

2025

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, 2025 to December 31, 2025. 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 95% of the consolidated revenue in 2025 and 100% of the annual production output.

The disclosure scope can be found on this report under “Reporting Scope and Boundary”.

The reporting period of the information provided	January 1, 2025, to December 31, 2025
Date of the previous Report	August, 2025
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, 2026
Release date for the next version	Next version estimated to be released in August, 2027

Compilation basis This report is prepared in accordance with the latest GRI Standards issued by the Global Reporting Initiative (GRI) and industry indicators from the Sustainability Accounting Standards Board (SASB) as disclosure principles, and with reference to the "Regulations Governing the Preparation and Filing of Sustainability Reports by Listed Companies" and the "Code of Conduct for Sustainable Development of Listed Companies" of the Taiwan Stock Exchange. Our company continues to monitor the development of international sustainability disclosure standards and, with reference to the climate-related information disclosure framework of listed companies and International Financial Reporting Standard S2 (IFRS S2) "Climate-Related Disclosures", strengthens the disclosure of climate-related information.

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 board of directors 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:

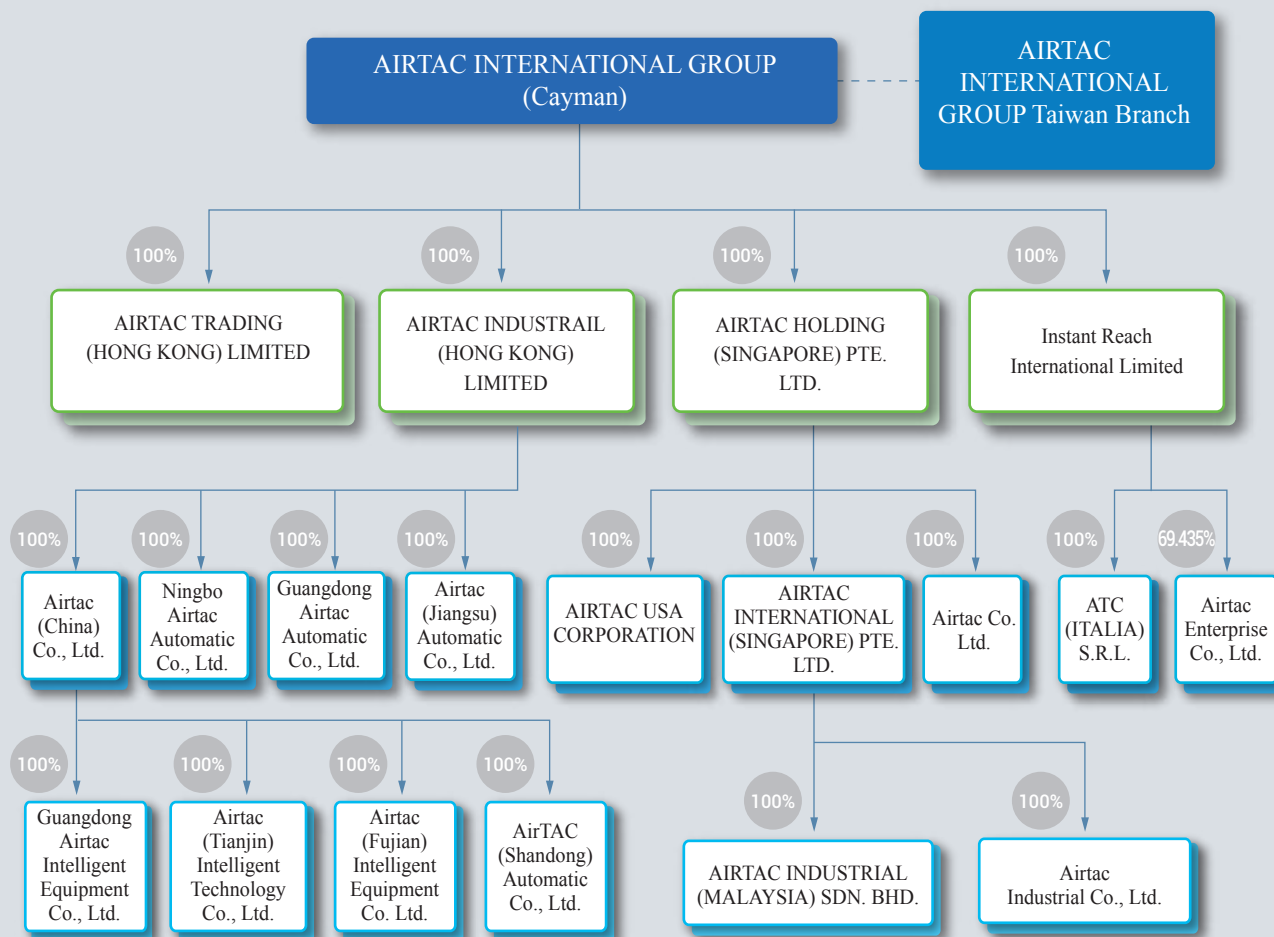
- The financial data were verified by Deloitte & Touche.
- Greenhouse gas emissions were assured by PricewaterhouseCoopers Taiwan in accordance with ISAE 3410 issued by the International Auditing and Assurance Standards Board (IAASB) and the “Guidelines on the Management of Assurance Providers for Sustainability 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.
- The specific key performance information for fiscal year 2025 disclosed in this report was obtained through limited assurance work performed by PricewaterhouseCoopers in accordance with ISAE 3000, "Assurance Cases of Non-Historical Financial Information Audits or Reviews," and a limited assurance report was issued.

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Report scope boundary

The primary disclosure scope of this report covers companies included in the consolidated financial statements. Sustainability information is disclosed in accordance with its nature, management scope, and information availability, with environmental and governance-related indicators generally covering the entire Group. Some social indicators will be disclosed based on the scope of management and information availability; the relevant disclosure boundaries will be explained separately in each chapter or appendix. 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 1.78% and 13% of the Group's operating revenue and output value in 2025.
AIRTAC INTERNATIONAL GROUP Taiwan Branch	
Ningbo AirTAC Automatic Co., Ltd.	Consolidated and referred to as AirTAC Ningbo in the report, accounting for approximately 74% of the Group's output value in 2025.
Guangdong AirTAC Automatic Co., Ltd.	Consolidated and referred to as AirTAC Guangdong in the report, accounting for approximately 13% of the Group's output value in 2025.
AirTAC (China) Co., Ltd.	Consolidated and referred to as AirTAC China in the report, accounting for approximately 94.36% of the Group's operating revenue in 2025.
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.	

Note: AIRTAC USA CORPORATION, Airtac Corporation, ATC (ITALIA) S.R.L., Airtac Industrial (Malaysia) Sdn. Bhd., and Airtac Industrial Co., Ltd. are collectively referred to as overseas companies, accounting for approximately 3.86% of the Group's operating revenue in 2025.



CHAIRMAN

Wang, Shihchung

王世忠

MESSAGE FROM THE CHAIRMAN

In 2025, on the economic front, US tariff policies reshape global trade and simultaneously drive the restructuring of the global energy supply chain. Geopolitical risks also increase, requiring businesses to strengthen their resilience and prepare for short-, medium-, and long-term contingencies. At the environmental level, according to the United Nations Environment Programme (UNEP) 2025 Emissions Gap Report, the goal of limiting global warming to within 1.5° C is extremely difficult to achieve, and the next decade is likely to see temporary exceedances of the target. If carbon reduction efforts are not significantly strengthened immediately, warming will be difficult to avoid, so more proactive climate action is imperative. Biodiversity is one of the two core aspects of addressing climate change and ensuring the sustainability of the Earth. The former absorbs and stores greenhouse gases through the natural ecosystem, achieving net-zero emissions; the latter ensures ecological health and resilience. The two complement each other and are key to achieving the goal of "Nature Positive".

On the social front, Taiwan is facing a record low in the number of newborns, officially entering a "super-aged society." Meanwhile, workers continue to launch large-scale protests and negotiations through labor unions due to low wages, overwork, and workplace bullying, resulting in a significant increase in labor disputes. Therefore, the government has introduced a number of childcare policies and workplace protection laws. We are well aware that sustainability is not limited to the environment, but also has a significant responsibility and mission to employees, supply chains, partners and even the community.

Driven by the global trend of sustainability, enterprises are not only the engine of economic growth, but also a key driver for a better environment and society. We firmly believe that a company's long-term success depends not only on technological innovation and market competitiveness, but also on its ability to fulfill its commitments to environmental protection, social responsibility, and corporate governance (ESG). We will integrate sustainability into every aspect of our operations and implement it concretely in three areas: "green manufacturing," "friendly workplace," and "social participation," firmly moving towards a sustainable and mutually beneficial future.

Green Manufacturing: Moving Toward a Low-Carbon Future

As a member of the manufacturing industry, we deeply understand that environmental sustainability is an inescapable responsibility for businesses. To fulfill our commitment to the planet, we have deeply integrated environmental governance into our core operations, actively introduced energy-saving technologies, enhanced energy efficiency, and comprehensively reduced waste generation during the production process. By combining smart manufacturing and digital transformation, we can promote the recycling of resources. We prioritize the use of environmentally friendly materials and recyclable resources, and are committed to minimizing carbon emissions. We will strictly implement environmental risk management, fully comply with the ISO 14001 environmental management system, strengthen risk control, and ensure that corporate development and ecological balance go hand in hand. Our goal is not only to comply with regulations and standards, but also to demand of ourselves to continuously improve environmental performance according to high international standards, and to become a benchmark for green manufacturing in the industry.

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

We are committed to creating a safe and secure working environment so that every colleague can feel at ease and give full play to their talents. By implementing the Diversity and Inclusion (DEI) policy, we have built an equal culture that respects differences, embraces partners of different genders, ages and backgrounds, and gives everyone a fair opportunity for development. In addition, we not only provide comprehensive professional training and continuing education resources, but also safeguard the physical and mental health of our employees through the establishment of a dedicated health management mechanism and employee care plan. We firmly believe that only in a friendly and healthy workplace environment can employees gain a true sense of belonging and happiness, thereby stimulating maximum innovative momentum and driving the company forward.

Social Engagement: Co-Creating a Better Future with Society

As a responsible corporate citizen, our influence extends far beyond the business sphere. We actively respond to societal needs, transforming our core resources and expertise into a driving force for societal progress. We not only deeply cultivate community projects, but also collaborate extensively with universities, high schools, and vocational schools to provide reading promotion and comprehensive skills training for children in rural and economically disadvantaged areas, unlocking their infinite possibilities and diverse futures through education. At the same time, we deeply embed social responsibility into our corporate culture and continuously encourage our colleagues to work together to create positive and beneficial long-term value for society.

We firmly believe that long-term competitiveness stems from a sustainable business model. Only by deeply embedding the concept of sustainability into the corporate DNA can a company grow steadily amidst global changes and create a better environment and society for future generations. This is not only our firm commitment, but also the company's responsibility for the future. We look forward to working hand in hand with partners from all sectors to create endless possibilities for positive change.

2025 ESG Insights Corresponding to SDGs

In accordance with the "SDGs Disclosure Practice Guidelines" jointly issued by the Global Reporting Initiative (GRI) and the United Nations Global Compact (UNGC), the Company identifies Sustainable Development Goals (SDGs) that are relevant to the Company's operations and discloses the Company's management policies, action results and contributions to the SDGs in accordance with the relevant disclosure principles.

By 2025, our company's achievements in the three dimensions of Environment (E), Social (S) and Governance (G) will align with the 12 United Nations Sustainable Development Goals (SDGs). Our company aims to actively respond to global environmental and social challenges and develop sustainable business results and commitments through activities such as low-carbon transformation, social responsibility, and integrity in business operations.

Type	Key performance	Response to SDGs
<div>Environmental</div> <div>  <p>Energy and Greenhouse Gas Management</p> </div>	<ul style="list-style-type: none"> Energy intensity in 2025 will decrease by approximately 19% compared to the baseline year of 2021. Greenhouse gas intensity in 2025 is expected to decrease by approximately 35% compared to the baseline year of 2021. In 2025, NT\$2.3 million is invested to purchase a new air compressor. This investment is expected to save about 110,000 kilowatt-hours of electricity per year, which is equivalent to reducing carbon emissions by about 50 metric tons of carbon dioxide equivalent and saving about 370,000 yuan in electricity costs per year. In addition to replacing air compressors, by 2025, investments in process improvement and energy-saving projects will reach NT\$21.75 million, which is expected to save approximately 3.07 million kilowatt-hours of electricity and 400,000 cubic meters of natural gas annually. This is equivalent to reducing approximately 2,272 metric tons of CO₂ equivalent and saving approximately NT\$15.79 million in energy costs annually. By 2025, the total installed capacity of solar panels had reached 17MW. In 2024-2025, Asia-Pacific replaced 195 old gasoline and diesel vehicles and purchased 114 hybrid vehicles and 143 new low-energy vehicles. In January 2026, the company purchased 3,900 MWh of green electricity certificates, issued by the green certificate issuing agency of the National Energy Administration of China. The certificates originated from a photovoltaic power generation project in Yunnan Province, China, and were intended to support the development of renewable energy and reduce the company's Category II indirect greenhouse gas emissions. Between 2024 and 2025, we continued to promote paperless measures such as electronic signatures, electronic reports, and online process management, which reduced the use of A4 paper by approximately 1.7837 million sheets, equivalent to a reduction of approximately 10.99 metric tons of carbon dioxide equivalent emissions. 	<div>  </div> <div>  </div> <div>  </div>
<div>Clean technology innovation</div> <div>  </div>	<ul style="list-style-type: none"> Our company continuously invests in R&D resources annually, focusing on new product development and optimization of existing products. In 2025, we invested in 18 new product development projects and 10 product improvement projects, all with the primary goal of reducing energy and consumable usage by more than 10%, thereby improving product performance and environmental benefits. These products will be launched successively in 2025 and 2026. By 2025, sustainable products will account for approximately 22% of total sales. 	<div>  </div> <div>  </div> <div>  </div>
<div>Water Resources Management</div> <div>  </div>	<ul style="list-style-type: none"> Water intensity in 2025 is expected to decrease by approximately 23% compared to the baseline year of 2021. In 2025, a water conservation project was launched, resulting in a total water saving of 186,927 tons and cost savings of approximately NT\$4.27 million. By 2025, 60,822 tons of water will be recycled and reused, accounting for approximately 7% of the total water consumption, saving approximately NT\$1.29 million in costs. In 2025, an investment of NT\$4.2 million will be made to introduce wastewater treatment equipment to reduce wastewater discharge. 	<div>  </div>

Type

Key performance

Response to SDGs

Environmental



Air pollution management

- In 2025, an investment of NT\$8.44 million was made to introduce oil mist filtration and dust removal equipment to reduce air pollution. All equipment is equipped with corresponding treatment devices, such as oil mist purifiers for oily exhaust gases, dust collectors for dusty exhaust gases, and exhaust gas purification systems for surface treatment process exhaust gases, achieving an oil mist recovery rate of over 95%.
- The compliance rate of exhaust gas emissions is 100%.



Waste Management

- The waste recycling and reuse rate reached 93%.
- Waste intensity (waste generation / sales revenue per million RMB) in 2025 will decrease by 16% compared to the baseline year of 2021. Hazardous waste intensity will decrease by 15% compared to the baseline year of 2021.
- In 2025, the total amount of environmental protection-related expenses invested, including waste disposal, environmental impact assessment technical services, and environmental infrastructure construction, will be NT\$81.17 million.



Toxic substance management

- Toxic substances mainly refer to chromium, acids, and mist in exhaust gases, and heavy metals such as chromium, nickel, copper, and zinc in wastewater. Emissions of toxic substances are reduced and rendered harmless through exhaust gas treatment equipment, wastewater treatment plants, and reducing the use of chemicals that produce toxic substances. In 2025, online monitoring by the Environmental Protection Bureau, regular testing by commissioned professional manufacturers, and self-monitoring by environmental safety units all showed that emissions were far below regulatory standards.
- Hazard classification management is implemented for chemicals used in the factory area.
- Regularly monitor the work environment to ensure that the concentration of hazardous substances in the work environment is within a safe range.
- The work site should clearly label the containers and provide safety information sheets, offering employees relevant information on the protective equipment they need.
- New employees receive hazardous chemicals training upon joining the company. Regular on-the-job refresher training is conducted to ensure employees have a clear understanding of the risks associated with hazardous chemicals.
- All raw materials used in production comply with EU RoHS requirements. Regular material surveys, 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 Internaional Group

- It provides multiple channels for employee grievances, including a dedicated telephone line, employee suggestion box, employee meetings, labor-management meetings, welfare committee meetings, online suggestion box, and email.
- The Employee Assistance Program (EAP) is provided, through one-on-one mentoring between supervisors and employees to understand employees' life or workplace issues and provide corresponding assistance. By 2025, 3,505 employees will have completed employee health care and assistance mentoring.
- Encourage female employees to learn mechanical knowledge in the workplace, thereby increasing their willingness to enter and strive for supervisory positions.
- In 2025, the percentage of union members was approximately 90% of the group's total workforce.
- To provide a sound retirement pension system, starting from May 1, 2026, the employer contribution rate for all employees under the new labor retirement system will be adjusted to 6.1% in Taiwan. In mainland China, the contribution rate is 14% of the basic salary as stipulated by the government.
- The Taiwan plant promotes the group's human rights policy at employee meetings, holding one training session in 2025 with 769 attendances, totaling 384.5 hours. In mainland China, human rights education and training are promoted through WeChat official accounts and online teaching platforms, with one session held in 2025, covering all current employees.





Occupational safety management

- No major work-related injuries occurred among employees or contractors. The recordable occupational injury rates for 2023-2025 were 2.68, 2.4, and 2.54, respectively, showing a stable trend.
- Airtac Taiwan has obtained ISO45001 Occupational Health and Safety Management System certification (certificate valid from January 4, 2024 to January 3, 2027). Airtac Bingbo has implemented an EHS (Environment, Health and Safety) information management platform, covering modules such as regulatory management, hazard identification, occupational health, hazardous chemical management, fire safety, special equipment management, and environmental monitoring, strengthening risk identification and early warning tracking through digital management mechanisms. Guangya continues to promote safety inspections, education and training, and risk improvement measures in accordance with the group's occupational safety and health management system and relevant regulatory requirements.
- The total number of hours of occupational safety and health training courses reached 51,747.
- The emergency response drill involved a total of 21,824 participants.
- Each production plant sets clear safety production goals every year.
- Both specific health checkups and special work-related examinations achieved a 100% participation rate.



Supplier Management

- All raw materials used in production must comply with RoHS requirements, and supplier inspection reports must be obtained regularly. Suppliers are encouraged to obtain IATF 16949 automotive industry standard and ISO 14001 environmental management certifications through priority procurement incentives.
- The local sourcing rates for Airtac Taiwan, Airtac Ningbo, and Airtac Guangdong are 47%, 76%, and 96%, respectively.



Employee benefits and training

- The total number of hours invested in employee education and training reached 234,154 hours.
- The performance appraisal rate is 100%.
- The average monthly turnover rates for 2023, 2024 and 2025 were 1.92%, 1.96% and 1.78%, respectively.



Public welfare and charity

- Our company has long upheld the concept of giving back to society. Combining corporate resources, the Airtac Yumei Charity Foundation, and the long-term support of the chairman for philanthropy, we have focused on the "Sunshine Action" and the "Blue Education Assistance Project" as our two main philanthropic initiatives. We continue to promote education assistance, care for the disadvantaged, and various social welfare programs to create a positive impact on society.
- **Vulnerable care and emergency relief:** Assisting long-term care families and vulnerable groups, and supporting charitable organizations, food (physical) banks and disaster relief programs. In 2025, related donations will reach NT\$84.2 million.
 - **Transportation and Medical Support:** A total of 23 long-term care and rehabilitation buses were donated to help elderly people in rural areas and people with disabilities access more convenient medical and rehabilitation services.
 - **Passionate participation in charitable activities:** A total of 965 employees in Taiwan responded to the blood donation drive, donating a total of 1,172 bags of blood (approximately 293,000 cc) to support medical blood needs with practical actions.
 - **Educational Assistance and Talent Development:** In Taiwan, through the Airtac YouMei Scholarship Program, the program supports 1,300 students in 9 schools across Taiwan, and provides assistance with school building renovations and improvements to teaching facilities, totaling NT\$131.3 million in educational donations. Mainland China also continues to promote educational philanthropy, donating NT\$95.02 million by 2025 through student aid funds for impoverished students and provincial education fund donation programs to support the education and development of disadvantaged students and promote the balanced allocation of educational resources.
 - **Rural Reading and Cultural Promotion:** Collaborating with universities to promote reading and cultural activities, investing NT\$12 million to improve learning resources and cultural literacy for children in rural areas and promote equal educational opportunities.



operations management

- Our company established a Sustainability Committee on August 15, 2025.
- The company's consolidated revenue reached NT\$34.3 billion in 2025, demonstrating continued and steady growth.
- As of December 2025, the company had a total of 265 approved patents (including invention patents, utility model patents and design patents); and a total of 150 approved and valid trademark rights worldwide.
- Our company has passed the Taiwan TIPS (Level A) verification, and the certificate is valid from December 31, 2025 to December 31, 2027.
- The internal performance evaluation results of the Board of Directors, Board members, Audit Committee and Compensation Committee in 2025 were all excellent.
- There were no violations of major environmental, economic, or social regulations.
- The attendance rate of the Audit Committee and the Compensation Committee was 100%.
- By managing customer service through a CRM system, efficiency and competitive advantage can be improved.
- An independent complaint mailbox was set up on the official website (no complaint letters were received in 2025).





HONORS AND RECOGNITION FOR THE PAST THREE YEARS

AirTAC

Selected as a constituent stock of
the "Taiwan Sustainability Index"
from 2024 to 2026.

Forbes Asia in 2024

Awarded "Best SME"

In the 2024 CDP Climate Change
Questionnaire assessment

**Received a score of B
(Management level)**

AirTAC Taiwan

Both 2024 and 2025 passed the Taiwan
Smart Management System test.

(TIPS) A-level certification

AirTAC Ningbo

Awarded one of Ningbo's Top Ten
Ecological and Environmentally
Friendly Enterprises

Top Ten Enterprises

Awarded in 2024

**the Safety Production
Standard System**

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 with stakeholders is a crucial foundation for promoting corporate sustainability. Adhering to the principles of transparency and openness, our company continuously engages with stakeholders through diverse communication channels to understand their concerns regarding sustainability and incorporate these concerns into our corporate sustainability blueprint and management policies.

Our company conducts a systematic assessment of sustainability issues, taking into account market trends and industry characteristics. We develop sustainability issue questionnaires and collect stakeholder opinions through the distribution and collection of questionnaires every three years. In addition, the Sustainability Committee conducts cross-departmental discussions annually to incorporate sustainability issues into the assessment of the impact on company operations and risks, thereby identifying major issues for the company and serving as the basis for subsequent priority management 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, we understand the sustainability issues that stakeholders are concerned about, and formulate relevant management policies and implementation plans accordingly to effectively respond to their concerns and expectations. Every three years, our company collects stakeholder opinions by distributing stakeholder questionnaires; the most recent questionnaire was distributed in 2024. The principles of questionnaire design are based on the international standard AA 1000 Stakeholder Agreement Principles, employing five dimensions of assessment: responsibility, influence, tension, diverse perspectives, and dependence, to identify and rank the degree of stakeholder relationships. Statistical results, ranked from highest to lowest relationship level, are categorized as employees, shareholders/investors, customers, suppliers/contractors, government agencies, local communities, industry associations/industry and academic institutions, and the media.

