

2024

SUSTAINABILITY
REPORT

AirTAC

亞德客國際集團

AIRTAC INTERNATIONAL GROUP

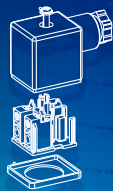


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About The Report

AirTAC International Group (hereinafter referred to as “AirTAC”) issues this Sustainability Report to provide stakeholders with a clearer understanding of AirTAC through transparent disclosure of sustainability-related information. The Group is committed to publishing the report on an annual basis, continuously responding to stakeholders’ concerns, and disclosing its performance in environmental, social, and corporate governance (ESG) aspects in an honest and transparent manner.

Reporting Period and Disclosure Scope

The reporting period of this report is from January 1, 2024 to December 31, 2024. The financial performance data are prepared in accordance with the consolidated financial statements, while other sustainability-related information is disclosed based on the principle of materiality and actual management needs, covering the Company’s major sales locations, main production bases, and headquarters, accounting for 96% of the consolidated revenue in 2024 and 100% of the annual production output.

It is expected that in the 2025 ESG Report, all subsidiaries included in the consolidated financial statements will be fully incorporated into the disclosure scope. Details of global operation sites and major production bases can be found on page 3 of this report under “Reporting Scope and Boundary.”

The reporting period of the information provided	January 1, 2024, to December 31, 2024
Date of the previous Report	September, 2024
Reporting period	Once a year
The effect and reasons for any restatement of information given in previous reports	This report covers the Group’s performance in the economic, environmental, and social dimensions. The statistical and calculation methods, as well as the reasons and results for any restatements of information disclosed in previous reports, are explained in the respective chapters.
Significant changes in material topics and topic boundaries from the previous reporting period	The report is consisting with the major themes and thematic boundaries during the previous reporting period.
Release date for the current version	August, 2025
Release date for the next version	Next version estimated to be released in August, 2026

Compilation basis

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards (GRI Standards), as well as the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB). It has also been compiled with reference to the “Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE/TPEX Listed Companies” and the “Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies” issued by the Taiwan Stock Exchange.

Information Disclosure

The financial data presented in this report are prepared in accordance with the International Financial Reporting Standards (IFRS), while other data are compiled and consolidated by AirTAC. Unless otherwise specified, all currencies are expressed in New Taiwan Dollars (NTD). This report has also been simultaneously published on AirTAC’s official website.

Inspection and Verification

Internal Review: The data and information disclosed in this report are compiled and provided by the responsible departments in accordance with their duties, reviewed and confirmed by the heads of each department, submitted to the Chairman for review, and finally approved for release. The preparation process of this report follows the internal review mechanism to ensure the accuracy and consistency of the disclosed information.

External Assurance:

- The financial data were verified by Deloitte & Touche.
- Greenhouse gas emissions were assured by PricewaterhouseCoopers Taiwan in accordance with ISAE 3410 issued by the International Auditing and Assurance Standards Board (IAASB) and the “Guidelines on the Management of Assurance Providers for Sustainability Reports of TWSE/TPEX Listed Companies,” with assurance work performed on the GHG Statement prepared based on the GHG Protocol, and a limited assurance report was issued.
- Selected key performance information of the 2024 Sustainability Report was assured by PricewaterhouseCoopers Taiwan in accordance with ISAE 3000, with limited assurance.

Contact Information

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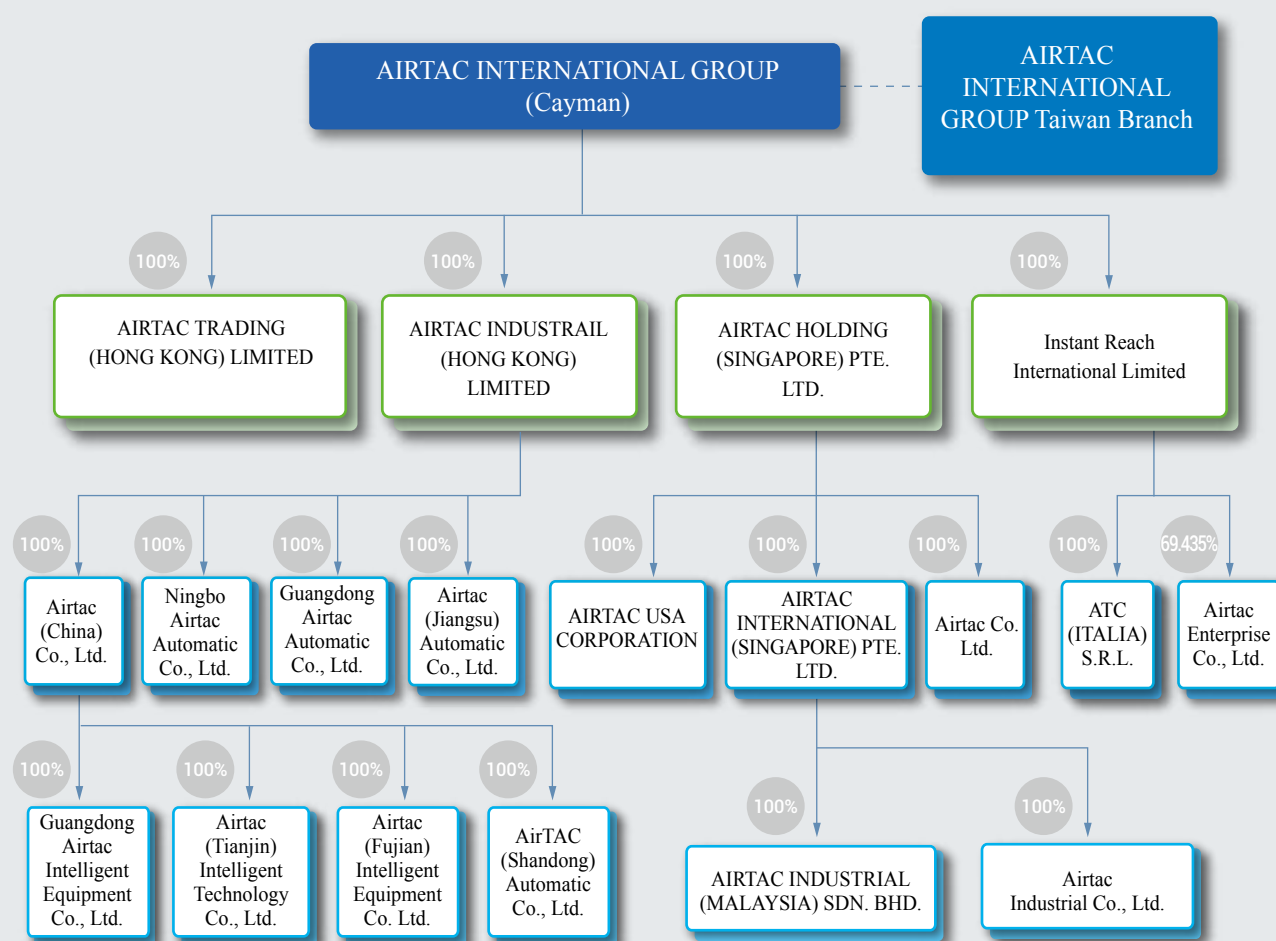
Website: <http://www.AirTAC.net/index.aspx>

Address: 9F, No. 10, Section 3, Minsheng East Road, Zhongshan District, Taipei City 104, Taiwan (R.O.C.)



Report scope boundary

This report covers the scope and principles, considering the significance of the disclosure information and actual management needs, covering major sales locations, major production bases and operating headquarters. The total disclosure ratio will account for 96% of the combined operating revenue in 2024 and 100% of the production output value in 2024. The group organization chart is as follows:



The operations and main production sites mentioned in the report are listed as follows:

Operation centers	Detail
AIRTAC INTERNATIONAL GROUP Taipei Headquarter	Consolidated and referred to as AirTAC Taiwan in the report, accounting for approximately 1.8% and 15% of the Group's operating revenue and output value in 2024.
AIRTAC INTERNATIONAL GROUP Taiwan Branch	
Ningbo AirTAC Automatic Co., Ltd.	Consolidated and referred to as AirTAC Ningbo in the report, accounting for approximately 71% of the Group's output value in 2024.
Guangdong AirTAC Automatic Co., Ltd.	Consolidated and referred to as AirTAC Guangdong in the report, accounting for approximately 14% of the Group's output value in 2024.
AirTAC (China) Co., Ltd.	Consolidated and referred to as AirTAC China in the report, accounting for approximately 94.18% of the Group's operating revenue in 2024.
AirTAC (Jiangsu) Automatic Co., Ltd.	
Guangdong AirTAC Intelligent Equipment Co., Ltd.	
AirTAC (Tianjin) Intelligent Technology Co., Ltd.	
AirTAC (Fujian) Intelligent Equipment Co. Ltd.	
AirTAC (Shandong) Automatic Co., Ltd.	



CHAIRMAN

Wang, Shihchung 王世忠

MESSAGE FROM THE CHAIRMAN

The year 2024 is the hottest year in the history of the Earth, as the world continues to experience unprecedented extreme climate events, with multiple regions repeatedly breaking temperature records. The extent of Arctic sea ice continues to shrink, global ocean temperatures have reached record highs, and the Earth has entered the “era of boiling,” making more proactive climate action an urgent necessity. In addition, the Russia-Ukraine war and the Israel-Palestine conflict continue, impacting global energy supply, technological competition, trade dynamics, and food security. These conflicts have caused fluctuations in fossil fuel prices and driven a restructuring of the global energy supply chain. With rising geopolitical risks, companies need to strengthen resilience and prepare for both short-term and long-term contingencies. Furthermore, frequent labor disputes have recently occurred in society. We fully recognize that sustainability is not limited to the environmental dimension; we bear significant responsibilities and obligations toward our employees, supply chain, business partners, and communities.

Amid the current global wave of sustainable development, companies are not only drivers of economic growth but also important participants in social and environmental sustainability. We deeply understand that the long-term success of a company comes not only from technological innovation and market competitiveness, but also from fulfilling its responsibilities in environmental, social, and governance aspects. Therefore, we integrate this philosophy into every aspect of our operations, committing ourselves to green manufacturing, a friendly workplace, and social engagement, in order to fulfill our commitment to sustainable management.

Green Manufacturing: Moving Toward a Low-Carbon Future

As a member of the manufacturing industry, we are fully aware of the importance of environmental sustainability for the future development of the industry. Therefore, we actively introduce energy-saving and carbon-reduction technologies, optimize production processes, reduce waste generation, and improve energy efficiency. We are committed not only to using environmentally friendly materials and recyclable resources, but also to reducing carbon emissions through smart manufacturing and digital transformation, promoting a circular economy model, and ensuring the maximum utilization of resources. In addition, we comply with the ISO 14001 Environmental Management System to strengthen environmental risk management, ensuring that corporate development and ecological balance progress in parallel with a responsible attitude. Our goal is not only to comply with regulatory standards, but also to hold ourselves to higher standards and become a benchmark for green manufacturing in the industry.

To fully implement the concept of sustainable management in our operations, AirTAC is committed to achieving carbon neutrality by 2060, with 2021 as the base year, and has set short-term and mid-to-long-term carbon reduction targets for Scope 1 and Scope 2 greenhouse gas emissions.

Short-term target (2026): Reduce the intensity of greenhouse gas emissions (Scope 1 and Scope 2, measured as emissions per unit of revenue) by 40%. Considering that the Company's main production plants and sales offices are located in China, we also align with China's policies by setting a phased target to reach peak operational carbon emissions before 2030, while continuing to improve energy efficiency, expand renewable energy use, and advance low-carbon transformation. In the future, we will also actively explore the feasibility of achieving peak emissions ahead of schedule, based on actual emission conditions.

Mid-to-long-term target (2036): Reduce the intensity of greenhouse gas emissions (Scope 1 and Scope 2) by 55% and increase the share of renewable energy use to over 30%. At the same time, we will work together with customers and suppliers to promote carbon reduction projects and expand decarbonization results across the overall value chain.

In addition, AirTAC plans to complete the inventory and disclosure of Scope 3 emissions for 2029 by the year 2030. Based on the inventory results, we will review and adjust phased carbon reduction targets as appropriate, continuing to promote the entire value chain toward the long-term vision of achieving carbon neutrality by 2060.

Friendly Workplace: Building a Culture of Shared Prosperity between Employees and the Company

The development of a company cannot be separated from the efforts of its employees. Therefore, we are committed to creating a workplace environment that is safe, healthy, inclusive, and conducive to growth. We provide comprehensive occupational safety protection measures to ensure that every employee can work in a safe environment. In addition, we promote diversity and inclusion policies to ensure that employees from different backgrounds are treated fairly and are able to realize their potential. We not only value employees' professional growth by providing comprehensive training and development opportunities, but also care for their physical and mental well-being by establishing health management mechanisms and employee care programs to enhance overall job satisfaction. We believe that only when employees work in a friendly environment can a company inspire the greatest innovative momentum and continue moving forward.

Social Engagement: Co-Creating a Better Future with Society

As a corporate citizen, the influence of a company should not be limited to the business domain, but should actively respond to social needs and contribute its resources and expertise. Therefore, we actively participate in various public welfare activities, care for disadvantaged groups, promote community programs, and collaborate with universities to enhance the reading and other abilities of children in rural and economically disadvantaged areas, with the hope of using reading to open up diverse possibilities and brighter futures for them. We also encourage employees to take concrete action, making social responsibility a part of corporate culture.

We firmly believe that a company's competitiveness comes from a sustainable business model. Only by integrating the concept of sustainability into the company's DNA can we achieve steady growth amid global changes and leave a better environment and society for the next generation. This is not only our commitment, but also our responsibility for the future. We look forward to working hand in hand with all partners to bring about a better change for the world.

2024 ESG Insights Corresponding to SDGs

AirTAC follows the SDGs Disclosure Guidance jointly issued by the Global Reporting Initiative (GRI) and the United Nations Global Compact (UNGC) to identify SDGs targets relevant to AirTAC, and adheres to the disclosure framework defined by GRI and the Support the Goals initiative. The table presents AirTAC's 2024 ESG highlights across three dimensions, which correspond to 12 Sustainable Development Goals. Through its commitment to low-carbon transformation, social care, and integrity in operations, AirTAC strives to contribute to addressing global climate change while demonstrating the company's performance and mission.

Type	Focus	Key Performance	
Environmental  Energy and Environmental Management	- From 2021 to 2024, energy intensity (energy consumption per NT\$1 million in sales) was 37.31, 35.48, 29.95, and 31.45, respectively. In 2024, energy intensity decreased by about 16% compared with the base year 2021. - From 2021 to 2024, greenhouse gas intensity (greenhouse gas emissions per NT\$1 million in sales) was 5.4, 4.54, 3.92, and 3.78, respectively, showing a year-on-year decrease. In 2024, greenhouse gas intensity decreased by about 30% compared with the base year 2021. - In 2024, NT\$49.53 million was invested in purchasing new air compressors and installing an additional air compressor joint control system. This investment is expected to save approximately 11.49 million kWh of electricity annually, equivalent to reducing about 5,872 tons of CO₂e emissions, and to save about NT\$40.15 million in electricity costs each year. - In 2024, in addition to replacing air compressors, NT\$13.13 million was invested in other energy-saving and consumption-reduction projects, including modifications to vulcanizing machine heating plates, improvements to six-axis machine cooling oil, adjustments to air conditioning chillers, and process improvements. These projects are expected to save approximately 2.21 million kWh of electricity annually, equivalent to reducing about 1,068 tons of CO₂e emissions, and to save about NT\$9.24 million in electricity costs each year. - In 2025, solar panels are planned to be installed to increase green power generation by 3.0406 MW. - In 2024, AirTAC China replaced 69 old gasoline vehicles with new energy-efficient vehicles. In 2025, the company plans to phase out 109 gasoline vehicles and purchase 100 hybrid vehicles. - To improve transportation efficiency and achieve carbon reduction goals, starting from July 2023, AirTAC outsourced most cargo logistics operations to professional logistics companies. Through systematic distribution planning and the integration of transportation resources, these companies not only arrange optimal routes with precision to enhance transportation efficiency, but also significantly reduce the number of trips made by underloaded self-operated vehicles, thereby effectively reducing overall fuel consumption and carbon emissions, and achieving energy conservation and carbon reduction in the transportation process.	6 CLEAN WATER AND SANITATION  7 AFFORDABLE AND CLEAN ENERGY  11 SUSTAINABLE CITIES AND COMMUNITIES  13 CLIMATE ACTION  12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	
	 Innovation in Clean Technology	- AirTAC continues to invest research and development (R&D) resources every year, focusing on the development of new products and the optimization of existing products. - In 2024, a total of 17 new product development projects and 11 product improvement projects were launched, all aiming to reduce energy and material consumption by more than 10%, while enhancing product performance and environmental benefits. These products were successively launched in 2024 and 2025. - In 2024, the sales revenue of sustainable products was approximately NT\$6.2 billion, accounting for 20% of total sales.	
	 Water Resources Management	- From 2021 to 2024, water intensity (water consumption per NT\$1 million in sales) was 35.75, 36.92, 33.05, and 30.63, respectively. In 2024, water intensity decreased by about 14% compared with the base year 2021. - In 2024, 160,614 tons of water were saved through water-saving projects, with a cost saving of approximately NT\$3.87 million. - In 2024, 60,622 tons of water were recycled and reused, accounting for about 6% of total water consumption, with a cost saving of approximately NT\$1.36 million. - In 2024, NT\$28.03 million was invested in the introduction of wastewater treatment equipment to reduce wastewater discharge.	

	Type	Focus	Key Performance
Environmental	 Air Pollution Management	- In 2024, NT\$29.22 million was invested in the introduction of exhaust gas treatment equipment such as oil mist filtration and dust removal systems to reduce air pollution. All processes that generate exhaust gas are equipped with corresponding treatment facilities, such as oil mist purifiers for oil mist emissions, dust collectors for dust emissions, and exhaust gas purification systems for surface treatment processes, with an oil mist recovery rate of over 95%. - The emission compliance rate for exhaust is 100%.	
	 Waste Management	- In 2024, the overall waste recycling and reuse rate reached 95%, while the recycling and reuse rate of hazardous waste reached 98%. - From 2021 to 2024, waste intensity (waste generated per NT\$1 million in sales) was 0.8, 0.76, 0.72, and 0.68, respectively. In 2024, waste intensity decreased by 15% compared with the base year 2021. - From 2021 to 2024, hazardous waste intensity (hazardous waste generated per NT\$1 million in sales) was 0.2, 0.19, 0.19, and 0.18, respectively. In 2024, hazardous waste intensity decreased by 10% compared with the base year 2021. - In 2024, NT\$99.45 million was invested in environmental protection expenses, including harmless waste disposal, environmental assessment technical services, and environmental infrastructure.	
	 Toxic Substances Emissions and Chemicals Management	- Toxic substances mainly refer to chromic acid mist, benzene, and toluene in exhaust gas, as well as heavy metals such as chromium, nickel, copper, and zinc in wastewater. By using exhaust gas treatment equipment, wastewater treatment plants, and reducing the use of chemicals that generate toxic substances, emissions of toxic substances are reduced and rendered harmless. Through online monitoring by the Environmental Protection Bureau, regular inspections by professional third-party organizations, and self-monitoring by the Environmental Safety unit, all emission data in 2024 were far below regulatory standards, achieving 100% compliance with emission targets. - Both AirTAC Taiwan and AirTAC Ningbo have obtained ISO 14001 Environmental Management System certification, with annual audits and verifications conducted by credible third-party organizations. This management system covers procedures for managing toxic substances and chemicals, including procurement, storage, use, and disposal, to ensure compliance with relevant laws and environmental requirements. - Hazard classification management is conducted for chemicals used in the plants. - Regular workplace environment monitoring is carried out to ensure that the concentration of hazardous substances in the working environment remains within safe limits. - Containers at worksites are clearly labeled and provided with safety data sheets, along with information on personal protective equipment required for employees. - Hazardous chemical safety training is provided to new employees upon onboarding, with regular refresher training conducted to ensure employees have a clear understanding of the risks of hazardous chemicals. - Raw materials used in production comply with EU RoHS requirements. Regular material investigations, screenings, and audits are conducted to ensure that the materials used in products comply with the latest environmental regulations.	
Social	 Human rights and Employee Care	AirTAC - A variety of employee grievance channels are provided, including a dedicated hotline, employee suggestion boxes, employee assemblies, labor-management meetings, welfare committee meetings, online suggestion boxes, and email. In 2024, AirTAC Taiwan received a total of 45 submissions through employee suggestion boxes. Employees in Mainland China can express their opinions through the employee mailbox in WeChat Work, with dedicated personnel providing regular responses. - An Employee Assistance Program (EAP) is provided, offering one-on-one counseling between supervisors and employees to understand personal or workplace issues and provide appropriate support. In 2024, a total of 3,746 employees received EAP counseling. - Online courses on mechanical knowledge are fully available to female employees, and surveys were conducted to identify course needs. Based on the 2024 survey results, additional external courses such as children's education and culinary arts were introduced to enhance professional skills and maintain work-life balance, with the aim of encouraging female employees to pursue managerial positions. In 2024, female employees accounted for 26% of the workforce, while female managers accounted for 10%. - In 2024, AirTAC Taiwan conducted one employee health promotion intention survey and three satisfaction surveys, covering activities such as bowling, annual health checkups, and the year-end party, all achieving satisfaction rates above 90%. AirTAC Ningbo conducted quarterly accommodation satisfaction surveys and monthly dining satisfaction surveys, both with satisfaction rates above 90%. AirTAC Guangdong distributed quarterly satisfaction surveys covering work positions, company benefits, and dining, with an annual satisfaction rate of 74%. - In 2024, approximately 89% of the Group's total employees were union members. - A comprehensive retirement pension system is provided: in Taiwan, 6% of employees' monthly salaries is contributed to their individual pension accounts under the new scheme; in Mainland China, pension contributions are made in accordance with government regulations. The total amount recognized as post-employment benefit expenses in 2024 was NT\$364 million. - Legal parental leave protection is provided. In 2024, 278 employees applied for parental leave, with a return-to-work rate of 97% and a retention rate of 84%. - In 2024, AirTAC Taiwan promoted the Group's human rights policy during an employee assembly, with one meeting held, attended by 877 employees, totaling 463 training hours. In Mainland China, human rights training was promoted through WeChat public accounts and online learning platforms, with one course held in 2024, covering all employees.	 1 NO POVERTY
			 3 GOOD HEALTH AND WELL-BEING
			 4 QUALITY EDUCATION

	Type	Focus	Key Performance
Social	Occupational Safety Management	- In 2024, there were no major occupational injury incidents involving employees or contractors. - From 2022 to 2024, the recordable occupational injury rates were 4.01, 2.68, and 2.4, respectively, showing a downward trend. - In August 2024, AirTAC Ningbo outsourced the development of an EHS (Environment & Health & Safety) system to manage daily environmental and safety work online. - A total of 51,261 training hours were completed for occupational health and safety courses. - Emergency response drills involved a total of 12,295 participants. - Each production plant sets clear safety production targets annually, and in 2024, the achievement rate exceeded 90% across all plants. - The participation rate for designated health examinations and special operation inspections reached 100%.	
	Supplier Management	- All raw materials used in production are required to comply with RoHS requirements, and supplier inspection reports are obtained on a regular basis. Priority procurement incentives are adopted to encourage suppliers to obtain IATF 16949 automotive industry certification and ISO 14000 environmental management certifications. - The proportion of local procurement at AirTAC Taiwan, AirTAC Ningbo, and AirTAC Guangdong was 54%, 73%, and 97%, respectively.	
	Employee Development and Retention	- A total of 196,486 hours of employee training were provided for talent development, with NT\$3.17 million invested in training expenses. - Through performance evaluations, the company's operational performance is linked to all employee compensation. In 2024, the performance evaluation coverage rate was 100%. In addition, the employee remuneration accrual rate, calculated from the pre-tax net profit after deducting employee remuneration and director remuneration, was increased from 1% to 1.2%. Including other variable compensation, the total recognized employee bonus expenses in 2024 amounted to NT\$1.548 billion. - The average monthly turnover rates from 2022 to 2024 were 2.34%, 1.92%, and 1.96%, respectively.	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH
	Social Welfare Charity	- AirTAC focuses on two major initiatives, the "Sunshine Action" and the "Blue Scholarship Program," and continues to actively organize various charitable activities and promote social welfare projects, with the aim of giving back to communities and society through donations and other public welfare efforts. The initiatives promoted in 2024 are as follows: - Long-term care support for disadvantaged families and emergency assistance: providing regular financial support to impoverished households and emergency aid to long-term care families. In 2024, a total of 696 households in Taiwan were supported, with an investment of NT\$8.13 million. - Regular donations to charitable organizations and disadvantaged groups, totaling NT\$42.13 million in 2024. - Long-term donations to food banks in Hualien County, Taitung County, and Chiayi County, totaling NT\$10 million in 2024. - Donation of one long-term care bus to Chiayi County. - Employee-initiated blood donation drives in Taiwan, with 561 employees participating, donating a total of 686 bags (170,000 cc) of blood. - AirTAC "Youmei Scholarship" supported 1,070 students from 9 schools in 2024, with a total amount of NT\$60.62 million. - Collaboration with universities to promote reading and cultural activities for children in rural areas, with total donations of NT\$12 million in 2024. - In Mainland China in 2024, sponsorships were provided to 1,008 disadvantaged students, three universities, and various scholarship associations and education funds, totaling NT\$135.33 million.	
Governance	Operation Management	- On November 8, 2024, a Risk Management Committee was established, composed of four independent directors. - In 2023, AirTAC set sustainability performance indicators linked to senior executives' compensation. Through the promotion of this performance system, multiple sustainability goals were successfully enhanced and implemented in 2024. - Consolidated revenue in 2024 reached NT\$30.7 billion, continuing steady growth. - As of December 2024, a total of 253 patents had been approved (including invention patents, utility patents, and design patents); a total of 146 valid registered trademarks had been approved worldwide (across 33 countries). In November 2024, AirTAC Taiwan obtained Taiwan Intellectual Property Management System (TIPS) A-level certification, valid until December 31, 2025. - Internal performance evaluations of the Board of Directors, board members, the Audit Committee, and the Remuneration Committee in 2024 were all rated as excellent. - There were no violations of major environmental, economic, or social regulations. - Attendance rates for members of the Audit Committee and the Remuneration Committee were 100%. - Customer services were managed through the CRM system to improve efficiency and competitive advantage. - An independent whistleblowing mailbox (audit@AirTAC.com) was established on the official website for use by both external parties and AirTAC employees. No whistleblowing letters were received in 2024.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 17 PARTNERSHIPS FOR THE GOALS



HONORS AND RECOGNITION FOR THE PAST THREE YEARS

AirTAC

Forbes Asia in 2024

Awarded “Best SME”

Selected by AsiaMoney Magazine as

“2022 Asia’s Outstanding
Companies – Industrials”

In the 2024 CDP Climate Change
Questionnaire assessment

Received a score of B
(Management level)

In 2022, the Chairman was recognized by
Harvard Business Review as one of the

“Top 100 Taiwan Business
Leaders”

AirTAC Taiwan

In 2024, obtained Taiwan Intellectual
Property Management System

(TIPS) A-level certification

AirTAC Taiwan and AirTAC Ningbo

Certification in 2023

Obtained ISO 14001

CH 1

- 1.1 Stakeholder Communication
- 1.2 Sustainability Issue Identification
- 1.3 Management Policy

Leadership • Transparent Communication



Communication and engagement with stakeholders are fundamental to promoting corporate sustainability. Upholding the spirit of transparency and openness, AirTAC continuously engages with stakeholders to identify sustainability issues of concern and incorporate them into AirTAC's sustainability development blueprint. Referring to the GRI Standards, market trends, and industry characteristics, AirTAC adopts a systematic evaluation approach to design a sustainability issue survey questionnaire. Through the distribution and collection of the questionnaire, stakeholder feedback is gathered, and sustainability issues are also incorporated into assessments of operational impact and risk evaluation. This process identifies AirTAC's material issues, which serve as the basis for prioritization and response.

Stakeholder and Materiality Assessment Process

1

Identifying Stakeholders

The director of each department will fill in the Stakeholder Identification Questionnaire to determine the relationship between the stakeholders and the Company, and to identify key stakeholders.

Quantitative Performance

Identification of 8 types of stakeholders

2

Determining Issues of Concern

Based on the result of the stakeholder identification, a questionnaire or interview will be conducted to understand the stakeholders' issues of concerns and the level of concern.

Quantitative Performance

254 valid questionnaires

3

Evaluating Impacts on Business Operations

AirTAC's senior management conducts an impact and risk analysis of the degree of various issues' impact on the Company.

Quantitative Performance

Opinions from 28 senior supervisors

4

Identifying Material Issues

Based on the issues concerning stakeholders and the degree of impact on the Company, the evaluation outcome of each issue will be used for determining materiality.

Quantitative Performance

Identification of 10 material issues

5

Reviewing Material Issues

Reviewing the outcome of materiality assessment to ensure compliance with the requirements of sustainability context and integrity.

Quantitative Performance

100% of issues meet sustainability objectives and overall goals



1.1 Stakeholder Communication

Through diverse communication channels, AirTAC identifies sustainability issues of concern to stakeholders and formulates corresponding management policies and implementation plans to effectively respond to stakeholder concerns and expectations. In 2024, AirTAC collected stakeholder feedback through the distribution of stakeholder questionnaires. The design principles of the questionnaire were based on the international AA1000 Stakeholder Engagement Standard, adopting five dimensions of evaluation: responsibility, influence, tension, diverse perspectives, and dependency, in order to identify and prioritize the degree of stakeholder relationships. According to the statistical results, the stakeholders ranked by level of relationship are: employees, shareholders/investors, customers, suppliers/contractors, government agencies, local communities, industry associations/industry and academic institutions, and media.

