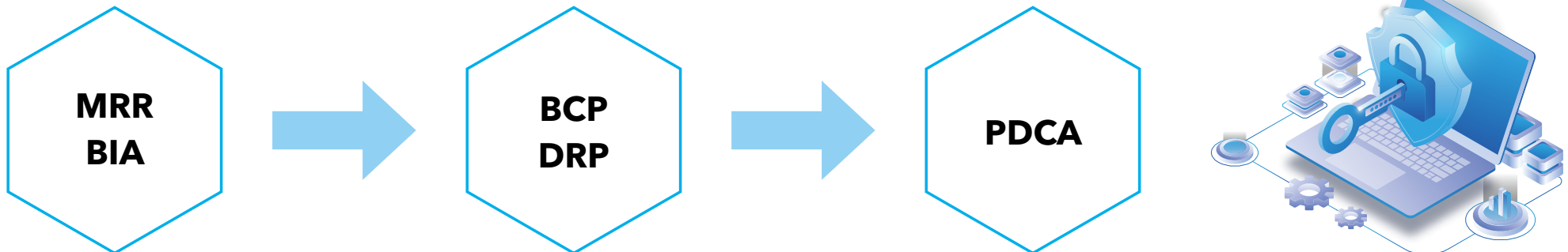
To ensure uninterrupted and comprehensive service for our clients, the Company has established a business continuity management (BCM) mechanism designed to maintain critical operations and enable a quick recovery in the event of natural disaster, information system failures, or man-made incidents, thereby minimizing the impact of disasters and the duration of operation interruption, protecting the rights and interests of clients and shareholders, reducing the impact of risks while increasing our competitiveness.

2.3.1 Information Security Management Mechanism

We carry out DR backup once every hour and conduct annual off-site backup drills. When our Xizhi Plant or Yilan Plant fails to continue production, the plant database can be transferred to the off-site plant within one hour to maintain the operation of the production line and keep accurate records.

To defend against ransomware attacks, we have built multiple defense lines for data protection, enhanced operational safeguards, and established robust offline backups to ensure operational data recoverability.

We entrust external experts (including information security audit organizations and cybersecurity risk assessment agencies) to perform company network and information security assessments on a regular basis and use the object findings of the assessments and the threat intelligence to conduct risk analysis and implement improvement measures to strengthen information security control.





The off-site backup drill for the core systems was carried out on January 15, 2025. The Data was transferred to the computer room of the Yilan Plant within one hour, and switched back to the Xizhi computer room after the drill ended. This is to ensure that at any time, when one of the plants cannot continue operation, data can be transferred within one hour to ensure the production is not interrupted.

In response to potential cybersecurity incidents resulting in online system failure, the Company conducted an off-line restoration drill on September 30, 2024 to ensure the recoverability of the offline backups and enhance system operational availability.

On June 13, 2024, we completed the penetration test drill, and the security strength test and simulated hacker intrusion were carried out on the selected target system to identify possible intrusion channels for hackers and improve the security of the external service platform.

In 2024, we introduced the zero-trust architecture to enhance internal network boundary security and implement a role-defined permission dynamic segmentation SASE framework, effectively enhancing the network operational resilience.

Based on the evaluation of industrial control security standards, in 2025, the Company plans to strengthen product cybersecurity robustness and improve the effectiveness of security throughout the product development process.

Overseas branches implement information security management measures in accordance with the Headquarters' information security regulations. For example, password complexity requirements, two-stage email verification, anti-virus software, firewall protection, etc., and third-party information security monitoring is also carried out.

2.3.2 Information Security Awareness and Education

To strengthen the Company's overall information security protection and enhance employee security awareness, the IT Department regularly compiles and distributes the Information Security Monthly Report to all employees, and the content includes security best practices, emerging threats warnings, and the latest vulnerability patch information. Through regular promotion and education, employees are informed about common cybersecurity risks, protection measures, and internal security policies, thereby reducing

the likelihood of security incidents.

Monthly information security awareness contents include:

- Promotion of cybersecurity protection concepts (e.g. avoiding the use of pirated software, strengthening password setting, preventing phishing attacks, and protecting sensitive data).
- Latest major security incidents and vulnerability patch notification (including high-risk vulnerabilities and mitigation updates released by major software and hardware vendors such as Microsoft, Google, and Adobe).
- Internal information security procedures and operational guidelines (e.g. automatic update mechanisms, software legitimacy check, sensitive data access isolation, equipment replacement planning, etc.)
- Specific information incident response measures and prevention suggestions

The IT Department also carries out regular checks and updates of the Company's information equipment based on major information security threats, assists employees in verifying the legality and security of external software, and pushes updates and patching processes once high-risk vulnerabilities are discovered to ensure the security of the Company's operating information.

Through continuous and regular cybersecurity awareness programs and knowledge updates, we can effectively enhance employees' security awareness and capabilities, and lay a solid foundation for the sustainable management of the enterprise. We will also continue to pay close attention to domestic and international cybersecurity trends, continuously optimize the governance mechanisms and actively implement a proactive "prevention over remediation" approach to strengthen the security of information assets.





2.4 Integrity Management

■ Management Approaches of Material Topics

Integrity Management	
Policies and Commitments	The Company upholds the core value of integrity management, and has established the "Procedures for Ethical Management and Guidelines for Conduct" and "Code of Ethical Conduct" in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" to ensure that all employees and relevant stakeholders of the Company abide by the highest ethical standards. The above regulations were reviewed by the management and signed off by the Chairman, showing the company's determination and commitment to implement integrity management practices from top to bottom.
Grievance/ Remediation Mechanism	To prevent misconduct and ensure internal transparency, the Company provides all internal and external stakeholders with anonymous reporting channels, including 1. Contact mail box (company website announcement) 2. Hotline (available to suppliers, clients and employees) 3. All cases are investigated by an independent internal audit unit to ensure the whistleblower's privacy and prevent retaliation. When the reported case is verified to be true, the violators will be punished in accordance with the Company's disciplinary measures, and legal action may be taken depending on the severity of the case.
2024 Targets and Performance	1. Strengthen the integrity management mechanism, and there were no corruption complaints throughout the year. 2. The completion rate of education and training on integrity management, anti-corruption policies and whistleblower mechanism reached 88.82%. 3. Continue to promote integrity advocacy, and the management level sets an example to convey a positive corporate culture. 4. In 2024, the Company did not have any cases of violations of anti-corruption, anti-monopoly, and anti-competitive practices.
Medium- and Long-term Goals	1. Set up a comprehensive integrity management supervision mechanism to ensure transparent corporate operations. 2. Strengthen supplier integrity management to ensure that all suppliers meet the company's integrity standards. 3. Continue to monitor and evaluate domestic and international regulatory trends to ensure the alignment of the company policies and the global best practices.
Long-term Goals	1. The company's integrity management culture is deeply rooted in all employees. 2. Establish a comprehensive risk assessment and early warning mechanism for integrity management operations to ensure stability and sustainability.

2.4.1 Integrity Management- The Highest Guiding Principle

Corporate ethics and social sustainability are increasingly valued internationally. For a company to operate in the long term, it must win the expectations and respect of the general public. Business ethics reflects the core culture of the company and is also the most basic disciplinary requirement that Innodisk requires of its employees.

The Company is dedicated to upholding business ethics and taking integrity as the highest guiding principle. All employees are required to adhere to the highest standards of integrity. Any form of corruption, extortion, bribery, or embezzlement is strictly prohibited. Since 2012, we have followed the Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies and formulated the "Procedures for Ethical Management and Guidelines for Conduct" and "Code of Ethical Conduct". We continue to strengthen employee education and training and enhance their understanding of relevant laws and regulations through legal briefings and case study sharing. At the same time, the relevant regulations will be updated and revised according to changes in laws and regulations as well as social trends, and will be announced and implemented upon approval by the board of directors. As of 2024, the Company has not been involved in any litigation or legal actions related to anti-competitive behavior, antitrust, and monopoly regulations.



2.4.2 Prevention of Corruption and Fraudulent Conduct

Innodisk is a listed company, and in addition to the compliance with general corporate and tax regulations, we are also subject to Securities and Exchange Act and corporate governance requirements. In view of this, we not only strengthen legal compliance awareness among managers and employees through training programs and internal meetings, but also enforce internal control and audit mechanism to effectively prevent misconduct.

▪ Whistleblower Mechanism

As prescribed in the "Procedures for Ethical Management and Guidelines for Conduct" and "Code of Ethical Conduct", the Company has set up an anonymous complaint mailbox and announced it on our official website for employees, suppliers, clients, and other stakeholders to report incidents involving human rights or ethical management issues. After receiving the report, we will clarify relevant evidence of the report while protecting the identity of the reporter and content, and take appropriate measures depending on the severity of the case. Throughout the process, whistleblowers and employees involved in investigations will be protected from unfair retaliation or mistreatment. We ensure a safe and confidential environment where individuals can freely express concerns, effectively preventing favoritism, misconduct, and false accusations.

▪ Promotion and Education

To ensure that employees have a clear understanding of the company's integrity management, anti-corruption policies and whistleblower mechanism, all employees in Taiwan have been arranged to participate in online/physical education and training courses since 2022. To ensure accurate understanding of the policy content during the communication, we not only provide video or on-site explanations but also design relevant questions to examine that every employee's understanding and consistency with company policies. In 2024, we continued to offer online courses, and trained a total of 161 employees who had not completed their training in 2023 and new hires in 2024, of which 143 completed the training, with a completion rate of 88.82%.

As of the end of 2024, 829 out of 842 people in Taiwan completed the training, with a completion rate of 98.45%. We will continue to offer online courses for those who have not completed the training as well as the new employees who will join the Company in the following year.



Item	Total number of trainees at the end of the year	Number of trainees completing the training	Completion rate
Entry-level employees	717	707	98.61%
Assistant manager level	94	92	97.87%
Associate general manager level	21	20	95.24%
Vice president level and higher	10	10	100.00%

* Considering the differences in local laws, no overseas anti-corruption training was conducted in 2024. Relevant measures are still under evaluation.

▪ Cases and Handling

There were no corruption complaints in 2024.

Corruption Complaints
Number of Cases

0



2.5 Supplier Management

Management Approaches of Material Topics

Supplier Management	
Policies and Commitments	The Company is committed to establishing responsible supplier management to ensure that suppliers comply with international standards in the aspects of environmental protection, labor rights, occupational safety and business ethics.
Grievance/ Remediation Mechanism	To ensure the transparency and fairness of supplier management, the Company has established a supplier complaint and remedy mechanism. Suppliers and stakeholders can make use of the following channels. 1. Contact mailbox 2. Internal audit and complaint investigation unit, which is responsible for handling supplier-related violations If the complaint is verified through investigation, the Company will require the supplier to take corrective action. In serious cases, the supplier's qualification may be revoked to ensure compliance with standards of integrity and sustainability.
2024 Targets and Performance	1. The signing rate of the supplier code of conduct for sustainable development reached 100%, ensuring that suppliers operate responsibly. 2. As of the end of 2024, the supplier evaluation covered 109 suppliers in the aspects of environmental protection, labor rights, occupational safety and health, and so on. 3. The completion rate of supplier improvement plan reached 100%, and suppliers classified as Level C in the evaluation were coached and improved. 4. The proportion of procurement from local suppliers was 95.21%, reducing carbon footprint of suppliers.
Medium- and Long-term Goals	1. Establish a supplier sustainability evaluation mechanism to regularly review supplier performance in ESG (Environmental, Social, and Governance) aspects 2. Strengthen supplier risk management mechanisms to ensure resilience in the face of climate change and market fluctuations. 3. Import a digital supplier management platform to enhance supplier transparency and the real-time monitoring capability
Long-term Goals	1. Establish global supplier green procurement standards to ensure that all suppliers meet environmental protection and carbon reduction goals. 2. Improve suppliers' ESG performance and ensure that over 80% of suppliers pass international sustainability certification (e.g. ISO 14001, Iso 45001). 3. Achieve carbon neutrality for suppliers and require major suppliers to submit carbon neutrality plans by 2030. 4. Strengthen intelligent supplier management through AI and big data technologies to improve efficiency and risk early warning capabilities. 5. Establish long-term partnerships with suppliers to jointly respond to market changes and sustainability challenges.

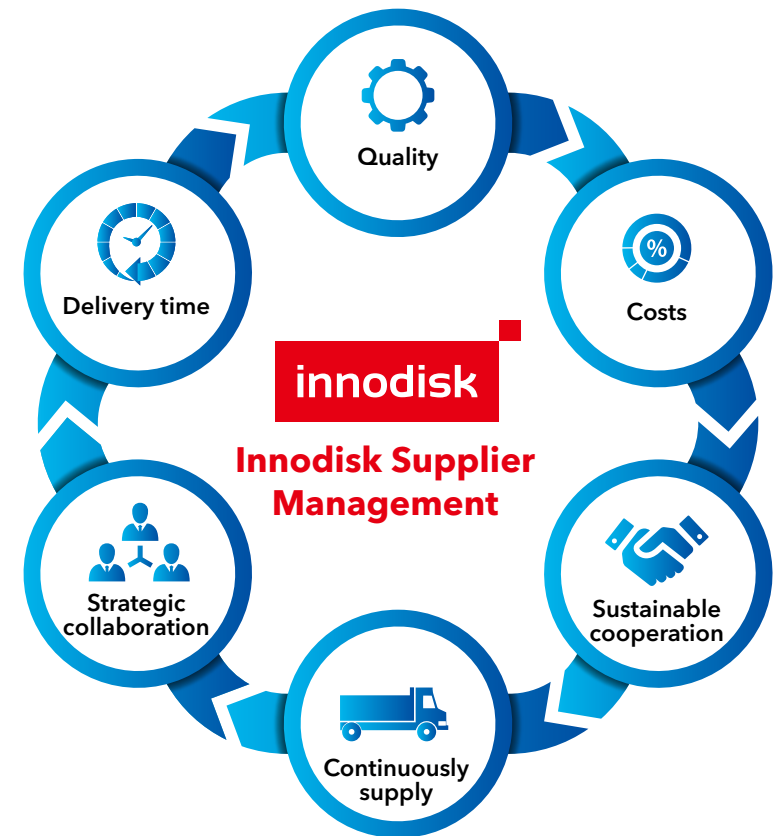




Since its establishment, our company has been based in Taiwan and looking to the world as its basic business strategy, and the same applies to its procurement policy. To cope with the small and diverse characteristics of industrial products, we set up Taiwan as our production base, with a diversified product portfolio and a flexible production strategy to meet the diverse needs of global customers. For this reason, priority is given to manufacturers registered in Taiwan when we select suppliers.

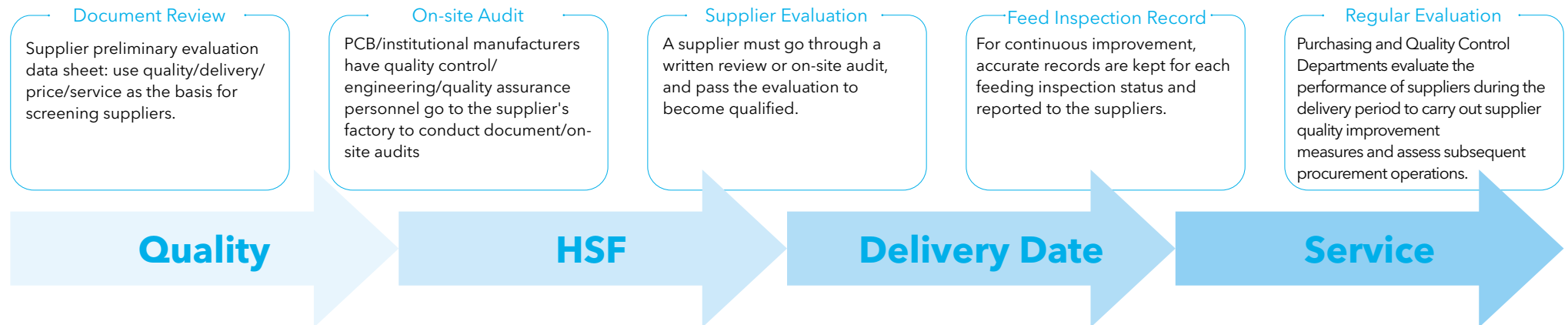
After 20 years of growth and development, Innodisk has reached the scale of a global manufacturer. In line with this expansion, we have made significant adjustments to our supplier selection process to meet the stringent requirement of many international clients.

In addition to the original emphasis on product quality, cost competitiveness, stable delivery and technical services, we have also begun to require suppliers to meet requirements in the aspects of labor rights, environmental protection, and health and safety risk management. We have adopted many approaches to help suppliers improve their management level, aiming to reduce operational risks and costs for both our company and our suppliers and achieve a mutually beneficial and long-term partnership. All Innodisk's suppliers are selected in accordance with our Supplier Management Procedures, which requires full compliance with all relevant laws and regulations in Taiwan or the country of registration while operating the company's business. In addition, suppliers are specifically required to place strong emphasis on ESG sustainability, business ethics, labor rights, working environment, occupational safety and health, etc.





2.5.1 Supplier Management Process



In addition to evaluating the quality, cost, delivery, service, and technical capabilities of suppliers, Innodisk's procurement management is based on green suppliers and evaluates suppliers based on the following basic principles:

- Innodisk requires its suppliers to fully comply with relevant local laws and regulations and define their risk management/control mechanisms.
- Innodisk's suppliers shall establish management systems for the environment, occupational health and safety, and non-hazardous substances.
- Suppliers must promise and guarantee that their products "do not contain prohibited substances for environmental management" and provide the following information:
 - Testing and reporting of environmentally regulated substances in products;
 - Identification and collection of material and component composition data;
 - Collection of toxicity and restriction information (Safety Data Sheet) for relevant chemical substances;
 - Signing the Declaration of Non-use of Hazardous Substances

2.5.2 Supplier Composition

As mentioned above, to meet the diverse needs of global customers, Innodisk has a wide range of products. Therefore, we also need numerous suppliers to help us deliver a wide variety of products. In 2024, a total of 188 suppliers transacted with Innodisk. Our suppliers are quite diverse, including internationally renowned electronic component manufacturers and local manufacturers providing special customized production services. Procurement targets are primarily categorized based on their relevance to the production materials, distinguishing between manufacturers and distributors of such materials.





■ In terms of amount, distributors accounted for 82.42% while manufacturers accounted for 17.58%.

	Proportion of purchase amount in 2023	Proportion of purchase amount in 2024
Distributors	85.24%	82.42%
Manufacturers	14.76%	17.58%

■ Local Procurement Policy

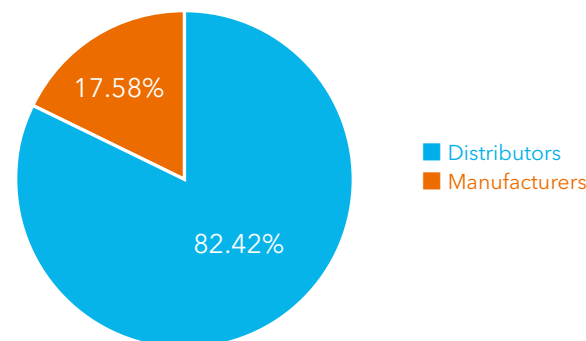
Innodisk has always been dedicated to the principle of being based in Taiwan and looking at the world, hoping to contribute to the local economy and employment. In addition, to reduce GHG emissions generated during production and transportation, priority is always given to local manufacturers when selecting suppliers. In terms of the number, there are 179 suppliers registered in Taiwan, accounting for 95.21%.

	Proportion of suppliers in 2023	Proportion of suppliers in 2024	In comparison with the previous year
Domestic suppliers	93.90%	95.21%	+1.4%
Foreign suppliers	6.10%	4.79%	-21.5 %

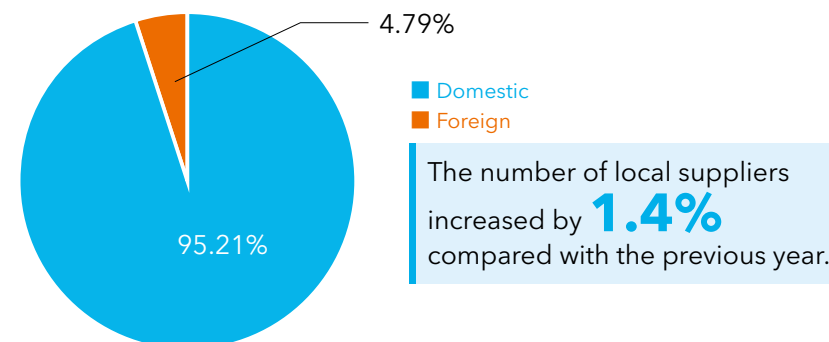
■ Proportion of purchase amount from domestic and foreign suppliers

	Proportion of purchase amount in 2023	Proportion of purchase amount in 2024
Domestic suppliers	91.19%	89.79%
Foreign suppliers	8.81%	10.21%

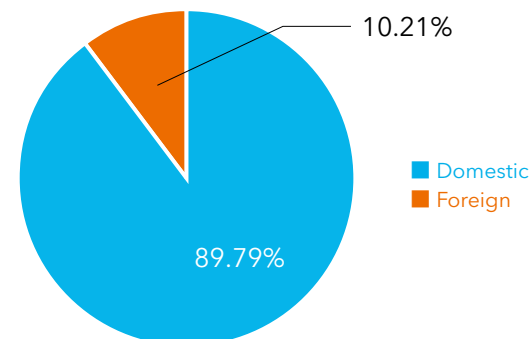
■ Proportion of purchase amount of distributors and manufacturers in 2024



■ Percentage of local suppliers in 2024



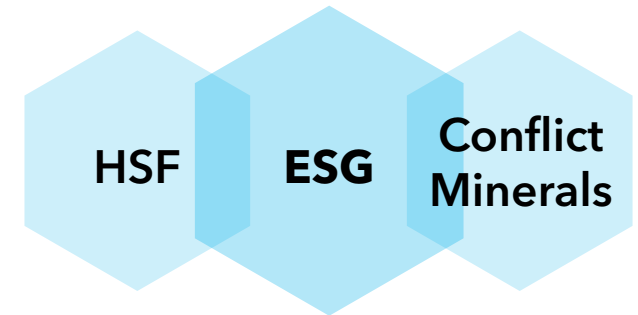
■ Proportion of purchase amount from domestic and foreign suppliers in 2024





2.5.3 Supplier Social Responsibility Audit and Guidance

- The Company has established a Supplier Management Procedure that integrates the RBA (Responsible Business Alliance) Code of Conduct into its supplier management system. Audits and guidance are conducted for suppliers on key aspects of human rights, environment, safety, health and management systems to grasp their implementation and compliance in EHS-related aspects.
- Please refer to RBA official website at <https://www.responsiblebusiness.org> for the latest relevant requirements.
- Innodisk has established the Supplier Code of Conduct for Sustainable Development for suppliers to follow in terms of sustainable development. This Code of Conduct is formulated to protect human rights, promote fair employment conditions and a safe working environment, and establish ethical standards for responsible management of environmental issues. Aside from spot suppliers and miscellaneous suppliers, the proportion of signed suppliers reached 100% in 2024. The Company will continue communication with its suppliers to jointly implement corporate sustainable development.



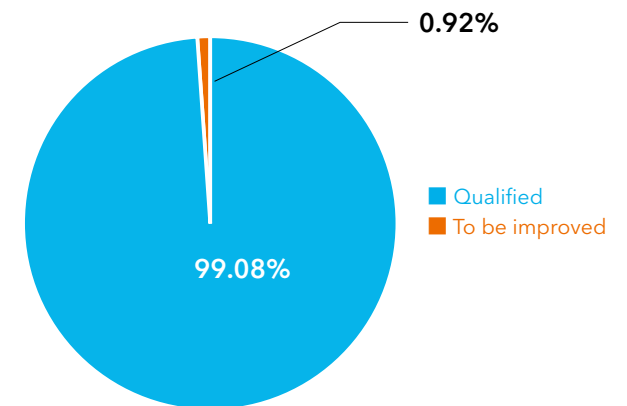
2.5.4 Supplier Evaluation

The Company has established rigorous supplier screening standards and audit management systems to ensure that suppliers meet the Company's standards. The selection of new suppliers must begin with an initial on-site audit by the Quality Assurance (QA) Department or the completion of a supplier self-assessment. Only upon passing this stage will the responsible internal department proceed with further evaluation.

In addition to the strict initial screening, we also conduct annual written reviews or on-site audits on key suppliers every six months. We will increase purchase volume from suppliers with excellent performance and passing various audits as needed and develop long-term partnership with them. Although suppliers classified as Level C are considered qualified suppliers, they still need to provide an improvement plan. Among all the 109 suppliers included in the evaluation in 2024, only one needed to submit an improvement plan.

2None of the suppliers evaluated in 2024 had any major violations, so no supplier relationships were terminated.

2024 supplier evaluation



	Proportion of suppliers in 2023	Proportion of suppliers in 2024	In comparison with the previous year
Qualified	93.90%	99.08%	+5.5%
To be improved	6.10%	0.92%	-84.9 %

The proportion of qualified suppliers increased by **5.5%** compared



2.5.5 Supplier Risk Management

To ensure the continuous and stable supply of all raw materials, we proactively introduced alternative materials. We aim to secure two or more suppliers for each material. For specialized or non-substitutable materials with only a single qualified supplier, we will establish a long-term supply agreement through negotiation to ensure continuity.

According to the supplier's quality assurance contract, suppliers shall notify Innodisk six months in advance if there is a change in the material production process or if the material is planned to be discontinued. Innodisk will be entitled to the final purchase decision rights to ensure smooth material conversion.

To prevent suppliers from being unable to deliver on time due to tight production capacity or other unexpected situations, we have also established stocking principles. Generally, for most of the raw materials, Innodisk will ensure an inventory sufficient for 3 months of production and there are 1 month of outstanding orders to ensure smooth scheduling.

■ Ethical Code of Conduct for Procurement and Suppliers

To avoid fraud between personnel and suppliers, Innodisk rotates its procurement personnel on a regular basis. It is strictly prohibited for procurement personnel to accept monetary or material benefits from suppliers. In addition, meals or gatherings with suppliers are not allowed without prior approval from supervisors.

To ensure the confidentiality of all procurement information, it is stipulated in the Supplier Quality Assurance Agreement that suppliers shall not disclose any details regarding purchased materials, including part numbers, pricing, or quantities, to any third party or individual.



03

Environmental Governance

3.1 Environmental Policy

3.2 Hazardous Substances Policy

3.3 Energy Management

3.4 Waste Management

3.5 Water Stewardship

3.6 Air Pollution Management

Environmental Feature: Biodiversity Initiatives Series

Annual Performance Highlights

- In 2024, the proportion of renewable energy utilization reached **23.1**%.
- In 2024, the solar PV module power generation system in Yilan Plant generated **30989.2** kWh of electricity in total.
- In 2024, we participated in a bidding process at the National Renewable Energy Certification Center and obtained **145,000** kWh of solar power generation certificate and purchased **119,054.2** kWh of T-REC (Taiwan Renewable Energy Certificate).
- In 2024, the results of the HSF customer satisfaction survey was **4.8** points.
- Organized a series of biodiversity activities in 2024.



3.1 Environmental Policy

■ ISO 14001 Environmental Management System Certification

Since its establishment, Innodisk has been focusing on product R&D in the industrial control field. In addition to striving to become a leading manufacturer in the field, we also consider environmental protection the most important corporate responsibility. To ensure that our operations align with global environmental protection trends, we introduced ISO 14001 Environmental Management System in 2012, and successfully passed the certification in the same year, demonstrating our commitment to continuous improvement, protection of the Earth, and support for sustainable development.

To further reduce the environmental impact of our operations, the Company carries out regular GHG inventories every year to seek opportunities for energy conservation and improvement at all levels of energy use, and ensure that proper measures are taken to reduce carbon emissions. Our ultimate goal is to achieve net-zero emissions, and we will continue to optimize energy use and promote low-carbon operations.

Although Innodisk is not currently subject to direct air pollution regulations, we proactively manage and monitor air quality to avoid adverse environmental impact. We regularly engage certified contractors to conduct perimeter environmental testing and monitor air pollutants, ensuring that the concentrations remain well below local regulatory standards.

In addition, we will make prompt adjustment of our operations based on the results and strengthen internal environmental management measures to promote air pollution control. By implementing these management measures, we pledge to enhance air quality, protect the well-being of the employees and the general public, and remain dedicated to reaching comprehensive environmental sustainability.





■ We have long promoted the following energy-saving and carbon reduction measures among our employees for energy conservation.

- Confirmation of the current flow at each power consumption location at the end of each month to ensure safety
- The in-plant air conditioners were connected in parallel to reduce the number of chiller units in operation.

- Replacement of outdated equipment with products with energy saving label
- Started the purchase of Taipower's Renewable Energy Certificate (REC)

- Complete adoption of LED lighting throughout the facilities

- Digitalization of document seal application forms
- Procurement of renewable energy certificates (RECs)

- Procurement of renewable energy certificates (RECs)
- Installation of a solar PV power generation system at Yilan Plant
- Digitalization of the Four Major Projects Questionnaires and incident reporting forms

2014**2015****2016****2018****2019****2020****2021****2022****2023****2024**

- Turning off the main power supply during consecutive holidays to reduce standby power consumption
- Regular inspections of distribution panels to ensure optimal electricity efficiency

- Yilan plant was certified with EEWL Silver Grade.
- LED-type fire alarm indicators were used.

- Digitalization of fixed asset transfer forms

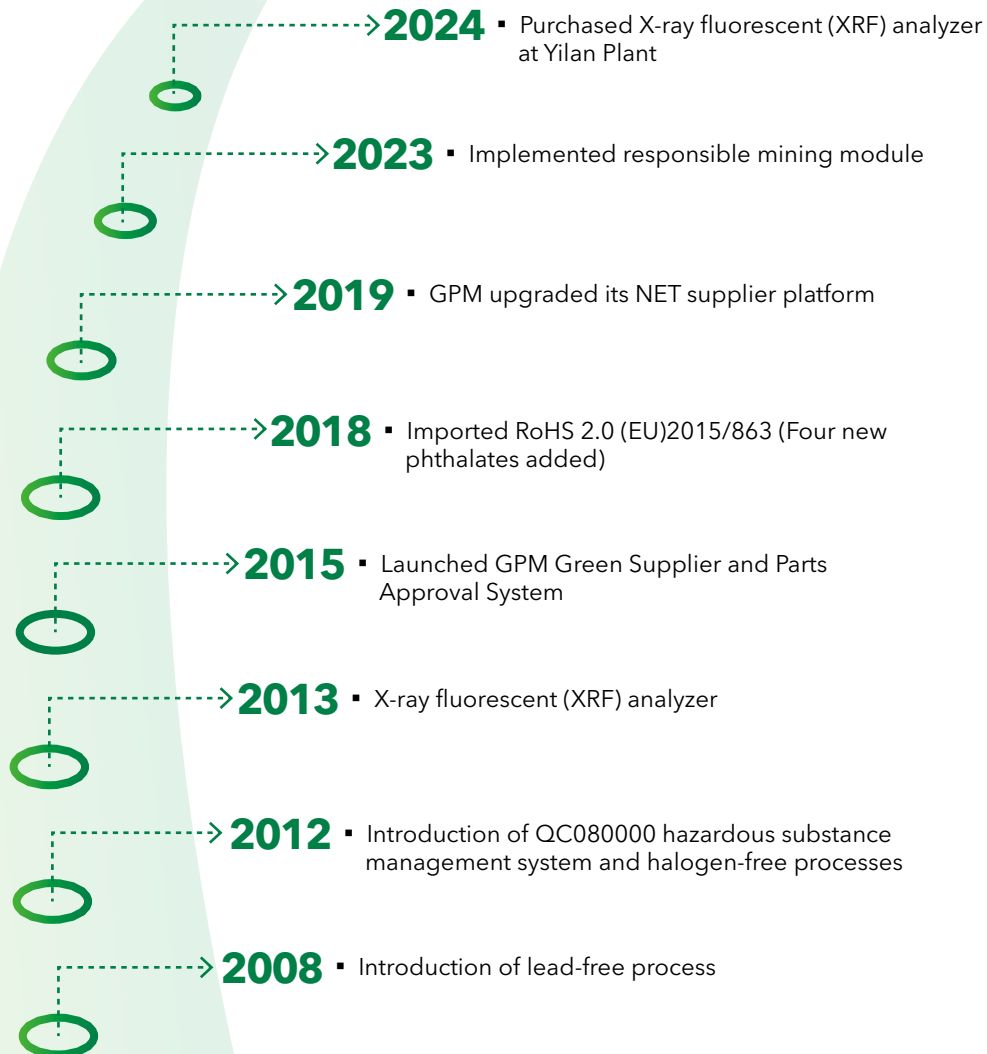
- Procurement of renewable energy certificates (RECs)
- Timed control of chiller units
- Nighttime and holiday sleep mode for water dispensers

- Procurement of renewable energy certificates (RECs)
- Solar PV power generation at Yilan Plant I
- Outsourced the solar PV system construction at Yilan Plant II
- Digitalization of change control forms
- Optimization of piping for parallel operation of chiller units
- The R&D Office transitioned to energy-saving LED fixtures.
- Workstation lighting in the factory was replaced by LED fixtures.
- Hsinchu Office upgraded lights to energy-saving LED fixtures.
- Reusable cups for visitors



3.2 Hazardous Substances Policy

■ Important Milestones



3.2.1 Green Supplier Management



Supplier Evaluation

We have established evaluation criteria and conducted document review and on-site audits of suppliers. Suppliers are evaluated every six months and are required to meet green project requirements. At the same time, we continue to carry out on-site audits of suppliers and require improvements. Through systematic operations and management, high-quality and excellent products can be ensured for Innodisk's customers.