Stakeholder Identity	Significance on AirTAC Communication	Communication methods and frequency	Communication effectiveness in 2025	Reflection and Response	Focus on issues
Employees	Employees are important assets of the company and key stakeholders who help the company achieve sustainable development and breakthroughs.	<ul style="list-style-type: none"> ■ 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 	<ul style="list-style-type: none"> ■ A total of 81 employee suggestion box submissions, 100% response rate ■ 2 employee assembly held ■ 5 labor-management meetings held ■ 3 welfare committee meetings held ■ Health care counseling provided to 3,505 people 	<ul style="list-style-type: none"> ■ 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 	<ul style="list-style-type: none"> ■ 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.	<ul style="list-style-type: none"> ■ Annual shareholders' meeting ■ Quarterly board meetings ■ Irregular investor conferences ■ Irregular investor relations meetings ■ Public disclosure of company financial reports and information 	<ul style="list-style-type: none"> ■ 1 shareholders' meeting held ■ In 2025, the company issued 16 announcements, 84 major announcements in Chinese and English, and participated in 26 corporate briefings. ■ More than 200 visits or conference calls with shareholders and investors received 	<ul style="list-style-type: none"> ■ Continuously maintained good communication with shareholders and investors through annual plans 	<ul style="list-style-type: none"> ■ 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.	<ul style="list-style-type: none"> ■ One customer satisfaction survey conducted annually ■ Irregular communication with customers via telephone, email, etc. ■ Irregular customer service and communication activities 	<ul style="list-style-type: none"> ■ AirTAC China conducted a customer satisfaction survey, covering 760 customers, with a satisfaction rate of 93.54% ■ AirTAC Taiwan held more than 350 customer technical exchange sessions in 2025 	<ul style="list-style-type: none"> ■ Continued to understand customer needs through telephone communication and personal visits, comprehensively resolving customer issues 	<ul style="list-style-type: none"> ■ Ethical business practices ■ Customer relationship management ■ Supply chain management ■ Social participation ■ Sustainable products

Stakeholder Identity	Significance on AirTAC Communication	Communication methods and frequency	Communication effectiveness in 2025	Reflection and Response	Focus on 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.	<ul style="list-style-type: none"> ■ 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 	<ul style="list-style-type: none"> ■ Conducted on-site audits for 47 suppliers ■ Completed mentoring program for 47 suppliers ■ Key suppliers signed integrity statements, representing more than 95% of total procurement value ■ Human rights and ESG self-assessment questionnaires were conducted for the top ten suppliers, and the assessment results were incorporated into the supplier procurement assessment. 	<ul style="list-style-type: none"> ■ Adhered to supplier code of conduct, identifying suppliers with ESG collaboration potential as priority partners ■ Ensure that none of the suppliers use conflict minerals. ■ Ensure that major suppliers complete the signing of integrity statements and supplier codes of conduct. 	<ul style="list-style-type: none"> ■ 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.	<ul style="list-style-type: none"> ■ Irregular meetings such as seminars and public hearings ■ Irregular official document correspondence ■ Irregular dedicated visits ■ Irregular communication via email and telephone 	<ul style="list-style-type: none"> ■ Attend one 2025 Maternal Health Protection and Workplace Violence Prevention Promotion Conference. ■ Attended one factory safety management briefing session. ■ Attended one energy declaration briefing session. ■ Attended one Tainan City diesel vehicle pollution control awareness briefing session. ■ Attended one briefing session on the online reporting function for industrial waste. ■ Participated in greenhouse gas inventory and registration training once. ■ Participated in occupational hazard prevention education and training for manufacturing workers who were caught or trapped in objects once. ■ Attended one briefing session held by the Environmental Protection Bureau on the voluntary emission reduction system and the development of the carbon trading market. ■ Attend one "New Renewable Energy Certificate System and Green Electricity Industry Development Strategy Briefing" held by the Environmental Protection Bureau. 	<ul style="list-style-type: none"> ■ Continuously monitor government policies and regulations, ensure legal compliance, and actively cooperate with competent authorities to jointly foster industry prosperity. 	<ul style="list-style-type: none"> ■ Operational performance ■ Legal compliance ■ Customer relationship management ■ Raw material management ■ Labor relations ■ Human rights protection and employee care

Stakeholder Identity	Significance on AirTAC Communication	Communication methods and frequency	Communication effectiveness in 2025	Reflection and Response	Focus on 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	<ul style="list-style-type: none"> ■ Irregular visits and interactions ■ Occasional communication through phone and email 	<ul style="list-style-type: none"> ■ One visit to the Tree Valley Service Center ■ One visit to the local village chief 	<ul style="list-style-type: none"> ■ Foster harmonious community relations and jointly enhance regional environmental quality 	<ul style="list-style-type: none"> ■ 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	<ul style="list-style-type: none"> ■ Unscheduled exchange and education, and training courses 	<ul style="list-style-type: none"> ■ Communication is conducted through irregular visits and online meetings. 	<ul style="list-style-type: none"> ■ 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 	<ul style="list-style-type: none"> ■ Operational performance ■ Legal compliance ■ Customer relationship Management
Medis	The media are key stakeholders in effectively communicating AirTAC's sustainability achievements.	<ul style="list-style-type: none"> ■ Irregular communication and responses via email and phone 	<ul style="list-style-type: none"> ■ Media 	<ul style="list-style-type: none"> ■ The media are key stakeholders in effectively communicating AirTAC's sustainability achievements. 	<ul style="list-style-type: none"> ■ Irregular communication and responses via email and phone

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.

Based on the stakeholder identification results, our company conducts a questionnaire survey every three years to understand the issues of concern to stakeholders. The most recent survey was conducted in 2024, and 254 valid questionnaires were collected. Our 28 senior executives then assessed the probability and severity of the short-, medium-, and long-term positive and negative financial and non-financial impacts of these issues on the company. After weighted calculation and internal discussion, we identified 11 major issues for our company, including operational performance, workplace health and safety, integrity and regulatory compliance, corporate governance, pollution prevention and management, customer relationship management, sustainable supply chain management, talent attraction and retention, employee compensation and benefits, energy and greenhouse gas management, and raw material management.

Material Topics and Material Aspects

AirTAC establish management policies and evaluation mechanisms for the key themes of GRI Standards, institutionalize and systematically manage related sustainability issues, and disclose relevant sustainability performance based on stakeholder concerns to achieve communication objectives and fulfill the company's commitment to sustainable 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
Energy and Greenhouse Gas 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

Major Themes	Management Policy	Evaluation mechanism	Potential or actual impact		2025 Management Performance	Short-term goals (1-5 years)	Medium- to long-term goals (over 5 years)
			Description of positive impact	Description of negative impact			
Ethical Corporate Management	<ul style="list-style-type: none"> Integrity in business operations should be integrated into operational management strategies to prevent dishonest behavior from damaging the company's image and ensuring its sustainable development. Ensure all personnel are informed through various communication channels. 	<ul style="list-style-type: none"> Regularly confirm that there are no major illegal activities. Enact the "Law for the Prosecution of Illegal and Immoral Conduct" Establish an independent complaint mailbox 	No illegal activities have occurred, and the company has a good image.	Fraud incident occurred and caused significant damages.	<ul style="list-style-type: none"> There were 0 cases of company members being penalized for violating the integrity policy. In 2025, none of the complaints or feedback received through the complaint mailbox were related to honest business practices. 	<ul style="list-style-type: none"> Implement the integrity camp policy and handle relevant education and training. The effectiveness of the initiatives will be disclosed in the annual report, company website, and public information observation station. There were 0 cases of penalties imposed for violating the integrity policy. 	<ul style="list-style-type: none"> There were 0 cases of penalties imposed for violating the integrity policy.
Pollution prevention and control management	<ul style="list-style-type: none"> Prevention first, prevention and control combined, source reduction, commitment to responsibility 	<ul style="list-style-type: none"> Assess the recycling rate of waste and wastewater. Assess the compliance rate of wastewater and exhaust gas emissions from the operation. 	All waste was properly disposed of in accordance with regulations.	Waste disposal companies were penalized for failing to dispose of waste in accordance with regulations.	<ul style="list-style-type: none"> The waste recycling and reuse rate is 93%. The compliance rate of wastewater and exhaust gas emissions from the operation is 100%. Waste intensity (waste generation/ million sales) decreases by 16% in 2025 compared to 2021. 	<ul style="list-style-type: none"> Based on 2021, waste density will decrease by 25% and hazardous waste density by 18% by 2030. Maintain a 100% compliance rate for wastewater and exhaust gas emissions. 	<ul style="list-style-type: none"> Based on 2021, by 2036, waste density will be reduced by 35% and hazardous waste density by 25%, while continuously promoting waste recycling and reuse rates to over 97%. Maintain a 100% compliance rate for wastewater and exhaust gas emissions.
Laws and regulations	<ul style="list-style-type: none"> Ensuring compliance with relevant laws and regulations helps reduce fines and reputational damage, and mitigates potential financial risks. 	<ul style="list-style-type: none"> Regularly confirm the number and amount of fines imposed by the competent authority. 	No illegal incidents occurred.	Violation of relevant regulations resulted in penalties.	<ul style="list-style-type: none"> There were no violations of major environmental, economic and social regulations as of 2025. 	<ul style="list-style-type: none"> Implement and comply with all regulations and conduct ongoing education and training. 	<ul style="list-style-type: none"> There are zero major violations in the environmental, social, and economic spheres each year. Improve the legal compliance management system and refine the legal compliance management process.

Major Themes	Management Policy	Evaluation mechanism	Potential or actual impact		2025 Management Performance	Short-term goals (1-5 years)	Medium- to long-term goals (over 5 years)
			Description of positive impact	Description of negative impact			
Workplace health and safety	<ul style="list-style-type: none"> Promote a prevention-oriented safety management system and strive to create a safe and healthy workplace. 	<ul style="list-style-type: none"> Each factory area conducts daily, monthly, and project-based safety inspections. Set safety production goals and review them regularly. Hours of in-service education and training. 	A sound occupational safety and health system can improve employee loyalty and productivity, reduce absenteeism, and enhance the employer brand image of the company.	If an occupational injury or long-term health risk occurs, it will result in loss of human resources, legal liability, fines, and damage to the company's reputation.	<ul style="list-style-type: none"> The compliance rate with safety and hygiene management standards is 100%. The participation rate for specific health checkups and special work-related examinations both reached 100%. The number of on-the-job training hours for occupational safety and health was 51,747 hours. 	<ul style="list-style-type: none"> The annual health check-up participation rate reached 100%. The safety production target achievement rate is 100%. 	The company has established an ISO 45001 management system in its major global production facilities to promote safety and health management with a focus on prevention.
Customer Relationship Management	<p>AirTAC Taiwan</p> <ul style="list-style-type: none"> Establish a mechanism for rapid response to customer complaints. Customer Feedback Management <p>AirTAC China</p> <ul style="list-style-type: none"> Customer-centric approach, tiered management, and adoption of a CRM management platform 	<ul style="list-style-type: none"> Customer Complaint Handling and Feedback Customer Satisfaction Survey 	Increased customer satisfaction and more orders	Increased product defect rate and more customer complaints	<p>AirTAC Taiwan</p> <ul style="list-style-type: none"> Customer complaint handling: 96% of customers expressed positive feedback. <p>AirTAC China</p> <ul style="list-style-type: none"> The satisfaction survey showed that 93.54% of respondents scored the maximum possible 100 points. The top three categories were product appearance, product price, and delivery accuracy, all of which had a percentage of over 92.63% who scored the maximum possible 100 points. 	<ul style="list-style-type: none"> We continuously conduct customer satisfaction surveys to uncover potential customer needs, seeking more opportunities to serve customers and improve customer satisfaction year by year. 	Increase market share and become a long-term strategic partner for global automation equipment businesses.
Corporate Governance	<ul style="list-style-type: none"> Improve the company's governance structure, implement sustainable operation, and aim to maximize the interests of shareholders. 	<ul style="list-style-type: none"> The Audit Committee, Compensation Committee, and Risk Management Committee assist the Board in fulfilling its oversight responsibilities and report on the operation to the Board regularly. The internal audit supervisor regularly communicates and reports audit results to the audit committee members and presents an internal audit report at each quarterly meeting. The board of directors conducts annual performance evaluations, and an external independent organization conducts a professional evaluation every three years. Corporate Governance Assessment Ranking 	Good corporate governance effectively monitors corporate social responsibility operations, thereby improving operational performance and company value.	Poor corporate governance reduces external trust in the company and increases external communication costs.	<ul style="list-style-type: none"> The Board of Directors and the Audit Committee will each meet 6 times in 2025 to establish an effective corporate governance structure. The internal performance evaluation results of the Board of Directors, Board members, Audit Committee and Compensation Committee in 2025 were all excellent. A Sustainable Development Committee is established in 2025. 	<ul style="list-style-type: none"> Improve corporate governance ranking 	Become a benchmark enterprise for sustainable operation

Major Themes	Management Policy	Evaluation mechanism	Potential or actual impact		2025 Management Performance	Short-term goals (1-5 years)	Medium- to long-term goals (over 5 years)
			Description of positive impact	Description of negative impact			
Operational performance	<ul style="list-style-type: none"> Continuously expand brand image, develop new products and new customers to increase market share and support revenue growth. 	<ul style="list-style-type: none"> Market share, financial revenue and expenditure and profitability analysis. 	Revenue and profit margin improved compared to the previous year.	Revenue and profit margin declined compared to the previous year.	<ul style="list-style-type: none"> The Group's consolidated revenue grew steadily in 2025, and it maintained a positive profit margin. 	<ul style="list-style-type: none"> Product sales are expected to grow by double digits in 2026 compared to 2025. 	<ul style="list-style-type: none"> Pneumatic products are projected to reach approximately 30% market share in China's pneumatic market by 2030.
Talent attraction and retention	<ul style="list-style-type: none"> We offer competitive salaries and employee benefits, and assist employees with career guidance and planning. Through annual performance reviews and performance interviews, the assessment results serve as the basis for promotions, salary adjustments, training and development, and various bonuses. Develop an annual employee training plan and provide employees with appropriate internal, external, and professional training on a regular basis, based on their functions and abilities. 	<ul style="list-style-type: none"> Annual performance appraisal completion rate. Education and training hours Turnover rate 	Increased number of employees actively applying for jobs; improved employee productivity	Labor shortage and brain drain	<ul style="list-style-type: none"> The participation rate of all employees in the performance evaluation in 2025 was 100%. Total training hours invested in talent development will reach 234,154 hours by 2025. We provide job transition coaching to improve employee retention rates; the turnover rate has shown a stable trend over the past three years. 	<ul style="list-style-type: none"> Online learning platforms have been established in all major factory areas to cultivate educational talent. 	<ul style="list-style-type: none"> Overall employee turnover rate has been declining year by year.
Sustainable supply chain management	<ul style="list-style-type: none"> Increase the proportion of local procurement. Promote our company's < Green Procurement Statement > to suppliers. Suppliers are required to adhere to responsible mineral procurement practices. For EU RoHS regulated substances, suppliers must provide third-party test reports for the relevant materials and update them regularly. Suppliers are required to sign an integrity declaration and a supplier code of conduct. 	<ul style="list-style-type: none"> The proportion of local procurement. Responsible mineral procurement follows. Suppliers are required to comply with RoHS regulations. The percentage of suppliers who signed integrity declarations. 	The supplier delivers on time and in excellent quality, meeting sustainability requirements without incurring additional compliance costs.	The supplier is located in a high-climate-risk area, and the heavy rains and flooding caused shipment disruptions, which in turn disrupted our operations.	<ul style="list-style-type: none"> In 2025, Airtac Taiwan's raw material sourcing (Taiwan) accounted for 47%, while Airtac Ningbo and Airtac Guangdong's raw material sourcing (Mainland China) accounted for 76% and 96% respectively. Adhering to responsible mineral procurement, no conflict minerals were procured by 2025. All products subject to EU RoHS regulations by 2025 have completed testing and comply with EU RoHS regulations. The top ten suppliers completed the human rights and ESG self-assessment questionnaires and incorporated the assessment results into supplier management and procurement evaluation. 	<ul style="list-style-type: none"> Increase the proportion of local procurement. Establish supplier ESG scoring criteria 	<ul style="list-style-type: none"> Strengthen ESG audits of suppliers

Major Themes	Management Policy	Evaluation mechanism	Potential or actual impact		2025 Management Performance	Short-term goals (1-5 years)	Medium- to long-term goals (over 5 years)
			Description of positive impact	Description of negative impact			
Employee Compensation and Benefits	<ul style="list-style-type: none"> In addition to referencing benchmark companies and salary survey reports, we also consider the overall salary in the industry to provide competitive overall compensation and welfare benefits that are superior to the law. 	<ul style="list-style-type: none"> Fixed salaries are based on a standard that is higher than the local minimum wage and above the industry average. Variable salaries are linked to performance and are evaluated according to a comprehensive performance appraisal system. 	Good compensation and benefits attract more applicants, thus improving employee productivity.	Poor compensation and benefits will lead to talent loss.	<ul style="list-style-type: none"> Overall compensation remains in the top 25% of the industry. 	<ul style="list-style-type: none"> Overall compensation remains in the top 25% of the industry. 	<ul style="list-style-type: none"> Overall compensation remains in the top 25% of the industry.
Greenhouse Gases and Energy Management	<ul style="list-style-type: none"> We will continuously optimize internal energy management by increasing the use of renewable energy, pursuing improved energy performance, reducing energy costs, and enhancing energy management efficiency. 	<ul style="list-style-type: none"> Greenhouse gas and energy intensity reduction targets achieved 	Reduce the environmental impact of the group's operations and promote a low-carbon transition	This may generate carbon costs, increasing the group's total costs.	<ul style="list-style-type: none"> The greenhouse gas intensity in 2025 is projected to be 35% lower than the baseline year of 2021. 	<ul style="list-style-type: none"> 2030 goals: Based on 2021, greenhouse gas intensity will be reduced by 48% and the share of renewable energy use will reach 25%. 	<ul style="list-style-type: none"> 2036 goals: Based on 2021, the goal is to reduce greenhouse gas intensity by 55% and increase the share of renewable energy use to over 35%. A Category 3 carbon emissions survey will be conducted, incorporating greenhouse gases generated from the purchase and sale of products and services into the emissions reduction plan.





CH 2

- 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

International Power • Robust
Governance

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 2025 consolidated operating revenue totaled NT\$34,329,945 thousand
Industry Category	Pneumatic industry
Number of Employees	9,104 employees (Including 362 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.

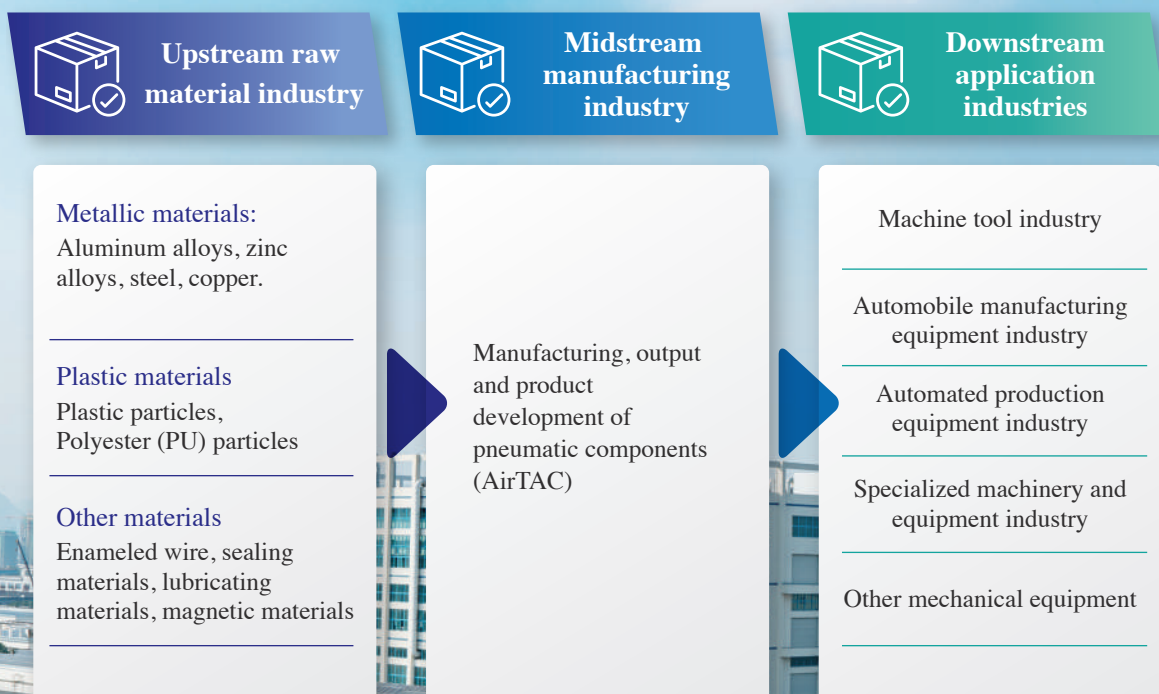
Corporate Values



Industry Value Chain

Pneumatic components are mainly used in various automated processes or testing equipment. In the equipment supply chain, our pneumatic products are fundamental and indispensable components in the automation supply chain. We continuously invest in research and development to enhance product quality and lifespan, and through more affordable product prices, we help automated equipment become more competitive, thereby improving the automation level and stability of our customers' equipment, and we hope to expand its application to various industries and processes.

Value Chain for the Automated Machinery Industry



Public Association Participation

To lead the industry in raising industry standards, our company actively participates in associations and organizations, sharing knowledge, information, and best practices to effectively leverage corporate influence and demonstrate the positive benefits it brings to industry development.

2.1.1 Our company's organizational structure

Our company's organizational structure



Global Market Deployment

Our company has production or sales locations in major industrial countries in the Asia-Pacific and Europe and the Americas, such as Japan, Malaysia, Thailand and Singapore in the Asia-Pacific region; the United States in North America; and Italy in Europe. We will continue to expand our overseas operations and increase our market share and profitability.

In recent years, the company has continued to establish sales branches and offices in the Chinese mainland market, as well as a logistics center, to improve operational efficiency. On the other hand, it has actively expanded the production capacity of its existing businesses and has established a second R&D center in Taiya, focusing on the development of high-end pneumatic and linear transmission product components and future plans to develop electric cylinders.

Our company's capital expenditure is NT\$2.3 billion in 2025 and NT\$2.7 billion in 2026. This will be used to increase production capacity and expand our range of mid-to-high-end products, aiming to make us one of the world's top three pneumatic component manufacturers in terms of market share. In the future, we will continue to strengthen our R&D center and establish a high-precision machining plant to meet market demands and provide better service to our customers.

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 **2** sales centers in Southeast Asia: 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 Market Strategy

Through the sales unit's marketing network, we can promote products and conduct market research to enhance the application of new technologies and automated equipment, and ensure the continued development of existing products.

Medium-Term Market Strategy

In response to current technological trends in AI and 5G, and in line with market demands and industry equipment upgrades, we actively innovate in technological applications to develop more product lines and integrated services, thereby enhancing our market competitiveness.

Long-Term Market Strategy

With the goal of full plant automation, we aim to enhance the company's competitiveness.

2.1.2 Operational Performance

Our company has a strong presence in both mainland China and Taiwan markets, and actively expands into overseas markets through a dual-track development strategy of direct sales and distribution. On the other hand, we have established a comprehensive service network, closely monitor customer dynamics, and actively enhance customer value, thereby increasing competitiveness and maintaining stable operations.

Financial performance

In 2025, the company's consolidated revenue reached NT\$34.3 billion and operating profit reached NT\$10.287 billion, demonstrating its increasing operational strength year by year.

Consolidated financial performance of the Company in the past three years

Unit: NT\$ million

Project / Year	2023	2024	2025
The generation of direct economic value	30,063.49	31,395.70	34,752.31
Net sales	29,827.35	30,660.13	34,329.95
Interest income	128.63	162.36	120.37
Other Gains and losses	107.51	573.21	302.00
Distribution of direct economic value	26,277.16	27,320.31	31,759.48
Operating cost	13,991.34	14,134.17	16,002.01
Employee Salaries and Benefits	6,695.74	7,068.94	7,710.38
Payment to fund providers	3,781.96	4,128.67	5,773.01
Government Dealing	1,785.09	1,955.61	2,245.47
Community Investment	23.04	32.93	28.63
Retained Economic Value	3,786.33	4,075.39	2,992.83

Tax Governance

Our company adheres to the principle of honest operation, complies with the tax laws and regulations of each operating location and international tax standards, fulfills its corporate tax obligations and social responsibilities, and integrates tax risk management into corporate governance and internal control mechanisms to ensure the legality, transparency, and rationality of tax declarations and tax decisions. To implement tax governance, our company follows the following five principles in promoting related management work:

- 1. Compliance with tax regulations and honest tax payment:** Our company complies with the tax laws and international tax regulations of the locations where we operate, and files tax returns and pays taxes as required. We do not engage in transactions primarily aimed at tax evasion. Cross-border transactions are conducted in accordance with standard transaction principles, and we prepare and maintain relevant transfer pricing documents as required.
- 2. Enhancing Tax Information Transparency:** In accordance with relevant laws, accounting standards and information disclosure requirements, the Company discloses material tax information and income tax-related information, and provides stakeholders with appropriate and transparent information through annual reports, sustainability reports and financial statements to enhance the transparency of tax governance.
- 3. Establishing good communication and cooperation:** Adhering to the principles of integrity and mutual trust, our company maintains good communication with tax authorities in various regions. We provide relevant information honestly, completely and promptly regarding tax declaration, audits and applicable laws, thereby reducing the risk of tax disputes and uncertainties.

4. **Implementing tax risk management:** For significant investments, organizational restructuring, cross-border transactions, and changes in international tax systems, the Company conducts tax impact assessments and risk analyses in advance, and consults external professional advisors when necessary to mitigate potential tax risks. In recent years, the Company has also continuously monitored the OECD Pillar Two tax system, national minimum tax systems, and related reporting requirements, assessing their impact on the Group's financial and tax management and planning appropriate countermeasures.
5. **Enhancing Tax Professional Competence:** Our company continuously tracks tax laws and regulations in our operating locations and international tax trends. Through internal education and training, professional courses, and exchanges with external consultants, we enhance the professional competence of our finance and tax personnel to ensure the quality of tax management and compliance with laws and regulations.

Effective Tax Rates

Unit: NT\$ million

Item	2023	2024	2025
Profit before tax	8,897.02	9,633.70	10,645.35
Income tax expenses	1,931.61	2,010.42	2,245.52
Effective tax rate (%)	21.71	20.86	21.10
Income tax payment	1,991.95	1,977.88	2,323.68
Cash tax rate (%)	22.38	20.53	21.83

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.

Standard Products

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 start-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 31 and 40 (9%), 1 is aged between 41 and 50 (9%), 4 are aged between 51 and 60 (36%), and 5 are aged 61 or above (46%).

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.

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		●	●	●	●	●	●	●
Director	Xiao, Xiang-Ming	Male	ROC					●		●	
Independent director	Renn, Jyh-Chyang	Male	ROC				●	●			
Independent director	Lin, Ken Mao	Male	ROC			●					●
Independent director	Huang, Yi Wen	Female	ROC				●			●	
Independent director	Chou, Tse-Yi	Female	ROC		●	●	●			●	●

Board Operations and Performance Evaluation

The Board of Directors has achieved the diversity policy and specific management objectives in 2025 as follows:

Goals	Achievement
The number of independent directors exceeds one-third of the total board members.	✓
Appropriate and diversified professional knowledge and skills	✓
None of the independent directors served more than three terms	✓
At least two female directors	✓

The Board of Directors meets at least once per quarter as required, and a total of 6 meetings were held in 2025. The attendance rate of Board members (including proxy attendance) was 100%, and important resolutions were promptly published on the public information observation platform to ensure information transparency. The Board has also established "Board Performance Evaluation Methods," "Board Performance Self-Assessment Questionnaires," and "Board Member (Self-Assessment or Peer) Self-Assessment Questionnaires." The Board is required to conduct an

internal performance evaluation annually, and at least once every three years, an external professional independent institution or team of external experts and scholars will conduct an evaluation. The evaluation results will be submitted to the Board report by the end of March of the following year for review and improvement.