Stakeholder Identity	Significance on AirTAC	Communication Method and Frequency	2024 Communication Effectiveness	Reflections and Countermeasures	Material issues
Employees	Employees are important assets of the company and key stakeholders who help the company achieve sustainable development and breakthroughs.	■ Irregular physical or online suggestion boxes ■ Weekly supervisor meetings ■ Quarterly employee assembly ■ Quarterly labor-management meetings ■ Quarterly welfare committee meetings ■ Regular and irregular performance interviews ■ Employee health care	■ A total of 45 employee suggestion box submissions, 100% response rate ■ 1 employee assembly held ■ 4 labor-management meetings held ■ 4 welfare committee meetings held ■ Health care counseling provided to 607 people ■ 3,746 people completed EAP counseling	■ Salary and benefits superior to the industry ■ Increased diverse and smooth communication channels, with dedicated personnel handling feedback ■ Established satisfaction survey mechanism ■ Expanded employee participation opportunities and ensured harmonious labor relations ■ Conveyed important messages through internal company meetings ■ Promoted employee health, providing individual health guidance and consultation	■ Human rights protection and employee care ■ Talent cultivation and development ■ Workplace health and safety ■ Legal compliance ■ Workplace diversity and equal opportunity
Shareholders / Investors	Provide AirTAC with financial support and are important stakeholders most concerned with the company's sustainable development.	■ Annual shareholders' meeting ■ Quarterly board meetings ■ Irregular investor conferences ■ Irregular investor relations meetings ■ Public disclosure of company financial reports and information	■ 1 shareholders' meeting held ■ 22 investor conferences attended ■ More than 250 visits or conference calls with shareholders and investors received	■ Continuously maintained good communication with shareholders and investors through annual plans	■ Operational performance ■ Corporate governance ■ Ethical business practices ■ Legal compliance ■ Social participations
Customers	Customer needs provide AirTAC with insights into future market trends and are also important stakeholders that nurture AirTAC's R&D capabilities.	■ One customer satisfaction survey conducted annually ■ Irregular communication with customers via telephone, email, etc. ■ Irregular customer service and communication activities	■ AirTAC China conducted a customer satisfaction survey, covering 760 customers, with a satisfaction rate of 94.15% ■ AirTAC Taiwan held more than 550 customer technical exchange sessions in 2024	■ Continued to understand customer needs through telephone communication and personal visits, comprehensively resolving customer issues	■ Ethical business practices ■ Customer relationship management ■ Supply chain management ■ Social participation ■ Sustainable products

Stakeholder Identity	Significance on AirTAC	Communication Method and Frequency	2024 Communication Effectiveness	Reflections and Countermeasures	Material issues
Suppliers/ Contractors	Business partners that jointly develop and manufacture products with AirTAC and enhance operations, while also being stakeholders who face environmental sustainability issues together.	■ Irregular communication via email / telephone / instant messaging ■ Irregular on-site supplier meetings ■ Regular on-site supplier audits / meetings ■ Establishment and implementation of annual supplier guidance programs	■ Conducted on-site audits for 75 suppliers ■ Annual supplier guidance programs carried out by AirTAC Ningbo, AirTAC Guangdong, and AirTAC Taiwan for 35, 22, and 2 suppliers, respectively ■ Key suppliers signed integrity statements, representing more than 95% of total procurement value	■ Adhered to supplier code of conduct, identifying suppliers with ESG collaboration potential as priority partners ■ Ensured no use of conflict minerals ■ Ensured supplier integrity declarations	■ Ethical business practices ■ Supply chain management ■ Sustainable products ■ Legal compliance ■ Corporate governance ■ Operational performance
Government	Stakeholders concerned with AirTAC's environmental, economic, and social compliance, and as policymakers, they are key stakeholders influencing industrial development.	■ Irregular meetings such as seminars and public hearings ■ Irregular official document correspondence ■ Irregular dedicated visits ■ Irregular communication via email and telephone	■ Participated in the Tainan City Bureau of Economic Development briefing on the "Regulations for Factory Hazardous Material Reporting" and the "Amendments to Public Liability Insurance for Factory Hazardous Materials" (1 time). ■ Participated in the Tainan City Fire Department "2024 Public Safety Seminar – Factory Fire Risk Identification and Disaster Mitigation Response" (1 time). ■ Attended the Tainan City Bureau of Labor Affairs sessions on "Key Points of the Labor Standards Act and Overwork Prevention Awareness" (2 times). ■ Attended the Tainan City Bureau of Labor Affairs briefing on the "2024 Subsidy Program for Assisting Occupational Accident Workers Returning to the Workplace" (1 time). ■ Participated in the Tree Valley Park seminar on "Factory Fire Risk Identification and Case Sharing" (1 time). ■ Participated in the Tree Valley Park pre-consultation meeting on the "Amendment to the Detailed Plan of the Tainan Science Industrial Park Specific Area" (1 time). ■ Participated in the Tainan City Environmental Protection Bureau "2024 Green Office and Net-Zero Sustainable Lifestyle Seminar" (1 time). ■ Attended the Tree Valley Park public hearing on the "Jiowei Power – Southern Taiwan Natural Gas Power Plant" project (1 time). ■ Attended the Water Resources Agency, Ministry of Economic Affairs "Reclaimed Water Public Explanation Session" (1 time). ■ Attended the Tainan City Environmental Protection Bureau briefing on "Industrial Waste Management Regulations" (1 time). ■ Attended the Tainan City Environmental Protection Bureau seminar on "Designating Air Quality Maintenance Zones" (1 time). ■ Participated in the Tree Valley Park environmental seminar on "Water Recycling" (1 time). ■ Attended the Tree Valley Park briefing on "Stationary Pollution Sources" (1 time). ■ Attended the Tainan City Environmental Protection Bureau "2025 Stationary Pollution Source Factory Air Pollution Control Seminar" (1 time).	■ Continuously monitor government policies and regulations, ensure legal compliance, and actively cooperate with competent authorities to jointly foster industry prosperity.	■ Operational performance ■ Legal compliance ■ Customer relationship management ■ Raw material management ■ Labor relations ■ Human rights protection and employee care

Stakeholder Identity	Significance on AirTAC	Communication Method and Frequency	2024 Communication Effectiveness	Reflections and Countermeasures	Material issues
Local community	Stakeholders located nearby AirTAC are the most affected by the operations of AirTAC; they are also the ones who are most concerned about the operations of AirTAC	■ Irregular visits and exchanges ■ Occasional communication through phone and email	■ One visit to the Tree Valley Service Center ■ One visit to the local village chief	■ Foster harmonious community relations and jointly enhance regional environmental quality	■ Social participation ■ Greenhouse gas and energy management ■ Water resource management
Industry association/ Industry and academic institutions	Industry associations and industry and academic institutions are partners that promote industry development with AirTAC; they are also stakeholders that take part in the business process	■ Unscheduled exchange and education, and training courses	■ Communication is conducted through irregular visits and online meetings.	■ Through collaborative projects, develop products based on academic theories and the experience of industry associations, thereby enhancing product performance and efficiency, reducing resource waste in production, and achieving a win-win outcome for both manufacturing and the environment	■ Operational performance ■ Legal compliance ■ Customer relationship Management
Medis	The media are key stakeholders in effectively communicating AirTAC's sustainability achievements.	■ Irregular communication and responses via email and phone ■ Annual shareholders' meeting	■ Distribution of unaudited and audited financial statements 4 times ■ Release of revenue information 12 times	■ Continue maintaining strong relationships with the media to establish a positive market image of the company	■ Corporate Governance ■ Ethical Business Practices ■ Operational Performance ■ Risk Management

1.2 SUSTAINABILITY ISSUE IDENTIFICATION

AirTAC, taking into account international sustainability trends, industry characteristics, corporate sustainability concerns, as well as ESG standards and guidelines, has developed a comprehensive list of sustainability topics covering the economic, environmental, and social dimensions.

In 2024, based on the stakeholder identification results, AirTAC conducted a survey to better understand the issues of concern to stakeholders, collecting a total of 254 valid responses. Subsequently, 28 senior executives evaluated each issue by assessing the likelihood and degree of potential short, medium, and long-term financial and non-financial impacts on the company. Through weighted calculation and internal discussion, AirTAC identified 11 material topics for 2024, including: operational performance, workplace health and safety, ethical business practices and regulatory compliance, corporate governance, pollution prevention and control, customer relationship management, sustainable supply chain management, talent attraction and retention, employee compensation and benefits, greenhouse gas and energy management, and raw material management. Compared to 2023, the material topics newly identified in 2024 include “greenhouse gas and energy management.”

Material Topics and Material Aspects

AirTAC aligns material aspects with the GRI Standards, establishing management policies and evaluation mechanisms to institutionalize and systematize the management of related sustainability issues. By disclosing sustainability performance in line with stakeholders' key concerns, AirTAC aims to strengthen communication and fulfill its commitment to sustainable corporate development.

Material Issues	GRI Standards Material topics/ Customized Topics	Significance of Material Issues to AirTAC	Value chain impact boundaries			Corresponding Chapter
			Upstream	Midstream (AirTAC)	Downstream	
Ethical Business Practices and Regulatory Compliance	GRI 205 Anti-corruption	Adherence to ethical business practices is an important factor for AirTAC in realizing corporate values and achieving development.				2.2.2 Integrity in Business Operations and Anti-Bribery and Corruption Policy
	GRI 206 Anti-competitive Behavior			▲		
Pollution Prevention Management	GRI 303 Water	Pursuing sustainable use of resources and preventing global resource depletion. AirTAC has already implemented pollution prevention and control, reduced pollution, managed wastewater and waste discharge, and promoted proper waste treatment.				3.3 Water Resources and Wastewater Management 3.5 Waste Management
	GRI 305 Emissions GRI 306 Effluents and Waste			▲		
Occupational Safety and Health	GRI 403 Occupational Health and Safety	“People-orientation” has always been an important corporate core value at AirTAC. Pay attention to the safety and health of the work environment of workers and commit to creating a safe and healthy workplace.		▲		4.3 Safe Workplace

Material Issues	GRI Standards Material topics/Customized Topics	Significance of Material Issues to AirTAC	Value chain impact boundaries			Corresponding Chapter
			Upstream	Midstream (AirTAC)	Downstream	
Customer Relationship Management	GRI 416 Customer health and safety GRI 418 Customer Privacy	We value the opinions and feedback from our customers, and "customer satisfaction" is one of our core values.		▲	▲	2.4 Customer Service
Corporate Governance	GRI 2-9 Governance structure and composition GRI 2-10 Nomination and selection of the highest governance body GRI 2-11 Chair of the highest governance body GRI 2-12 Role of the highest governance body in overseeing the management of impacts	Compliance with ethical corporate management is an important factor for us to realize corporate value and development		▲		2.2 Corporate Governance
Operational Performance	GRI 201 Economic Performance	We strive for operational performance growth intending to further become a forerunner in product specifications as a way to effectively promote development in the industry		▲	▲	2.1.2 Operational Performance
Talent Attraction and Retention	GRI 401 Employment GRI 404 Training and Education	AirTAC values talent attraction and retention, offering competitive compensation and employee benefits within the industry, and providing career counseling and planning assistance to employees.	▲	▲	▲	4.1 Employee Welfare 4.2 Employee Fostering
Supplier Sustainability Management	GRI 204-1 Proportion of spending on local suppliers	Adopt environmental standards to screen new suppliers, practicing sustainable management as a responsible purchaser.		▲		2.7 Sustainable Supply Chain Management
Employee Compensation and Benefits	GRI 2-19 Remuneration policies GRI 2-20 Process to determine remuneration GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Offer a competitive overall compensation package and benefits system that exceeds legal requirements.		▲		4.1 Employee Welfare
Greenhouse Gas and Energy Management	GRI 302: Energy GRI 305: Emissions	In response to the low-carbon transition trend, enhance energy efficiency and reduce carbon emission risks, while increasing market competitiveness.	▲	▲	▲	3.2 Energy and Greenhouse Gas Management

Note 1: With reference to the Taiwan Industry Value Chain Information Platform, AirTAC identified the impact boundaries of its value chain. The core of the value chain is AirTAC itself, which also includes employees. The upstream covers raw material suppliers, while the downstream includes customers.

1.3 Management Policy

Material Topics	Management Policy	Assessment Mechanism	Potential or actual impact		2024 Management Performance	Short-Term Goals (1-5 years)	Mid to Long-Term Goals (above 5 years)
			Positive impact description	Negative impact description			
Ethical Corporate Management	- Integrating ethical corporate management into operational management strategies to avoid unethical behaviors that may affect the corporate image and sustainable management. - Ensuring all employees stay informed through various communication channels.	- Regularly verify that no major violations have occurred. - Establish the "Procedures for Reporting Unlawful and Unethical Conduct." - Set up an independent whistleblowing mailbox.	No violations occur, and the company maintains a positive reputation.	Fraud incidents leading to significant damages or compensation claims.	- Zero cases of penalties related to breaches of the integrity policy - Complaints or feedback received via the whistleblowing mailbox in 2024 were unrelated to integrity management.	- Continue enforcing the integrity policy and conducting relevant training programs. - Disclose implementation results in the annual report, company website, and Market Observation Post System - Maintain 0 penalties for violations of the ethical corporate management policy by Company employees	Maintain 0 penalties for violations of the ethical corporate management policy by Company employees
Pollution Prevention Management	Focusing on Prevention first, combining prevention and control, source reduction, and accountability commitment.	- Assess recycling rates of waste and wastewater. - Evaluate compliance rates of wastewater and air emissions.	All waste is properly treated in compliance with regulations.	Waste disposal contractors failing to comply with regulations, resulting in penalties.	- Waste recycling and reuse rate: 95%; hazardous waste recycling and reuse rate: 98%. - Waste intensity decreased 15% compared with the baseline year 2021; hazardous waste intensity decreased 10%. 100% compliance rate for wastewater and air emissions.	- By 2026, reduce waste intensity by 17% and hazardous waste intensity by 12% compared with the baseline year 2021. - Maintain 100% compliance rate for wastewater and air emissions. 100% detection rate for toxic substances compliance..	- By 2036, reduce waste intensity by 30% and hazardous waste intensity by 20% compared with 2021. - Achieve a recycling and reuse rate of over 97%. - Maintain 100% compliance rate for wastewater and air emissions.
Legal Compliance	Ensure compliance with regulations related to business operations, which helps reduce fines, reputational damage, and potential financial risks.	Regularly verify the number and amount of fines imposed by competent authorities.	No violations occur.	Violations of relevant regulations resulting in penalties.	No significant violations of environmental, economic, or social regulations occurred in 2024.	Continue implementing compliance with all relevant regulations and conducting ongoing training.	- Maintain zero significant violations annually across environmental, social, and economic aspects. - Strengthen the compliance management system and enhance compliance processes.

Material Topics	Management Policy	Assessment Mechanism	Potential or actual impact		2024 Management Performance	Short-Term Goals (1-5 years)	Mid to Long-Term Goals (above 5 years)
			Positive impact description	Negative impact description			
Occupational Safety and Health	Promote a safety management system with a focus on prevention, dedicated to creating a safe and healthy workplace.	- Conduct daily, monthly, and special safety inspections at each plant. - Establish safety production targets and review them regularly. - Provide on-the-job safety and health training hours.	A sound occupational health and safety system can enhance employee loyalty and productivity, reduce absenteeism, and strengthen the corporate employer brand image.	Occupational accidents or long-term health risks occur, they may result in workforce loss, legal liabilities, fines, and damage to corporate reputation.	- Execution rate of occupational safety and health management regulations: 100% - Participation rate for special health examinations and inspections of special operations: 100% - On-the-job occupational safety and health training hours: 51,261 hours	- Achieve an annual health examination participation rate of 100% - Maintain a 100% achievement rate of safety production targets	Implemented ISO 45001 management system in major global production plants, promoting a safety and health management system focused on prevention
Customer Relationship Management	AirTAC Taiwan - Establishing prompt customer complaint Mechanism - Customer feedback management AirTAC China - Customer-oriented and stratified management; CRM management platform has been adopted	- Handling of Customer complaints and customer feedback - Customer satisfaction survey	Customer satisfaction has improved, leading to an increase in orders.	The defect rate of products has increased, resulting in a rise in customer complaints.	AirTAC Taiwan 96% of the customer complaints were dealt with satisfactorily. AirTAC China - The average score of respondents giving a full score of 100 was 94.15%. - The top three categories were service attitude, response speed, and professional skills, each with a full-score ratio of over 92%.	Continue conducting customer satisfaction surveys to identify potential customer needs, in order to seek more opportunities to serve customers and continuously improve customer satisfaction year by year.	Increase market share and establish a long-term strategic partnership as a global automation equipment provider
Corporate Governance	Enhanced corporate governance structure to ensure sustainable operations, with the goal of pursuing maximum shareholder value	- The Audit Committee and Compensation Committee assist the Board of Directors in fulfilling oversight responsibilities and regularly report operational conditions to the Board. - The Internal Audit Manager communicates audit results regularly with members of the Audit Committee and presents internal audit reports at quarterly meetings. - Conducting an annual performance evaluation of the Board of Directors, with external independent organizations conducting a professional assessment every three years. - Corporate Governance Evaluation Ranking	Good corporate governance effectively supervises the operation of corporate social responsibility, thereby enhancing operational performance and company value	Inefficient corporate governance reduces external trust in the company, leading to increased communication costs with external stakeholders	- In 2024, the Board of Directors and the Audit Committee each convened 7 meetings, establishing an effective corporate governance framework. - In 2024, the performance of the Board of Directors, board members, Audit Committee, and Remuneration Committee was internally evaluated, with all results rated as excellent. - In 2024, a Risk Management Committee was established.	Improve the Corporate Governance Evaluation Ranking	Becoming a benchmark enterprise for sustainable operations

Material Topics	Management Policy	Assessment Mechanism	Potential or actual impact		2024 Management Performance	Short-Term Goals (1-5 years)	Mid to Long-Term Goals (above 5 years)
			Positive impact description	Negative impact description			
Operational Performance	Continuing to expand the brand image, develop new products and new customers and increase market share to support turnover growth	Analysis of market share, financial income, expenditure and profitability	Revenue and gross profit margin have improved compared to the previous year	Revenue and gross profit margin have declined compared to the previous year	In 2024, the consolidated revenue of the Group demonstrated steady growth, while maintaining a positive net profit margin.	It is expected that product sales in 2025 will have double-digit growth compared to 2024	The market share of pneumatic products in the Chinese pneumatic market has been increasing year by year.
Talent Attraction and Retention	- AirTAC provides competitive salaries and employee benefits surpassing industry standards. Additionally, assistance is provided for employee career counseling and planning. - Through annual performance evaluations and reviews, assessment results serve as the basis for promotions, salary adjustments, training and development, as well as various bonus allocations. - An annual employee training plan is established, tailoring internal, external, and professional training sessions to employees' roles, skills, and capabilities.	- The completion rate of annual performance assessments - Employee education and training hours - The employee turnover rate	Increased proactive talent applications; improved employee productivity	Labor shortages and talent attrition	- In 2024, the participation rate of all employees in performance evaluations was 100%. - In 2024, AirTAC invested a total of 196,486 hours in employee education and training, with training expenses amounting to NT\$3.17 million. - Provided job transfer counseling to enhance talent retention, with the turnover rate remaining stable over the past three years.	Establishing an online learning platform to cultivate educational talent	Anticipating a year-over-year decrease in the overall employee turnover rate
Sustainable Supply Chain Management	- Increase the proportion of local procurement. - Promote AirTAC's Green Procurement Statement to suppliers - Require suppliers to follow responsible mineral sourcing - Obtain suppliers' third-party test reports on EU RoHS controlled substances and update them regularly - Require suppliers to sign the Integrity Statement	- Local procurement ratio - Compliance with responsible mineral sourcing - Suppliers required to meet RoHS regulations - Percentage of suppliers signing the Integrity Statement	Suppliers deliver on time with high-quality products and meet sustainability-related requirements, eliminating the need for additional compliance costs.	Suppliers located in high climate-risk areas experience shipping disruptions due to flooding from heavy rains, causing an operational halt for AirTAC.	- Local procurement ratios: AirTAC Taiwan 54%, AirTAC Ningbo 73%, AirTAC Guangdong 97% - Responsible mineral sourcing followed, with no conflict minerals procured in 2024 - All products complied with EU RoHS regulations in 2024 - Over 95% of total procurement amount was from key suppliers that signed the Integrity Statement	- Increase the local procurement ratio - Establish ESG evaluation criteria for suppliers	Strengthen ESG audits of suppliers

Material Topics	Management Policy	Assessment Mechanism	Potential or actual impact		2024 Management Performance	Short-Term Goals (1-5 years)	Mid to Long-Term Goals (above 5 years)
			Positive impact description	Negative impact description			
Employee Compensation and Benefits	■ In addition to referencing market benchmark companies and salary survey reports, industry-wide salary trends are also considered to offer a competitive overall compensation package and benefits system that exceeds legal requirements.	■ Fixed salary components are based on being above the local minimum wage and at a level superior to the industry average. Variable salary components are linked to performance and assessed according to a comprehensive evaluation system.	Good compensation and benefits have attracted more proactive job applicants, leading to improved employee productivity.	Poor compensation and benefits will lead to talent loss.	■ In 2024, the employee remuneration accrual rate was increased from 1% to 1.2% of the current year's profit before tax after deducting employee and director remuneration. Together with other variable compensation, the total employee bonus expenses recognized in 2024 amounted to NT\$1.548 billion.	■ Overall compensation is maintained at the top 25% level within the industry.	■ Overall compensation is maintained at the top 25% level within the industry.
	■ Continuously optimize the company's internal energy management by increasing the use of renewable energy, persistently pursuing improvements in energy efficiency, reducing energy consumption costs, and strengthening energy management intensity.	■ Greenhouse gas and energy intensity reduction target achievement rate	Reduce the environmental impact of group operations and promote low-carbon transition	Potential carbon costs may arise, increasing the group's overall expenses.	■ In 2024, the greenhouse gas intensity was 3.78, a 30% decrease compared with the base year 2021.	■ 2026 target: Based on 2021, reduce greenhouse gas intensity by 40%.	■ 2036 target: Based on 2021, reduce greenhouse gas intensity by 55%, with renewable energy usage accounting for more than 30%. ■ It is expected that by 2030, the 2029 Scope 3 carbon inventory will be completed, incorporating greenhouse gas emissions generated from purchased products and services, as well as from the use of sold products, into the emission reduction plan.



CH 2

International Power • Robust Governance

- 2.1 About Airtac
- 2.2 Corporate Governance
- 2.3 Risk Management
- 2.4 Customer Service
- 2.5 Smart Machinery And Patent Rights
- 2.6 Sustainable Products
- 2.7 Sustainable Supply Chain Management

2.1 About AirTAC

AirTAC is a leading manufacturer of pneumatic components, mainly producing specialized cylinder products. Our products cover 10 categories, ranging over 40 series with over a hundred articles including solenoid valves, pneumatic valves, manual valves, hand- draw valves, mechanical valves, and throttle valves. Our broad range of products is used in the automation industry including automobiles, machinery manufacturing, metallurgy, electronic technology, textiles, ceramics, medical instruments, food packaging, and more. We provide inclusive pneumatic application solutions through vertically integrated manufacturing processes from product design, research and development to mass production. Our integrated service largely shortens the product development lead time and manufacturing processes which are widely applied in the automation industries.

For more basic information on AirTAC, please scan the QR CODE



Basic information about AirTAC

Company Name	AIRTAC INTERNATIONAL GROUP
When did the stock of AirTAC start trading on TWSE	December 13, 2010
Date of Incorporation	Established in May 1989, mainly produced solenoid valves. In 1990, it was renamed as “AirTAC Enterprise Co., Ltd.” The group’s holding parent company, AirTAC International Group was established in the Cayman Islands in September 2009
Location of the Group’s General Management	9F, No. 10, Section 3, Minsheng East Road, Zhongshan District, Taipei City 104, Taiwan (R.O.C.)
Location of the Operation Center	No. 88, Siming East, High-tech Park, Fenghua District, Zhejiang, China
Capital Amount	NT\$2,000,000 thousand
Revenue	AirTAC Group’s 2024 consolidated operating revenue totaled NT\$30,660,133 thousand
Industry Category	Pneumatic industry
Number of Employees	8,798 employees(Including 143 interns)
Markets in where we Provide Products and Services to	Consumer market for pneumatic products
Primary Products and Services	Manufacturing of all types of pneumatic control components, pneumatic actuator, air preparation units and pneumatic accessories, and more
Customer Types and Sectors	Covering primarily the automotive manufacturing equipment industry, electronic product manufacturing industry, automated production equipment industry, machine tool industry, specialized machinery equipment industry, and other machinery equipment sectors.

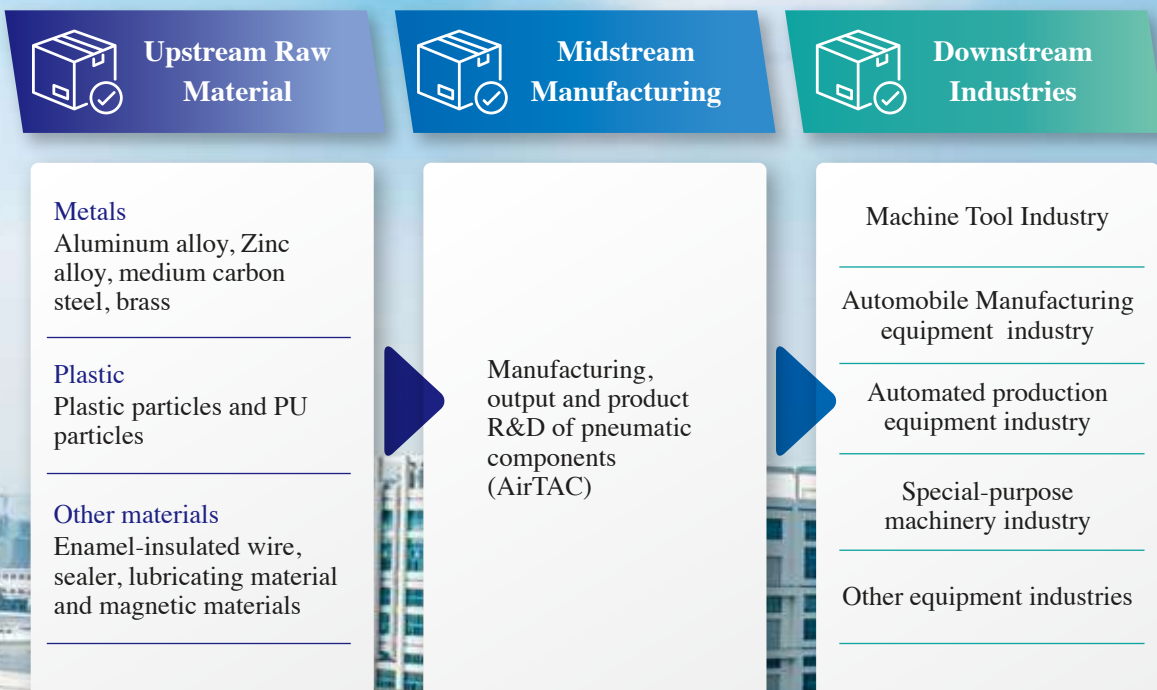
Corporate Values



Industry Value Chain

Pneumatic components are mainly applied on various automated manufacturing processes or testing equipment. AirTAC's pneumatic products are the foundation and an indispensable part of the automation industry chain. AirTAC continues to invest in R&D to improve product quality and lifespan. By offering affordable product prices, we enhance the degree of automation and stability of customers' equipment and further help their automation equipment to be more competitive while hoping to expand application uses to various industries and manufacturing processes.

Value Chain for the Automated Machinery Industry



Participation in International Initiatives and Associations

As a means to guide the industry and improve industrial standards, we have been proactively participating in associations to share knowledge, information and best practice experiences to effectively exercise corporate influence and demonstrate the positive benefits brought by the development of the industry.

2.1.1 Company Organization

AirTAC's Organizational Chart



Global Market Deployment

AirTAC has established production or sales bases in major industrial countries across the Asia-Pacific, European, and American regions, such as Japan, Malaysia, Thailand, and Singapore in Asia-Pacific; the United States in North America; and Italy in Europe. The company will continue to expand its overseas regional operations, thereby increasing market share and profitability.

In recent years, AirTAC has continuously set up new sales subsidiaries and offices in mainland China, as well as established logistics centers to enhance operational efficiency. At the same time, it has actively expanded the capacity of its existing businesses and established a second R&D center at AirTAC Taiwan to fully develop high-end pneumatic and linear motion component products, with future plans to advance toward the development of electric cylinders.

In 2024, AirTAC's capital expenditure amounted to NT\$2.6 billion, and the capital expenditure planned for 2025 is NT\$1.7 billion, aimed at increasing production capacity and expanding mid-to-high-end product specifications. This will position AirTAC among the world's top three pneumatic component enterprises by market share. Looking ahead, AirTAC will continue to strengthen its R&D centers and establish high-precision machining plants to meet market demand and provide customers with better services.

There is **1** sales center with assembly capacity in Europe: Italy

There are **2** production bases in Mainland China with more than **100** operating locations and more than **500** cooperative dealers.

There is **1** production base in Taiwan with **3** operating locations.

There is **1** sales center in North America.

There are over **40** distributors overseas that work stably with the Company to establish a global sales network

There are **3** sales centers in Southeast Asia: Singapore, Malaysia and Thailand

There is **1** sales center in Northeast Asia: Japan



Main Manufacturing Items at AirTAC's 3 Production Bases

1. AirTAC Taiwan: Produces precision cylinders, electronic products, digital display pressure switches, sensor switches, linear actuators and there is an R&D department.
2. AirTAC Ningbo: Produces standard cylinders, air-preparation units, linear actuators, PU tubes, fittings, parts, and accessories and there is an R&D department.
3. AirTAC Guangdong: Produces fully automatic production of solenoid valves.

AirTAC's Short, Medium and Long-Term Market Strategy

Short-term strategy

We plan for market product promotion and intelligence research through the sales unit's operating locations as a means to improve the application of new technology and automation equipment while continuing the development of existing products

Medium-term strategy

We target current technology trends of AI and 5G era equipment areas alongside the market demand and the improvement of industry equipment utilization to proactively innovate the technology applications in order to satisfy the development of more product lines and integrated services, increasing market competitiveness

Long-term strategy

Our goal is full plant-wide automation to increase corporate competitiveness

2.1.2 Operational Performance

AirTAC has deeply cultivated the cross-strait market and through a dual-track strategy of direct sales and distribution, is actively expanding into overseas markets. At the same time, it has established a comprehensive service network, closely monitors customer trends, and actively enhances customer value, thereby increasing competitiveness and maintaining stable operations.

Financial Performance

In 2024, AirTAC's consolidated revenue reached NT\$30.7 billion, and operating profit amounted to NT\$9.025 billion, demonstrating its steadily growing operational strength year by year.

AirTAC's Consolidated Financial Performances for the Past 3 Years

Unit: NT\$ million

Item / Year	2022	2023	2024
Generation of Direct Economic Value			
Net Sales	26,072.87	29,827.35	30,660.13
Interest Income	96.54	128.63	162.36
Other Income and Gains (Losses)	331.39	106.20	572.58
Distribution of Direct Economic Value			
Operating Costs	12,148.88	14,282.42	14,565.68
Employee Salaries and Benefits	6,381.19	6,695.74	7,068.94
Financial Costs	147.05	187.00	126.75
Dividend Payments	2,687.81	3,594.96	4,227.91
Retained Economic Value	6,442.06	7,377.69	8,073.08

Tax Governance

AirTAC is committed to being an honest taxpayer and supporting government tax policies that encourage corporate innovation, research and development, and economic growth. The Company implements its tax governance policy across five major dimensions:

- 1.Compliance with Local Tax Regulations: Abide by tax laws and regulations in each country, file and pay taxes honestly and in full, fulfill social responsibility as a taxpayer, and refrain from engaging in transactions solely for the purpose of tax avoidance.
- 2.Information Transparency: Ensure tax disclosures are handled in accordance with applicable regulations and standards.
- 3.Mutual Trust and Honest Communication: Establish and maintain a relationship of mutual trust and honest communication with tax authorities, fostering a cooperative and harmonious relationship.
- 4.Prudent Assessment of Tax Risks and Impacts: Carefully evaluate tax-related risks and impacts of major transactions and decisions, implement effective risk management mechanisms, assess potential impacts on the Company in a timely manner, and formulate responsive measures swiftly.
- 5.Regular Training to Enhance Tax Expertise: Continuously stay informed of new developments and changes in tax laws across jurisdictions, and strengthen professional tax competencies through regular internal training programs.

AirTAC's Effective Tax Rates

Unit: NT\$ million

Item	2022	2023	2024
Profit before tax	7,823.68	8,897.02	9,633.70
Income tax expenses	1,811.02	1,931.61	2,010.42
Effective tax rate (%)	23.15	21.71	20.86
Income tax payment	1,583.64	1,991.95	1,977.88
Cash tax rate (%)	20.24	22.38	20.53

2.1.3 Brand Value and Product Introduction

AirTAC has always practiced its 6 management principles as a means of creating brand value.



AirTAC's products are mainly divided into two categories: pneumatic components and guides. Standard pneumatic components are air-preparation units, control components, actuation components, and pneumatic accessories which are widely applied in various sectors. In addition, to meet the specific needs of customers, there is a dedicated custom development team that tailors various products according to customer requirements. The team can also provide customized integrated system solutions and industrial automation foundational training, such as training in pneumatic technology, sensor technology, program controller design, and more. This capability enables the provision of diverse products and services.

For more products, please visit our official website



AirTAC's Standard Products Main products (services)

Actuator (cylinder)	Standard cylinder	Slide table cylinder	Clamp cylinder	
	Miniature cylinder	Rodless cylinder	Unclamping cylinder	
	Compact/ultra-compact cylinder	Rotary table cylinder	Stopper cylinder	
	Multi-mounting cylinder	Air gripper	Accessories	
	Twin rod and tri-rod cylinder	Twist clamp cylinder		
Control components (valve)	Solenoid valve			
	Air valve			
	Manual control valve			
	Mechanical control valve and other valve			
	Fluid control valve			
Air preparation unit	F.R.L. combination	Soft star-up valve		
	Filter & regulator	Safe on-off valve		
	Filter	Air distribution block		
	Regulator	Drain		
	Lubricator	Pressure gauge		
Sensor	Electronic pressure sensor			
	Electronic sensor			
	Spring sensor			
Transmission element	LRM series miniature linear guide	LSD low installation linear guide		
	LCG series crossed roller way	LRW series wide miniature linear guide		
	LSH standard linear guide			
Accessories	Shock absorber			
	Speed controller			
	Piping system and its supporting product			

2.2 CORPORATE GOVERNANCE

2.2.1 Board Operations

Board Composition and Diversity

The AirTAC Board of Directors consists of 10 members, including 4 independent directors and 2 female directors. All directors are elected by the shareholders' meeting in accordance with the Company Act and the Articles of Incorporation, with each term lasting three years. Among the directors, 1 is aged between 41 and 50 (10%), 4 are aged between 51 and 60 (40%), and 5 are aged 61 or above (50%).