Mineral Approval Management (GPM NET)

We have built a systematic database-assisted management system based on the disclosure of material source information. We require suppliers to provide safety data sheets (SDS), hazardous substance test reports, disclose material compositions, and perform green material declarations. Through this system platform review and process communication, the efficiency of material approval can be improved, and product environmental material information can be effectively used.



Product Control Specifications

Establish HSF product operation standards, including control standards for banned/restricted substances and regulated substances, as well as disclosure requirements for substances of future concern, as a direction to follow for green products and purchased materials.

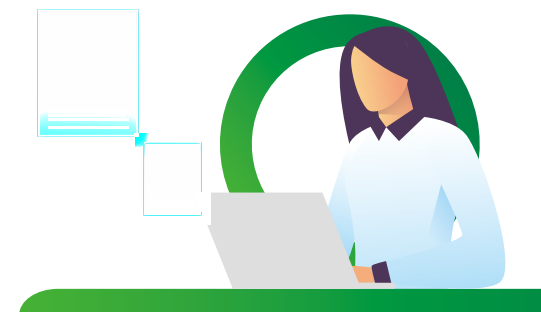


Communication

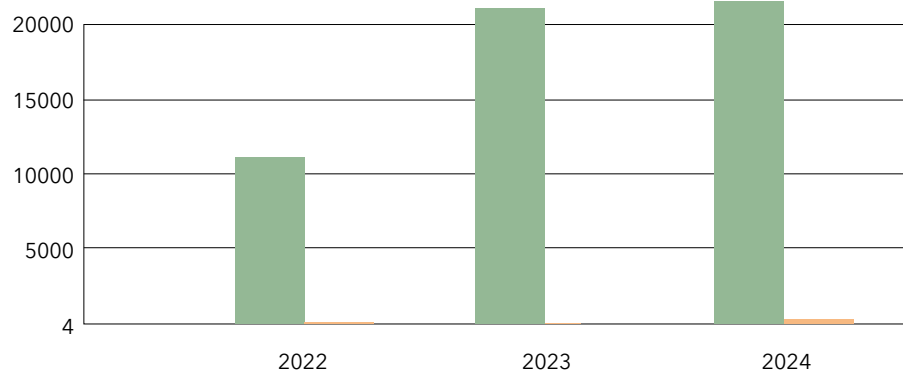
In addition to regular close communication through system platforms, phone calls, and correspondence, Innodisk holds supplier conferences, inviting key supplier partners to attend. At these conferences, we announce future goals and requirements, including green products and corporate sustainability, allowing suppliers to understand Innodisk's strategic direction and be fully prepared to support and cooperate in the next phase.



Effective Monitoring



Non-conformity Statistics



Total incoming quantity	11136	21095	21580
Count of NG parts identified in XRF inspection	2	0	7
Non-conformance rate	0.018%	0.000%	0.032%

Total Number of Non-Conforming Items by Category (2022-2024)

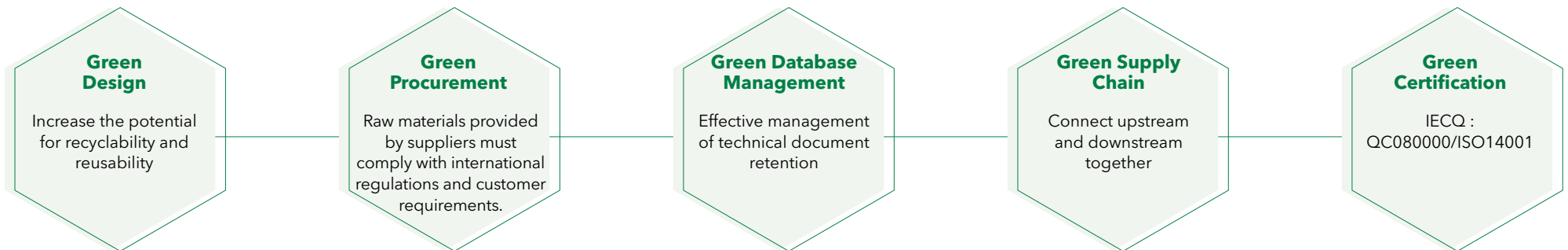
Part Category	Quantity	Non-conformance Item
CF CARD FRAME	1	bromine (Br) exceeds the standard
PIN HEADER	6	Total bromine (Br) exceeds the standard
Hexagonal copper pillar	1	Total lead (Pb) exceeds the standard
WIRE TO BOARD	1	Total bromine (Br) exceeds the standard
Mini Jumper	1	Total bromine (Br) exceeds the standard
Fan assembly	1	Total bromine (Br) exceeds the standard
PCIe Gen 4	1	Total bromine (Br) exceeds the standard



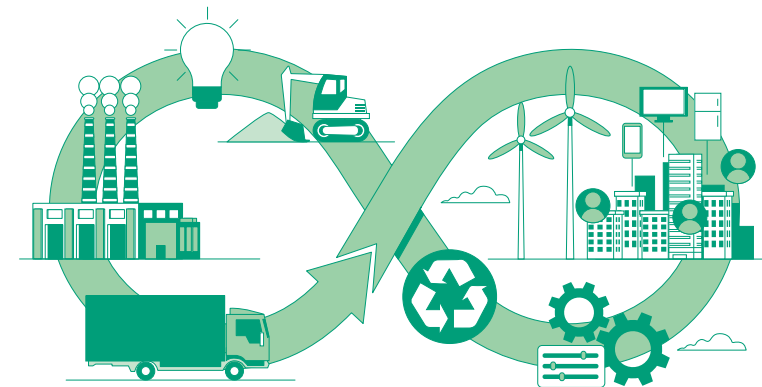
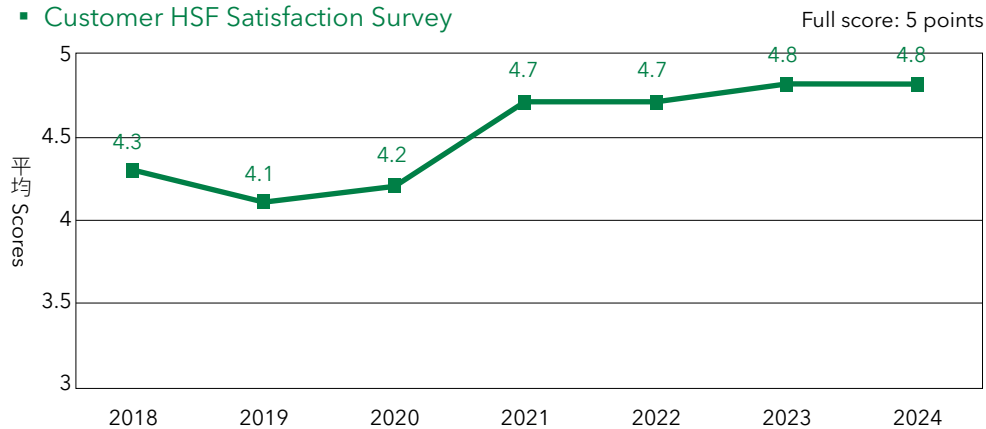
■ Implementation of Regulatory Compliance



3.2.2 Green Products



■ Customer HSF Satisfaction Survey





■ Establishment of a Green Product Management System

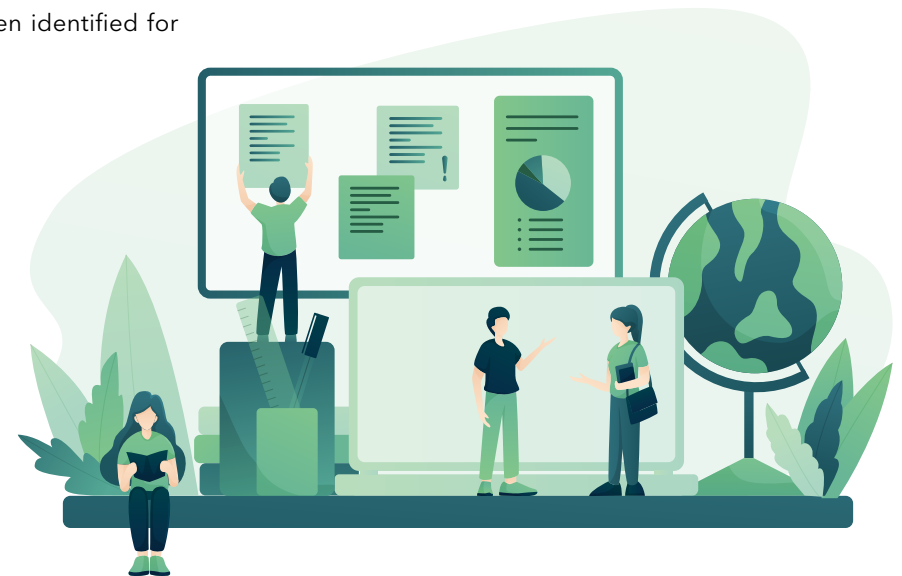
Innodisk has established a Hazardous Substance Free (HSF) Management System and introduced the GPM (Green Product Management) platform that integrates materials, international laws and regulations, customer specifications, and suppliers. Suppliers directly declare green product testing, regulatory status, and drawing specifications, etc., on GPM, and upon completion of the review and analytical verification by Innodisk's audit team, the degree of compliance with the green product specifications will be confirmed. Consequently, by adopting the green design principles of leading international manufacturers, the Company can externally provide clients with enhanced information on green product management, while internally integrating customer-specific green requirements and environmental product criteria into the existing operational management systems, serving as a reference for the Company's daily green product design.

Through the GPM platform, supplier management can be carried out more efficiently. By selecting capable suppliers capable of continuously delivering specification-compliant electronic and mechanical components, the Company ensures the production of eco-friendly products and enhance customer satisfaction and trust on a global scale. For the management of hazardous substances in products, the Company has formulated the HSF Product Operational Standard, aligning with key international regulations such as the EU RoHS Directive, Halogen-Free specifications, REACH (Registration, Evaluation, Authorization and restriction of Chemicals), and Packaging and the Directive of Packaging and Packaging Waste (PPW). This framework ensures that materials and components meet both regulatory and customer environmental expectations. Through stringent control from R&D and design to supplier management, suppliers are required to phase out or prohibit listed hazardous substances, thereby reducing environmental pollution and health risks associated with electronic waste. In 2024, the Company did not have records of penalties or fines related to the provision or use of its products in violation of applicable laws and regulations.

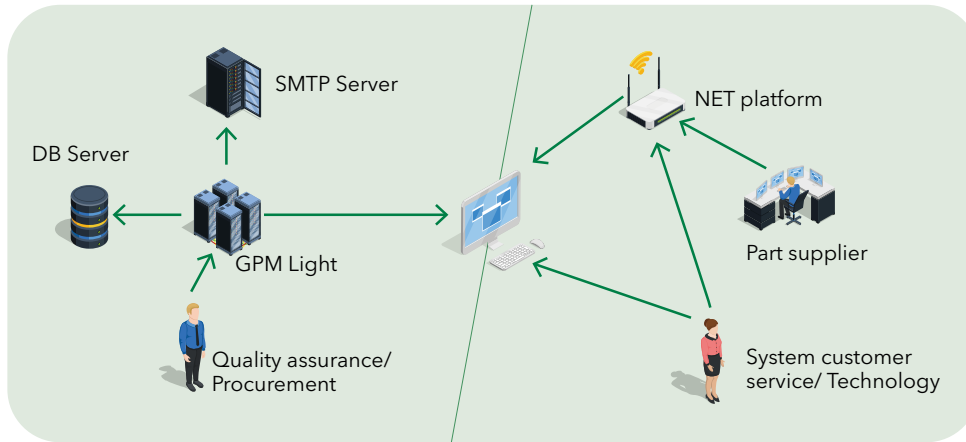
Problems/Challenges: PU foam has been replaced with EPE foam as a recyclable alternative. However, the electrostatic bags made of composite materials have moisture resistance through lamination, replacing them with recyclable alternatives such as eco-friendly bubble wrap or PE bags can still provide cushioning protection, but would lack moisture barrier functionality. Therefore, no suitable recyclable substance has yet been identified for applications requiring moisture resistance.

■ Green Supply Chain and Parts Approval System

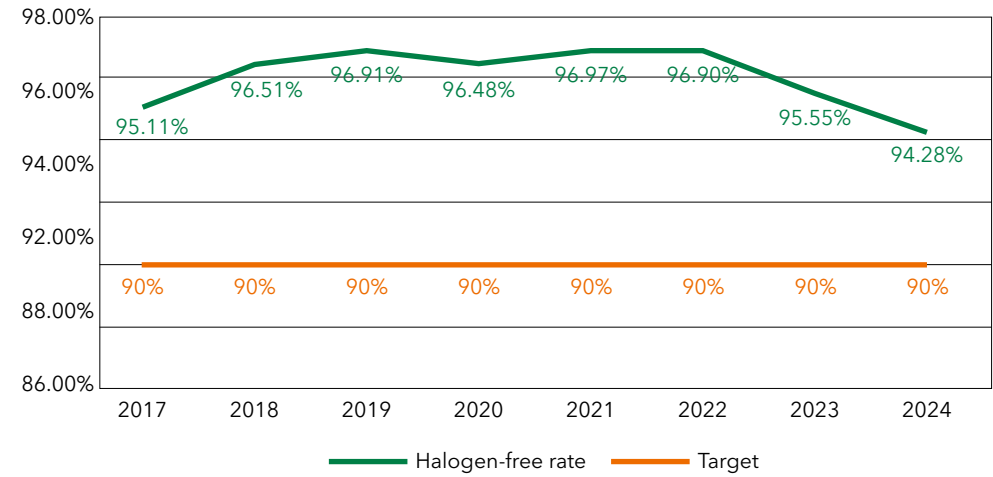
After the introduction of GMP at the end of 2015, the original documents for part approval and green supply chain management process have been changed from both paper and digital files to digital files only, which not only reduces paper waste but also provides an interactive platform. We've been dedicated to customizing and optimizing the system processes by separating the component specification review from the green documentation verification, and optimizing the restart time after rejection.



- In 2019, GMP was upgraded to the NET Supplier Platform to be integrated with the cloud system.



- Ongoing monitoring of halogen-free materials



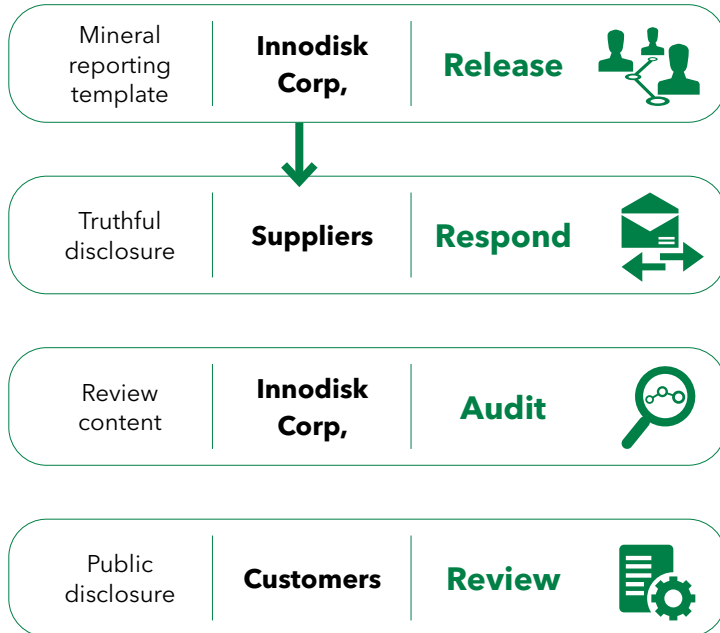
3.2.3 Responsible Minerals Policy

- The proceeds from the illegal trade of tantalum, tin, tungsten, and gold (3TG) in the Democratic Republic of the Congo and its neighboring countries have become a source of funding for local armed groups, which are closely linked to severe human rights violations. These minerals are referred to as conflict minerals, and they have entered many consumer products, including electronics, through the global supply chains. Mining is an intensive process that involves significant social and environmental risks, which must be properly managed. The metals involved are not limited to 3TG and the Democratic Republic of the Congo.
- Following 3TG, increasing attention has been given to unsafe working conditions and child labor in the artisanal mining of cobalt and mica.
- As a member of the supply chain, the Company has the responsibility to conduct due diligence. We communicate our stance against the use of conflict minerals through the official website and quality agreements with suppliers. By implementing conflict minerals surveys and related measures, we aim to collaborate with our suppliers in advancing sustainable development, complying with international standards, and ensuring that our products are free of conflict minerals.
- Problems/Challenges: Currently, there lacks a systematic and efficient mechanism for regular publication, investigation, and tracking of responsible mineral templates.

investigation module in 2024 and issued the investigation to competent suppliers.



Responsible Minerals Management Process



3.3 Energy Management

Energy-Saving Strategies and Measures

Energy consumption is one of the main contributors to climate change. The Company regards energy management as a core element of our climate change mitigation strategy and is committed to moving toward a low-carbon transition through efficient energy use. To improve energy efficiency and reduce carbon emissions, the Company has carried out various energy-saving projects, including equipment optimization and lighting system upgrades.

1. Optimization of central air conditioning: A timing control system for chiller units was introduced into the Xizhi Plant. This system combines flow and time management to automatically reduce the equipment load at night or during off-hours. Management efficiency is enhanced through a newly installed remote monitoring system. In addition, we have implemented a chiller parallel piping system to further improve the overall system efficiency.
2. LED lighting upgrade: All traditional lighting in the plants and office areas has been replaced with high-efficiency LED fixtures. This not only improves lighting quality in the workplace but also significantly reduces electricity consumption and carbon emissions, demonstrating the Company's commitment to energy conservation and green operations.

Energy Performance and Management Goals

We have set an annual target to reduce electricity consumption by 1% and is continuously tracking energy usage at each site:

1. Xizhi Plant: Benefited from the promotion of energy-saving practices, the overall electricity consumption decreased by 20.21% compared with the previous year, showing significant effects.
2. Yilan Plant: Due to the commissioning of the new Yilan Plant II, the overall electricity consumption increased by 3.29% compared with the previous year. However, if the new plant factor is excluded, the energy-saving results of each unit were still in line with the expected goals.

Through continuous energy management and equipment upgrades, we are steadily advancing energy consumption, reducing GHG emissions, and simultaneously enhancing operational efficiency and resilience, laying a solid foundation for sustainable development.



Electricity Consumption Statistics Over the Past Three Years

Xizhi Plant			
Year	Purchased electricity (kWh)	CO ₂ emissions (kg CO ₂ e/kWh)	Energy consumption (Unit: million joules)
2022	3,094,681.5900	1,575,192.9293	11,140,853.7240
2023	2,616,021.3730	1,292,314.5583	9,417,676.9428
2024	2,087,270.6781	1,031,111.7150	7,514,174.4412

Yilan Plant			
Year	Purchased electricity (kWh)	CO ₂ emissions (kg CO ₂ e/kWh)	Energy consumption (Unit: million joules)
2022	3,937,600.0000	2,004,238.4000	14,175,360.0000
2023	4,273,360.0000	2,111,039.8400	15,384,096.0000
2024	5,029,040.0000	2,484,345.7600	18,104,544.0000

Notes: 1. In 2022, carbon emissions per kilowatt-hour of electricity were calculated as 0.509 kg CO₂.
 2. In 2023, carbon emissions per kilowatt-hour of electricity were calculated as 0.494 kg of CO₂.
 3. In 2024, carbon emissions per kilowatt-hour of electricity were calculated as 0.494 kg of CO₂.
 4. Calculation of energy consumption: 1 kWh = 3.6 million joules.

Xizhi Plant and Yilan Plant			
Year	Purchased electricity (kWh)	CO ₂ emissions (kg CO ₂ e/kWh)	Energy consumption (Unit: million joules)
2022	7,032,281.5906	3,579,431.3296	25,316,213.7262
2023	6,889,381.3728	3,403,354.3982	24,801,772.9421
2024	7,116,310.6781	3,515,457.4750	25,618,718.4412

Note: 1. In 2022, carbon emissions per kilowatt-hour of electricity were calculated as 0.509 kg CO₂.
 2. In 2023, carbon emissions per kilowatt-hour of electricity were calculated as 0.494 kg of CO₂.
 3. In 2024, carbon emissions per kilowatt-hour of electricity were calculated as 0.494 kg of CO₂.
 4. Calculation of energy consumption: one kWh = 3.6 million joules.





Statistics of Non-renewable Energy Consumption Over the Past Three Years

Year	Type of oil	Fuel consumption from January to December (Unit: liters)	Energy consumption (Unit: million joules)
2022	Gasoline	729.1600	25,626.7657
	Diesel	6045.3700	197,291.8590
	Total	6774.5300	222,918.6247
2023	Gasoline	759.4900	26,692.7317
	Diesel	5870.9500	191,599.6274
	Total	6630.4400	218,292.3592
2024	Gasoline	1149.0370	40,383.5948
	Diesel	5745.9700	187,520.8801
	Total	6895.0070	227,904.4749

Notes: 1. One liter of gasoline= 35,145.6 kilojoules.

2. One liter of diesel= 32,635.2 kilojoules.

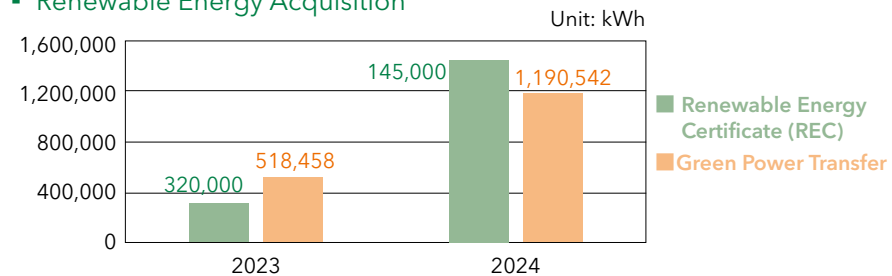
Innodisk actively supports and responds to the government's green energy policy, continuously introducing and expanding the use of renewable energy. We gradually increase the proportion of solar energy generated for self-use, reducing our dependence on traditional fossil fuel electricity, thereby achieving the goal of reducing GHG emissions.



Renewable Energy Usage Results and Green Electricity Acquisition

In 2024, Innodisk continued to participate in bidding at the National Renewable Energy Certification Center, securing 145,000 kWh of solar power certificates and purchasing 1,190,542 kWh of renewable energy through T-REC, for a total of 1,335,542 kWh of renewable energy. According to the 2023 electricity carbon emission coefficient (0.494 kg/CO₂e) announced by the Energy Administration, this use of renewable energy is equivalent to reducing carbon emissions by 659.758 kg CO₂e, effectively supporting the Company's GHG reduction efforts.

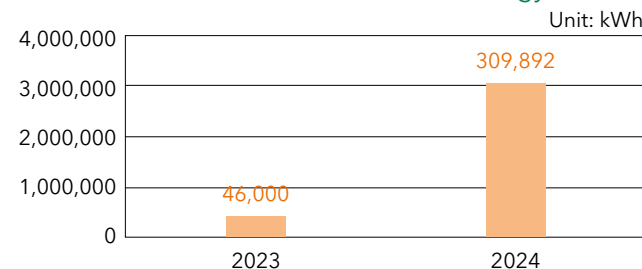
Renewable Energy Acquisition

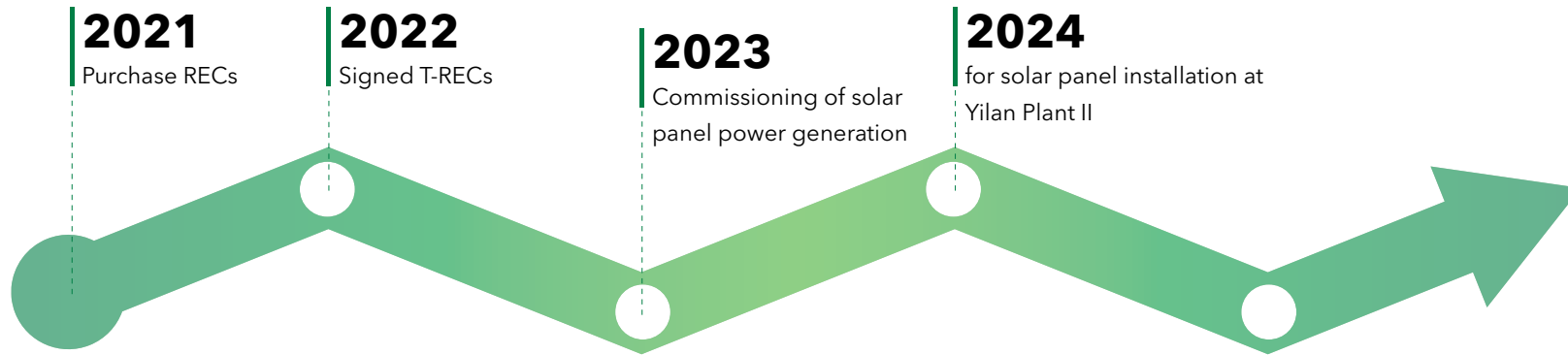


Promotion Progress of Solar Self-generation and Self-use Facilities

In addition to purchasing green electricity, Innodisk is committed to increasing the proportion of solar energy generated and consumed in-house. Installation of a solar photovoltaic module power generation system at Yilan Plant I was completed in 2024 and achieved 309,892 kWh of solar power generation. Calculated using the same carbon emission coefficient, this reduction is equivalent to a reduction of 153,087 kg CO₂e. This not only effectively reduces operational carbon emissions but also demonstrates the Company's commitment to energy transformation. Furthermore, we plan to continually assess the potential for deploying solar power systems in other sites, strengthening energy resilience while progressively shifting toward greater self-sufficiency in electricity use, thereby minimizing reliance on external energy sources.

Yilan Plant Solar Power Generation Energy Statistics for the Past Two Years



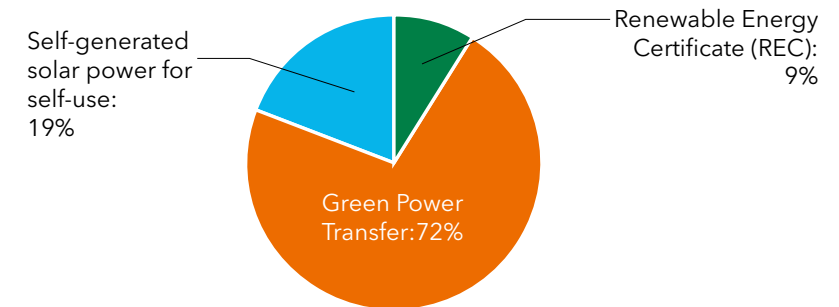


In 2024, the Company used a total of 1,645,434 kWh of green electricity, accounting for approximately 23% of the total electricity consumption.

■ Renewable Energy Usage

Year	kWh	Offsetting emissions (tonCO ₂ e)	Proportion of total electricity consumption
2022	147,000	74.8230	2.1%
2023	884,458	436.9223	11.3%
2024	1,645,434	812.992	23.1%

■ Proportion of Green Energy Used by Type



■ Renewable Energy Usage Ratio and Energy Conservation Actions

Innodisk set a target of 20% renewable energy use in its 2024 electricity consumption, and a proportion of 23.1% was achieved, equivalent to approximately 1.645 million kWh, exceeding its annual target and demonstrating concrete progress in our renewable energy use. In addition to acquiring and generating renewable energy, the Company is also actively promoting energy-saving renovations, including replacing one of the second-floor units with LED energy-saving lamps at Xizhi Plant. Through power generation, certificate purchase and energy conservation, the Company's environmental strategy effectively implements an energy transition path and improves electricity efficiency.

■ Outlook and Commitment

Innodisk will continue to expand the scale of self-generated renewable energy, enhance green power usage efficiency, and implement energy-saving improvement measures to actively step toward low-carbon operations and sustainable energy use. The Company will also regularly review its renewable energy usage targets, strengthen data transparency, and uphold the principles of ESG governance, demonstrating our strong commitment to climate action.



3.4 Waste Management

To ensure effective waste management and achieve reduction goals, recycling areas have been established at each facility. In accordance with regulatory definitions, recyclable waste such as metals, packaging materials, plastics, paper, and batteries is centrally collected and transported by qualified external recycling vendors. Through waste classification and recycling practices, we not only align with global waste reduction trends while also lowering operational costs by reducing waste disposal expenses. Besides resource-type waste, hazardous industrial waste, such as organic solvents (e.g., isopropyl alcohol, flux, thinner, etc.), solder paste, and solder slag, is classified and labeled, then temporarily stored in designated areas before being collected and treated by licensed contractors authorized by the government. To ensure full traceability of waste disposal, we have established the internal procedure titled "EPAD001300_Waste Management Procedure" for waste contractors, and all related activities are carried out in accordance with the protocol.

Industrial waste produced by the Company is mainly categorized into two types: "Hazardous Industrial Waste" and "Non-hazardous Industrial Waste". A summary table is provided below.