In 2025, Yu-Hsueh Enterprise Co., Ltd. was appointed to conduct the 2025 external board performance evaluation. The company and the evaluation experts have no business dealings with our company and are independent. They evaluated the board's composition, guidance, authorization, supervision, communication and self-discipline, as well as the implementation of internal control and risk management. The evaluation method combined data analysis, document review and interviews. The board performance evaluation report was issued on January 28, 2026. The company's board of directors reported the external board performance evaluation results on February 12, 2026, including improvement suggestions and future improvement plans. The assessment results indicate that the company's board of directors has established relevant policies and procedures in all material respects in accordance with applicable laws and domestic corporate governance indicators. The company's board of directors comprises directors with relevant expertise and capabilities, and their experience is used to appropriately allocate tasks to effectively operate the board and functional committees. Overall, the assessment results are satisfactory.

In 2025, when discussing proposals involving the interests of directors themselves or their legal representatives, all relevant stakeholders have recused themselves; some proposals have also been submitted to the shareholders' meeting for reporting and discussion, and the board of directors will also invite accountants to attend board meetings to exchange and communicate with directors face-to-face, in order to be in the best interests of stakeholders.

Audit Committee

The Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities and is responsible for the tasks mandated by the Companies Act, the Securities and Exchange Act, and other relevant laws. This includes overseeing the proper presentation of the company's financial statements, the selection (or dismissal) and independence of auditors, the evaluation of the company's internal control system and internal auditors and their work, and the management of existing or potential risks to the company. In 2025, the Audit Committee met 6 times, with a 100% attendance rate (including proxy attendance).

Remuneration Committee

The main duties of remuneration committee are formulate and regularly review the policies, systems, standards and structure of the Company's annual and long-term performance targets and remuneration of directors and managers.

The Compensation Committee will meet 3 times in 2025, with 100% of members present.

Corporate sustainability is a key strategic objective for the company. In addition to financial indicators (revenue, profit, etc.) and core competency indicators (leadership, decision-making, planning, etc.), performance indicators for managers also include sustainability aspects such as environmental protection (energy conservation/water conservation/waste reduction/pollution control), talent development, quality management, customer satisfaction, occupational safety and health, and legal compliance. Managerial compensation is based on individual performance and is reviewed and evaluated by the Compensation Committee, with the Board of Directors making the final decision.

For details on setting sustainable performance indicators linked to senior management compensation, see section 2.3.2, Climate Change Risk Governance.

Risk Management Committee

On November 8, 2024, the Company established a Risk Management Committee, which is composed of 4 independent directors, all of whom have expertise in "risk management" and "corporate governance", and all members meet the professional competencies required by the Committee, with the aim of strengthening corporate governance and enhancing the effectiveness of the Board.

Main duties of risk management committee:

- (1) Review the risk management framework and risk management policy.
- (2) Review periodic risk management reports.
- (3) Review material risk management matters as prescribed by the Company or the competent authority.
- (4) Review the risk management related proposals that should be submitted to the Board of Directors.
- (5) Perform other matters as instructed by the Board to be handled by the Risk Management Committee.

The Risk Management Committee meet twice in 2025.

Nomination Committee

To improve the functions of the Company's Board of Directors and strengthen the management mechanism, the Company established a Nomination Committee on August 15, 2025, which consists of 7 directors (including 4 independent directors).

Main duties of nomination committee:

- (1) Nominate candidates for the company's directors and review their qualifications.
- (2) Establish the organizational structure of the various functional committees under the Board of Directors, and to review the formulation and amendment of the organizational procedures for each functional committee.
- (3) Review the formulation and amendment of the rules and regulations relating to the operation of the Company's Board of Directors.
- (4) Review the Company's corporate governance code.
- (5) Other matters that the Board of Directors instructs the Committee to handle.

The Nomination Management Committee meet once in 2025.

Sustainable Development Committee

To achieve the Company's sustainability goals and strengthen sustainability governance, the Company established a Sustainability Committee on August 15, 2025. The committee has 5 members (including 1 director) and is the highest level of sustainability management organization, coordinating subsidiaries to jointly implement sustainability management plans and goals.

Main duties of sustainable development committee

- (1) Formulate, promote, and strengthen the company's sustainable development policies, annual plans, and strategies.
- (2) Review, track, and revise the implementation status and effectiveness of sustainable development.
- (3) Supervise sustainability information disclosure and review sustainability reports.
- (4) Supervise the implementation of the Company's Code of Conduct for Sustainable Development or other sustainable development-related work as resolved by the Board of Directors.
- (5) Other matters that the Board of Directors instructs the Committee to handle.

The Sustainability Committee met twice in 2025 and reported to the Board of Directors on November 13, 2025, on the specific implementation plans and results of the company's sustainability efforts. The report and review included:

- (1) Vision, goals, and action plans related to sustainability.
- (2) Report on communication with stakeholders regarding major sustainability topics.
- (3) Risk management policies and corresponding risk response practices.
- (4) Implementation status of integrity management, intellectual property rights management, and information security.

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 2025, 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 Measures

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.

● Policy Goals Established

"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 AirTAC's 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. 2025 Situation

In 2025, 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 Group Office reports on its implementation and results to the Board of Directors annually, with the most recent report due on November 13, 2025.

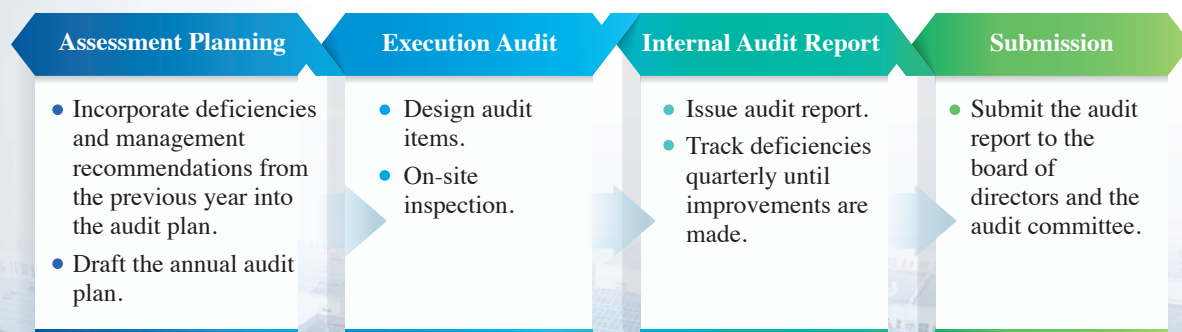
2.2.3 Internal Audit

Our company has a Group General Audit Unit (Audit Office) that regularly conducts audits of all subsidiaries to ensure the effective implementation of the audit mechanism. The Audit Office reports to the Board of Directors, and the appointment, dismissal, evaluation, and remuneration of the internal audit supervisor must be approved by the Audit Committee and the Board of Directors to ensure that internal audit personnel uphold professionalism and independence, perform their duties with objectivity and impartiality, and exercise due professional care.

The company's current internal control system is divided into the overall level and the operational level, and the five major components (control environment, risk assessment, control operations, information and communication, and supervision) are incorporated into the internal control system of each transaction cycle at the operational level; and based on the latest internal control system processing standards, corporate governance, the development of internal audit theory and technology, and relevant code requirements, in recent years, the management of corporate risks has been strengthened, including risk detection, assessment, reporting, processing and prevention.

Internal audits are primarily conducted in accordance with the audit plan approved by the Board of Directors. The audit plan is formulated based on identified risks, and special audits or reviews are performed as needed for operational purposes. General audits and special audits provide management with information on the operational status of internal controls and promptly inform management of existing or potential deficiencies, providing recommendations for improvement to ensure the continued effective implementation of internal control systems. Furthermore, internal auditors conduct annual self-assessments of the internal control systems implemented by each unit, including checking whether the procedures are performed and reviewing them to ensure the quality of implementation, and reporting the results of these self-assessments to the Board of Directors.

Internal Audit Procedures



2.2.4 Compliance with regulations

Compliance with laws and regulations is fundamental to corporate governance. All subsidiaries, branches, and their employees must comply with relevant laws and regulations governing their business operations. The company has established relevant standards and processes, conducts regular regulatory audits, closely monitors the formulation and development of regulations that may affect the company, and when departments receive information on major legal changes, they report to the General Manager's Office for relevant policy revisions. Employee training is also conducted when these policies are issued.

Through steps such as information updates, internal reviews, specification modifications and updates, and implementation, we ensure that we can comply with legal regulations at all times. The company will have no major environmental or social penalties in 2025.

2.2.5 Information security

The company attaches great importance to information security management. In order to prevent computer viruses, network attacks, data leaks, legal compliance and risk control, it has formulated information security management and control standards and introduced information tools and analysis architecture systems to effectively ensure the company's information security and protect customer privacy. The company conducts regular information security audits to effectively prevent information security risks caused by human oversights. At the same time, information security-related education and training are conducted regularly to ensure that colleagues understand the relevant principles of information security management and control.

The company has established an "information security unit" responsible for implementing information operation security management plans, establishing and maintaining information security management systems, and coordinating the formulation, implementation, risk management and compliance assessment of information security and protection-related policies. The "Information Security Unit" holds regular internal meetings every six months to review information security risks and corresponding protective measures, and regularly reports the effectiveness and direction of information security management to the board of directors every year. The latest date of reporting to the board of directors is November 13, 2025.

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.

Item		Plan
Cybersecurity Protection	File Management	<ul style="list-style-type: none"> Establish a file management platform and conduct hierarchical file management. Establish and track and manage confidential document recycling and document destruction processes. Encryption control and effective tracking of files and data. Outbound mail control.
	Risk Management	<ul style="list-style-type: none"> Conduct risk assessments and regular vulnerability scans for data centers, and regularly perform disaster recovery drills for core information and communication systems.
	Information Operations Safety	<ul style="list-style-type: none"> Mandate password settings and establish remote/near-end backup/redundancy services. Employees must apply for a VPN account to access the company intranet and information systems from outside. Information system accounts must be applied for according to company regulations. Employees leaving the company must have their accounts deleted by the IT department.
	Device network security	<ul style="list-style-type: none"> Configure device security mechanisms and monitor network and information access security. Implement endpoint antivirus measures based on computer type to enhance malware detection. Strengthen firewalls and network control to prevent computer viruses from spreading across machines and factory areas.
	Field safety	<ul style="list-style-type: none"> Implement computer control for visitors entering the factory. Establish access control for office areas and computer rooms, and monitor for any abnormal events.
Review and continuous improvement	Education, training and advocacy	<ul style="list-style-type: none"> Strengthen employees' alertness to email attacks and regularly perform phishing email defense detection. Regularly implement information security education and training to enhance employee security awareness.

Resources to be invested in cybersecurity by 2025

The Information Security Unit has three employees responsible for the company's information security planning, technology implementation, and related matters, in order to maintain and continuously strengthen information security.

- ▶ **Network Hardware Equipment:** Firewall, backup host, data center temperature (humidity) monitoring system, uninterruptible power supply (UPS), data center automatic fire suppression system, data center monitoring, off-site backup data center.
- ▶ **Software Systems:** File encryption management software, backup management software, antivirus software, endpoint detection and feedback (EDR) software, spam filtering (SPAM), network access control system (NAC), Security Operations Center (SOC).
- ▶ **Disaster Recovery Drills:** Annual disaster recovery drills and access control reviews are conducted regularly. One disaster recovery drill and access control review will be conducted across the entire group in 2025.
- ▶ **Education and Training:** Four batches of secure email security drills will be conducted for group employees in 2025, totaling 1,450 participants, to enhance employee information security awareness. In addition, 837 people received training in Taiwan Asia's information security courses, with a total course duration of 418.5 hours.
- ▶ **Customer Satisfaction:** No major cybersecurity incidents or complaints of data loss.

No significant losses were incurred due to major cybersecurity incidents in 2025.

2.3 Risk Management

Certified by IATF 16949:2016 Automotive Quality Management System

Certified by ISO 9001:2015 Quality Management System

Certified by ISO 45001:2018 Occupational Safety and Health Management



2.3.1 Risk management mechanism

Risk management framework

The Board of Directors is the Company's highest management body, responsible for approving the risk management framework and policies, and bearing ultimate responsibility for risk management. To strengthen risk control, the Company established a Risk Management Committee in November 2024, which, like the Audit Committee, operates under the Board of Directors. The Committee assists the Board in fulfilling its oversight responsibilities for risk management, covering areas such as operations, finance, environment, social and governance, and is responsible for reviewing risk management policies, frameworks, processes, and reporting mechanisms. The Committee meets at least once a year to review the overall implementation of risk management and the response measures to significant risk issues. The most recent report submitted to the Board of Directors is dated November 13, 2025.

Our company's risk management organization comprises various functional units. Each unit's top executive analyzes operational risk factors based on historical experience, industry case studies, and external events such as media reports, and reviews and updates risk items annually.

The collected and analyzed data is provided to the sustainability teams of each subsidiary. These teams then compile relevant risk information from within the company and submit it to the Group General Manager's Office for integration and verification.

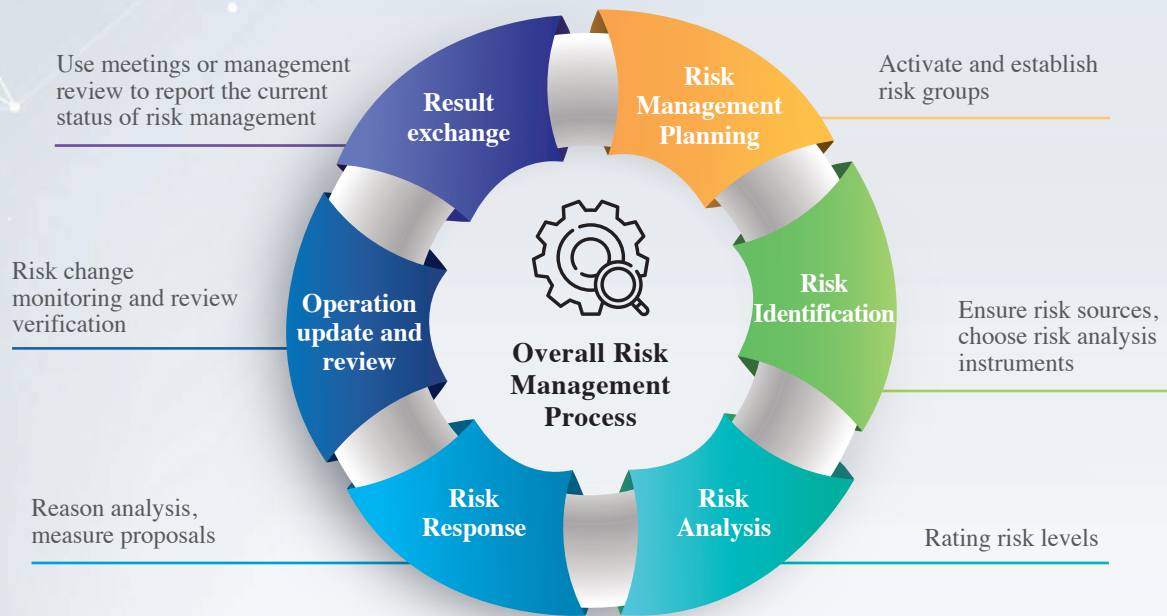
After summarizing and confirming the information, the Group General Manager's Office reports to the Risk Management Committee at least once a year on the implementation of risk management and the response measures to significant risks, strengthening the Group's overall risk identification, assessment, and monitoring mechanisms.

The risk management framework is as follows:





Overall Risk Management Process



Risk Management

Risk Category	Area of Responsibility	Potential Risks	Response Measures
Financial risks	Finance Department	Interest rate fluctuations	<ul style="list-style-type: none"> Regularly assess market funding conditions and bank interest rates, and evaluate the impact of interest expenses arising from financing.
		Exchange rate fluctuations	<ul style="list-style-type: none"> Adopt the principle of natural offsetting for currency risks, and use forward foreign exchange contracts and borrow foreign currency debt at appropriate times when necessary. Maintain close contact with major banks and monitor changes in the foreign exchange market at any time so that relevant managers can fully understand the trend of exchange rate changes. If there is an occasional change in the currency of receipt and payment, timely adjustments can be made immediately.
		Inflation	<ul style="list-style-type: none"> By flexibly adjusting procurement and sales strategies, cost structures, and transaction terms, we can effectively respond to the impact of inflation or deflation.
Technology and product risks	Research & Development Department	Product development risks	<ul style="list-style-type: none"> Establish a new product development evaluation mechanism and conduct R&D progress and quality control to reduce development risks.
	Quality Assurance Department	Quality abnormality	<ul style="list-style-type: none"> In accordance with the ISO 9001 international quality management system standard, a quality management system was established and a quality manual was developed as a framework for the comprehensive implementation of quality management and as a basis for the practice of quality management in various departments.
Procurement risks	Purchasing Department	Material supply interruption	<ul style="list-style-type: none"> Regularly review the safety inventory levels of raw materials and adjust procurement strategies and purchase quantities in a timely manner. Continuously develop and manage qualified suppliers and diversify supply sources to reduce the risk of material supply interruption.
Climate change risks	Plant Administration & Environmental Safety Department	Climate disasters	<ul style="list-style-type: none"> We are committed to energy conservation and carbon reduction by adding relevant facilities such as lightning rods, water pumps, exhaust fans, tap water storage equipment, dedicated air conditioning equipment in the machine room, backup generators, and waterproof gates.
Information security risks	Information Department	Information system malfunction	<ul style="list-style-type: none"> Establish regulations related to information security and strengthen disaster prevention, information security, monitoring, reporting mechanisms, and exception handling. Manage and backup important systems. An off-site backup system has been established and a dedicated unit has been set up to handle related matters.
Human resource risks	Human Resources Department	Insufficient manpower caused operational disruptions	<ul style="list-style-type: none"> We will continue to promote talent development, retention of key personnel, and succession planning to reduce turnover and mitigate the impact of manpower shortages on operations.

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 Governance

The company combines the existing enterprise risk management structure, follows the Climate-related Financial Disclosure Recommendations (TCFD) structure and refers to the core spirit of IFRS S2 "Climate-related Disclosure" to promote climate governance and sustainable development-related matters, and gradually strengthen the management and information disclosure of climate-related risks and opportunities. The scope of this climate change reporting chapter is consistent with the scope of the preparation of consolidated financial statements.

(a) The role of governance entities in the governance of climate-related risks and opportunities

The company has incorporated climate change issues into its corporate governance and enterprise risk management structure. The board of directors serves as the highest oversight unit for climate-related risks and opportunities. It is responsible for reviewing climate change strategies, carbon reduction goals, major climate risks and opportunities, and related management measures, and regularly reviews the implementation status and progress of goal achievement.

The board of directors has established a risk management committee and a sustainable development committee. The Risk Management Committee is responsible for supervising the operation of the enterprise risk management system and integrating climate-related risks into the overall risk management structure for assessment and management. The Sustainability Committee is responsible for promoting the implementation of the group's sustainable development strategy, climate change response measures and carbon reduction goals, and regularly reporting to the Board of Directors the management results and important issues of climate-related risks and opportunities.

(b) The role of management in the governance of climate-related risks and opportunities

The Sustainability Committee has established a Sustainability Management Working Group, comprised of personnel from departments related to corporate sustainability, environmental safety and health, human resources, information, procurement, production, R&D, quality, and customer service. This group is responsible for collecting and analyzing climate-related information, identifying, assessing, and managing climate risks and opportunities, and promoting energy conservation and carbon reduction, energy management, renewable energy adoption, low-carbon product development, and supply chain management.

Each responsible unit implements climate-related management measures according to its duties and regularly reviews the implementation results and the achievement of key performance indicators (KPIs) as a basis for subsequent management decisions and resource allocation.

(c) Strategy

● Climate-related risks and opportunities that can be reasonably expected to affect the Company's outlook

Risk type	Estimated period of occurrence	Risk/Opportunity Factors and Descriptions
Transformation risks	Short term	■ Carbon Fee Collection
Entity risk	long-term	■ Typhoons, torrential rains, floods, and other extreme weather events
Market Opportunities	Short term	■ Improve energy efficiency
Market Opportunities	Short term	■ Develop low-carbon products to reduce operating costs and maintain market competitiveness.
Market Opportunities	Mid-term	■ Renewable energy construction

● Information on the current and anticipated impact of climate-related risks and opportunities on the Company's business model and value chain

Risk/Opportunity Factors and Descriptions	Impact on business model		Impact on the value chain	
	Present	Anticipation	Present	Anticipation
Carbon Fee Collection	Our company has established a greenhouse gas inventory system and energy management measures, and has reduced energy consumption and carbon emissions through energy conservation improvement projects. Currently, the carbon fee system is in its early stages and has a limited impact on overall operating costs.	In the future, as carbon tariff rates gradually increase and international carbon pricing mechanisms become more stringent, the company may face additional carbon cost expenditures. Therefore, it will continue to promote equipment replacement, process improvement and renewable energy investment to reduce carbon emission intensity and related financial risks.	Some customers and suppliers have begun to pay attention to product carbon footprint and greenhouse gas emissions information, and our company continues to cooperate with relevant environmental information disclosure needs.	As China's requirements for green supply chains and carbon management gradually increase during the 15th Five-Year Plan period, suppliers may face additional carbon reduction costs, and customers may also raise their requirements for purchasing low-carbon products, thereby affecting supply chain management and the market competition environment.
Typhoons, torrential rains, floods, and other extreme weather events	Our main production sites are located in Taiwan, Ningbo (Zhejiang), and Foshan (Guangdong). We have established flood, typhoon, and flood prevention mechanisms as well as emergency response mechanisms, and regularly inspect our factory infrastructure and disaster prevention equipment to reduce the impact of extreme weather on our operations. To date, there have been no major weather disasters causing prolonged shutdowns.	As climate change intensifies, the frequency and intensity of extreme weather events such as typhoons, torrential rains, and floods may increase, causing risks such as production disruptions, equipment damage, logistical obstacles, or supply chain delays, which in turn affect product delivery and operational stability.	Currently, the supply chain and logistics operations are normal, and there have been no major natural disasters causing long-term supply disruptions.	Extreme weather events may affect the supply of raw materials, transportation and logistics efficiency, leading to supplier delivery delays or product shipment disruptions, increasing the risk of supply chain disruptions and operating costs.
Improve energy efficiency	<ul style="list-style-type: none"> ● Introducing high-efficiency energy-saving equipment ● Set targets for reducing energy intensity and review progress regularly. 	In line with China's "15th Five-Year Plan" for industrial energy conservation, carbon reduction, and smart manufacturing, our company will continue to promote digital management and process optimization to improve energy efficiency and production performance.	As customers increasingly value product energy efficiency and carbon emission performance, our company continues to develop energy-efficient pneumatic components to help customers reduce energy consumption and carbon emissions.	As the global net-zero transition continues, market demand for high-energy-efficiency products is expected to increase, driving the supply chain to invest in energy conservation and carbon reduction management, thereby improving the overall sustainability performance of the value chain.
Develop low-carbon products to reduce operating costs and maintain market competitiveness.	<ul style="list-style-type: none"> ● Develop lightweight, space-saving, and energy-efficient products to reduce energy consumption. ● By optimizing logistics vehicle routes (energy conservation and emission reduction) and using a large amount of environmentally friendly packaging materials, we can increase the recognition of customers who are concerned about green concepts, thereby increasing their willingness to purchase products of AirTAC. 	With the global trend towards net-zero transformation and low-carbon manufacturing, low-carbon products will gradually become a key to market competition. Our company will continue to expand the green product market and enhance product differentiation through product innovation and technological upgrades.	As a result, some corporate clients have listed our company as a preferred partner for those with energy management capabilities.	The company enhances its brand image by leveraging investors' and consumers' preference for companies with environmentally friendly policies.

Risk/Opportunity Factors and Descriptions	Impact on business model		Impact on the value chain	
	Present	Anticipation	Present	Anticipation
Renewable energy construction	Our company continues to promote the application of renewable energy, and gradually increases the proportion of renewable energy used through rooftop solar power generation systems and green electricity procurement, so as to reduce greenhouse gas emissions during operation.	The proportion of renewable energy use will be increased year by year, and more solar energy installations will be added.	No impact at present.	Customers are expected to continue to demand higher levels of green energy use and carbon reduction performance. The deployment of renewable energy will help enhance customer trust and supply chain cooperation opportunities, and strengthen the competitive advantage of the green supply chain.

Information on the impact of climate-related risks and opportunities on the company's strategies and decisions

Risk/Opportunity Category	Risk Description	Changes in business model and resource allocation	
		Present	Anticipation
Transformation risks	Carbon Fee Collection	<ul style="list-style-type: none"> Resources were allocated to conduct greenhouse gas inventory checks. The focus is on implementing technological improvements, process optimization, equipment upgrades, and replacing high-energy-consuming and low-efficiency equipment to improve energy efficiency in the production process. 	Strengthen greenhouse gas management systems, including investing resources to cover product carbon footprints and comprehensive greenhouse gas management.
Entity risk	Typhoons, torrential rains, floods, and other extreme weather events	<ul style="list-style-type: none"> Establish backup suppliers and safety stock mechanisms for critical supply chains to reduce the risk of supply disruptions. Develop emergency response plan management procedures, enhance the timeliness of critical system recovery, and quickly restore operations. 	In the future, we will continue to invest in flood prevention, flood control and infrastructure enhancement projects in the factory area, and strengthen supply chain resilience management, increase related capital expenditures and risk management resources to enhance operational resilience.
Market Opportunities	Improve energy efficiency	Our company has invested in energy-saving equipment upgrades, energy monitoring system construction, and process optimization projects, and incorporates energy efficiency into operational management and investment decision-making.	In the future, we will continue to increase investment in smart manufacturing, energy management systems and high-efficiency equipment, and prioritize the allocation of resources to projects with energy-saving and carbon-reduction benefits in order to improve energy efficiency and reduce operating costs.
Market Opportunities	Develop low-carbon products to reduce operating costs and maintain market competitiveness.	Our company continuously invests in research and development resources to optimize product performance and develop energy-saving technologies, and incorporates environmental benefits into the evaluation mechanism for new product development.	In the future, we will continue to increase R&D investment in low-carbon technologies, green materials and product innovation, and prioritize the allocation of resources to product development projects that meet the market's demand for low-carbon transformation, so as to enhance long-term growth momentum.
Market Opportunities	Renewable energy construction	Our company has invested in the construction of solar power generation systems and the procurement of green electricity, and has incorporated the development of renewable energy into its medium- and long-term carbon reduction strategy.	In response to the energy transition and green power development trends during China's 15th Five-Year Plan period, the Company plans to gradually increase the proportion of investment in renewable energy, and continue to invest in the construction of solar power generation systems, green electricity procurement and energy transition projects, in order to increase the proportion of renewable energy use and reduce future carbon cost risks.