All AirTAC directors possess professional expertise, specialized knowledge, and extensive industry experience. They diligently fulfill their supervisory and management responsibilities with the aim of strengthening the Company's governance framework and safeguarding shareholders' interests. Non-executive director Mr. Chen Jui-Lung serves as General Manager of Kwang Yang Hardware Co., Ltd., a manufacturer of hardware valves related to AirTAC's industry. Independent director Mr. Jen Chih-Chiang is a professor in the Department of Mechanical Engineering at National Yunlin University of Science and Technology and a consultant to the Taiwan Fluid Power Association, bringing valuable industry knowledge and crisis management expertise.

Position	Name	Gender	Nationality	Core Competences							
				Operational judgements	Accounting and financial analysis	Management administration	Crisis Management	Knowledge of the industry	International market perspective	Policy decisions	Risk Management
Chairman	Wang, Shih-Chung	Male	ROC	●	●	●	●	●	●	●	●
Director	Lan, Shun-Cheng	Male	ROC	●		●	●	●		●	
Director	Wang, Hai-Ming	Male	PRC	●		●	●	●		●	
Director	Chen, Jui-Lung	Male	ROC			●		●			
Director	Li, Huai-Wen	Male	PRC	●		●	●	●		●	●
Director	Tsao, Yung-Hsiang	Male	ROC		●	●	●		●	●	
Independent director	Renn, Jyh-Chyang	Male	ROC				●	●			
Independent director	Lin, Yu-Ya	Female	ROC		●		●				
Independent director	Lin, Ken Mao	Male	ROC			●					●
Independent director	Huang, Yi Wen	Female	ROC				●			●	

Board Operations and Performance Evaluation

The Board's Diversity Policy and Specific Management Objectives – 2024 Achievement Status is as follows:

Management Objectives	Status of Achievement
Independent directors account for more than one-third of the Board seats	✓
Adequate diversity in professional knowledge and skills	✓
Independent directors do not serve more than three consecutive terms	✓
At least two female directors	✓

In accordance with regulations, the Board of Directors convenes at least once every quarter. In 2024, the Board held a total of seven meetings, with an attendance rate of 100% (including attendance by proxy). Important resolutions were promptly disclosed on the Market Observation Post System (MOPS) to ensure information transparency. The Company has established the “Rules for Board Performance Evaluation,” the “Self-Evaluation Questionnaire for Board Performance,” and the “Self/Peer Evaluation Questionnaire for Board Members.” The Board conducts an internal performance evaluation annually and engages an external professional independent organization or external experts/scholars at least once every three years to perform the evaluation. The results of the performance evaluation are submitted to the Board before the end of March of the following year for review and improvement reference. The 2024 Board performance evaluation results were reported to the Board on February 27, 2025. The most recent external evaluation was conducted in 2022 by Yuxue Enterprise Co., Ltd., which concluded with an overall favorable assessment.

To effectively enhance the functions of the Board and improve the quality of its decision-making, the Company has established functional committees under the Board, namely the Audit Committee and the Remuneration Committee, each composed of independent directors. These committees ensure that decisions and recommendations are forward-looking, objective, and comprehensive, thereby strengthening the mechanisms of independent supervision and checks and balances, and ensuring the soundness of Board resolutions and actions. All proposals are reported to and deliberated by the Board, and directors with conflicts of interest, whether personally or on behalf of legal entities they represent, are required to abstain from voting. For example, during the 10th meeting of the 6th Board of Directors in 2024, directors with conflicts of interest abstained from participating in the deliberation on matters concerning board positions and remuneration adjustments. Certain proposals were also submitted to the shareholders’ meeting for reporting and discussion. Furthermore, the Board invites the Company’s external auditors to attend meetings and exchange views directly with directors to safeguard the best interests of stakeholders.

Audit Committee

The Audit Committee assists the Board of Directors in fulfilling its supervisory responsibilities and carrying out duties prescribed by the Company Act, the Securities and Exchange Act, and other relevant laws and regulations. Its responsibilities include overseeing the fair presentation of the Company’s financial statements, the appointment, dismissal, and independence of the certified public accountants, the evaluation of the Company’s internal control systems and internal audit personnel and their performance, as well as the management of existing or potential risks faced by the Company.

In 2024, the Audit Committee convened seven meetings, with a 100% attendance rate (including attendance by proxy).

Remuneration Committee

The Remuneration Committee is responsible for formulating and regularly reviewing the policies, systems, standards, and structures for the annual and long-term performance evaluations and remuneration of AirTAC’s directors and managerial officers.

In 2024, the Remuneration Committee convened two meetings, with an attendance rate of 100%.

Corporate sustainability is regarded as a key strategic objective of the Company. Accordingly, the performance indicators for managerial officers encompass not only financial indicators (such as revenue and profit) and core competency indicators (such as leadership and decision-making), but also sustainability-related dimensions. These include environmental protection (energy conservation, water conservation, waste reduction, and pollution prevention), talent development, quality management, customer satisfaction, occupational health and safety, and regulatory compliance. Managerial remuneration is determined based on individual performance, reviewed and evaluated by the Remuneration Committee, and implemented following approval by the Board of Directors.

Furthermore, in 2023, the Company established sustainability performance indicators linked to the remuneration of senior executives. Details regarding these sustainability-linked performance indicators are provided in Section 4.2.5 “ESG Performance and Remuneration Linkage.”

Risk Management Committee

On November 8, 2024, the Company established the Risk Management Committee, composed of four independent directors, all of whom possess expertise in “risk management” and “corporate governance.” All members meet the professional qualifications required by the Committee. The establishment of the Risk Management Committee aims to strengthen corporate governance and enhance the effectiveness of the Board of Directors.

The primary duties of the Committee include: reviewing the risk management framework and policies; examining periodic risk management reports; reviewing or deliberating on significant risk management matters of the Company or as required by regulatory authorities; reviewing risk management proposals to be submitted to the Board of Directors; and carrying out other matters assigned by the Board. In 2024, the Risk Management Committee convened one meeting.

Corporate Governance Achievements

The Company has formulated the “Corporate Governance Best Practice Principles” and the “Sustainable Development Best Practice Principles” and manages its operations in accordance with relevant regulations. In addition, the Company participated in the 11th Corporate Governance Evaluation conducted by the Taiwan Stock Exchange in 2024, and its results ranked within the 6%–20% bracket. For areas requiring improvement, the Company presents them in senior management meetings, and responsible personnel from each unit are tasked with planning and implementing enhancement measures against the relevant indicators.

2.2.2 Integrity in Business Operations and Anti-Bribery and Corruption Policy

1. Policy Goals

A clear zero-tolerance policy against bribery and corruption, ensuring that all employees, suppliers, and partners understand and comply with relevant laws and regulations. Maintain the company's integrity in business activities and avoid any involvement with bribery, embezzlement, or improper exchanges of benefits.

● Established Policy Measures

"Code of Integrity Management"

"Handling Procedures for Reporting Illegal, Unethical, or Dishonest Behavior"

"Corporate Governance Code"

"Employee Handbook"

● Scope of Application

This policy applies to all employees of the company, including board members, senior managers, suppliers, customers, and other third-party partners.

● Prohibited behavior

Prohibition of bribery and accepting bribes.

Prohibition of providing illegal political donations.

Prohibition of improper charitable donations or sponsorships.

Prohibition of unreasonable gifts, hospitality, or other improper benefits.

Prohibition of infringement of intellectual property rights.

Prohibition of engaging in unfair competition practices.

Avoidance of conflicts of interest.

● Promotion and Training

This employee handbook outlines the code of conduct for employees and the disciplinary system for violations of relevant regulations. The company also promotes its integrity management policies and related practices through employee assemblies and departmental meetings.

2 Whistleblowing Mechanism

The Company has established independent report mailboxes (audit@AirTAC.com) on AirTACs official website for use by external and internal personnel. The company has established internal channels for employees to voice their opinions, including a suggestion box, QR code electronic forms, a complaint hotline, and fax services.

● Whistleblower Protection

Confidentiality: All reports will be kept strictly confidential, and the identity of the whistleblower and the content of the report will only be known to the relevant investigators. The company has explicitly stated in its Code of Integrity that the identity of whistleblowers and the content of their reports will be kept confidential. Anonymous reporting is also permitted, and whistleblowers will not face any adverse consequences due to their reporting.

● Handling Process

Receiving and Handling: Upon receiving a report, the company will immediately conduct an independent investigation led by the General Manager's Office. If the report involves a board member or senior executive, it will be submitted to the independent directors or the audit committee.

Investigation Results and Corrective Actions: All documentation related to the report acceptance, investigation process, and results will be retained for five years. Once the investigation is concluded, appropriate corrective actions will be taken based on the findings, and the results will be reported directly to the Chairman. A summary of the investigation results will also be provided to the whistleblower, within the limits permitted by law.

3. 2024 Situation

In 2024, the complaints or feedback received through the whistleblower mailbox were all unrelated to integrity management. Additionally, there were no instances of penalties imposed for violations of the integrity policy. The General Manager's Office reported this to the Board of Directors on November 8, 2024.

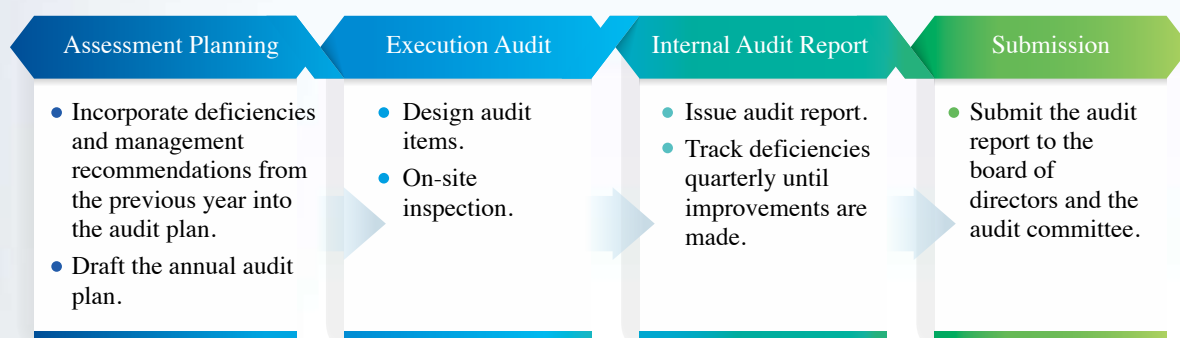
2.2.3 Internal Audit

We have set up a Group general audit unit (Internal Audit Office) to perform regular re-audits in all subsidiaries, ensuring the efficient implementation of the audit mechanism. The Internal Audit Office of the Company is under the Board of Directors, and appointment, dismissal, evaluation, and remuneration of the internal audit supervisor must be approved by the Audit Committee and the Board of Directors, ensuring that internal auditors thoroughly carry out duties in a professional, independent, objective and fair manner with due professional attention.

AirTAC's current internal control system is divided into overall level and operational level and five major components (control of the environment, risk assessment, control operations, information and communication, and supervision) have been included in the internal control system of each transaction cycle in the operational level. In recent years, the Company has been enhancing the management of corporate risk to include: risk detection, assessment, report, handling and prevention in accordance with the latest "Regulations Governing Establishment of Internal Control Systems," corporate governance, development of internal auditing theories and techniques as well as related requirements.

An internal audit is carried out mainly based on the audit plans approved by the Board, and audit plans are drafted according to risks that have been identified. A special audit or re-audit is carried out as required by operational needs. A general audit, or a special audit provides the management with the status of the internal control system functions; the status of already existing or potential deficiencies are also provided to the management so that they are aware and can make timely recommendations for improvement, ensuring that the internal control system is continuously and effectively implemented. Moreover, internal auditors review the self-assessment of the internal control system carried out by each unit each year, including checking if such operations have been enforced and double-checking to ensure the quality of the implementation. Self-assessment results are compiled for reporting to the Board of Directors.

Internal Audit Procedures



2.2.4 Legal Compliance

Legal compliance is fundamental to corporate governance. All subsidiaries and branches of the Company as well as the employees are required to follow applicable business laws and regulations. We establish related regulations, procedures, and regularly review laws and regulations. We keep a close eye on the formulation of laws and regulations and development which may pose an impact on the Company. Any department that receives information regarding a major law change must notify the General Manager Office in order to carry out the appropriate system change. Employee education and training will be performed upon the change to the system.

We follow laws and regulations through steps of information updates, internal reviews, regulation modifications, and implementation to ensure that we follow legal regulations at all times. In 2024, there were no major fines issued concerning the environment or society.

Note: A major violation is defined as a single incident resulting in a fine of NT\$1 million or more, or causing significant environmental or human-related accidents involving criminal liability.

2.2.5 Information Security

AirTAC places great importance on information security management. To prevent computer viruses, cyberattacks, data leakage, legal compliance issues, and risk control failures, the Company has established information security control standards and introduced information tools and analytical framework systems to effectively ensure information security and protect customer privacy. AirTAC conducts regular audits on information security to prevent risks arising from human error. In addition, the Company regularly provides information security training to ensure that employees understand the relevant principles of information security control.

AirTAC has established an Information Security Unit responsible for planning and executing information operations security management, establishing and maintaining the information security management system, and overseeing the formulation, implementation, risk management, and compliance audit of related information security policies. The Information Security Unit holds internal meetings on a semi-annual basis to review information security risks and corresponding protection measures, and reports the effectiveness and direction of information security management to the Board of Directors on an annual basis. The most recent report to the Board was submitted on November 8, 2024.

Information Security Risk Management Framework



Information Security Policy

► Strict compliance with information security regulations

Comply with relevant laws and establish various information security management practices and procedures, with periodic evaluations and adjustments based on actual circumstances.

► Enhancement of personnel information security awareness

Employees are required to participate in information security training programs to strengthen information security awareness across the Company.

► Prevention of confidential information leakage

Protect confidential corporate information to prevent unauthorized access, alteration, and the leakage of any sensitive data.

► Implementation of internal information security audits

Regularly conduct internal audits of various information security measures to ensure proper execution of all operations.



The specific management plan for information security typically includes the following elements:

Item	Solutions
Information Security Protection	• Establish a document management platform and implement document classification • Establish processes for confidential document retrieval and document destruction, including tracking and management • Implement encryption controls and effective tracking for documents and data • Control and monitor outgoing emails
	• Conduct risk assessments for the information data center, regularly perform vulnerability scans, and carry out periodic disaster recovery drills for core information and communication systems
	• Enforce password setting rules and establish remote and on-site backup/redundancy services • Employees are required to apply for a VPN account to access the company's internal information systems from external locations • Information system accounts must be applied for according to company regulations. When employees resign, they are required to coordinate with the information unit for account deletion
	• Implement security mechanisms on devices, monitor network and information access security. • Establish endpoint antivirus measures based on computer types, enhance detection of malicious software behavior. • Strengthen firewall and network control to prevent the spread of computer viruses across machines and plant areas.
	• Implement control measures for computers used by incoming guests/visitors • Establish access control for office areas and computer rooms, monitoring for any abnormal incidents
Review and Continuous Improvement	• Enhance employee awareness of email attacks, regularly conduct phishing email defense detection • Regularly implement information security education and training to enhance employee awareness of information security

2024 Information Security Initiatives

- Bastion host application
- Replacement of antivirus software
- Vulnerability scanning and penetration testing
- Email phishing simulation exercises
- Employee information security training
- Core network switchover for segregation between plant area and server area
- Implementation of network access control system
- Industrial firewall protection for industrial networks
- Integration of log management platform
- Replacement of main servers



2.3 Risk Management

Passed the IATF 16949:2016 - Automotive Quality Management System Certification

Passed the ISO 9001:2015 Quality Management System certification

Passed the ISO 45001:2018 Occupational Health and Safety Management Systems



Risk management is the core of business operations. Through the identification and management of risk, we measure and analyze risk factors that bring the Company short, medium and long-term impact, enhancing the effectiveness of decision-making and corporate value.

We regularly perform a risk assessment in accordance with the “Risk and Opportunity Management Regulations” while creating a risk map to continue to improve the risk management mechanism and identify numerous risks, including development strategies, sales management, product development, production, delivery services, human resources, supplier management, equipment assembly, quality management, document management, internal auditing, management review, and continuous improvement. We also emphasize risk management concerning climate change and information security. Identified risks are categorized into low, medium, and high risk to facilitate formulated response strategies and programs.

2.3.1 Risk Management Mechanism

Risk Management Framework

The Board of Directors is AirTAC’s highest governing body, responsible for approving the risk management framework and policies, and bearing the ultimate responsibility for risk management. To strengthen risk control, the Company established the Risk Management Committee in November 2024. Like the Audit Committee, it operates under the Board of Directors and assists the Board in supervising risk management. Its scope covers operations, finance, environment, society, and governance, and it is tasked with reviewing risk management policies, frameworks, processes, and reporting mechanisms. The Committee convenes at least once a year to review the overall implementation of risk management and the response measures for major risk issues. The most recent report to the Board was submitted on November 8, 2024.

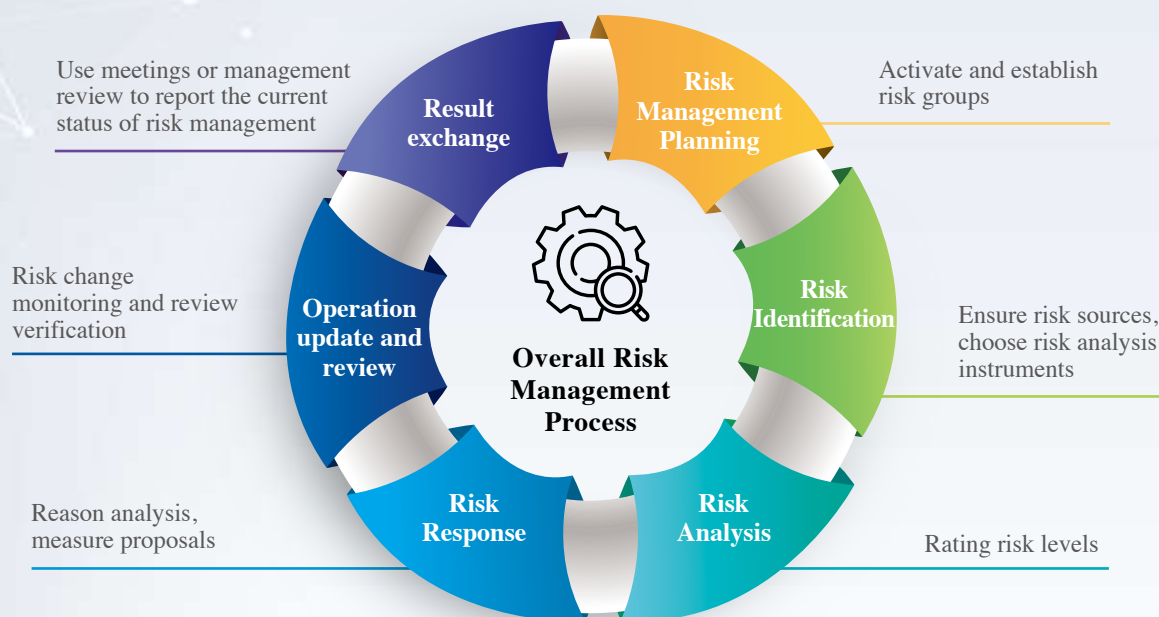
The Company’s risk management organization is composed of relevant functional units. The head of each unit analyzes operational risk factors based on historical experience, peer cases, or external events such as media reports, and conducts regular annual reviews and updates of risk items. The data collected and analyzed is provided to the sustainability task forces of each subsidiary. Each subsidiary’s sustainability task force consolidates risk information from the Company’s units and submits it to designated personnel in the Group General Manager’s Office for integration and verification.

After consolidation and confirmation, the Group General Manager’s Office reports at least once a year to the Risk Management Committee on the implementation of risk management and response measures for major risks, thereby strengthening the Group’s overall risk identification, assessment, and monitoring mechanisms.

Overall Risk Management Process



Overall Risk Management Process



Risk Management Measures

Risk category	Department	Potential risk	Response measure
Financial risk	Financial department	Interest rate fluctuations	■ Regular evaluation of market capital status and bank interest rates to assess the impact of interest expenses of financing.
		Exchange rate fluctuations	■ Natural off-setting principles are adopted in terms of currency risks. Forward foreign exchange contracts and borrowing foreign currency debt may be adopted as necessary and appropriate. ■ Keeping in close contact with the bank and monitoring changes of the foreign currency market at all times in order to provide related supervisors with exchange rate change trends. Adjustments can be made immediately if there is an occasional change in the currency of receipt or payment.
		Inflation	■ Flexible adjustment of procurement and sales strategies, cost structures and transaction conditions to effectively respond to the impact of inflation or deflation.
Technical and Product Risks	Research and Development (R&D)	Product Development Risk	■ Assessing risks associated with new product development and implementing research and development progress control.
	Quality Assurance department	Quality abnormality	■ Following the ISO 9001 International Quality Management System Standard, a quality management system has been established. This includes the development of a quality manual, serving as a comprehensive framework for implementing quality management and providing the basis for various departments to practice quality management.
Purchase risk	Purchasing Department	Supply interruption	■ Regularly review the safety stock quantity of all raw materials and make a timely request of reasonable quantities ■ Proactively develop qualified suppliers to increase supply sources.
Climate change risk	Facility Service department and EHS department	Climate disaster	■ Implement energy conservation by setting up related facilities, such as lightning rods, water pumps, ventilators, municipal water storage equipment, special air-conditioning equipment in the machine room, standby generators and waterproof gates, and more.
Information security risk	Information department	Abnormal information system	■ Information security-related regulations have been established to strengthen the prevention of disasters, information security, monitoring, notification mechanism, and the handling of abnormalities. ■ In terms of the management and backup important systems, an off-site back-up system has been established and a dedicated unit has been set up to oversee related matters.
Human Resources Risk	Human Resources department	Insufficient manpower leading to operational disruptions	■ Enhance talent development and retention to prevent manpower shortages.

Note: There are no merger or acquisition plans for AirTAC at the moment; therefore, there are no merger and acquisition risks. Where the Company performs a merger and acquisition in the future, full discussion and thorough evaluation with shareholders must be conducted prior to submitting it to the Board of Directors for resolution.

2.3.2 Climate Change Risk and Governance

We have always managed disaster risks with proactive and preventive management to reduce the impact and effect on production and operations posed by climate change.

Climate Change Governance

AirTAC integrates its existing internal risk management framework with the TCFD framework to advance sustainability initiatives. The Board of Directors serves as the highest governance body for climate-related issues, responsible for overseeing and making decisions on AirTAC's climate change governance. Through management-level meetings, the responsible departments for various risks and opportunities are tasked with integrating climate change risks into the overall company risk assessment, monitoring and reviewing the implementation status of climate-related initiatives, and adopting necessary mitigation measures based on the level of risk.

At the same time, the Company keeps abreast of the latest climate governance policies domestically and internationally, as well as industry practices, and regularly adjusts the results of its climate risk assessments and analyses. Once a year, the Group Vice President reports to the Board on the Company's annual capital expenditures for environmental protection equipment at the management meeting. In addition, the Risk Management Committee reports at least once a year to the Board on the implementation results of sustainability initiatives.

Risk Management Process

AirTAC's climate risk management process is incorporated into the Group's overall risk management framework and executed by the risk management organization composed of relevant functional units. For details on the organizational structure and management process, please refer to Section 2.3.1 "Risk Management Mechanism."

Climate Change-Related Risk and Opportunity Identification Process

AirTAC collects third-party research reports and identifies common risks and opportunities from domestic and international benchmark enterprises. Through discussions with internal responsible managers and input from external consultants, the Company evaluates and focuses on the climate change risks and opportunities that may genuinely impact AirTAC's daily operations.

Transition Risk Climate Scenario

AirTAC refers to the climate scenarios of the International Energy Agency (IEA), the Intergovernmental Panel on Climate Change (IPCC), and the TCCIP AR6 climate scenario simulation data to analyze the potential financial or operational impacts of climate risks.

Transition Risk Climate Scenario: To mitigate climate change, various countries have gradually implemented greenhouse gas emission caps, carbon taxes, and carbon fees to increase corporate incentives for carbon reduction. In Taiwan, the Environmental Protection Administration has initiated a carbon fee collection mechanism for major emitters with annual emissions of 25,000 metric tons or more. The scenario assumes no preferential rates, with carbon fees levied based on annual emissions. In mainland China, emission allowance caps have been established for high-emission industries under the carbon emissions trading scheme. AirTAC Ningbo and AirTAC Guangdong are currently not included as key emission enterprises.

The scenario assumes that, in the absence of additional carbon reduction management measures, and given projected annual output growth, the companies will be required to purchase carbon allowances to meet local government carbon reduction targets.

	 Scenario Description		 Carbon Fees	 The percentage of the impact amount relative to revenue
	Scenario I STEPS	The likely future of energy systems based on trajectories created by existing carbon reduction policies and measures set forth by governments. Under STEPS, carbon emissions in the future will largely be the same as today, and the world will not achieve net zero emissions	2030: US\$39/ton	0.21%
	Scenario II NDCs	All commitments are expected to be met by all countries, and the global average temperature is about 2.1° C warmer in 2100 than it was before industrialization.	2030: US\$40/ton	0.22%
	Scenario III NZE	To ensure that global warming is contained below 1.5°C from preindustrial levels by the end of the century, energy bureaus around the world work to achieve net zero emissions by 2050.	2030: US\$90/ton	0.49%

Note 1: In Taiwan, under the assumption of no additional carbon reduction measures and projected annual output growth, the greenhouse gas emissions exceeding 25,000 metric tons are used to calculate the impact.

Note 2: In Mainland China, under the assumption of no additional carbon reduction measures and projected annual output growth, the purchase of carbon allowances required to meet local government carbon reduction targets is considered.

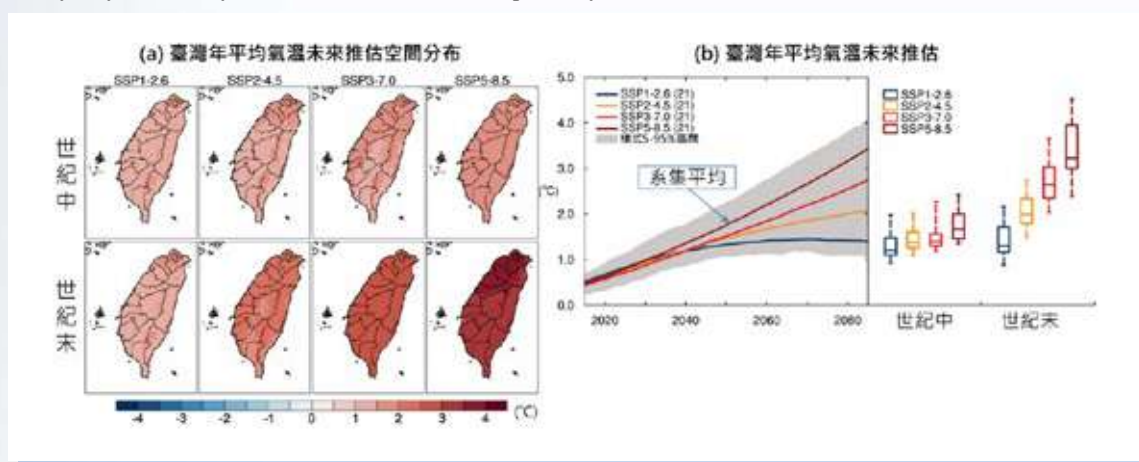
Physical Risk Climate Scenario: AirTAC refers to the Taiwan Climate Change Projection and Information Platform (TCCIP) for climate change key indicator data analysis. For the Tainan factory, which is in Xinshi Dist, identified physical risks include water and power supply instability caused by high temperatures and droughts, increasing electricity costs due to rising electricity prices. There is a trend of an increase in the annual maximum consecutive rainless days. Under the worst-case scenario (SSP5-8.5), the average increase during the mid and late 21st century is approximately 5.5% and 12.4%, respectively. Under the ideal mitigation scenario (SSP1-2.6), the decrease is about 1.8% and 0.4% during the mid and late 21st century, respectively. Analyses with SSP1-2.6 scenarios show that, after 2030, droughts in Tainan factories will continue to experience droughts. Under SSP5-8.5 scenarios, drought risks in factories will continue to rise after 2030.

The factories located in Ningbo and Guangdong belong to the Central China and South China regions. In both SSP1-2.6 and SSP5-8.5 scenarios, there is a short- to medium-term risk of drought, and both the risk of drought and the number of consecutive rainless days continue to increase.