Waste Treatment Over the Past Three Years

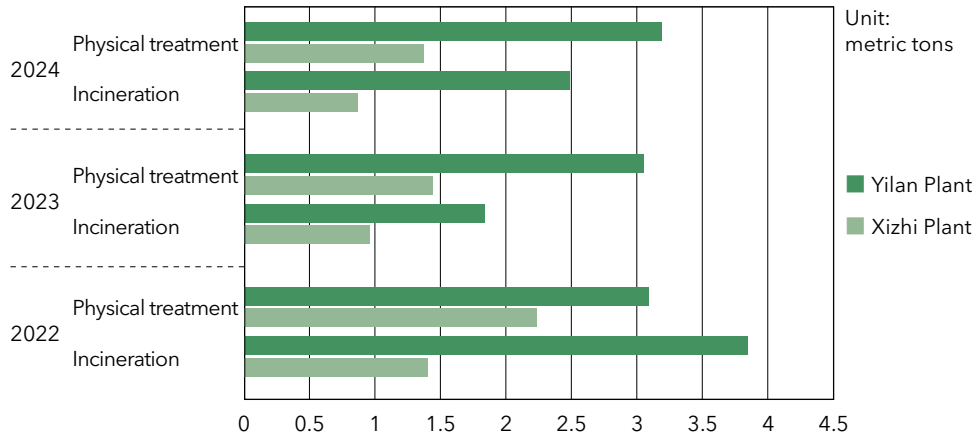
Year		2022			2023			2024		
Disposal Method		Incineration	Physical treatment	Recovery and reuse	Incineration	Physical treatment	Recovery and reuse	Incineration	Physical treatment	Recovery and reuse
Hazardous Industrial Waste (metric tons)	Xizhi	0.74 +0.66 waste liquid =1.4	2.207 scrap boards +0.022 empty barrels =2.229	-	0.96 waste liquid	1.41 scrap boards +0.03 empty barrels =1.44	-	0.8 waste liquid	1.31 waste liquid +0.06 empty barrels =1.37	
	Yilan	3.85 waste liquid	3 scrap boards +0.09 empty barrels =3.09	-	1.84 waste liquid	0.94 waste liquid +2 scrap boards +0.1 empty barrels =3.04	-	2.48 waste liquid	0.9 waste liquid +2.148 scrap boards +0.145 empty barrels =3.193	
Non-hazardous Industrial Waste (metric tons)	Xizhi	-	-	4.81	-	-	5.92	-	-	5.41
	Yilan	-	-	18.56	-	-	20.39	-	-	23.19

Note: Hazardous industrial waste includes: C-0301 waste liquids with a flash point less than 60° C (Z05 liquid), C-0301 waste containers (Z06 solid), and E-0221 metal-containing printed circuit board waste and its dust (Z06). Non-hazardous industrial waste: Category R scrap iron, aluminum, tin, fabric, paper, PET bottles, and plastic.

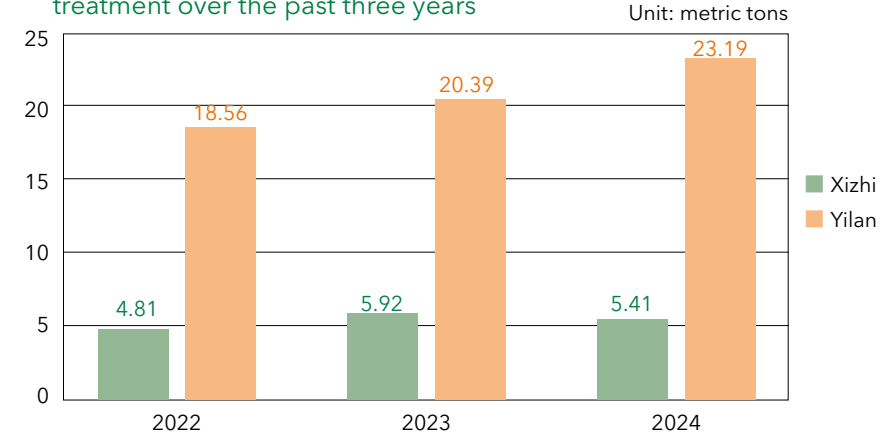
The scope of data covers both the Xizhi Plant and the Yilan Plant of Innodisk.



▪ Hazardous industrial waste treatment over the past three years



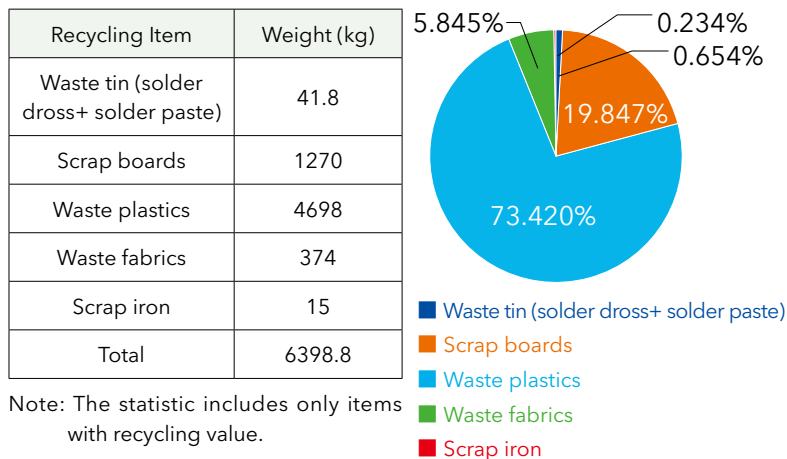
▪ Non-hazardous industrial waste (general industrial waste) treatment over the past three years



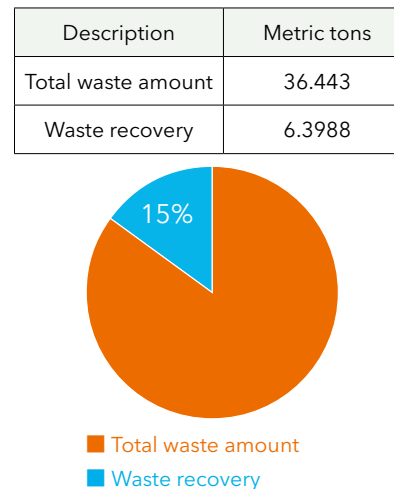
■ Waste Management Reduction Targets and Attainment Status

To achieve the goals of resource recycling and waste reduction, the Company recycled a total of 6,398.8 kg of waste from the manufacturing processes in 2024, demonstrating its waste management capabilities.

▪ Recycling rate distribution by waste category in 2024



▪ Waste recycling rate in 2024



All types of recyclables generated during operations at Innodisk are effectively categorized and tracked, and a transparent and compliant recycling process has been established. All recycled waste is processed by qualified vendors before entering the waste management process. This not only effectively reduces general business waste generation but also reduces reliance on natural resources and the environmental impact. Proceeds from recycling are redirected by the Company into promoting sustainable projects such as energy-saving and carbon reduction programs, employee environmental education, and community engagement, thereby establishing a comprehensive sustainability resource circulation system from within outward. The Company will also continue to expand its waste reduction and resource utilization efforts by reviewing waste flow patterns and seeking more projects with recycling and reuse potential. By implementing such measures, we mitigate the environmental impact of waste and also enhance overall operational resilience, fulfilling our corporate commitment to environmental responsibility and prudent resource management. Innodisk remains committed to refining recycling workflow to make the most of every resource.



3.5 Water Stewardship

There is no industrial water use at Innodisk. Water consumption is limited to daily household needs, and is entirely sourced from the tap water system. The water used in Xizhi Plant belongs to the shared consumption of the public building, with water fees calculated based on proportional allocation. As a responsible company, we are fully aware of the global scarcity and environmental pressures facing water resources. Therefore, to support sustainable water management and improve efficiency, motion-sensor faucets were installed in restrooms. These faucets automatically control water flow, preventing excess use or long running times due to manual operation, thus significantly cutting down on water waste.

Water Management and Usage

The Company values water resource management and has established a 1% annual water reduction goal, focusing on improving efficiency and applying water-saving measures to lessen environmental impact. However, the overall water consumption increased by 22.5% this year compared with the previous year. This was mainly because of the commencement of operation of Yilan Plant II, resulting in an increase in overall workforce, leading to increased domestic water usage (such as restrooms and drinking water) in the office area. We will maintain close attention on how business growth affects water usage, assess the adoption of water conservation technologies, and optimize facility management practices to steadily increase water efficiency, meeting the Company's sustainability targets.

With the gradual expansion of operational sites and staff, the Company has experienced a rise in domestic water usage. In response, we are reinforcing water conservation efforts, promoting efficiency measures, and improving water reuse to mitigate environmental impact. Our current water-saving actions include:

- **Promoting a water-saving culture:** Water conservation signs and reminders are prominently displayed across all facilities to encourage employees to develop responsible water usage habits. Additionally, internal training programs are conducted to enhance awareness and a sense of responsibility regarding water resource issues, reinforcing the positive impact of daily actions on resource conservation.
- **Regular checks and immediate repairs:** Routine inspections are conducted on water fixtures such as pipes and faucets, with a reporting system enabling quick responses to leaks, minimizing resource loss.
- **Introducing recycled water resources:** At the Yilan Plant, a rainwater collection and storage system has been installed, enabling the reuse of more than 40 metric tons of water per year for non-potable uses such as plant irrigation. This reduces dependence on tap water and improves overall resource efficiency.

Water conservation efforts not only support Innodisk in maintaining environmental responsibility amid business growth, they also form a solid basis for environmental management and sustainable development.

In the future, the Company will continue to explore the implementation of smart water meters, conservation technologies, and recycled water use to improve water management precision and uphold its environmental commitments.

Year	Xizhi Plant (tons)	Yilan Plant (tons)	Total water consumption (tons)	Water use intensity (water consumption/million in revenue)
2022	6,581	7,808	14,389	1.61
2023	6,443	6,869	13,312	1.60
2024	7,604	8,708	16,313	1.58

1. No industrial wastewater is produced by the Company; water use is limited to domestic purposes.
2. The calculation method for Xizhi Plant is based on shared domestic water usage with the Taiwan Science Park building, while Yilan Plan is equipped with an independent water meter.





3.6 Air Pollution Management

Our production process does not produce regulated pollutants, and we are not listed as a regulated enterprise under the Environmental Protection Administration. However, in line with our commitment to environmental protection, we commission certified third-party agencies to conduct annual perimeter environmental monitoring to ensure the impact of our operations on air quality is minimized. Over the years, monitoring results from Xizhi Plant and Yilan Plant have shown emission levels far below the regulatory limit of 500 $\mu\text{g}/\text{m}^3$, confirming the stability of our pollution control systems.

In 2024, Xizhi Plant recorded a TSP concentration of 78 $\mu\text{g}/\text{m}^3$, slightly higher than 2023, but still only 15.6% of the regulatory limit. For 2024, Yilan Plant recorded a TSP concentration of 159 $\mu\text{g}/\text{m}^3$, which was higher than 2023, but still only 31.8% of the allowable limit. These results show the continued stability and compliance of our emission controls. We will continue monitoring these trends and proactively enhance our air pollution control systems and reinforce pollution control efforts as needed to ensure low environmental impact.

Xizhi Plant	2022	2023	2024
TSP($\mu\text{g}/\text{m}^3$) Test results	44	67	78
Emission Standards	500	500	500
Compliance	V	V	V

Yilan Plant	2022	2023	2024
TSP($\mu\text{g}/\text{m}^3$) Test results	67	97	159
Emission Standards	500	500	500
Compliance	V	V	V





Environmental Feature : Biodiversity Initiatives Series

Innodisk adheres to the principle of harmonious coexistence between enterprises and nature. In 2023, the "Three-Year Biodiversity Project" was launched and Wuwei Port Waterbird Conservation Area in Yilan was selected as the core promotion site. Combining with the efforts of Wu-Wei River Cultural and Education Association and the professional strength of the National Environmental Education Award winning Yue-Ming Junior High School, we join hands together in the promotion of local habitat conservation. Through integrated company resources and active employee engagement, we are committed to creating a sustainability model embodying ecological education and shared value for society.

The goals for the first year: To let our partners know about Wuwei Port (Wuweigang); bring employees to Wuwei Port (Wuweigang), and select Wuwei Port (Wuweigang) as the site for Innodisk's biodiversity promotion efforts. This involves planning of the following:

1. Organization of lectures and exhibitions to learn about Wuwei Port (Wuweigang) and Little Terns, taking the first step in biodiversity practice

A total of three sessions were held, with the main event on March 1 in both physical and online formats. Chairman, Chuan-Sheng Chien, attended this event in person, showing our emphasis on biodiversity. Designed to be educational and engaging, the event offered a deeper understanding of Wuwei Port's unique environment, climate, biodiversity, local culture and historical context. After the session, nearly 20 model Little Terns were created for use in the coming Little Tern breeding season. The details of the three events are listed in the following table.

Date	Title of Event	Location	Number of Participants	Summary
03/01	Wuwei Port Biodiversity Briefing + Little Tern Model Painting	Innodisk /Online	200	The General Secretary of Wu-Wei River Cultural and Education Association gave a lecture, and the chairman led employees in learning about the ecology and species at Wuwei Port.
07/06	Lifelong Learning Carnival- Promoting the Little Tern Restoration Campaign	Songyan (Songshan District, Taipei)	399	Promoted awareness among the general public
07/22	Bringing Your Children to Work- Ecological Education Day at Yilan Plant	Innodisk (Yilan City)	13	Combined Family Day with biodiversity initiatives to foster environmental awareness
Total			612	





2. Inviting Innodisk Employees to Wuwei Port to experience and contribute to habitat protection

A total of three sessions were held, and Innodisk employees and their families got to know more about the Little Tern conservation, and their awareness of marine protection was also enhanced. Students are encouraged to participate in ecological conservation and experience the removal of invasive species in person. By hosting the annual meeting at Wuwei Port, we not only strengthened employee cohesion but also promoted environmental stewardship through educational engagement and practical efforts to remove invasive species.

Date	Title of Event	Location	Number of Participants	Summary
04/20	Yilan County Little Tern Season and Marine Conservation Event	Xincheng river estuary (Su'ao, Yilan)	73	Innodisk employees and their families
05/04	Innodisk International Scholarship - Beach Walk and Invasive Species Removal Activity	Wuwei Port (Su'ao, Yilan)	51	The event provided sponsorship for students and their families to attend.
12/10	Innodisk Annual Meeting - Understanding Wuwei Port + Removing Invasive Species	Wuwei Port (Su'ao, Yilan)	110	The chairman and senior executives took part in the event.
Total			234	

Through a combination of parent-child participation, sponsorship for student engagement, and leadership involvement from senior executives, the program created a rich and inclusive network for conservation. It strengthened environmental awareness and connection among employees and their families, while also nurturing a sense of ecological responsibility in younger generations. More importantly, by linking the annual meeting with on-site habitat experiences, the corporate culture is deeply incorporated with its sustainability vision.

The series of events further strengthened our biodiversity initiatives, expanding from policy commitment to employee action, community engagement, and hands-on ecological experiences. This also laid a solid social foundation for future ecological restoration projects.





3.Taking actions to safeguard habitats and building a biodiversity-friendly future- promoting local ecological conservation practices

As the world faces the urgent threat of biodiversity loss, businesses must go beyond their economic roles to become active stewards of nature. For Innodisk, the well-being of local ecosystems and the company's long-term sustainability are closely connected. Therefore, we officially launched biodiversity-focused actions in 2023, embedding environmental protection into our core business strategies.

On May 22, 2024, the International Day for Biological Diversity, the chairman and first-level executives formally signed a statement of support, showing the emphasis on ecological protection at the plants' location. This demonstrates the leadership's dedication to sustainable development and sets a clear foundation of values to guide future actions.

In November of the same year, we advocated our conservation efforts by installing ecological signage in Vietnamese around Wuwei Port Waterbird Conservation Area in Yilan. Wuwei Port is a key stopover along the East-Asian-Australasian Flyway, supporting a wealth of wetland ecosystems and diverse habitats for wildlife. It stands as one of Taiwan's major biodiversity hotspots. Situated near industrial and agricultural zones, the protected area has a relatively high concentration of foreign workers. In the past, language barriers often led to unintentional entry into the protected area or inappropriate activities.

By installing multi-lingual signage, we aim to help Vietnamese workers understand the importance of the local ecosystem and the expected behavioral guidelines to promote mutual respect and protection of natural habitats. This is not only a breakthrough in language communication but also an innovative practice for corporate social inclusion and ecological conservation.

The initial actions mark the beginning of Innodisk's biodiversity management. We plan to promote further ecological restoration project at Wuwei Port from 2025 to 2026 through collaboration among local communities, professional ecological groups, and foreign worker communities, creating a more inclusive and sustainable ecosystem protection blueprint.

Protecting biodiversity should start from every single individual and every action. We will continue to expand the series of activities to gradually establish a new model for the co-prosperity of business and nature.





4. Safeguarding marine ecology from the source- beach cleanup for plastic reduction

The acceleration of industrialization and increased human activities have brought serious problems of waste in oceans and rivers, which not only damages natural landscape but also poses a serious threat to marine life. Many marine animals die from ingesting plastic waste, and microplastics are gradually entering the food chain, posing potential risks to human health. The phenomenon has drawn global concern and requires urgent action to protect marine environments.

To address this issue, we have collaborated with an NPO, Taiwan Geographical Sustainable Regeneration Development Association, to conduct beach cleanup activities at Wanli Emerald Bay (Feitsuiwan) Beach, aiming to promote environmental awareness. The participating employees gained a deeper understanding of the impact of waste firsthand and became more mindful of waste reduction. This event aims to inspire a sense of shared responsibility for the planet and encourage broader public involvement in environmental protection.

By awakening awareness and encouraging action, we strive to make the waterways cleaner and more beautiful. Every small step taken can come together to form a giant leap to saving our planet. Let us join hands and work together for the only home earth we have.

In 2023, 265 participants cleaned up 189 bags of marine waste, totaling 6,838 kg.

In 2024, 277 participants cleaned up 73 bags of marine waste, totaling 429 kg.

The 2024 beach cleanup was not just about collecting waste by weight, it was focused on long-term environmental goals, namely source reduction of plastics and mitigating their impact on ecosystems. We shifted our focus to something a lot more impactful: reducing plastics waste at the source and minimizing ecological harm caused by plastics. This shift reflects a deeper understanding of marine environmental issues and a transformation in our approach to action. Special attention was given to the removal of microplastics, tiny particles often invisible to the eye but extremely harmful to marine life, often mistaken for food by marine organisms, posing serious threats to biodiversity. Through the more refined and intentional efforts, we sought to help employees better understand the risks posed by microplastics, and to encourage lifestyle changes for plastics reduction, including avoiding single-use plastics.

This is more than an act of cleaning, it is a conscious step toward education, awareness, and transformation. We believe that real change starts with understanding the root of the problem. By confronting the causes of plastic pollution, we can shift behaviors at the source and reduce long-term harm to the ecosystems. Moving forward, Innodisk will continue to promote ecological conservation through actions and education, connecting more stakeholders to the mission of conservation. Let us move forward together, protecting our one and only precious blue planet.





5. Innodisk supports ESG actions, collaborating with Tse-Xin Organic Agriculture Foundation to sow hope and make the coast more sustainable.

In the face of growing global concern over climate change and environmental sustainability, Innodisk is steadfast in its commitment to corporate social responsibility and continues to take actions to safeguard the environment. As part of our commitment to ESG, we adopted an innovative approach combining employee wellness with carbon reduction by encourage employees to participate in walking challenge, and the total steps recorded were converted into estimated carbon savings. The everyday carbon reduction efforts not only mobilized all employee participation, but also contributed meaningful impact to our environmental objectives. The carbon reduction achievement was transformed into support for coastal reforestation. Donations were made to Tse-Xin Organic Agriculture Foundation to promote reforestation projects, creating a green barrier for coastal environments through tree planting, enhancing ecological resilience and biodiversity. By implementing the dual-track approach of Walking for Carbon Reduction x Reforestation and Bank Protection, Innodisk extends its practice from internal actions to external sustainability influence, realizing the vision of shared success for the enterprise and the environment.

Ecological and biodiversity benefits of coastal reforestation

This afforestation project is in Wujie Township in Yilan County, covering portions of the Jixin and Jibao sections, totaling about 1.5 hectares, where Innodisk supports approximately 0.032 hectares of this area. This coastal forest plays a vital protective role in the coastal environment, mitigating the effects of strong winds, blowing sand, tidal erosion, and salt spray, thereby maintaining the stability of the coastline. In addition, the forestation area is adjacent to local residences and the Wujie Xinshui Bike Path. Planting trees not only provides windbreaks and sand control, but also enhances coastal greenery and landscape. More importantly, coastal forests play a key role in the ecosystem, helping to stabilize sand, conserve water resources, and promote soil fixation, thereby protecting the habitats of diverse species. When the coastline is preserved, the complex ecosystem where wetlands, tidal flats, and coastal forest-edge habitats are also protected, providing good living conditions for native organisms such as migratory birds, insect, amphibians, and reptiles, and other coastal plants.

Afforestation Progress and Results

The reforestation project implemented by Tse-Xin Organic Agriculture Foundation started from October, 2024, initially with the installation of windbreak fences to protect the future planting area from strong sea breezes and northeast monsoon in winter. The planting of all saplings was completed in mid-December, 2024. Although some windbreak fences were damaged by Typhoon Kong-rey on October 31, 2024, all samplings were successfully planted before mid-December after repairs, and currently the survival rate reached 100%.

Future Maintenance Plans

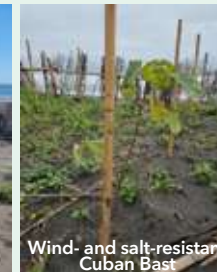
The completion of tree planting does not mean the end of the project. We will continue to pay attention to the development of this reforested area. The Tse-Xin Organic Agriculture Foundation will be responsible for subsequent inspections and maintenance, recording survival rates and growth to ensure the effectiveness of the reforestation. We hope that the growth of this coastal forest will bring long-term ecological benefits to the Yilan Coast. Through specific habitat construction and maintenance actions, we can create a buffer zone for nature in the face of climate challenges, while preserving a more diverse and resilient living environment for generations to come.



Salt-tolerant and wind resistant scaevola taccada



Wind-, drought-, and salt-resistant beef wood



Wind- and salt-resistant Cuban Bast



Planting wind- and drought-resistant and sand-fixing screw pine on the front lines



04 Climate Strategy

4.1 Task Force on Climate-related Financial Disclosures (TCFD)

4.2 Greenhouse Gas Management

Environmental Feature: Series of
Events in Support of World Earth Day

Annual Performance Highlights

- In 2024, the Company continued the investment in the installation and optimization of solar power generation facilities to effectively increase the ration of self-generated green electricity for self-use, which further reduced dependence on conventional energy sources.
- In 2024, the company used 1,645,734 kWh of green electricity, an **86%** increase compared with 2023.
- In 2024, the proportion of renewable energy used significantly increased from 11.3% to **23.1%**, demonstrating our commitment to achieving net zero.
- The company's total GHG emissions in 2024 decreased by **1.233%** compared with last year.



4.1 Task Force on Climate-related Financial Disclosures (TCFD)

The Company's risk management system is established to identify and analyze risks, define appropriate risk limits and control measures, and ensure continuous monitoring and compliance. Through the system, we detect potential risks and opportunities, effectively implement risk management to maintain operational stability, thereby creating value for shareholders, employees, customers, and even society and achieving the goal of sustainable management.

Aspect	Recommended Disclosure Items by TCFD	Response Measures		
Governance	Board oversight of cli-mate-related risks and oppor-tunities	The Company established the Sustainable Development Office in 2022, with VP Li-Cheng Wang serving as the CSO (Chief Sustainability Officer) as appointed by the chairman. The Sustainable Development Office collaborates with various departments to identify climate-related risks and opportunities. The findings are reported to the board of directors at least once a year as a reference for the board's climate governance.		
	Management's role in assessing and managing risks and opportunities	The Sustainable Development Office leads cross-departmental integration and communication and assists various departments in identifying climate risks and opportunities faced in daily operations. Based on the outcome of the identification process, improvement measures and management strategies are developed and consolidated. The CSO will report relevant improvement measures to the board of directors on a regular basis to reduce the impact of climate risks and seize climate-related development opportunities.		
Strategy	Climate-related risks and opportunities the organization has identified over the short, medium, and long term	Short-term	Medium-term	Long-term
		Transition risks: Uncertainty in geopolitics, laws/ regulations, and market changes	Transition risks: Strengthened emission reporting obligations, increased stakeholder concerns and negative feedback, and requirements and regulation of products and services	Transition risks: The imposition of international or government carbon taxes(fees) increases the cost of the operating environment.
		Physical risks: Increasing severity of extreme weather events such as typhoons and floods. Natural disasters may lead to the instability of water resources and power supply, posing risks of operational interruption.	Market opportunities: R&D and innovation of new products and services (e.g. AI servers may be the future trend).	Physical risks: A global temperature rise exceeding 1.5°C may accelerate glacier melting, leading to sea level rise and increased risks of flooding in production sites.
		Market opportunities: The use of new technologies and energy sources to improve business operational efficiency and resilience.		Market opportunities: Use more efficient production and R&D of energy-saving and waste-reducing products
	Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	The Company's key climate risks are driven by stakeholder expectations for reduced GHG emissions and adherence to product energy efficiency standards. However, climate change also brings opportunities, particularly in product and services. The Company is focused on developing product lines that align with sustainability trends and is committed to the development of energy-saving and waste-reducing products and services to meet market needs and expand into emerging markets.		
		Primary Transition Risks	Primary Physical Risks	Primary Climate-Related Opportunities
		To address the risks of chang-es in relevant laws and regula-tions and green standards, the Company actively develops green R&D. During the de-velopment of new products, sustainability issues are put into consideration and energy conservation, green products, and packaging material reduc-tion are introduced.	To address the challenges associated with drought and energy supply disrup-tions, the Company has invested in water-saving and energy-saving sys-tems, enhanced water re-source reuse capabilities, and continues to imple-ment energy efficiency and carbon reduction management as well as enhance risk management awareness.	The Company continues to engage in sustainable devel-opment and maintains long-term, close, and trusting rela-tionships with our customers. Guided by market-driven R&D, we are committed to offering solutions to support our customers as the sustainability trend grows.



Aspect	Recommended Disclosure Items by TCFD	Response Measures		
	Resilience of the organization's strategy, taking into consideration different climate-related scenarios	Innodisk is not a regulated enterprise under the "Enterprise Emission Sources Subject to Inventory, Registration and Inspection of Greenhouse Gas Emissions", yet we still actively implement relevant measures to cooperate with the government's energy conservation and carbon reduction policies and also continue to monitor changes in domestic and international regulations and technologies to fulfill our corporate responsibility for environmental protection.		
Risk Management	Organization's processes for identifying and assessing climate-related risks	Faced with climate change, we acknowledge the global and business impacts of greenhouse gases, support competent authorities in promoting net-zero carbon emissions by 2050, cooperate with stakeholders' demands for carbon neutrality, and continue to establish carbon reduction strategies.		
	Organization's processes for managing climate-related risks	The Sustainable Development Office conducts regular cross-departmental risk identification to evaluate climate-related risks associated with business operations. Based on the findings, corresponding strategies are established and regularly reported to the board of directors.		
	How processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Climate change has been incorporated as a key issue and critical material risk item in corporate sustainable development, and short-, medium-, and long-term response measures have been established.		
		Based on the medium- and long-term goals, a PDCA operating model will be established to continue improving climate-related environmental risk management and strengthens its integration with the broader enterprise risk management system.		
Metrics and Targets	Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	In terms of climate change mitigation, the Company uses GHG emission per unit of revenue as the primary quantitative performance indicator. Additional indicators include the percentage of renewable energy usage, electricity consumption per unit of revenue, and water consumption per unit of revenue.		
	Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	Starting from 2021, the company has continued to conduct Scope 1, 2, and 3 GHG audits and obtain verification from SGS Taiwan. The 2024 GHG emissions (metric tons CO ₂ e) are as follows:		
		Scope 1	Scope 2	Scope 3
		279.9441CO ₂ e	3515.4575CO ₂ e	5228.3071CO ₂ e
	Targets used by the organization to manage climate-related risks and opportunities and performance against targets	-	Increase the proportion of renewable energy use	-
		The company has no fixed combustion sources and process emissions, only fugitive emissions from refrigerants and septic tanks.	Increase the proportion of renewable energy use by 5% each year	-



4.2 Greenhouse Gas Management

GHG Inventory and Carbon Reduction Actions

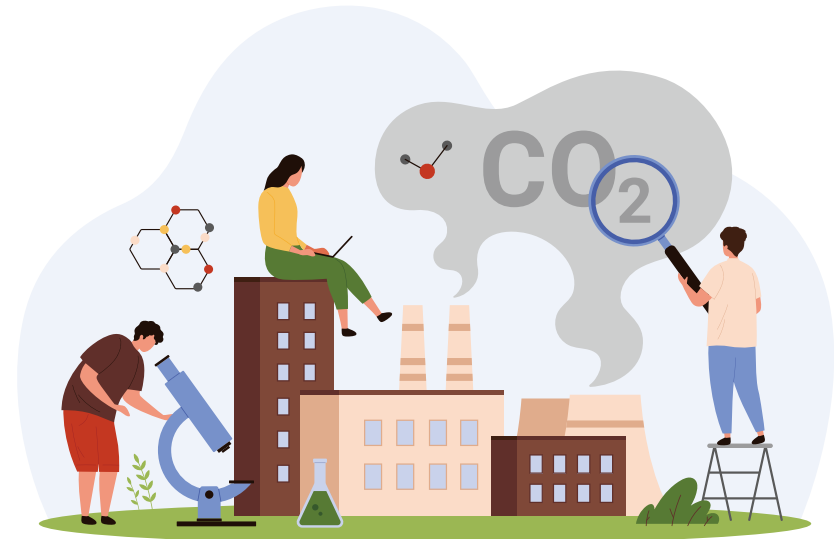
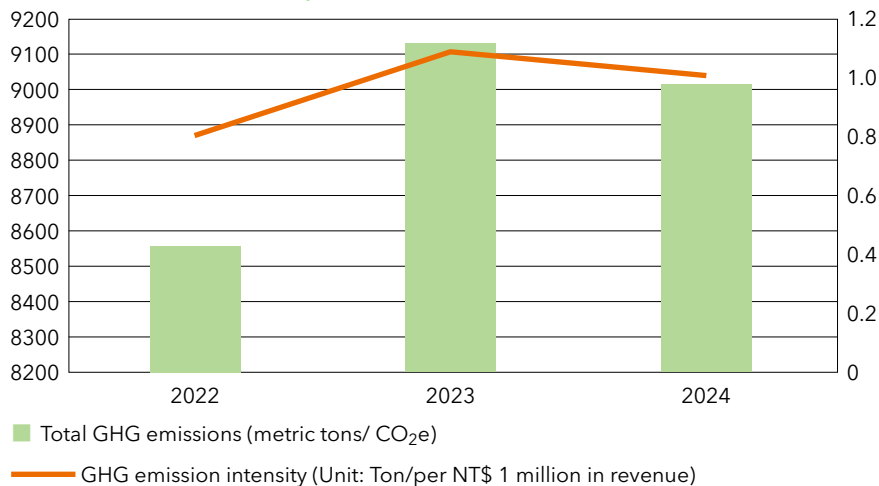
Innodisk responds to global trend toward net-zero carbon emissions, and has pledged to achieve zero carbon emissions by 2050. We are well aware that the first step of carbon reduction is to accurately grasp the current status of carbon emissions. Therefore, GHG inventory is conducted on a yearly basis in accordance with ISO 14064-1:2018 standards, and a third-party verification is also carried out. The scope of inventory covers the Xizhi Headquarters and Yilan Plant, and inventory is conducted according to the principle of operational control.

The Company has set up its long-term goal to reduce the overall carbon emissions annually by 1% compared with the previous year. By tracking the GHG intensity, defined as total emissions per unit of revenue, the Company can sustain carbon management capabilities despite scaling up production and expanding operations.