● **Impact of climate-related risks and opportunities on the Company's current and anticipated financial position, financial performance and cash flows**

Risk type	Estimated period of occurrence	Risk/Opportunity Factors and Descriptions	Financial impact
Transformation risks	Short term	Carbon Fee Collection	Based on the IEA STEPS, NDCs, and NZE 2050 scenarios, carbon fees and carbon trading costs are projected to account for approximately 0.15%, 0.16%, and 0.34% of operating revenue in 2030, respectively, increasing operating costs and cash outflows. Additionally, approximately €4,000 will be incurred in 2025 for CBAM reporting and compliance operations, but this currently has a limited impact on overall financial condition and performance. Going forward, the company will continue to mitigate potential carbon cost risks through investments in energy conservation, carbon reduction, and renewable energy.
Entity risk	long-term	Typhoons, torrential rains, floods, and other extreme weather events	Currently, there have been no significant financial losses or asset impairments due to extreme weather events such as typhoons, torrential rains, or floods. However, if extreme weather events cause major production sites to shut down, production equipment to be damaged, or logistics to be disrupted, repair costs, revenue deferrals, and additional operating costs may occur, thereby impacting financial performance and cash flow. Based on 2025 revenue estimates, a one-day shutdown of major production sites would have a potential revenue impact of approximately NT\$150 million; however, the actual financial impact will depend on the scale of the event, its duration, and recovery capabilities.
Market Opportunities	Short term	Improve energy efficiency	In 2025, NT\$24.05 million will be invested in the introduction and upgrading of equipment, optimization of processes and fuel conversion, which is expected to reduce operating energy costs by approximately NT\$16.16 million annually.
Market Opportunities	Short term	Develop low-carbon products to reduce operating costs and maintain market competitiveness.	Developing new energy-saving products and low-carbon services will increase orders and boost revenue. By 2025, sustainable products will account for approximately 22% of total sales.
Market Opportunities	Mid-term	Renewable energy construction	As of 2025, the company has installed 17MW of solar power generation capacity, which is expected to generate approximately 11.33 million kWh of electricity annually and reduce CO ₂ equivalent emissions by approximately 5,636 metric tons. Based on the company's internal shadow carbon price of US\$90 per metric ton, this could reduce potential carbon cost exposure by approximately NT\$16.23 million per year.

(d) Climate Resilience: Climate-Related Scenario Analysis and Assessment

The company refers to the International Energy Agency (IEA) and the United Nations Intergovernmental Panel on Climate Change (Intergovernmental Panel on Climate Change, IPCC) climate scenarios and TCCIP AR6 climate scenario simulation data to analyze the financial or operational impacts that climate risks may bring.

Transition risk climate scenario: In response to the global net-zero emissions trend, countries have successively promoted carbon pricing mechanisms, including carbon fees, carbon taxes and carbon emissions trading systems, to guide companies to reduce greenhouse gas emissions. The company uses Taiwan's carbon fee system and mainland China's carbon emissions trading market (ETS) as the basis and adopt conservative assumptions to evaluate the possible carbon cost impact in the future.

The scenario setting assumes that the group's business maintains normal development in 2030, and estimates the carbon fees and carbon emission rights purchase costs that should be borne by law based on the emissions at each operating site.

The assessment results show that the carbon pricing mechanism has limited impact on the group's overall financial status and operating performance in the short term; however, as climate policies in various countries gradually become stricter and carbon costs increase, operating costs and cash outflows may increase in the future. Therefore, the group will continue to promote energy conservation and carbon reduction measures, the introduction of renewable energy and investment in low-carbon technologies to reduce related financial risks and enhance corporate climate resilience.

The Company's Risk Management Committee and Sustainability Committee have taken these scenario analysis results into consideration when reviewing relevant plans every year, and have formulated countermeasures to respond appropriately.

	Context Description	Carbon Fee	Impact amount as a percentage of revenue
Scenario 1 STEPS	This paper explores possible future directions for energy system development based on the carbon reduction policies and measures already implemented by governments worldwide. Under this scenario, future carbon emissions will likely remain roughly the same as today, and net-zero emissions will not be achieved.	2030: US\$39/ton	0.15%
Scenario 2 NDCs	All countries pledged to achieve the goals by the deadline, with the global average temperature rising by approximately 2.1°C by 2100 compared to pre-industrial levels.	2030: US\$40/ton	0.16%
Scenario 3 NEZ	To ensure that the global average temperature at the end of the century does not exceed 1.5°C above pre-industrial levels, the global energy sector must achieve net-zero carbon dioxide emissions by 2050.	2030: US\$90/ton	0.34%

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: The company refers to the Shared Socioeconomic Pathways (SSP) scenario of the IPCC Sixth Assessment Report (AR6) and selects the low emission scenario (SSP1-2.6) and the extremely high emission scenario (SSP5-8.5) to conduct climate change physical risk analysis to evaluate the potential impact on major production bases under different climate change pathways.

■ High Temperature Risk

Our company has assessed the future warming trend of our major production bases based on IPCC AR6 CMIP6 multi-model climate scenario data. The analysis shows that the regions where our Ningbo and Foshan plants are located exhibit significant warming trends under different climate scenarios, with the warming rate under the high-emission scenario being significantly higher than that under the low-emission scenario. Taiwan also shows a similar trend, indicating that the frequency and intensity of future high-temperature events may increase. Continued temperature increases may raise the electricity demand for air conditioning and cooling equipment in the plants, increasing energy costs and operating expenses, and may also impact employee health, safety, and work efficiency.

■ Drought and Water Resource Risk

Our company has assessed the future water resource risk of our major production bases based on WRI Aqueduct Future Water Risk Projections. Analysis results show that the Ningbo plant area will maintain a medium-high water stress level under all future scenarios and time scales, indicating that there will still be a certain degree of long-term water resource management risk in the area; the Tainan plant area will maintain a low-medium water stress level; and the Foshan plant area will maintain a low water stress level, with a relatively low risk to future water supply stability. Furthermore, according to TCCIP analysis results, the drought risk in the Tainan area is trending upward under high-emission scenarios, and future changes in rainfall patterns and an increase in extreme weather events may affect regional water supply stability.

■ **Flood and Sea-Level Rise Risks** Our company used Climate Central's sea-level rise and coastal flood analysis tools to assess the potential impact on major production bases.

Analysis results show that major production bases such as Ningya, Guangya, and Taiya are not located within the estimated coastal flooding range for 2050, indicating that the direct operational impact of sea-level rise on the plant areas is relatively limited. However, as climate change leads to an increased frequency of extreme rainfall events, regional flooding and short-duration heavy rainfall events may still impact factory operations, logistics, and supply chains.

Production Base	SSP1-2.6 Temperature Increase Range	SSP5-8.5 Temperature Increase Range	Water Resource Pressure	Major Entity Risks
Tainan Plant	Approximately 1~2° C	Above 3° C	Low to moderate	High temperatures, drought, and water resource pressure
Ningbo Plant (Zhejiang)	Approximately 2° C	Approximately 5° C	Medium to high	High temperatures, water resource pressure, and increased energy demand
Foshan Plant (Guangdong)	Approximately 1° C	Approximately 4° C	Low	High temperatures and increased energy demand

Note 1: Temperature changes are based on the IPCC AR6 CMIP6 multi-model climate scenario analysis, using 1995-2014 as the baseline period to analyze the average temperature changes from 2080 to 2099.

Note 2: Water resource risk is based on the WRI Aqueduct Future Water Risk Projections assessment.

■ **Comprehensive evaluation results**

High temperature risks and water resources risks are the main physical risks that the company needs to pay more attention to. Among them, the Ningbo plant is located in an area with relatively high water resources pressure, which is a key area that the company continues to pay attention to; the Tainan area needs to pay attention to future drought risks and changes in water supply stability. As temperatures continue to rise in the future, energy demand, cooling load and occupational health and safety management requirements are also likely to increase. In comparison, the risk of direct impact of rising sea levels on major production bases is relatively limited. In order to reduce related risks, the Company continues to promote the update of energy-saving equipment, improve energy and water efficiency, strengthen the reuse of recycled water, review drainage and flood control facilities, and enhance operational resilience in the face of climate change through adaptation measures such as occupational safety and health management and emergency response mechanisms.

(e) Climate Risk Management Process

1. Process for Identifying, Assessing, Prioritizing, and Monitoring Climate-Related Risks and Opportunities

Our company has incorporated climate-related risks and opportunities into our Enterprise Risk Management (ERM) mechanism, managing them according to the process of "risk identification, risk assessment, risk response, and risk monitoring."

In the risk identification phase, our company references information such as the International Energy Agency's (IEA) Energy Transition Scenario, the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6), the World Resources Institute (WRI) Aqueduct Water Risk Database, China's 15th Five-Year Plan, Taiwan's Climate Change Response Act, and international net-zero emissions trends. Through cross-departmental meetings and consultation with external advisors, we identify potential short-, medium-, and long-term climate-related risks and opportunities.

Our company categorizes climate-related issues into three main types: Transformation risks, entity risks, and climate-related opportunities.

Transformation risks

- The main assessment focuses on the impact of changes in carbon fees, carbon emissions trading mechanisms, carbon border adjustment mechanisms (CBAM), and other climate-related policies and regulations on operating costs and market competitiveness.

entity risks

- The main assessment focuses on the impact of extreme weather events such as typhoons, torrential rains, floods, and high temperatures on production sites, equipment and facilities, logistics and transportation, and the stability of the supply chain.

climate-related opportunities

- The main assessment focuses on the operational benefits and market opportunities arising from issues such as improving energy efficiency, developing low-carbon products, and establishing renewable energy infrastructure.

2. Monitoring process for climate-related risks and opportunities

The company has established a climate risk monitoring mechanism based on the risk management system, with each responsible unit regularly tracking changes in climate-related risks and opportunities and reviewing the effectiveness of management measures.

Each unit monitors and improves according to risk types and management rights and responsibilities, and relevant assessment results are regularly reported to the Sustainable Development Committee and Risk Management Committee for review; the Risk Management Committee reports to the Board of Directors at least once a year on the implementation of risk management and major risk issues to ensure that climate risk management measures are effectively implemented and response strategies are adjusted in a timely manner.

In addition, the sustainable management working group continues to pay attention to domestic and foreign climate policies, regulations and industry development trends, and regularly reviews climate-related goals and management measures to enhance corporate climate resilience and response capabilities.

(f) Climate-related indicators related to greenhouse gases

Our greenhouse gas emissions are calculated in accordance with the methods stipulated in the GHG Protocol and take into account the "greenhouse gas emission coefficients" announced by the Ministry of Environmental Protection. We use the operational control method to calculate the emissions of joint ventures and affiliated companies. We chose this method because it accurately reflects our actual operational control and ensures that the greenhouse gas emission data fully and consistently reflects the company's true operational impact, so that users can fully understand the performance related to climate-related risks and opportunities. For the greenhouse gas emissions of Category I, Category II and Category III generated by our company during the reporting period in 2025, please refer to page 94 of the appendix.



(g) Climate-related indicators – wages

ESG Performance and Compensation Link

Explanation of the link between ESG performance and executive compensation

General Manager

- The General Manager's remuneration is based on the "Senior Manager Compensation Management Regulations," which clearly stipulates the range of fixed and variable compensation. Variable compensation is linked to sustainable performance indicators and weighted accordingly, and is regularly evaluated by the Compensation Committee.

Senior Manager

- Senior managers are compensated according to the "Senior Manager Compensation Management Regulations," which clearly define the range of fixed and variable compensation. Performance indicators for senior managers' variable compensation include financial indicators (revenue, profit, etc.) and core competency indicators (leadership, decision-making, planning, etc.). Non-financial indicators such as environmental protection (energy conservation/water conservation/waste reduction/pollution prevention), talent development, quality management, customer satisfaction, occupational safety and health, and legal compliance are also considered as bonus points. The evaluation results are submitted to the Compensation Committee as a reference for recommending the amount of bonuses for senior managers, influencing bonuses by 1-5% of the total bonus.

List of Sustainable Performance Indicators for Senior Managers:

Target	Performance indicator	Weighting	Explanation
General Manager	Financial Indicators	30%	• Company financial performance and its comparison with peers, such as ROE, budget achievement rate, total assets, and revenue performance.
	Strategic Indicators	50%	• Goals based on future medium- and long-term strategies, such as automation transformation, market layout, and responses to major risks.
	Management Indicators	10%	• Includes corporate governance ratings, integrity in business operations, compliance with laws and internal controls, and risk management.
	Sustainability Indicators	10%	• Includes energy conservation and carbon reduction, environmental protection and pollution discharge, occupational safety, and social participation.
Senior Manager	Additional Bonus Indicators	1~5%	Non-financial indicators such as environmental protection (energy conservation/water conservation/waste reduction/pollution prevention), talent development, quality management, customer satisfaction, occupational safety and health, and legal compliance will be considered as bonus points.

(h) For information on industry fundamental indicators, please refer to page 109 of this report - Sustainability Accounting Standards Board (SASB) Comparison Table.

(i) Climate-related goals

The company has committed to becoming carbon neutral by 2060. Taking 2021 as the base year, the short-term goal (2026) is to reduce greenhouse gas emission intensity (Scope 1 and 2 (Location-Based) emissions/sales per million yuan) by 40%. The medium-term target (2030) is to reduce greenhouse gas intensity by 48% and increase the share of renewable energy to 25%. The long-term goal (2036) is to reduce greenhouse gas intensity by 55% and increase the use of renewable energy to more than 35%.

The Company continues to promote energy conservation and carbon reduction measures, improving energy efficiency through technological improvement and process optimization, equipment modification and replacement of high energy-consuming equipment, and increasing the proportion of renewable energy use by adding solar power generation equipment and purchasing green electricity certificates. The greenhouse gas intensity from 2021 to 2025 is 5.4, 4.54, 3.92, 3.78, and 3.54 respectively. The greenhouse gas intensity (Scope 1 and Scope 2 Location-Based) in 2025 has been reduced by about 35% compared with the base year 2021.

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.



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 Company conducts an annual customer satisfaction survey targeting major customers across the country. The survey covers 10 key aspects of customer satisfaction. In 2025, the average percentage of customers giving a full score of 100 across all survey items reached 93.54%. The top three areas were product appearance, product pricing, and delivery accuracy, each receiving a full-score rating from more than 92.63% of respondents. Overall customer satisfaction has continued to improve year over year. For areas with room for further improvement, the Company remains committed to its customer-oriented and customer-first service philosophy and actively reviews customer feedback and implements improvement measures to continuously enhance product and service quality and customer satisfaction.

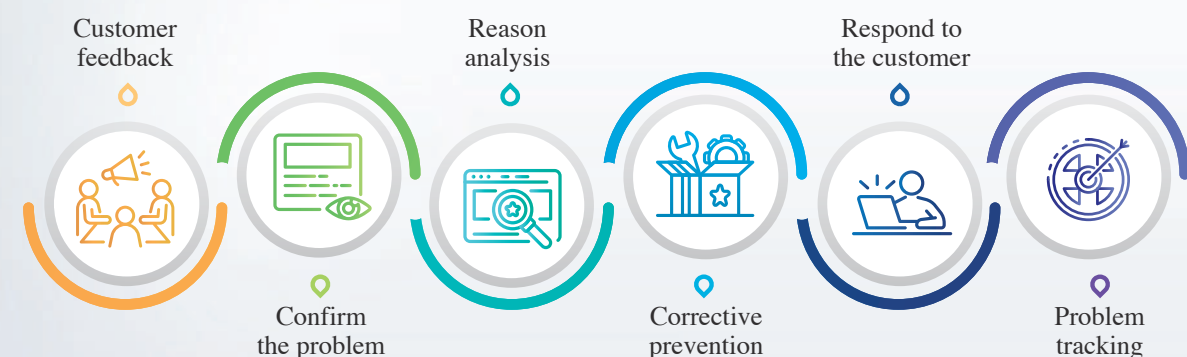
Moreover, we use the customer satisfaction survey results as our benchmark to make continuous improvements. We explore customer needs through proactive services and provide our improvement record back to our customers to create differentiated competitiveness. Innovative proactive customer service, internal 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

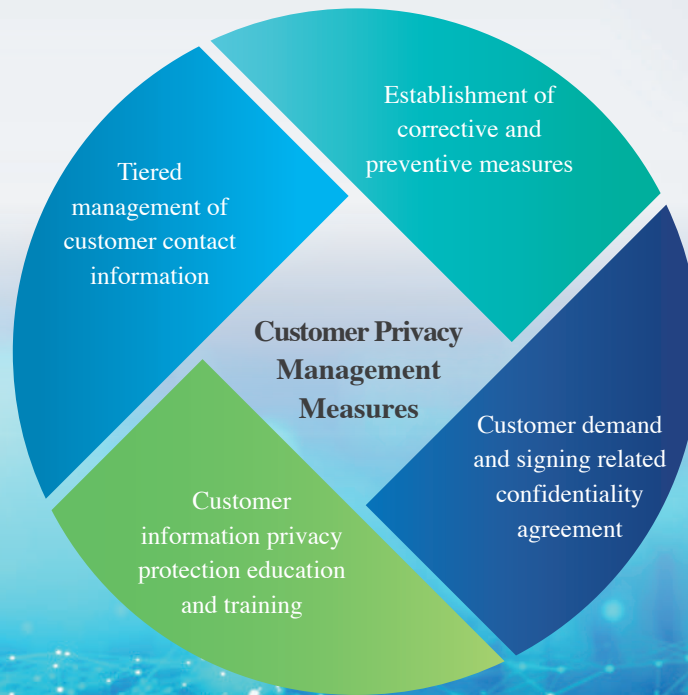


Upon receiving customer complaints, staff at each sales location provide initial information and a preliminary response. For products in question, if the factory has stock, a replacement will be provided within two business days. If the factory does not have stock and re-production is required, a replacement will be provided within five days to two weeks. Furthermore, the Company has established a "Customer Rights Protection Policy" and a "Customer Complaint Handling Procedure" to ensure that every customer complaint is properly tracked and effectively handled.

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 2025, 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.

Quality Management System Certification

The Company's major production sites, AirTAC Ningbo and AirTAC Guangdong, have both obtained ISO 9001 Quality Management System certification and conduct their operations in accordance with the established quality management system. Product safety and quality management are jointly managed by the R&D, Quality Control, and Production departments. The R&D Department is responsible for product design and development, testing and validation, and product certification management. The Quality Control Department is responsible for quality management of raw materials, production processes, and finished products, as well as nonconforming product control and the analysis and improvement of quality issues. Production units implement process controls and quality improvement measures in accordance with the quality management system. Through cross-functional collaboration, the Company ensures that its products meet quality, safety, and customer requirements.

To ensure consistent product quality, the Company has established a comprehensive quality management framework covering product development reviews, nonconforming product control, measuring equipment management, customer complaint and quality issue resolution, and supplier quality management. These procedures ensure that quality requirements are met throughout all stages, from incoming raw material inspection and manufacturing to final inspection prior to shipment. The Quality Control Department also regularly monitors key quality indicators, including product yield, process defect rates, scrap rates, rework rates, and customer complaints, as a basis for tracking product quality and safety management performance.

Smart Quality Management

AirTAC Ningbo continues to advance smart manufacturing and digital quality management through the implementation of a Management Information System (MIS) for quality management, together with high-precision inspection equipment and process monitoring technologies. By integrating big data analytics, the Company enables real-time collection of quality data, early warning of abnormalities, and process monitoring. Through a smart management platform that integrates production processes, quality management, and supply chain information, the Company is progressively implementing automated inspection, intelligent diagnostics, and real-time monitoring mechanisms to enhance product quality consistency and process management efficiency.

The MIS has enabled connectivity between inspection data and equipment, end-to-end product traceability, and real-time alerts for abnormalities. Through data analytics and process monitoring, the system helps improve product yield, reduce defects, scrap, and rework, and decrease the need for manual inspection and data processing, thereby continuously enhancing quality management effectiveness and production efficiency.

Product Safety and Regulatory Compliance

The Company places great importance on product quality and safety and is committed to ensuring compliance with applicable health, safety, and environmental regulations throughout the product life cycle. In accordance with its RoHS 2.0 Monitoring Procedures, the Company has established a raw material management mechanism. The Quality Control Department develops annual testing plans and supplier information collection plans and requires suppliers to provide compliance test reports. Where necessary, third-party testing organizations are engaged to conduct verification to ensure that products comply with the EU RoHS Directive and other applicable regulatory requirements.

With respect to product labeling and marketing practices, the Company complies with applicable laws and regulations in the jurisdictions where it operates, as well as relevant international standards, to ensure the accuracy, completeness, and transparency of product information. Product specifications, instructions for use, and safety precautions are provided as required to protect the rights and interests of customers and end users.

The Company has established mechanisms for customer complaint handling, quality issue investigation, product traceability, and product recalls. If a product is identified as potentially affecting performance, reliability, or safety, the Company will promptly initiate an investigation to determine the root cause, scope of impact, and affected products, and will take corrective actions and communicate with customers based on the investigation results.

In addition, the Company has established product identification and traceability mechanisms through its ERP system, enabling the traceability of product batches, production records, materials used, equipment, and relevant personnel. This facilitates the identification of affected products and the implementation of appropriate follow-up actions. Product recall and customer notification procedures have also been incorporated into the quality management system to ensure timely response measures when necessary.

In 2025, the Company did not incur any regulatory penalties related to product quality or product safety, or for non-compliance with health and safety regulations, nor were there any significant product recalls.



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

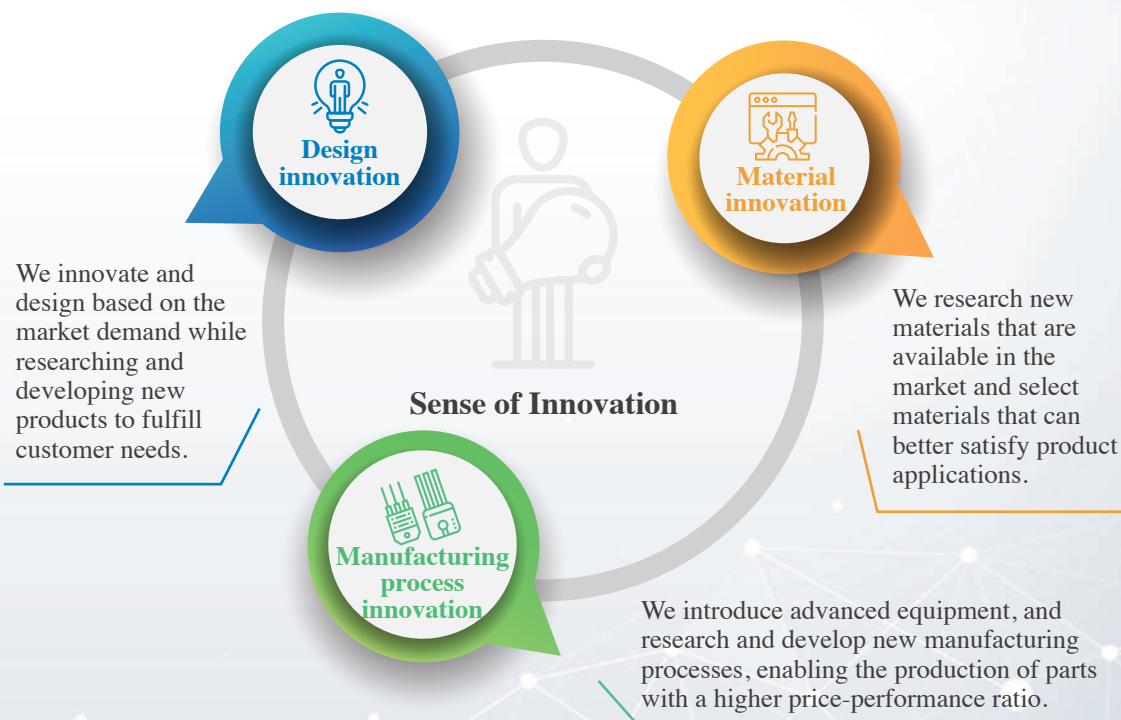
Cooperation with large battery manufacturers to develop special pneumatic components.

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	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 1. Operation process control management 2. Staff education and training 3. External Professional institutional consultant
Trade Secret	Claims and compensation caused by leakage	<ol style="list-style-type: none"> 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 reports intellectual property-related matters to the Board of Directors. The most recent report was submitted on November 13, 2025. In 2025, the Company continued to expand the scope of implementation, with a focus on trademark management. Key implementation results for the year are as follows:

Item	Implementation Status
1. Review and revise the Company's existing intellectual property management policies and procedures.	<ul style="list-style-type: none"> • In May 2025, the Company revised its intellectual property management policies and procedures, including the Intellectual Property Management Manual, Trademark Management Procedures, Internal Audit Implementation Procedures for Intellectual Property Management System, Information Security Management Policy, and Personnel Management Procedures.
2. Provide education and training for intellectual property management personnel to enhance their intellectual property management capabilities.	<ul style="list-style-type: none"> • In April 2025, trademark personnel completed two hours of education and training and passed the assessment. • In April 2025, internal audit personnel completed two hours of education and training and passed the assessment. • In May 2025, general personnel completed two hours of education and training and passed the assessment.
3. Review and monitor trademark registrations in various countries and conduct at least one company-wide trademark review each year.	<ul style="list-style-type: none"> • In July 2025, the Company completed its annual trademark review for 2025.
4. Engage an external intellectual property firm to conduct trademark monitoring for industry peers and issue at least one relevant report each year.	<ul style="list-style-type: none"> • The Company engaged an external intellectual property firm to conduct trademark monitoring and issue a trademark monitoring report.