In the IPCC Sixth Assessment Report, the "worst-case" global warming scenario (SSP5-8.5)

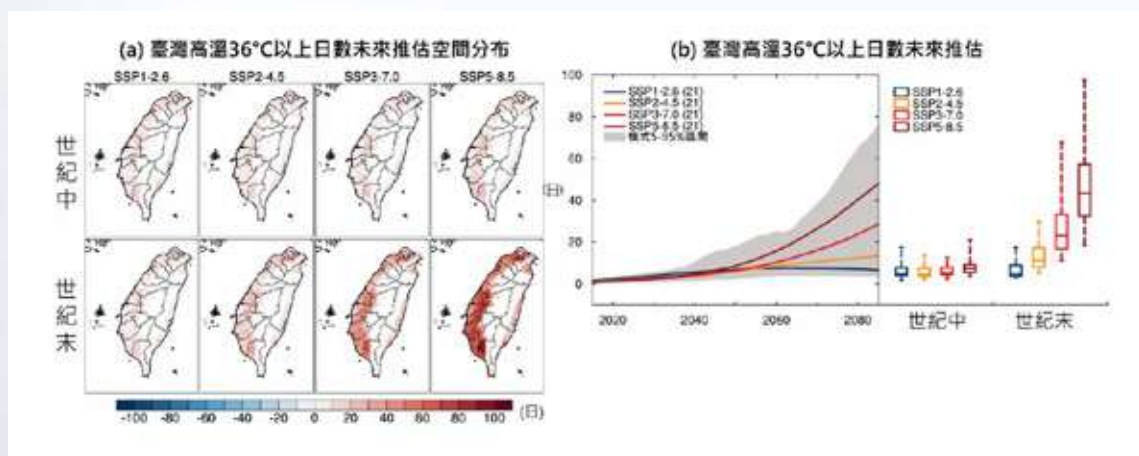
1. The temperatures in various regions of Taiwan are projected to continue rising in the future

- Under the worst-case global warming scenario (SSP5-8.5), the average global temperature during the mid and late 21st century may increase by over 1.8° C and 3.4° C, respectively



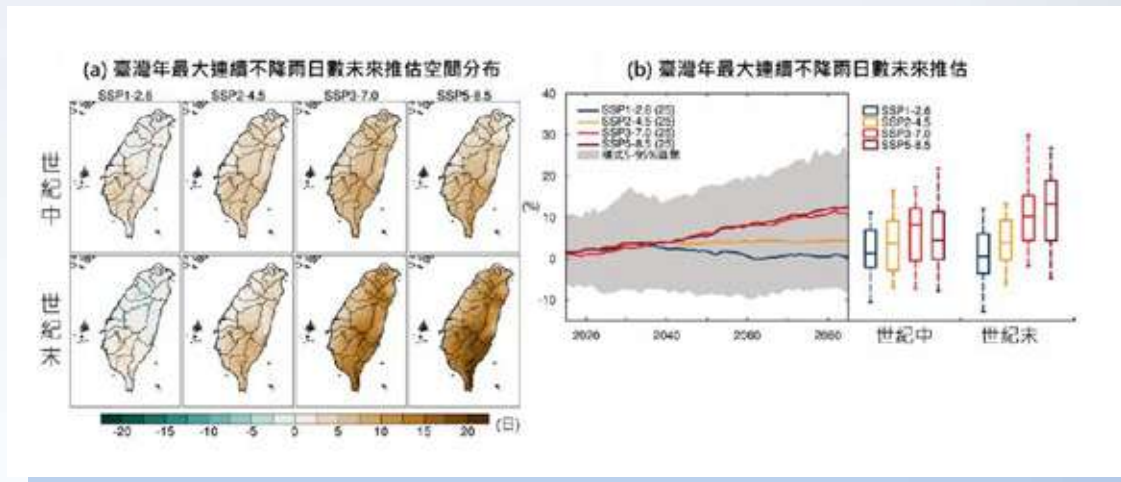
2. In the future, the number of days with extreme high temperatures exceeding 36° C is expected to increase in various locations

- Under the worst-case scenario (SSP5-8.5), it is projected that in the mid and late 21st century, the increase in the number of days with extreme high temperatures (exceeding 36° C) would be approximately 8.5 days and 48.1 days, respectively

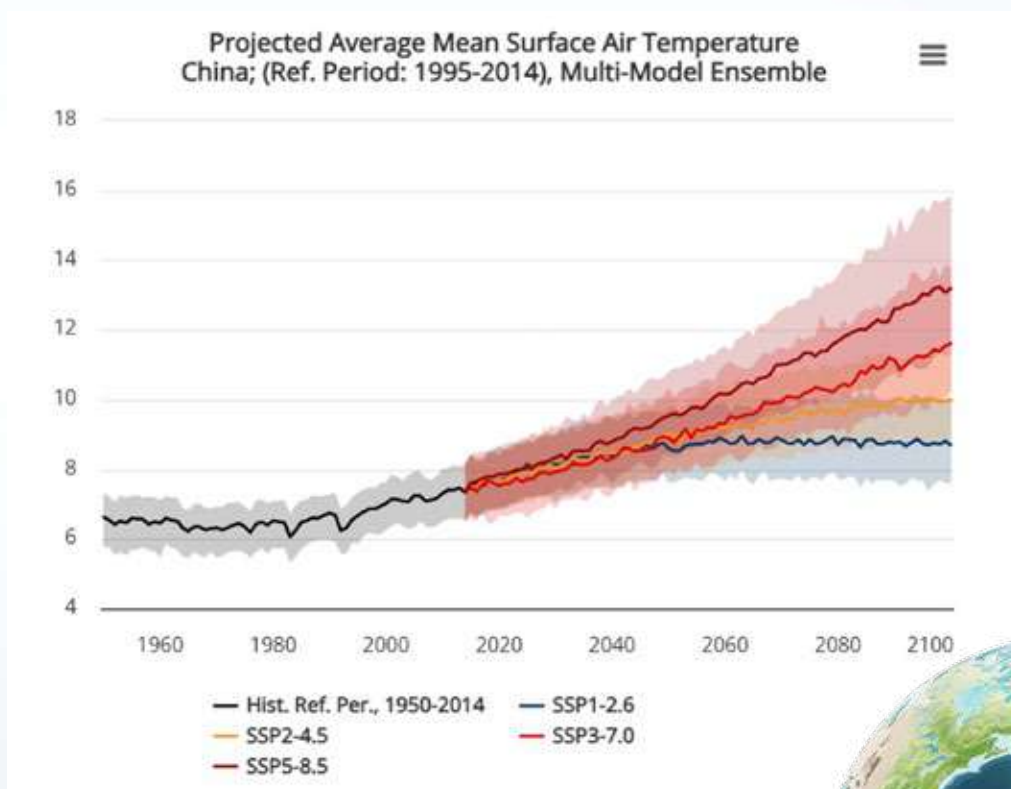


3. There is a trend of an increase in the annual maximum consecutive rainless days in various locations

- Under the worst-case scenario (SSP5-8.5), the average increase in the annual maximum consecutive rainless days in various locations during the mid and late 21st century is projected to be approximately 5.5% and 12.4%, respectively



4. The temperatures in various regions of China are projected to continue rising in the future



Climate Change-Related Risks and Opportunities

Transition risks include "International Carbon Tax and Quota Requirements," "Domestic and International Greenhouse Gas Reduction Requirements," and "Impact on Corporate Reputation." Physical risks include "Extreme Weather Events."

The top four opportunities are "Enhancing Efficiency and Reducing Energy Consumption," "Improving Water Resource Efficiency," "Research and Development of Low-Carbon Products," and "Government Subsidies."



Climate-related Risk

Risk Type	The estimated occurrence period	Climat Risk Factor	Scenario Description	Potential Financial Impacts	Counter Measures	Allocating resources
Transition risks	Short-term	International Carbon Tax and Quota Requirements	Many countries have established related laws and regulations for carbon taxes and carbon fees. The imposition of carbon taxes on products results in a direct increase in the company's costs.	Financial impact assessment is conducted based on the future conditions of carbon fees and carbon trading costs in Taiwan and Mainland China. Simulations for the year 2030, assuming normal business development, are carried out to evaluate the financial impact of complying with regulatory requirements, including the payment of carbon fees and carbon trading costs. According to the IEA World Energy Model under various scenarios such as STEPS, NDCs, and NZE 2050, the ratio of carbon fees to revenue is estimated to be 0.21%, 0.22%, and 0.49%, respectively	Increasing the installation of solar energy panels to progressively raise the proportion of renewable energy usage each year	As of 2024, solar panels with a total capacity of 14.86 MW have been installed. It is anticipated that an additional 3.0406 MW of solar power capacity will be added in 2025.
		The impact on corporate reputation	Failure to achieve climate goals may result in a decline in ESG-related international ratings, potentially impacting corporate reputation and affecting investors' willingness to invest	The impact cannot be precisely quantified	- Annually publish sustainability reports to keep stakeholders informed about the company's efforts and direction in energy conservation and carbon reduction. - Actively responding to international organization sustainability-related questionnaires, such as CDP (Carbon Disclosure Project). - Actively engage with stakeholders to understand investors' expectations and suggestions regarding AirTAC's stance on climate issues.	- Participated in more than 10 ESG conferences, and continued engagement with stakeholders to understand investors' expectations and recommendations regarding AirTAC's climate-related issues. - In the 2023 CDP Climate Questionnaire, AirTAC's rating improved in 2024 to Grade B – Management Level.

Risk Type	The estimated occurrence period	Climate Risk Factor	Scenario Description	Potential Financial Impacts	Counter Measures	Allocating resources
Transition risks	Short-term	Domestic and International Greenhouse Gas Reduction Requirements	Increased cost of installation and operation for carbon reduction facilities	Investing in energy-saving and carbon-reducing equipment, as well as purchasing renewable energy, leads to an increase in operating costs	- Focus on implementing technological improvements, optimizing process workflows, and upgrading high-energy-consuming and inefficient equipment to enhance energy efficiency in the production process. - Increase solar panel installation area - Introduce ISO 14001 environmental management system to ensure effective energy utilization	- In 2024, an investment of NT\$49.53 million was made to purchase new air compressors and add an integrated air compressor control system. This investment is expected to save approximately 11.49 million kWh of electricity per year, equivalent to reducing about 5,872 metric tons of CO₂e emissions. - In 2024, AirTAC invested NT\$13.13 million in energy-saving and consumption-reduction projects, covering vulcanizer heating plate modifications, six-axis machine cooling oil improvements, chiller system adjustments, and process optimizations. These initiatives are expected to save approximately 2.21 million kWh of electricity per year, equivalent to reducing about 1,068 metric tons of CO₂e emissions. - In 2025, the Company plans to install solar panels to increase renewable energy generation by 3.0406 MW. - In 2024, 69 old gasoline vehicles were replaced with new energy-efficient vehicles. In 2025, AirTAC China plans to phase out 109 gasoline vehicles and purchase 100 hybrid vehicles. - To improve transportation efficiency and achieve carbon reduction goals, AirTAC outsourced cargo logistics operations to a professional logistics company starting in July 2023. With systematic route planning and integrated transportation resources, the company can optimize delivery routes, improve load efficiency, significantly reduce underloaded trips of in-house vehicles, and thereby effectively lower overall fuel consumption and carbon emissions, achieving energy conservation and carbon reduction in the transportation process. - The major production sites, AirTAC Ningbo and AirTAC Taiwan, have obtained ISO 14001 Environmental Management System certification. - AirTAC Ningbo certificate validity: July 15, 2023 – July 14, 2026 - AirTAC Taiwan certificate validity: December 16, 2023 – December 15, 2026

Risk Type	The estimated occurrence period	Climat Risk Factor	Scenario Description	Potential Financial Impacts	Counter Measures	Allocating resources
Physical risk	Short-term	Extreme Weather Events	Extreme weather events such as droughts and floods causing operational disruptions	Production interruptions affect revenue, estimated at a loss of NT\$130 million per day	■ Improve wastewater treatment and recycling, as well as enhance water usage efficiency. ■ Maintain alternate suppliers and safe inventory levels in crucial supply chains to avoid disruptions. ■ Establish emergency response management procedures, strengthen the recovery time of critical systems, and swiftly restore business operations	■ In 2024, an investment of NT\$28.03 million was made to introduce wastewater treatment equipment to reduce wastewater discharge. ■ In 2024, through various water-saving and recycling measures, a total of 60,622 tons of water were recycled and 160,614 tons of water were saved. ■ Installation of flood gates.



Climate Change-Related Risks Opportunities

Type	Opportunities Factors	Potential Financial Impacts	Counter Measures	Allocating resources
Resource Efficiency	Enhancing Efficiency and Reducing Energy Consumption	In 2024, the introduction of new equipment resulted in approximately 49.39 million New Taiwan Dollars in electricity cost savings.	■ Introduction of energy-efficient and low-consumption equipment. ■ Establishment of energy intensity reduction goals with regular reviews of progress.	■ In 2024, an investment of NT\$49.53 million was made to purchase new air compressors and add an integrated air compressor control system. This investment is expected to save approximately NT\$40.15 million in electricity costs annually. ■ In 2024, AirTAC invested NT\$13.13 million in energy-saving and consumption-reduction projects, covering vulcanizer heating plate modifications, six-axis machine cooling oil improvements, chiller system adjustments, and process improvements. These initiatives are expected to save approximately NT\$9.24 million in electricity costs annually.
	Improving Water Resource Efficiency	Increase water resource utilization rate and reduce direct water consumption. In 2024, water-saving and recycling projects were implemented, resulting in cost savings of approximately NT\$5.23 million.	■ Continuously implementing various water-saving initiatives to enhance the wastewater recycling rate within the factory.	■ In 2024, through various water-saving and recycling measures, AirTAC effectively reduced dependence on fresh water sources and mitigated the risk of water resource waste. The implemented projects included: reuse of mechanical cleaning wastewater, recycling of boiler condensate, and the introduction of multi-stage countercurrent rinsing systems and automated flow control devices in surface treatment cleaning lines. These initiatives comprehensively improved the recycling rate and efficiency of process water usage. In total, 60,622 tons of water were recycled and 160,614 tons of water were saved, resulting in an estimated cost saving of NT\$5.23 million. ■ Each plant has established wastewater treatment stations. ■ Procuring equipment for recycling water used in the cleaning process.
Products and Services	Research and Development of Low-Carbon Products	Developing new energy-saving products and low-carbon services will increase orders and boost revenue. In 2024, sales of sustainable products amounted to approximately NT\$6.2 billion, accounting for about 20% of total sales. Among these, products launched in 2024 recorded sales of approximately NT\$3.8 billion.	■ Developing lightweight, space-saving, and energy-efficient products to reduce energy consumption. ■ Optimizing logistics routes for energy efficiency and emission reduction, along with the extensive use of environmentally friendly packaging materials to enhance recognition among environmentally conscious customers and increase procurement interest in AirTAC products.	■ In 2024, research investment amounted to approximately NT\$1.04 billion, accounting for 4% of total revenue. The Company had 889 R&D personnel, representing 10% of total employees. Through the improvement of products such as the 4V solenoid valve, SC standard cylinder, and LSH/LSD series, AirTAC not only reduced raw material consumption and electricity usage in its own production, but also enhanced product light-weighting and reduced air consumption, thereby helping customers lower their electricity usage. ■ Vehicles are evaluated annually to ensure compliance with new environmental regulations and to proceed with necessary replacements. In 2024, 69 old gasoline vehicles at AirTAC China were replaced with new energy-efficient vehicles. In 2025, the Company plans to phase out 109 gasoline vehicles and purchase 100 hybrid vehicles. ■ Adopt environmentally friendly packaging with inkless printing.
Market	Government Subsidies	In 2024, the Company received NT\$97.29 million in government R&D tax subsidy income.	■ Participation in suitable government low-carbon subsidy programs.	■ Understanding and applying for government regulations and incentive programs by relevant departments.

2.4 Customer Service

AirTAC is committed to providing outstanding product quality and customer service through wide information collection. Customer complaints and return issues due to abnormal quality of products or audit deficiencies are used as future improvement direction. We comply with the ISO 9001 international quality management system standard, establish the quality management system, and formulate a quality handbook. These regulations serve as an outline for the comprehensive quality management implementation and basis for each department to practice quality management in order to meet the service and product requirements of market trends and customer demand while achieving customer satisfaction and sustainability. We strive to become a long-term strategic partner of global automation machinery and equipment manufacturers.

It is our goal and responsibility to listen to the voice of our customers and fulfill their needs. As we are committed to providing excellent product quality and customer service, we adhere to the corporate core value of “people-oriented, sharing, development and responsibility” and have always implemented the concept of “respect our customers and customers first.” We have over 100 direct and independent distributors, and service operating locations worldwide. We provide a full range of special and satisfying customer service experience with our hundreds of sales personnel and a highly skilled after-sales service team, while at the same time offering personalized and customized services.

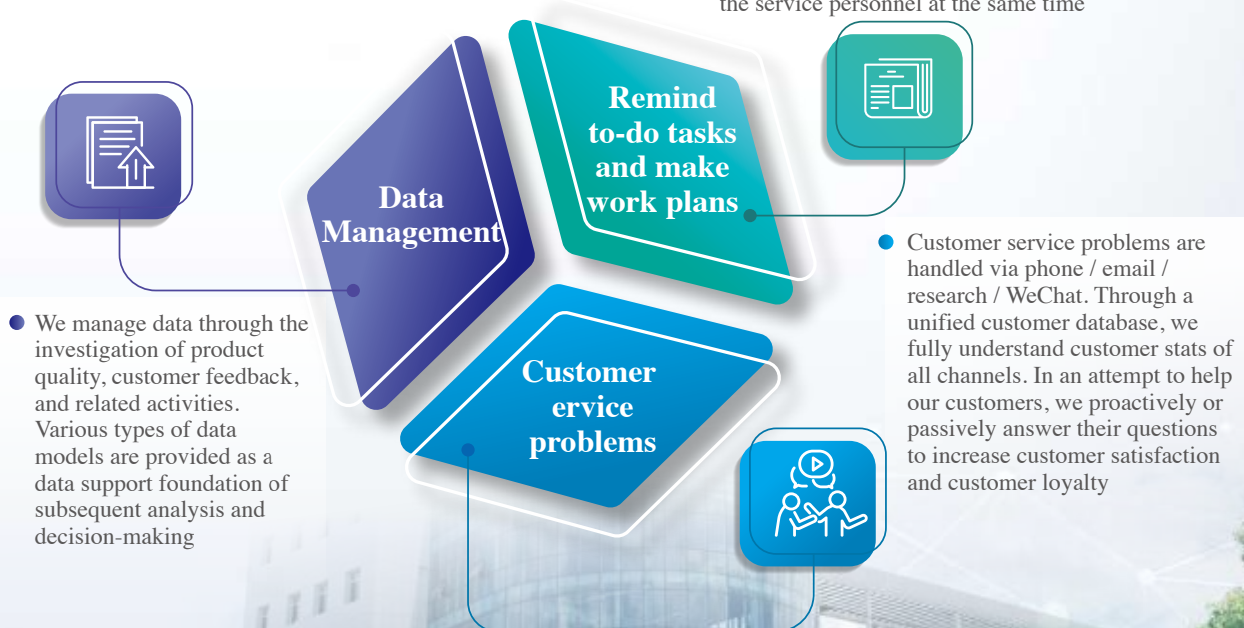
Establishment of Customer Relationship Management (CRM) System, Providing Customized Products and After-Sale Services

The Company manages customer service via the CRM system. CRM system has several big data analysis and linkage including data analysis, error warning, warranty service to increase customer service efficiency, and data analysis basis. We enhance customer service, and customer satisfaction to increase customer delivery value and build a long-term, stable, trusting relationship with customers to further attract new customers so as to maintain existing ones, increase efficiency, and competitive advantage.

CRM System Features

Through CRM system features, AirTAC can get hold of product status and customer status promptly. We also analyze data to provide customers with personalized products and excellent after-sale service protection.

- Reminders and work plans can be clearly formulated, and the system can record the entire process of a customer service case, enabling the service personnel to arrange work with high efficiency; the manager can clearly see the work of the service personnel at the same time



2.4.1 Customer Communication

Customer satisfaction survey

AirTAC provides multiple service communication channels and values customer feedback and suggestions. We collect information and conduct analysis and improvement to enhance service satisfaction through various communication channels such as frequent customer visits, distributor management, and annually distribute satisfaction surveys to the top ten customers in each region.

The subjects of the Company's customer satisfaction survey are customers who have business relations with AirTAC. The customer satisfaction survey of AirTAC China is conducted in 10 parts. In 2024, 94.15% of customers gave a score of 10 out of 10 with the top 3 categories being: service attitude, response speed, and professional capacity. More than 92.56% of customers

gave a score of 10 which suggests that our customer satisfaction has been improving over the years. In terms of investigations with room for improvement, we adhere to the service concept of "respect customers and customers first" when making improvements.

Moreover, we use the customer satisfaction survey results as our benchmark to make continuous improvements. We explore customer needs through proactive services and provide our improvement record back to our customers to create differentiated competitiveness. Innovative proactive customer service, internal process optimization, and improvement innovation are implemented into daily operations. We provide customers with extensive solutions with our positive attitude from assurance to quality improvement.

Customer Satisfaction Survey Items



Customer Complaint Management

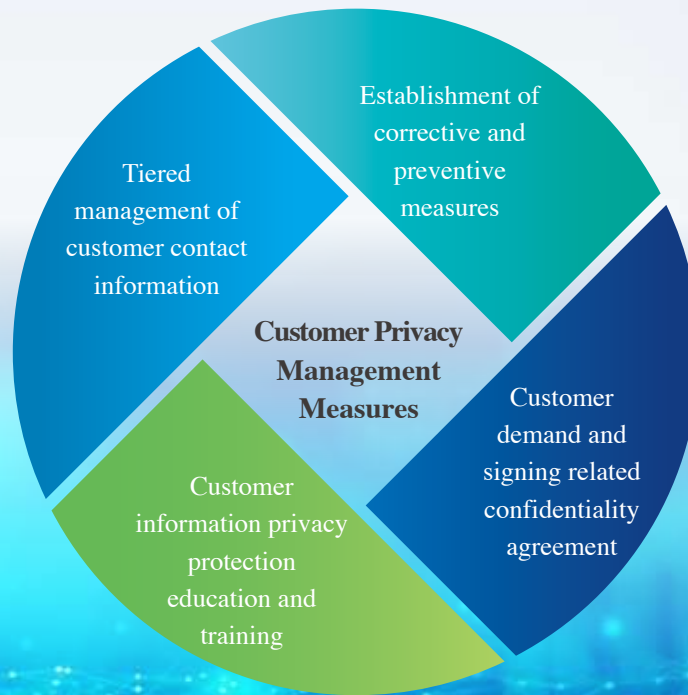
Customer Complaint Handling Process



Customer Privacy Protection

AirTAC adheres to the principle of confidentiality regarding customer privacy data protection. We do not disclose customer names and project information to irrelevant third parties. We continue to protect customers' privacy with the aim of zero data breach. In 2024, there were no complaints regarding customer privacy.

Customer Privacy Management Measures



2.4.2 Product Quality and Safety

Quality Declaration

- AirTAC complies with government regulations and industry standards to ensure the quality of its products and services. Regarding customer health and safety, privacy, marketing, and labeling, we adhere to relevant laws and international guidelines. We strictly prohibit any deceptive, misleading, fraudulent, or other actions that could undermine consumer trust or harm consumer rights.
- AirTAC takes responsibility for its products and services and places a strong emphasis on marketing ethics. In its research and development, procurement, production, operations, and service processes, the company ensures transparency and safety of product and service information. It has established and publicly disclosed its consumer rights policies, implementing them in business operations to prevent any harm to consumer rights, health, and safety from its products or services.

To manage product quality, AirTAC has established standard production processes and inspection protocols for each product, along with corresponding quality documentation and control procedures. For example, the "Product Audit Control Procedure" ensures that finished products meet required standards, while the "Gauging Instrument Management Program" defines the maintenance, upkeep, periodic inspection, and calibration of measuring instruments to ensure measurement accuracy. In addition, AirTAC has implemented a "Non-Conforming Product Control Process" to define the handling procedures and operational methods for addressing abnormalities at any stage of production. Moreover, AirTAC has adopted UL safety certification, further enhancing its product safety management to provide customers with high-quality and cost-effective products.

The MIS quality management system at AirTAC integrates big data with quality management processes

AirTAC Ningbo is committed to innovative quality management by integrating smart technology, Industry 4.0, and big data as part of its intelligent manufacturing platform. The company has successively introduced over 60 high-precision testing instruments from Germany, Japan, and the UK, including spectrometers, universal measuring instruments, image dimension measuring instruments, comparators, and coordinate measuring machines. By utilizing big data, AirTAC Ningbo has interconnected the front and back-end smart factories, supply chains, smart offices, and smart management systems. Additionally, the development of a quality management system (MIS) has enabled data-driven quality management.

To build a smart factory, AirTAC Ningbo has implemented the MIS system to promote and execute intelligent process control, including automatic detection, automatic tool compensation, smart diagnostics, real-time alerts, live monitoring, and visualized information. Through computer-controlled automation, the system enables standardized operations, reducing the risk of errors caused by manual operations and ultimately enhancing product quality.

Product Responsibility

AirTAC emphasizes product manufacturing responsibility, ensuring that products and services do not violate health and safety regulations throughout their life cycle. To protect the health and safety of customers and end-users while implementing environmental protection and sustainable development, all raw materials used by AirTAC are tested by third-party certification bodies to ensure that their materials and contents comply with relevant health and safety requirements, such as the EU RoHS. In 2024, there were no penalties related to violations of health and safety regulations.



2.5 Smart Machinery and Patent Rights

At AirTAC, we have strong R&D capacity. Through product research and development, system integration, inspection, and testing carried out by the R&D center, AirTAC Ningbo has developed as a Provincial High-tech Enterprise Research and Development Center in mainland China and Provincial Enterprise Research Institute, making the Company a rule setter in the pneumatic components industry. The Company is currently involved in the formulation and revision of industry and national standards while proactively engaging in the industry. Our R&D center maintains long-term, stable, and sound cooperation with the electronics industry, rail transportation industry, lithium-ion industry, automobile manufacturing industry, and textile industry as well as development cooperation with various large enterprises.

Electronics industry

R&D cooperation with large electronics groups for electronic machining systems to resolve clamping positioning accuracy and fast response problems.

Lithium-ion industry

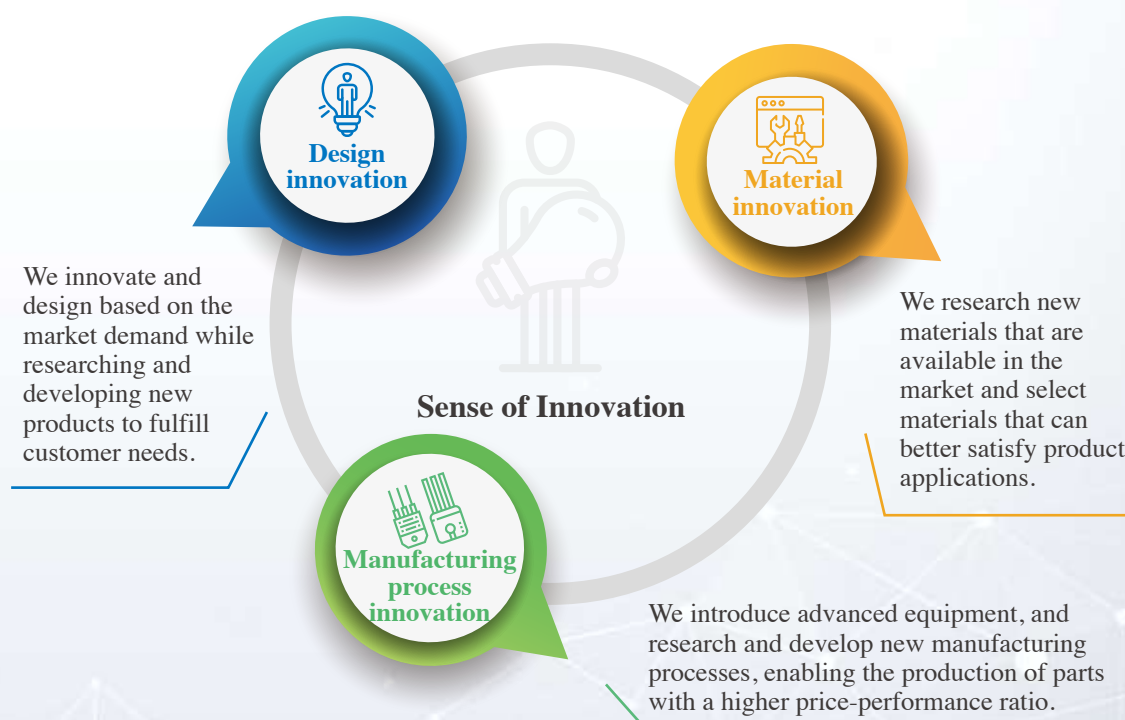
Cooperation with large battery manufacturers to develop special pneumatic components.

Rail transportation industry

Work with rail transportation industry for the development of pneumatic modules used in photographic systems, pneumatic modules used in wiper systems, pneumatic modules used in urinal systems, pneumatic modules used in sliding door systems, and more.

Research institution

We carry out regular research projects with the National Pneumatic Products Quality Supervision and Inspection Center, each year for product quality inspection, improvement research on product performance, and performance inspection on the R&D process of new products.



Innovative Objectives

Short-term

Expand the development areas of products so that customers can have more flexible application options based on existing products



Medium-term

Pursue professional technological breakthroughs and improve manufacturing competitiveness through automated production management



Long-term

Introduce AI and big data to build an automated plant to achieve “smart manufacturing”



Intellectual property management program

1. Intellectual Property Management System

AirTAC places great importance on the intellectual property. To strengthen employee's awareness of intellectual property and ensure that employee's behavior aligns with intellectual property regulations, we have established intellectual Property Management System to protect the rights and interests of the Company and avoid infringing on the rights of others. We enhance our overall competitiveness through continuous trademark management. This is in line with our code of corporate governance, with the goal of achieving sustainable business growth and the long-term vision of the Company.

2. Intellectual Property Management Policy

- (1) Strengthen the protection and management of the intellectual property rights to prevent others from misappropriating the Company's intellectual property and damaging the Company's goodwill.
- (2) Enhance awareness of intellectual property rights management among all employees.
- (3) Strengthen brand recognition.
- (4) Protect the research and development achievements and commercial interests.
- (5) Manage trademarks and patents to protect the Company's rights and maintain the competitive advantage.
- (6) Continuously optimize the relevant regulations and the required resources of intellectual property management.
- (7) Attract excellent and innovative talents to enhance the intellectual property capabilities.

3. Intellectual Property Risks and countermeasures

Considering the internal and external issues that affect intellectual property and intellectual Property Management system, as well as the expectations of stakeholders'

concerning for the development and effective management of intellectual property. AirTAC has identified and confirmed the risks and opportunities that need to be addressed and relevant countermeasures have been established. The intellectual property management system promotion team holds an annual intellectual property management review meeting every year to assess changes in the internal and external environment and the effectiveness of the intellectual property management system. This allows us continuous adjustments and improvements to protect the interests of stakeholders. The following measures have been implemented to mitigate potential intellectual property risks:

- (1) Continuous strengthening of employee's basic awareness of intellectual property

In order to enhance the protection of intellectual property rights, the HR department organized annual intellectual property education and training to strengthen basic understanding of intellectual property.

- (2) Deployment of trademark management

To protect the Company's intellectual property rights and brand, we implement a global trademark strategy to ensure legal protection for the innovations and brand.

- (3) Implement intellectual property management

Established intellectual property management promotion team, and we use the “PDCA cycle” as the foundation to create a systematic management system that connection intellectual property management with business goals. Based on the “Intellectual Property Management Manual”, we have set management objectives for the acquisition, protection, maintenance, and utilization of the Company's intellectual property.



Risk of intellectual property rights and countermeasures

Categories	Risk Identification	Responses
Trademark Rights	Misappropriation or misappropriation causes the goodwill of the company	1. Staff education and training 2. External Professional institutional consultant
Patent Rights	The infringement of rights results in a reduction in profits or compensation for losses to others	1. Operation process control management 2. Staff education and training 3. External Professional institutional consultant
Trade Secret	Claims and compensation caused by leakage	1. Control through software and hardware devices 2. Internal and external contract review 3. Sign a confidentiality agreement 4. Staff education and training 5. Legal counsel consulting



Implementation status and implementation results

1. The company regularly report the state of the company's implementation status of intellectual property rights to the board of directors once a year. The latest date of submission to the board of directors is November 8, 2024.
2. As of December 2024, the Company had been granted a total of 253 patents (including invention patents, utility model patents, and design patents). The total number of approved and valid trademarks worldwide amounted to 146 across 33 countries.
3. In November 2024, AirTAC Taiwan obtained Level A certification of the Taiwan Intellectual Property Management System (TIPS). The certificate is valid until December 31, 2025.



Professional R&D Talents

For a long time, our company has been continuously nurturing professional R&D talent, increasing investment in innovation, and optimizing the innovation environment. AirTAC is currently developing new products in line with market needs and outpacing customer needs to set a solid foundation for the Company in market competition. In 2017, AirTAC prepared to build the second construction in Tainan plant and the new factory in Ningbo, 170,000 square feet. These two plants will be used to produce high-end pneumatics and electromotive components. AirTAC has invested a lot of capital to hire professional personnel in linear guide area and to design and produce the linear guide products with high quality and fair price. The linear guide will be utilized in the new products of AirTAC and make the products of AirTAC more diverse.

In the near future, the Company will focus on upgrading the level and precision of existing products and developing pneumatic products for application in high-tech industries and linear slide in the efforts to develop more advanced products in terms of materials, technology and quality.

Our goal and vision are to become leaders in the field of intellectual property, continuously drive innovation and technological advancement, and simultaneously be a trusted partner for our customers. Based on our commitment to protecting intellectual property, we will create a fair competitive environment that encourages businesses and individuals to strive for excellence and innovation.

Product Development Process



Future R&D Direction

The Company is gradually developing towards “smart production.” We have introduced automation equipment in machining, surface treatment, injection molding, and assembly. Not only is the production capacity increased, the quality of products can also be more stable. On the other hand, product data management and application environment can be optimized through introducing product data management (PDM) to track data relating to product lifecycles, increasing the speed of development while ensuring the quality of production.

In the future, we plan to integrate AI into the automated manufacturing system with the help of big data analysis, to be used in the scheduling and dispatching of work, personnel production productivity, machine productivity, manufacturing processes and machine control, quality defense, and equipment wear and tear, in order to improve production efficiency and quality, and maximize cost-effectiveness.

2.6 Sustainable products

The company has embraced low-carbon transformation as a core corporate value. It incorporates the concepts of low-carbon and green transformation throughout the entire product lifecycle, including raw material procurement, research and development, production, manufacturing, product sales, and distribution processes. AirTAC comprehensively advances the sustainable commitment to "energy conservation, consumption reduction, clean production, and green manufacturing."