■ Total GHG emissions inventory over the past three years

Year	Total GHG emissions (metric tons/ CO ₂ e)	GHG emission intensity (Unit: Ton/per NT\$ 1 million in revenue)
2022	8560.719	0.831
2023	9133.590	1.099
2024	9023.709	1.012

■ GHG emission intensity



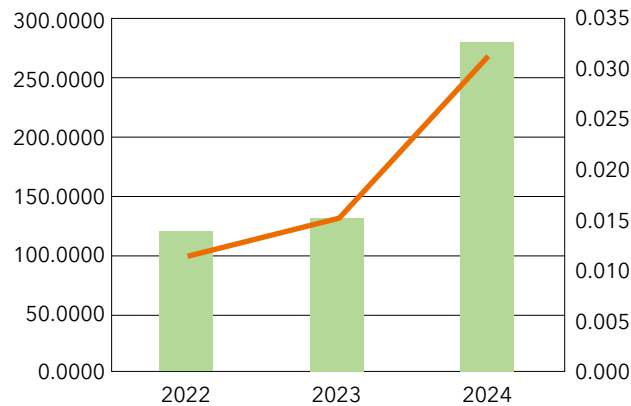


The GHG emission intensity showed a slight decrease in 2024 compared with the previous year (a 1.233% decrease), yet carbon management pressure remains due to the capacity expansion. This also reflects that through measures in reinforced energy conservation management and introduction of renewable energy as the production and operations scale up, we still successfully achieved phased progress in stabilizing overall carbon emissions. It is noteworthy that, despite a decrease in total emissions, the combined emissions from Scope 1 and Scope 2 have increased by 6.769%, equivalent to 240.4665 metric tons of CO₂e, which was mainly due to the increased electricity and fuel demand driven by the commencement of operations at the Yilan Plant II. The results further highlight the challenge we are facing. While continuing the Company growth, we must also accelerate transformation and introduce more low-carbon technologies and process optimization strategies to further reduce operational carbon emissions. In the future, we will further improve energy efficiency and the proportion of self-generated green electricity for self-use, and strengthen the tracking of emission density by department to support the realization of the goal of long-term and stable reduction in overall carbon emission density.

■ The results of GHG inventory over the past three years are as follows.

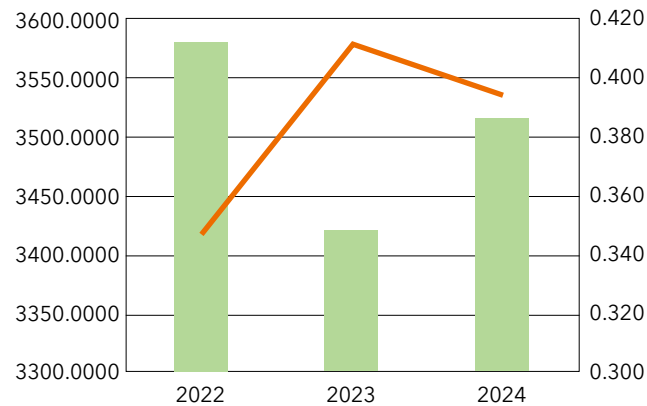
Year	Total GHG emissions (metric tons/ CO ₂ e)		GHG emission intensity (Unit: Ton/per NT\$ 1 million in revenue)
	Scope 1	Scope 2	
2022	Scope 1	119.0811	0.012
	Scope 2	3579.4313	0.347
	Scope 3	4862.2066	0.472
2023	Scope 1	131.2309	0.016
	Scope 2	3421.0066	0.411
	Scope 3	5581.3526	0.671
2024	Scope 1	279.9441	0.031
	Scope 2	3515.4575	0.394
	Scope 3	5228.3071	0.586

■ Scope 1: Direct Emissions



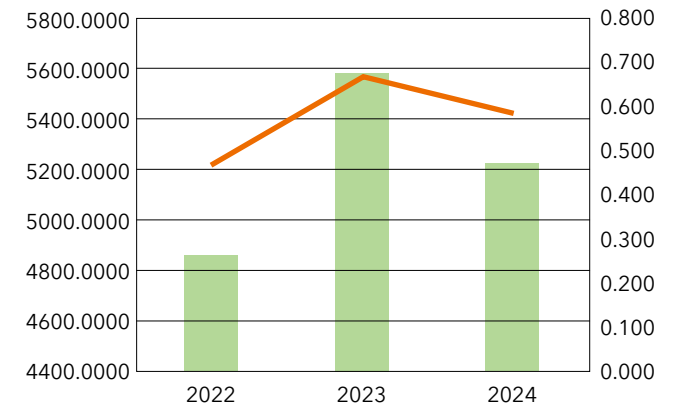
■ Scope 1 emissions (metric tons/ CO₂e)
— Scope 1 emission intensity (Unit: Ton/per NT\$ 1 million in revenue)

■ Scope 2: Indirect greenhouse gas emissions - purchased electricity



■ Scope 2 emissions (metric tons/ CO₂e)
— Scope 2 emission intensity (Unit: Ton/per NT\$ 1 million in revenue)

■ Scope 3: Indirect greenhouse gas emissions - products used by the organization

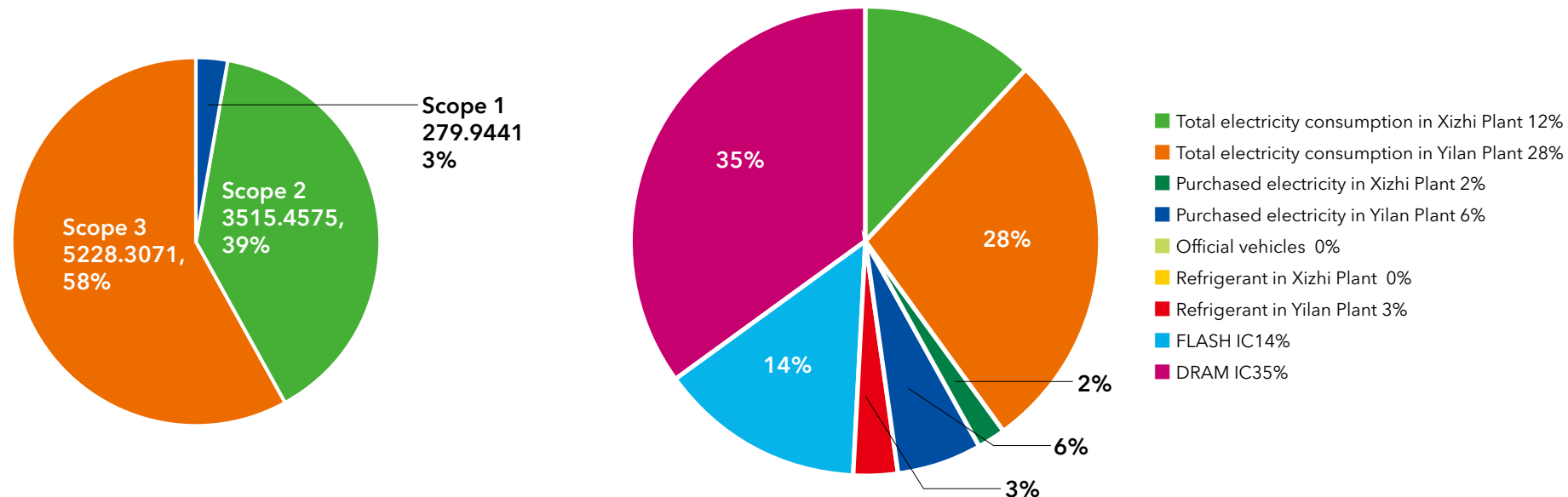


■ Scope 3 emissions (metric tons/ CO₂e)
— Scope 3 emission intensity (Unit: Ton/per NT\$ 1 million in revenue)



The total amount of Scope 1 and Scope 2 increased by 240.4665 metric tons of CO₂e compared with last year, an increase of 6.769%, mainly due to the commissioning of the Yilan Plant II.

According to the company-wide inventory results, total market-based emissions amounted to 8,949.381 metric tons of CO₂e, a decrease of approximately 0.29% compared to the 8,975.510 metric tons in 2023. The biggest difference came from raw material procurement in Scope 3, where total procurement volume dropped by 10.362% compared with 2023, resulting in the reduction of emissions by 892.1203 metric tons of CO₂e, showing the effectiveness of upstream procurement management and selection. Although the overall emissions have only decreased slightly, the data confirms the initial effectiveness of the carbon emissions management at the procurement end promoted by the Company. It is worth noting that Scope 3 (including raw materials, transportation, and business travel) remains the company's largest source of emissions, accounting for about 58% of total emissions. In the future, we will continue to strengthen supplier carbon management and low-carbon procurement mechanisms to reduce the overall proportion of Scope 3.



In response to changes in operational locations and the expansion of Yilan Plant II, 2024 has been officially redesignated as the company's baseline year for inventory. This will facilitate future GHG reduction performance assessment and trend analysis. Innodisk will implement GHG management and target setting in accordance with the SBTi standard, enhancing data transparency and action effectiveness. We expect to achieve the goal of steady decline in carbon emissions intensity over the medium to long term through the expansion of renewable energy, continuous optimization of energy-saving measures, and collaboration with suppliers to reduce carbon emissions.

The coefficients used in this year's inventory were sourced from the IPCC GHG Emission Coefficient Table, Version 6.0.4, published by the Ministry of Environment, the Carbon Footprint Information Platform, and the 2023 electricity carbon emission coefficient (applicable to Category 2) published by the Energy Administration, Ministry of Economic Affairs. The GWP (Global Warming Potential) values are based on the IPCC Sixth Assessment Report (AR6, 2023 edition). Scope 1 covers four gases: CO₂, CH₄, N₂O, and HFCs, while Scope 2 primarily focuses on CO₂.

Environmental Feature : Series of Events in Support of World Earth Day

Implementation of Concrete Actions for Carbon Reduction and Care for the Environment

To respond to the global focus on climate change, the Company held a series of events in support of World Earth Day in April, 2024. Diverse and engaging action plans were combined with employee participation, energy conservation and carbon reduction as well as social welfare, which not only demonstrated the Company's commitment to environmental responsibility but also further strengthened its internal sustainability culture. The event focused on four major aspects, including turning off lights for an hour, donation of used toys, a walk-together carbon reduction initiative, and battery recycling. The number of participants exceeded one thousand, showing the Company's proactive response and concrete actions toward the SDGs.

Series Activities

1. "Lights Out for One Hour": Saving Energy from Small Action in Our Daily Life

In April, 2024, we held a "Lights Out for One Hour" event, mobilizing all operating sites to jointly engage with concrete actions that align with our commitment to energy conservation and carbon reduction. Participating sites included Xizhi Plant, Yilan Plant, Taichung Office, Hsinchu Office, and our three subsidiaries (Aetina Corp., MilliTronic, Sysinno). A total of 2,639 lamps were turned off, reducing carbon emissions by 26 kg CO₂e in just one hour.

This event not only strengthened employees' awareness of energy conservation, but also encouraged every participant to form a habit of turning off lights in their daily life. By collaborating across locations and implementing this campaign at the same time, the company successfully strengthened internal team cohesion and established a benchmark for energy conservation. Channels including internal e-newsletters, LINE Groups, and office announcements were used to strengthen event publicity and participation awareness. We also provided tips for energy conservation and data feedback for each participant to allow every one of them to understand the positive environmental impact of their actions.

2. Donations of Used Toys: Promotion of Circular Economy in Conjunction with Public Welfare Initiatives

The Company launched the "Donation of Used Toys" campaign to encourage employees to donate toys they did not need but were still in good conditions for this event to respond to the concept of circular economy and waste reduction. This not only extended the life cycle of the toys but also redistributed resources, thus realizing the dual values of sustainability and public welfare.

A total of 80.5 kg of used toys were recycled during this event, estimated to reduce carbon emissions by 165.8 kg of CO₂e. After sorting, cleaning, and organizing, the recycled toys were donated to the Ai Heng Disabled Children Center and the Yilan County Lan-Shin Women and Children Service Center for use by local children and disadvantaged families. This not only allows the items to be reused, but also serves as a bridge for sharing warmth.

This event not only embodied the Company's commitment to social responsibility, but also encouraged employees to consider the environmental impact of their consumption and disposal behavior. The setting up of physical recycling bins and disclosing data allowed every participant to feel substantive significance of their actions and further strengthened their self-identification with environmental actions.



3. "A Walk-together Carbon Reduction Initiative": Promoting Low-Carbon Lifestyle

To encourage employees to use green transportation, we launched "A Walk-together Carbon Reduction Initiative", inviting our employees to walk or utilize non-motorized transportation more often during their daily commute for carbon reduction. Through event promotion and online recording platforms, employees could share their daily walking records and experiences. We also arranged a small reward system to increase their motivation for participation. This event not only helped reduce carbon footprint, but also encouraged employees to develop healthy living habits and implement sustainable actions in their lives.

This activity was an initiative without specific carbon reduction data being compiled. However, the potential benefit of it cannot be underestimated. According to our internal survey, over 60% of participants indicated that they proactively reduced the use of scooters and cars during the event, showing the positive impact of this soft initiative on environmental education and behavioral change.

4. Battery Recycling: Protecting the Environment from Hazardous Waste Treatment

To address the hazardous waste disposal issue that is often overlooked, the Company also promotes the "battery recycling" initiative, setting up designated collection boxes for employees to centralize the used dry-cell batteries for recycling.

A total of 62 kg of dry-cell batteries were recycled in this event, equivalent to the reduction of 9.92kgCO₂e. What is more important is that this effectively avoided heavy metals from leaching into soil and water that could potentially pose a threat to the natural environment and human health.

During the event, we used internal educational resources, including posters, hazardous waste information cards, and email notifications to raise our employees' awareness of the importance of battery recycling. Many employees also brought unused batteries from their homes to support this green initiative.

Through the series of events in Support of World Earth Day, we successfully integrated environmental actions, employee participation and public welfare together, fulfilling our corporate environmental responsibility and sustainable development goals. The cumulative carbon reduction results from each event are shown as follows.

Toys recycled: **80.5 kg**,
reducing approximately
165.8 kgCO₂e

Lights-out event: **2,639 lamps**,
reducing approximately
26 kgCO₂e

Battery recycling: **62 kg**,
reducing approximately
9.92 kgCO₂e



Each individual action's contributions to carbon reduction may be limited, but the cumulative impact and the shift in employee awareness and behavior are the key to a culture of sustainability. The Company will continue to promote meaningful and eco-friendly activities through innovation and cross-departmental collaboration. We will start from internal efforts and expand it outward, aiming to create a sustainable enterprise that integrates economic efficiency with environmental value.

05 Human Capital

5.1 Human Rights Policy

5.2 Workforce Structure

5.3 Employee Compensation Policy

5.4 Human Capital Development

5.5 Employee Communication and Benefits

Diversity, Equity, Inclusion (DEI) Column: Vietnam Moon Festival Star Lantern Craft and Appreciation

Annual Performance Highlights

- In 2024, up to **90.48%** of senior executive positions worldwide were held by local residents holding permanent legal residency status.
- In 2024, the total education and training hours amounted to **14,535** hours, the total number of trainees reached 8,076, and the average training hours totaled **14.97** hours. The growth rate of annual average training hours was **4.10%**.
- A total of **99** employees participated in a 2-month AI workshop held by Innodisk, and **41** innovative applications for robotics were developed.
- In 2024, **100%** of our employees and supervisors received performance appraisal regardless of gender and job category.
- In 2024, the cumulative amount of childbirth/childcare subsidies distribution reached NT\$ **4,257,019**. Employees with children aged between 0 and 6 years old will receive a monthly subsidy of 6% of their salary. If there is more than one child, the maximum subsidy is 10% of the salary. For those giving birth to their second or subsequent child, a one-time subsidy of NT\$ 30,000 will be provided to support employees in balancing work and childcare responsibilities with peace of mind.

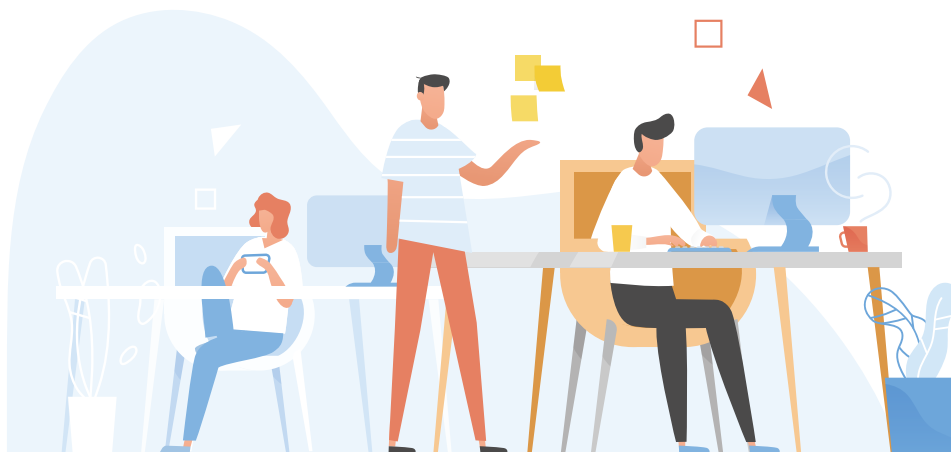


5.1 Human Rights Policy

5.1.1 Human Rights Policy

Innodisk complies with labor-related laws and regulations in its global operating locations, ensuring the legal rights and interests of its employees. The Company adheres to the principles and spirit of international human rights conventions, including the UN Global Compact, the UN Universal Declaration of Human Rights, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. We fully demonstrate our responsibility to respect and protect human rights and treat all employees, including contract staff and interns, with dignity and respect. Our commitment to human rights includes "diversity, inclusion, and equal job opportunities", "providing a safe and healthy working environment",

respecting employees' freedom of assembly and association" and "helping employees maintain physical and mental health and work-life balance". The principles and details of our human rights policy are disclosed on the Company's corporate sustainability website at <https://esg.innodisk.com/zh/about/promise>



1. Diversity, inclusion, and equal job opportunities

We comply with relevant national labor laws and prohibit child labor, human trafficking, forced labor, and employment discrimination. We are committed to creating a diverse, open, equal, and harassment-free work environment, and will not tolerate any violations of human rights. All employees shall not be treated differently or discriminated against in any form based on gender (including sexual orientation), race, class, age, blood type, marital status, language, religion, political affiliation, place of origin, birthplace, appearance, physical or mental disability, etc. We will provide effective protection for labor rights and maintain friendly and harmonious labor-management relations, ensuring fairness in hiring, compensation and benefits, training, evaluation, and promotion opportunities, as well as effective and appropriate grievance mechanisms to prevent any neglect of matters affecting employee rights.

2. Providing a safe and healthy working environment

We provide a safe and healthy work environment and necessary health and first-aid facilities to eliminate hazards that may affect employee health and safety and reduce the risk of occupational accidents. We actively care for and manage abnormal workloads of employees to avoid overtime work, and regularly implement occupational safety education and training.

3. Respecting employees' freedom of assembly and association

We respect employees' basic human rights, safeguard their rights to organize unions and engage in collective bargaining, and provide diversified communication mechanisms and platforms to ensure harmonious and win-win labor-management relations.

4. Helping employees maintain physical and mental health and work-life balance

We care for the physical and mental health of our employees. In addition to stress-relieving massages, we also provide diverse activities, such as cultural and artistic activities, sports activities, and Family Day to encourage parent-child participation. We also help employees expand their interpersonal interactions through club participation and enrich the concept of work-life balance, and comprehensively take care of the physical, mental and spiritual health of our employees.



5.1.2 Prevention of Sexual Harassment in the Workplace

To provide employees and job applicants with a work and service environment free from sexual harassment, we take appropriate preventive, corrective, disciplinary, and handling measures to protect the rights and privacy of the parties involved. Relevant management measures have been established in accordance with Article 30, Paragraph 1 of the Gender Equality in Employment Act and relevant provisions in the Regulations for Establishing Measures on Prevention of Sexual Harassment in the Workplace.

With the rise of the "Me Too" movement, the Legislative Yuan amended and implemented the Sexual Harassment Prevention Act in 2024. Given the increasing reports of workplace misconduct, we offer mandatory training courses to ensure a work environment free from unlawful infringement for both employees and job applicants. Any form of unlawful infringement, whether tangible or intangible, is strictly forbidden. Employees can file a complaint of sexual harassment through a designated hotline (02-7703-3000#1225) or a designated email address (inno_members@innodisk.com). If any unlawful act is reported, the Company will form an investigation committee to determine facts. For sexual harassment cases, external experts will be consulted to support the investigation and resolution process. Immediate and effective corrective and remedial measures shall be immediately taken under the premise of protecting the rights and privacy of victims. A total of two complaints were received in 2024, and after investigation with external experts, they were determined to be unsubstantiated.

5.1.3 Prohibition of Child Labor

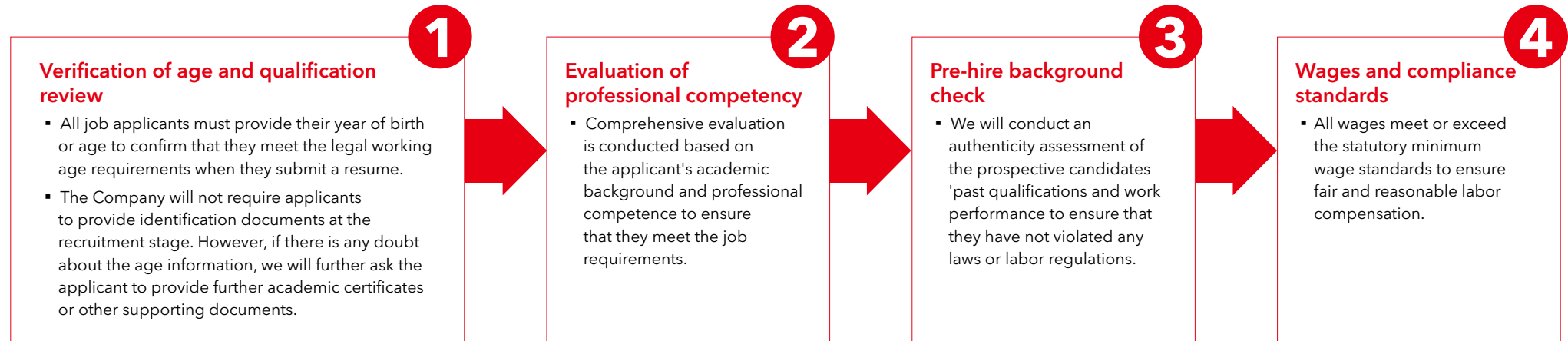
The Company strictly complies with all applicable domestic and international labor laws, firmly prohibits the use of child labor, and ensures that all employees meet the legal minimum age requirements for employment. In accordance with our Work Rules, individuals aged 15 and below shall not be employed for any work. However, exceptions may be made for those who have graduated from junior high school or have received approval from the competent authority, provided that the work environment does not adversely affect their physical or mental well-being. In the event that a child worker under the age of 15 is discovered during actual onboarding, the individual will be removed from the workplace immediately, his/her identify and situation will be thoroughly verified. The case will be referred to the appropriate government authorities for assistance if necessary. The Company will also review the recruitment process, identify the existing problems, take immediate corrective and preventive measures, and strengthen internal education and training to prevent recurrence of similar incidents.



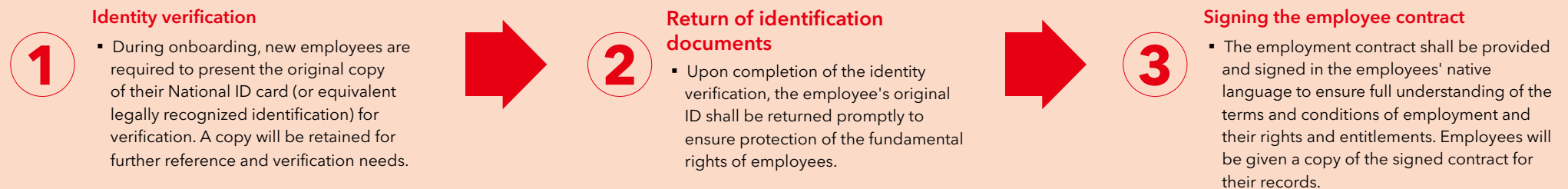


To ensure that all the employment practices apply with regulations, the Company has a comprehensive recruitment and onboarding process that are divided into the following two phases.

Phase 1: Recruitment Process



Phase 2: Onboarding Process





Child labor identification and handling mechanism

In the event that a child worker under the age of 15 is discovered during recruitment or actual onboarding, the Company will immediately take the following measures.

**1**

Immediate removal from the workplace

Ensure that the child labor does not engage in any form of work and that their personal safety is protected.

**2**

Identity and background verification

Confirm the individual's age and identity information and understand the reasons for their employment and personal background.

**3**

Provide appropriate assistance

If the child laborers are forced to work due to financial hardship, the Company will proactively contact government agencies to assist them in obtaining appropriate education and social support.

**4**

Review and preventive improvement measures

- Investigate the recruitment and onboarding processes to see whether the child laborer is employed due to insufficient screening, and take immediate corrective and preventive measures.
- Strengthen internal education and training and enhance the sensitivity and attention to child labor issues among the HR team and department heads to prevent recurrence of similar incidents.



The Company upholds a zero-tolerance policy toward child labor. We strictly prohibit violations of international standards or applicable national laws and are committed to ensuring that all labor conditions align with international human rights standards. As of the reporting year, the Company has not identified or employed any workers under the age of 15 and will continue to ensure that all human resources management policies align with ESG sustainability goals.



5.2 Workforce Structure

Gender/Job Level

Job Level	Gender	Taiwan			Overseas		
		2022	2023	2024	2022	2023	2024
Entry Level Employee	Male	295	326	348	41	39	45
	Female	325	354	369	44	47	47
Manager & Assistant Manager	Male	36	64	71	23	22	22
	Female	18	19	23	5	3	6
Senior Manager (including Director)	Male	10	10	15	5	6	4
	Female	5	6	6	0	0	0
Vice President or Above	Male	10	10	10	4	4	4
	Female	0	0	0	0	1	1
Total		699	789	842	122	122	129

- The workforce structure statistics are as of 2024/12/31 (excluding employees on leave without pay and regular outsourced personnel).

971人
Total number of global employees

519
Male employees

452
Female employees

22.22%
Percentage of female supervisors

46.55%
Female employee percentage





Gender/Job Level

Job Type	Gender	Taiwan			Overseas		
		2022	2023	2024	2022	2023	2024
Permanent/ Full-time Employee (Note 1)	Male	345	402	439	72	69	74
	Female	305	318	341	47	48	49
Temporary (Note 2)	Male	1	1	3	0	2	1
	Female	41	59	55	1	2	1
Part-time (Note 3)	Male	5	7	2	0	0	0
	Female	2	2	2	2	1	4
Regular Sourced Personnel (Note 4)	Male	2	2	2	0	0	5
	Female	4	3	4	0	3	7
Total		705	794	848	122	125	141

Note 1: Permanent employees are equal to full-time employees, who work 8 hours per day on weekdays.

Note 2: Full-time employees who have signed a fixed-term contract (including foreign employees and interns).

Note 3: Non-permanent/non-full-time employees who have signed contracts with no fixed term (student part-timer).

Note 4: Non-employees are those who work regularly within the Company (security guards, cleaning staff).

Direct/ Indirect Personnel

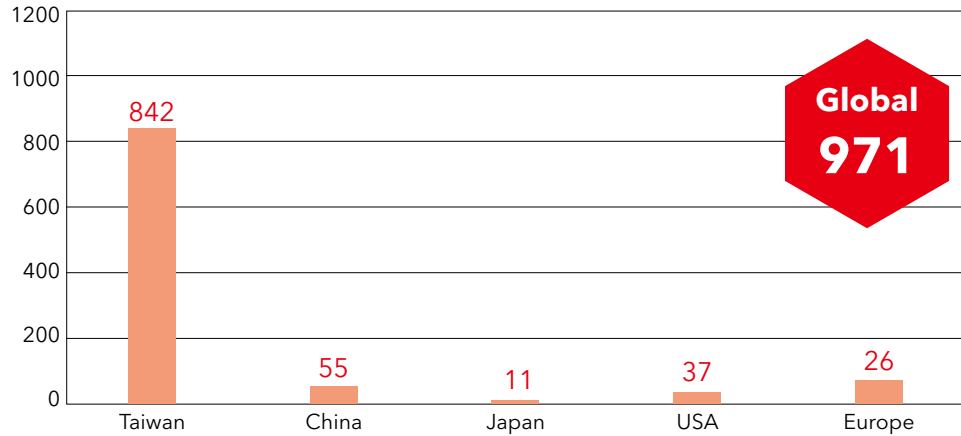
Job Type	Gender	Taiwan			Overseas		
		2022	2023	2024	2022	2023	2024
Direct Personnel	Male	108	109	126	0	0	0
	Female	190	198	197	0	0	0
Indirect Personnel	Male	243	301	318	73	71	75
	Female	158	181	201	49	51	54
Total		699	789	842	122	122	129

▪ Direct personnel: Those who work in the production line.

▪ Indirect personnel: It generally refers to all office staff, direct personnel excluded.



2024 Global Manpower Distribution



Note: The workforce structure statistics were as of 2024/12/31 (excluding employees on leave without pay and regular outsourced personnel).

Category: Local/Foreign/Disabled Personnel

- As of 2024, the total number of employees was 971. Total number of foreign employees was 104, including 34 males and 73 females, accounting for 11.02% of the total workforce. There are a total of 10 employees with disabilities, including 6 males and 4 females, accounting for 1.03% of the total workforce.
- The Company embraces fairness and welcomes employees from different backgrounds and ethnicities. We respect and preserve individual difference, enhance the value brought by individual uniqueness to ultimately realize workplace equality and create a diverse and inclusive workplace. Foreign employees in Taiwan come from Hong Kong, China, Malaysia, Japan, Russia, and Vietnam while our foreign employees overseas are from Taiwan, France, Germany, the Netherlands, Romania, Vietnam, and China.
- The total number of Vietnamese employees in Taiwan was 55. To protect the rights of blue-collar foreign workers, we provide them with the same benefits and necessary care as local employees, hoping to enhance their sense of identity and belonging to the Company.

Male								
Age Distribution			< 31		31-50		> 50	
Region	Category	Total Number	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	Local employees	441	125	28.34%	291	65.99%	25	5.67%
	Foreign employees	3	1	33.33%	1	33.33%	1	33.33%
Overseas	Local employees	44	8	18.18%	24	54.55%	12	27.27%
	Foreign employees	31	6	19.35%	19	61.29%	6	19.35%

Female								
Age Distribution			< 31		31-50		> 50	
Region	Category	Total Number	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	Local employees	342	81	23.68%	232	67.84%	29	8.48%
	Foreign employees	56	36	64.29%	20	35.71%	0	0.00%
Overseas	Local employees	37	7	18.92%	25	67.57%	5	13.51%
	Foreign employees	17	6	35.29%	10	58.82%	1	5.88%

Employees with Disabilities								
Age Distribution			< 31		31-50		> 50	
Region	Category	Total Number	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	Local employees	5	1	20.00%	3	60.00%	1	20.00%
	Foreign employees	4	0	0.00%	3	75.00%	1	25.00%
Overseas	Local employees	1	0	0.00%	1	100.00%	0	0.00%
	Foreign employees	0	0	0.00%	0	0.00%	0	0.00%



Recruitment and Hiring

The Company upholds the principles of fair, impartial, and open recruitment. Guided by internal operational standards, all our recruitment and hiring processes are driven only by requirements of the position. We do not consider factors such as nationality, gender, or any factors unrelated to the job, aiming at creating a workplace of equality. All the recruitment is only open to those aged 18 and above, and the Company does not employ child labor. In addition, the Company strictly abides by all applicable labor laws, and any changes in labor conditions are implemented under legal requirements to ensure full compliance with lawful employment practices.

Among global senior executives (Associate manager/Director and above), as high as 90.48% of them are local residents with permanent legal residence rights.

New Hire Rates

- Total annual headcount: (Beginning-of-year headcount + End-of-year headcount) / 2
- Number of total new hires (male/female employees) / (Beginning-of-year headcount + End-of-year headcount) / 2

The breakdown of the new hire rates by year and age group is as follows.