2. As of December 2025, the Company had obtained a cumulative total of 265 approved patents, including invention patents, utility model patents, and design patents, and held a total of 150 valid registered trademarks worldwide.
3. The Company introduced the Taiwan Intellectual Property Management System (TIPS) in 2024 and first passed TIPS Level A verification in November 2024. The Company subsequently passed its annual TIPS Level A re-verification in 2025. The certificate is valid from December 31, 2025 to December 31, 2027.



Professional R&D Talents

Over the years, the Company has continued to cultivate professional R&D talent, increase investment in innovation, and enhance its innovation environment. In response to market developments, the Company continues to advance smart technologies and diversify into new product and service areas, developing products that go beyond customer expectations while further expanding and enhancing its product portfolio to strengthen its competitiveness in the market. The Phase II Tainan Plant and the new Ningbo plant, which covers an area of approximately 170,000 square meters, focus on the development of high-end pneumatic components and electric actuator components, as well as key technologies for core components used in various pneumatic and electric products. The Company continues to invest resources in the linear guideway business by recruiting experienced professionals and introducing advanced production equipment and manufacturing processes. It is committed to designing, developing, and manufacturing high-quality, reasonably priced linear guideway products to meet the needs of various industries. These technologies are also being incorporated into the Company's new products, further strengthening and diversifying its product portfolio.

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

1 Project planning

- Evaluate the product's future sales potential through market research.
- Carry out R&D feasibility assessment

2 Concept design

- Propose development process plans for new products and arrange resource allocation.
- Carry out sampling and computer aided engineering (CAE) verification and make timely adjustments when design deficiencies are found.

3 Manufacturing process development

- Development of related molds and necessary equipment
- Through a small number of production trials, report and extend failure analysis and verification to ensure design changes as well as the stability of related tooling and manufacturing processes.

4 Product verification

- Perform functional tests and durability tests

5 Small volume production

- In terms of small volume production - all components are required to be produced with formal dies and processes; problems are reexamined and modifications made through production data and abnormality feedback.
- BOM establishment of each stage of the product

6 Product transfer to another plant

- Prior to mass production, the R&D center must run a final confirmation on whether related data and drawings are complete/production unit must confirm whether there is an issue with related equipment configuration and the stability of the manufacturing 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.

From a product life cycle perspective, the Company integrates sustainability strategies across all stages, including design, manufacturing, packaging, transportation, use, and disposal. At the same time, the Company strengthens energy conservation and carbon reduction initiatives throughout its production processes to establish a circular green manufacturing model.

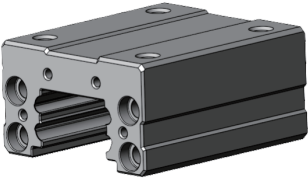
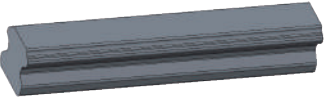
2.6.1 Clean technology innovation

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	2023	2024	2025
R&D Investment (NT\$ million)	8.96	10.4	11.1
R&D Expenditure as a Percentage of Revenue	3%	3.39%	3.23%
Number of R&D Personnel	912	889	846
R&D Personnel as a Percentage of Total Employees	10.33%	10.27%	9.29%

2.6.2 Product Life Cycle

Life Cycle	Raw Material Development	Production
Management Policy	<ol style="list-style-type: none"> 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. 	<ol style="list-style-type: none"> 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.
2025 Actual Performance	<ol style="list-style-type: none"> 1. In 2025, the proportion of renewable raw materials used was approximately 44%. 2. The primary raw materials used in production are 100% compliant with RoHS requirements and 100% free of conflict minerals. 	<ol style="list-style-type: none"> 1. By optimizing the surface treatment process for black chrome-plated sliders and adjusting coating thickness specifications, the Company can save approximately 1.18 million kWh of electricity annually, equivalent to a reduction of approximately 588 metric tons of CO₂e emissions. 2. By optimizing product design and material utilization for linear guideway profiles, the Company reduces material losses during the manufacturing process, saving approximately 421 metric tons of steel annually and reducing GHG emissions by approximately 673 metric tons of CO₂e.



Transportation	Product Usage	Disposal or Recycling
<ol style="list-style-type: none"> 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. 	<ol style="list-style-type: none"> 1. By optimizing the processes, we enhance product efficiency, which in turn reduces energy consumption. 	<ol style="list-style-type: none"> 1. Continuously promote waste classification and reduction, increasing the proportion of waste recycling and reuse.
<ol style="list-style-type: none"> 1. By replacing wooden crates with cardboard boxes for linear guideway product packaging, the Company can reduce wood consumption by approximately 353 metric tons annually, equivalent to a reduction of approximately 110 metric tons of CO₂e emissions 	<ol style="list-style-type: none"> 1. Based on the product's designed lifespan, each unit can help customers save approximately 18 kWh of electricity. Based on estimated annual sales volume, products sold annually can help customers reduce CO₂ equivalent emissions by approximately 8,616 metric tons over their lifespan.int Handling Procedures" to ensure that every customer complaint is properly tracked and effectively handled. 	
<ol style="list-style-type: none"> 2. From 2024 to 2025, AirTAC China phased out 195 older gasoline and diesel vehicles and purchased 114 hybrid vehicles and 143 new energy-efficient vehicles. 	<ol style="list-style-type: none"> 2. The 4SV Series solenoid valves feature a low-power design, reducing power consumption by approximately 60% compared with the conventional 4V Series. Based on the estimated product service life, each unit can help customers save approximately 20 kWh of electricity. Based on estimated annual sales volume, products sold during the year are expected to help customers reduce approximately 7,562 metric tons of CO₂e emissions over their service life. 	<p>The recycling and reuse rate of waste for the year 2025 is 93%.</p>

2.7 Sustainable Supply Chain Management

Supplier Management Policy

The Company assesses the environmental and social impacts of its procurement activities on communities within its supply chain and works with suppliers to jointly fulfill sustainability responsibilities. The Company has established a Supplier Management Policy under which suppliers are assessed, prior to entering into business relationships, for any records of adverse environmental or social impacts, in order to avoid conducting business with suppliers whose practices conflict with the Company's sustainability policies. Contracts entered into with major suppliers include provisions requiring compliance with the sustainability policies of both parties. The Company reserves the right to terminate or rescind a contract at any time if a supplier violates such policies and causes significant environmental or social impacts on communities within the supply chain.

Supplier Code of Conduct

The Supplier Code of Conduct was developed with reference to internationally recognized standards and regulatory requirements relating to human rights, labor practices, environmental protection, and business ethics, including but not limited to the Ten Principles of the United Nations Global Compact, the International Labour Organization's core labor standards, the United Nations Universal Declaration of Human Rights, and product hazardous substance and chemical management regulations such as REACH, RoHS, and SCIP.

Suppliers are required to comply with all applicable laws, regulations, and industry standards in the jurisdictions where they operate and must not engage in any illegal or improper conduct.

With respect to human rights and labor rights, suppliers are required to protect the fundamental rights of all categories of workers, including permanent employees, temporary workers, part-time workers, migrant workers, and interns. The use of child labor, forced labor, bonded labor, indentured labor, prison labor, and any form of human trafficking is prohibited. Suppliers must not engage in discrimination, harassment, or unequal

treatment based on gender, age, religion, political views, disability, or other factors. Suppliers are also required to provide working hours, wages, leave, insurance, and other employment conditions in compliance with applicable laws and to respect employees' rights to freedom of association and collective bargaining.

With respect to health and safety, suppliers are required to provide safe, hygienic, and appropriate working and living environments; establish procedures for the prevention, management, tracking, and reporting of occupational injuries and diseases; and regularly conduct emergency response drills and employee safety training to reduce occupational health and safety risks.

With respect to product responsibility, suppliers are required to comply with product-related regulations such as REACH, RoHS, and SCIP and ensure that the raw materials, components, and products they provide comply with applicable hazardous substance restrictions. Suppliers must also refrain from using minerals sourced from conflict-affected areas and ensure that tin, tantalum, tungsten, gold, cobalt, and other raw materials are sourced legally and responsibly. Where necessary, suppliers are required to provide information enabling the traceability of raw material sources.

With respect to environmental responsibility, suppliers are required to properly manage wastewater, air emissions, and waste to prevent environmental pollution. Suppliers are also expected to implement measures relating to pollution prevention, energy conservation and carbon reduction, energy efficiency improvement, water resource management, and GHG emissions reduction to progressively reduce the environmental impacts of their operations.

With respect to business ethics, suppliers are strictly prohibited from engaging in any form of bribery, kickbacks, or other improper transfer of benefits. Suppliers are required to adhere to fair competition principles and must not engage in price manipulation, monopolistic practices, or illegal agreements. Suppliers are also expected to avoid conflicts of interest and to respect and protect intellectual property rights, trade secrets, and personal data privacy.

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

Supplier Management

ESG Screening for New Suppliers

In response to global sustainability trends and customer expectations for responsible supply chain management, the Company has further established its Supplier Code of Conduct based on its existing Integrity and Anti-Corruption Commitment, Declaration of Non-Use of Conflict Minerals, and Non-Infringement Declaration. The Supplier Code of Conduct incorporates sustainability issues, including human rights protection, labor rights, occupational health and safety, environmental protection, product responsibility, and business ethics, into the Company's supplier management framework and applies these requirements to the evaluation and engagement of new suppliers.

During the new supplier selection process, the Company assesses suppliers' capabilities in quality management, environmental management, occupational health and safety, and regulatory compliance through document reviews and on-site assessments where necessary. The assessment covers areas including the implementation of management systems (such as ISO 9001 and ISO 14001 certifications), hazardous chemical management measures, product quality and safety management mechanisms, capabilities for responding to quality issues, ethical business practices, and regulatory compliance, to ensure that suppliers meet the Company's basic responsible supply chain management requirements prior to engagement.

New Supplier ESG Assessment Criteria:

-  Signing of the Supplier Code of Conduct
-  ISO 14001 Environmental Management System Certification
-  ISO 9001 Quality Management System Certification
-  Hazardous Chemical Substance Management
-  Product Certification Status

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 and On-site Audits

The Company has established a supplier performance evaluation mechanism to regularly review suppliers' performance in quality, delivery, service, and sustainability management. All suppliers are evaluated annually. Suppliers that are subject to IATF 16949 requirements and provide products for automotive industry customers are evaluated on a quarterly basis.

The evaluation covers delivery, pricing, quality, customer complaint handling, cooperation, and environmental management. To strengthen sustainable supply chain management, in 2025, the Company distributed ESG self-assessment questionnaires to key suppliers to assess their management practices in areas including human rights, labor rights, occupational health and safety, environmental protection, and ethical business practices. The assessment results are incorporated into the annual supplier evaluation. Supplier evaluation results are classified into four grades: Grade A (91–100 points), Grade B (71–90 points), Grade C (61–70 points), and Grade D (60 points or below).

In addition, the Company develops an annual audit plan for key suppliers with significant procurement volumes and those supplying products subject to certification requirements, and conducts on-site audits to verify that their management systems and operations meet the Company's requirements. The audits cover quality management, environmental management, process control, shipment management, and regulatory compliance. Environmental management criteria include the establishment of quality and environmental policies, training for personnel engaged in specialized operations, hazardous chemical management, and control of environmentally hazardous substances. A quantitative scoring system is applied to on-site audits. Suppliers must achieve an overall score of at least 70 points and a rating of "Good" or above (4 points or higher) for environmental management criteria to qualify as approved suppliers. In 2025, the Company conducted on-site audits of 47 suppliers.

For suppliers that fail to meet the Company's evaluation or audit requirements, the Company arranges on-site guidance and improvement follow-up based on identified areas for improvement. Relevant departments, including Procurement, Quality Control, and R&D, work together to assist suppliers in enhancing their quality management and supply capabilities. The Company continuously tracks the effectiveness of improvement measures, which serves as an important basis for subsequent cooperation and supplier management. In 2025, the Company provided guidance to 47 suppliers.

	AirTAC Ningbo 2025 supplier evaluation result	AirTAC Guangdong 2025 supplier evaluation result	AirTAC Taiwan 2025 supplier evaluation result
Grade A	166 suppliers; including 27 new suppliers	40 suppliers; including 2 new suppliers	148 suppliers; including 3 new suppliers
Grade B	294 suppliers; including 24 new suppliers	128 suppliers; including 13 new suppliers	50 suppliers; including 1 new suppliers
Grade C	44 suppliers; including 5 new suppliers	3 suppliers, with no new suppliers	None
Grade D	12 suppliers; including 1 new supplier	None	None

Ethical Business Practices and Anti-corruption Management

Procurement personnel, sales personnel, R&D personnel, engineers, and management trainees at section level or above who interact with suppliers are required to sign confidentiality agreements upon joining the Company or transferring to a relevant position and are prohibited from accepting improper gifts or other undue benefits. Key suppliers are also required to sign an Integrity and Anti-corruption Commitment when entering into business relationships with the Company. In 2025, key suppliers that had signed the Integrity and Anti-corruption Commitment accounted for more than 95% of the procurement value from key suppliers.

Local Procurement and Supply Chain Decarbonization

Recognizing the potential environmental impacts associated with the transportation of raw materials and components, the Company adheres to the principle of local sourcing and actively develops local suppliers. Through timely and localized procurement, the Company aims to reduce carbon emissions associated with long-distance transportation while creating local employment opportunities and contributing to local economic development. In 2025, local procurement of raw materials accounted for 47% of AirTAC Taiwan's raw material purchases, while the corresponding percentages for AirTAC Ningbo and AirTAC Guangdong were 76% and 96%, respectively. AirTAC Taiwan's relatively lower local procurement ratio was primarily attributable to economies of scale, as certain raw materials are centrally procured through AirTAC Ningbo.

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
- 3.7 Biodiversity



3.1 Environmental Policy and Commitment

Environmental Policy

1. We comply with 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 recycled materials that pose a low environmental impact so that resources can be used sustainably.
3. According to industry characteristics, we have established appropriate environmental management system. 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 accordance with 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 sustainable use of renewable resources.
 - Extend the durability of products.
 - Increase the performance of products and services.
6. In an attempt to improve water-use efficiency, 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 technologies.
7. Current and future potential risks and opportunities arising from climate change on the Company are assessed, and corresponding measures are adopted to address climate issues.

3.2 Energy and GHG Management

Environmental Management System

The ISO 14001 Environmental Management System was implemented and certified at the main production plants, AirTAC Ningbo and AirTAC Taiwan. The AirTAC Ningbo certificate is valid from July 15, 2023 to July 14, 2026, while the AirTAC Taiwan certificate is valid from December 16, 2023 to December 15, 2026. 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.

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.

AirTAC's energy management plan includes measures such as process improvements, equipment replacement, the use of renewable energy, energy-saving performance evaluation, and employee education and training. Through these measures, the Company continuously improves energy efficiency and reduces energy consumption from its operations and throughout the product life cycle, while also reducing greenhouse gas emissions and environmental impacts and supporting the achievement of its net-zero emissions and sustainable development goals.

Goals and Strategies	2025 Performance Achievements	2030 Goals and Corresponding Strategies	2036 Goals and Corresponding Strategies	2060 Goals and Corresponding Strategies
Energy Management and Greenhouse Gas Emissions	<ul style="list-style-type: none"> From 2021 to 2025, AirTAC's greenhouse gas intensity (Scope 1 and Scope 2 Location-based Emissions per NT\$1 Million in Sales) was 5.4, 4.54, 3.92, 3.78 and 3.54, respectively. In 2025, greenhouse gas intensity decreased by approximately 35% compared with the 2021 base year. From 2021 to 2025, AirTAC's energy intensity (energy consumption per NT\$1 million in sales) was 37.31, 35.48, 29.95, 31.45 and 30.29, respectively. In 2025, energy intensity decreased by approximately 19% compared with 2021. AirTAC continued to expand the scope of its Scope 3 greenhouse gas emissions inventory and completed the inventory of Scope 3 Categories 2, 3, 5, 7, and 8 for AirTAC Taiwan, AirTAC Ningbo, AirTAC Guangdong, and AirTAC China. AirTAC completed the Scope 1 and Scope 2 greenhouse gas inventories and assurance for all companies included in the consolidated financial statements. 	<p>Target: Reduce greenhouse gas (GHG) intensity by 48% compared with 2021 and achieve a renewable energy usage ratio of 25%</p> <p>Strategies:</p> <ol style="list-style-type: none"> 1. Improve energy efficiency by phasing out low-efficiency equipment and optimizing production processes. 2. Install additional on-site solar power generation facilities to increase the share of renewable energy use. 3. Build energy storage systems to prevent ineffective energy loss. 4. Complete the GHG emissions inventory for all Scope 3 categories. 	<p>Target: Reduce GHG intensity by 55% compared with 2021, and achieve a renewable energy usage ratio of 35%.</p> <p>Strategies:</p> <ol style="list-style-type: none"> 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. Strengthen supply chain collaboration on carbon reduction. 	<p>Target: Achieve net-zero emissions across the entire value chain.</p> <p>Strategies: Continue to promote low-carbon processes, products, and transportation, and address residual emissions through carbon removal or offsetting.</p>

Internal Carbon Pricing

The Company references the International Energy Agency (IEA) Net Zero Emissions by 2050 Scenario (NZE) and applies a shadow carbon price of US\$90 per metric ton as a reference for evaluating major capital expenditures and operational decisions. Potential carbon costs are incorporated into investment decision-making to guide the Company's low-carbon transition and enhance climate resilience.

2025 Low-Carbon Investment Performance

To improve energy efficiency and reduce greenhouse gas emissions, the Company continued to implement energy management and energy-saving measures, including establishing energy-saving management guidelines for lighting, implementing energy consumption quota management, strengthening the metering and monitoring of water, electricity, and gas, and optimizing the operation and management of utilities such as air-conditioning systems and fans. Each plant has also established monitoring mechanisms in accordance with energy metering requirements and regularly analyzes energy data to promptly identify abnormalities and implement corrective measures.

In 2025, the Company invested NT\$24.05 million in air compressor replacement and various energy-saving and carbon reduction projects, which are estimated to reduce greenhouse gas emissions by approximately 2,322 metric tons of CO₂e annually. Based on an internal shadow carbon price of US\$90 per metric ton, these reductions are equivalent to approximately US\$209,000 in avoided potential carbon costs per year, further enhancing the benefits of low-carbon investments and operational resilience.

2025 Energy-Saving Initiatives

Company	Energy-Saving Project	Annual Energy Savings
AirTAC Taiwan	Air-Conditioning Energy-Saving Measures	Approx. 280,000 kWh
AirTAC Ningbo	Fuel Conversion (Electricity)	Approx. 290,000 kWh
	Fuel Conversion (Natural Gas)	Approx. 290,000 Nm ³
	Process Improvement (Electricity)	Approx. 2.49 million kWh
	Process Improvement (Natural Gas)	Approx. 110,000 Nm ³
AirTAC Guangdong	Air Compressor Replacement	Approx. 110,000 kWh

Note 1: The energy savings from the air compressor improvement project are calculated by multiplying the theoretical energy savings provided by the energy authority by the operating hours.

Renewable Energy Deployment

In 2025, the Company's renewable energy share was 2.78%. To progressively increase the share of renewable energy use, the Company has installed solar power generation systems for self-generation and self-consumption on unused rooftops as part of its plant expansion projects. As of the end of 2025, the total installed capacity reached 17 MW.

In addition, in January 2026, the Company purchased 3,900 MWh of Green Electricity Certificates (GECs). The certificates were issued by a green certificate issuing authority under China's National Energy Administration and sourced from photovoltaic power generation projects in Yunnan Province, China. The transaction was completed through the Guangzhou Power Exchange Center to support the development of renewable energy and reduce the Company's indirect Scope 2 greenhouse gas emissions.

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 2025, a total of NT\$860,000 in incentive bonuses was awarded, and improvement proposals generated approximately NT\$55.8 million in operating cost savings.



Green Construction

We have planned appropriate green space outside each building of the AirTAC 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, the Company has continued to strengthen transportation management. For example, based on shipment value, customers are required to reach a certain shipment amount before shipments can be arranged. The Company also works with logistics providers to consolidate shipments with other goods. In addition to reducing the Company’s logistics costs, consolidated shipments also help reduce greenhouse gas emissions from transportation.

The Company adopts centralized procurement of specified quantities of products to reduce the frequency of procurement and shipments. Special packaging requirements are carefully evaluated to avoid over-packaging, and pallets and logistics boxes are used in place of single-use cartons for delivery. In addition, during sea transportation, bubble wrap, plastic pellets, and other cushioning materials were previously placed inside cartons to prevent product collisions. Air-filled cushioning is now used to reduce the use of plastic pellets, thereby reducing packaging material use and environmental impacts.

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	2025 Performance Achievements	2030 Goals and Corresponding Strategies	2036 Goals and Corresponding Strategies
Water Management	<ul style="list-style-type: none"> From 2021 to 2025, AirTAC's water intensity (water consumption per NT\$1 million in sales) was 35.75, 36.92, 33.05, 30.63 and 27.43, respectively. In 2025, water intensity decreased by approximately 23% compared with 2021. 	<p>Target: Using 2021 as the baseline, reduce water intensity by 26%.</p> <p>Strategies: Start from the source by optimizing production processes and introducing wastewater reduction equipment to reduce water resource consumption. At the same time, we will introduce greywater reuse equipment to increase the proportion of recycled water.</p>	<p>Target: Using 2021 as the baseline, reduce water intensity by 32%.</p> <p>Strategies: Continuously conserve water. Introduce advanced water-saving and treatment technologies. Enhance water recycling performance.</p>

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. The plant is designed to recycle 795 tons of phosphoric acid annually, treat and recycle up to 60,000 tons of water per year (Actual recycle reached 86,000 tons), 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	2025 Water Savings
AirTAC Taiwan	Reduced Landscape Irrigation through Greening Improvements	2,711
	Process Wastewater Recycling	2,198
AirTAC Ningbo	Reduced Landscape Irrigation through Greening Improvements	4,980
	Recycling and Reuse of Boiler Condensate	13,794
	Reuse of Condensate from Purified Water Systems	28,215
	Recycling of Machinery Cleaning Wastewater	4,410
	Multi-stage Countercurrent Rinsing for Surface Treatment Cleaning Lines	70,206
AirTAC Guangdong	Water Conservation through Overflow Control in Surface Treatment Tanks	116,720
	Reduced Landscape Irrigation through Greening Improvements	23
	Reuse of Machinery Cleaning Wastewater	4,492
Total		247,749

Water Stress Index

The Company uses the World Resources Institute (WRI) water risk assessment tool to identify the water risk levels of the regions where its plants are located. The assessment results indicate that the baseline water stress in the area where AirTAC Ningbo is located is classified as Medium-High risk. Accordingly, the Company has designated the Ningbo plant as a key site for water resource management and continues to implement measures such as process water recycling, rainwater harvesting and reuse, and water-saving equipment improvements. The Company also regularly reviews water-use efficiency and the use of recycled water.

Item	AirTAC Ningbo	AirTAC Guangdong	AirTAC Taiwan
Baseline Water Stress	Medium-High	Low	Low to Medium
Water Source	Hengshan Reservoir; Tingxia Reservoir – Shanling-Xiangyang Stream	Dongping Waterway (Beijiang River)	Nanhua Reservoir
Receiving Water Body	Fenghua River	Yao River (Pearl River)	Yanshui River
Wastewater Treatment Facility	Fenghua District Wastewater Treatment Plant	Songgang Wastewater Treatment Plant	Shugu Industrial Park Wastewater Treatment Plant
Discharge Standard	PH	6-9	5~9
	SS(mg/l)	400	200
	COD(mg/l)	500	400

Note 1: Water stress levels are assessed based on the Baseline Water Stress indicator of the WRI Aqueduct Water Risk Atlas 4.0.

Note 2: Water consumption at the Company's sales locations, including those in Mainland China, Taiwan, and overseas, is mainly for employees' daily domestic use and accounts for approximately 3% of the Group's total water consumption. As no wastewater is generated from production activities at these locations, they are not included in this table.

3.3.2 Wastewater Management

In 2025, AirTAC invested NT\$4.2 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.

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.

In 2025, AirTAC invested **NT\$8.44 million** to introduce oil mist filtration and dust removal equipment in order to reduce air pollution.

In 2025, there were **no** major penalties related to air quality environmental regulations.

3.4.2 Hazardous Substance Management

Toxic substances mainly include chromium and acid mist in air emissions, as well as heavy metals such as chromium, nickel, copper, and zinc in wastewater. VOCs are primarily generated from the volatilization of paints, thinners, and solvents used in spray painting and rubber processing.

The Company reduces emissions of toxic substances and ensures proper treatment through air pollution control equipment and wastewater treatment facilities. VOC emissions are managed through enclosed treatment systems to prevent the dispersion of exhaust gases, followed by activated carbon adsorption and catalytic oxidation for decomposition. In 2025, online monitoring conducted by the environmental protection authorities, periodic testing by professional third-party service providers, and internal monitoring by the environmental, health and safety (EHS) units all indicated that emissions were well below applicable regulatory limits.

In 2025, the Company had no significant instances of non-compliance with environmental laws and regulations. We will continue to monitor developments in environmental laws and regulations across the countries in which we operate, update and implement internal operating procedures as appropriate, regularly provide regulatory compliance training, and incorporate such training into our annual internal training plan. These measures are intended to ensure compliance with regulatory requirements throughout our operations and appropriately respond to stakeholder expectations.

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	2025 Performance Achievements	2030 Goals and Corresponding Strategies	2036 Goals and Corresponding Strategies
Waste Management	<ul style="list-style-type: none"> From 2021 to 2025, AirTAC's waste intensity (waste generated per NT\$1 million in sales) was 0.8, 0.76, 0.72, 0.68 and 0.67, respectively. In 2025, waste intensity decreased by approximately 16% compared with the baseline year 2021. From 2021 to 2025, AirTAC's hazardous waste intensity (hazardous waste generated per NT\$1 million in sales) was 0.2, 0.19, 0.19, 0.18 and 0.17, respectively. In 2025, hazardous waste intensity decreased by approximately 15% compared with the baseline year 2021. 	<p>Target:</p> <p>Based on 2021 as the baseline, the targets are to reduce waste intensity by 25%, reduce hazardous waste intensity by 18%, and achieve a waste recycling and reuse rate of 95%.</p> <p>Strategies:</p> <ol style="list-style-type: none"> 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. 	<p>Target:</p> <p>Based on 2021 as the baseline, the targets are to reduce waste intensity by 35%, reduce hazardous waste intensity by 25%, and achieve a waste recycling and reuse rate of 97%.</p> <p>Strategies:</p> <p>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.</p>

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.