AirTAC Ningbo Green Production Goal

- Selection of materials: Using environmentally friendly materials and renewable resources as well as raw materials that meet RoHS regulations
- Packaging: Using eco-friendly packaging without ink printing
- Design: We insist on the concept of energy-saving, weight-saving, and high reliability and are fully committed to reducing energy consumption, reducing product area, improving product efficiency, improving the service life, reducing maintenance, and operating costs.
- Improve the decomposability of products, reduce the number of substances in use to facilitate the disposal treatment after the end of the product life cycle

AirTAC adopts a full life cycle perspective of its products, incorporating sustainability strategies into every stage, including design, manufacturing, packaging, transportation, use, and disposal. At the same time, the Company strengthens energy conservation and carbon reduction actions throughout its production processes, building a circular green manufacturing model dedicated to achieving the harmonious coexistence of modern industrial production and ecological sustainability.

2.6.1 Clean technology innovation

Under the concept of innovation and sustainability, AirTAC continuously invests R&D resources to develop a diversified product portfolio. Over the past three years, both the ratio of R&D expenditures to revenue and the proportion of R&D personnel to total employees have increased year by year. Through innovative clean technologies, the Company creates sustainable products that meet customer expectations.

Innovation and R&D Investment	2022	2023	2024
R&D Investment (NT\$ million)	736	896	1,004
R&D Expenditure as a Percentage of Revenue	3%	3%	4%
Number of R&D Personnel	788	912	889
R&D Personnel as a Percentage of Total Employees	9.12%	10.33%	10.27%

In 2024, sales of sustainable products amounted to approximately NT\$6.2 billion, accounting for about 20% of total sales. Among these, products launched in 2024 recorded sales of approximately NT\$3.8 billion. Looking ahead, AirTAC will continue to increase investment in innovation and R&D, and plans to link product financial performance with the R&D budget.

2.6.2 Product Life Cycle

Life Cycle	Raw Material Development	Production
Management Policy	1. No harmful raw materials are used, and all raw materials for production comply with ROHS standards. 2. Low-carbon emission raw materials are used.	1. By optimizing processes, products are made lighter to reduce the use of raw materials. 2. Through the introduction of new equipment and process optimization, energy consumption is reduced.
2024 Actual Performance	1. In 2024, the proportion of renewable raw materials used was approximately 43%. 	1. Through process improvements, the ACT cylinder has been lightweighted, saving approximately 208 tons of aluminum annually and reducing around 7,939 tons of CO₂e emissions. 
	2. The primary raw materials used in production are 100% compliant with RoHS requirements and 100% free of conflict minerals.	2. By reducing the thickness of the aluminum tube in the standard cylinder, approximately 152 tons of aluminum are saved annually, resulting in a reduction of about 5,801 tons of CO₂e emissions each year.

Transportation	Product Usage	Disposal or Recycling
1. Optimize delivery methods, routes, and fleet vehicles to reduce fuel consumption generated during transportation. 2. Use recyclable green packaging materials and modify packaging methods to decrease the amount of packaging used.	1. By optimizing the processes, we enhance product efficiency, which in turn reduces energy consumption.	1. Continuously promote waste classification and reduction, increasing the proportion of waste recycling and reuse.
1. To enhance transportation efficiency and achieve carbon reduction goals, AirTAC outsourced most of its cargo logistics operations to a professional logistics company starting in July 2023. Through systematic delivery planning and the integration of transportation resources, optimized routes can be precisely arranged to improve loading efficiency, significantly reduce the number of underloaded trips by in-house vehicles, and thereby effectively lower overall fuel consumption and carbon emissions, achieving energy conservation and carbon reduction in the transportation process.	1. The JSK series welding clamp cylinder has been lightweighted, reducing air consumption by 17%. Over the product life cycle, this improvement is expected to save approximately 2.56 million kWh of electricity, equivalent to reducing about 1,388 tons of CO₂e emissions.	The recycling and reuse rate of waste for the year 2024 is 95%.
2. In 2024, AirTAC China replaced 69 old gasoline vehicles with new energy-efficient vehicles. In 2025, the Company plans to phase out 109 gasoline vehicles and purchase 100 hybrid vehicles.	2. By reducing the use of enameled coil wire in the 4V solenoid valve, power consumption was lowered. Over the product life cycle, this improvement is expected to save approximately 9.34 million kWh of electricity, equivalent to reducing about 5,065 tons of CO₂e emissions.	

2.7 Sustainable Supply Chain Management

Supplier Management Declaration

AirTAC evaluates the environmental and social impacts of procurement posed on the community of the supplier sources and works with suppliers to jointly implement sustainable development responsibility. We have formulated the "Supplier Management Policy." Prior to having business relationships with suppliers, the Company evaluates whether the supplier has a record for affecting the environment and society. The Company avoids doing business with suppliers that conflict with sustainable development policies. When the Company signs an agreement with a major supplier, the content of the agreement includes compliance with the sustainable development policy of both parties. If the supplier is suspected to have violated the policy and that the source of the supplier has posed a significant effect on the environment and society, the terms and conditions of the agreement may be terminated or canceled.

Note: The contents of supplier management have been disclosed in Article 6.8 of the Sustainable Development Best Practice Principles

At AirTAC, we attach great importance to the sustainable development of industry chains. We continue to facilitate a sustainable supply chain management system, such as including the consideration of environmental and social factors in the contract with the supplier. AirTAC requires suppliers to strictly abide by local environmental protection laws and regulations. According to the internal "RoHS 2.0 Monitoring Operations Procedures," the Quality Control Department prepares the annual inspection plan for production raw materials and the annual supplier provision plan. The Procurement Department is responsible for promoting AirTAC's "Green Procurement Declaration" to raw material suppliers and obtaining inspection reports from suppliers, requiring them to comply with RoHS regulations. The Production Department will execute the relevant matters in coordination, while the R&D unit will be responsible for monitoring the finished products.

Supplier Management

AirTAC's supplier management includes evaluating and providing guidance to suppliers. The Procurement Department develops an annual supplier audit and support plan, conducts monthly on-site visits to key suppliers, and evaluates all suppliers once a year. Evaluation items include delivery time, quality, price, coordination, and handling of customer complaints. We guarantee that our suppliers provide good quality, reasonably priced products, and services for a long period of time, and we can understand their operation and quality maintenance status through the evaluation method.

All raw materials used in production comply with the EU RoHS regulations. Procurement officers, sales personnel, R&D staff, engineers, and supervisors at or above section chief level who interact with suppliers are required to sign a confidentiality agreement upon hiring or reassignment.

They are prohibited from accepting improper gifts or any other illicit benefits. Key suppliers also sign an integrity and anti-corruption commitment when entering into collaboration. In 2024, key suppliers signed integrity statements, representing more than 95% of total procurement value.

ESG Section System for New Suppliers

As a means to build shared sustainability awareness with our business partners, we require our newly developed suppliers to provide their written audit information. We also assign personnel to conduct on-site audits, and audit items are based on both the written audit information provided and on-site risk identification. Through an investigative sector, we are aware of the governance status of suppliers such as: whether they have ISO 14001 environmental certification, ISO 45001 Occupational health certification, restriction of hazardous substances (RoHS), or whether employee training has been conducted so that suppliers are ensured to have met basic requirements in relation to sustainability prior to becoming our suppliers.

ESG Evaluation Criteria for New Suppliers

- ISO 14001 environmental certification
- ISO 45001 Occupational health certification
- Restriction of hazardous substances (RoHS)

Establishment of Supplier Classification System

In an effort to effectively manage suppliers, we categorize our suppliers to fully grasp the situation regarding the overall supply chain. At the moment, the Company's supply chain has been divided into 6 categories according to procurement types: raw materials, parts, auxiliary materials, equipment, outsourcing, and general miscellaneous.

Category	Raw Materials	Parts	Auxiliary materials	Equipment	Outsourcing	General miscellaneous
Description	The main or key components that make up the final product (including raw materials such as aluminum / copper / iron / steel)	Materials that have auxiliary functions and constitute the general part of the final product (including screws/ nuts stamped parts/ packaging materials / glue / oil)	Substances that are not directly used in the product but have auxiliary functions (Packaging materials, oils, knives, etc.)	Machinery and equipment, office equipment and information equipment, etc.	Outsourcing surface treatment, processing supplies, etc.	Administrative supplies

Supplier Evaluation

In terms of delivery time, quality, price, coordination and handling of customer complaints, AirTAC Ningbo, AirTAC Guangdong and AirTAC Taiwan carry out a supplier evaluation on an annual basis. The evaluation is classified into 4 levels: A, B, C, and D. Suppliers who are classified as level D will be required to make improvements over a given period of time, of which improvement related education and training must be conducted. However, if improvements are not made as required, the partnership will be terminated.

	AirTAC Ningbo 2024 supplier evaluation result	AirTAC Guangdong 2024 supplier evaluation result	AirTAC Taiwan 2024 supplier evaluation result
Level A	120 suppliers; among these, 5 suppliers were new	31 suppliers; among these, 2 suppliers were new	148 suppliers; among these, 3 suppliers were new
Level B	252 suppliers; among these, 19 suppliers were new	135 suppliers; among these, 6 suppliers were new	50 suppliers; among these, 1 suppliers were new
Level C	27 suppliers; among these, 1 supplier was new	8 supplier; among these, 2 suppliers were new	none
Level D	10 suppliers; there were no new suppliers	1 supplier; there were no new suppliers	none

Local Procurement

At AirTAC, we are fully aware of the environmental impact raw materials and components may have an impact on the environment during transportation. We, therefore, adhere to the principle of local supply. We work hard to develop local suppliers as a means to achieve timely and appropriate procurement to further reduce carbon emissions caused by remote transportation while creating local job opportunities and economic prosperity. In 2024, AirTAC Taiwan's local procurement (Taiwan) accounted for 54%. AirTAC Ningbo's and AirTAC Guangdong's local procurement (China) accounted for 73% and 97%.

CH 3

Sustainability • Environmental Protection

3.1 Environmental Policy And Commitment

3.2 Energy And GHG Management

3.3 Water Resources And Wastewater Management

3.4 Air Pollution And Hazard Substances Management

3.5 Waste Management

3.6 Raw Material Management



3.1 Environmental Policy and Commitment

Environmental Policy

1. We abide by applicable environmental laws and regulations as well as related international standards and protect the natural environment accordingly. We strive for environmental sustainability when carrying out operating activities and internal management.
2. We are committed to improving the efficiency of resource utilization and we use renewable materials that pose a low environmental impact so that resources can be sustainable.
3. According to industry characteristics, we have established appropriate environmental management. The system includes the following:
 - Collect sufficient and timely information and evaluate the impact on the natural environment posed by operating activities.
 - Establish measurable environmental sustainability goals and regularly review the sustainability and relevance of their development.
 - Establish execution measures including specific plans or action programs and regularly review the effectiveness of the implementations.
4. We have established a dedicated environmental management unit and personnel to formulate, promote, and maintain the applicable environmental management system and specific action programs. Environmental education courses are also regularly organized for management and employees.
5. In consideration of the ecological impact posed by operations, we facilitate and promote the concept of sustainable consumption and carry out the following operating activities of R&D, procurement, production operation and service in the following principles to reduce the impact of company operations on the natural environment and people:
 - Reduce resources and energy consumption of products and services.
 - Reduce discharges of pollutants, toxic substances and waste, and ensure waste is properly treated.
 - Increase recyclability and reuse of raw materials and products.
 - Maximize the sustainability limit of renewable resources.
 - Extend the durability of products.
 - Increase the performance of products and services.
6. In an attempt to increase the consumption effectiveness of water resources, we use water resources properly and have formulated related management measures. We build and strengthen related environmental protection treatment facilities to avoid polluting water, air, and land. We will do our utmost to reduce any adverse effect on human health and the environment while adopting the best available pollution prevention measures and control technology measures.
7. Current and future potential risks and opportunities of climate change on the Company are assessed, and corresponding measures are adopted to address climate issues.

Environmental Management System

In 2024, the ISO 14001 Environmental Management System was implemented and certified at the main production plants, AirTAC Ningbo and AirTAC Taiwan. The system follows a plan-do-check-act cycle to ensure that the production process complies with local government environmental regulations, effectively reducing the environmental impact of business activities and improving environmental management performance, with the ultimate goal of achieving sustainable development.

Environmental Regulation Compliance

In 2024, AirTAC had no significant violations of environmental laws and regulations. We will continue to monitor the evolution of environmental regulations in various countries, regularly updating and implementing internal operating procedures. We will also conduct periodic compliance training sessions, incorporating them into our annual internal training program to ensure that all aspects of the company's operations comply with regulatory requirements and adequately respond to stakeholders' expectations of AirTAC.

3.2 Energy and GHG Management

AirTAC is fully aware of the impacts of global climate change and therefore continues to optimize internal energy management. By increasing the use of renewable energy, the Company continuously pursues improvements in energy efficiency, reduces energy costs, strengthens energy management, and gradually enhances its greenhouse gas reduction performance.

In AirTAC's production processes, energy consumption is mainly from electricity, with a small portion from fossil fuels. Scope 1 primarily includes four types of greenhouse gases: CO₂, CH₄, N₂O, and HFCs, and does not involve emissions of SF₆, PFCs, or NF₃. Scope 2 mainly refers to purchased electricity.

Goals and Strategies	2024 Performance Achievements	2026 Goals and Corresponding Strategies	2036 Goals and Corresponding Strategies	2060 Goals and Corresponding Strategies
Greenhouse Gas Emissions and Energy Management	- From 2021 to 2024, AirTAC's greenhouse gas intensity (GHG emissions per NT\$1 million in sales) decreased year by year, from 5.4, 4.54, 3.92, to 3.78, representing a reduction of approximately 30% compared with 2021. - From 2021 to 2024, AirTAC's energy intensity (energy consumption per NT\$1 million in sales) was 37.31, 35.48, 29.95, and 31.45, respectively. In 2024, energy intensity decreased by approximately 16% compared with 2021.	Target: Reduce greenhouse gas (GHG) intensity by 40% compared with 2021. Strategies: 1. Improve energy efficiency by phasing out low-efficiency equipment and optimizing production processes. 2. Install additional solar power generation facilities within the plants to increase the proportion of renewable energy usage. 3. Build energy storage systems to prevent ineffective energy loss.	Target: Reduce GHG intensity by 55% compared with 2021, and achieve a renewable energy usage ratio of over 30%. Conduct Scope 3 carbon emissions assessments, incorporating the GHG emissions generated from purchased products and services as well as from the use of sold products into the reduction plan. Strategies: 1. Continuously improve energy efficiency. 2. Increase the proportion of renewable energy usage through the purchase of green energy and renewable energy certificates (RECs). 3. Actively develop low-carbon products. 4. Conduct Scope 3 carbon emissions assessments.	Target: Achieve net-zero emissions across the entire value chain.

Energy Saving Performance

To effectively use resources and reach the goal of energy conservation and carbon reduction and prevent the use of ineffective or waste power and air conditioning consumption. AirTAC Ningbo has formulated the "Lighting Energy Conservation Regulations." We adhere to the principle of "who consumes, who calculates, quota management, reasonable use of energy" and include energy conservation evaluation into the performance appraisal of each department and employee. In accordance with the "Energy Meter Configuration Specifications," AirTAC Ningbo allocates the corresponding meters for water, electricity, and gas in the plant. Conduct statistical analysis on a weekly basis. Statistical analysis is conducted to facilitate the detection of abnormalities and make improvements accordingly. Corresponding usage regulations have been formulated for public facilities such as air-conditioning and fans to avoid energy waste. At the same time, we will also conduct technical modifications on equipment. Outdated motors will be replaced, and solar power introduced.

2024 Energy Saving Program

Company	Energy conservation program	2024energy saving volume
AirTAC Taiwan	Air compressor improvement	Approximately 2,380,000 kWh
	Air conditioning energy saving	Approximately 230,000 kWh
	Introduction of energy-saving oil mist recovery system	Approximately 320,000 kWh
AirTAC Ningbo	Air compressor modification	Approximately 10,280,000 kWh
	Six-axis machine cooling oil improvement	Approximately 310,000 kWh
	Vulcanizer heating plate modification	Approximately 180,000 kWh

Note 1: The energy savings from the air compressor improvement project were calculated based on the theoretical data of the Energy Administration and the product of operating hours.

Renewable Energy Installation

Airtac places great importance on the utilization of renewable energy, planning solar panel installations based on the available rooftop area of its facilities. As of 2024, the total electricity generation from solar panels installed in the AirTAC Ningbo and AirTAC Taiwan factories is 14.86 MW. It is projected that additional solar panels will be installed in 2025, contributing an extra 3.0406 MW of solar power.

The Energy Efficiency Incentive System

AirTAC has established a "Proposal Improvement System" encouraging employees to actively voice their opinions on sustainability-related issues. Additionally, incentives in the form of monetary rewards are provided for proposals aimed at improving work processes and enhancing efficiency. In 2024, improvement proposals resulted in approximately saving 50.86 million New Taiwan Dollars in operational costs.



Green Construction

We have planned appropriate green space outside each building of the AirTAC Taiwan production base so that there is adequate ventilation, lighting, and safe distance between buildings while allowing spaces that are pleasing to the eye.

The office building is core to the plant and with the building being in a north-south position, it receives a great deal of natural lighting. We have also considered blocking the sunlight from the south and have built some multi-level semi-outdoor spaces to diversify the building as well as providing a comfortable and relaxing environment for office personnel. Different types of flora have been planted in these multi-level semi-outdoor spaces, bringing "greenery" into the office environment.



Transportation management

In recent years, we continue to strengthen transportation management, such as the shipment amount - customers may only arrange the shipment when a certain amount of capital is reached; customers may also work with logistics companies to distribute goods together with other goods to reduce expenses invested in logistics by the Company. By shipping goods at the same time, it also reduces GHG emissions produced from transportation.

We carry out one-time procurement of several products to reduce the number of shipments as well as thorough evaluation of special packaging requirements to avoid over-packaging of products. Products should be delivered in a pallet or logistics boxes to replace disposable cartons. On the other hand, to prevent products from colliding with each other during sea transport in the past, polystyrene pellets and bubble wrap were often used in cartons. Nowadays, air injection has been adopted reducing the use of plastic, reaching the target of sustainable development.

3.3 Water Resources and Wastewater Management

AirTAC is committed to ensuring the protection and efficient use of water resources by assessing usage and conservation, and monitoring potential water shortages caused by droughts. The Company's manufacturing processes are not categorized as high water-consuming processes. For water usage in its plants, the Company applies for water pollution prevention permits in accordance with regulations. The main source of wastewater is domestic sewage, which is regularly monitored on a monthly basis, and inspections of wastewater discharge are also conducted by accredited institutions recognized by the Environmental Protection Administration.

Goals and Strategies	2024 Performance Achievements	2026 Goals and Corresponding Strategies	2036 Goals and Corresponding Strategies
Water Management	From 2021 to 2024, AirTAC's water intensity (water consumption per NT\$1 million in sales) was 35.75, 36.92, 33.05, and 30.63, respectively. In 2024, water intensity decreased by approximately 14% compared with 2021.	Target: Using 2021 as the baseline, reduce water intensity by 12%. Since the target was achieved ahead of schedule in 2024, the goal has been revised upward to 17%. Strategies: Start from the source by optimizing production processes and introducing wastewater reduction equipment to reduce water resource consumption.	Target: Using 2021 as the baseline, reduce water intensity by 25%. Strategies: Continuously conserve water. Introduce advanced water-saving and treatment technologies. Enhance water recycling performance.

3.3.1 Water Resource Management

AirTAC actively promotes water conservation measures, such as installing water-saving faucets in restrooms, setting up process water recycling equipment, equipping wastewater stations with water recovery systems, reusing mechanically cleaned wastewater through treatment at the plant's wastewater station for vibration cleaning processes, and partially reusing boiler steam condensate in boiler rooms for circulation. Additional measures include introducing ultrasonic hydrocarbon cleaning machines at AirTAC Taiwan to reduce wastewater generated by traditional cleaning lines, installing automatic dosing systems in cooling towers to lower cleaning frequency, and diverting kitchen wastewater to the wastewater treatment plant to increase the amount of recycled process wastewater.

At AirTAC Ningbo, a Water Conservation Task Force was established, led by the General Manager's Office Manager and composed of department heads. The team manages departmental water usage quantitatively, inspects and analyzes workshops that exceed standard water consumption each month, and implements a water-saving rewards and penalties system to encourage employees to conserve water.

AirTAC Ningbo also invested NT\$473 million to construct an environmentally friendly surface treatment plant, which was officially launched in 2022. The plant is designed to recycle 795 tons of phosphoric acid annually, treat and recycle up to 60,000 tons of water per year, and reduce sludge generation by approximately 2,000 tons. In addition, 500 tons each of waste cutting fluid and waste nickel-plating solution are reduced annually through evaporation and concentration processes.



Saving Water Program

Unit: ton

Company	Water saving Program	2024 Water Savings
AirTAC Taiwan	Process wastewater recycling	2,533
	Rainwater harvesting	3,723
AirTAC Ningbo	Landscape water irrigation greening	5,160
	Boiler condensate recycled and reused	13,358
	Reverse osmosis (RO) concentrated water reuse	27,324
	Machine cleaning wastewater reused	4,410
	Multi-stage counter-current rinsing of surface treatment and cleaning lines	59,408
	Overflow water control in surface treatment tanks	101,206
AirTAC Guangdong	Machine cleaning wastewater reused	4,092
	Landscape water irrigation greening	22
Total		221,236

Water Stress Index

Item	AirTAC Ningbo	AirTAC Guangdong	AirTAC Taiwan
Water Stress Index	Medium	Medium	Low to Medium
Water Sources	Hengshan Reservoir, Tingxia Reservoir – Xiao Town Rubber Dam Creek	Dongping Waterway (Beijiang River)	Nanhua Reservoir
Receiving Water Bodies	Xianjiang River	Yao Yao Waterway (Pearl River)	Yanshui River
Wastewater Treatment Units	Fenghua District Wastewater Treatment Plant	Songgang Wastewater Treatment Plant	Shugu Industrial Park Wastewater Treatment Plant
Discharge Standard	PH 6-9	6-9	5~9
SS (mg/L)	SS(mg/l) 400	400	200
	COD(mg/l) 500	500	400

3.3.2 Wastewater Management

In 2024, AirTAC invested NT\$28.03 million to introduce wastewater treatment equipment, aiming to increase wastewater recycling and reduce wastewater discharge. All process wastewater generated in AirTAC's production is strictly treated through recycling systems and complies with the regulatory standards of each region.

At AirTAC Taiwan, external professionals conduct water quality testing every six months. The Company has invested in and launched a process wastewater recycling system to strengthen wastewater management. Domestic sewage is pretreated through septic tanks, and once it meets discharge standards, it is discharged into municipal sewer pipelines and further treated at municipal wastewater treatment plants before being released into water bodies.

At AirTAC Ningbo, wastewater treatment is monitored daily based on water quality parameters, including pH, COD, ammonia nitrogen, total phosphorus, total nickel, and hexavalent chromium. Industrial wastewater is pretreated at the plant's wastewater treatment station, with standard discharge outlets connected to the government monitoring platform. Online monitoring equipment is maintained by third-party companies, which also perform monthly testing. Domestic sewage (from dormitories and canteens) is pretreated through septic tanks or oil-separation tanks. Once pretreatment reaches regulatory standards, the wastewater is discharged into the municipal sewer network, further treated at municipal wastewater treatment plants, and then discharged into rivers.

At AirTAC Guangdong, surface treatment cleaning wastewater is monitored daily for pH and COD. Industrial wastewater is treated at the plant's wastewater treatment station to meet standards and is 100% reused in surface treatment cleaning lines. The local government has installed a water reuse monitoring system at AirTAC Guangdong, and a third-party company also performs monthly monitoring of reused water. Domestic sewage (from dormitories and canteens) is pretreated in three-stage septic tanks and then discharged into municipal sewer pipelines for centralized treatment at municipal wastewater treatment plants before being released into water bodies.

3.4 Air Pollution and Hazard Substances Management

3.4.1 Air Pollution Management

The principle of our environmental protection work insists on prevention, integration of prevention and treatment, and comprehensive management. We thoroughly implement pollution control throughout the entire production process, implement management of pollutant discharge reaching standards and total pollutant control. AirTAC has plant environmental monitoring and inspection management practices in place. Daily environmental monitoring, including online monitoring by the Environmental Protection Agency, regular monitoring by third parties, and self-testing by sewage stations and environmental protection teams, is mainly for wastewater, rainwater, river water and waste gas treatment facilities. The inspectors shall test the sewage and exhaust gases in the plant in accordance with the water quality indicators, exhaust gas indicators, inspection frequency requirements and inspection specifications. The test results should be reported.



In 2024, AirTAC invested NT\$29.22 million to introduce oil mist filtration and dust removal equipment in order to reduce air pollution.

In 2024, there were **no major penalties related to air quality environmental regulations.**

The types of air pollution mainly include oil mist exhaust produced from mechanical processes, sandblasting and polishing exhaust, and surface treatment process exhaust. Devices that release oil mist exhaust are equipped with oil mist filtration and oil mist recovery rate of more than 95%; devices that release dust exhaust are equipped with a dust collector; devices that release exhaust from the surface treatment process are equipped with an exhaust purification system. Inspections are conducted by subcontractors regularly to verify the treatment results of the facility. In the painting and rubber processing processes, the use of paints, thinners, or solvents can result in the emission of volatile organic compounds (VOCs). To control VOCs, measures involve adopting a closed system during operations to reduce gas emissions. After collection, the waste is treated by adsorption through activated carbon, followed by combustion and decomposition through a catalytic oxidation device.

3.4.2 Hazardous Substance Management

Toxic substances mainly refer to chromic acid mist, benzene, and toluene in exhaust gases, as well as heavy metals such as chromium, nickel, copper, and zinc in wastewater. VOCs are primarily generated from the volatilization of paints, thinners, or solvents used in painting and rubber processing. The emissions of toxic substances from both exhaust gases and wastewater are far below regulatory limits; therefore, the management target is set at 100% compliance with emission standards.

Toxic substance emissions are reduced and rendered harmless through exhaust gas treatment equipment and wastewater treatment stations. VOCs are controlled through enclosed treatment systems to prevent dispersion, and are decomposed by adsorption with activated carbon and catalytic oxidation devices. In 2024, monitoring data from the Environmental Protection Bureau's online system, periodic inspections by accredited third-party firms, and internal monitoring by the Environment and Safety Unit all showed that emission results were significantly below regulatory standards.

3.5 Waste Management

We strive for resource recycling and are committed to cutting waste at source and effectively classifying waste. We implement the concept of waste-free manufacturing by continuously improving the recycling proportion of waste.

Goals and Strategies	2024 Performance Achievements	2026 Goals and Corresponding Strategies	2036 Goals and Corresponding Strategies
Waste Management	- From 2021 to 2024, AirTAC's waste intensity (waste generated per NT\$1 million in sales) was 0.8, 0.76, 0.72, and 0.68, respectively. - From 2021 to 2024, AirTAC's hazardous waste intensity (hazardous waste generated per NT\$1 million in sales) was 0.2, 0.19, 0.19, and 0.18, respectively. - In 2024, waste intensity decreased by approximately 15% compared with the baseline year 2021. - In 2024, hazardous waste intensity decreased by approximately 10% compared with the baseline year 2021.	Target: 1. Reduce waste intensity by 17% compared with 2021. 2. Reduce hazardous waste intensity by 12% compared with the baseline year. Strategies: 1. Reduce waste at the source by adjusting processes to minimize the amount of raw materials used, thereby minimizing waste generation. 2. Purchase new equipment, such as oil-water separators, to decrease the generation of hazardous waste like cutting fluid. 3. Increase the recycling and reuse of internal and external packaging materials to continuously enhance the waste reuse rate.	Target: Based on 2021 as the baseline, the targets are to reduce waste intensity by 30%, reduce hazardous waste intensity by 20%, and achieve a waste recycling and reuse rate of over 97%. Strategies: Actively innovate recycling and reuse technologies to expand the application of converting waste liquids into valuable recycled products, aiming to reduce outsourcing for waste disposal and increase the proportion of reuse in production processes.

Waste Management Measures

We have set up different recycling methods according to different types of waste. For example, waste oil is distilled and reused as fuel oil, and scrap iron is recycled and reused. We have also purchased equipment for recycling to reduce waste output.

On the other hand, we have set up a physical extrusion system in the plant. For example, the physical extrusion equipment reduces the volume of iron and aluminum and waste oil water separator concentrates waste oil to reach the target of reducing the volume of waste. We outsource an external recycling company to collect the waste that cannot be recycled on-site. For resources that cannot be reused, we commission a legal waste removal firm to remove the waste. Regarding hazardous waste such as cutting fluids and sludge, there are established operation regulations for the collection and disposal of hazardous waste. These regulations involve identifying and classifying hazardous waste according to local or national laws and regulations. The hazardous waste is then collected and stored in dedicated hazardous waste storage areas, which are managed by designated personnel. Subsequently, the waste is transported and processed by environmental companies that hold permits for the treatment of hazardous waste in the respective regions. AirTAC ensures effective waste removal by requiring vendors to provide proper disposal documentation, confirm transport routes, take photographs, and complete hazardous waste transfer forms. Additionally, monthly reporting is done through government platforms to declare the generation, storage, transportation, and disposal of hazardous waste.



3.6 Raw Material Management

To ensure that raw materials do not contain harmful substances, AirTAC has established the "Product Monitoring and Measurement Control Procedure" and the "Non-Conforming Product Control Procedure." These procedures confirm that all raw materials used in products must comply with international environmental regulations and customers' hazardous substance requirements. Through process improvements, the use of environmentally friendly raw materials, and precise material control, the efficiency of resource utilization is maximized. In 2024, the usage of plastic pellets per million dollars decreased by approximately 13% compared to 2021.

Conflict Minerals Management

AirTAC's purchased raw materials and manufactured products do not contain minerals such as gold (Au), tantalum (Ta), tungsten (W), tin (Sn), and others. AirTAC adheres to RBA standards, responsibly procuring minerals and avoiding the use of minerals from conflict regions, particularly those originating from the Democratic Republic of Congo and its neighboring areas.

Raw Material Control

In an effort to maximize the capacity of the production line, each planning department (division) and production management personnel help in coordinating the data of machines in the plant production cycle, and tool life. Production details will then be digitized to facilitate accurate management of human-machine ratio, inventory as well as the use of materials and auxiliary materials to reduce waste.

Raw Material Transportation and Recycling

To effectively regulate warehouse operations, AirTAC has established inventory and warehouse management procedures to improve work efficiency, increase material utilization, reduce costs, and save storage space, thereby continuously meeting the needs of the production department and the Company's business development. At the same time, to promote resource recycling, AirTAC actively explores the use of renewable raw materials to reduce consumption during production processes, reuses semi-finished products such as metal, plastic, and rubber components, and reuses packaging materials (such as paper and wood). In 2024, the proportion of renewable raw materials used reached 43%.



CH 4

Happiness and People • Oriented
Values

- 4.1 Employee Welfare
- 4.2 Employee Fostering
- 4.3 Safe Workplace

4.1 Employee Welfare

Human Rights Declaration

1. AirTAC abides by relevant laws and regulations as well as the International Bill of Human Rights to guarantee gender equality, the right to work, and the prohibition of discrimination. We have formulated appropriate management policies and procedures to exercise the responsibility of human rights protection, and these include:
 - Presenting a corporate policy or statement on human rights on the official website.
 - Evaluating the impact of the Company's business operations and internal management on human rights and adopting corresponding handling processes.
 - Reviewing the effectiveness of the corporate policy or statement on human rights regularly.
 - In the event of any infringement of human rights, the Company discloses the processes for handling the matter concerning the stakeholders involved.
2. AirTAC complies with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for disadvantaged groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and ensuring that their human resource policies do not discriminate based on gender, race, socioeconomic status, age, or marital and family status. The aim is to achieve equality in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.
3. The Company provides information for our employees so that they are aware of the labor laws and rights they are entitled in the countries where the Company's business operations are conducted.
4. At AirTAC, we provide safe and healthy work environments for our employees, including necessary health and first-aid facilities, regularly conduct safety and health education training. Moreover, we endeavor to prevent occupational accidents by minimizing hazards that affect our employees' safety and health.
5. We aim to create a conducive environment for the development of our employees' careers and establish effective training programs to foster career skills.
6. We establish and implement reasonable employee welfare measures (including remuneration, leave and other welfare, etc.) and appropriately reflect the Company's performance or achievements in the employees' remuneration, so as to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable operations.
7. We have established a platform to facilitate regular bilateral communication between the management and the employees, so that the employees may obtain relevant information and express their opinions on the Company's operations, management, and decisions.
8. The Company respects the employee representatives' rights to negotiate working conditions and provide the employees with necessary information and hardware for the sake of facilitating negotiations and cooperation between employers, employees, and employee representatives. We provide an effective and appropriate grievance mechanism with respect to matters adversely impacting the rights and interests of the labor force to ensure the equality and transparency of the grievance process. Channels through which a grievance is made should be clear, convenient, and unobstructed; employee's complaints should be responded to appropriately.
9. The Company, by reasonable means, informs employees of operational changes that might have material impacts.