2024

Ratio of New Hires to Total Employees						New Hire Rate
Region	Annual Total Number	Male		Female		
		Number of People	Percentage	Number of People	Percentage	
Taiwan	816	99	12.13%	63	7.72%	19.85%
China	56	4	7.14%	4	7.14%	14.29%
Japan	11	0	0.00%	0	0.00%	0.00%
USA	36	4	11.11%	4	11.11%	22.22%
Europe	24	7	29.17%	5	20.83%	50.00%

Male						
Age Distribution	< 31		31 - 50		> 50	
	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	56	6.86%	42	5.15%	1	0.12%
China	1	1.79%	3	5.36%	0	0.00%
Japan	0	0.00%	0	0.00%	0	0.00%
USA	1	2.78%	2	5.56%	1	2.78%
Europe	4	16.67%	2	8.33%	1	4.17%

Female						
Age Distribution	< 31		31 - 50		> 50	
	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	36	4.41%	27	3.31%	0	0.00%
China	1	1.79%	3	5.36%	0	0.00%
Japan	0	0.00%	0	0.00%	0	0.00%
USA	1	2.78%	3	8.33%	0	0.00%
Europe	2	8.33%	2	8.33%	1	4.17%



2023

Ratio of New Hires to Total Employees						New Hire Rate
Region	Annual Total Number	Male		Female		
		Number of People	Percentage	Number of People	Percentage	
Taiwan	744	107	14.38%	91	12.23%	26.61%
China	58	2	3.45%	5	8.62%	12.07%
Japan	13	0	0.00%	0	0.00%	0.00%
USA	33	5	15.15%	2	6.06%	21.21%
Europe	20	3	15.00%	4	20.00%	35%

Male						
Age Distribution	< 31		31 - 50		> 50	
	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	68	9.14%	38	5.11%	1	0.13%
China	1	1.72%	1	1.72%	0	0.00%
Japan	0	0.00%	0	0.00%	0	0.00%
USA	4	12.12%	0	0.00%	1	3.03%
Europe	1	5.00%	2	10.00%	0	0.00%

Female						
Age Distribution	< 31		31 - 50		> 50	
	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	61	8.20%	30	4.03%	0	0.00%
China	3	5.17%	2	3.45%	0	0.00%
Japan	0	0.00%	0	0.00%	0	0.00%
USA	1	3.03%	0	0.00%	1	3.03%
Europe	0	0.00%	4	20.00%	0	0.00%



2022

Ratio of New Hires to Total Employees						New Hire Rate
Region	Annual Total Number	Male		Female		
		Number of People	Percentage	Number of People	Percentage	
Taiwan	672	81	12.05%	54	8.04%	20.09%
China	55	10	18.18%	8	14.55%	32.73%
Japan	12	3	25.00%	0	0.00%	25.00%
USA	34	2	5.88%	4	11.76%	17.65%
Europe	18	2	11.11%	3	16.67%	27.78%

Male						
Age Distribution	< 31		31 - 50		> 50	
	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	39	5.80%	41	6.10%	1	0.15%
China	7	12.73%	3	5.45%	0	0.00%
Japan	0	0.00%	3	25.00%	0	0.00%
USA	0	0.00%	1	2.94%	1	2.94%
Europe	1	5.56%	1	5.56%	0	0.00%

Female						
Age Distribution	< 31		31 - 50		> 50	
	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	41	6.10%	13	1.93%	0	0.00%
China	4	7.27%	4	7.27%	0	0.00%
Japan	0	0.00%	0	0.00%	0	0.00%
USA	2	5.88%	1	2.94%	1	2.94%
Europe	1	5.56%	2	11.11%	0	0.00%

* Restatement Note- Adjustment to New Hire Rate Calculation in 2022

To enhance the accuracy and comparability of indicators related to human resources, we adjusted the calculation method for the "new hire rate" from the 2023 Report, using the annual average headcount as the base instead of the original year-end headcount as the denominator. This approach can help with more accurate reflection of the workforce turnover throughout the year and is also compliant with the disclosure recommendations of sustainability standards.

Item	Original Calculation Method	New Calculation Method	Reason for Adjustment	Affected Year
Annual total number	Year-end headcount	(Beginning-of-year headcount + End-of-year headcount) / 2	Revise the headcount benchmark to improve the annual representativeness	Started from 2023
New hire rate	Number of total new hires (male/female employees) throughout the year ÷ Number of employees as of December 31, 2022	Number of total new hires(male/female employees) / (Beginning-of-year headcount + End-of-year headcount) / 2	Enable the new hire rate to reflect the average scale of the whole year to avoid deviation from a single point in time	Started from 2023



Turnover Rate

- Total annual headcount: (Beginning-of-year headcount + End-of-year headcount) / 2
- Turnover rate: Annual turnover number (of male/female employees) / (Beginning-of-year + End-of-year headcount) / 2
- Turnover number included foreign employees, interns, student part-timers, and those on leave without pay

The breakdown of turnover rate by year and age group is as follows.

2024



Employee Turnover Rate						Turnover Rate
Region	Annual Total Number	Male		Female		
		Number of People	Percentage	Number of People	Percentage	
Taiwan	816	69	8.46%	47	5.76%	14.22%
China	56	5	8.93%	4	7.14%	16.07%
Japan	11	0	0.00%	0	0.00%	0.00%
USA	36	1	2.78%	4	11.11%	13.89%
Europe	24	6	25.00%	1	4.17%	29.17%

Male						
Age Distribution	< 31		31 - 50		> 50	
	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	40	4.09%	29	3.55%	0	0.00%
China	3	5.36%	2	3.57%	0	0.00%
Japan	0	0.00%	0	0.00%	0	0.00%
USA	0	0.00%	0	0.00%	1	2.78%
Europe	3	12.50%	3	12.50%	0	0.00%

Female						
Age Distribution	< 31		31 - 50		> 50	
	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	28	3.43%	18	2.21%	1	0.12%
China	0	0.00%	4	7.14%	0	0.00%
Japan	0	0.00%	0	0.00%	0	0.00%
USA	0	0.00%	0	0.00%	4	11.11%
Europe	0	0.00%	0	0.00%	1	4.17%



2023

Employee Turnover Rate						Annual Total Number
Region	Annual Total Number	Male		Female		
		Number of People	Percentage	Number of People	Percentage	
Taiwan	744	47	6.32%	61	8.20%	14.52%
China	58	5	3.45%	6	8.62%	12.07%
Japan	13	1	7.69%	0	0.00%	7.69%
USA	33	5	15.15%	1	3.03%	18.18%
Europe	20	1	5.00%	2	10.00%	15.00%

Male						
Age Distribution	< 31		31 - 50		> 50	
	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	26	3.49%	21	2.82%	0	0.00%
China	1	1.72%	4	6.90%	0	0.00%
Japan	0	0.00%	0	0.00%	1	7.69%
USA	3	9.09%	1	3.03%	1	3.03%
Europe	0	0.00%	0	0.00%	1	5.00%

Female						
Age Distribution	< 31		31 - 50		> 50	
	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	29	3.90%	27	3.63%	5	0.67%
China	1	1.72%	5	8.62%	0	0.00%
Japan	0	0.00%	0	0.00%	0	0.00%
USA	0	0.00%	1	3.03%	0	0.00%
Europe	0	0.00%	2	10.00%	0	0.00%



2022

Employee Turnover Rate						Turnover Rate
Region	Annual Total Number	Male		Female		
		Number of People	Percentage	Number of People	Percentage	
Taiwan	672	66	9.82%	57	8.48%	18.30%
China	55	6	10.91%	6	10.91%	21.82%
Japan	12	1	8.33%	0	0.00%	8.33%
USA	34	5	14.71%	3	8.82%	23.53%
Europe	18	2	11.11%	1	5.56%	16.67%

Male							Female						
Age Distribution	< 31		31 - 50		> 50		Age Distribution	< 31		31 - 50		> 50	
	Number of People	Percentage	Number of People	Percentage	Number of People	Percentage		Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Taiwan	33	4.91%	32	4.76%	1	0.15%	Taiwan	37	5.51%	19	2.83%	1	0.15%
China	3	5.45%	2	3.64%	1	1.82%	China	4	7.27%	2	3.64%	0	0.00%
Japan	0	0.00%	1	8.33%	0	0.00%	Japan	0	0.00%	0	0.00%	0	0.00%
USA	1	2.94%	2	5.88%	2	5.88%	USA	1	2.94%	2	5.88%	0	0.00%
Europe	1	5.56%	1	5.56%	0	0.00%	Europe	1	5.56%	0	0.00%	0	0.00%

* Restatement Note - Adjustment to the Turnover Rate Calculation in 2022

To enhance the accuracy and comparability of indicators related to human resources, we have adjusted the calculation method for the "turnover rate" from the 2023 Report, using the annual average headcount as the base instead of the original year-end headcount as the denominator. This approach provides a more accurate reflection of workforce turnover throughout the year and is also compliant with the disclosure recommendations of sustainability standards.

Item	Original Calculation Method	New Calculation Method	Reason for Adjustment	Affected Year
Annual total number	Year-end headcount	(Beginning-of-year headcount + End-of-year headcount) / 2	Revise the headcount benchmark to improve the annual representativeness	Started from 2023
Turnover rate	Annual turnover number (of male/female employees) ÷ Number of employees as of December 31, 2022	Turnover rate: Annual turnover number (of male/female employees) / (Beginning-of-year + End-of-year headcount) / 2	Avoid measuring the changes in the whole year at a single point in time to improve data comparability and accuracy	Started from 2023



▪ Analysis of Male/Female Reinstatement after Parental Leave

Innodisk provides parental leave to all eligible employees in accordance with the Gender Equality in Employment Act, regardless of gender. The HR staff will proactively confirm their intention to return to work 30 days before the end of the parental leave.

- From 2022-2024, a total of 45 male employees were eligible for paternity (pregnancy checkup accompaniment) leave and that of female employees for maternity leave was 30.
- From 2022-2024, a total of 4 male and 21 female employees actually applied for parental leave without pay.

Year	Gender	Number of applicants		Expected number of reinstated employees		Actual number of reinstated employees		Reinstatement rate		Retention rate	
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
2024		0	5	2	5	1	5	50%	100%	0%	100%
2023		2	7	1	5	1	5	100%	100%	100%	80%
2022		2	9	1	7	1	5	100%	71%	-	100%

5.3 Employee Compensation Policy

▪ Remuneration and Related Benefits

The Company attaches great importance to the treatment and welfare of its employees. Employee salaries and remuneration are based on their educational background, professional knowledge and skills, seniority, and individual performance. There is no discrimination based on gender, age, region, race, background, social class, lineage, religion, physical disability, sexual orientation, pregnancy, and marital status. We also adopt a total compensation approach, taking into account salary, benefits, bonuses, and other forms of remuneration.

Innodisk's remuneration policy is established based on the following principles.

- Comply with relevant local laws and regulations to create harmonious labor-management relations within the legal framework, thereby achieving sustainable management.
- Provide higher starting salary for inexperience workers than the minimum salary stipulated by law.
- Provide legally required insurance and benefits for short-term or part-time employees from their first day of work.
- Conduct irregular industry salary surveys and make adjustments of salaries annually based on job market changes, company operating conditions, and individual performance to ensure the salaries are in line with market standards and fair.





- To improve the operational performance, the Company has established a corresponding performance bonus policy based on the operating conditions and the goals set by the business division. Year-end bonuses and employee bonuses are allocated based on the Company's annual profits to reward their contributions and encourage their active participation. Bonuses are distributed according to business performance, job function, employee contribution, and performance, ensuring fairness by making no distinctions based on gender, age, or other factors.
- Compensations for employees in overseas locations are in line with local legal requirements and market conditions to ensure reasonable and competitive salary levels. Social insurance schemes are implemented in accordance with local regulations. We also refer to the practices and operational performance of other industries and distribute long-term and short-term incentive bonuses to encourage long-term contributions and growth with the Company.

▪ Compensation Determination Process

To assist the board of directors with the execution and assessment of the overall compensation policy and the remuneration of directors and managers, the Company has established the Remuneration Committee to ensure the transparency, fairness, and rationality in compensation decision-making and the alignment with the Company's overall strategic goals and long-term development.

The Remuneration Committee shall maintain a professional and impartial stance and meet at least twice a year to evaluate the compensation policies of the directors and managers and make recommendations to the board of directors as references for their decision making. In addition, the committee shall also perform its duties faithfully and with the care of a good steward and submit its recommendations to the board of directors for discussion.

- Regularly review the Remuneration Committee Charter and propose revisions.
- Establish and regularly review the annual and long-term performance goals and compensation policies, systems, standards and structures for directors and managers.
- Regularly evaluate the directors' and managers' goal attainment status and determine

the content and amount of their individual remuneration packages.

To ensure the arrangement of the company's compensations comply with laws and regulations and are sufficient to attract outstanding talent, performance evaluations and compensations are conducted in accordance with relevant regulations, with reference to market conditions, and in a fair and transparent manner.

1. Directors and managers: Refer to industry average standards, and consider individual time commitment, responsibilities, goal attainment status, performance in other positions, recent remuneration distributed to individuals in similar positions, and the reasonableness of the linkage between individual performance, the Company's operating performance, and future risks shall be evaluated based on the achievement of the Company's short-term and long-term business goals and the Company's financial condition.
2. General employees: We refer to market salary levels and internal salary levels and take into account external competitiveness and internal fairness to determine employee salaries. In addition, in accordance with Article 19 of Innodisk's Articles of Incorporation, after deducting accumulated losses from the current year's pre-tax profits and before distributing remuneration to employees and directors, if there remains a surplus, no less than 3% of such earnings shall be allocated as employee compensation in the form of either cash or shares. Such allocation shall be resolved by a special resolution of the board of directors and reported to the shareholders' meeting.

The disclosure path for non-supervisory full-time employee salaries: Market Observation Post System (MOPS) website > Individual company query > Governance > Information relating to ESG > ESG Information Disclosure (5289-Innodisk) > Social Aspect > Human Development Indicators

<https://esggenplus.twse.com.tw/inquiry/info/individual>





5.4 Human Capital Development

■ Management Approaches of Material Topics

Talent Cultivation and Retention	
Policies and Commitments	The Company upholds the concept that talent is the most important asset of the Company, and is committed to creating a comprehensive talent cultivation and retention mechanism to ensure employees' continuous growth and fair opportunities throughout their career development.
Grievance/ Remediation Mechanism	The Company has established diverse and multiple communication and grievance channels to ensure employees' learning and development needs are addressed in a timely manner. The channels include the followings. 1. Internal Feedback Mechanism: We conduct employee satisfaction surveys every two years to analyze different aspects and make discussions for further improvements with various departments. 2. Anonymous Complaint Channel: We provide an anonymous feedback mechanism for issues regarding the unequal distribution of training resources and the fairness of promotion opportunities. 3. Through labor-management meetings, employees are encouraged to raise concerns and implement improvements. 4. Regular supervisor-employee interviews: Supervisors and employees meet periodically to discuss career development needs through performance evaluations and individual development plans. 5. Training Feedback Mechanism: Provide a real-time course feedback system to evaluate training sessions and enable improvements so as to ensure the learning effectiveness. 6. Retain talent through employee stock options. All the reported issues are handled by the HR Department and relevant management to ensure the rights and interests of employees, and to enhance the talent development mechanism through continuous improvements.
2024 Targets and Performance	1. Total learning hours amounted to 14,535 hours, a 10.98% increase compared with 2023. 2. The number of trainees totaled 8,076, a 2.46% increase compared with 2023. 3. The average training hours per employee increased to 14.97 hours, a 4.10% increase. 4. New employees received 1,087 hours of training to ensure rapid integration. 5. The completion rate for supervisor education and training reached 98.45%, strengthening the company's leadership development. 6. We successfully introduced the AI workshop, attracting 99 employees to participate and generating 41 AI application cases. 7. Manufacturing functional certifications will be digitally integrated into the eHRD system to improve training efficiency and management accuracy. As of the end of 2024, the Company has effectively combined digital and in-class learning and ensure that all supervisors and entry-level employees have access to comprehensive training resources, thereby enhancing talent development and enhancing corporate competitiveness.
Medium- and Long-term Goals	1. Deepen the eHRD learning module and performance management system, achieving 100% digital coverage of training plans. 2. Strengthen cross-departmental and cross-border training mechanism to ensure consistent learning resources and development opportunities for our employees globally. 3. Enhance AI and data-driven learning models, provide personalized learning plans through data analysis to improve learning effectiveness. 4. Continue to optimize employee career development and internal rotation mechanism, increase internal promotion opportunities and achieve steady improvement in the retention rate of key talent. The Company will continue investments in resources to ensure equal access and fair and transparent development opportunities for all employees to achieve long-term growth within the organization.
Long-term Goals	1. Create a corporate learning culture and ensure learning and development become core organizational value. 2. Continue to deepen ESG talent development strategy to ensure the company has top talent in the areas of sustainable development, digital transformation, internationalization, etc. 3. Establish a cross-border and cross-sector talent partnerships to strengthen the Company's global competitive edge and influence.



■ InnoPro Talent Development Framework

Human resources are one of Innodisk's most important assets. We value the learning and growth of each employee, and provide comprehensive education and training courses as well as diverse learning channels to cultivate knowledge, skills, and responsible, proactive attitude toward work needed in the workplace. Regular internal education and training is organized, and subsidies are also provided to encourage our employees to participate in on-the-job-training, lectures and seminars held by external certification organizations. While our employees strengthen their professional skills, the overall performance levels and the Company's operational efficiency will also be improved.

General Education Courses

We offer all employees with continuous development and growth opportunities. We provide all new employees tailored onboarding training programs according to their job functions and the training will be completed within the first three months. Moreover, we organize training sessions to boost work performance and seminars on industry trends and technological advancements, coupled with the wellness-oriented sessions to support employees' continuous self-improvement and mental balance beyond their daily work.

Technical Academy

For different professional and technical fields, such as production operations, marketing and sales, HR and development, financial and accounting, quality assurance and environmental safety and health, as well as information system, the Company organizes internal education and training, and also facilitate external training opportunities to fully support the comprehensive development of our employees.

Management Academy

In alignment with the development needs of the company and each department, we organize appropriate functional training for managers at all levels and emerging leaders on a regular basis. We actively nurture leadership talent, build a core team, and enhance management capabilities to drive team excellence and operational effectiveness.

Language Academ

In the face of an era of globalization, corporate operations must be aligned with international standards. In 2021, we introduced an online language testing platform for employees to use and organized English-related activities, aiming at enhancing all employees' English proficiency to maintain our competitiveness.

International Academy

Looking into the future and expanding into global market, we provide region-specific training annually based on local organizational needs, supporting the continuous development of our employees globally.

■ Continue to Introduce and Deepen the Application of Online Systems

In response to the organization's continuous growth and the needs in the post-pandemic era, we accelerate the application of digital learning tools to develop digital learning courses and assist our employees to use the communication tool "Teams" for real-time online classes with live instruction. In addition, we also gradually implement the "Learning Module" and the "Performance Module" of the online human resource development system (eHRD) in our overseas subsidiaries. In 2024, online courses were continuously developed to enable our employees to learn anytime, anywhere. For physical face-to-face courses, digital Apps are offered to provide paperless QR Code sign in, digital reading materials, questionnaires, tests, and subsequent assessments. In 2024, at least 3,000 pieces of paper and related storage space were saved, embodying the concept of environmental protection and care for the earth.



Web version of the learning platform



Mobile version of the learning platform



Statistics of Annual Training	2022	2023	2024	Growth rate in 2024
Total Learning Hours	10,570 hours	13,097 hours	14,535 hours	10.98%
Number of Trainees	6,166	7,882	8,076	2.46%
Average Training Hours (Based on year-end headcount)	12.87 hours	14.38 hours	14.97 hours	4.10%

Note: Duration under one hour is rounded to the nearest whole hour.

Onboard Training for New Employees (Taiwan Region)

After reporting to the department, new employees have to receive comprehensive training in system operations, professional knowledge, hands-on practice, and job acceptance procedures to ensure that they can quickly adapt and contribute effectively in the assigned role. In addition, to help new employees familiarize themselves with products, quality policy, background culture and company rules, all new employees are required to complete basic and advanced courses as well as general education courses for new hires online within three months from their Day 1 with the company.

Item	Session	Training Hours in 2024
Onboard Tasks	Online courses are not divided into sessions	17 hours
Basic and Advanced Courses for New Employees		605 hours
Information Security Standards & Promotion		29 hours
Intellectual Property Management Standards		318 hours
RBA Obligations and Rights of Employees		13 hours
Overview of Green Products		45 hours
ESG Education and Training		60 hours

Statistics of Annual Training Hours by Category	2022	2023	2024
External Training	1,190 hours	1,163 hours	1,352 hours
Internal Training	9,380 hours	11,934 hours	13,183 hours

Education & Training for Supervisors (Taiwan Region)

To assist supervisors at all levels with continuous development and growth, the Company gains in-depth understanding of their leadership and management learning needs and designs appropriate training programs tailored to various roles and leadership levels. With the enhancement of leadership and management skills, we aim to improve the employees' performance and satisfaction. Supervisors can also apply for relevant external training based on their development goals to strengthen their specific leadership and management capabilities.

Course Type	Content	Number of Classes	Total Number of Trainees in 2024	Total Training Hours in 2024
Leadership in Production Line Management	- Work guidance - Work relationships - Work management	8	37	59 hours
Leadership in Project Management	- Cross-departmental collaboration - Work practices - Interpersonal communication	2	81	920 hours
Leadership in Team Management	- Recruitment/training/performance systems and work instructions - Common case studies - Downward management - Leadership training - Recruitment interview skills	1	33	70 hours
Leadership in Business Management	- Annual Strategy Seminar - Mid- to Senior-level Executive Capability Enhancement Program	5	86	1,931 hours



▪ Lectures on Trends

We invite industry experts to share the latest information and development directions in the face of the industry trends through physical/online training courses to prepare everyone at Innodisk for the future.

Course	Duration	Total Number of Trainees in 2024	Total Training Hours in 2024
AI Development and Sharing	1	49	49 hours
From Data to Language Models: Understanding the Working Principles and Applications of LLM	2	84	168 hours

Duration under one hour is rounded to the nearest whole hour.

▪ Horizontal Management- Team Trekking Expedition Plan

Purpose of the Activity

To build a strong management team, Innodisk started the "22K North Coast Hiking Expedition" from 2022, aiming to enhance horizontal collaboration and communication among department heads through challenging outdoor activities, fostering team confidence and overall cohesion. Carrying forward this spirit, the 2024 challenge was a more demanding mountain trail, the "10K Mountain Expedition in Yangming Mountain", creating a profound peak experience, allowing the supervisors to build unforgettable memories during the process, strengthen emotional connections and further deepen cross-departmental collaboration. We uphold the core spirit that "One person can walk fast; a group of people can go further". The hiking expeditions are challenges of different levels for every supervisor. However, only when the team members reach the finish line together can the mission be really completed, which symbolizes the value of moving forward together and value of co-creation results.

Overview of the Event

Before the Event:

- Form new teams through cross-departmental and mixed grouping methods to break down the existing departmental boundaries.
- Gradually foster the team spirit and build consensus from team formation, goal setting, to arranging independent group and physical training.
- During the training and challenges, team members learn to encourage and support each other to demonstrate the power of teamwork.

After the Event:

- Professional instructors will guide participants in reflection and focused dialogue to help them reflect on and consolidate their learnings through the challenge.
- Experience sharing not only helps build informal relationship but also facilitate interactions for future collaboration, boosting cross-departmental team performance.

Activity Results and Prospects

- During the expedition, partners supported each other through difficulties, embodying the spirit of "partnering as one, going through hardship together" that further consolidate their cohesion and responsibility, laying deepened cultural foundation of team collaboration.
- Through cross-departmental mixed grouping arrangements, the supervisors build mutual trust, learn empathy and communication in actual cooperation, laying a solid foundation for future business integration and horizontal collaboration, improving overall communication and collaboration efficiency.
- Create Shared Memories and Accumulate Organizational Assets: The stories and memories created in the events will become a common language among the supervisors, strengthening their sense of identify with "working together as a team for common growth". This experience will be internalized and accumulated into long-term cultural assets of the organization.

▪ AI Workshop

Purpose

Over the past decade, AI technology has driven transformation across industries at an astonishing pace. Generative AI, recognized as a revolution in AI technology, has even redefined the operational models of businesses and become a crucial driving force of digital transformation. To help all the employees understand the potential and risks of these technologies and prepare for future changes, the Information Division organized a two-month AI workshop in 2024, aiming at enhancing the employees' knowledge and skills in artificial intelligence for them to apply in their daily work to solve business challenges.

Of course, the adoption of AI goes beyond technical considerations, actual needs of each department should also be incorporated to target at the process requires optimization most to maximize the value brought by AI. Therefore, in addition to R&D and IT teams, logistics departments such as manufacturing, accounting, management, and marketing were also invited to generate ideas from different units and concretize feasible AI application solutions.

Overview of Event

- Opening event: With the theme of "GAI Promotion: Enabling Employees to Understand the Concept of GAI", we held 3 sessions of workshops, attracting 99 employees. The participants learned to apply AI technology to their daily workflows in a creative and hands-on approach.
- Subsequent applications: The participating employees gained a preliminary understanding of large-scale language model, and they also built a knowledge base to create a chatbot with FAQs to automate common problems and services, achieving greater results with less effort.

Event Outcome, Learnings, and Outlook

The results were fruitful in the workshop, with 41 robotics applications generated. This not only helped the employees have a deeper understanding of AI applications across various fields, but also taught them to make effective use of these tools at

work. In addition, the workshop also facilitated cross-departmental cooperation and exchanges, strengthening the connection between the Company and the employees while enhancing their identity and sense of belonging. Innodisk will continue to provide diverse learning opportunities for the employees to cope with the changing and evolving technological trends and promote the continuous development and innovation of the Company.



99 Employees participated in the AI Application Workshop
41 robots, Across **13** applications areas
AI's successful penetration to the Group

All employees experienced the outcomes of INNO GAI



▪ Digitalization of Manufacturing Competency Certification

Through a comprehensive functional structure, we help production line employees to learn systematically, thereby improving job familiarity and work efficiency.

1. Create eHRD Certification Data

The HR Department and production line supervisors identify the workstations each employee requires certification for, along with the corresponding certification criteria, and create the "Test Paper", "Implementation Review-Work Breakdown Checklist" and the "Workstation-Specific Certification" for each workstation in the eHRD system.

2. Development of Electronic Competency Card

Use eHRD for certification operation and connect to the internal HR information system to automatically generate an exclusive electronic competency card (QR Code) for each employee. After passing the certification, the employee's assigned workstation can be immediately identified by mobile scan.

▪ Workstation-Based Job Certification



▪ Competency Certification Review Screen



Comprehensive Plant Competency Training

As the Company rapidly develops, we started planning and implementing a "Manufacturing Competency Certification System in 2016", aiming to comprehensively assess and manage talent, and make rapid review of the personnel's current working skills while strengthening their professional techniques to enable multi-skilled workforce deployment. With a clear training mechanism, our employees can follow practical operational guidelines. Through a comprehensive and sound training mechanism, we enable the quality of each employee's work, and provide a clear path for career development to motivate our employees to keep enhancing their self-worth and achieve further breakthroughs and development in their careers.

New employees

New employees are required to wear a yellow armband for identification, and from Day 1 until the end of the probation period, they will be arranged a 3-month workstation-specific training program. Only when they pass certifications can they work independently.

Instructor certification

To enable our employees to have a solid foundation, we place high value on employees who demonstrate a proactive attitude and are committed to self-improvement. Every quarter, supervisors will recommend outstanding employees for internal training to help them gain in-depth knowledge of system operations and techniques, gradually cultivating them into station-specific instructors who are able to guide new employees. In addition, the Company also conducts annual re-certification to ensure these instructors are equipped with up-to-date skills and effective instructional abilities.

Current employees

Digitalization of Manufacturing Competency Certification is carried out every March to quickly confirm personnel's work skills to ensure they meet requirements at workstations.

Cross-station learning

Considering the need for inter-departmental staffing support, we will flexibly develop multitasking and rotational skills based on each employee's capabilities. Employees can work independently only after they complete one-to-three-month station-specific training and pass the online assessment. During the training period, they are required to wear a yellow armband for identification and remove it only after they pass the training.



Station training and guidance



▪ Performance Management and Career Development

The performance appraisal system does not differentiate based on employee's gender, age, region, ethnicity, upbringing, social class, ancestry, religion, physical disability, sexual orientation, pregnancy, or marital status. The main purpose of performance management and development lies in the integration and enhancement of the individual and overall organizational performance, and implement two-way communication and employee development plans, which serve as the basis for promotion, salary adjustment, bonus distribution, employee development, and training needs. If an employee is found to be unsuitable for his/her job, an appropriate guidance plan will be developed or assistance will be provided for this employee to transfer to a suitable unit. If a balance cannot be achieved in the cooperative relationship between the Company and the employee, a reasonable severance payment and related measures will be provided in accordance with the law to ensure employees' work rights and interests.

The overall performance system attaches great importance to individual value, emphasizes employee autonomy, communication, and tracking to help employees achieve their goals. Supervisors can plan the overall development needs of the team to arrange tasks based on individual performance, supplemented by internal or external training courses, to achieve the overall growth of every individual and the unit.

When reviewing the work performance of the employees, we also pay attention to their career development in the Company to help them play their strengths and continue to grow, thereby enhancing the overall moral and development of the Company.



【Performance Management】

▪ New Employee Evaluation

To ensure new employees can adapt to the job smoothly and meet the job requirements, assessments are conducted within six to ten weeks after they enter the company to evaluate their work performance and training effectiveness. If the performance fails to meet the expectations, we provide further training or coaching to assist them with improvement, ensuring that they can be equipped with the skills required and make contributions effectively at work.

▪ Regular Performance Evaluation

All employees at our company undergo performance reviews twice annually. In 2024, 100% of employees and supervisors, regardless of gender or job category, all received a performance review. The content of the review includes the followings.

1. Attainment status of the work goals set at the beginning and middle of the year.
2. Job function performance, such as teamwork, continuous improvement, data analysis and decision-making.
3. Personal development and improvement plans.

▪ Performance Review Discussion

The performance review discussion is aimed to review employee performance and discuss attained goals and future development plans. Through the interview, employees can understand their strengths and areas for improvement. They can also review previous work achievement and challenges with their supervisors. This process helps strengthen two-way communication and enhance employee motivation and support their future development.

【Career Development】

▪ Individual Development Plan (IDP)

As part of the performance management cycle, the Company conducts individual employee development discussions every six months. The employees can express



their needs and ideas for their own career development during the interviews while the supervisors can provide feedback and suggestions based on their goal attainment status, strengths and weakness, the current situation and future goals of the department. Supervisors can then assign tasks based on the plan content to provide practical experience, supplemented by internal and external training courses to achieve overall sustainable growth. The overall system attaches importance to individual values and puts emphasis on employee autonomy. Through regular support and follow-up by the supervisors, the employees' development direction aligns with the Company's, thereby achieving a win-win by creating common growth for employees and the Company.

▪ Internal Transfer or Rotation Policy

Internal transfer: Supervisors can provide reference for suitable and interested employees when the organization has corresponding job needs based on employees' Personal Development and Improvement Plan and Organizational Development Needs, and discussions can be made concerning the possibility of transfer and relevant arrangement. We fully communicate with employees seeking career development or balancing family life and value their opinions. In 2024, a total of 86 employees transferred to different positions within the Company globally, accounting for 5% of our global headcount at year-end. Internal transfers can help employees develop new skills and broaden their horizons at work. On the other hand, they can also try new positions based on their interests and job suitability, thereby enhancing retention rates.

Rotation Policy: To facilitate diverse development among our employees, each unit arranges internal job rotation based on job development to assist employees in expanding their skill sets, gaining work experience, and enhancing cross-departmental collaboration. It not only helps employees understand the whole picture of the Company's operations, but also provides more opportunities for their future career development.

▪ International (Expatriate) Training Mechanism

To assist the Company in the expansion of overseas markets, Innodisk selects outstanding employees and supervisors for overseas assignments based on their work performance and personal preferences. Expatriates are required to have an in-depth understanding

of local market demands and keep the Company updated with the information for the promotion of new product launches and development, which can further help the Company gain a competitive advantage and lay a solid foundation in the global market. As of the end of 2024, a total of 21 employees were carrying out duties at the assigned locations, including Japan, China, the Netherlands, Germany, France, and the United States.