Conflict Minerals Management

AirTAC's primary raw materials include aluminum, copper, steel, and plastic materials, while raw materials and components involving minerals such as gold (Au), tantalum (Ta), tungsten (W), and tin (Sn) account for only a very small proportion of usage. To implement responsible sourcing practices, AirTAC follows the Responsible Business Alliance (RBA) Code of Conduct and requires relevant suppliers to sign the "Declaration of Non-Use of Conflict Minerals" or comply with the "Supplier Code of Conduct." Suppliers are required to commit that the products, raw materials, and components they supply do not contain conflict minerals that directly or indirectly finance armed groups and to verify the sources of relevant minerals.

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 2025, the proportion of renewable raw materials used reached 44%.

3.7 Biodiversity

Biodiversity and No-Deforestation Commitment

AirTAC recognizes the importance of biodiversity, forest resources, and natural ecosystems to environmental sustainability and the long-term resilience of its business operations. To mitigate the potential impacts of its operations on the natural environment and respond to global developments in biodiversity conservation and nature-related issues, the Company has established a Biodiversity and No-Deforestation Commitment. Biodiversity protection, nature conservation, and the principle of no deforestation have been incorporated into the Company's sustainability management framework to guide its efforts in protecting the natural environment and conserving ecosystems.

The Company is committed to considering biodiversity and natural environment protection in its operational decision-making and management activities, continuously reducing the potential impacts of its operations on nature. Through sustainable resource use, green procurement, value chain collaboration, and ecological conservation initiatives, the Company seeks to contribute to the sustainable development of the natural environment.

The key elements of this commitment include:

- Avoiding development activities in ecologically sensitive areas or areas of significant ecological value.
- Promoting energy management, water resource management, waste reduction, and resource recycling and reuse.
- Addressing the management of invasive species and protecting ecosystems surrounding the Company's operations.
- Participating in afforestation, tree-planting, and other biodiversity conservation initiatives.
- Supporting the principle of no deforestation and refraining from forest clearing or the development of natural forest areas.
- Encouraging suppliers and business partners to address biodiversity and natural environment protection issues.
- Collaborating with government agencies, academic institutions, and local communities on ecological conservation initiatives.

The Sustainability Development Committee is responsible for overseeing and promoting the implementation of this commitment and periodically reviews related management measures and implementation progress.



To implement the above commitment in practice, the Company undertook the following actions in 2025:

Assessment of Operating Sites and Important Ecological Habitats

The Company conducted natural environment and biodiversity risk assessments for its Tainan plant in Taiwan, Ningbo plant, and Guangdong plant, with reference to the World Database on Protected Areas (WDPA) and publicly available information on protected areas provided by local governments. The preliminary assessment results indicate that all major operating sites are located within existing industrial parks or industrial clusters and are not directly located within national parks, nature reserves, wildlife protected areas, or other legally designated ecologically sensitive areas.

Reduction in Paper Consumption

From 2024 to 2025, the Company continued to implement paperless initiatives, including electronic approval processes, electronic reports, and online workflow management. These initiatives cumulatively reduced A4 paper consumption by approximately 1.7837 million sheets, corresponding to an estimated reduction of approximately 10.99 metric tons of CO₂e emissions.



CH 4

Happiness and People • Oriented Values

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

4.1 Employee Welfare

4.1.1 Human Rights Protection

Human Rights Declaration

1. AirTAC abides by relevant laws and regulations as well as the Universal Declaration of Human Rights, the Ten Principles of the United Nations Global Compact, and the ILO Declaration on Fundamental Principles and Rights at Work to guarantee gender equality, the right to work, and the prohibition of discrimination. We have formulated appropriate management policies and procedures to fulfill our responsibility for protecting human rights, 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 internationally recognized labor and human rights principles, including freedom of association, the right to collective bargaining, caring for disadvantaged groups, prohibiting child labor, eliminating all forms of forced labor, and eliminating discrimination in recruitment and employment. The Company also ensures that its 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 the rights to which 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 benefits, 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 provides employees with reasonable advance notice of operational changes that may have a material impact on them.

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



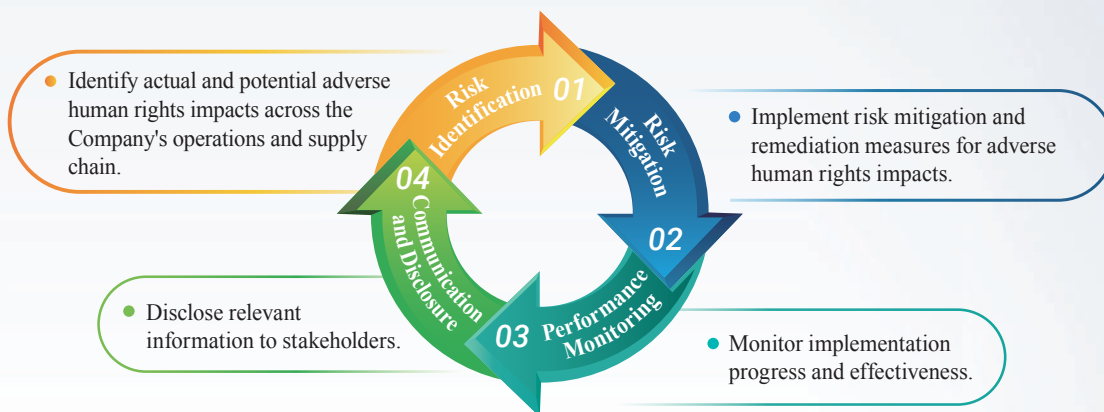
Human Rights Governance Framework

The Company has established a human rights governance framework with the Board of Directors serving as the highest governing body. Under the oversight of the Sustainability Development Committee, cross-functional sustainability working groups systematically promote and implement human rights management initiatives. In addition to regularly reporting implementation progress to the Sustainability Development Committee, the Chairperson of the Sustainability Development Committee reports the Company's human rights management initiatives and implementation results to the Board of Directors at least once a year.

Human Rights Due Diligence Process

With reference to the due diligence guidance published by the Organisation for Economic Co-operation and Development (OECD), the Company has established a human rights due diligence process to conduct human rights risk assessments and identify the human rights issues that require priority attention. Scope of the 2025 assessment: All employees and key suppliers.

The human rights due diligence process is carried out through the following steps:



The Company identifies its current human rights risk focus areas with reference to international human rights standards and the human rights issues addressed by leading domestic and international peer companies.

► For the **Company's employees**, three human rights issues were identified in 2025:

1. Occupational Health and Safety
2. Workplace Violence and Harassment
3. Privacy Rights

► For **key suppliers**, two human rights issues were identified in 2025:

1. Occupational Health and Safety
2. Forced Labor

Human Rights Risk Assessment Methodology

The Company distributed human rights risk assessment questionnaires to its employees and key suppliers to conduct risk assessments. Based on the survey results, a risk matrix was developed to identify the likelihood of occurrence and the level of impact of each human rights issue. Based on the results of the human rights risk assessment, the Company focuses its management efforts and resources on relatively high-risk issues, establishes management objectives, and develops corresponding mitigation and remediation measures.

According to the survey results, the high-risk human rights issues identified for the Company's employees were, in order of priority, Occupational Health and Safety and Workplace Violence and Harassment. For key suppliers, the high-risk human rights issue identified was Occupational Health and Safety. The Company has developed corresponding mitigation and remediation measures for the above human rights risk issues to reduce potential human rights risks.

Human Rights Stakeholders	High-Risk Human Rights Issues	Mitigation Measures	Remediation Measures
	Occupational Safety	<ol style="list-style-type: none"> 1. The Company has implemented the ISO 45001 Occupational Health and Safety Management System and an EHS management platform to establish hazard identification, risk assessment, and risk classification and control mechanisms. Regular workplace environmental monitoring, safety inspections, and risk improvement activities are conducted to prevent occupational accidents. 2. The Company has established an Occupational Health and Safety Committee and implemented workplace safety inspection and hazard identification mechanisms. Through routine inspections, weekly inspections, monthly inspections, EHS inspections, and special audits, potential risks are continuously identified and addressed. Inspection results are regularly reported to the Occupational Health and Safety Committee for follow-up and improvement. 3. The Company has implemented an equipment safety management system under which equipment is managed according to its risk level. Safety acceptance inspections are required before equipment is put into operation, while special equipment is inspected and maintained regularly in accordance with applicable regulations. Standard operating procedures and preventive maintenance programs have also been established to ensure the safe operation of equipment. 4. The Company continues to promote occupational safety and health training and employee health promotion programs. Regular occupational safety training, emergency response drills, and health awareness activities are conducted. In addition, physicians are arranged to provide on-site health promotion and medical consultation services to enhance employees' safety awareness and health management capabilities. 	<ol style="list-style-type: none"> 1. The Company has established an occupational accident and near-miss reporting mechanism. Following the occurrence of an incident, immediate reporting, investigation, and root cause analysis are conducted, and the implementation of corrective and preventive actions is tracked. 2. The Company provides injured employees with emergency first aid, medical referral services, medical assistance, and occupational accident insurance claims support to ensure appropriate protection. 3. Based on individual needs, the Company provides rehabilitation assistance, return-to-work assessments, work adjustments, or job reassignment to support employees in safely returning to the workplace. 4. In 2025, the Company recorded a total of 58 occupational accidents involving 58 employees, representing approximately 0.64% of the total workforce. Based on the investigation results, the Company strengthened equipment improvements, workplace inspections, employee training, and management measures. Where necessary, responsibilities were reviewed and corrective actions were required within specified timeframes to prevent similar incidents from recurring. In 2025, a total of 51,747 hours of occupational safety and health training and awareness programs were completed.
Employees	Workplace Violence and Harassment	<ul style="list-style-type: none"> ● Establish management systems and preventive policies The Company has established the Regulations for the Prevention of Illegal Infringement in the Performance of Duties and the Measures for the Prevention of Sexual Harassment, Complaint Handling, and Disciplinary Actions. These policies clearly define the procedures for the prevention, reporting, investigation, and handling of workplace violence and harassment, as well as sexual harassment. ● Maintain accessible grievance and communication channels The Company has established a dedicated reporting mailbox and multiple grievance channels, as well as labor-management communication mechanisms, to encourage employees to raise related concerns. The Company is committed to protecting the rights and interests of complainants and all parties involved. ● Education and awareness The Company regularly conducts training on the prevention of workplace violence and harassment, gender equality, and the protection of employees' rights to enhance employees' awareness of mutual respect and self-protection. ● Risk identification and preventive management The Company regularly conducts hazard identification and risk assessments related to workplace violence and harassment. Preventive measures are implemented for high-risk departments or personnel to reduce the risk of workplace violence and harassment incidents. 	<ul style="list-style-type: none"> ● Activate grievance and investigation mechanisms Upon receiving a grievance, the Company immediately initiates a fair, objective, and confidential investigation and review in accordance with the relevant procedures. Appropriate actions are taken based on the investigation results. ● Provide psychological support and employee care Based on individual needs, the Company provides psychological counseling, employee care, and Employee Assistance Program (EAP) services to support affected employees and promote their physical and mental well-being. ● Implement work adjustment and protection measures For high-risk or affected employees, the Company may implement job adjustments, workplace modifications, or other appropriate protective measures to prevent continued workplace violence and harassment. ● Implement improvement and recurrence prevention measures The Company reviews the root causes of each incident and strengthens relevant training, management measures, and internal awareness programs to prevent similar incidents from recurring. In 2025, based on the results of hazard identification and risk assessments, the Taiwan region proactively provided 4 instances of psychological counseling services and 2 instances of job adjustments, and conducted workplace violence prevention training for a total of 74 participants, continuously strengthening employees' risk awareness and the management mechanisms for preventing workplace violence. In the Mainland China region, prevention of workplace violence and knowledge of relevant regulations were incorporated into the training programs for new employees.

Human Rights Stakeholders	High-Risk Human Rights Issues	Mitigation Measures	Remediation Measures
 <p>Key Suppliers</p>	Occupational Safety	<ul style="list-style-type: none"> ● Supplier Code of Conduct Requirements The Company requires suppliers to establish occupational health and safety management systems with clearly defined responsibilities, and to conduct regular hazard identification and risk classification and control. ● Supplier Assessment and Due Diligence Occupational health and safety management is incorporated into supplier evaluations. The Company regularly collects supplier self-assessment questionnaires and supporting documentation. ● Audits and On-site Assessments Document reviews or on-site assessments are conducted for key suppliers or high-risk suppliers to verify the effectiveness and implementation of their occupational health and safety management systems. ● Education, Training, and Capacity Building Through supplier conferences and communication meetings, the Company communicates occupational health and safety management requirements and relevant regulatory trends to enhance suppliers' occupational health and safety management capabilities. 	<ul style="list-style-type: none"> ● Incident Reporting Mechanism Suppliers are required to immediately report any major occupational accidents, safety incidents, or violations of occupational health and safety regulations, and to cooperate fully with subsequent investigations. ● Corrective Action and Follow-up Mechanism For any identified deficiencies, suppliers are required to develop corrective and preventive action plans, complete the required improvements within the specified timeframe, and report the improvement results to the Company. ● Enhanced Audits and Guidance Suppliers that fail to meet the Company's requirements or are involved in significant occupational health and safety incidents are subject to increased audit frequency. Where necessary, the Company provides recommendations and guidance to support continuous improvement. ● Cooperation Restriction or Termination Mechanism Suppliers that refuse to implement corrective actions, commit significant regulatory violations, or repeatedly fail to comply with occupational health and safety requirements may, depending on the severity of the circumstances, be subject to suspension of cooperation, reduction in procurement volume, or termination of the business relationship.

To track the effectiveness of its human rights due diligence process, the Company conducts annual cross-functional review meetings led by the responsible departments to evaluate the implementation and effectiveness of mitigation and remediation measures. The Company also assesses the effectiveness of its human rights risk management practices and develops improvement measures while monitoring their implementation to continuously strengthen its human rights risk management framework.

The Company provides multiple communication and grievance channels through which employees, suppliers, and other stakeholders may raise concerns regarding regulatory compliance, human rights protection, or other inappropriate conduct. Employees may submit complaints or suggestions through the internal online suggestion box or the Enterprise WeChat platform. Suppliers and other stakeholders may communicate their concerns through the Company's public contact mailbox, procurement contacts, or relevant management personnel. All reported cases are investigated, handled, and followed up in accordance with the Company's internal procedures to safeguard stakeholders' rights and interests and reduce potential human rights risks.

Human Rights Training

At the Taiwan sites, the Group's Human Rights Policy was communicated during employee meetings. In 2025, one training session was conducted, with a total of 769 participant attendances and 384.5 training hours. In Mainland China, human rights education and training were delivered through the WeChat Official Account and the online learning platform. In 2025, one training session was conducted, covering all current employees.

Human Rights Protection Measures

✓ Prohibition of Child Labor

No child labor was employed at any of the Company's sites in 2025.

✓ Freedom of Employment and Prohibition of Forced Labor

The Company strictly prohibits all forms of forced labor, including debt bondage, human trafficking, slavery, involuntary labor, and any other practices that infringe upon employees' free will. All work must be performed on a voluntary basis. Employees are free to resign or terminate their employment in accordance with their employment contracts and applicable regulations without being subject to any improper restrictions or penalties.

✓ Protection of the Rights and Interests of Dispatched Workers

To safeguard the labor rights and interests of dispatched workers, the Company conducts qualification reviews and due diligence on labor dispatch agencies before engaging their services to ensure compliance with applicable labor, human rights, and occupational health and safety regulations. A Labor Dispatch Agreement is signed with each labor dispatch agency to clearly define the rights, responsibilities, and management requirements of both parties.

The Company is committed to providing dispatched workers with the same working environment, safety protection measures, and employee benefits as directly employed employees, including equal pay for equal work and holiday benefits. The Company also requires labor dispatch agencies not to make unauthorized deductions from employees' wages. In addition, transparent grievance channels are available to ensure that the rights and interests of dispatched workers are fully protected.

To enhance workplace safety and professional competency, the Company provides dispatched workers with the necessary training and occupational health and safety courses. In 2025, dispatched workers completed a total of 1,062 training hours, including 656 hours for male workers and 406 hours for female workers. The Company also reviews the employment and turnover status of dispatched workers on a monthly basis to continuously monitor potential human rights risks. If a labor dispatch agency commits a material breach of contract or infringes upon employees' rights and interests, the Company will require corrective actions in accordance with the agreement and, where necessary, terminate the business relationship.

Diversity, Equity, Inclusion, and Equal Employment

The Company is committed to fostering diversity, equity, inclusion, and equal employment opportunities by adhering to the principle of fair employment. Employment decisions are made without discrimination based on gender, age, race, nationality, religion, disability, or any other personal characteristic. The Company follows the principle of equal pay for equal work and has established its compensation system based on job responsibilities, professional competence, work performance, and market compensation levels. The Company ensures that all employees have equal opportunities in recruitment, training, promotion, and compensation, while fostering a respectful, diverse, and inclusive workplace culture.

Disability-Inclusive Workplace

The Company continues to promote non-discrimination and equal employment practices by employing qualified persons with disabilities in accordance with applicable laws and regulations. Appropriate working environments, job assignments, and career development opportunities are provided to enable employees with disabilities to fully utilize their professional capabilities and maximize their contributions. In 2025, the Company employed a total of

75 employees with disabilities, demonstrating its commitment to promoting a diverse and inclusive workplace.

Care and Development of Female Employees

The Company values the career development and physical and mental well-being of its female employees. Through its Female Employee Care Program, the Company continues to promote a supportive workplace by conducting needs assessments and organizing dedicated activities and a variety of learning programs to help female employees balance work, family, and personal development.

Key initiatives implemented in 2025 included:

- Conducting a Women's Day gift preference survey, allowing female employees to vote on gift selections to enhance participation in and satisfaction with employee welfare programs.
- Organizing the "Goddess Day Special – Cake and Cranberry Baking Workshop" and the "Warm Winter Baking Workshop" to encourage employee interaction and promote physical and mental well-being.
- Offering a variety of courses on topics such as cooking, parenting, and body fitness to help female employees improve their quality of life, strengthen family care capabilities, and enhance health management awareness.

Gender Diversity Targets

The Company is primarily engaged in the research, development, and manufacturing of pneumatic components and automation equipment. A significant proportion of its workforce is employed in manufacturing, equipment maintenance, and engineering positions, which involve machinery operation, on-site production, and specialized technical expertise. As a result, the talent pool for these positions has historically been predominantly male, and the growth in the proportion of female employees and female managers has therefore been relatively gradual.

Nevertheless, female managers hold leadership positions in key functions, including finance, procurement, information management, corporate governance, sustainability, and administration. They actively participate in important decision-making related to business operations, digital transformation, and sustainable development, demonstrating the significant influence and professional contributions of female talent in the Company's core management functions.

Indicator	2025 Percentage	2030 Target
Women as a percentage of total employees	26%	30%
Women as a percentage of all managers	9%	12%
Women as a percentage of senior managers	9%	10%

Going forward, the Company will continue to expand opportunities for female talent through diverse talent recruitment, talent development, and management succession planning. The Company will also regularly review its recruitment, promotion, compensation, and retention practices to ensure that all employees enjoy equal opportunities for career development, while continuing to foster a fair, respectful, and inclusive workplace.

4.1.2 Employee Welfare , Satisfaction Survey, and Communication Mechanisms

Employee Welfare

The Company regards its employees as one of the most important drivers of sustainable development. Focusing on four key areas — health, daily life, leave, and insurance — the Company provides comprehensive and diverse employee benefits. These include employee recreation areas, dedicated personnel to organize recreational activities, and various employee events and company trips held on a irregular basis to help relieve work-related stress and foster a friendly and rewarding workplace.



Note: AirTAC Taiwan  AirTAC Ningbo  AirTAC Guangdong  AirTAC China 

Employee Satisfaction Survey and Communication Mechanisms

The Company conducts regular employee satisfaction surveys to collect feedback on compensation and benefits, the working environment, career development, corporate culture, and employee care. The survey results serve as an important basis for optimizing human resource policies, enhancing management practices, and improving employee satisfaction.

2025 Employee Opinion Survey Implementation

Item	Taiwan	Ningbo	Guangzhou
Survey Participants	All Employees	All Employees	All Employees
Coverage Rate	100%	100%	100%
Responsible Department	Administration Department	Administration Department	Administration Department
Survey Frequency	Annual survey and ad hoc surveys	Quarterly dormitory satisfaction surveys and monthly meal satisfaction surveys	Quarterly
Survey Period	2025	2025	2025
Survey Topics	Compensation and benefits, working environment, employee relations, meals, training, and commuting shuttle services	Dormitory environment, meal quality, and living facilities	Job positions, employee benefits, and meal services
Survey Results	Overall satisfaction: 76%	Overall satisfaction: Above 90%	Overall satisfaction: 76%

In addition to the annual employee satisfaction survey, the Taiwan site conducted 13 ad hoc surveys in 2025 covering topics such as employee meals, distribution of employee benefits, education and training, emergency reporting procedures, and commuting shuttle services. These surveys enable the Company to promptly understand employees' needs and serve as a basis for continuous improvement.

Improvement Plans and Implementation Based on the 2025 Employee Satisfaction Survey

Based on the survey results and employee feedback, the Company's sites have implemented the following improvement measures:

- Enhancement of Employee Welfare**
 - Regularly benchmark compensation against market salary levels to ensure competitive remuneration and establish a clearer link between performance and compensation.
 - Provide employee benefit programs based on employee preferences and survey results.
- Strengthening Employee Feedback Mechanisms**
 - Encourage managers to communicate regularly with employees, pay closer attention to employees' working conditions during daily operations, and strengthen cross-departmental communication and collaboration.
 - Conduct employee satisfaction surveys on a regular basis as part of routine management activities to monitor the effectiveness of improvement measures. Survey responses are managed anonymously to encourage employees to express their opinions openly.
- Improvement of the Working Environment**
 - Improve office and production environments based on employee feedback, including upgrades to lighting facilities, air-conditioning systems, and drinking water equipment.
 - Continue to improve dormitory facilities and strengthen environmental hygiene inspections.
- Enhancement of Food Quality**
 - Optimize meal menus based on the results of employee meal satisfaction surveys.
 - Strengthen the management of food quality and freshness.
- Employee Development and Corporate Culture Promotion**
 - Optimize the content and scheduling of education and training programs.
 - Organize knowledge competitions and team-building activities to strengthen teamwork and enhance employee engagement.
- Improvement of Administrative and Transportation Services**
 - Adjust shuttle bus routes and transportation arrangements based on employee feedback.
 - Continue reviewing the effectiveness of emergency reporting procedures to improve emergency response efficiency.

Going forward, the Company will continue to collect employee feedback through employee satisfaction surveys and various communication channels to better understand employees' needs and expectations. The survey results will be incorporated into management decision-making and improvement plans to foster a more employee-friendly, safe, and development-oriented working environment.

4.1.3 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. The salary increase for entry-level employees in 2025 is approximately 6%. Variable compensation is performance-linked and evaluated according to a comprehensive assessment system. Details of performance evaluation are provided in Section 4.2.4.

4.1.4. Family-Friendly Workplace and Family Care Support

The Company values employees' work-life balance and is committed to fostering a family-friendly workplace that supports employees' needs related to marriage, parenting, childcare, and family care. Across its operations in Taiwan and Mainland China, the Company complies with applicable labor laws and regulations and, through systematic management measures, provides maternity protection, family care support, childcare resources, and a wide range of employee benefits to help employees balance career development with family responsibilities at different stages of life.

Marriage, Parenting, and Family Care Support

The Company provides marriage leave, prenatal examination leave, maternity leave, paternity leave for prenatal examinations and childbirth, family care leave, and unpaid parental leave in accordance with applicable laws and regulations to safeguard employees' rights and interests during marriage, childbirth, parenting, and family care.

In Taiwan, female employees are entitled to eight weeks of maternity leave and unpaid parental leave. The Company also provides paid miscarriage leave that exceeds statutory requirements. In Mainland China, in addition to statutory maternity leave, eligible employees are entitled to up to 158 days of maternity leave, while both parents are entitled to 10 days of childcare leave per year to help balance family care responsibilities. Furthermore, the Company provides marriage gifts to employees in both Taiwan and Mainland China to support employees as they establish their families.

Maternity Protection and Family-Friendly Workplace Measures

The Company has established a maternity protection program under which health risk assessments and job suitability evaluations are conducted for pregnant and postpartum employees. Occupational medicine specialists also provide health consultations and professional advice to help employees maintain their health and work safely during pregnancy and after childbirth.

In Taiwan, the Company provides maternity identification badges, priority parking spaces for pregnant employees, complies with statutory restrictions on night work for pregnant employees, and maintains fully equipped lactation rooms while providing nursing breaks in accordance with applicable regulations. In Mainland China, the Company provides working hour and job arrangement protections for pregnant and breastfeeding employees in accordance with local regulations. Dedicated priority parking spaces and priority meal service lanes for pregnant employees are also available to enhance workplace convenience while safeguarding the health and safety of both mothers and their babies.

Evaluation Indicator	Implementation and Effectiveness
Financial Assistance Benefits	In 2025, a total of 153 employees received marriage subsidies, amounting to NT\$265,000, demonstrating the Company's support for employees in starting families.
Statutory Maternity Leave Pay Benefits	In Taiwan, the Company provides maternity leave pay in accordance with applicable laws and regulations, providing financial support to employees and effectively enhancing their sense of security.
Return-to-Work Rate After Parental Leave	Employees who apply for parental leave are guaranteed continued employment. In 2025, the return-to-work rate after parental leave was 97%.