Note: The contents of the declaration of human rights have also been disclosed in Article 6 of the Sustainable Development Best Practice Principles



4.1.1 Employee Welfare

AirTAC regards employees as one of the most important factors for sustainable corporate development, and provides comprehensive and diverse employee benefits across four key areas: health, lifestyle, leave, and insurance. These include employee recreation areas, dedicated staff to organize leisure activities, and occasional events or trips to relieve work-related stress and create a friendly and supportive workplace environment. At AirTAC Taiwan, one employee health promotion survey and three satisfaction surveys were conducted in 2024, covering activities such as bowling events, annual on-the-job health checks, and year-end parties, with satisfaction levels all exceeding 90%. At AirTAC Ningbo, quarterly accommodation satisfaction surveys and monthly dining satisfaction surveys were conducted, both showing satisfaction levels above 90%. At AirTAC Guangdong, quarterly employee satisfaction surveys were conducted, covering job positions, company benefits, and dining. The overall annual satisfaction level was 74%. In 2024, based on the survey results, specific improvement measures were implemented, including dormitory facility repairs and enhanced hygiene inspections, adjustments to canteen menus and food freshness management, as well as organizing knowledge competitions and departmental outdoor team-building activities.

- Annual health examination    
- Employee gym   
- Organizing internal employee sports activities, competitions, and group activities to facilitate the engagement between departments.    
- Health promotion activity seminars 

Healthcare



- Free meals at the canteen    
- Free employee uniforms    
- Free indoor parking space, transportation allowance for sales personnel.  
- Exclusive employee lounge 
- School enrollment for employees' children  
- Gifts and bonuses for 3 major festivals    
- Purchase of train tickets for employees to go home during Chinese New Year  
- Provide cool drinks on hot days    
- Emergency relief for employees in need 
- Internet cafe and library    
- Free shuttle bus for employees   

Life Care



- New employees are entitled to 1.5 days of annual leave 
- Natural disaster leave with pay 
- Special leave proportional to employee's length of service    

Holiday Benefits

- Five social insurances and one housing fund    
- Health and labor insurances 
- Accident insurance for field employees 
- Condolence payments for accidental injury or death 

Insurance Care



Note: AirTAC Taiwan



AirTAC Ningbo



AirTAC Guangdong



AirTAC China



4.1.2 Compensation System

AirTAC has established a comprehensive employee promotion and compensation system, such as the M/T Grade Standard Guidelines. Compensation consists of fixed components, including base salary, holiday bonuses, and benefits, as well as variable components such as bonuses and rewards. Each year, AirTAC adjusts salaries based on external environmental changes, the Company's operating performance, and individual employee performance. Fixed compensation is set at a level higher than the local minimum wage and above the industry median. Variable compensation is performance-linked and evaluated according to a comprehensive assessment system. Details of performance evaluation are provided in Section 4.2.4.

4.1.3 Retirement System

AirTAC has established a sound financial system for pensions, in compliance with the Labor Standards Act and the Labor Pension Act in its operating locations. In Taiwan, 6% of monthly wages is contributed to individual pension accounts under the new scheme, while in mainland China, pension insurance contributions are made in accordance with government regulations. In 2024, post-employment benefit expenses were recognized at NT\$364 million. For employees whose employment is terminated, severance pay exceeding legal requirements is provided to assist them through the transition period.

4.1.4 Human Rights Protection

AirTAC follows the spirit of international human rights conventions, safeguarding rights such as gender equality, the right to work, and the prohibition of any form of discrimination. The principle of localization is implemented worldwide, with employees in each plant primarily recruited from local communities. In 2024, there were no cases of discrimination, child labor, or forced labor at any of AirTAC's facilities.

Freedom of Employment

AirTAC strictly prohibits forced labor, including bondage (such as debt bondage), contractual coercion, or the exploitation of involuntary, prison, slave, or trafficked labor. All work must be performed voluntarily, and employees are free to resign or terminate their employment at any time with reasonable notice under the employment agreement, without being penalized.

Labor Dispatch

Before commencing cooperation, AirTAC conducts qualification reviews and preliminary due diligence on labor dispatch companies to ensure their compliance with relevant laws, regulations, guidelines, and standards.

The Company signs a Labor Dispatch Agreement with such companies, clearly defining the rights and obligations of both parties. AirTAC is committed to providing an equal working environment and comprehensive occupational safety measures, and requires labor dispatch companies not to withhold employee wages without cause.

For dispatched personnel assigned to the Company, AirTAC provides necessary education and training. In 2024 (based on the number of active employees as of December 31, 2024), total training hours were 985 hours for male employees and 211 hours for female employees. Monthly meetings are also held to consolidate and analyze employee onboarding and turnover in order to mitigate potential risks.

Both parties have agreed on an evaluation mechanism, and if the labor dispatch company commits a serious breach of contract, the Company will terminate the cooperation in accordance with the law.

In daily management, AirTAC ensures that dispatched employees receive equal treatment as directly hired employees, including equal pay for equal work and welfare benefits such as holiday gifts. At the same time, the Company strictly enforces its policies prohibiting discrimination and forced labor, and has established transparent grievance channels to protect employee rights.

Employment of Persons with Disabilities

AirTAC actively promotes a diverse and inclusive employment environment, striving to provide equal job opportunities for all applicants, and implements a friendly hiring policy for people with disabilities. In 2024, the Company employed 29 persons with disabilities with work capabilities.

Maternity Protection

AirTAC is committed to establishing a supportive work system and environment for female employees. The Company makes timely adjustments to the working conditions of pregnant employees, implements rights and obligations notifications based on pregnancy stages, conducts self-assessments of health conditions, evaluates workplace environments and operational hazards, and provides consultations with physicians. Additional measures include breastfeeding breaks, designated parking spaces for pregnant employees, and protections against dismissal or discrimination due to maternity. In line with relevant legal requirements, AirTAC guarantees that female employees are entitled to maternity leave benefits no less than those mandated by law, and ensures the right to return to the same or an equivalent position with equal benefits upon the completion of maternity leave.

In 2024, the return-to-work rate after parental leave was 97%, and the retention rate was 84%.

Gender Equality

AirTAC has established protection and management systems for female and underage workers, stipulating that there shall be no discrimination against women in employee grading, promotion, or salary adjustments. The Company adheres to the principle of gender equality and strictly prohibits rejecting, dismissing, or reducing the wages of female employees on the grounds of marriage, pregnancy, maternity, or breastfeeding.

Due to the characteristics of the mechanical and electronic industry, the proportion of female employees in the Company is relatively low, and most of them serve in assembly and administrative positions. Nevertheless, AirTAC continues to provide a female-friendly workplace environment and encourages female employees to acquire professional mechanical knowledge through transfer willingness surveys and training programs.

In 2024, a course preference survey was conducted among female employees. Based on the survey results, new external courses, such as childcare education and culinary training, will be introduced to enhance professional skills while maintaining work-life balance, thereby encouraging female employees to join the Company and increase their willingness to pursue managerial positions.

Indicator	2024 Percentage	2030 Target
Women as a percentage of total employees	26%	30%
Women as a percentage of all managers	10%	12%
Women as a percentage of senior managers	9%	10%

Human rights education and training

AirTAC Taiwan promoted its group human rights policy at the employee meeting, with a total of 1 meeting held in 2024, training 877 people for a total of 463 hours of instruction. In mainland China, human rights education training was promoted through WeChat public accounts and online teaching platforms, with one course offered in 2024, covering all employed staff.

4.1.5 Labor Relations

AirTAC adheres to the principle of “people first,” valuing employee participation and rights, and has established multiple communication channels with employees. These include quarterly labor-management meetings, the General Manager’s Office email, employee assemblies, and online feedback forms to ensure regular labor-management communication. Prior to implementing significant operational changes that may affect employee rights, the Company follows legal requirements to provide advance notice.

AirTAC also offers an Employee Assistance Program (EAP), through which supervisors provide one-on-one counseling to understand employees’ personal or workplace issues and offer appropriate support. For matters unsuitable to discuss directly with an immediate supervisor, interviews with indirect supervisors are arranged. In addition, a suggestion box accessible only to senior management has been established, enabling employees to express opinions on any issue.

AirTAC Ningbo, AirTAC Guangdong, and AirTAC China have established labor unions, and in 2024, the proportion of employees participating in unions accounted for approximately 89% of the Group’s total workforce.

Employee Communication Channel



In addition, for grievance cases, AirTAC upholds the principles of fairness and impartiality in conducting investigations and reporting, providing employees with reasonable feedback and resolution. Matters may also be addressed through negotiation in labor-management meetings or employee assemblies to reach consensus, thereby ensuring harmonious labor relations.

4.2 Employee Development

Human resources are the foundation of sustainable business operations. To enhance employees' capabilities and maintain long-term competitiveness, AirTAC formulates annual training plans and provides appropriate internal, external, and professional training according to employees' functions and competencies. In 2024, the total training hours invested in talent development reached 196,486 hours.

At the same time, in response to future global challenges and the tests of sustainable development, AirTAC has implemented multiple initiatives for talent attraction and retention, such as diversified recruitment channels and comprehensive talent development mechanisms, with the aim of creating a workplace that is friendly to talent.

4.2.1 Diverse Recruitment

AirTAC recruits talent through various channels, such as online recruitment, campus recruitment (campus job fairs and campus employment training programs), job fairs, and internal referral mechanisms, to attract suitable candidates. In 2024, through these diverse recruitment channels, AirTAC Taiwan hired 20 people, AirTAC Ningbo hired 1,316 people, AirTAC Guangdong hired 118 people, and AirTAC China Sales Companies hired 328 people.

AirTAC provides comprehensive training programs based on employees' individual characteristics and expertise to cultivate and retain talent. From 2022 to 2024, the Company's average monthly new hire rates were 2.39%, 2.33%, and 1.7%, respectively.

2024 Employee Headcount Statistics Table

	Category	Definition	Gender	Mainland China	Taiwan	Total
Total	Employees	Employees with an employment relationship with AirTAC	Male	5,834	577	6,411
			Female	1,972	331	2,303
Contract Type	Permanent	Employees with open-ended (no fixed-term) contracts	Male	637	577	1,214
			Female	225	331	556
	Temporary	Employees with fixed-term contracts	Male	5,197	0	5,197
			Female	1,747	0	1,747
Employment Type	Full-time	Employees working the legal standard hours	Male	5,834	577	6,411
			Female	1,972	331	2,303
Non-direct Employment	Dispatched employees	Dispatched employees	Male	57	0	57
			Female	29	0	29

Note 1: Headcount is based on the number of employees as of December 31, 2024 (end of the year).

Note 2: Data coverage: Entities within the reporting boundary.

Certification Attainment

- AirTAC encourages employees to obtain professional certifications, continuing to pay salaries during examination and training periods and fully subsidizing certification-related expenses.
- In 2024, a total of 121 employees obtained or renewed professional certifications, including Occupational Safety and Health Business Supervisor, Class A Occupational Safety Management Technician, Designated Chemical Substances Operations Supervisor, High- and Low-Voltage Electrician License, Energy Manager, and Occupational Health Service Nursing Personnel, among others.

4.2.2 Talent Retention

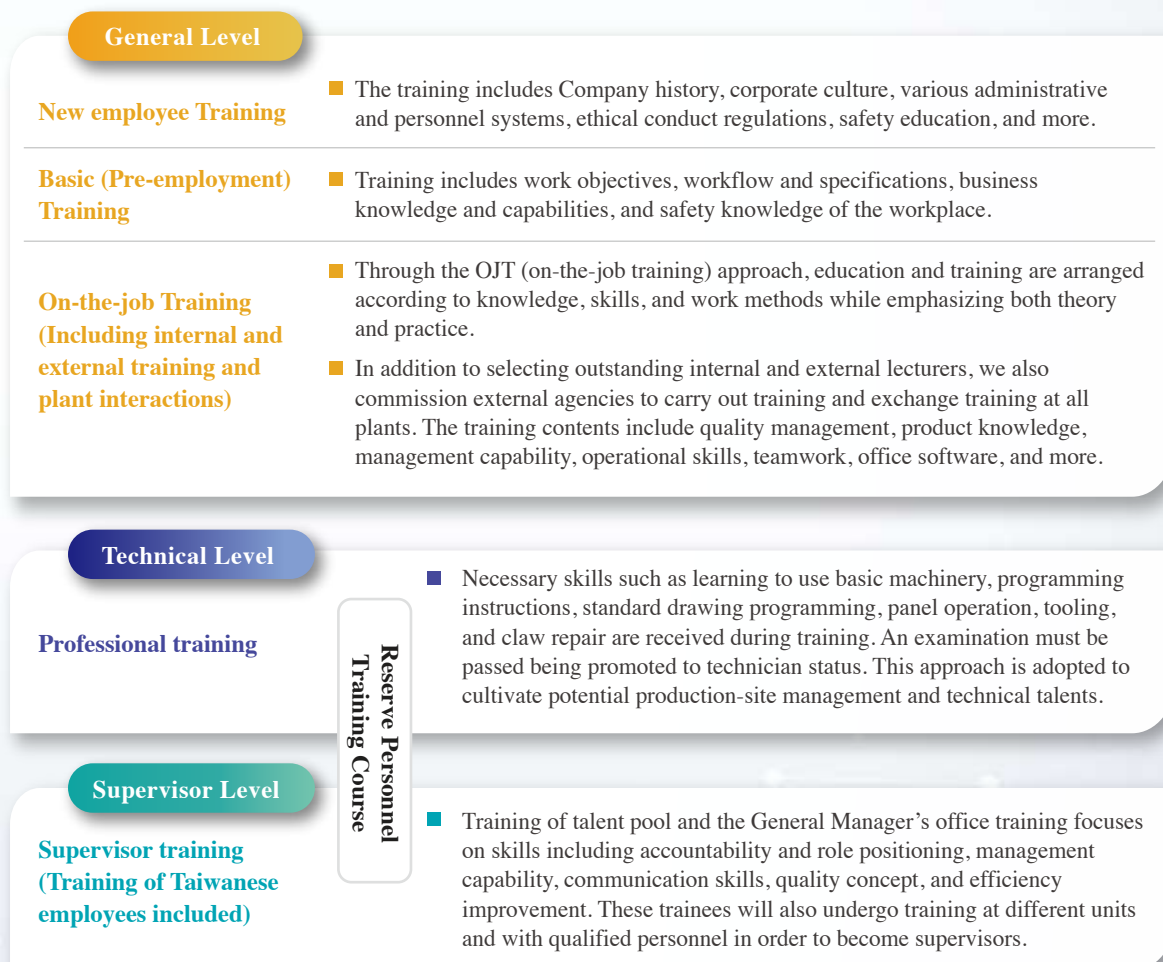
AirTAC conducts one-on-one retention interviews with departing employees to understand the specific reasons for resignation. In addition to monetary rewards, the Company provides job transfer counseling, continuous professional training across different career paths, and team-building activities. The content of annual training programs is designed based on employee satisfaction survey results to create a better working environment and facilities, thereby retaining quality talent.

From 2022 to 2024, the Company's average monthly turnover rates were 2.34%, 1.92%, and 1.96%, respectively.

4.2.3 Learning and Development

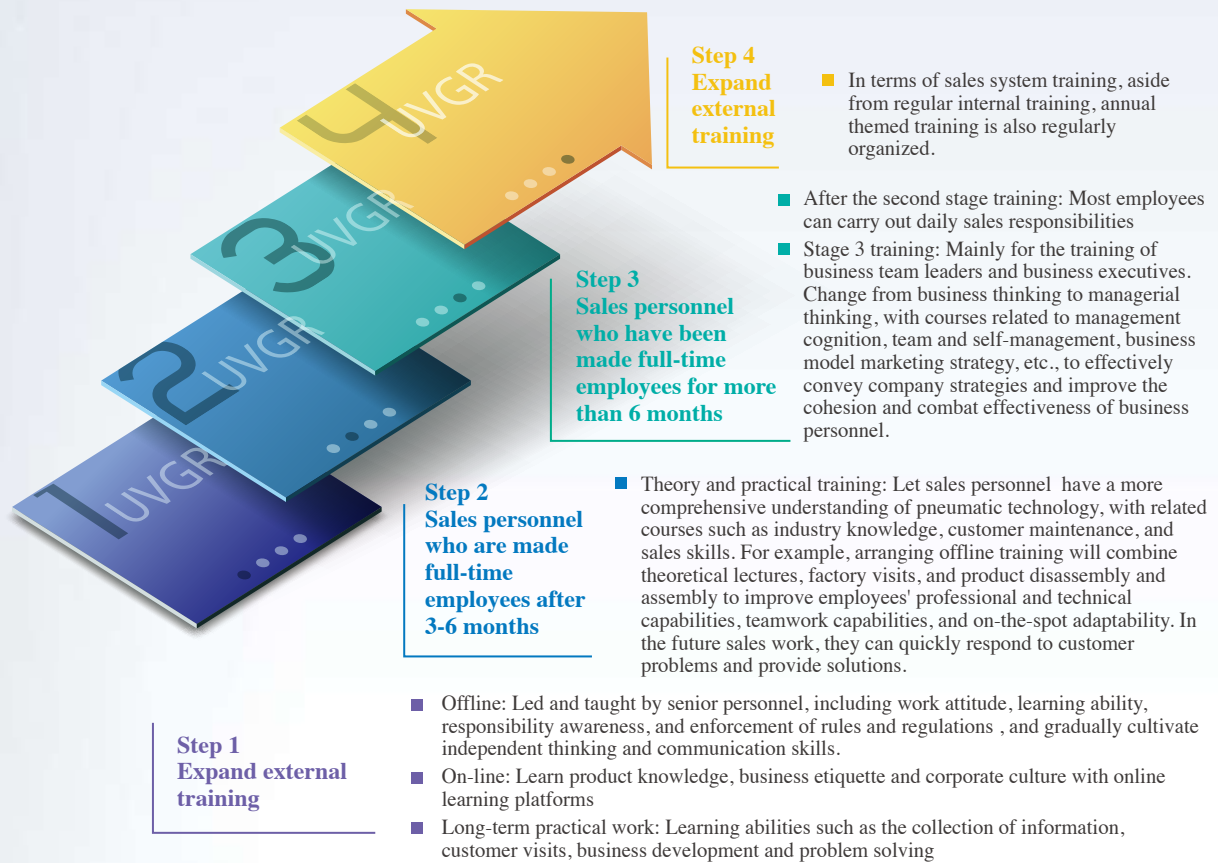
Airtac is committed to cultivating professional talent in the automation machinery industry. Through comprehensive training programs, we provide diverse learning channels covering lean onboarding and on-the-job training, internal and external training, as well as basic and managerial training. At the same time, we assess employees' learning and development effectiveness through training evaluations, and continuously monitor whether the performance of trained employees improves in the course of their work as a means of verification, thereby creating sustainable talent value. Senior management lead by example in dedicating themselves to learning, thereby fostering a learning culture. For details regarding management's continuing education, please refer to pages 24 and 25 of the 2024 Annual Report.

Talent Training Framework



Talent Training for AirTAC China's Sales Personnel

As an important sales operations company in mainland China, AirTAC China carries out unconventional training compared to other manufacturing plants, where 4 stages of training programs have been stipulated based on the duties of sales personnel. AirTAC China has devised a comprehensive development program for sales talent incorporating guidance of senior sales personnel to cultivate the new employees' fundamental skills, as well as professional training of pneumatic knowledge or sales ability training and themed external training.



In 2024, we continued to optimize the “online + offline” integrated training model and achieved two major breakthrough expansions: Vertical deepening of talent pipeline development: Building on the existing three-level training system for sales staff, team leaders, and managers, we added online course development for the sales specialist level, thereby broadening the talent development pathway. The Elite Program adopted an innovative school-enterprise cooperation model integrating industry and education to enhance middle managers' strategic execution capabilities. Over the year, we carried out a total of: Seed Program (1 session), Academy Program (22 sessions), Study Program (4 sessions), and Elite Program (6 sessions).

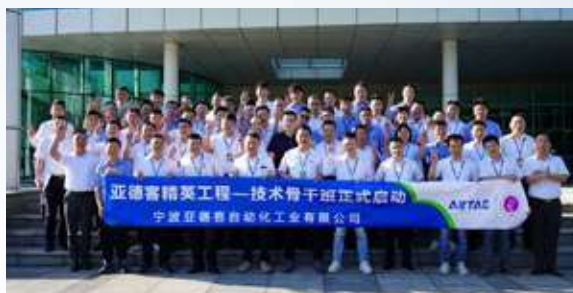
Horizontal extension of value chain empowerment: To further strengthen end-service quality and uphold the premium brand image, we opened training resources to our distributor network for the first time, launching two sessions of a dedicated capability enhancement class. Through knowledge sharing and skill transfer, this initiative drives collaborative development between our partners and the Company's ecosystem.



Employee Training at Production Sites

At the factory level, a comprehensive training system framework has been established to support employees' continuous growth and career development as follows:

1. Personalized learning plans: Tailored educational and training programs are developed for employees of different ranks and roles.
2. Instructor system: Outstanding internal employees are cultivated into in-house trainers through knowledge extraction of their experience, forming a complete instructor team together with external professional lecturers and university professors.
3. External academic exchange: Employees are regularly arranged to participate in domestic and international academic exchanges, professional exhibitions, and benchmarking enterprise visits to acquire technical and managerial expertise.
4. Online learning platform: An integrated platform provides courses, instructor information, and learning statistics, enabling employees to study during fragmented time and improve learning efficiency.
5. Clear learning performance indicators: Learning is incorporated into both organizational and individual performance indicators annually. Required learning hours are specified, implemented according to the annual training plan, progress is published monthly, and a point-based incentive system is adopted to stimulate employees' enthusiasm for learning.
6. Industry-academia cooperation: Tiered talent development programs have been established, such as the Company Commander Program (for section managers), the Village Head Program (for foremen), and the Elite Program (for technicians). In addition, joint school-enterprise learning resources have been developed with Xi'an University of Technology, Jiaxing University, and Chengyi University College.



4.2.4 Performance Assessment

AirTAC has established a comprehensive performance evaluation system. Each December, the General Manager's Office formulates departmental KPIs and management growth indicators for the following year, based on the Company's strategic development goals. These indicators are derived from the annual business objectives and budget breakdown. Data is collected monthly and compiled into reports for ongoing tracking. Promotion criteria are set according to individual ability and years of service, and are complemented by generous welfare policies to further motivate employee potential. Job promotions are carried out based on performance evaluation results. In Taiwan, all employees undergo performance evaluations semiannually, while in Mainland China evaluations are conducted quarterly, along with two career development assessments each year. In other overseas regions, performance evaluations are conducted once per year.

The performance evaluation rate for 2024 was 100%. In 2024, the employee compensation accrual ratio was increased from 1% to 1.2% of pre-tax profit (after deducting employee and director compensation) for the year. Together with other variable compensation, the total recognized employee bonus expense in 2024 amounted to NTD 1.548 billion.

**The performance
evaluation rate
for 2024 was
100%.**

4.2.5 ESG Performance and Compensation Linkage

Explanation of the Link Between ESG Performance and Executive Compensation

General
Manager
and CEO

The compensation for the General Manager and CEO is determined based on the "Senior Executive Compensation Management Guidelines," which specify the ranges for fixed and variable compensation. The variable compensation is linked to sustainability performance indicators, with assigned weights that are regularly evaluated by the Compensation Committee.

Senior
Executives

Senior executives' compensation is defined according to the "Senior Executive Compensation Management Guidelines," which outline the ranges for fixed and variable compensation. In addition to financial performance indicators (such as revenue and profit) and core competency indicators (such as leadership skills and decision-making planning), the performance indicators for variable compensation also include non-financial indicators such as environmental protection (energy conservation, water conservation, waste reduction, and pollution control), talent development, quality management, customer satisfaction, occupational health and safety, and regulatory compliance. The evaluation results are submitted to the Compensation Committee to recommend the bonus amounts for senior executives, influencing bonuses by a weight of 1% to 5%.

Senior Executive Sustainability Performance Indicators

Target	Performance Indicator	Weighting Percentage	Description
General Manager and CEO	Financial Indicators	30%	Company financial performance and comparison with industry peers, such as Return on Equity (ROE), budget achievement rate, total assets, and revenue performance, etc.
	Strategic Indicators	50%	Objectives based on future medium- to long-term strategies, such as automation transformation, market positioning, and major risk response adaptations, etc.
	Management Indicators	10%	Includes corporate governance ratings, integrity in operations, compliance with laws and internal controls, risk management, etc.
	Sustainability Indicators	10%	Includes energy conservation and carbon reduction, environmental pollution control, occupational safety, social engagement, etc.
Senior Executives	Additional Bonus Indicators	1~5%	Use non-financial indicators such as environmental protection (energy conservation, water conservation, waste reduction, and pollution control), talent development, quality management, customer satisfaction, occupational health and safety, and regulatory compliance as bonus factors.

4.3 Safe Workplace

Employees with physical and mental wellbeing produce high-efficiency and high-quality performance at work. Consequently, the Company strives to provide employees with a safe and healthy work environment. We have established a comprehensive safety management system regarding work safety and implemented safety management in compliance with the Standard for Work Safety Standardization of the Machinery Manufacturing Industry. While identifying and investigating dangerous and hazardous elements, we also work hard to adopt technical improvement measures. Our employees' occupational safety awareness is strengthened through ongoing education and training, as well as promotion, enabling them to apply emergency response skills and safety concepts in everyday life. Meanwhile, we have implemented a work injury prevention and follow-up system, hoping to minimize workplace accidents. In terms of environmental equipment, we have invested in the improvement of mold-casting and surface treatment production lines. Parts of the manual operations in our plants are replaced by robotics as a means of reducing possible impacts on our employees' health during the production process.

4.3.1 Occupational Safety and Health

At AirTAC, we have established an Occupational Safety and Health Committee (OSH Committee) responsible for occupational safety management, target setting, and achieving the goal of zero occupational accidents. There are more labor representatives in our OSH Committees in all plants than required by the law.

OSH Organizational Framework



Note: Using the organizational framework of AirTAC Ningbo's Safety Production Committee as an example



Occupational Safety and Health Management

In 2024, AirTAC Taiwan's occupational safety and health (OSH) objectives were as follows:

100% identification rate of newly revised/amended OSH regulations, Participation in more than 5 government-organized seminars, 100% compliance with regulations, More than 20 instances of OSH consultation and communication, Completion rate of OSH unacceptable risk improvement measures greater than 80%, Improvement rate of external/internal issues and stakeholder requirements greater than 80%, 100% completion rate of in-service OSH training for general employees (3 hours / every 3 years), Zero cases of penalties from labor inspections, Continuous and effective operation of the management system, Implementation of health promotion activities, Except for the improvement of public building safety inspections, which is still in progress, all other 2024 OSH objectives have been achieved.

AirTAC Taiwan passed the certification of ISO45001 in 2020

AirTAC Ningbo has implemented standardized safety production management in accordance with the Safety and Quality Standardization requirements for machinery manufacturing enterprises. Improvements were carried out in safety management, hidden hazard identification and rectification, and equipment protection measures. The Safety Committee promoted team-based safety management practices to enhance on-site safety fundamentals. Diversified safety activities were organized no fewer than twice each month to encourage broader employee participation in safety management.

In 2024, AirTAC Ningbo's safety production objectives were as follows:

Zero fatalities from personal injury accidents, Zero major accidents involving fire, electric shock, chemical burns, or poisoning, Zero cases of occupational disease Total injury incidence rate controlled at $\leq 7\text{‰}$ (per thousand employees), Number of disabilities at level 10 or above controlled at ≤ 30 cases, 100% safety knowledge training rate for key safety personnel, safety managers, and operators at all levels, 100% safety training rate for employees in job transfers or reinstatements, 100% completion rate of the three-level safety education program for new employees, $\geq 90\%$ pass rate for team-level safety assessments, 100% occupational health examinations for employees (pre-employment, during employment, and upon departure) 100% inspection pass rate for special equipment and safety devices, 100% certification rate for special operations personnel, 100% rectification rate of identified safety hazards, In 2024, all objectives were achieved except the hazard rectification rate, which reached 99.8% against the 100% target.

Enhancements will be made through deepening risk source identification, developing departmental risk classification and control measures, improving equipment and machinery safety devices, tracking the implementation of the annual safety training plan each year, and formulating monthly hazard rectification plans with timely supervision and completion.

AirTAC Ningbo obtained the second-level enterprise certificate for safety production standardization in 2017

In 2024, AirTAC Guangdong's safety production objectives were as follows:

Zero serious injuries and fatalities, Zero major fire accidents and major road traffic liability accidents, Minor injury incidence rate not exceeding 8‰ (per thousand employees), Zero incidence of occupational disease among employees, $\geq 90\%$ compliance rate in occupational hazard factor testing, 100% certification and retraining rate for special operations personnel holding valid operation licenses, 100% inspection pass rate for special equipment and safety devices, 100% attendance rate in annual safety training for employees and 100% pass rate in the three-level safety education program for new employees, 95% timely rectification rate of identified safety hazards, 100% adherence to the "Four Non-Neglect Principles" (no neglect of accident cause, responsibility, corrective measures, or lessons learned) in accident handling, In 2024, all targets were achieved except for the minor injury incidence rate, which was 8.77%, and the new employee training completion rate, which reached 72.9%.

In 2024, AirTAC Taiwan, AirTAC Ningbo, and AirTAC Guangdong all reported zero major employee work-related injury incidents. Across AirTAC Ningbo, Guangdong, and Taiwan, total occupational safety and health (OSH) training hours reached 51,261 hours in 2024.

In 2024, AirTAC Ningbo established a digital ESH (Environment, Safety, and Health) management system, covering risk control, corrective actions, regulatory compliance, hazard rectification, hazardous chemical management, and occupational health monitoring, thereby improving management efficiency and information integration capabilities.

In 2024, AirTAC Ningbo established a digital ESH (Environment, Safety, and Health)

Chemical Control

To enhance the safety management of hazardous chemicals and prevent accidents involving hazardous chemicals, AirTAC has established management regulations including the Safety Management System for Hazardous Chemicals, the Hazard Communication Plan Management Specification, the Management Measures for Chemicals that are Easily Poisonous or Explosive, and the Emergency Response Plan for Hazardous Chemical Leaks. These regulations encompass the following content:

1. **Preparation of Chemical Inventory:** The Environmental Safety Department collects safety data sheets for chemicals and compiles a chemical inventory. The EU's new Registration, Evaluation, Authorization, and Restriction of Chemicals regulation includes 11 categories of substances of very high concern, and AirTAC is 100% compliant with the new requirements. Additionally, a chemical change management procedure has been established; if a unit has a need for new or modified chemicals, it must notify the Environmental Safety Department, which will conduct risk identification, environmental considerations, and subsequent evaluations and controls as part of the aforementioned chemical safety management system. Regular material investigations, screenings, and audits are conducted to ensure that the materials used in products comply with the latest environmental regulations and standards.
2. **Occupational Environment Monitoring:** For chemicals used in the plant, they are managed based on their hazard classification, and regular occupational environment monitoring is conducted every six months to one year. In addition to labeling containers at the work site, safety data sheets are provided, and personal protective equipment is made available as needed. Hazardous chemicals at the facility are stored and used in strict accordance with regulations. Safety devices and emergency supplies are equipped on-site, including leak prevention, fire protection, explosion prevention, detection probes, and alarm systems. Risk warning signs, safety awareness cards, and Material Safety Data Sheets (MSDS) are prominently displayed as safety indicators.