5.5 Employee Communication and Benefits

Innodisk attaches great importance to harmonious labor-management relations, and is committed to establishing a comprehensive communication mechanism and benefit system for its employees. Through diverse, two-way communication channels, employees are encouraged to proactively express their opinions, and we actively respond to their needs to foster mutual understanding and collaboration.

Our open communication culture not only fosters employee cohesion and a sense of identity, but also enables them to grow in a respectful and caring organizational culture. Through mechanisms such as regular labor-management meetings, internal communication platforms, and employee satisfaction surveys, we ensure that their voice can be heard and incorporated into corporate decision-making.

In addition, we have established comprehensive and diverse benefit packages to enhance employees' physical and mental well-being and quality of life. We are well aware that the well-being of our employees is the foundation of our long-term success. Therefore, we actively promote health promotion programs, diverse shift options, family support programs and other benefits to assist our employees achieve work-life balance.

Through these efforts, we hope to enhance employee engagement, engage a dynamic and forward-looking work environment, striving to realize a vision of achieving co-prosperity and win-win for both the Company and the employees.



5.5.1 Employee Communication

	Channels		Description
Employee Communication	Online	Website	Internal website: Information is divided into company information, industry news, and dedicated section for each unit. Important information is communicated to employees in a timely manner. Detailed company regulations and management methods are listed on the website for employees to review at any time.
		Email announcement	- Management Division: Announce important company news, education and training programs, benefits, compensation, and attendance-related information. - Occupational Safety and Health Office: Communicate health-related information. - Sustainable Development Office: Share monthly ESG trend reports, ESG events and sustainability-related issues. - Welfare Committee: Release various welfare activities from time to time (movie tickets, meal vouchers, employee trips, exhibitions, etc.) - Marketing Department: Distribute company overview, including Company vision, operational layout, business development, and milestones.
		Social media	FaceBook-"Inno Life FanPage": Share company events, photos/videos, friendly workplace and other related information.
	Offline	Physical meeting	- Labor-management meetings: Held on a quarterly basis at Xizhi and Yilan Plants. - Foreign worker communication: Foreign worker communication meeting is held once a month to communicate important company information and decisions. The information is also posted on the bulletin board in the foreign worker dormitory. - Department meetings: Each department holds internal communication meetings separately, discussing development direction, work progress, and new knowledge exchanges.
		Others	Bulletin board: This is a transparent and open information platform that is divided into four major sections, including Latest News, Foundation, ESG, and Occupational Safety, for clear communication.
Employee Grievances	Online/Offline	Complaint channels: Complaint hotline and physical/email mailboxes are provided for employees to make any suggestions or express their opinions.	

■ Labor-Management Meetings

To strengthen labor-management relations and facilitate collaboration to reach win-win situation, we have established a platform for regular mutual communication. Topics for discussions include labor conditions, work environment, compensation and benefits, employee activities, and others. Through these meetings, both sides can have two-way communication on labor relation issues, reach consensus, and resolve conflicts, which can further help facilitate harmonious and stable labor-management relations.

- Labor-Management Meeting Representatives: Five representatives from each plant (Xizhi Plant/Yilan Plant) from both sides. The resolutions of the labor-management meetings apply to all employees (including foreign workers) at the plants.
- Operational Methods and Frequency: The labor-management meeting shall be held every three months as prescribed in Article 83 of the Labor Standards Act and the Regulations for Implementing Labor-Management Meeting. A meeting notice and agenda shall be sent 15 days prior to the meeting for both parties to review and

gather information. In 2024, the meetings were held quarterly at both Xizhi and Yilan Plants, for a total of 8 times.

■ Labor Representative Selection Method:

- 1 All full-time employees are eligible to elect and be elected as labor representatives at labor-management meetings. However, first-level senior administrative managers who exercise managerial authority on behalf of the employer may not serve as labor representative.
- 2 A total of 8 labor representatives shall be elected, ranked by the number of votes received. The top 5 are elected representatives, and the 6th to 8th will be alternate representatives.
- 3 According to Article 6 of the Regulations for Implementing Labor-Management Meeting, if employees of a single gender account for more than half of the workforce, no less than one-third of the elected labor representatives shall be of that gender.
- 4 The election is conducted online, and the employees will be notified of the results by email or paper.
- 5 The current term of service shall begin from the day following the election.



5.5.2 Employee Care

Employee Care at Different Stages

Employees are one of the company's most important assets, and creating a positive work environment is a core value of the company. Whether during onboarding, mid-career development, or the transition to retirement, the Company makes regular evaluation of employees' work performance and well-being and provides professional career planning, skills development, and health management to allow employees to reach better work-life balance at different stages. This not only helps improve employee job satisfaction and loyalty, but also strengthens the Company's cohesion and long-term development potential.

New employees

When new employees work for the Company for one and three months, the HR personnel will provide a caring and supportive conversation with them to understand their adaptation to the work, department, and environment. Their questions are answered and assistance as well as suggestions are provided as needed to help new employees to fit into the team faster and relieve their tension and anxiety.

Current employees

To address employee needs with empathy, the Company conducts employee satisfaction survey on a regular basis to gather feedback and insights across various aspects of the employee experience. The dedicated HR partner of each unit also provides timely assistance to employees, particularly those who just experienced department transfer, were newly promoted supervisors, expatriated, or reinstated, aiming to ensure that they receive adequate support during the change process.

Employees who have left the company

When an employee submits a resignation request and when the resignation date is confirmed by both the supervisor and the employee, the supervisor will notify relevant departments via email. The HR associates will assist the departing employee with necessary procedures and arrange exit interviews to understand the reasons for their resignation. Feedback is used to refine and optimize internal process and systems. We strive to maintain a positive relationship with employees throughout the offboarding process, ensuring that they feel respected and cared for, while laying a solid foundation for potential future collaboration.

Care for Foreign Workers

Innodisk is committed to creating a warm and friendly work environment. We provide open and compassionate communication channels and sincerely listen to their voice and needs. The Company encourages the exchanges and integration of diverse cultures and actively creates a supportive atmosphere, providing assistance and support whenever needed in terms of work challenges, adaptation situation, and personal growth. Through effective communication and care, we hope that every foreign worker at Innodisk can find their goals and reach their full potentials to achieve career success and personal goals.

Physical and Mental Health Care

In terms of dormitories, the Company provides a 6.74-ping space for each foreign worker, better than the government standard of 3.6 pings, to allow the employees to enjoy a more spacious and comfortable living environment. Regular dormitory disinfection and inspections are carried out to maintain cleanliness and safety, so that the foreign workers can live in peace of mind.

In addition, to ensure dormitory safety, the Company carries out regular fire safety inspections and arranges fire prevention and escape drills to enhance employees' safety awareness and further ensure their living safety.

To improve the quality of life and safety of our employees, the Company has arranged a foreign live-in caregiver to understand the employees' daily needs, offering support and guidance to help address any challenges.

If any discomfort arises, the caregiver accompanies the individual to medical appointments, provides medication guidance, and conducts regular health check-ups. In addition, we also keep the unit supervisor posted of their health conditions to ensure their safety in the working environment.

Through supervisor referrals or observations made by placement agencies, we provide occasional care, counseling, and support to employees to help reduce workplace discomfort. Each shift requires accurate check-in and check-out procedures, with a reporting mechanism in place for night shift departures to ensure work quality and physical and mental safety of employees.

In addition to the new entry physical examination and regular health checkups, the occupational nurse will provide one-on-one care and track abnormal physical data of employees based on the examination results. Translated health education information is also provided to ensure that every employee receives comprehensive and effective health care.



Welfare Planning Program

We provide spacious parking spaces with weatherproof roofing to shield vehicles from adverse weather conditions. In addition, to prevent vehicles from being towed or damaged due to illegal parking, we actively maintain parking order for employees to use the facilities with peace of mind.

為 To protect the rights of employees using e-vehicles, the Company provides registration and insurance assistance in accordance with relevant regulations. As of 2024, all e-vehicle registrations have been completed, and insurance renewals have been successfully completed, ensuring employees' safe commuting and compliance with regulatory requirements. We will continue to improve the commuting environment to ensure safe travel to and from work for our employees.

Foreign employees enjoy the same rights as local employees. They can participate in various welfare benefits and activities held by the Welfare Committee, such as festival celebrations, sports competitions, club activities, and family days, allowing them to relax and recharge outside of their busy work schedules while fostering communication and collaboration.

In addition, we actively encourage foreign employees to join and fit into the team. Through diverse activities, we provide cross-cultural connection, support life-work balance, and show our respect and care for every employee.

To encourage foreign workers to renew their contracts after their term expires, we offer a renewal bonus as a way to recognize and appreciate the hard work and dedication of our employees. From September, 2024, we further cover various fees, including recruitment processing fees, regular medical examination costs (at 6th, 18th and 30th months), contract renewal fees, and monthly service fees, this not only alleviates the financial burden on employees but also reflects our commitment to valuing and caring for employees, providing a stable work environment where they feel secure, supported, and empowered to grow.

Employee Communication Channels

Monthly meetings are held to provide smooth communication channels for employees. Supervisors and all foreign workers attend the monthly meeting to ensure opportunities to express their needs and suggestions and get immediate feedback. There will be an interpreter at the meeting to ensure complete and clear conveyance of their opinions. In 2024, a total of 24 monthly meetings were held in Xizhi and Yilan Plants. In addition, we advocate open communication. Any concerns or illegal infringements can be reported anonymously or with identification. A 24-hour reporting channel that supports multiple languages such as Mandarin Chinese, English, and Vietnamese are available to ensure that complaints can be made without language and time restrictions.

Counseling for New Employees

When new foreign workers report to work, the Company will provide comprehensive orientation with translators at present to ensure that they are clearly aware of the company policies, culture, and job requirements. Meanwhile, senior foreign workers are also present to guide new foreign employees for them to adapt to the work environment and get familiar with their duties faster. All the SOPs and operating instructions are provided in both Chinese and Vietnamese to eliminate language barriers so as to facilitate smooth operations. In addition, the Company has also prepared hand-outs of production line operation process in both Chinese and Vietnamese and provided Chinese lessons to encourage new foreign employees to learn and grow.



Diverse festival activity



Dormitory fire escape drill



Dormitory Fire Extinguisher Operation Drill



Monthly communication



Dormitory cleaning and disinfection operations



Irregular production line operation care



On-site line production guidance



Irregular employee care



Parking space with weatherproof roofing



5.5.3 Employee Benefits

■ Benefits and Protection

① Insurance Benefits

To ensure the personal and health care of our employees, we purchase group insurance for each employee on the day they report to the company, which covers group injury medical insurance, cancer medical health insurance, hospitalization medical health insurance, multiple accidental injury insurance, major disease insurance, and occupational injury insurance. The group insurance premiums are fully paid by the Company.

Based on daily work needs, we provide employees with necessary protection when unexpected accidents occur. We also arrange for insurance agents to visit the Company every two months to offer free consultation for employees.

② Employee Stock Option

To motivate and encourage outstanding employees, the Company has established an employee stock option program. In addition to receiving monetary rewards, selected key employees can also obtain a specific number of stock options according to the incentive system. This policy is designed to foster stronger employee commitment and reward high-performing employees, achieving a win-win goal of retaining outstanding talent.

③ Friendly Workplace Benefits & Subsidies

Marriage: A wedding cash gift of NT\$ 6,000 and a congratulatory gift are provided.

Childbirth:

1. Transportation-related: In addition to providing parental leave and family care leave as required by law, employees also receive additional transportation subsidies. During pregnancy, employees can apply for free company parking or a commuting allowance of NT\$6,000.
2. Childbirth/Childcare related: We provide employees with childbirth gifts, a NT\$3,000 childbirth cash gift, and a childbirth subsidy of 6% to 10% of their salary to help them reduce the financial burden of raising children; and an additional NT\$30,000 childcare subsidy is provided for the second child.

Scholarship Program for Employee' Children: To encourage and cultivate the independent learning and growth of employees' children, employees can apply for scholarships and grants for their children in accordance with the company's scholarship and grant program for that year. From elementary school to graduate school, scholarships ranging from NT\$2,000 to NT\$8,000 per academic year are provided as encouragement.

Employee Emergency Relief Fund: We provide medical assistance to employees for hospitalization and major illnesses, and help families in the event of accidents, disasters, and major emergencies, to accompany our employees go through emergencies.

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Item	Number of Beneficiaries	Cumulative Amount Disbursed
Wedding gift	22	-
Wedding cash gift	25	150,000

Item	Number of Beneficiaries	Cumulative Amount Disbursed
Commuting allowance	10	60,000
Free parking	1	-
Childbirth gift	10	-
Childbirth cash gift	19	59,000
Childbirth subsidy	8	240,000
Childcare subsidy	78	3,342,019
Total	126	3,701,019

Scholarship Program for Employee' Children	Number of Beneficiaries	Cumulative Amount Disbursed
	163	556,000

Emergency Relief Fund	Number of Beneficiaries	Cumulative Amount Disbursed
	25	443,788

Item	Number of Beneficiaries	Cumulative Amount Disbursed
Elevated flower baskets	92	-
Condolence payment	1	240,000
Funeral allowance	15	44,500



Leave Benefits Exceeding Statutory Requirements :

Marriage leave

Marriage leave can be split and used within one year.

Family care leave

Family care leave does not require supporting documentation.

Maternity leave

1. In the event of a miscarriage occurring after the second but before the third month of pregnancy, the employee shall stop working and is entitled to one week of paid maternity leave and must refrain from working during that time.
2. In the event of a miscarriage occurring within two months of pregnancy, the employee shall stop working and is entitled to five days of paid maternity leave and must refrain from working during that time.

New employee leave

New employees are entitled to annual leave from the first day of employment. In addition to the statutory three days in six months, two additional days of new employee leave are granted.

Family caregiver leave

To support employees who need to accompany or care for their loved ones and family members, two days of paid leave are granted annually (perfect attendance bonus remains unaffected).

Family caregiver leave was planned for implementation in 2024 and took effect on 2025/1/1.



Expatriate family allowance: In accordance with the policies of each location, employees are provided with relevant subsidies, including family allowance, dependent insurance, accommodation (miscellaneous) allowances, and airfare for retuning to Taiwan.

Region	Distribution Frequency	Amount	Actual Number of Application	Description
China	Every month	RMB 2,800	4	- Family allowance: Employees assigned to China with dependents are granted family allowance of RMB 2,800. - Accommodation allowance: 1.1 times the regional allowance. - Airfare for retuning to Taiwan: Each dependent (including spouse and minor children) are provided with four round-trip tickets annually.
Japan	Every month	¥100,000	1	- Family allowance: Employees assigned to Japan with dependents are granted family allowance of ¥100,000 every month. - Dependent insurance: Dependents are provided with the same coverage as employees, based on the insurance plan of the branch office in the assigned region. - Accommodation allowance: 1.1 times the fixed subsidy amount of the regular employees. - Airfare for retuning to Taiwan: Each dependent (including spouse and minor children) are provided with four round-trip tickets annually.
United States	Every month	US\$1,000	1	- Family allowance: Employees assigned to USA with dependents are granted family allowance of US\$1,000, with an additional US\$ 500 for each child. - Dependent insurance: Dependents are provided with the same coverage as employees, based on the insurance plan of the branch office in the assigned region. - Accommodation allowance: 1.1 times the fixed subsidy amount of the regular employees. - Accommodation and miscellaneous expenses allowance: 1.5 times the fixed subsidy amount of the regular employees. - Airfare for retuning to Taiwan: Each dependent (including spouse and minor children) are provided with two round-trip tickets annually.
Europe	Every month	€800	0	- Family allowance: Employees assigned to Europe with dependents are granted family allowance of €800 every month. - Dependent insurance: Dependents are provided with the same coverage as employees, based on the insurance plan of the branch office in the assigned region. - Accommodation allowance: 1.1 times the fixed subsidy amount of the regular employees. - Airfare for retuning to Taiwan: Each dependent (including spouse and minor children) are provided with two round-trip tickets annually.



Diversity, Equity, Inclusion (DEI) Column : Vietnam Moon Festival Star Lantern Craft and Appreciation

During the process of promoting sustainable development in environmental, social and governance (ESG), Innodisk is committed to creating an inclusive working environment that respects diverse cultures.

We are well aware that our employees are from different countries and backgrounds, and their cultures and traditions are crucial assets for the development of Diversity, Equity, and Inclusion (DEI). Therefore, on the Mid-Autumn Festival in 2024, we specially organized the "Vietnam Moon Festival Star Lantern Craft and Appreciation" event to allow our associates from Vietnam to feel the warmth of the festival in Taiwan and to enable all employees to experience the charm of different culture.

Exchange and Integration of Traditional Cultures

Star lanterns are an important symbol of Vietnam's Mid-Autumn Festival, representing reunion and hope. On the day of the event, the Company prepared the materials and the Vietnamese employees demonstrated how to make the star lanterns and also shared stories about how they celebrate this holiday in their hometown. Through this event, we not only showed our care for Vietnamese employees, but also allowed employees from different cultures to have a deeper understanding of the traditions and customs of their countries.



Implementation of Diversity, Equality, and Inclusion (DEI) in Practice

This event is not only a cultural exchange, but also a concrete action to fulfill DEI commitments. We believe that respecting and embracing diverse cultures can enhance team cohesion, enhancing employees' sense of belonging and further improving their overall work efficiency and innovation.

In the future, Innodisk will continue to carry out more cultural exchanges and employee care programs to promote diversity and inclusion, creating an open and inclusive work environment. We believe that the uniqueness of each employee is the driving force that pushes us move forward. Let us work together to build a corporate culture that is sustainable and harmonious.

06

Occupational Safety and Health Management

6.1 Occupational Safety and Health Policy and Objectives

6.2 Compliance with Occupational Safety and Health Regulations

6.3 Health Promotion

Occupational Safety Feature:
Happy Workplace- Take Your Kids To Work Day

Annual Performance Highlights

- In 2024, the Company passed third-party certification for the ISO 45001 Occupational Safety and Health Management System for **seven years in a row**.
- In 2024, we fully complied with Occupational Safety and Health related regulations, and no fines or penalties due to violations occurred.
- The total hours of internal employee training on occupational health and safety amounted to **2,620** hours, with a total of **2,416** participants in 2024.
- In 2024, we were awarded the **8th** Certificate of No-Lost-Time Injury Record issued by the Industrial Safety and Health Association (ISHA) of the R.O.C., showing our firm commitment to a zero-accident work environment.

6.1 Occupational Safety and Health Policy and Objectives

- The Company is committed to occupational safety and health, continuously enhancing the overall performance in this area. We incorporate occupational safety and health into our corporate sustainability strategy to ensure employee rights and interest, lower operational risks, and comply with our ESG goals.

For the Occupational Safety and Health Policy, we actively promote occupational safety and health management through a systematic risk identification and control mechanism to ensure workplace safety and compliance. Risk prevention and management measures (including hazard identification, risk assessment and control) are being carried out, and internal reviews, external audits, as well as communication with internal and external stakeholders are implemented while the efficiency of occupational safety and health management being enhanced to ensure effective operation and continuous improvement of the management system, enabling all employees to work in a safe environment.

Moreover, through routine participation in occupational safety and health training programs, we strengthen employees' safety awareness, reduce occupational injury and health risks, and align with Ministry of Labor's four major projects. Professional occupational nurses regularly provide health care and professional consultations to effectively assess employees' job suitability and address operational hazards, implement tiered management and continuous tracking. Health education is conducted every month, providing information for employees to eat healthily, relieve stress in work and life and so on.

The Company continues to optimize occupational safety and health management mechanism in accordance with ISO 45001 standards to ensure compliance with applicable laws and regulations and provide a safe and healthy work environment to achieve the goal of zero occupational accidents.

- ISO45001 Occupational Safety and Health Management System Certification

The Company is dedicated to establishing a safe and healthy workplace by adhering to applicable laws, regulations, and international standards (such as GRI 403: Occupational Health and Safety). In 2018, Innodisk officially passed ISO 45001 Occupational Safety and Health Management System certification. Through systematic management and continuous improvement measures, we have adopted various preventive measures to lower risks to prevent the occurrence of occupational hazards and protect employee health and safety.

6.1.1 Risk Prevention and Safety Management Measures

To effectively lower operational risks and prevent occupational injuries, we have taken the following preventive measures.

- **Equipment and Facilities Management:**

- Carry out regular self-inspections of mechanical equipment and electrical facilities, and implement lockout controls on electrical panels to prevent unauthorized operation and reduce electric shock.
- Install additional hazard identification signage within the plant, including noise hazard signage and GHS chemical hazard labeling. In addition, firefighting equipment is also labeled in accordance with regulatory standards to enhance overall safety awareness.





C. Provide personal protective equipment (PPE) meeting international standards and conduct regular inspections and maintenance to ensure its effectiveness.

▪ Work Environment Monitoring and Maintenance

A. Regular work environment monitoring is conducted in accordance with occupational safety and health regulations. The scope of monitoring includes the followings.

- Drinking water quality (comply with national drinking water standards)
- Noise level (ensure compliance with regulations)
- Organic solvent concentration (in compliance with occupational exposure limits)
- Carbon dioxide concentration (maintained within health recommendations)
- Temperature, humidity and illumination (to ensure compliance with comfort and operational standards)

B. Trend analysis is made based on the monitoring results, and improvement measures are adopted immediately to ensure environmental compliance and prevent occupational diseases.

6.1.2 Special Operations Management and Control

The Company has established relevant control measures for high-risk special operations (such as soldering, ionizing radiation operations, use of hazardous chemicals, and operations in noisy environments), and implemented these measures based on the risk assessment results.

▪ Control Plans and Improvement Measures:

- We have formulated and carried out risk control plans or improvement measures based on the risk assessment results to lower potential health risks to our employees.

▪ Hazardous Chemical Management:

- An "Organic Solvent Operation Supervisor" with professional qualification is responsible for the management of chemicals to ensure the collection, storage, and use all comply with regulatory standards.
- Place the Safety Data Sheets (SDS) in a clearly visible location within the work area to ensure employees can quickly access and implement emergency response measures in the event of an emergency.
- Carry out safety education and training on a yearly basis, covering chemical handling regulations, emergency response and related knowledge training to enhance employee's safety awareness and response capabilities.





6.1.3 Continuous Improvement and Internal Review

The Company makes continuous review and improves the safety management effectiveness through an internal audit mechanism. Relevant measures include the followings.

- **Regular internal audits:** Carry out internal audits every year in accordance with occupational safety management regulations to review the implementation of occupational safety and health management. When any non-compliance is identified, improvement plans are proposed.
- **A Mechanism for Continuous Improvement:** Relevant management units will develop and implement immediate corrective measures for audit findings and track the implementation status to ensure the issues are effectively solved.
- **Information Transparency:** The audit results and improvement action plans will be compiled into the internal reports to be submitted in the management review meetings, serving as a reference for future decision-making to ensure continuous improvement of our occupational health and safety policies.

6.2 Compliance with Occupational Safety and Health Regulations

In 2024, the Company comprehensively complied with

relevant occupational safety and health regulations, and there were no fines or penalties imposed due to violations. The Company continuously ensures the operations are compliant with applicable regulations and standards through internal audits and regulatory compliance mechanism, dedicated to providing a safe and healthy working environment. Our compliance efforts reflect the Company's dedication to workplace safety regulations. We will reinforce this commitment through preventive strategies and continuous improvement to lower operational risks, stay aligned with legal standards, and protect the well-being of our employees.

6.2.1 Communication, Participation, and Consultation Process Management

To effectively implement safety and health management and establish a transparent and lasting communication mechanism, the

Company has established internal and external safety and health communication, participation and consultation procedures. Specific measures are as follows.

1. Information Promotion and Communication

- Continue to promote safety and health laws and relevant regulations to ensure the employees understand and comply with them.
- Enhance employee safety awareness through regular internal announcements, education and training, and electronic communication platforms.





C.Collaborate with external professional institutions to introduce the latest safety and health technologies and best practices.

2. The Establishment and Operation of the Occupational Safety and Health Committee

A.The Company has established an Occupational Safety and Health Committee as prescribed by law, with labor representation meeting the legal requirement of a minimum one-third ratio, safeguarding employees' rights to participation.

B.The Committee convenes a regular meeting on a quarterly basis to review, coordinate, and suggest matters related to occupational safety and health, and help solve relevant issues to ensure inclusive and transparent decision-making.

C.Provide an employee feedback mechanism to allow employees to raise suggestions and concerns directly to senior management through the committee, ensuring timely response and improvement of the issues.

D.Revision of the occupational safety and health policies, regulatory identification, and risk assessment content; review of the implementation of annual occupational safety and health plan and environmental monitoring plans, and improvement plans for facilities and equipment at each workplace.

2024	Q1	Q2	Q3	Q4
Meeting Date	2024/04/24	2024/07/25	2024/11/13	2025/01/16
Xizhi Plant Yilan Plant	Meeting Content: 1. Review and prevention of occupational injury cases 2. Review and revision of occupational safety and health regulations 3. Hazardous industrial waste removal (waste boards) 4. Fire Bureau security inspection to verify on-site hazardous materials storage conditions are consistent with declaration 5. Regulatory identification and compliance results	Meeting Content: 1. Work Environment Assessment Results for the first half-year 2. Results of environmental aspect identification and evaluation, summary of significant environmental aspects, and improvement measures 3. Review and prevention of occupational injury cases 4. Results of the first half-year self-defense fire drill and evacuation drill 5. Content of occupational safety and health promotion activities 6. Regulatory identification and compliance results	Meeting Content: 1. Hazard identification and risk assessment results, major hazard identification items, and improvement measures 2. ISO 14001 internal audit results 3. ISO14001 external audit implementation results 4. Review and prevention of occupational injury cases 5. Results of the second half-year self-defense fire drill and evacuation drill 6. Factory-wide fire escape drill 7. Content of occupational safety and health promotion activities 8. Regulatory identification and compliance results	Meeting Content: 1. Work Environment Assessment Results for the second half-year 2. ISO 45001 internal audit implementation results 3. ISO 45001 external audit implementation results 4. Review and prevention of occupational injury cases 5. Content of occupational safety and health promotion activities 6. Regulatory identification and compliance results

3. Diverse Communication Channels and Employee Participation Mechanism

A.Employees can express their suggestions or opinions regarding occupational safety and health through internal systems, emails, physical suggestion boxes or the anonymous reporting mechanism.

B.Department representatives are in charge of summarizing opinions and proposing specific suggestions for improvement to facilitate dialogues between senior management and entry-level employees.



6.2.2 Occupational Safety and Health Education and Training

To enhance employees' safety and health awareness and prevention of occupational accidents, we carry out the following annual occupational safety and health education and training, as well as refresher training for occupational certification.

Item	Plant	Title of Course	Number of Trainees	Number of Hours	Item	Plant	Title of Course	Number of Trainees	Number of Hours
1	Xizhi /Hsinchu / Taichung /Yilan	Training on Illegal Infringement and Gender Equality in the Workplace (Incident Review Panel)	28	112	8	Xizhi / Yilan	Respiratory Protection Training	14	14
2	Xizhi /Hsinchu / Taichung /Yilan	Training on Illegal Infringement and Gender Equality in the Workplace (Senior executive training- online/offline)	65	120	9	Xizhi / Yilan	First/Second Half-Year Self-Defense Fire Fighting Teams - First Half (Daytime)	40	160
3	Xizhi /Hsinchu / Taichung /Yilan	Training on Illegal Infringement and Gender Equality in the Workplace (General education)	801	401	10	Xizhi / Yilan	First/Second Half-Year Self-Defense Fire Fighting Teams - Second Half (Daytime/Nighttime)	69	276
4	Xizhi /Hsinchu / Taichung /Yilan	Traffic Safety Course (Online course)	99	99	11	Xizhi / Yilan	First half-year plant-wide evacuation drill	673	366
5	Xizhi / Yilan	Hearing Protection Training (Online course)	18	18	12	Xizhi / Yilan	Second half-year plant-wide evacuation drill	182	91
6	Xizhi / Yilan	Basic Occupational Safety and Health General Training for New Employees (Online course)	130	390	13	Xizhi / Yilan	Organic Solvent Leak Drill	26	26
7	Xizhi / Yilan	New Employee Training - General Knowledge of Hazardous Chemicals (Online course)	67	201	14	Xizhi / Yilan	ISO145001 internal audit trainer	16	96
					15	Xizhi / Yilan	Lecture on Marine Environmental Sustainability	189	250
					16	Xizhi /Hsinchu / Taichung /Yilan	External Safety and Health Certification Education and Training (Conducted by qualified external institutions)	16	96

The education and training listed above aimed to strengthen employees' safety and health awareness and enhance job-related core professional competencies.

The internal training hours amounted to 2,620 hours, with a total of 2,416 trainees.





6.2.3 Statistics on Occupational Injuries

To implement occupational safety and health management in higher standards, we have actively promoted and applied for monthly record of No-Lost-Time Injury Work Hours since March, 2014. As of December, 2024, we have successfully accumulated more than 10.21 million No-Lost-Time Injury Work Hours. During this period, the Company continued to strengthen occupational safety management, and was awarded the 8th Certificate of No-Lost-Time Injury Record issued by the Industrial Safety and Health Association (ISHA) of the R.O.C. This is more than a recognition to our efforts. It also demonstrates the Company's firm commitment to a zero-accident work environment.

Building upon the achievement of No-Lost-Time Injury work hours, we are committed to risk prevention and employee safety assurance, and further enhance safety education and training to ensure all employees can work in an environment complaint with occupational safety and health regulations. To date, no occupational accidents or safety incidents have occurred on-site, with both the lost-time injury frequency rate and lost-time injury severity rate remaining at zero, showing significant effectiveness of the risk management. In 2024, there were a total of 7 commuting-related traffic accidents affecting employees. However, these incidents did not fall into the category of occupational hazards and therefore, were not included in the work safety statistics.

We will continue to pay close attention to traffic safety management and further enhance commuting safety awareness among employees, striving to reduce occupational hazards and accidents in every aspect so as to provide a safer, healthier work environment for our employees.