4.1.5 Pension Plan

The Company has established a comprehensive retirement benefit system in accordance with the Labor Standards Act and the Labor Pension Act, as well as other applicable regulations in the locations where it operates. In Taiwan, the employer contribution rate under the Labor Pension Act was increased from 6.0% to 6.1% for all employees effective May 1, 2026. In Mainland China, the Company contributes 14% of the statutory base salary to the government-sponsored pension insurance program in accordance with applicable regulations. For employees whose employment is terminated, the Company provides severance benefits that exceed statutory requirements to support them during their career transition. In 2025, the Company recognized post-employment benefit expenses of NT\$384 million.

4.1.6 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 2025, the proportion of employees participating in unions accounted for approximately 90% 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 competencies and maintain long-term competitiveness, AirTAC formulates annual training plans and regularly provides appropriate internal, external, and professional training based on employees' functions and competencies. In 2025, the total training hours invested in talent development reached 234,154 hours. The average training hours were 29.95 hours for male employees and 14.44 hours for female employees. The difference in average training hours between male and female employees mainly reflects differences in job types and work responsibilities. A relatively high proportion of employees engaged in manufacturing, equipment maintenance, and technical positions are male, and these positions require more occupational safety, equipment operation, and professional technical training in accordance with regulatory and job requirements, resulting in higher average training hours for male employees.

The Company continues to provide equal learning and development opportunities for all employees. Access to training resources is not differentiated by gender, and female employees are continuously encouraged to participate in professional skills and management capability training to enhance their career development opportunities.

4.2.1 Diverse Recruitment

AirTAC recruits talent through various channels, including online recruitment, campus recruitment (campus job fairs and campus employment training programs), job fairs, and internal referral mechanisms, to attract suitable candidates. In 2025, a total of 2,250 employees were recruited through diverse recruitment channels. The Company provides comprehensive education and training based on employees' individual characteristics and expertise to cultivate and retain talent. From 2023 to 2025, the Company's average monthly new hire rates were 2.33%, 1.7%, and 2.06%, respectively.

2025 Employee Headcount Statistics Table

	Category	Definition	Gender	Mainland China	Taiwan	Total	合計
Total	Employees	Employees with an employment relationship with AirTAC	Male	6,154	536	50	6,740
			Female	2,056	285	23	2,364
Contract Type	Permanent	Employees with open-ended (no fixed-term) contracts	Male	860	536	50	1,446
			Female	375	285	23	683
	Temporary	Employees with fixed-term contracts	Male	5,294	0	0	5,294
			Female	1,681	0	0	1,681
Employment Type	Full-time	Employees working the legal standard hours	Male	6,154	536	50	6,740
			Female	2,056	285	23	2,364
Non-direct Employment	Dispatched employees	Dispatched employees	Male	52	0	0	52
			Female	34	0	0	34

Note 1: Headcount is based on the number of employees as of December 31, 2025 (end of the year).

Note 2: The data covers all entities included in the consolidated financial statements.

4.2.2 Talent Retention

To retain talent, the Company conducts one-on-one retention interviews with departing employees to better understand the underlying reasons for their resignation. In addition to providing competitive compensation, the Company enhances employee retention through job rotation and career development support, continuous professional training for different job functions, employee recreational activities, and annual training programs designed based on the results of employee satisfaction surveys. The Company also continues to improve the working environment and workplace facilities to create a better workplace and retain talented employees. The Company's average monthly turnover rates for 2023, 2024, and 2025 were 1.92%, 1.96%, and 1.78%, respectively. The average monthly turnover rate in 2025 decreased compared with 2024. From a gender perspective, male employees continued to account for the majority of employee turnover. The overall decline was primarily attributable to a reduction in the number of male employees under the age of 30 leaving the Company. As the Company operates in the electromechanical industry, a large proportion of its workforce consists of male production operators. The skills and operating experience required for these positions are highly transferable across the manufacturing sector, resulting in relatively greater cross-company employment opportunities. Consequently, employee turnover in Mainland China remains comparatively higher.

Distribution of Employee Turnover by Gender and Age, 2024–2025

Age Group	2024				2025			
	Female		Male		Female		Male	
	(No.)	(%)	(No.)	(%)	(No.)	(%)	(No.)	(%)
Under 30	282	3.21%	1,270	13.95%	211	2.32%	1,236	13.58%
31–40	126	1.43%	317	3.48%	146	1.60%	285	3.13%
41–50	7	0.08%	31	0.34%	15	0.16%	32	0.35%
51 and Above	9	0.10%	4	0.04%	10	0.11%	13	0.14%
Total	424	4.82%	1,622	17.82%	382	4.20%	1,566	17.20%
Share of Total Employee Turnover	20.72%		79.28%		19.61%		80.39%	

Note 1: Employee turnover rate (%) = Number of employees leaving within each age group ÷ Total number of employees at year-end.

Note 2: Share of employee turnover by gender (%) = Number of employees leaving by gender ÷ Total number of employees leaving.

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 2025 Annual Report.

Professional Certification

- The Company encourages employees to obtain professional certifications. Employees continue to receive their regular salary during examinations and training, and the Company fully subsidizes certification-related expenses. In 2025, certification subsidies totaled approximately NT\$230,000.
- In 2025, a total of 700 employees held professional certifications, including Occupational Safety and Health Supervisor, Intermediate Occupational Safety Management Technician, Supervisor of Specified Chemical Substances Operations, High- and Low-Voltage Electrician Certificates, Elevated Work Platform Operator, and First Aid Personnel.

Talent Training Framework

General Level

New employee Training

- The training includes Company history, corporate culture, various administrative and personnel systems, ethical conduct regulations, safety education, and more.

Basic (Pre-employment) Training

- Training includes work objectives, workflow and specifications, business knowledge and capabilities, and safety knowledge of the workplace.

On-the-job Training (Including internal and external training and plant interactions)

- Through the OJT (on-the-job training) approach, education and training are arranged according to knowledge, skills, and work methods while emphasizing both theory and practice.
- In addition to selecting outstanding internal and external lecturers, we also commission external agencies to carry out training and exchange training at all plants. The training contents include quality management, product knowledge, management capability, operational skills, teamwork, office software, and more.

Technical Level

Professional training

- Necessary skills such as learning to use basic machinery, programming instructions, standard drawing programming, panel operation, tooling, and claw repair are received during training. An examination must be passed being promoted to technician status. This approach is adopted to cultivate potential production-site management and technical talents.

Supervisor Level

Supervisor training (Training of Taiwanese employees included)

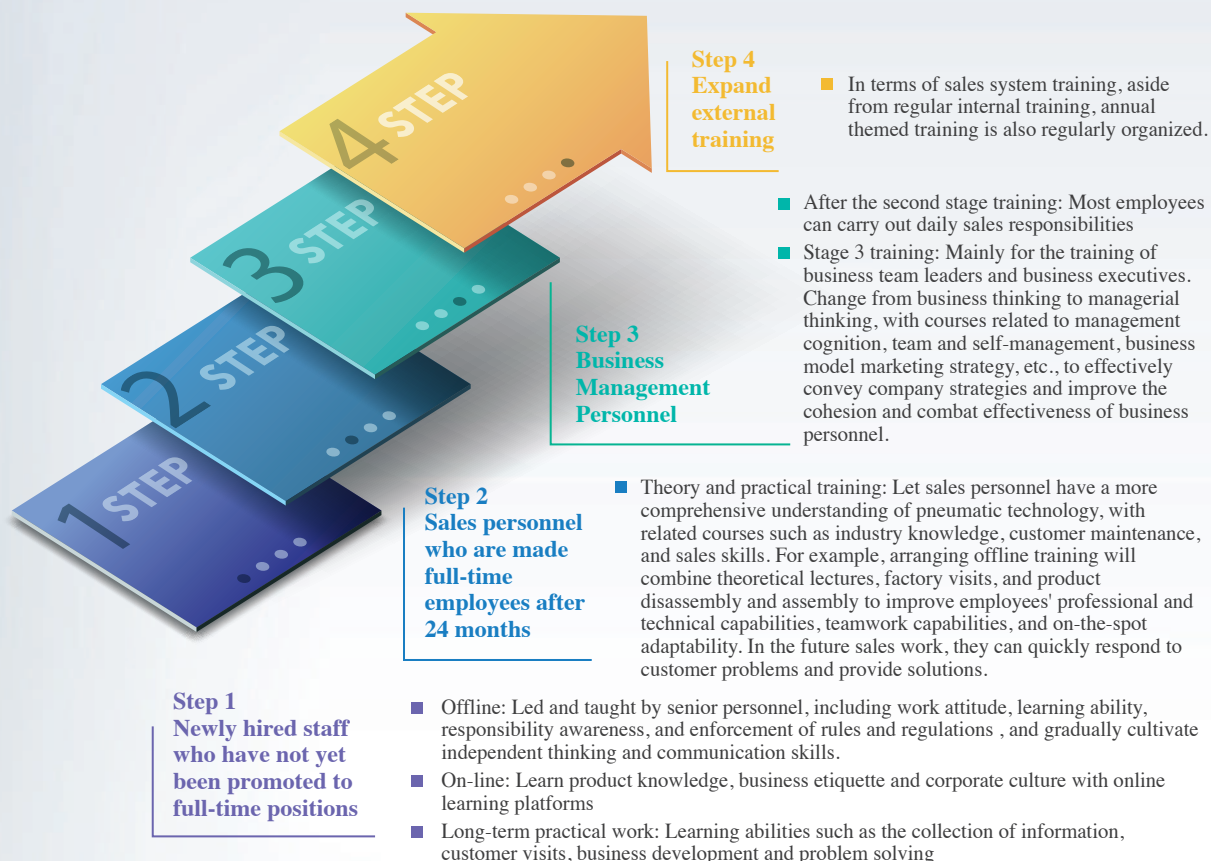
- Training of talent pool and the General Manager's office training focuses on skills including accountability and role positioning, management capability, communication skills, quality concept, and efficiency improvement. These trainees will also undergo training at different units and with qualified personnel in order to become supervisors.

Reserve Personnel
Training Course



Talent Training for AirTAC China's Sales Personnel

As the Group's core sales operation in Mainland China, AirTAC China adopts a differentiated training approach compared with its manufacturing sites. To meet the development needs of its sales team, the Company has established a systematic four-stage training program. AirTAC China has devised a comprehensive development program for sales talent, incorporating senior mentor guidance to build a solid professional foundation for new employees, specialized training in pneumatic technology, customer development capability training, and thematic external training on management and leadership.



In 2025, the Company continued to optimize its integrated online and offline training model to enhance both its talent pipeline and the capabilities of its business partners.

1. Accelerating Talent Pipeline Development

The focus of new employee development gradually shifted from technical functions to sales functions, while related training programs were further optimized. As a result, the development period for sales personnel to be promoted to specialist positions was shortened to 18 months. Management also continued to strengthen university-industry collaboration to enhance talent development and strategic execution capabilities. During the year, the Company implemented one Seed Program class, 24 Academy Program classes, two Study Program classes, and seven Team Leader and Village Leader Training Program classes. In addition, four online specialized technical training classes for sales personnel were newly introduced, achieving comprehensive coverage of core professional skills training.

2. Strengthening Distributor Capability Development

The Company's distributor training program evolved from focusing primarily on goal alignment to emphasizing capability enhancement. A dual-track approach combining internal and external training was adopted to address practical business needs, strengthen professional expertise and market competitiveness, and promote the mutual growth of both the Company and its business partners while jointly driving high-quality development.



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. The management office compiles the learning outcomes of each department quarterly, providing supervisors with information on departmental and individual learning progress. This information includes indicators such as required hours, actual hours completed, and achievement rate, serving as a reference for performance evaluation and talent development.
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.
7. Promoting a learning culture: Senior management leads by example by actively participating in learning activities and continuously increasing the average training hours of management personnel.



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 2025 was 100% and the Company recognized employee bonus expenses totaling NT\$1.846 billion.

The performance
evaluation rate for
2025 was **100%**.

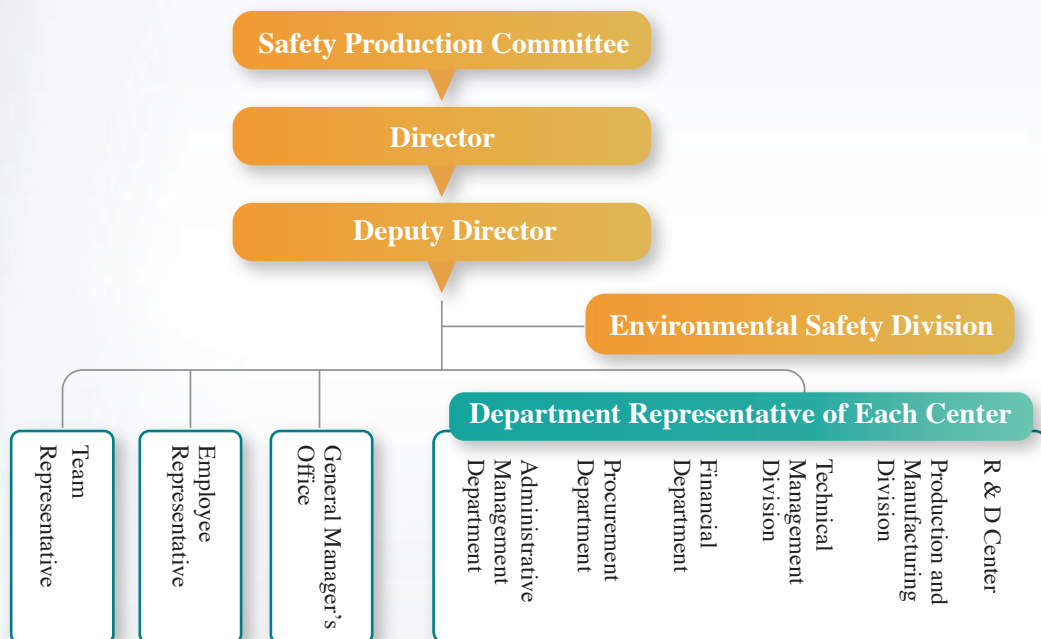
4.3 Safe Workplace

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

The Company has established occupational health and safety management systems at all of its manufacturing sites, covering occupational health and safety policies, hazard identification and risk assessment, safety education and training, health management, incident investigation, and emergency response mechanisms to safeguard the health and safety of all workers. AirTAC Taiwan has obtained ISO 45001 Occupational Health and Safety Management System certification. AirTAC Ningbo has implemented an Environmental, Health and Safety (EHS) information management platform to strengthen hazard identification, risk assessment, occupational health, and environmental safety management through digitalized management. AirTAC Guangdong follows the Group's occupational health and safety management system and applicable local regulations by continuously conducting safety inspections, safety training, and risk improvement measures to ensure the effective implementation of occupational health and safety management.

In 2025, all employees were covered by the Company's occupational health and safety management system, achieving a coverage rate of 100%. During the year, a total of 51,747 hours of occupational health and safety training were provided. Through continuous efforts to enhance safety awareness, strengthen risk prevention, and promote employee health, the Company is committed to fostering a safe, healthy, and friendly working environment.

Occupational Health and Safety Targets and Achievement Status by Site in 2025

Category	2025 Target	Achievement Status
Major Accident Management	Zero fatalities and zero major accidents	Achieved
Regulatory Compliance	100% regulatory compliance; zero penalties	Achieved
Occupational Health	Zero occupational diseases; 100% health examination completion rate	Achieved
Education and Training	100% completion rate for safety education and training	Partially Achieved
Risk Improvement	Targets for hazard rectification rate and improvement plan completion rate	Achieved
Occupational Injury Management	Targets for occupational injury rate and number of injury cases	Partially Achieved

In 2025, all occupational health and safety targets established for the Company's manufacturing sites were achieved, except for the targets related to safety education and training and occupational injury management.

With respect to occupational injury management, the number of occupational injury cases in 2025 did not meet the Company's target. An analysis of the incidents indicated that the increase was primarily attributable to general injuries, with the main types of incidents including sprains caused by manual material handling, injuries resulting from falling objects, and slips and falls while walking. In response, the Company has developed and implemented a series of improvement measures, including introducing material handling aids and equipment, evaluating the replacement of manual handling with mechanical equipment for heavy materials to reduce musculoskeletal injury risks, producing workplace safety awareness videos for different job positions to strengthen employees' safety awareness and hazard identification capabilities, promoting safe walking practices and stair safety through the Company's WeChat platform and pre-shift meetings, and implementing a certification requirement for employees in high-risk positions to ensure they possess the necessary safety knowledge and operational competencies.

With respect to safety education and training, the Company requires all new employees to complete the required safety education and orientation before commencing work. The 2025 safety education and training target was not fully achieved primarily because some newly hired employees resigned shortly after joining the Company and terminated their employment before completing the full training program. Going forward, the Company will continue to optimize its onboarding process, strengthen safety orientation and training arrangements during the initial employment period, and ensure that employees fully understand workplace hazards and safe operating requirements.

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:** To reduce the use of chemicals, the Company has installed a centralized oil collection and filtration system for cutting oil used in machining operations. The system extracts oil mist directly from the machines, thereby reducing employees' exposure to oil mist, minimizing environmental pollution, and enabling the reuse of a portion of the cutting oil. In 2025, chemical consumption per unit of revenue increased by 0.2% compared with 2024.



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%.



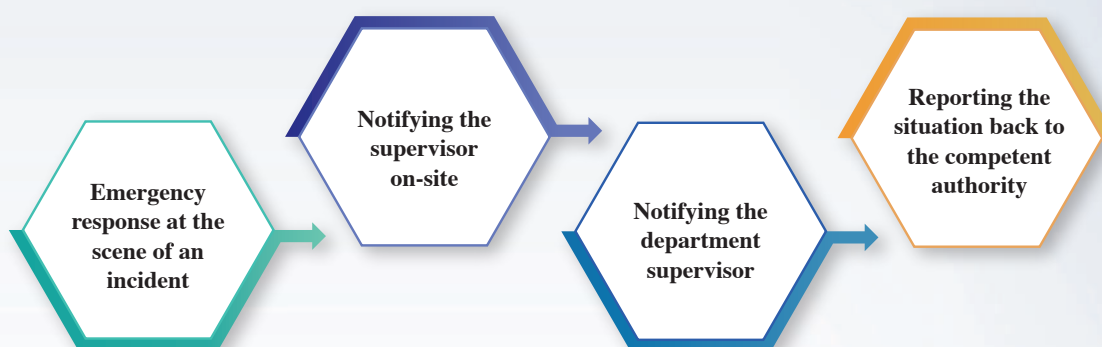
Contractor Safety Management

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 2025, there were no contractor injuries at the AirTAC plants in Taiwan, Ningbo, and Guangdong.

4.3.2 Emergency Response

The Company has established emergency response and reporting procedures and conducts regular emergency response drills. In 2025, AirTAC Taiwan conducted two self-defense fire brigade training sessions with a total of 247 participants. AirTAC Ningbo organized fire evacuation drills, first-aid training and drills, and hazard identification programs, with a total of 21,824 participants. AirTAC Guangdong conducted flammable liquid fire drills, cafeteria grease fire emergency response drills, and activities for the National Work Safety Month campaign, with a total of 103 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 2025, the participation rate in health examinations reached 100% (a total of 457 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.



- 5.1 Community Companion-Sunshine Action
- 5.2 Social Welfare Charity-Blue Student Aid Project

CH 5

Influence • Local
Empowerment



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 to provide long-term support for residents in rural and economically disadvantaged areas.



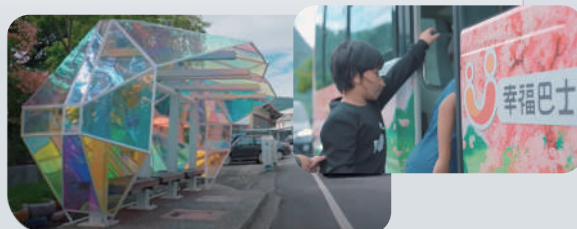
Long-term Care for Poor Families and Emergency Assistance

Regularly subsidize poor families and provide emergency assistance support for long-term care households, taking care of 1,794 households in Taiwan in 2025, with a total investment of NT\$ 19 million. (Regions include: New Taipei City, Yilan County, Chiayi County, Tainan City, Pingtung County and Taitung County etc.).



Provide Regular Financial Contributions to Support Charitable Organizations and Disadvantaged Group

In 2025, a total donation of NT\$55.2 million was donated to organizations including the Fenghua District Service Center for Persons with Disabilities, Zhejiang Charity Federation, Private Hsiangyuan Memorial Nursing Home, St. Teresa Children Center in Hsinchu County, Taitung County Maria Theresia Social Welfare Foundation, Ping Tung Intellectual Disability Association, the Association of South-UnkHealth Care Promotion for Taitung Country, Keelung Association for Liver Disease Prevention and Control, Social Welfare Department of New Taipei City Government, the Social Affairs Department of Yilan County, the Social Affairs Bureau of Tainan City Government's "Winter Relief Program," the New Life Foundation, and Chiayi County Government Typhoon Danas Disaster Relief Program, ensuring that these institutions had sufficient resources and safeguarding the livelihoods of disadvantaged groups.



In Kind/Food Donation Bank

AirTAC has made long-term donations to the Food Banks in Hualien County, Taitung County, and Chiayi County. In 2025, a total of NT\$ 10 million was donated to provide basic daily necessities, special nutritional supplements, and infant formula for disadvantaged families.



Donation of Long-term Care and Rehabilitation Buses

In 2025, a total of NT\$ 43.8 million was donated to support transportation services, including 2 long-term care buses for Chiayi County, 8 rehabilitation buses for Pingtung County, and 13 buses for Hualien County, providing medical and rehabilitation transportation for low and middle-income households, economically disadvantaged families, and persons with disabilities in rural areas.

Blood Donation Activities

In 2025, a total of 965 employees in Taiwan voluntarily participated in an employee-initiated blood donation campaign, donating 1,172 bags of blood, equivalent to approximately 293,000 cc. To express its appreciation for employees' meaningful contributions, the Company granted one day of paid leave for blood donation. In addition, the Company purchased meal boxes from the Children Are Us Foundation to provide nutritional support for participating employees, allowing them to support persons with intellectual disabilities through concrete action while donating blood.



5.2 Social Welfare Charity- Blue Student Aid Project

“ The Blue Student Aid Project is dedicated to supporting the healthy development and successful completion of education for underprivileged students. It continues to promote a wide range of charitable and public welfare initiatives at primary and secondary schools, as well as higher education institutions. Its major programs include student financial assistance funds, the AirTAC Youmei Foundation, and the improvement of campus teaching facilities and living amenities. ”

AirTAC Youmei Scholarship

AirTAC has established the Youmei Scholarship at 8 universities in Taiwan-National Cheng Kung University, National Taipei University, National Taitung University, National Dong Hwa University, National Pingtung University, Feng Chia University, National Yunlin University of Science and Technology, and Southern Taiwan University of Science and Technology-and 1 senior high school, Tainan Houbi Senior High School. The scholarship provides long-term financial assistance to economically disadvantaged students, helping them pursue their education and improve their living conditions. In 2025, a total of NT\$ 98.8 million was granted to 1,300 students across nine schools, supporting the Company's goal of helping underprivileged students complete their studies and break the cycle of poverty.



School building renovation, improvements to the teaching environment, and the provision of modern teaching equipment.

In 2025, donations of NT\$ 32 million to KUNG-TUNG Technical Senior High School and NT\$ 0.5 million to Gan Yuan Elementary School were made to help improve the teaching environment and purchase modern teaching equipment.



Collaborated with universities to promote reading and cultural programs for children in rural and underserved communities.

Through a variety of initiatives, including reading companionship programs, mobile reading activities, storytelling theater performances, and educational camps, the Company helps enhance reading literacy and cultural appreciation among children in rural and underserved communities. In 2025, the Company donated a total of NT\$12 million.



Continued Investment in Educational Philanthropy in Mainland China

In 2025, the Company continued to support educational philanthropy in Mainland China through financial assistance programs for underprivileged students and education foundation donation programs across various provinces. A total of NT\$95.02 million was donated to expand educational opportunities for disadvantaged students, promote the equitable distribution of educational resources, and fulfill the Company's commitment to giving back to society.



Appendix

Data performance

Environmental

Greenhouse Gas Emissions (Scope 1 and Scope 2) for the Past Three Years

Items	AirTAC Taiwan			AirTAC Ningbo			AirTAC Guangdong			AirTAC China		
	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
Scope1	743	779	790	15,159	13,641	14,573	200	271	265	3,686	3,501	3,605
Scope 2 – Location-based	10,924	10,859	10,180	76,048	76,636	81,856	8,665	8,773	8,515	1,371	1,460	1,462
Scope 2 – Market-based	10,924	10,859	10,180	76,048	76,636	97,943	8,665	8,773	11,747	1,371	1,460	1,852
Total -Location-based	11,667	11,638	10,970	91,207	90,277	96,429	8,865	9,044	8,780	5,057	4,961	5,067
Total – Market-based	11,667	11,638	10,970	91,207	90,277	112,516	8,865	9,044	12,012	5,057	4,961	5,457

Items	Overseas Subsidiaries	Total		
	2025	2023	2024	2025
Scope1	225	19,788	18,192	19,458
Scope 2 – Location-based	127	97,008	97,728	102,140
Scope 2 – Market-based	108	97,008	97,728	121,830
Total -Location-based	352	116,796	115,920	121,598
Total – Market-based	333	116,796	115,920	141,288

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).

Note 2: Scope 2 (energy indirect emissions) includes emissions from purchased electricity. In 2024, Scope 2 emissions were calculated using the average grid emission factors of the regions where the operating companies are located, based on the location-based method. In 2025, as the Group purchased Green Electricity Certificates (GECs), Scope 2 emissions under the market-based method are additionally disclosed.

Note 3: Up to and including 2024, the scope of GHG emissions disclosure covered all manufacturing facilities and major sales companies, accounting for more than 98% of the Group's total GHG emissions. Starting from 2025, overseas subsidiaries were further included, expanding the disclosure boundary to cover all companies within the AirTAC International Group.