3. **Education and Training:** New employees in hazardous positions are required to undergo training on hazardous chemicals upon arrival to enhance their awareness of the risks associated with hazardous substances. For current employees, on-the-job retraining is planned every one to three years at each facility to ensure that all employees understand the hazards of chemicals and can use them correctly and safely.
4. **Chemical Reduction:** For cutting oil operations used in machine processing, a centralized oil collection and filtration system has been installed to directly extract oil mist from the machines. This reduces employees' exposure to oil mist droplets, minimizes environmental pollution, and allows partial reuse of the oil. In 2024, chemical consumption per unit of revenue increased by 9.5% compared with 2023. The main reason was that the phosphoric acid recycling system at AirTAC Ningbo experienced operational abnormalities during 2024. The supplier continued to adjust the filtration membranes, resulting in reduced phosphoric acid recovery and reuse, which in turn led to higher overall consumption.

Occupational Injury Management

When an occupational injury happens to an employee of AirTAC, the incident will be handled according to the accident reporting and investigating system. The supervisor, industrial safety personnel, and nurse must be notified after the accident. If it is a serious occupational injury (resulting in the injury or death of at least 3 people), the competent authorities must be notified in accordance with the relevant regulations. When an occupational injury occurs to a contractor, the industrial safety personnel must investigate the accident alongside the labor representative. An occupational disaster report will be filed by HR in the following month.

Implementation of Safety Management Responsibilities

The signing of a level-3 safety management responsibility certificate

Implementation of Hidden Danger Identification and Mitigation

Implementation of safety checks in the Company, workshops, teams, as well as the identification and mitigation of hidden danger promptly.

Improvement of Equipment Protection Measures

Installing safety devices such as light curtains for hydraulic presses, riveting jigs, and other equipment to reduce the accident rate of similar equipment by more than 80%.

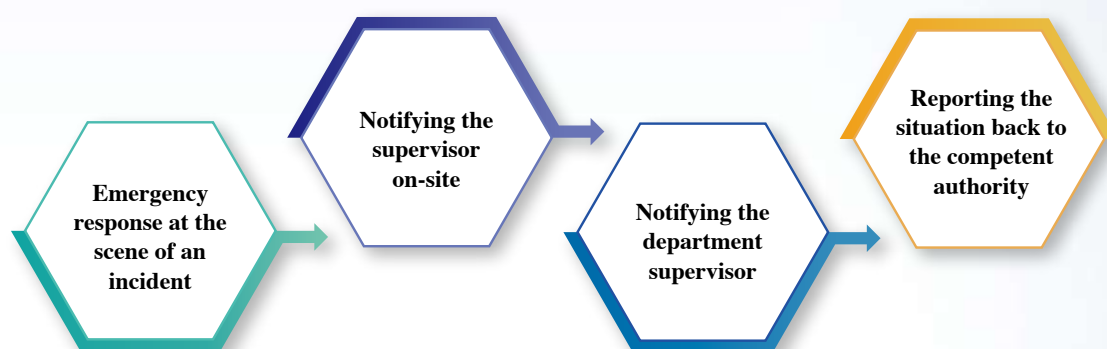
Contractor Safety Management

Contractors are AirTAC's principal working partners, and they have been required to sign a safety agreement to ensure the working safety of their employees since 2008. Contract workers must provide a certificate of labor safety education and training, as well as submit an entry application for approval before they are permitted to work in the plant. In 2024, there were no contractor injuries at the AirTAC plants in Taiwan, Ningbo, and Guangdong.

4.3.2 Emergency Response

AirTAC has established an emergency response reporting procedure and conducts regular emergency response drills. In 2024, AirTAC Taiwan organized self-defense fire brigade training, emergency reporting, fire prevention and rescue, as well as earthquake and fire prevention drills, with a total of 278 participants. AirTAC Ningbo carried out fire evacuation drills, Safety Production Month activities, and training courses on occupational injury prevention and claims, with a total of 11,635 participants. AirTAC Guangdong conducted dust explosion and fire accident drills, dormitory fire response drills, and Safety Production Month themed activities, with a total of 382 participants.

Emergency Response and Reporting Procedure



4.3.3 Protecting the Health of Employees

AirTAC provides annual health examinations and special operation health checks that exceed regulatory requirements.

At AirTAC Taiwan, general health examinations are provided once every two years for employees under the age of 65, and annually for employees aged 65 and above. In 2024, the participation rate in health examinations reached 100% (a total of 537 employees). Employees subject to special operation health checks are managed by risk level; those classified at level 2 or above are arranged for occupational specialist physician consultations to receive professional medical advice, with both the implementation rate and participation rate reaching 100%.

In accordance with the guidelines for preventing diseases caused by abnormal workloads, employees whose risk of cardiovascular or cerebrovascular disease within ten years exceeds 10%, combined with their workload assessment, are arranged to meet with occupational specialist physicians for interviews and guidance. Follow-up medical treatment is arranged when necessary, with the participation rate for such interventions reaching 100%.

In addition, AirTAC offers a variety of health promotion measures, including the regular presence of occupational specialist physicians to provide health promotion, medical consultation, and psychological counseling services. Comprehensive care for employees is also enhanced through a bright and clean staff cafeteria that offers free, healthy, and nutritious meals. Furthermore, AirTAC actively promotes employee self-management of health by continuously advocating healthy eating and organizing weight management and wellness activities.

CH 5

Influence • Local
Empowerment

5.1 Community
Companion-Sunshine Action

5.2 Social Welfare Charity-Blue
Student Aid Project



Social Participation Declaration

AirTAC evaluates the company's impact on the community and employs local workforce from the region where the company operates to enhance community identity. AirTAC engages in activities such as commercial activities, donations, corporate volunteer service, and other public welfare services, channeling resources into organizations that use business models to solve social or environmental issues, participating in activities related to community development and community education by civic organizations, charitable organizations, and government agencies, to promote community development.

AirTAC focuses on two main initiatives: "Sunshine Action" and "Blue Student Aid Project", continuously organizing various charitable care activities and promoting social welfare projects, hoping to give back to the community and society through donations or other charitable means.



5.1 Community Companionship-Sunshine Action



"Sunshine Action" aims at the people's lives in areas where resources are scarce over the long term.

Long-term care for poor families and emergency assistance

Regularly subsidize poor families and provide emergency assistance support for long-term care households, taking care of 696 households in Taiwan in 2024, with a total investment of NT\$8.13 million. (Regions include: New Taipei City, Yilan County, Chiayi County, Tainan City, Pingtung County and Taitung County).



Provide regular financial contributions to support charitable organizations and disadvantaged groups

In 2024, a total of NT\$42.13 million was donated to the Fenghua Jingsheng Nursing Home, Fenghua Jingsheng Elderly Care Homeprivate Hsiangyuan Memorial Nursing Home, St. Teresa Children Center in Hsinchu County, the Maria Theresia Scherer foundation in Dawu Township, Taitung County, Pingtung Intellectual Disability Association, The association of South-Unk Health Care Promotion for Taitung County, Keelung Association for Liver Disease Prevention and Control, the Social Welfare Department of New Taipei City, the Social Affairs Bureau of Yilan County, and the Social Affairs Bureau of Tainan City Government.

Donation to Food Bank

Long-term donation to Hualien County, Taitung County and Chiayi County Food Bank, with a donation of NT\$10 million in 2024 to provide basic daily necessities, special nutrition and milk powder to disadvantaged families.

Donation of long-term care buses

Donated 1 long-term care bus in Chiayi County for transportation for low- and middle-income households and poor families in rural areas of Chiayi County for medical treatment or rehabilitation.

Blood donation activities

561 employees in Taiwan independently initiated blood donation to help people, a total of 686 bags of blood (a total of 170,000 cc of blood donation), the company to thank colleagues for their practical actions, for colleagues to give paid blood donation leave for 1 day, the company purchase the lunch box of Children Are Us Foundation to supplement nutrition for colleagues, so that colleagues donate blood at the same time and support children have Intellectual development disorders with practical actions.

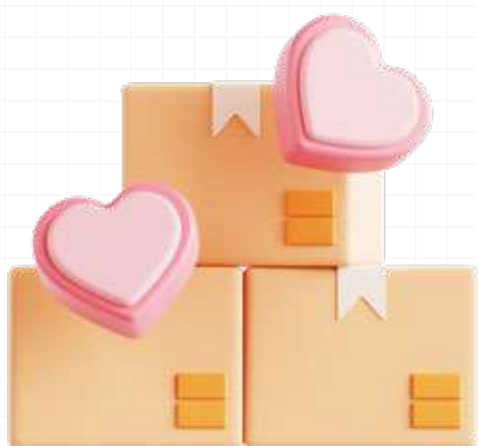
5.2 Community Companionship-Sunshine Action



“The Blue Student Aid Project” aims to help underprivileged students to grow up healthy and complete their studies successfully. The project also promotes various charitable activities in elementary schools, junior high schools and higher education institutions. Scholarship the main projects include: Student Aid Fund, AirTAC Youmei Grants, Campus Teaching equipment and Living Facilities Renovation, etc.

AirTAC Youmei Scholarship

Long-term funding for 8 universities in Taiwan (National Cheng Kung University, Taipei University, Taitung University, Donghua University, Pingtung University, Feng Chia University, Yunlin University of Science and Technology, Southern Taiwan University of Science and Technology) and 1 high school vocational school (Tainan Houbi High School) has set up AirTAC Youmei Scholarship to provide long-term funding for poor students and ensure the school life of disadvantaged students, with a total of NT\$60.62 million in 9 schools in 2024. In addition, it donated NT\$27 million to Gongdong High School and NT\$500,000 to Gan Yuan Elementary School to help improve the teaching environment and purchase new teaching equipment.



In Taiwan, AirTAC collaborated with five universities to promote reading and cultural activities for children in rural areas, donating a total of NTD 12 million in 2024.

In Mainland China, AirTAC sponsored 1,008 underprivileged students, three universities, as well as various scholarship associations and education foundations, with total contributions amounting to NT\$ 135.33 million in 2024.

Appendix

Data performance

Environmental

GHG emissions are reported for the past three years with 2021 as the baseline year.

(Calculations include production plants only, covering over 95% of the Group's total emissions)

Items	AirTAC Taiwan				AirTAC Ningbo				AirTAC Guangdong				AirTAC China				Total			
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Scope1	250	231	743	779	8,460	7,777	15,159	13,641	118	107	200	271	5,407	5,453	3,686	3,501	14,235	13,568	19,788	18,192
Scope2	16,758	15,397	10,924	10,859	91,697	77,612	76,048	76,636	12,895	10,517	8,665	8,773	1,677	1,396	1,371	1,460	123,027	104,922	97,008	97,728
Total	17,008	15,628	11,667	11,638	100,157	85,389	91,207	90,277	13,013	10,624	8,865	9,044	7,084	6,849	5,057	4,961	137,262	118,490	116,796	115,920

Unit: Metric tons of CO₂e

Note 1: Scope 1 (Direct Emissions) –Includes CO₂, CH₄, N₂O, and HFCs, covering four types of greenhouse gases. It does not involve the emission of SF₆, PFC, or NF₃. The emissions are primarily based on the 'GHG Protocol' greenhouse gas accounting system and calculated using the Global Warming Potential (GWP) values from the Sixth Assessment Report by the Intergovernmental Panel on Climate Change (IPCC). In 2023, with the assistance of external consultants, a comprehensive audit was conducted, and greenhouse gas emissions from additional sources such as portable fire extinguishers, septic tanks, rust remover lubricants, and air conditioning systems were included.

Note 2: Scope 2(Indirect Emissions) –Includes purchased electricity and is calculated based on the average grid emission factors for the region where the operating company is located, i.e., Location-based.

Energy consumption for the past three years is presented alongside the baseline year of 2021.

(This includes all manufacturing facilities and major sales companies, covering over 95% of the group's total energy consumption.)

Items	AirTAC Taiwan				AirTAC Ningbo				AirTAC Guangdong				AirTAC China				Total			
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Natural Gas (thousand cubic meters)	32	32	29	40	4,178	3,938	3,445	3,527	50	46	46	49	-	-	-	-	4,260	4,016	3,520	3,616
Liquefied petroleum gas (metric tons)	-	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	2
Gasoline (thousands of liters)	22	27	28	27	16	11	16	24	6	5	4	4	900	866	1,148	1,213	944	909	1,196	1,268
Diesel (thousands of liters)	45	48	44	45	109	136	1,485	1,422	4	4	3	1	1,293	1,341	320	196	1,451	1,529	1,852	1,664
Purchased energy (GWh)	34	30	22	23	134	136	140	148	20	18	18	20	2	2	2	3	190	186	182	194
Purchased energy-Green energy (GWh)	-	-	-	-	6	5	9	8	-	-	-	-	-	-	-	-	6	5	9	8
Purchased energy Total (GWh)	34	30	22	23	140	141	149	156	20	18	18	20	2	2	2	3	196	191	191	202
Spontaneous electricity Green energy (GWh)	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
Natural gas (GJ)	1,073	1,063	971	1,505	154,453	145,587	127,382	130,400	1,845	1,707	1,714	1,795	-	-	-	-	157,371	148,357	130,067	133,700
Liquefied petroleum gas (GJ)	-	-	-	-	-	-	-	90	-	-	-	-	-	-	-	-	-	-	-	90
Gasoline (GJ)	732	886	915	853	489	337	514	759	174	144	139	134	28,337	27,257	36,143	38,187	29,732	28,624	37,711	39,933
Diesel (GJ)	1,569	1,684	1,534	1,645	3,873	4,833	52,931	50,685	156	129	102	50	46,091	47,792	11,423	6,973	51,689	54,438	65,990	59,353
Purchased energy (GJ)	123,468	108,894	79,611	82,472	503,829	509,630	504,932	535,396	72,775	66,387	66,163	71,734	8,848	8,813	8,951	9,993	708,920	693,724	659,657	699,595
Purchased energy -Green energy (GJ)	-	-	-	-	-	-	-	29,339	-	-	-	-	-	-	-	-	-	-	-	29,339
Spontaneous electricity Green energy(GJ)	-	-	-	2,155	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,155
Total (GJ)	126,842	112,527	83,031	88,630	662,644	660,387	685,759	746,669	74,950	68,367	68,118	73,713	83,276	83,862	56,517	55,153	947,712	925,143	893,425	964,165

Note 1: AirTAC Taiwan's heat value is calculated based on the Emission Factor Table 6.0.4 provided on the website of BOE, Taiwan; natural gas: 8,000 (kcal/m³), diesel: 8,400 (kcal/L), gasoline: 7,800 (kcal/L),and electricity: 3,600 (GJ/million kWh).Starting in 2024, the calorific value of imported liquefied natural gas (LNG) has been adjusted to 9,000kcal/m³.The calorific values of gasoline and diesel are based on the figures announced by the Ministry of Environment and provided by domestic fuel suppliers, diesel: 8,642 (kcal/L), gasoline: 7,609 (kcal/L)

Note 2: AirTAC Ningbo , AirTAC Guangdong and AirTAC China's heat value is calculated based on Energy Conservation Supervisory Center, China; natural gas: 8,832kcal/m³, liquefied petroleum gas: 12,000kcal/kg, diesel: 8,517kcal/L, gasoline: 7,519 (kcal/L), and electricity: 3,600 (GJ/million kWh)

Note 3: The value of natural gas is based on meter readings or payment records; the value of purchased electricity is based on the electricity bill statistics.

Note 4: 1 Kilocalorie (Kcal)= 4,186 Joules

Note 5: The purchased green electricity refers to AirTAC Ningbo leasing the rooftop of its plant to an external vendor for the installation of solar panels, then purchasing the solar power from that vendor at a discounted rate.

Energy and Greenhouse gas emissions Intensity

Items	2021	2022	2023	2024
Electricity consumption in China and Taiwan (GJ)	947,712	925,143	893,425	964,165
Greenhouse gas emissions (metric tons of CO ₂ equivalent)	137,262	118,490	116,796	115,920
Sales revenue (millions of New Taiwan Dollars)	25,400	26,073	29,827	30,660
Energy intensity (energy usage / Sales revenue in millions)	37.31	35.48	29.95	31.45
Greenhouse gas emissions intensity (Greenhouse gas emissions / Sales revenue in millions)	5.40	4.54	3.92	3.78

Amount of renewable energy generated in the factory area

Year / Company	AirTAC Taiwan		AirTAC Ningbo	
	Solar panel power generation capacity (MWp)	Electricity Generated (kWh)	Solar panel power generation capacity (MWp)	Electricity Generated (kWh)
2024	2.98	3,869,942	11.88	8,120,493
2023	2.98	3,246,649	11.88	8,982,703
2022	2.516	4,630,896	11.88	5,474,720
2021	1.843	2,532,301	7.9	5,538,556

Note 1: AirTAC Taiwan leases the rooftop of its factory to external companies for solar panel installation and collects rent. AirTAC Ningbo, on the other hand, leases its factory rooftop to external companies for solar panel installation and then purchases green electricity from the company at a discounted rate.

Note 2: At the end of 2022, AirTAC Ningbo added 3.98 MWp of solar panels, resulting in the same power generation capacity for both 2022 and 2023, but with an increase in electricity generation.

LED bulb utilization rate

Year / Company	AirTAC Taiwan	AirTAC Ningbo	AirTAC Guangdong	AirTAC China
2024	100%	100%	100%	100%
2023	99%	99%	100%	100%
2022	99%	98%	100%	100%
2021	95%	95%	100%	100%

The saved transportation mileage after purchasing products of the same nature from the same supplier

AirTAC Ningbo

Year	Mileage saved (km)
2024	149,328
2023	126,518
2022	188,398
2021	226,195

Water Resource consumption for the past three years is presented alongside the baseline year of 2021 (This includes all manufacturing facilities and major sales companies, covering over 95% of the group's total water consumption.)

Items	AirTAC Taiwan				AirTAC Ningbo				AirTAC Guangdong				AirTAC China				Total			
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Total Water Withdrawal (A)	76,033	87,419	62,102	63,020	688,334	741,416	771,745	724,947	62,622	67,763	79,982	71,820	30,925	15,077	18,050	18,678	857,914	911,675	931,879	878,465
Water Recycled (B)	3,071	3,516	4,690	6,256	42,300	44,264	45,312	50,252	4,680	3,240	4,015	4,114	-	-	-	-	50,051	51,020	54,017	60,622
Recycling Rate(B/A)	4.04%	4.02%	7.55%	9.93%	6.15%	5.97%	5.87%	6.93%	7.47%	4.78%	5.02%	5.73%	-	-	-	-	5.83%	5.60%	5.80%	6.90%
Total Water Consumption (A+B)	79,104	90,935	66,792	69,276	730,634	785,680	817,057	775,199	67,302	71,003	83,997	75,934	30,925	15,077	18,050	18,678	907,965	962,695	985,896	939,087
Total Water Discharge (C)	36,229	43,352	29,520	34,628	366,725	376,787	424,772	338,563	15,500	14,459	14,190	14,640	30,925	15,077	18,050	18,678	449,379	449,675	486,532	406,509
Net Water Consumption (D=A-C)	39,804	44,067	32,582	28,392	321,609	364,629	346,973	386,384	47,122	53,304	65,792	57,180	-	-	-	-	408,535	462,000	445,347	471,956

Unit: metric ton

Water Intensity

Items	2021	2022	2023	2024
Water consumption in China and Taiwan (metric tons)	907,965	962,695	985,896	939,087
Sales revenue (millions of Taiwan dollars)	25,400	26,073	29,827	30,660
Water intensity (water consumption/ Sales revenue in millions)	35.75	36.92	33.05	30.63

Frequency of wastewater discharge monitoring (times/year)

Year / Company	AirTAC Taiwan	AirTAC Ningbo
2024	2	12
2023	2	12
2022	3	12
2021	2	12

Note 1: AirTAC Guangdong's operational wastewater is 100% recycled, so there is no need for emission pollution monitoring.

2024 Use of Raw Materials

Company	AirTAC Taiwan		AirTAC Ningbo		AirTAC Guangdong		Total	
Raw material category	Non-renewable raw materials (tons/year)	Renewable raw materials (tons/year)	Non-renewable raw materials (tons/year)	Renewable raw materials (tons/year)	Non-renewable raw materials (tons/year)	Renewable raw materials (tons/year)	Non-renewable raw materials (tons/year)	Renewable raw materials (tons/year)
Raw Materials	429	350	11,979	10,766	3,712	979	16,120	12,095
Percentage	55.07%	44.93%	52.67%	47.33%	79.13%	20.87%	57.13%	42.87%

Unit: metric ton

Waste Treatment Status for the past 3 years is presented alongside the baseline year of 2021 (according to treatment method) (Only the production plants are counted, and more than 95% of the group's waste disposal volume has been covered)

Treatment Method		AirTAC Taiwan				AirTAC Ningbo				AirTAC Guangdong				Total			
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Hazardous Waste	Recycled and Reused	-	-	-	-	4,472	4,393	4,865	5,100	126	115	108	151	4,598	4,508	4,973	5,251
	Other Recovery Operations	-	-	-	-	58	61	62	-	-	-	-	-	58	61	62	-
	Incineration (excluding energy recovery)	-	-	-	-	374	461	619	112	2	4	3	4	376	465	622	116
	Landfilling	-	-	-	-	-	-	-	4	-	-	-	-	-	-	-	4
	Other Disposal Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Subtotal	-	-	-	-	4,904	4,915	5,546	5,216	128	119	111	155	5,032	5,034	5,657	5,371
Non-Hazardous Waste	Recycled and Reused	-	-	-	144	1,361	1,301	1,383	63	-	-	-	66	1,361	1,301	1,383	273
	Other Recovery Operations	614	565	617	306	10,700	10,265	11,330	12,123	2,165	2,014	1,965	1,785	13,479	12,844	13,912	14,214
	Incineration (including energy recovery)	22	42	38	47	261	273	308	642	67	60	59	56	350	375	405	745
	Landfilling	176	156	62	54	-	-	-	-	-	-	-	-	176	156	62	54
	Other Disposal Operations	-	13	20	165	-	-	-	-	-	-	-	-	-	13	20	165
	Subtotal	812	776	737	716	12,322	11,839	13,021	12,828	2,232	2,074	2,024	1,907	15,366	14,689	15,782	15,451
Total		812	776	737	716	17,226	16,754	18,567	18,044	2,360	2,193	2,135	2,062	20,398	19,723	21,439	20,822

Unit: Tons; “-” indicates no such treatment method.

Note: Other waste mainly refers to spent cutting fluid treated through non-hazardous processes.

Waste intensity and recycling/reuse ratio

Items	2021	2022	2023	2024
Waste quantity (tons)	20,398	19,723	21,439	20,822
Hazardous Waste (tons)	5,032	5,034	5,657	5,371
Sales revenue (millions of Taiwan dollars)	25,400	26,073	29,827	30,660
Waste intensity (Waste quantity / Sales revenue in millions)	0.80	0.76	0.72	0.68
Hazardous Waste intensity (Hazardous Waste quantity / Sales revenue in millions)	0.20	0.19	0.19	0.18
Total Waste Recycling and Reuse Rate	95.58%	94.88%	94.83%	94.79%
Hazardous Waste Recycling and Reuse Rate	92.53%	90.76%	89.00%	97.77%

Toxic Air and Wastewater Emissions in 2024

AirTAC Ningbo

	Air			Wastewater				
	Chromic Acid Mist	Benzene	Toluene	Total Chromium	Hexavalent Chromium	Copper	Nickel	Zinc
Actual Monitored Emission Concentration	0.0050	0.0340	1.5200	0.0159	0.0026	0.0380	0.0867	0.1229
Regulatory Emission Standard	0.0500	1.0000	15.0000	0.5000	0.1000	1.5000	0.3000	4.0000

AirTAC Guangdong

	Air	
	Benzene	Toluene
Actual Monitored Emission Concentration	0.0100	0.0850
Regulatory Emission Standard	2.0000	40.0000

Unit: Air - mg/m³; Wastewater - mg/L

Note 1. The table presents the average values of routine monitoring conducted in 2024.

Note 2. The emission concentrations of AirTAC Ningbo and AirTAC Guangdong are in compliance with the regulatory standards of Zhejiang Province and Guangdong Province, respectively.

Note 3. The AirTAC Taiwan does not generate any organized emissions of toxic substances.

Chemical Usage quantity

Year / Company	AirTAC Taiwan	AirTAC Ningbo	AirTAC Guangdong	Total
2024	250	4,746	188	5,184
2023	189	4,216	199	4,604
2022	305	3,830	202	4,337

Unit: Tons

Chemical Intensity

Items	2022	2023	2024
Chemical Usage quantity (tons)	4,337	4,604	5,184
Sales revenue (millions of Taiwan dollars)	26,073	29,827	30,660
Chemical intensity (Chemical Usage quantity / Sales revenue in millions)	0.1663	0.1544	0.1691

Social

Remuneration and Benefits

2024 Supervisor and Non-supervisor Remuneration Proportion (by gender)

Gender	AirTac Taiwan		AirTac Ningbo		AirTac Guangdong		AirTAC China		Total	
	Supervisor	Non-supervisor	Supervisor	Non-supervisor	Supervisor	Non-supervisor	Supervisor	Non-supervisor	Supervisor	Non-supervisor
Male	1	1	1	1	1	1	1	1	1	1
Female	0.99	0.87	0.76	0.93	0.96	0.86	0.6	0.83	0.83	0.91

Note 1: Supervisors are classified as M/T9 level (above) and section manager (above), while other personnel are classified as non-supervisory staff

2024 Ratio of Base Salaries: Supervisor and Non-supervisor (by gender)

Gender	AirTac Taiwan		AirTac Ningbo		AirTac Guangdong		AirTAC China		Total	
	Supervisor	Non-supervisor	Supervisor	Non-supervisor	Supervisor	Non-supervisor	Supervisor	Non-supervisor	Supervisor	Non-supervisor
Male	1	1	1	1	1	1	1	1	1	1
Female	1.06	0.92	0.83	0.92	0.89	0.86	0.66	0.84	0.92	0.93

Note 1: Supervisors are classified as M/T9 level (above) and section manager (above), while other personnel are classified as non-supervisory staff

Median annual salary for the employees at the primary operational locations

Year / Company	AirTAC Taiwan	AirTAC Ningbo	AirTAC Guangdong	AirTAC China
2024	808,383	120,694	118,930	149,871
2023	717,383	116,377	117,945	142,657
2022	741,654	106,595	104,767	131,160

Note: The currency for AirTAC Taiwan is New Taiwan Dollar (NTD), while the currencies for AirTAC Ningbo, AirTAC Guangdong, and AirTAC China are Chinese Yuan (RMB).

Parental Leave Information

Items	Applicant
Number of applicants eligible for parental leave in 2024	278
Number of applicants for parental leave without pay in 2024	278
Number of persons due to be reinstated after parental leave without pay in 2024 (A)	235
Number of persons taking parental leave without pay and were due to be reinstated and did reinstate in 2024(B)	229
Number of persons reinstated after parental leave without pay in 2023(C)	243
Number of persons who reinstated in 2023 and have been in employment for one year in 2024 (D)	205
Retention rate after a parental leave without pay= B/A	97%
Return rate after a parental leave without pay= D/C	84%

Note: In Taiwan, we offer parental leave, while in Mainland China, we provide maternity leave benefits.

Education and Training

Average Number of Hours of Employees' Training (by gender)

Year	Male		Female		Total	
	Total Hours	Average Hours	Total Hours	Average Hours	Total Hours	Average Hours
2024	172,522	26.91	23,964	10.41	196,486	22.55
2023	213,481	32.01	46,987	19.50	260,468	28.69
2022	180,374	18.37	23,044	8.91	203,418	16.40

Note 1: Due to the nature of the electromechanical industry, female employees often hold administrative or assembly line positions that do not involve technical aspects.

As a result, the training hours for female employees are comparatively lower than those for male employees.

Note 2: This table does not include contract or dispatched personnel.

Employee Training Programs in 2024

Course Type	Male		Female		Total	
	Total Training Attendances	Total Hours	Total Training Attendances	Total Hours	Total Training Attendances	Total Hours
Internal Training Courses	65,835	85,835	22,047	14,933	87,882	100,767
External Training Courses	77,934	86,687	2,025	9,031	79,959	95,718
Total	143,769	172,522	24,072	23,964	167,841	196,486

Note: This table does not include contract or dispatched personnel.

2024 Average Number of Hours of Employees' Training (by job)

Job title	Male			Female			Total		
	Number of Employees	Total Hours	Average Hours	Number of Employees	Total Hours	Average Hours	Number of Employees	Total Hours	Average Hours
Supervisor	262	17,149	65.45	24	853	35.54	286	18,002	62.94
Non-supervisor	6,149	155,373	25.27	2,279	23,111	10.14	8,428	178,484	21.18
Total	6,411	172,522	26.91	2,303	23,964	10.41	8,714	196,486	22.55

Note: This table does not include contract or dispatched personnel.

2024 Occupational Safety and Health Training Courses (include contract or dispatched personnel)

Company	Training Course	Number of trainees	Number of training hours
AirTAC Taiwan	Pre-employment safety education for new employees	18	108
	In-service education and training on occupational safety and health	1,660	2,507
	Occupational Safety and Health-related certifications	60	320
AirTAC Ningbo	Pre-employment safety education for new employees	1,375	33,000
	Safety training for on-job transfers	378	6,048
	Safety training for supervisors	324	1,296
	Training for forklift truck operators	32	768
	Training for safety management personnel	13	176
	Annual safety training for in-service employees	4,886	4,886
AirTAC Guangdong	Pre-employment safety education for new employees	74	588
	Training for safety management personnel	20	240
	Chinese New Year Return to Work Safety Training	651	1,302
	Dust Explosion Safety Training	22	22
Total		9,513	51,261

Note: AirTAC China is a sales company and has not held occupational safety and health training courses

Workplace Diversity

Employee hiring rate and turnover rate over the past three years

Items	2022	2023	2024
Hiring rate	2.39%	2.33%	1.70%
Turnover rate	2.34%	1.92%	1.96%

Note 1: Monthly employee hiring rate refers to average monthly number of newly hired employees/ the number of existing employees at the end of December of the current year

Note 2: Monthly employee turnover rate refers to average monthly number of employees who resigned/ the number of existing employees at the end of December of the current year.

New employee Statistics (by gender/age)

Gender and Age	AirTAC Taiwan			AirTAC Ningbo			AirTAC Guangdong			AirTAC China			Total		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Female	38	42	6	331	358	203	19	22	27	47	74	83	435	496	319
Male	100	59	14	1,460	1,522	1,113	37	48	91	422	391	245	2,019	2,020	1,463
Total	138	101	20	1,791	1,880	1,316	56	70	118	469	465	328	2,454	2,516	1,782

Below 30 years old	52	46	6	1,334	1,529	1,147	39	57	93	417	407	285	1,842	2,039	1,531
31-40 years old	71	42	12	439	347	168	17	13	25	52	57	42	579	459	247
41-50 years old	14	10	2	18	4	1	-	-	-	-	1	1	32	15	4
51 years old and above	1	3	-	-	-	-	-	-	-	-	-	-	1	3	-
Total	138	101	20	1,791	1,880	1,316	56	70	118	469	465	328	2,454	2,516	1,782

Note: This table does not include internal personnel transfers within the Group; therefore, historical data for previous years have been adjusted accordingly.

Statistics of Employee Turnover (by gender/age)

Gender and Age	AirTAC Taiwan			AirTAC Ningbo			AirTAC Guangdong			AirTAC China			Total		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Female	50	35	40	355	294	292	32	35	21	42	71	71	479	435	424
Male	128	101	91	1,399	1,179	1,218	73	52	74	321	302	239	1,921	1,634	1,622
Total	178	136	131	1,754	1,473	1,510	105	87	95	363	373	310	2,400	2,069	2,046

Below 30 years old	44	48	21	1,374	1,119	1,218	73	63	70	241	253	229	1,732	1,483	1,538
31-40 years old	116	66	75	362	320	273	31	23	23	105	109	76	614	518	447
41-50 years old	17	20	31	16	25	14	1	1	1	15	9	2	49	55	48
51 years old and above	1	2	4	2	9	5	-	-	1	2	2	3	5	13	13
Total	178	136	131	1,754	1,473	1,510	105	87	95	363	373	310	2,400	2,069	2,046

Note: This table does not include internal personnel transfers within the Group; therefore, historical data for previous years have been adjusted accordingly.