Plant	Year	No. of Lost-Time Injuries	Lost-Time Injury Days	Total Worked Hours	Lost-Time Injury Frequency Rate (FR)	Lost-Time Injury Severity Rate (SR)	Frequency-Severity Rate (FSR)
Xizhi	2022	0	0	1,035,928	0	0	0
	2023	0	0	1,159,552	0	0	0
	2024	0	0	1,209,128	0	0	0
Yilan	2022	0	0	411,586	0	0	0
	2023	0	0	444,464	0	0	0
	2024	0	0	525,906	0	0	0

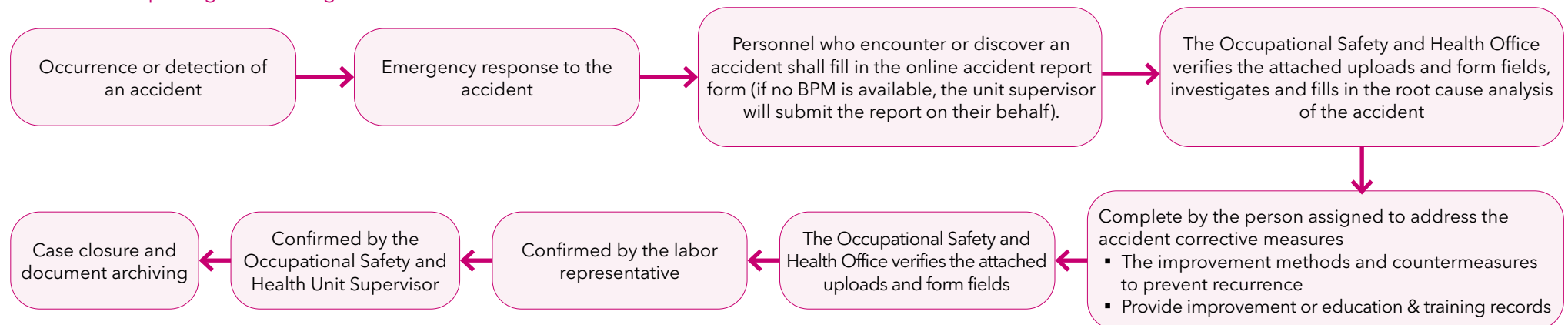
Definitions:

Frequency-Severity Index (FSI) = $\sqrt{(FR \times SR / 1000)}$

FR = Number of Lost-Time Injuries x Million Work Hours / Total Work Hours

SR = Lost-Time Injury Days x Million Work Hours / Total Work Hours

Accident Reporting and Investigation Procedure Flowchart



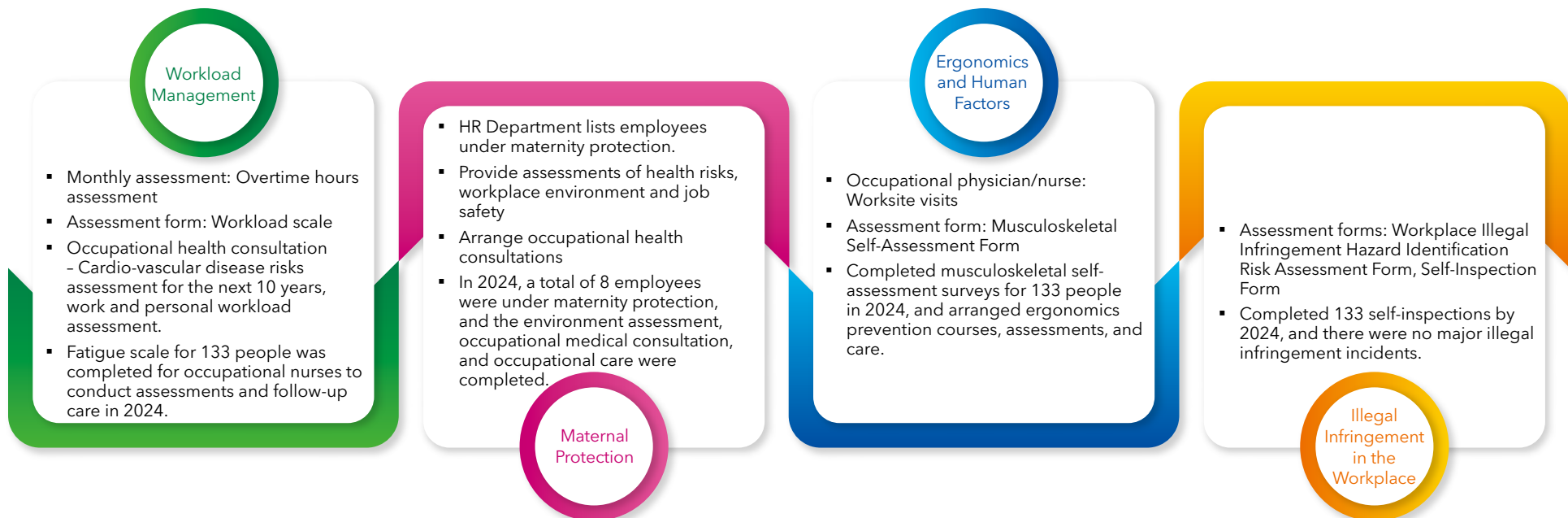


6.2.4 Contractor Management

To reduce the risk of injury during contract work, we have established and strictly enforced the Contractor Management Procedure, aiming to prevent occupational injuries resulting from contractors' lack of awareness of workplace hazard factors or negligence in safety and health management during operations. The core of this procedure is to strengthen contractors' attention to safety, health, and work environment management, ensuring that they have fully implemented relevant occupational safety and health measures before performing work, and have fully identified and controlled possible risks.

Before entering the site, contractors have to carry out relevant measures (such as safety and health education and training) in accordance with the procedures established by Innodisk and begin their work only after the review and confirmation by the Company. This not only assures contractor's compliance with regulations when performing their work, it also helps enhance the overall workplace safety. Our goal is to ensure that the highest safety standards are followed during their work, thereby reducing the occurrence of occupational incidents. Through the strict management and risk prevention, there were zero occupational accidents among all contractors involved in the Company's construction and maintenance projects, and there were no violations of occupational safety and health regulations. This shows our efforts and effectiveness of contractor management, and reflects our strong emphasis on risk management and occupational safety and health. We will continue to uphold this commitment by further enhancing contractor management and preventive measures against occupational accidents, ensuring a safer and healthier work environment for employees and contractors.

6.2.5 Prevention Plans





▪ Special Health Checkups - Noise and Ionizing Radiation

Our factory operates X-ray equipment, XRF equipment, and the router machine in the vibration chamber. Therefore, we conduct special health checkups annually for a total of 44 personnel (30 for ionizing radiation exposure and 14 for noise exposure), all of whom are classified as Level 1-2 health management. The breakdown is as follows:

Item	Xizhi Plant	Yilan Plant
Ionizing radiation	15	15
Noise	4	10

▪ On-site services provided by occupational health service medical personnel

■ On-site Services

- Employee health consultation, 15-20 mins/person
- Worksite hazard identification and risk assessment

■ Frequency of on-site visits by occupational health service providers

- Xizhi-Occupational physician: 1 visit/ month, 3 hours/session
- Xizhi-Occupational nurses: Full-time
- Yilan-Occupational physician: 1 visit/ 2 months, 2 hours/session
- Yilan-Occupational nurses: 6 visits/ month, 2 hours/session

■ Number of people receiving consultation from contracted medical staff: 541

▪ Description and Prevention of Occupational Diseases

To promote employee health and well-being, we hold regular health promotion seminars and activities every year, and conduct on-site visits and medical assessments to ensure that every employee can achieve their best performance in a safe and healthy work environment. Through these measures, we strive to prevent the occurrence of occupational diseases and incorporate employee health into the core value of the company's sustainable development. As of now, there have been no diagnosed cases of occupational disease within the Company, showing the significant effectiveness of our health management system. We also closely integrate health management with the goal of sustainable development, demonstrating our long-term commitment of the well-being of employees.

6.3 Health Promotion

6.3.1 Health Promotion Activities

Employee health and work-life balance are core principles of the corporate culture. We attach great importance to and care for every employee's physical and mental well-being as well as their family life. In 2024, we held 17 sessions of health promotion seminars participated by a total of 472 people, with an average satisfaction score of 95 points. In addition, through previously organized promotion activities, we found that employees lacked health knowledge. Therefore, to enhance their health knowledge, a series of activities including health promotion, blood pressure measurement, health knowledge quizzes, walking and weight loss and so on were carried out to enhance the employees' self-health awareness. The total participants in these activities totaled 2,334, and we continued the 2023 health promotion campaign, the employees' walking steps were converted into monetary contributions to support charitable donations. Donations were made to Tse-Xin Organic Agriculture Foundation to carry out the planting and maintenance work at a 0.032-hectare of coastal forest in the Jixin and Jibao sections of Wujie Township, Yilan County. A total of 240 wind-resistant, drought-tolerant, and salt-tolerant tree seedlings were planted. These activities not only enable our employees to become healthier, but also benefit the environment to achieve sustainability.

Health Promotion





Courses on Physical and Mental Well-being, Stress Relief, and Family-Friendly Support



Planting coastal forests





6.3.2 Health Management

Our company implemented a health management system at the end of 2023, incorporating four major programs in occupational safety and health regulations (Maternal health protection program, Prevention of ergonomic hazards, Overload prevention, and Prevention of illegal infringements during the performance of duties), and also taking into account the needs of special groups such as middle-aged and older employees and night-shift employees. Using an advanced online system, we deliver precise health tracking, conduct analysis of employees' health conditions for the establishment of personalized health improvement plans and regular provision of tiered health management and consultation services, assisting employees to improve their health and maintain both quality of life and work motivation, recognizing well-being as a core pillar of corporate sustainability and reflecting a long-term vision for advancing environmental sustainability.

In addition, during the process of implementing the health management plans, traditional paper-based processes and tedious data gathering lead to unnecessary paper consumption and higher operational costs in time and labor. By introducing digital systems, we can not only greatly reduce paper usage but also effectively improve the efficiency of data tracking and analysis, achieving environmental and economic benefits. This shows our commitment to environmental friendliness and resource conservation in the pursuit of sustainable development.

6.3.3 Work-Life Balance

■ Relaxation and Stress-Relieving Massage Services

- We uphold the spirit of "sharing" and create an environment of sharing, spreading love to every corner of society. We hired two visually impaired masseuses to provide stress-relieving massage services for employees to feel relaxed. The massage services were provided to 1,490 people in 2024. We also donated NT\$ 74,500 to Innodisk Education Foundation to cultivate love and care in the lives of children through the foundation.
- We are committed to creating the Innodisk DNA of happiness, including providing art and culture corridor, breastfeeding room, stress-relieving environments, exercise environment, various health promotion lectures, and health-promoting activities, creating a warm, friendly, and healthy working environment.

Regulations	Complies with	▪ Occupational Safety and Health Act Prevention Project ▪ Occupational Safety and Health Education and Training ▪ On-site service by occupational physician/nurse ▪ First-aid staffing
Health Management	Provides	▪ Health consultation ▪ Health care ▪ Biennial health checkups ▪ Annual health checkups for employees performing special operations
Environmental Friendliness		▪ Installation of AED ▪ Placement of first-aid kit ▪ Breastfeeding Room ▪ Employee Assistance Program ▪ Art & Culture Corridor
Health Promotion	Arranges	▪ Employee Assistance Program ▪ LDCT subsidy



■ Encourage of Childbirth - Happy Family Project

Since 2015, Innodisk has fulfilled its corporate social responsibility by providing relevant welfare measures to encourage childbirth and alleviate the childcare burden for its employees.

Measures for Childbirth Allowance

- Gift money of NT\$3,000
- An additional subsidy of NT\$30,000 is provided for second or subsequent births.
- As of 2024, the total subsidy amount totaled NT\$1,320,000 (NT\$240,000 in 2024, with 8 applicants).

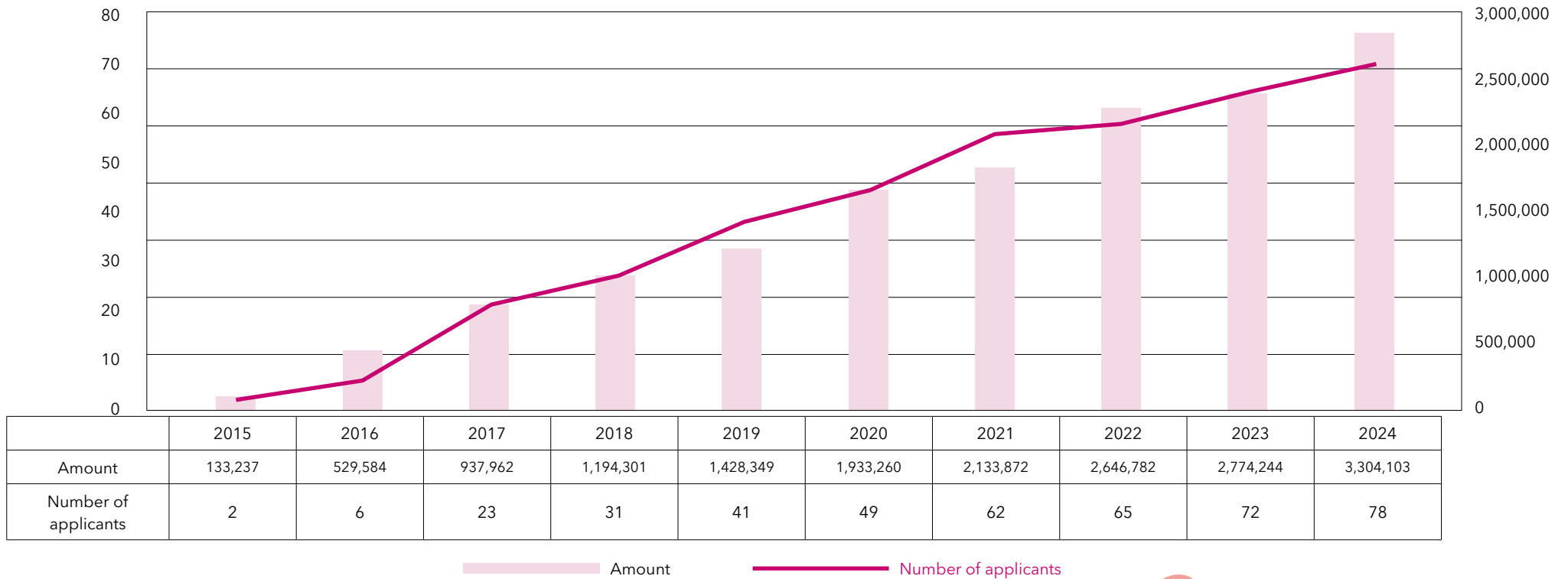
Measures for Childcare Allowance

- For children born during employment, a monthly subsidy of 6% of salary will be provided for children aged 0 to 6 years old. For those having more than one child, the subsidy is capped at 10% of salary.
- As of 2024, the total subsidy amount totaled NT\$17,053,610 (NT\$3,342,019 in 2024, with 78 applicants).

Transportation Subsidy for Pregnant Employees

- To take care of pregnant employees, we have provided a transportation subsidy of NT\$ 6,000 or a parking space for those who are at least 6 months pregnant to reduce the burden of transportation for pregnant employees.
- As of 2024, the total subsidy amount totaled NT\$ 108,000 (NT\$ 60,000 in 2024, with 10 applicants).





■ Scholarship Program for Employees' Children

- A new scholarship program for employees' children was newly introduced in 2019, aiming at recognizing and encouraging outstanding academic performance among the children of employees.
- The amount of the scholarship per semester: NT\$ 1,000 for primary school, NT\$ 2,000 for junior high school, NT\$ 3,000 for senior high school, and NT\$ 4,000 for college/junior college/graduate school students.
- Number of applicants: 59 applicants in 2019, 67 in 2020, 95 in 2021, 115 in 2022, 128 in 2023, and 163 in 2024.
- Since 2019, we have distributed a total of NT\$ 1,533,500 in scholarship (NT\$ 556,000 in 2024).





Occupational Safety Feature : Happy Workplace- Take Your Kids To Work Day

The Company has always regarded caring for employees as the most important thing. In 2024, we even extended employee health to their families, and organized two sessions of "Take Your Kids To Work Day" this year, inviting employees' children aged 4-12 to come to the office with their parents. There were a total of 103 participants, with the satisfaction reaching 98 points. The event is designed to encourage parent-child interaction by involving employees with their children in shared activity experience in the workplace. With ESG and the 3-Year Biodiversity Project served as the main themes of the activity, and we organized ecological conservation lectures, parenting lectures, and ESG parent-child board games to root the company's ESG concept, enhancing employees and their children's awareness of ESG, and creating a caring and healthy work environment where employees feel secure and their families feel reassured, reinforcing our commitment to employee care.



Parenting workshop



Appreciation and sharing



Ecology Lecture



Guided tour at Innodisk



Parent-child board game



Group photo



Parenting workshop



ESG DIY course

07 Social Engagement

7.1 Innodisk Education Foundation

7.2 Work Achievements

Social Engagement Feature: Future Talents Dream Building Program

Social Engagement Feature: Hands-On Regeneration Camp

Annual Performance Highlights

- In 2024, Innodisk's donation and social engagement expenses amounted to NT\$ **6.21 million**, mainly for education, environment, skills, and public welfare projects.
- In 2024, the employee contributed a total of **2,167** volunteer hours, primarily focusing on environmental conservation and protection, education promotion, and support for underprivileged groups. In addition, our employees not only dedicated their time and efforts but also contributed financially, donating approximately NT\$ **1.6 million** to the foundation.
- In 2024, Innodisk provided scholarship to **36** students, with a cumulative number of **295** students as of 2024, and the longest term of support reached 7 years. In addition to financial assistance, the program also organized diverse experiential activities every quarter to broaden students' horizons and enrich their life experiences.
- In 2024, we continued to cooperate with **16** schools in New Taipei and Yilan areas to promote "PowerTech Bionic Robotics Course" and "Future Talents Dream Building Program", benefiting over **3,400** people.
- In 2024, the Hands-On Regeneration Camp co-organized **17** activities with schools and social welfare organizations, training **386** students and the residents in cleaning and maintenance skills for household appliances, assisting **8** disadvantaged households, **13** schools or community organizations in cleaning and maintenance of household appliances, directly benefiting **1,227** people.



Innodisk's Social Engagement

Innodisk's philosophy for international participation starts from the fundamentals of "excellence in our core business", and extends our efforts to "care for our employees and their families", and further commits to "contributions to the advancement of well-being and virtue of the society". In this context, Innodisk was listed on the OTC market in 2013 and established Innodisk Education Foundation in 2015 to actively implement social good causes from top to bottom. The Company was awarded the Sustainable Citizenship Award by CommonWealth Magazine and CommonWealth Talent Sustainability Award in 2024.

In 2024, Innodisk's donation and social engagement expenses amounted to NT\$ 6.21 million, mainly for education, environment, arts, and public welfare projects. The employees contributed a total of 2,167 volunteer hours, primarily focusing on environmental conservation and protection, education promotion, and support for underprivileged groups. In addition, our employees not only dedicated their time and efforts but also contributed financially, donating approximately NT\$ 1.6 million to the Foundation to provide integrated services for education, environment, and public welfare.

The above resources are combined with the core values of Innodisk's corporate culture, namely "Innovation, Discipline, and Sharing", which are implemented in the various service plans we organize.

"The 3-Year Yilan Wu-Wei-Kang Biodiversity Project": Employees at Innodisk joined hands with the local Wu-Wei River Cultural and Education Association and Yue-Ming Junior High School and Yue-Ming Elementary School to work on the Little Tern Conservation Project. Once the restoration of the Little Terns at the bottom of the food chain succeeds, it means that the local environmental conservation is effective.

Innodisk Education Scholarship": We provide more than just scholarships to students facing family hardships, we also offer life skill training, rule establishment, and guidance on interpersonal conduct. We know that what these students need is more than financial aid, they also need family education and diverse forms of learning simulation.

Employees at Innodisk are willing to share. In addition to serving as expert lecturers in junior high schools to provide career lectures, we even invite students at all levels to visit Innodisk. We maintain two-way cooperation with public welfare organizations, contributing people, effort, and ideas because we firmly believe that sharing and reaching common good are the driving forces for the achievement of social good.

Under the concept of sustainability, we integrate our core corporate values, connect with and respond to social needs to maximize our social influence. This is Innodisk's way of engaging with society.





7.1 Innodisk Education Foundation

Foundation Overview

Innodisk Education Foundation was established in 2015. Guided by the values of Sharing and Responsibility, we are committed to becoming a platform that brings together compassion and resources, with a long-term focus on education, public welfare, and environmental sustainability. The Foundation mainly serves adolescents and youth, focusing on three major directions of "stable schooling", "encouraging learning", and "public welfare", aiming to lead the new generation to a better future through the power of education.

The Foundation's core values are deeply rooted in Innodisk's corporate culture—innovation, discipline, and sharing. We not only focus on providing educational resources, but also emphasize the importance of public welfare and promotion of sustainable environment. From Xizhi to Yilan, the Foundation actively collaborates with communities, schools, and charitable organizations, establishing deep partnerships and jointly promoting diverse programs in education, social care, and sustainable circularity.

In terms of social care, Innodisk Education Scholarship not only helps students from underprivileged families stay in school, we are also dedicated to offering emotional

support and nurturing their sense of belonging, so that these students can feel the warmth of a caring society. In addition, the Foundation also encouraged Innodisk employees to volunteer and support various public welfare services through actual actions to create a positive cycle of mutual prosperity between the Company and society. In terms of skill education, we inspire young people's interest in technological innovation through Electronic Maker Club and Future Talents Dream Building Program to lay the foundation for their future career development. In terms of environmental sustainability, we integrate education with practice and deeply root the concept of sustainability among the youth and the community by integrating education with practice through our Hands-On Regeneration Camp and the Wu-Wei-Kang Environmental Protection projects. We encourage participants to practice cleaning and maintaining small appliances and promote electrical safety education. At the same time, we also lead students to the nature and experience the importance of ecological protection. The Wu-Wei-Kang Environmental Protection project has been taken over by the Sustainable Development Office of Innodisk.

In the future, the Foundation will continue to focus on education, connecting the public welfare and sustainable environmental issues, and building a comprehensive sustainable framework covering sustainability, community care, and talent cultivation, so that every participant can be the force of change, creating a better future for the world together.





7.2 Work Achievements

Category	Project	Implementation Methods
 Social Care	Innodisk Education Scholarships	Innodisk Education Scholarship provides scholarship of NT\$ 24,000/person every year for students to enable stable schooling. In 2024, the program assisted 36 students, with a total expenditure of NT\$ 2 million for this project. In addition to financial support, in order to expand students' horizons and enrich their life experience, the program also organizes diverse experiential activities every quarter, such as bilingual drama classes, removal of invasive species at Wu-Wei-Kang, and visits to the Judicial Yuan. In addition to learning, during the process, we also encourage students to have exchanges with each other to strengthen their social networks. Innodisk's Welfare Committee also prepares gift boxes on Mothers' Day while the Management Division prepares Christmas stockings to accompany these students to celebrate the holiday. We have assisted a total of 330 students since 2015, and the total expenditure of this project amounted to NT\$11.42 million.
	Charity Procurement	Face-to-face Support for Public Welfare: We invited the Down Syndrome Foundation R.O.C and the Rerum Novarum Center to set up booths at Innodisk, providing opportunities for people with down syndrome and peach farmers to interact with our employees and enhance interaction between people from different industries. Support through Purchase: At the end of the year, we organized the Spreading Love on Christmas Event and group purchase was made of sweet persimmon from Taiwan Indigenous Tmavun Development Association to support indigenous tribes. We also made group purchase from Amazing Grace Deaf Bakery to support the hearing impaired, and from Syn-Lu Social Welfare Foundation to support those intellectually impaired. The total amount of group purchase among employees at Innodisk reached NT\$ 200,000 in total.
	Other Public Welfare	Blood Donation: Four sessions of blood donation activity were held at our Xizhi and Yilan Plants, with a total of 427 participants, donating 632 bags of blood (158,000 CC). Solicit Donations: we collected nearly 100 kilograms of used books and held two sessions of secondhand flea markets. The proceeds were donated to Homeless Taiwan Association for care for the homeless. The 15 used home appliances collected were provided for use in the Hands-On Regeneration Camp.
 Skills Education	Electronic Maker Club	Started from 2018, the Foundation has been collaborating with Innodisk and National Normal University to continue to work with 10 junior high schools to promote "PowerTech Bionic Robotics Course" during the club time for the seventh and eighth graders. In 2024, 24 clubs were established and the number of participating students throughout the year reached 400, with 240 bionic robots completed. In addition, we held inter-school competitions in New Taipei and Yilan areas, and our partner schools even achieved great results. The expenses of this project in 2024 amounted to NT\$ 550,000, making the cumulative total investment reaching NT\$ 3.6 million since 2018.
	Future Talents Dream Building Program	Since 2016, the Foundation has joined hands with Innodisk to implement the Future Talents Dream Building Program to deepen the curriculum of the technical skills education class for the ninth graders. We continued to cooperate with 15 junior schools in New Taipei and Yilan areas in 2024, organized the launch ceremony and 14 sessions of "Growing with AI" short lecture series, along with 7 expert sharing sessions, 7 public service events, and 9 industry visits. A total of 57 students were awarded for their outstanding performance in the skill competitions. The expenses of this project in 2024 amounted to NT\$ 550,000, making the cumulative total investment reaching NT\$ 3.55 million.
 Sustainable Environment	Hands-On Regeneration Camp	In January, 2023, Innodisk announced to launch a 3-year three-year sustainability impact program. 2024 marked the second year of this program. We co-organized 17 sessions of activities with schools and social welfare organizations, training 386 students and residents in small appliance cleaning and maintenance skills, assisting 8 disadvantaged households, 12 schools or community organizations with the cleaning of 282 small appliances, regeneration of 5 ones, directly benefiting 871 people. We also co-organized 3 sessions of "Electrical Safety Seminars for Home Caregivers" with Old Five Old Foundation to equip caregivers with the correct concepts for them to verify the electrical usage at work. Students from New Taipei Municipal Jui-Fang Industrial High School and Jhangshu International Creative Technical High School were trained and assigned to serve at Shanglin Elementary School New Taipei City and homes of disadvantaged elderly living alone in Luchou. We supported trained students of the Kids Agent Association to provide services at Chaoyang Village, assisting residents clean and maintain small appliances. The expenses of this project in 2024 amounted to NT\$ 1.3 million, making the cumulative total investment reaching NT\$ 6.52 million since 2018.



Feature : Future Talents Dream Building Program

Practical Action

The Future Talents Dream Building Program adopts a systematic learning framework to help ninth graders to explore careers and cultivate innovative thinking and practical skills. We gradually build a comprehensive learning system from the basic cognition to practical experience to develop students' capabilities and perspectives.

Industry Collaboration: Walking into the workplace, narrowing the gap between learning and application

- Company visits: We provide opportunities for students to visit the company, gain insights into industry operations, and connect what they learn at school with practical application.
- Skill competitions and awards: We encourage students to participate in competitions to show their learning outcomes, and enhance the value and social recognition of technical and vocational education.

Practical Operation: Development of skills to enhance problem-solving abilities

- Mission of Love and Charity: Combine skill learning with social services to allow students to use their skills to give back to society and enhance their empathy and sense of responsibility.

Basic Cognition: Inspiration of interest and build learning motivation

- Industry Expert Lectures: We invite professionals from various fields to share workplace experience to help students understand industry trends and explore career opportunities.
- Dream Building Notes: Design a learning record and reflection mechanism to deepen the students' understanding of skills and career development.

Identification of Problems

In this rapidly changing society, many students face the following challenges:

- Confused about the future: They lack opportunities for real-world workplace experience and do not know how to apply their interests and expertise for career development.
- Disconnect between learning and industry: There exists a gap between school curriculum and industry needs, making it difficult for students to apply what they learn to solve problems.
- Insufficient hands-on experience: Students are used to traditional classroom learning and lack of opportunities for exploration and application, which limit their innovative thinking.
- Technology literacy gap: With the rapid development of emerging technologies such as AI and IoT, some students find it difficult to keep up with the changes of the times due to lack of learning resources.

The Roles of the Foundation

- As a bridge: Connecting schools, enterprises, industry experts, and students to closely align learning with industry needs to bridge the gap between education and employment.
- As a promoter: Introducing emerging technologies such as AI and maker technology to allow students to enhance their technological literacy and creativity through hands-on experience.
- As an Empowerer: In addition to providing opportunities for skills and knowledge learning, the foundation even encourages students to build a correct work attitude and independent learning skills to become a future talent with problem-solving abilities.

Future Talents Dream Building Program not only provides students with learning opportunities, but also allows them to discover future possibilities through exploration and practice to cultivate the next generation of young talents with innovative spirit and practical skills for Taiwan.

Using Skills to Help Others, Redefining the Value of Learning- A Mission of Love and Charity

Highlight Case 1 : Electronics and Electrical Engineering Group- Maintenance of School Fans to Keep the Fans Run Longer

Highlight Case 1: Electronics and Electrical Engineering Group- Maintenance of School Fans to Keep the Fans Run Longer
Under the guidance of experienced industry instructors, students in the Electronics and Electrical Engineering Group learned how to maintain electrical appliances to maintain the fans in the classrooms and offices to ensure smooth operation. This not only allows the students to apply their skills in everyday life but also deepens their understanding of the value of "applying what they learn to give back to society".



Highlight Case 2 : Food Group: Spreading Love with Dim Sum to Bring Sweetness to the Heart

Highlight Case 2: Food Group: Spreading Love with Dim Sum to Bring Sweetness to the Heart
After learning how to bake pastries, students from the Food Group go to local day care center to spend some time with the elderly with dementia. They made their own pastries and also shared the process and interacted with the elderly. This is not just an event to share their skills but also an intergenerational exchange, bringing the youth and the elderly closer together.



Highlight Case 3 : Hospitality Group- Partnering with Sheltered Workshop, Learning to Respect and Collaborate

The skill learning students visited the Down Syndrome Foundation R.O.C. and the sheltered workshop, ABRAZO, and worked with the shelter workers to package food and gift boxes. The students did not know how to interact with the sheltered workers. After the demonstrations and exchanges, they understood that being different does not mean being incapable. The experience enabled these students to learn skills and also contributed to social inclusion. They no longer regard sheltered workshops as organizations for the vulnerable, but rather as a group of hardworking partners. "We thought we came to help them, but they were actually teaching us how to respect and collaborate", a student said with emotion. This exchange not only gave deeper meaning to the skill learning students, but also led to profound personal growth.



Skills make learning more valuable, and social participation goes hand in hand with industry experience.

The Future Talents Dream Building Program builds a bridge for students to step toward the workplace and society, allowing learning to become a force that influences the future.



[Feature] 2024 Hands-On Regeneration Camp

The project underwent a transition in 2023, shifting from recycling to cleaning and maintenance, from recycled product donation to household services integrated with electrical safety awareness campaigns. We simultaneously implement the Innodisk 3-Year Sustainability Impact Program to directly improve the quality of life for the disadvantaged households unable to afford cleaning services. The trainees put energy conservation and carbon reduction concepts into specific actions in life. Based on our concept of “listening and responding” and “continuous improvement”, we made the following adjustments in 2024.

■ Integration of Skills and Knowledge

Teaching the method to clean and maintain small home appliances is for the cultivation of skills. However, without the guidance and recognition of knowledge about environmental sustainability, it would be hard to implement it in our lives. In 2024, we strengthened the motivation behind the action and integrated our self-interest with knowledge of environmental sustainability. We strengthened the concepts that maintaining home appliances is for the protection of ourselves and the effects of cleaning and energy conservation, sustainable 3Rs, circular economy, and that good maintenance to extend the machine's service life for the reduction of manufacturing, so that the participants can understand that learning these skills is for their good and for the environment, and therefore, they would be more willing to learn and put it into practice.

■ Home Visits led by Industry Experts

We trained students to pay home visits to provide care and services for the underprivileged. However, it was found through observations during the service and subsequent discussions that the group led by retired appliance technicians outperformed the volunteer-led groups in terms of willingness to perform the service, the level of cleanness of appliance cleaning, the number of services performed, and the interaction with the elderly residents as well as the completeness of promotion of electrical safety concept. What is more important is that during the home visits, the retired industry technicians allowed students to first work on the maintenance and then go into

the explanation process. These students, therefore, may have a professional knowledge as the foundation, and understand that with the professional knowledge as a basis, they can develop diverse and flexible solutions when encountered with problems. Therefore, in 2024, the team was led entirely by retired industry experts to achieve the common benefits among the disadvantaged (being taken care of), the students (being able to learn), and the industry experts (being able to have income).

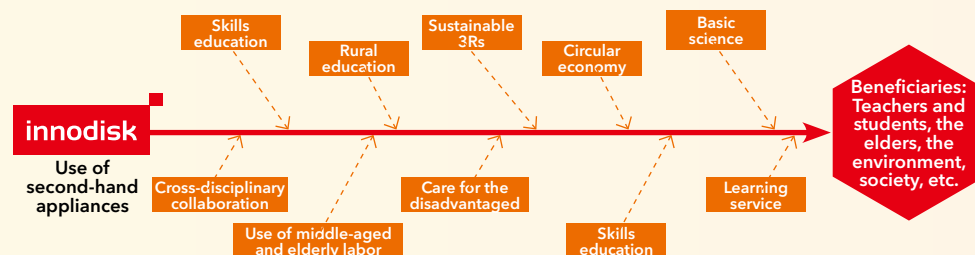
■ Establishment of a Virtuous Cycle Model to Expand Impact

Case 1: We have collaborated with Yilan Center of Boyo Social Welfare Foundation to implement the project. In 2023, we invited the students who serve as student union members and had previously received the training to be the teaching assistants for the eco-friendly Hands-On Regeneration Camp at the Jianshi Center of Boyo Social Welfare Foundation. This year, they were in charge of the planning before the camp, the courses and home visits/community services during the camp, and the review and results sharing after the camp.

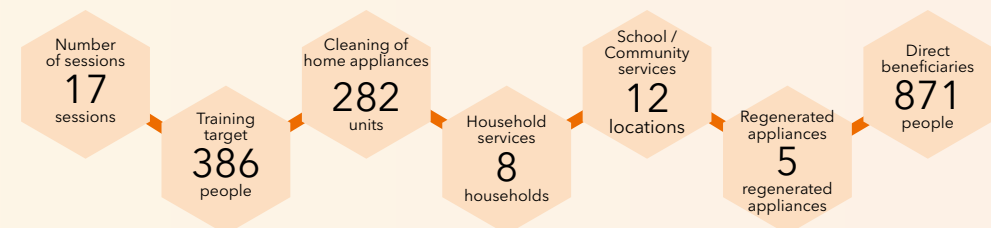
Case 2: We trained the disadvantaged students from the Kids Agent Association in Datong District, Taipei, in small appliance cleaning and maintenance skills. The Association also works with the local neighborhood leaders to encourage elders with mobility to take the fans that were not cleaned in a long time to the village head's office where the fans can be cleaned by the member of the association. After the cleaning and maintenance, the participating students whose job passed the review by the industry expert will be granted a reward of NT\$ 100 per fan, which would be used as the fund to purchase the personal equipment for the participation in the island-wide cycling tour.

Case 3: We collaborated with the Computer Science Department of the Jhangshu International Creative Technical High School and offered the hands-on training program for the first-year students, followed by the community/home visits. Those interested in the topic will participate in electrical safety promotion, continuous home visits, cleaning and maintenance of home appliances in their homes or their grandparents' homes, benefiting more friends and relatives.

1. Concept map of Hands-On Regeneration



2. 2024 Implementation Results





3. Highlights of the Program

- Innodisk employees bring their expertise, retired industry experts provide skill training, working together to promote environmental sustainability.
- Enter communities and households to proactively identify and resolve problems.
- Collaborate with local schools, social welfare and public welfare organizations.
- Benefit yourself and others, as well as the environment, and implement the learning together x working together x common good concepts

4. Our Roles

- As a Connector: Actively connect the needs of communities, schools and enterprises to put skills into practice
- As a Promoter: To introduce lesson plans and modules to enhance participants' drive and engagement
- As an Empowerer: To ins

5. Sustainable Impact

282 small appliances were cleaned and maintained, and 5 appliances were repaired and regenerated. Direct home service was provided to 8 households and 12 organizations. We deepen the content of training and services to better meet the needs in everyday life.

In the second year of our 3-year Sustainability Impact Program, 386 volunteers for cleaning and maintaining small home appliances and electrical safety promotion were trained, with a cumulative number of 924 volunteers in total.

6. Outlooks for 2025

Extending the Foundation in 2024

To address the needs of vulnerable households, we plan to regularize home visits, inviting more students and retired appliance technicians to join and serve more disadvantaged households.

We are promoting the electrical safety in the communities, developing lesson plans targeting at the elderly, and establishing a learning assessment mechanism to track and improve learning outcomes. The program is carried out in communities in New Taipei and Yilan areas.

We collaborate with local schools and extend the eco-friendly Hands-On Regeneration model to more communities, and invite more corporate partners to jointly create our social impact of "skill education x public service x sustainable action".



- The Innodisk instructor demonstrate fan maintenance and inspection procedures, training home service providers on basic concepts.



- Services to disadvantaged households: A retired industry expert explain key points for distribution box safety inspection.



- A retired home appliance technician instructs students on small appliance maintenance.



- Hands-on experience for patients and families from Taiwan Foundation for Rare Orders to learn how to maintain small home appliances (disassembly of circulation fans).



- Retired industry experts and trained students help the elders living alone clean their home appliances.



- Strengthen the instruction of electric shock experiment to enhance electricity safety knowledge.



- Group photo after serving in Han Si Elementary School in Han Si Tribe, Yilan with Boyo Social Welfare Foundation



- Students focus on disassembling to understand the structure and assembly of the fan.



- Students clean the electric fans to develop practical skills and teamwork spirit.



Appendix I: GRI Standards INDEX

- Statement of Use : nodisk has reported in accordance with the GRI Standards for the period from January 1 to December 31, 2024
- GRI 1 used RI 1: Foundation (2021)
- Applicable GRI Sector Standard(s) : t applicable

GRI Standards	Disclosure Title	Chapter or Description	Page	Omit Explanatory Notes
GRI 2 : General Disclosures 2021	2-1 Organizational details	About This Report	02	
		1.1 Company Profile	16	
	2-2 Entities included in the organization's sustainability reporting	About This Report	02	
		Global Operation Layout	18	
	2-3 Reporting period, frequency and contact point	About This Report	02	
	2-4 Restatements of information	5.2 Workforce Structure	92	
	2-5 External assurance	About This Report	02	
		Sustainable Governance Framework	06	
	2-6 Activities, value chain and other business relationships	1.2.1 Service Value	22	
		1.2.2 Main Products	23	
	2-7 Employees	5.2 Workforce Structure	92-102	
	2-8 Workers who are not employees	5.2 Workforce Structure	93	
	2-9 Governance structure and composition	1.1.1 Organizational Structure	19	
		2.1 Corporate Governance	35	
	2-10 Nomination and selection of the highest governance body	2.1 Corporate Governance	35	
	2-11 Chair of the highest governance body	2.1 Corporate Governance	35	
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainable Development Management	08	
	2-13 Delegation of responsibility for managing impacts		08	
	2-14 Role of the highest governance body in sustainability reporting	Sustainable Development Management	02	

GRI Standards	Disclosure Title	Chapter or Description	Page	Omit Explanatory Notes
GRI 2 : General Disclosures 2021	2-15 Conflicts of interest	2.1 Corporate Governance	35	
	2-16 Communication of critical concerns	2.1.1 Board of Directors	35	
	2-17 Collective knowledge of the highest governance body	2.1 Corporate Governance	35-40	
	2-18 Evaluation of the performance of the highest governance body	2.1 Corporate Governance	35	
	2-19 Remuneration policies	5.3 Employee Compensation Policy	101-102	
	2-20 Process to determine remuneration	5.3 Employee Compensation Policy	101-102	
	2-21 Annual total compensation ratio	--	--	Due to confidentiality regulations, company-sensitive information is not disclosed.
	2-22 Statement on sustainable development strategy	Message from the Management	03	
	2-23 Policy commitments	Sustainable Development Strategies and Goals	08	
		2.4 Integrity Management	50-51	
		5.1 Human Rights Policy	88-89	
	2-24 Embedding policy commitments	2.4 Integrity Management	50-51	
		2.5 Supplier Management	52-57	
		3.1 Environmental Policy	59-60	
		5.1 Human Rights Policy	88-89	
	2-25 Processes to remediate negative impacts	6.1 Occupational Safety and Health Policy and Objectives	119-126	
		Stakeholder Communication Mechanism	10	
		2.4 Integrity Management	50-51	
		5.1 Human Rights Policy	83-85	



Material Topics									
GRI Standards	Disclosure Title	Chapter or Description	Page	Omit Explanatory Notes	GRI Standards	Disclosure Title	Chapter or Description	Page	Omit Explanatory Notes
GRI 2 : General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	2.4 Integrity Management	50-51		Integrity Management				
		5.1 Human Rights Policy	88-89		GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topic Management	13	
	2-27 Compliance with laws and regulations	1.4 Compliance	30-33		2.4 Integrity Management		50-51		
	2-28 Membership associations	1.1.4 Participation in Industry and Trade Associations	19		GRI 205 Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	2.4 Integrity Management	50-51	No corruption incidents occurred in 2024.
	Supplier Management								
	2-29 Approach to stakeholder engagement	Stakeholder Communication Mechanism	10		GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topic Management	13	
	2-30 Collective bargaining agreements	--	--	Not applicable. Collective bargaining is conducted in accordance with laws and regulations, but no group agreements are signed.	2.5 Supplier Management		52-57		
					GRI 308: Supplier Environmental Assessment 2016	GRI 308-1 New suppliers that were screened using environmental criteria	2.5 Supplier Management	52-57	
					GRI 308-2 Negative environmental impacts in the supply chain and actions taken	2.5 Supplier Management	52-57		
	GRI 3 : Material Topics 2021	3-1 Process to determine material topics	Material Topic Identification Process	11		GRI 414: Supplier Social Assessment 2016	GRI 414-1 New suppliers that were screened using social criteria	2.5 Supplier Management	52-57
3-2 List of material topics		Material Topic Management	13		GRI 414- 2 Negative social impacts in the supply chain and actions taken	2.5 Supplier Management	52-57		
Information Security									
3-3 Management of material topics		Material Topic Management	13		GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topic Management	13	
	2.3 Information Security Management				47-51				
Product Quality					GRI 418 Customer Privacy 2016	GRI 418-1 Complaints concerning violations of customer data privacy	1.3.2 Customer Satisfaction	29	No related complaints received in 2024.
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topic Management	13		Compliance				
		1.3.1 Product Quality	27-29		GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topic Management	13	
GRI 417: Marketing and Labeling 2016	GRI 417-2 Incidents of non-compliance concerning product and service information and labeling	1.4 Compliance	30-33		GRI 2: General Disclosure2021	2-27 Compliance with laws and regulations	1.4 Compliance	30-33	No violations occurred in 2024.
	GRI 417-3 Incidents of non-compliance concerning marketing communications	1.4 Compliance	30-33						



GRI Standards	Disclosure Title	Chapter or Description	Page	Omit Explanatory Notes
GRI 205: Anti-corruption 2016	GRI 205-2 Communication and training about anti-corruption policies and procedures	2.4 Integrity Management	50-51	
GRI 417: Marketing and Labeling 2016	GRI 417-2 Incidents of non-compliance concerning product and service information and labeling	1.3.1 Product Quality	27-29	
	GRI 417-3 Incidents of non-compliance concerning marketing communications	1.3.1 Product Quality	27-29	
Talent Cultivation and Retention				
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topic Management	13	
		5.4 Human Capital Development	103-111	
GRI 401: Employment 2016	GRI 401-1 New employee hires and employee turnover	5.2 Workforce Structure	92-101	
	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	5.5.3 Employee Benefits	115-116	

GRI Standards	Disclosure Title	Chapter or Description	Page	Omit Explanatory Notes
	GRI 401-3 Parental leave	5.2 Workforce Structure 5.5.3 Employee Benefits	92 115-116	
GRI 404: Training and Education 2016	GRI 404-1 Average hours of training per year per employee	5.4 Human Capital Development	103-111	
	GRI 404-2 Programs for upgrading employee skills and transition assistance programs	5.4 Human Capital Development	103-111	
	GRI 404-3 Percentage of employees receiving regular performance and career development reviews	5.4 Human Capital Development	103-111	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	5.2 Workforce Structure	92-101	
	405-2 Ratio of basic salary and remuneration of women to men	5.2 Workforce Structure	92-101	
GRI 409: Forced or Compulsory Labor 2016	GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.1.1 Human Rights Policy	88-91	

Appendix II. SASB INDEX

▪ TECHNOLOGY & COMMUNICATIONS/HARDWARE

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	Response															
Product Security	Description of approach to identifying and addressing data security risks in products	Discussion and Analysis	n/a	TC-HW-230a.1	In compliance with the Information Security Policy procedures, the information security management system will be more complete and comprehensive in terms of product development process safety. Please see the Company's Information Security Policy for detailed information.															
Employee Diversity & Inclusion	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) technical employees and (d) all other employees	Quantitative	Percentage(%)	TC-HW-330a.1	<table><tr><td></td><td>Male Ratio</td><td>Female Ratio</td></tr><tr><td>Executive management</td><td>77.78%</td><td>22.22%</td></tr><tr><td>Non-executive management</td><td>48.58%</td><td>51.42%</td></tr><tr><td>Technical personnel</td><td>83.89%</td><td>16.11%</td></tr><tr><td>All other employees</td><td>46.52%</td><td>53.48%</td></tr></table>		Male Ratio	Female Ratio	Executive management	77.78%	22.22%	Non-executive management	48.58%	51.42%	Technical personnel	83.89%	16.11%	All other employees	46.52%	53.48%
	Male Ratio	Female Ratio																		
Executive management	77.78%	22.22%																		
Non-executive management	48.58%	51.42%																		
Technical personnel	83.89%	16.11%																		
All other employees	46.52%	53.48%																		



TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	Response														
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	Percentage(%)	TC-HW-410a.1.	In addition to meeting customer demands for hazardous substance disclosure, Innodisk also refers to the International Electrotechnical Commission's material declarations, ensuring 100% compliance with IEC 62474 requirements. Please see the implementing regulations of Establishment of Green Product Management System and Hazardous Substance Policy.														
	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	Quantitative	Percentage(%)	TC-HW-410a.2.	0% Innodisk's non-end products cannot directly obtain the EPEAT label for verification of electronic and electrical end products.														
	Percentage of eligible products, by revenue, certified to an energy efficiency certification	Quantitative	Percentage(%)	TC-HW-410a.3.	0% Innodisk's non-end products cannot directly obtain the Energy Star label for verification of electronic and electrical end products.														
	Weight of end-of-life products and e-waste recovered; percentage recycled	Quantitative	Percentage(%)	TC-HW-410a.4.	t is difficult to gather relevant products of Innodisk's non-end products.														
Supply Chain Management	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	Quantitative	Percentage(%)	TC-HW-430a.1	The ratio of first-tier suppliers that have obtained RBA VAP certification was 30%. (First-tier suppliers are defined as PCB, NAND IC, Controller component manufacturers.)														
	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority nonconformances and (b) other nonconformances	Quantitative	Rate	TC-HW-430a.2	Innodisk currently does not collect or compile relevant information.														
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	TC-HW-440a.1	Innodisk has established due diligence requirements for responsible minerals, requiring suppliers to jointly emphasize and perform relevant duties, provide relevant information, and carry out regular monitoring to ensure the implementation of responsible mineral policy. Please see 3.2.3 Responsible Mineral Policy.														
Activity Metric	Number of units produced by product category	Quantitative	Number	TC-HW-000.A	<table><tr><td>Output</td><td>2024</td></tr><tr><td>Main products</td><td></td></tr><tr><td>Industrial embedded storage devices</td><td>2,908,722</td></tr><tr><td>Industrial DRAM modules</td><td>3,473,844</td></tr><tr><td>Edge AI Computing Solutions</td><td>46,714</td></tr><tr><td>Others</td><td>127,776</td></tr><tr><td>Total</td><td>6,557,056</td></tr></table>	Output	2024	Main products		Industrial embedded storage devices	2,908,722	Industrial DRAM modules	3,473,844	Edge AI Computing Solutions	46,714	Others	127,776	Total	6,557,056
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Total	6,557,056																		
Unit: PCS																			
Area of manufacturing facilities	Quantitative	Square metres (m²)	TC-HW-000.B	Xizhi Plant: 12,966.07 m2 Yilan Plant: 12,056.69 m2															
Percentage of production from owned facilities	Quantitative	Percentage(%)	TC-HW-000.C	No disclosure due to operational considerations.															



Appendix III: Sustainability Disclosure Indicators-Computer and Peripheral Equipment Industry

No.	Indicator	Response																					
1	Total energy consumption, percentage of purchased electricity, and utilization rate of renewable energy	The total energy consumption for 2024 amounted to 25,846,622.9161 megajoules (MJ). Please refer to 【4.2 Greenhouse Gas Management】 . The percentage of Company's purchased electricity for 2024 was 78%. Please refer to 【4.2 Greenhouse Gas Management】 . In 2024, the Company used a total of 1,645,734 kWh of green electricity, accounting for approximately 23.1% of its total electricity consumption. See 【3.3 Energy Management】 .																					
2	Total water withdrawn, total water consumption	The Company does not use water in its manufacturing process, and all water is used for domestic purposes. The total water withdrawal and consumption in 2024 both reached 16,313 metric tons. Please see 【3.5 Water Stewardship】																					
3	Total hazardous waste generated and percentage recycled	The weight of the company's hazardous waste generated in 2024 was 9.66 metric tons. The recycling rate of the company's hazardous waste was 55.1%. Please see 【3.4 Waste Management】																					
4	Types of, number of employees in and rate of occupational accidents	There were no occupational accidents in 2024. We have actively promoted and applied for monthly record of No-Lost-Time Injury Work Hours since March, 2014. As of December, 2024, we have successfully accumulated more than 10.21 million No-Lost-Time Injury Work Hours.																					
5	Product Lifecycle Management Disclosure: including weights of scraps and electronic waste and percentage recycled	It is difficult to gather relevant products of Innodisk's non-end products.																					
6	Description of the management of risks associated with the use of critical materials	Innodisk has established due diligence requirements for responsible minerals, requiring suppliers to jointly emphasize, comply with, and provide relevant information. Regular monitoring is also conducted to ensure the implementation of the responsible minerals policy. Please refer to 【3.2.3 Responsible Mineral Policy】 .																					
7	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	The monetary loss caused by legal proceedings related to the Anti-Competitive Practices Ordinance in 2024 was NT\$0.																					
8	Production by product category	<table border="1"> <thead> <tr> <th></th><th>Output</th><th>2024</th></tr> </thead> <tbody> <tr> <td>Main products</td><td></td><td></td></tr> <tr> <td>Industrial embedded storage devices</td><td></td><td>2,908,722</td></tr> <tr> <td>Industrial DRAM modules</td><td></td><td>3,473,844</td></tr> <tr> <td>Edge AI Computing Solutions</td><td></td><td>46,714</td></tr> <tr> <td>Others</td><td></td><td>127,776</td></tr> <tr> <td>Total</td><td></td><td>6,557,056</td></tr> </tbody> </table> Unit: PCS		Output	2024	Main products			Industrial embedded storage devices		2,908,722	Industrial DRAM modules		3,473,844	Edge AI Computing Solutions		46,714	Others		127,776	Total		6,557,056
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Appendix IV: Climate-Related Information of TWSE/TPEX Listed Company

1. The risks and opportunities posed by climate change to the company and the relevant response measures taken by the company

項目	執行情形
1. Describe supervision and governance of climate-related risks and opportunities by the board of directors and management.	1. Innodisk has included climate risk as a key topic in its corporate sustainability and environmental governance. The Climate Governance Report will be completed by the Sustainable Development Office and submitted to the Chief Sustainability Officer (CSO), and then to the Board of Directors to ensure that these risks and opportunities are monitored and managed.
2. Describe how the climate risks and opportunities identified affect the Company's business, strategies, and financial position (short-term, mid-term, long term).	2. The report mainly includes climate-related background information, risk and opportunity identification results, quantitative conclusions of various financial information, risks that should be addressed and issues that require continuous attention, short-/medium-/long-term strategies and performance, and difficult issues faced. After the meeting, it will be revised based on the opinions of directors/committee members, and relevant response action plans and budgets will also be formulated.
3. Describe the impact of extreme weather events and transition actions on the Company's financial position.	In response to the risks of extreme climate events, Innodisk Finance Department has implemented some transitional actions. (1) Increase the proportion of renewable energy use (2) Bundle REC System (T-REC) (3) GHG inventory of subsidiaries (4) Install a new solar PV power generation system in the self-constructed factory. These transitional actions may have some impact on the company, which will further increase its financial costs. However, they may also bring opportunities for the company, such as enhancing corporate image and reputation, thereby increasing consumer loyalty and brand value, and meeting the expectations of investors and society.
4. Describe how the identification, assessment, and management process of climate risks is integrated in the overall risk management system.	4. During our climate risk assessment, we first identify climate risks that could impact us, such as extreme weather events, climate change, and policy changes. After identifying potentially impacted regions and businesses, assessment is conducted on identified climate risks, including the probability, level of impact, and potential financial and non-financial impacts of the risks. Finally, we manage the assessed climate risks, including formulating risk response strategies, developing emergency plans, implementing risk monitoring and early warning, etc.
5. If scenario analysis is carried out to evaluate resilience to climate change risks, describe the scenarios, parameters, assumptions, analysis factors, and main financial impact.	5. We used the Intended Nationally Determined Contribution (INDC) and the RCP for scenarios simulation to analyze the potential operational and physical impacts we might experience. The INDC assessment estimated a minimal increase of only 0.14% in Innodisk's operating costs. The physical risk scenarios identified under the RCP8.5 scenario show that rising temperatures will only increase Innodisk's operating costs by 0.01%, which is a minimal impact.
6. If there is a transition plan in place in response to climate-related risks, describe the contents of the plan and the indicators and goals used to identify and manage physical risks and transition risks.	6. Risk Transition Plan (1) Increase the proportion of renewable energy use The use of renewable energy will continue to increase at a rate of 5% per year. (2) Bundle REC System (T-REC) Contracts have been signed with manufacturers. The target proportion of renewable energy use in 2024 was 20%, and the actual proportion reached 23.1%. The target for 2025 is 25%, and it is planned to reach 50% renewable energy use by 2030. (3) Greenhouse Gas Inventories for Subsidiaries In accordance with Financial Supervisory Commission regulations, our company has scheduled the implementation of GHG inventory for our subsidiaries. Our first subsidiary, Aetina Corporation has implemented GHG inventory in 2023, and we will continue to implement this at a rate of at least two locations per year. (4) Installation of solar panels in the self-built factory For Innodisk's plants in Yilan Science Park, we have completed the installation of solar PV module power generation system in Yilan Plant 1 in 2023, generated a total of 309,892 kWh of electricity in 2024. In addition, we have incorporated the planning of solar panels in the design of Yilan Plant 2, which is currently under review, and is scheduled to be completed in August, 2025.
7. If internal carbon pricing is used as a planning tool, describe the basis for pricing.	7. Innodisk plans to implement internal carbon pricing in 2027.



8. If climate-related goals were set, describe the activities covered, scope of GHG emissions, schedule, and progress each year. If carbon offset or RECs are used to achieve goals, describe the source and amount of offset quota or the number of RECs.	8. Climate-related goals: Innodisk has announced on its official website its goal of achieving a 50% reduction in emissions by 2030 and net zero carbon emissions by 2050. ▪ 2024 winning bid renewable energy certificates: 145 in total (1) Hakka Affairs Council: 44 certificates (2) Liugdui Hakka Cultural Park: 58 certificates (3) Future Hall, Xinsheng Park: 43 certificates ▪ 2024 T-REC (1) ECOVE Environment Corporation: 1192 certificates ▪ 2024 Yilan Plant 1 self-generation and self-consumption certificate: 75 certificates A total of 1412 certificates
9. GHG inventory and assurance, reduction targets, strategies, and specific action plans. (Fill in 1-1 and 1-2)	9. See Table 1-1 and Table 1-2 below.

1-1 The company's GHG inventory and assurance status in the past two years

1-1-1 GHG Inventory Information

Describe the emission volume (metric tons CO ₂ e), intensity (metric tons CO ₂ e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.
The Company's direct GHG emissions in 2024 were 279.9441 metric tons of CO ₂ e, accounting for 3.1% of its total GHG emissions. Scope 1 emissions from the Xizhi headquarters were 24.0136 metric tons of CO ₂ e, and Scope 1 emissions from the Yilan plant were 238.0191 metric tons of CO ₂ e. The Scope 1 intensity was 0.031 metric tons of CO ₂ e /NT\$ million. The Company's indirect GHG emissions from energy consumption are derived from electricity purchased from Taiwan Power Company. In 2024, the Company's indirect GHG emissions from imported energy amounted to 3515.4574 metric tons, including 1031.1117 metric tons of CO ₂ e of Scope 2 emissions from the Xizhi headquarters and 2483.3458 metric tons of CO ₂ e of Scope 2 emissions from the Yilan Plant. The Scope 2 intensity was 0.394 metric tons of CO ₂ e /NT\$ million. In 2025 our company passed the audit and was issued a statement by a third-party verification agency.

1-1-2 GHG Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.
The company's boundary setting covers direct GHG emissions and removals, as well as significant indirect GHG emissions, from two sites under Innodisk. The sites are as follows: (1) Xizhi Headquarters: 2F-1, 3F, 4F, %F, 7F, No. 237, Section 1, Datong Road, Xizhi District, New Taipei City, Taiwan (2) Yilan Plant (Plant 1/Plant 2): No. 128, Yike Road, Yilan City The Company's boundary setting method is the "operational control approach", which uses the floor disclosure method within the Company's scope to disclose all emission sources that are wholly owned by the Company, and uses this method to aggregate its facility-level GHG emissions and removals. The external verification report was audited by Innodisk in accordance with ISO14064-1:2018 inventory and verified by SGS in accordance with ISO14064-3:2006. Direct GHG emissions and removals, as well as energy-related GHG emissions, reached reasonable level of assurance, while other indirect GHG emissions reached limited assurance level, with a materiality threshold of 5%. The third-party external verification is currently scheduled to be completed on April 10, 2025.



1-2 GHG Reduction Targets, Strategy, and Concrete Action Plan

Specify the GHG reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

GHG Reduction Targets and Strategies:

Innodisk is committed to continuously developing innovative technologies and low-energy-consuming, eco-friendly products to reduce GHG emissions of the Company. The medium-term goal is to achieve a 50% reduction in GHG emissions, with 2024 as the base year. In addition, Innodisk is proactively aiming for net-zero emissions by 2050. To achieve this goal, the company will continue to set a 5% annual reduction target, using the base year as a reference for continuous improvement.

Specific Action Plans

Innodisk has already taken several specific actions to achieve its GHG reduction goals. First, the company's own factory in Yilan has obtained the Green Building Label, demonstrating the company's efforts in environmentally friendly construction. In addition, the solar panels of Yilan Plant 1 has started operations in 2023, which can help reduce the energy consumption and GHG emissions of the Company. Meanwhile, the installation of the solar PV power generation system at the Yilan Phase 2 plant is scheduled to be completed in 2025. This will further improve the Company's production and energy use efficiency, thereby facilitating the GHG reduction work.

In 2024, the company participated in the bidding of the National Renewable Energy Certificate Center and obtained 145,000 kWh of solar power generation certificates and 1,190,542 kWh of Bundle REC System (T-REC). The target for 2024 was set at 20%. The total renewable energy certificates (RECs)/green electricity it bid for was 1,335,542 kWh of green electricity; the total renewable energy was equivalent to reduction of carbon emissions by 659.758 tons/CO₂e.

The Yilan plant has installed a solar PV module power generation system, which achieved 309,892 kWh of solar power generation in 2024, equivalent to a reduction of 153,087 tons/CO₂e.

The target for using renewable energy in 2024 was set at 20%, and the actual proportion of renewable energy used was 23.1% (approximately 1.645 million kWh).

※Note: Based on the 2023 electricity carbon emission coefficient of 0.494kg/CO₂e reported by the Energy Administration.

Through these specific actions, Innodisk continues its efforts to achieve the GHG reduction targets, make positive contributions to environmental protection, and achieve sustainable development of the Company.





Appendix V- Third-Party Verification Statement



ASSURANCE STATEMENT

SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE INNODISK CORPORATION'S SUSTAINABILITY REPORT FOR 2024

NATURE AND SCOPE OF THE ASSURANCE

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by INNODISK CORPORATION (hereinafter referred to as Innodisk) to conduct an independent assurance of the Sustainability Report for 2024 (hereinafter referred to as the Report). The assurance is based on the SGS Sustainability Report Assurance methodology and AA1000 Assurance Standard v3 Type 1 Moderate level during 2025/05/14 to 2025/06/10. The boundary of this report includes Innodisk Taiwan and oversea operational and production or service sites. The boundary is not the same as Innodisk's consolidated financial statements, which are specified in the boundary of the report of Innodisk's Sustainability Report.

SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all Innodisk's Stakeholders.

RESPONSIBILITIES

The sustainability information in the Innodisk's Sustainability Report of 2024 and its presentation are the responsibility of the directors or governing body and management of Innodisk. SGS has not been involved in the preparation of any of the material included in the Report.

SGS' responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance based upon sufficient and appropriate objective evidence.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The assurance of this report has been conducted according to the AA1000 Assurance Standard (AA1000AS v3), a standard used globally to provide assurance on sustainability-related information across organizations of all types, including the evaluation of the nature and extent to which an organization adheres to the AccountAbility Principles (AA1000AP, 2018).

Assurance has been conducted at a type 1 moderate level of scrutiny.

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Reporting Criteria Options

1	AA1000 Accountability Principles (2018)
2	Reporting reference to GRI Universal Standards (2021)

- AA1000 Assurance Standard v3 Type 1 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018) is conducted at a moderate level of scrutiny, and therefore the reliability and quality of specified sustainability performance information is excluded.
- The evaluation of the report against the requirements of GRI Standards is listed in the GRI content index as material in the report and is conducted with reference to the Standards.

ASSURANCE METHODOLOGY

The assurance comprised a combination of desktop research, interviews with relevant employees, superintendents, Sustainability committee members and the senior management in Taiwan; documentation and record review where relevant.

LIMITATIONS

Financial data drawn directly from independently audited financial accounts, Greenhouse Gas Emission, SASB related disclosures, and non-material topics and the related indicators have not been checked back to source as part of this assurance process.

INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from Innodisk, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with professional qualifications such as ISO 26000, ISO 20121, ISO 50001, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

FINDINGS AND CONCLUSIONS

ASSURANCE OPINION

On the basis of the methodology described and the assurance work performed, the assurance team are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the AA1000 Accountability Principles (2018).

The assurance team believes that the organization has chosen an appropriate level of assurance for this stage in their reporting.

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

INCLUSIVITY

Innodisk has demonstrated stakeholder inclusivity and stakeholder engagement through a variety of engagement efforts such as survey and communication to stakeholders are implemented to underpin the organization's understanding of stakeholder concerns.

MATERIALITY

Innodisk has conduct processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group. Integration of the assessment process across the organisation, including through relevant processes, such as risk management and compliance with laws, regulations, and internal policies and procedures are expected to be enhanced in the future reporting.

RESPONSIVENESS

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback. The integration of this process into the organization, including incorporation into relevant organizational frameworks such as risk management, compliance, and strategic planning, shall be thoroughly implemented and formally reflected in the subsequent disclosure.

IMPACT

Innodisk has included in this report the disclosures of the organisation's impacts on stakeholders and on the organization itself. Measurements and evaluations on potential impacts, such as direct and indirect, intended and unintended, and positive and negative impacts and the relevant management process to address these impacts are to be further described in a future report.

ADHERENCE TO GRI

The report, Innodisk's Sustainability Report of 2024, is reporting with reference to the GRI Universal Standards 2021. The significant impacts were assessed and disclosed with reference to the guidance defined in GRI 3: Material Topic 2021 and the relevant 200/300/400 series Topic Standard related to the material topics claimed in the GRI content index. The report has properly disclosed information related to Innodisk's contributions to sustainability development. For future reporting, it is recommended to enhance the effectiveness of the Sustainability Committee, its role in facilitating cross-functional collaboration and managing impacts shall be reinforced. Appropriate involvement of senior management shall be encouraged to ensure their understanding and participation in sustainability governance and goal-setting. Personnel associated with the Committee shall be equipped with comprehensive knowledge of disclosure standards to support the alignment between disclosure practices and organizational management.

Signed:

For and on behalf of SGS Taiwan Ltd.

Stephen Pao
Business Assurance Director
Taipei, Taiwan
17 July, 2025
www.sgs.com



The logo features the word "innodisk" in white lowercase letters on a red rectangular background. A small red square is positioned at the top right corner of the red rectangle.

innodisk

2024 SUSTAINABILITY REPORT

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