2024 Statistics of Employee Types (by gender/age)

Age	AirTAC Taiwan				AirTAC Ningbo				AirTAC Guangdong				AirTAC China				Total			
	Female	Male	Subtotal	Percentage	Female	Male	Subtotal	Percentage	Female	Male	Subtotal	Percentage	Female	Male	Subtotal	Percentage	Female	Male	Subtotal	Percentage
Below 30 years old	43	79	122	13%	471	2,377	2,848	52%	81	165	246	36%	142	630	772	47%	737	3,251	3,988	46%
31-40 years old	216	333	549	60%	738	1,454	2,192	40%	145	220	365	53%	188	515	703	43%	1,287	2,522	3,809	44%
41-50 years old	62	146	208	23%	113	265	378	7%	25	42	67	10%	56	108	164	10%	256	561	817	9%
51 years old and above	10	19	29	3%	5	47	52	1%	5	3	8	1%	3	8	11	1%	23	77	100	1%
Subtotal	331	577	908		1,327	4,143	5,470		256	430	686		389	1,261	1,650		2,303	6,411	8,714	
Percentage	36%	64%			24%	76%			37%	63%			24%	76%			26%	74%		

Note: The proportion of employees under 30 years old is high due to industry-academia cooperation, campus-enterprise cooperation, and campus recruitment.

2024 Statistics of Governance Unit Members (by gender/age)

Age	Female	Male	Subtotal	Percentage
31-50 years old	1	0	1	10.00%
51-60 years old	1	3	4	40.00%
61 years old and above	0	5	5	50.00%
Subtotal	2	8	10	
Percentage	20.00%	80.00%		

2024 Local Executive Supervisor Proportion (by number of executive supervisor/ full-time employees)

Items	AirTAC Taiwan	AirTAC Ningbo	AirTAC Guangdong	AirTAC China	Total
Number of executive supervisors	21	72	8	82	183
Total number of full-time employees	908	5,470	686	1,650	8,714
Number of executive supervisors that are locals	21	70	5	82	178
As a proportion of senior executives	100%	97%	63%	100%	97%
As a proportion of total full-time employees	2.31%	1.28%	0.73%	4.97%	2.04%

Note 1: AirTAC Ningbo, AirTAC Guangdong and AirTAC China refer to mainland China while AirTAC Taiwan refers to Taiwan

Note 2: Supervisors at AirTAC are defined M/T9 (above)

Percentage of female employees in the past three years

Item	2022	2023	2024
Percentage of female employees	27%	27%	26%

2024 Gender ratio of employees (by company)

Gender	AirTAC Taiwan	Proportion	AirTAC Ningbo	Proportion	AirTAC Guangdong	Proportion	AirTAC China	Proportion	Total	Proportion
Female	331	36%	1,327	24%	256	37%	389	24%	2,303	26%
Male	577	64%	4,143	76%	430	63%	1,261	76%	6,411	74%
Total	908	100%	5,470	100%	686	100%	1,650	100%	8,714	100%

2024 Gender and Job Allocation for Employees of Different Regions

Gender	AirTAC Taiwan				AirTAC Ningbo				AirTAC Guangdong				AirTAC China				Total			
	Supervisor	Non-Supervisor	Total	Percentage	Supervisor	Non-Supervisor	Total	Percentage	Supervisor	Non-Supervisor	Total	Percentage	Supervisor	Non-Supervisor	Total	Percentage	Supervisor	Non-Supervisor	Total	Percentage
Female	8	323	331	36%	6	1,321	1,327	24%	4	252	256	37%	10	379	389	24%	28	2,275	2,303	26%
Male	25	552	577	64%	142	4,001	4,143	76%	20	410	430	63%	76	1,185	1,261	76%	263	6,148	6,411	74%
Total	33	875	908	100%	148	5,322	5,470	100%	24	662	686	100%	86	1,564	1,650	100%	291	8,423	8,714	100%
Percentage	4%	96%	-	-	3%	97%	-	-	3%	97%	-	-	5%	95%	-	-	3%	97%	-	-

Hiring of Employees with Disabilities in the Past Three Years

Items	AirTAC Taiwan	Percentage	AirTAC Ningbo	Percentage	AirTAC Guangdong	Percentage
2024	7	0.77%	9	0.16%	13	1.90%
2023	9	0.90%	9	0.15%	13	1.96%
2022	12	1.15%	10	0.19%	13	1.91%

Work-related Injury

Injury Frequency Rate (FR) and the Disabling Injury Severity Rate (SR) over the past three years

Items	2022	2023	2024
Number of Occupational Injury-Related Fatalities	0	0	0
Rate of Occupational Injury-Related Fatalities %	0	0	0
Number of Severe Occupational Injuries	0	1	0
Rate of Severe Occupational Injuries %	0	0.05	0
Number of Recordable Occupational Injuries	82	56	53
Rate of recordable work-related injuries %	4.01	2.68	2.4
The number of occupational diseases	0	0	0
Total Actual Working Hours	20,439,065	20,927,491	22,043,378

Note 1: Work-related Injury data calculation is based on the monthly occupational accidents reported monthly in each plant.

Note 2: A high-consequence work-related injury is defined as a work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months. The rate of high-consequence work-related injuries (excluding fatalities) is calculated as follows: Number of high-consequence work-related injuries excluding fatalities * 1,000,000 / Number of hours worked.

Note 3: The main types of occupational injuries include mechanical cuts and lacerations, crushing injuries from objects, slips, and falls.

Governance

Participation in International Initiatives and Associations

Name of the Association Involvement	Participation Status
China Hydraulics Pneumatics & Seals Association	Executive Director
China Hydraulics Pneumatics & Seals Association Pneumatic Branch	Vice President
Ningbo Hydraulics Pneumatics & Seals Association	Member
Ningbo Intelligent Manufacturing Association	Vice President
Ningbo High-tech Promotion Association	Vice President
Fenghua High-tech Enterprise Association	Vice President
Ningbo Foreign Investment Association	Director
Ningbo Entry-Exit Inspection and Quarantine Association	Member
Ningbo Taiwan Invested Enterprises Association	Member
Taiwan Fluid Power Association (TFPA)	Director
Taiwan Electronic Equipment Industry Association	Member Representative
China Association For Medical Devices Industry	Member
CHINA SEWING MACHINERY ASSOCIATION	Member
Shanghai integrated circuit Industry Association	Member
China Electronic Components Association-Micromotor and Components Branch	Member
China Electronic Production Equipment Industry Association	Member
Battery equipment Branch of China Industrial Association of Power Sources	Member
Automobile Manufacturing Branch of China SAE	Member
China Machine Tool & Tool Builders' Association (CMTBA)	Member
Spinning Machinery Branch of China Textile Machinery Association	Member
GUANDONG BATTERY INDUSTRY ASSOCIATION	Member
China Optics and Optoelectronics Manufactures Association LCB (CODA)	Member
Yuhuan City Pharmaceutical and Medical Packaging Industry Association	Member
Zhejiang Robot Association(ZJRA)	Member
China ZheJiang Semiconductor Industry Association	Member
Yuhuan City Machine Tool Industry Association	Member

Government subsidies

Item	Amount
Tax deductions and tax credits	97.29
Investment subsidies, R&D subsidies and other type of related subsidies	256.68

Unit:NT\$ million

Signing and Screening New Suppliers

Items	2024 new suppliers or newly signed contracts	New suppliers selected by environmental standards	
		Total	Proportion
AirTAC Taiwan	5	5	100%
AirTAC Ningbo	33	6	18%
AirTAC Guangdong	8	1	13%

Global Reporting Initiative Index

Statement of use	AirTAC INTERNATIONAL GROUP has reported in accordance with the GRI Standards for the period 2024/01/01 to 2024/12/31
GRI 1 used	Foundation 2021
Applicable GRI Sector Standard(s)	-

GRI Standards No.	Disclosure	Corresponding Chapters	Pages	Notes
GRI 2: General Disclosure 2021				
Organizational Profile				
The organization and its reporting practices				
2-1	Organizational Details	2.1 About AirTAC	22	
2-2	Entities included in the organization's sustainability reporting	ABOUT THE REPORT	2	
		Report scope boundary	3	
2-3	Reporting period, frequency and contact point	ABOUT THE REPORT	2	
2-4	Restatements of information	ABOUT THE REPORT	2	The restated information has been explained in detail within the report.
2-5	External assurance	ABOUT THE REPORT	2,98-100	Externally Assured
Activities and workers				
2-6	Activities, value chain and other business relationships	2.1 About AirTAC	22	
		2.7 Supplier Sustainability Management	54	
2-7	Employees	2.1 About AirTAC	22	
		4.2 Employee Fostering Appendix	70 87-91	
2-8	Workers who are not employees	Contractor Safety Management	77	
Governance				
2-9	Governance structure and composition	2.1.1 Company Organization	24	Please refer to AirTAC's 2024 Annual Report
		2.2 Corporate Governance	29	
2-10	Nomination and selection of the highest governance body	2.2 Corporate Governance	29	Please refer to the official website of AirTAC
2-11	Chair of the highest governance body	2.2 Corporate Governance	29	Please refer to AirTAC's 2024 Annual Report
2-12	Role of the highest governance body in overseeing the management of impacts	2.2 Corporate Governance	29	
2-13	Delegation of responsibility for managing impacts	2.2 Corporate Governance	29	
		2.3.1 Risk Management Mechanism	35	
2-14	Role of the highest governance body in sustainability reporting	ABOUT THE REPORT	2	This report has been reviewed and approved by the highest executives of each department and the Chairman of the company
2-15	Conflicts of interest	2.2.1 Operation of the Board of Directors	30	
2-16	Communication of critical concerns	1.1 Stakeholder Communication	12	
		1.2 Sustainability Issue Identification	15	
2-17	Collective knowledge of the highest governance body	2.2.1 Operation of the Board of Directors	29	
2-18	Evaluation of the performance of the highest governance body	2.2.1 Operation of the Board of Directors	29	
2-19	Remuneration policies	4.1.2 Remuneration System	68	
		4.2.5 ESG Performance and Compensation Linkage	73	
2-20	Process to determine remuneration	2.2.1 Operation of the Board of Directors	30	
		4.1.2 Remuneration System	68	
		4.2.5 ESG Performance and Compensation Linkage	73	
2-21	Annual total compensation ratio	Appendix	87	

GRI Standards No.	Disclosure	Corresponding Chapters	Pages	Notes
Strategy, policies and practices				
2-22	Statement on sustainable development strategy	Message from the Chairman	4	
2-23	Policy commitments	1.1 Stakeholder Communication 2.2.2 Integrity in Business Operations and Anti-Bribery and Corruption Policy 2.3 Risk Management	12 31 35	Please refer to AirTAC's 2024 Annual Report
2-24	Embedding policy commitments	Message from the Chairman 1.3 Management Policy	4 17	
2-25	Processes to remediate negative impacts	1.1 Stakeholder Communication 2.3.1 Risk Management Mechanism 2.3.2 Climate Change Risk and Governance	12 35 37	
2-26	Mechanisms for seeking advice and raising concerns	2.2.2 Integrity in Business Operations and AntiBribery and Corruption Policy 2.4.1 Customer Communication 4.1.5 Labor Relations	31 44 69	
2-27	Compliance with laws and regulations	2.2.2 Integrity in Business Operations and AntiBribery and Corruption Policy 2.4.2 Product Quality and Safety 3.3.2 Wastewater Management 4.1.4 Human Rights Protection 4.3.1 Occupational Safety and Health	31 45 61 68 74	
2-28	Membership associations	2.1 About AirTAC Appendix	24 92	
Stakeholder engagement				
2-29	Approach to stakeholder engagement	1.1 Stakeholder Communication	12	
2-30	Collective bargaining agreements			AirTAC has not signed a collective bargaining agreement, but communicates extensively with employees through labormanagement meetings
GRI 3: Material Topic Disclosure 2021				
3-1	Process to determine material topics	1.2 Sustainability Issue Identification	15	
3-2	List of material topics	1.3 Management Policy	17	
3-3	Material Topics Management	1.3 Management Policy	17	
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	1.3 Management Policy	17	
103-2	The management approach and its components	1.3 Management Policy	17	
103-3	Evaluation of the management approach	1.3 Management Policy	17	
GRI 201 : Economic Performance 2016				
201-1	Direct economic value generated and distributed	2.1 About AirTAC	26	
201-2	Financial implications and other risks and opportunities due to climate change	2.3.2 Climate Change Risk and Governance	37	
201-3	Defined benefit plan obligations and other retirement plans	4.1 Employee Welfare	68	
201-4	Financial assistance received from government	Appendix	92	
GRI 202 : Market Presence				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	4.1.2 Remuneration System	68	
202-2	Proportion of senior management hired from the local community	Appendix	90	
GRI 203 : Indirect Economic Impacts				
203-1	Infrastructure investments and services supported	5.1 Community Companionship-Sunshine Action 5.2 Supporting Social Welfare-Student Aid Project	80 81	
203-2	Significant indirect economic impacts	5.1 Community Companionship-Sunshine Action 5.2 Supporting Social Welfare-Student Aid Project	80 81	
GRI 204 : Procurement Practices				
204-1	Proportion of spending on local suppliers	2.7 Supplier Sustainability Management	55	
GRI 205 : Anti-corruption 2016				
205-1	Operations assessed for risks related to corruption	2.2.2 Integrity in Business Operations and AntiBribery and Corruption Policy	31	

GRI Standards No.	Disclosure	Corresponding Chapters	Pages	Notes
205-2	Communication and training about anticorruption policies and procedures	2.2.2 Integrity in Business Operations and AntiBribery and Corruption Policy	31	
205-3	Confirmed incidents of corruption and actions taken			No such case in 2024
GRI 206 : Anti-competitive Behavior 2016				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices			No such case in 2024
GRI 207 : Tax 2019				
207-1	Approach to tax	2.1.2 Operational Performance	27	
207-2	Tax governance, control, and risk management	2.1.2 Operational Performance	27	
GRI 301: Materials 2016				
301-1	Total weight or volume of materials	3.6 Raw Materials Management	64,85	
301-2	Recycled input materials used	3.6 Raw Materials Management	64,85	
GRI 302 : Energy 2016				
302-1	Energy consumption within the organization	3.2 Energy and Greenhouse gas Management and Appendix	58,82	
302-3	Energy intensity	Appendix	83	
302-4	Reduction of energy consumption	3.2 Energy and Greenhouse gas Management	58	
302-5	Reductions in energy requirements of products and services	2.6.1 Clean technology innovation	51	
GRI 303 : Water 2018				
303-1	Interactions with water as a shared resource	3.3 Water Resources and Wastewater Management and Appendix	60-61,84	
303-2	Management of water discharge-related impacts	3.3 Water Resources and Wastewater Management and Appendix	60-61,84	
303-3	Water withdrawal	3.3 Water Resources and Wastewater Management and Appendix	60-61,84	
303-4	Water discharge	3.3 Water Resources and Wastewater Management and Appendix	60-61,84	
303-5	Water consumption	3.3 Water Resources and Wastewater Management and Appendix	60-61,84	
GRI 305 : Emissions 2016				
3-3	Management Approach	1.3 Management Policy	17	
305-1	Direct (Scope 1) GHG emissions	3.2 Energy and Greenhouse gas Management and Appendix	58,82	
305-2	Energy indirect (Scope 2) GHG emissions	3.2 Energy and Greenhouse gas Management and Appendix	58,82	
305-4	GHG emissions intensity	3.2 Energy and Greenhouse gas Management and Appendix	58,82	
305-5	Reduction of GHG emissions	3.2 Energy and Greenhouse gas Management and Appendix	58,82	
GRI 306 : Effluents and Waste 2020				
3-3	Management Approach	1.3 Management Policy	17	
306-1	Waste generation and significant waste-related impacts	3.5 Waste Management	63	
306-2	Management of significant waste-related impacts	3.5 Waste Management	63	
306-3	Waste generated	3.5 Waste Management and Appendix	63,85	
306-4	Waste diverted from disposal	Appendix	85	
306-5	Waste directed to disposal	Appendix	85	
GRI 307: Environmental Compliance 2016				
3-3	Management Approach	1.3 Management Policy	17	
307-1	Non-compliance with environmental laws and regulations			No such case in 2024
GRI 308 : Supplier Environmental Assessment 2016				
3-3	Management Approach	1.3 Management Policy	17	
308-1	New suppliers that were screened using environmental criteria	2.7 Supplier Sustainability Management	54	
GRI 401 : Employment 2016				
401-1	New employee hires and employee turnover	Appendix	89	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.1 Employee Welfare	67	
401-3	Parental leave	4.1 Employee Welfare and Appendix	67,87	

GRI Standards No.	Disclosure	Corresponding Chapters	Pages	Notes
GRI 402: Labor/Management Relations				
402-1	Minimum notice periods regarding operational changes	4.1 Employee Welfare and Appendix	66	The company holds irregular investor conferences to inform investors, employees, and the general public about its operational status. If the employment relationship with some employees needs to be terminated due to major operational changes, the Company will notify employees in advance abide by the law.
GRI 403 : Occupational Health and Safety 2018				
3-3	Management Approach	1.3 Management Policy	17	
403-1	Occupational health and safety management system	4.3 Safe Workplace	74	
403-2	Hazard identification, risk assessment, and incident investigation	4.3 Safe Workplace	74	
403-3	Occupational health services	4.3 Safe Workplace	74	
403-4	Worker participation, consultation, and communication on occupational health and safety	4.3 Safe Workplace	74,75	
403-5	Worker training on occupational health and safety	4.3 Safe Workplace and Appendix	74,88	
403-6	Promotion of worker health	4.3 Safe Workplace	74,77	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3 Safe Workplace	74	
403-9	Work-related injuries	4.3 Safe Workplace and Appendix	74,91	
403-10	Work-related ill health	4.3 Safe Workplace and Appendix	74,91	
GRI 404 : Training and Education 2016				
404-1	Average hours of training per year per employee	4.2 Employee Training and Appendix	70,88	
404-2	Programs for upgrading employee skills and transition assistance programs	4.2 Employee Training	70	
404-3	Percentage of employees receiving regular performance and career development reviews	4.2 Employee Training	70	
GRI 405 : Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	Appendix	90	
405-2	Ratio of basic salary and remuneration of women to men	Appendix	87	
GRI 406 : Non-discrimination				
406-1	Incidents of discrimination and corrective actions taken	4.1.4 Human Rights Protection	68	
GRI 414 : Supplier Social Assessment 2016				
3-3	Management Approach	1.3 Management Policy	17	
414-1	New suppliers that were screened using social criteria	2.7 Supplier Sustainability Management	54	
GRI 416 : Customer Health and Safety				
3-3	Management Approach	1.3 Management Policy	17	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services			No such case in 2024
GRI 417: Marketing And Labeling 2016				
3-3	Management Approach	1.3 Management Policy	17	
417-2	Incidents of non-compliance concerning product and service information and labeling			No such case in 2024
417-3	Incidents of non-compliance concerning marketing communications			No such case in 2024
GRI 418 : Customer Privacy 2016				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data			No such case in 2024
GRI 419: Socioeconomic Compliance 2016				
3-3	Management Approach	1.3 Management Policy	17	
419-1	Non-compliance with laws and regulations in the social and economic area			No such case in 2024

Sustainability Accounting Standards Board, SASB reference table

Expose the subject	Indicator code	Nature	Expose indicators	Pages	Remarks
Energy management	RT-IG-130a.1	Quantitative	Total energy consumption	82	Total energy consumption: 964,165 GJ
Employee health and safety	RT-IG-320a.1	Quantitative	(1) Total Recordable Incident Rate (TRIR), (2) Fatality Rate, and (3) Non-Motorized Fire Risk (NMFR)	91	Total Recordable Incident Rate (TRIR): 2.4 Fatality Rate: 0
Fuel efficiency and emissions during the usage phase	RT-IG-410a.1	Quantitative	Sales-weighted fleet fuel efficiency for medium and heavy-duty vehicles	Not Applicable	Non-fuel-powered fixed/mobile generating equipment
	RT-IG-410a.2	Quantitative	Weighted fuel efficiency of nonroad equipment sales		
	RT-IG-410a.3	Quantitative	Weighted fuel efficiency of fixed generators for sale		
	RT-IG 410a.4	Quantitative	(1) Sales-weighted emissions of nitrogen oxides (NOx) and (2) particulate matter (PM): (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium and heavy-duty engines, and (d) other non-road diesel engines.		
Material procurement	RT-IG-440a.1	Qualitative	Description of risk management related to the use of key materials		100% compliant with RoHS requirements; conflict minerals are prohibited
Reproduction of design and service	RT-IG-440b.1	Quantitative	Revenue from remanufactured products and remanufacturing services	Not Applicable	The products sold are not recycled or remanufactured

Disclosure items of the “Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies”

Item	Content of Regulations	Corresponding Chapters	Pages
Article 3	The Company shall disclose risk assessments of environmental, social and corporate governance while formulating related performance indicators to manage the identified material topics	1.3 Management Policy	17
		2.3 Risk Management	35

Summary of Subject Matter Assured

No.	Assurance Item	Assurance Subject						Applicable Standards	Pages
1	2024 Total Energy Consumption of AirTAC Taiwan, AirTAC Ningbo, AirTAC Guangdong, and AirTAC China		AirTAC Taiwan	AirTAC Ningbo	AirTAC Guangdong	AirTAC China	Total	Energy consumption values for AirTAC Taiwan, AirTAC Ningbo, AirTAC Guangdong, and AirTAC China were converted based on calorific values. For AirTAC Taiwan, the conversion followed the calorific values announced by the Bureau of Energy / Ministry of Environment, Taiwan; while for AirTAC Ningbo, AirTAC Guangdong, and AirTAC China, the conversion followed the General Principles for Calculation of Comprehensive Energy Consumption (GB/T 2589-2020) of Mainland China.	82
		Natural Gas (thousand cubic meters)	40	3,527	49	-	3,616		
		Liquefied petroleum gas (metric tons)	-	2	-	-	2		
		Gasoline (thousands of liters)	27	24	4	1,213	1,268		
		Diesel (thousands of liters)	45	1,422	1	196	1,664		
		Purchased energy (GWh)	23	148	20	3	194		
		Purchased energy-Green (GWh)	-	8	-	-	8		
		Purchased energy Total (GWh)	23	156	20	3	202		
		Spontaneous electricity-Green energy (GWh)	1	-	-	-	1		
		Natural gas (GJ)	1,505	130,400	1,795	-	133,700		
		Liquefied petroleum gas (GJ)	-	90	-	-	90		
		Gasoline (GJ)	853	759	134	38,187	39,933		
		Diesel (GJ)	1,645	50,685	50	6,973	59,353		
		Purchased energy (GJ)	82,472	535,396	71,734	9,993	699,595		
		Purchased energy Green (GJ)	-	29,339	-	-	29,339		
		Spontaneous electricity-Green energy (GJ)	2,155	-	-	-	2,155		
		Total (GJ)	88,630	746,669	73,713	55,153	964,165		
2	2024 Total Water Use of AirTAC Taiwan, AirTAC Ningbo, AirTAC Guangdong, and AirTAC China (including withdrawal and recycled water)		AirTAC Taiwan	AirTAC Ningbo	AirTAC Guangdong	AirTAC China	Total	Total water consumption of AirTAC Taiwan, AirTAC Ningbo, AirTAC Guangdong, and AirTAC China (including total water withdrawal and recycled water): Total water withdrawal refers to tap water usage; recycled water refers to rainwater harvesting and process reuse water.	84
		Total Water Withdrawal: metric ton	63,020	724,947	71,820	18,678	878,465		
		Total Water Recycled: metric ton	6,256	50,252	4,114	-	60,622		
		Total Water Consumption: metric ton	69,276	775,199	75,934	18,678	939,087		

No.	Assurance Item	Assurance Subject										Applicable Standards	Pages		
3	2024 Total Waste of AirTAC Taiwan, AirTAC Ningbo, and AirTAC Guangdong	Unit: metric ton		AirTAC Taiwan		AirTAC Ningbo		AirTAC Guangdong		Total		Total waste of AirTAC Taiwan, AirTAC Ningbo, and AirTAC Guangdong is classified by treatment method into: recycled and reused, other recovery operations, incineration (with energy recovery), incineration (without energy recovery), landfill, and other disposal operations.	85		
		Hazardous Waste													
		Recycled and Reused		-	5,100		151		5,251						
		Incineration (excluding energy recovery)		-	112		4		116						
		Landfilling		-	4		-		4						
		Other Disposal Operations		-	-		-		-						
		Subtotal		-	5,216		155		5,371						
		Non-Hazardous Waste													
		Recycled and Reused		144	63		66		273						
		Other Recovery Operations		306	12,123		1,785		14,214						
		Incineration (including energy recovery)		47	642		56		745						
		Landfilling		54	-		-		54						
		Other Disposal Operations		165	-		-		165						
		Subtotal		716	12,828		1,907		15,451						
		Total		716	18,044		2,062		20,822						
4	2024 Supervisor-to-Non-Supervisor Compensation Ratio (AirTAC Taiwan, AirTAC Ningbo, AirTAC Guangdong and AirTAC China)											The supervisor-to-non-supervisor compensation ratio for AirTAC Taiwan, AirTAC Ningbo, AirTAC Guangdong, and AirTAC China is based on the company-defined employee levels for supervisors and non-supervisors. Using the headcount as of December 31, 2024, salaries for the full year are calculated by gender to determine the female-to-male compensation ratio for both supervisors and non-supervisors.	87		
		Gender		AirTAC Taiwan		AirTAC Ningbo		AirTAC Guangdong		AirTAC China				Total	
				Supervisor	Non-Supervisor	Supervisor	Non-Supervisor	Supervisor	Non-Supervisor	Supervisor	Non-Supervisor			Supervisor	Non-Supervisor
		Female		0.99	0.87	0.76	0.93	0.96	0.86	0.6	0.83			0.83	0.91
		Male		1	1	1	1	1	1	1	1			1	1
		Note 1: The compensation ratio is calculated with male employees' salaries as the baseline (set to 1).													
		Note 2: Supervisors are classified as M/T9 level (above) and section manager (above), while other personnel are classified as non-supervisory staff													

INDEPENDENT THIRD-PARTY VERIFICATION STATEMENT



Independent Limited Assurance Report

To AirTAC International Group

We have been engaged by AirTAC International Group ("Group") to perform assurance procedures in respect of the key performance indicators identified by the Group and reported in the 2024 Sustainability Report (hereinafter referred to as the "Identified Key Performance Indicators") and have issued a limited assurance report based on the result of our work performed.

Subject Matter Information and Applicable Criteria

The subject matter information is the Identified Key Performance Indicators of the Group. The Identified Key Performance Indicators and the respective applicable criteria are stated in the "Summary of Subject Matter Assured" of the Sustainability Report. The scope of the Identified Key Performance Indicators is set out in the "Report Scope Boundary" of the Sustainability Report.

The respective applicable criteria referred to above are the latest edition of the GRI Sustainability Reporting Standards (GRI Standards) published by the Global Reporting Initiative (GRI) and the other criteria referred to or designed by the Group based on the Group's industry characteristics and sustainability performance information reported.

Management's Responsibility

The Management of the Group is responsible for the preparation of the Identified Key Performance Indicators disclosed in the Sustainability Report in accordance with the Applicable Criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Identified Key Performance Indicators that are free from material misstatement, whether due to fraud or error.

Inherent Limitation

Certain subject matter information assured involves non-financial data which is subject to more inherent limitations than financial information. Qualitative interpretations of the relevance, materiality and the accuracy of data are more dependent on individual assumptions and judgments.

Compliance of Independence and Quality Management Requirement

We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the Standard on Quality Management 1, "Quality Management for Public Accounting Firms" of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Key Performance Indicators based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information ('ISAE 3000'), issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Identified Key Performance Indicators are free from material misstatement.

Under the requirements of the aforementioned standards, our limited assurance engagement involves assessing the suitability in the circumstances of the Group's use of the criteria as the basis for the

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preparation of the Identified Key Performance Indicators, assessing the risks of material misstatement of the Identified Key Performance Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Key Performance Indicators. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, and analytical procedures, evaluating the appropriateness of quantification methods, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Made inquiries of the persons responsible for the Identified Key Performance Indicators to obtain an understanding of the processes, and the relevant internal controls relating to the preparation of the aforementioned information, to identify the areas where there may be risks of material misstatement; and
- Based on the above understanding and the areas identified, performed analytical procedures on the Identified Key Performance Indicators and performed substantive testing on a selective basis, including inquiries, observation, and inspection to obtain evidence for limited assurance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Group's Identified Key Performance Indicators have been prepared, in all material respects, in accordance with the respective applicable criteria.

We also do not provide any assurance on the Sustainability Report as a whole or on the design or operating effectiveness of the relevant internal controls. Furthermore, our assurance does not extend to information disclosed in the Sustainability Report for the period ended December 31, 2023 or prior periods.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Key Performance Indicators in the Sustainability Report are not prepared, in all material respects, in accordance with the Applicable Criteria.

Other Matter

The Management of the Group is responsible for maintaining the Group's website. We have no responsibility to re-perform any procedures regarding the Identified Key Performance Indicators after the date of our assurance report, even if the Identified Key Performance Indicators or the Applicable Criteria have been subsequently modified.

Tien, Chung-Yu
Independent Accountants
PricewaterhouseCoopers, Taiwan
Republic of China
August 15, 2025

For the convenience of readers for information purpose only, this document has been translated into English from the original Chinese version. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language version shall prevail.



**Independent Limited Assurance Report
on AirTAC International Group's Greenhouse Gas (GHG) statement**

To AirTAC International Group

We have undertaken a limited assurance engagement of the accompanying GHG statement of AirTAC International Group ("Group") for the year ended December 31, 2024, comprising the Emissions Inventory and the Explanatory Notes. This engagement was conducted by a multidisciplinary team including assurance practitioners and environmental scientists.

Management's responsibility for the GHG statement

The Management of the Group is responsible for the preparation of the GHG statement in accordance with the Greenhouse Gas Protocol and the Climate-Related Information of TWSE/TPEX Listed Company under the Regulations Governing Information to be Published in Annual Reports of Public Companies ("Climate Information of TWSE/TPEX Listed Company"), applied as explained in Note 1(1) to the GHG statement. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of a GHG statement that is free from material misstatement, whether due to fraud or error. As discussed in Note 3(1) to the GHG statement, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Compliance of Independence and Quality Management Requirement

We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the Standard on Quality Management 1, "Quality Management for Public Accounting Firms" of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the GHG statement based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ("ISAE 3410"), issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the GHG statement is free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3410 and the Directions for the Implementation of Assurance Institutions for the Sustainability Report of TWSE/TPEX Listed Companies involves assessing the suitability in the circumstances of the Group's use of the Greenhouse Gas Protocol and the Climate Information of TWSE/TPEX Listed Company as the basis for the preparation of the GHG statement, assessing the risks of material misstatement of the GHG statement whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the GHG statement. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

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Given the circumstances of the engagement, in performing the procedures listed above we:

- Made inquiries to obtain an understanding of the Group's control environment and information systems relevant to the quantification and reporting of greenhouse gas emissions, but we did not evaluate the design of the specific control procedures or obtain evidence of the implementation of the control procedures, nor did we test the operating effectiveness.
- Evaluated whether the Group's methods for developing estimates are appropriate and had been consistently applied and reconciled the emission data. However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Group's estimates.
- Performed on-site visits to three locations to evaluate the completeness of the emission sources, data collection methods, emission source data, and relevant assumptions applicable to the locations. The locations selected for on-site visits were chosen taking into consideration their contribution to total greenhouse gas emissions, the nature of emission sources, and the locations selected in the prior period. The procedures performed did not include testing the information systems, or the controls, applied to collect and aggregate facility data at the locations.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Group's GHG statement has been prepared, in all material respects, in accordance with the Greenhouse Gas Protocol and the Climate Information of TWSE/TPEX Listed Company.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Group's GHG statement for the year ended December 31, 2024, is not prepared, in all material respects, in accordance with the Greenhouse Gas Protocol and the Climate Information of TWSE/TPEX Listed Company.

Other Matter

The Management of the Group is responsible for maintaining the Group's website. We have no responsibility to re-perform any procedures regarding the Group's GHG statement after the date of our assurance report, even if the Group's GHG statement has been subsequently modified.

Tien, Chung-Yu
Independent Accountants
PricewaterhouseCoopers, Taiwan
Republic of China
August 15, 2025

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