Greenhouse Gas Emissions -Scope 3

Items	2025	Calculation Method
C2 Capital Goods	15,298	Calculated based on amounts reported in the financial statements
C3 Fuel- and Energy-Related Activities	23,461	Calculated based on fuel and energy consumption
C5 Waste Generated in Operations	6,975	Calculated based on the treatment and transportation methods of waste (by weight) and process wastewater (by volume).
C7 Employee Commuting	3,996	Calculated based on employees' modes of transportation and commuting distances.
C8 Upstream Leased Assets	62	Calculated based on Scope 1 and Scope 2 emissions not included in the organizational boundary
Total	49,792	

Unit: Metric tons of CO₂e

Note 1: The Company conducted its Scope 3 GHG inventory in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. In 2025, the inventory boundary covered operations and major production sites within the organizational boundary, including AirTAC Taiwan, AirTAC Ningbo, AirTAC Guangzhou, and AirTAC China.

Note 2: The Scope 3 categories included in the 2025 GHG inventory were C2 Capital Goods (with the Group's consolidated financial statements serving as the inventory boundary for this category), C3 Fuel- and Energy-Related Activities, C5 Waste Generated in Operations, C7 Employee Commuting, and C8 Upstream Leased Assets. The remaining categories were excluded from the 2025 inventory based on an assessment of materiality and data availability. The scope of Scope 3 categories covered will be gradually expanded in the future.

Note 3: The emission factors used to calculate the Company's Scope 3 emissions are primarily sourced from relevant data published by local government authorities or research institutions. Depending on the emission category and data characteristics, international databases such as US EEO and Ecoinvent are also used for the calculations.

Note 4: Greenhouse gas emissions are expressed in carbon dioxide equivalent (CO₂e). Global Warming Potential (GWP) values are based on the 100-year Global Warming Potential (GWP100) values published in Working Group III Annex II of the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) (2022), to ensure consistency and comparability across different types of greenhouse gas emissions.

Energy consumption for the past three years

Items	AirTAC Taiwan			AirTAC Ningbo			AirTAC Guangdong		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
Natural Gas (thousand cubic meters)	29	40	37	3,445	3,527	4,007	46	49	46
Liquefied petroleum gas (metric tons)	-	-	-	-	2	3	-	-	-
Gasoline (thousands of liters)	28	27	25	16	24	18	4	4	4
Diesel (thousands of liters)	44	45	47	1,485	1,422	1,353	3	1	1
Methanol (metric tons)	-	-	-	-	-	2	-	-	-
Purchased Electricity (GWh)	22	23	21	140	148	165	18	20	19
Purchased Renewable Electricity (GWh)	-	-	-	9	8	7	-	-	-
Purchased Electricity Total (GWh)	22	23	21	149	156	172	18	20	19
Self-generated Renewable Electricity (GWh)	-	1	1	-	-	-	-	-	-
Natural Gas (GJ)	971	1,505	1,340	127,382	130,400	155,992	1,714	1,795	1,800
Liquefied petroleum gas (GJ)	-	-	-	-	90	141	-	-	-
Gasoline (GJ)	915	853	804	514	759	582	139	134	139
Diesel (GJ)	1,534	1,645	1,686	52,931	50,685	48,184	102	50	27
Methanol (GJ)	-	-	-	-	-	34	-	-	-
Purchased Electricity (GJ)	79,611	82,472	77,316	504,932	535,396	592,442	66,163	71,734	69,369
Purchased Renewable Electricity (GJ)	-	-	-	-	29,339	26,473	-	-	-
Self-generated Renewable Electricity (GJ)	-	2,155	2,134	-	-	-	-	-	-
Total (GJ)	83,031	88,630	83,280	685,759	746,669	823,848	68,118	73,713	71,335

Items	AirTAC China			Overseas Subsidiaries	Total		
	2023	2024	2025	2025	2023	2024	2025
Natural Gas (thousand cubic meters)	-	-	-	36	3,520	3,616	4,126
Liquefied petroleum gas (metric tons)	-	-	-	-	-	2	3
Gasoline (thousands of liters)	1,148	1,213	1,232	19	1,196	1,268	1,298
Diesel (thousands of liters)	320	196	206	39	1,852	1,664	1,646
Methanol (metric tons)	-	-	-	-	-	-	2
Purchased Electricity (GWh)	2	3	3	-	182	194	208
Purchased Renewable Electricity (GWh)	-	-	-	-	9	8	7
Purchased Electricity Total (GWh)	2	3	3	-	191	202	215
Self-generated Renewable Electricity (GWh)	-	-	-	-	-	1	1
Natural Gas (GJ)	-	-	-	1,276	130,067	133,700	160,408
Liquefied petroleum gas (GJ)	-	-	-	10	-	90	151
Gasoline (GJ)	36,143	38,187	38,738	608	37,711	39,933	40,871
Diesel (GJ)	11,423	6,973	7,333	1,408	65,990	59,353	58,638
Methanol (GJ)	-	-	-	-	-	-	34
Purchased Electricity (GJ)	8,951	9,993	10,939	860	659,657	699,595	750,926
Purchased Renewable Electricity (GJ)	-	-	-	338	-	29,339	26,811
Self-generated Renewable Electricity (GJ)	-	-	-	-	-	2,155	2,134
Total (GJ)	56,517	55,153	57,010	4,500	893,425	964,165	1,039,973

Note 1: AirTAC Taiwan converts energy consumption based on the heating values published on the website of Taiwan Energy Administration, Ministry of Economic Affairs: natural gas at 8,000 kcal/m³, diesel at 8,400 kcal/L, gasoline at 7,800 kcal/L, and electricity at 3,600 GJ per million kWh. In 2024, the heating value for imported liquefied natural gas (LNG) was adjusted to 9,000 kcal/m³. The heating values for diesel and gasoline were calculated based on the values provided by domestic fuel suppliers and published by the Ministry of Environment, at 8,642 kcal/L for diesel and 7,609 kcal/L for gasoline. In 2025, the heating value for imported LNG was adjusted to 8,755 kcal/m³.

Note 2: AirTAC Ningbo, AirTAC Guangzhou, and AirTAC China convert energy consumption in accordance with the General Principles for Calculation of Comprehensive Energy Consumption and the China Energy Statistical Yearbook, using the following heating values: natural gas at 8,832 kcal/m³, liquefied petroleum gas (LPG) at 12,000 kcal/kg, diesel at 8,517 kcal/L, gasoline at 7,519 kcal/L, and electricity at 3,600 GJ per million kWh. In 2025, the heating values were updated to 389.31 GJ/10³ Nm³ for natural gas, 50.179 GJ/t for LPG, 42.652 GJ/t for diesel, 43.070 GJ/t for gasoline, and 19.913 kJ/kg for methanol.

Note 3: For overseas operations, energy consumption is converted based on the following heating values and reference sources:

- Italy: Heating values published by the Italian Ministry of the Environment and Energy Security (MASE): natural gas at 8.499 Mcal/Sm³, diesel at 42.872 GJ/t, gasoline at 43.128 GJ/t, and electricity at 3,600 GJ/GWh.
- Japan: Standard calorific values published by the Agency for Natural Resources and Energy: gasoline at 33.36 MJ/L and electricity at 3,600 GJ/GWh.
- United States: Higher heating values (HHVs) provided in EPA 40 CFR Part 98, Table C-1, converted to lower heating values (LHVs): liquefied petroleum gas (LPG) at 0.092 MMBtu/gallon, gasoline at 0.125 MMBtu/gallon, and electricity at 3,600 GJ/GWh.
- Thailand: Heating values from the Energy Statistics of Thailand: diesel at 8,700 kcal/L, gasoline at 7,520 kcal/L, and electricity at 3,600 GJ/GWh.
- Other overseas operations: IPCC default calorific values are applied, with gasoline at 44.3 TJ/Gg and electricity at 3,600 GJ/GWh.

Note 4: Consumption data for natural gas, liquefied petroleum gas (LPG), gasoline, diesel, and methanol are based on meter readings or financial payment records, while purchased electricity consumption is primarily based on electricity bills.

Note 5: 1 kilocalorie (kcal) = 4,186 (J).

Note 6: 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 Base Year	2023	2024	2025
Electricity consumption (GJ)	947,712	893,425	964,165	1,039,973
GHG Emissions – Scope 1 and Scope 2 (Location-based) (tCO ₂ e)	137,262	116,796	115,920	121,598
GHG Emissions – Scope 1 and Scope 2 (Market-based) (tCO ₂ e)	137,262	116,796	115,920	141,288
Sales revenue (millions of New Taiwan Dollars)	25,400	29,827	30,660	34,330
Energy intensity (energy usage / Sales revenue in millions)	37.31	29.95	31.45	30.29
GHG Emissions Intensity – Scope 1 and Scope 2 (Location-based) (tCO ₂ e/NT\$ million in revenue)	5.40	3.92	3.78	3.54
GHG Emissions Intensity – Scope 1 and Scope 2 (Market-based) (tCO ₂ e/NT\$ million in revenue)	5.40	3.92	3.78	4.12
Renewable Energy Percentage	-	-	3.27%	2.78%

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)
2025	2.98	3,799,905	14.02	7,529,698
2024	2.98	3,869,942	11.88	8,149,639
2023	2.98	3,246,649	11.88	8,982,703

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.

Water Resource consumption for the past three years

Items	AirTAC Taiwan			AirTAC Ningbo			AirTAC Guangdong		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
Total Water Withdrawal (A)	62,102	63,020	59,860	771,745	724,947	734,833	79,982	71,820	65,435
Water Recycled (B)	4,690	6,256	4,908	45,312	50,252	51,399	4,015	4,114	4,515
Recycling Rate(B/A)	7.55%	9.93%	8.20%	5.87%	6.93%	6.99%	5.02%	5.73%	6.90%
Total Water Consumption(A+B)	66,792	69,276	64,768	817,057	775,199	786,232	83,997	75,934	69,950
Total Water Discharge(C)	29,520	34,628	32,545	594,244	558,209	562,698	14,190	14,640	15,689
Net Water Consumption(D=A-C)	32,582	28,392	27,315	177,501	166,738	172,135	65,792	57,180	49,746

Items	AirTAC China			Overseas Subsidiaries	Total		
	2023	2024	2025	2025	2023	2024	2025
Total Water Withdrawal (A)	18,050	18,678	18,346	2,255	931,879	878,465	880,729
Water Recycled (B)	-	-	-	-	54,017	60,622	60,822
Recycling Rate(B/A)	0.00%	0.00%	0.00%	0.00%	5.80%	6.90%	6.91%
Total Water Consumption(A+B)	18,050	18,678	18,346	2,255	985,896	939,087	941,551
Total Water Discharge(C)	14,440	14,942	14,677	1,804	652,394	622,419	627,413
Net Water Consumption(D=A-C)	3,610	3,736	3,669	451	279,485	256,046	253,316

Note 1: Unit: metric ton

Note 2: Prior to and including 2024, the disclosed water consumption data covered all manufacturing facilities and major sales companies, representing more than 98% of the Group's total water consumption. Starting from 2025, overseas sales locations were further included, and the disclosure boundary now covers all companies within the AirTAC International Group.

Note 3: In 2025, the calculation methodologies for total water discharge at AirTAC Ningbo and AirTAC China were updated. AirTAC Ningbo previously calculated total water discharge based on process wastewater volumes. Following a reassessment of operational activities and water-use characteristics across departments, it was determined that a portion of water withdrawals does not result in wastewater discharge due to different water uses. Accordingly, the methodology was revised to estimate total water discharge based on total water withdrawals and a discharge factor. AirTAC China previously used total water withdrawals as its total water discharge and revised its methodology to estimate total water discharge based on total water withdrawals and a wastewater conversion factor. To maintain data consistency and comparability across reporting periods, total water discharge data for 2023 and 2024 were restated using the same calculation methodologies. Following the restatement, total water discharge for 2023 and 2024 was revised from 486,532 metric tons and 406,509 metric tons to 652,394 metric tons and 622,419 metric tons, respectively.

Water Intensity

Items	2021 Base Year	2023	2024	2025
Water consumption (metric tons)	907,965	985,896	939,087	941,551
Sales revenue (millions of Taiwan dollars)	25,400	29,827	30,660	34,330
Water intensity (water consumption/ Sales revenue in millions)	35.75	33.05	30.63	27.43

Note: Prior to and including 2024, the disclosed water consumption data covered all manufacturing facilities and major sales companies, representing more than 98% of the Group's total water consumption. Starting from 2025, overseas sales locations were further included, and the disclosure boundary now covers all companies within the AirTAC International Group.

Frequency of wastewater discharge monitoring (times/year)

Year / Company	AirTAC Taiwan	AirTAC Ningbo
2025	2	12
2024	2	12
2023	2	12

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

2025 Raw Material Use

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	443	465	13,987	12,807	4,009	1,342	18,439	14,614
Percentage	48.79%	51.21%	52.20%	47.80%	74.92%	25.08%	55.79%	44.21%

Unit: metric ton

Waste Treatment Status for the past 3 years (according to treatment method)

Treatment Method		AirTAC Taiwan			AirTAC Ningbo			AirTAC Guangdong			Total		
		2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
Hazardous Waste	Recycled and Reused	-	-	-	4,865	5,100	5,413	108	151	19	4,973	5,251	5,432
	Other Recovery Operations	-	-	-	62	-	-	-	-	-	62	-	-
	Incineration (excluding energy recovery)	-	-	-	619	112	134	3	4	90	622	116	224
	Landfilling	-	-	-	-	4	124	-	-	-	-	4	124
	Other Disposal Operations	-	-	-	-	-	-	-	-	103	-	-	103
	Subtotal	-	-	-	5,546	5,216	5,671	111	155	212	5,657	5,371	5,883
Non-Hazardous Waste	Recycled and Reused	-	144	184	1,383	63	44	-	66	67	1,383	273	295
	Other Recovery Operations	617	306	348	11,330	12,123	13,551	1,965	1,785	1,824	13,912	14,214	15,723
	Incineration (with Energy Recovery)	38	47	42	308	642	823	59	56	60	405	745	925
	Landfilling	62	54	39	-	-	-	-	-	-	62	54	39
	Other Disposal Operations	20	165	192	-	-	-	-	-	-	20	165	192
	Subtotal	737	716	805	13,021	12,828	14,418	2,024	1,907	1,951	15,782	15,451	17,174
Total		737	716	805	18,567	18,044	20,089	2,135	2,062	2,163	21,439	20,822	23,057

Note 1: Unit: Tons; “-” indicates no such treatment method.

Note 2: Other waste mainly refers to spent cutting fluid treated through non-hazardous processes.

Note 3: The waste treatment data disclosed in this report cover all manufacturing facilities. AirTAC China and overseas sales locations are excluded from the reporting boundary, as most personnel are not permanently stationed at these locations and only small amounts of general waste are generated from daily operations, resulting in an immaterial impact on the Group's overall waste generation.

Waste Intensity and Recycling and Reuse Rate

Items	2021 Base Year	2023	2024	2025
Waste quantity (tons)	20,398	21,439	20,822	23,057
Hazardous Waste (tons)	5,032	5,657	5,371	5,883
Sales revenue (millions of Taiwan dollars)	25,400	29,827	30,660	34,330
Waste intensity (Waste quantity / Sales revenue in millions)	0.80	0.72	0.68	0.67
Hazardous Waste intensity (Hazardous Waste quantity / Sales revenue in millions)	0.20	0.19	0.18	0.17
Total Waste Recycling and Reuse Rate	95.58%	94.83%	94.79%	93.03%
Hazardous Waste Recycling and Reuse Rate	92.53%	89.00%	97.77%	92.33%

2025 Toxic Air and Wastewater Emissions

AirTAC Ningbo

	Air Emissions				Wastewater				
	Chromic Acid Mist	Benzene	Toluene – Spray Painting	Toluene – Rubber Processing	Total Chromium	Hexavalent Chromium	Copper	Nickel	Zinc
Actual Monitored Emission Concentration	< 0.005	0.0070	0.0300	7.2300	0.0136	0.0020	0.0119	0.0869	0.1517
Regulatory Emission Standard	0.0500	1.0000	40.0000	15.0000	0.5000	0.1000	1.5000	0.3000	4.0000

AirTAC Guangdong

	Air Emissions	
	Benzene	Toluene
Actual Monitored Emission Concentration	Not Detected	0.0400
Regulatory Emission Standard	4.0000	15.0000

Unit: Air Emissions -mg/m³; Wastewater-mg/L

Note 1: The table presents the average values of routine monitoring conducted in 2025.

Note 2: The emission concentrations of AirTAC Ningbo and AirTAC Guangdong are in compliance.

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
2025	201	5,355	260	5,816
2024	250	4,746	188	5,184
2023	189	4,216	199	4,604

Unit: Tons

Chemical Intensity

Items	2023	2024	2025
Chemical Usage quantity (tons)	4,604	5,184	5,816
Sales revenue (millions of Taiwan dollars)	29,827	30,660	34,330
Chemical intensity (Chemical Usage quantity / Sales revenue in millions)	0.1544	0.1691	0.1694

Social

Remuneration and Benefits

2025 Ratio of Management to Non-management Compensation (by Gender)

Gender	AirTAC Taiwan		AirTAC Ningbo		AirTAC Guangdong		AirTAC China		AirTAC Italy	
	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	0.92	0.85	0.75	0.96	0.83	0.85	0.55	0.82	-	0.74

Gender	AirTAC US		AirTAC Japan		AirTAC Thailand		AirTAC Malaysia		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	-	1.28	-	1.03	0.62	1.07	-	0.94	0.79	0.92

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

2025 Ratio of Base Salaries: Supervisor and Non-supervisor (by gender)

Gender	AirTAC Taiwan		AirTAC Ningbo		AirTAC Guangdong		AirTAC China		AirTAC Italy	
	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	0.82	0.95	0.88	0.88	0.68	0.82	-	0.74

Gender	AirTAC US		AirTAC Japan		AirTAC Thailand		AirTAC Malaysia		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	-	1.28	-	1.05	0.64	1.21	-	1.06	0.91	0.95

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

Highest-Paid Individual to Other Employees Compensation Ratio

Item	2025
Ratio of the annual total compensation of the highest-paid individual to the median annual total compensation of all other employees	48.73
Ratio of the percentage increase in annual total compensation of the highest-paid individual to the median percentage increase in annual total compensation of all other employees	0.54

Note 1: The highest-paid individual of the Company is the General Manager.

Note 2: The calculation is based on employees who were employed throughout the full year of 2025 and received full-year compensation.

Parental Leave Information

Items	Applicant
Number of applicants eligible for parental leave in 2025	214
Number of applicants for parental leave without pay in 2025	214
Number of persons due to be reinstated after parental leave without pay in 2025 (A)	217
Number of persons taking parental leave without pay and were due to be reinstated and did reinstate in 2025 (B)	210
Number of persons reinstated after parental leave without pay in 2024 (C)	249
Number of persons who reinstated in 2024 and have been in employment for one year in 2025 (D)	222
Retention rate after a parental leave without pay= B/A	97%
Return rate after a parental leave without pay= D/C	89%

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	Female		Male		Total	
	Total Hours	Average Hours	Total Hours	Average Hours	Total Hours	Average Hours
2025	33,798	14.44	200,356	29.95	234,154	25.93
2024	23,964	10.41	172,522	26.91	196,486	22.55
2023	46,987	19.50	213,481	32.01	260,468	28.69

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 2025

Course Type	Female		Male		Total	
	Total Training Attendances	Total Hours	Total Training Attendances	Total Hours	Total Training Attendances	Total Hours
Internal Training Courses	24,510	25,563	73,201	117,443	97,711	143,006
External Training Courses	1,879	8,235	8,797	82,913	10,676	91,148
Total	26,389	33,798	81,998	200,356	108,387	234,154

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

2025 Average Number of Hours of Employees' Training (by job)

Job title	Female			Male			Total		
	Number of Employees	Total Hours	Average Hours	Number of Employees	Total Hours	Average Hours	Number of Employees	Total Hours	Average Hours
Supervisor	24	975	40.63	270	16,717	61.91	294	17,692	60.18
Non-supervisor	2,317	32,823	14.17	6,420	183,639	28.60	8,737	216,462	24.78
Total	2,341	33,798	14.44	6,690	200,356	29.95	9,031	234,154	25.93

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

2025 Occupational Safety and Health Training Courses

Company	Training Course	Number of trainees	Number of training hours
AirTAC Taiwan	Pre-employment Safety Training for New Employees	21	126
	Occupational Health and Safety Training for Current Employees	1,153	1,740
	Occupational Health and Safety Certifications	69	393
AirTAC Ningbo	Pre-employment Safety Training for New Employees	933	22,392
	Safety Training for Transferred Employees	305	4,880
	Forklift Operator Training	37	888
	Safety Management Personnel Training	13	156
	Annual Training for Current Employees	54,371	19,272
	Other Specialized Training	103	292
AirTAC Guangdong	Pre-employment Safety Training for New Employees	84	672
	Safety Management Personnel Training	21	252
	Post-Chinese New Year Work Resumption Safety Training	507	608
	Basic First Aid Training	76	76
Total		57,693	51,747

Note: AirTAC China and overseas subsidiaries are sales companies and did not conduct occupational health and safety (OHS) training courses.

Workplace Diversity

Employee hiring rate and turnover rate over the past three years

Items	2023	2024	2025
Hiring rate	2.33%	1.70%	2.06%
Turnover rate	1.92%	1.96%	1.78%

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			Overseas Subsidiaries	Total		
	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025	2025	2023	2024	2025
Female	42	6	11	358	203	293	22	27	45	74	83	63	5	496	319	417
Male	59	14	19	1,522	1,113	1,472	48	91	96	391	245	231	15	2,020	1,463	1,833
Total	101	20	30	1,880	1,316	1,765	70	118	141	465	328	294	20	2,516	1,782	2,250
Below 30 years old	46	10	12	1,529	1,147	1,505	57	93	103	407	285	251	7	2,039	1,535	1,878
31-40 years old	42	8	13	347	168	254	13	25	33	57	42	42	12	459	243	354
41-50 years old	10	2	5	4	1	6	-	-	5	1	1	1	1	15	4	18
51 years old and above	3	-	-	-	-	-	-	-	-	-	-	-	-	3	-	-
Total	101	20	30	1,880	1,316	1,765	70	118	141	465	328	294	20	2,516	1,782	2,250

Note: Employees of overseas subsidiaries have been included in the statistics since 2025.

Statistics of Employee Turnover (by gender/age)

Gender and Age	AirTAC Taiwan			AirTAC Ningbo			AirTAC Guangdong			AirTAC China			Overseas Subsidiaries	Total		
	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025	2025	2023	2024	2025
Female	35	40	57	294	292	232	35	21	27	71	71	58	8	435	424	382
Male	101	91	59	1,179	1,218	1,186	52	74	67	302	239	224	30	1,634	1,622	1,566
Total	136	131	116	1,473	1,510	1,418	87	95	94	373	310	282	38	2,069	2,046	1,948
Below 30 years old	48	35	16	1,119	1,218	1,150	63	70	56	253	229	221	4	1,483	1,552	1,447
31-40 years old	66	71	75	320	273	253	23	23	32	109	76	53	18	518	443	431
41-50 years old	20	21	23	25	14	12	1	1	-	9	2	4	8	55	38	47
51 years old and above	2	4	2	9	5	3	-	1	6	2	3	4	8	13	13	23
Total	136	131	116	1,473	1,510	1,418	87	95	94	373	310	282	38	2,069	2,046	1,948

Note: Employees of overseas subsidiaries have been included in the statistics since 2025.

2025 Statistics of Employee Types (by gender/age)

Age	AirTAC Taiwan				AirTAC Ningbo				AirTAC Guangdong			
	Female	Male	Subtotal	Percentage	Female	Male	Subtotal	Percentage	Female	Male	Subtotal	Percentage
Below 30 years old	25	53	78	10%	446	2,490	2,936	50%	85	165	250	34%
31-40 years old	180	294	474	58%	792	1,556	2,348	40%	156	244	400	55%
41-50 years old	71	166	237	29%	150	332	482	8%	32	45	77	11%
51 years old and above	9	23	32	4%	5	52	57	1%	1	5	6	1%
Total	285	536	821	-	1,393	4,430	5,823	-	274	459	733	-
Percentage	35%	65%	-	-	24%	76%	-	-	37%	63%	-	-

Age	AirTAC China				Overseas Subsidiaries				Total			
	Female	Male	Subtotal	Percentage	Female	Male	Subtotal	Percentage	Female	Male	Subtotal	Percentage
Below 30 years old	133	590	723	44%	3	7	10	14%	692	3,305	3,997	44%
31-40 years old	189	547	736	44%	14	17	31	42%	1,331	2,658	3,989	44%
41-50 years old	63	121	184	11%	5	17	22	30%	321	681	1,002	11%
51 years old and above	4	7	11	1%	1	9	10	14%	20	96	116	1%
Total	389	1,265	1,654	-	23	50	73	-	2,364	6,740	9,104	-
Percentage	24%	76%	-	-	32%	68%	-	-	26%	74%	-	-

Note 1: The proportion of employees under 30 years old is high due to industry-academia cooperation, campus-enterprise cooperation, and campus recruitment.

Note 2: Employees of overseas subsidiaries have been included in the statistics since 2025.

2025 Statistics of Governance Unit Members (by gender/age)

Age	Female	Male	Subtotal	Percentage
31-50 years old	1	1	2	18%
51-60 years old	1	3	4	36%
61 years old and above	0	5	5	46%
Subtotal	2	9	11	-
Percentage	18%	82%		

2025 Local Executive Supervisor Proportion (by number of executive supervisor/ full-time employees)

Items	AirTAC Taiwan	AirTAC Ningbo	AirTAC Guangdong	AirTAC China	Overseas Subsidiaries	Total
Number of executive supervisors	24	85	10	85	1	205
Total number of full-time employees	821	5,823	733	1,654	73	9,104
Number of executive supervisors that are locals	22	82	7	85	1	197
As a proportion of senior executives	92%	96%	70%	100%	100%	96%
As a proportion of total full-time employees	2.68%	1.41%	0.95%	5.14%	1.37%	2.16%

Note 1: Supervisors at AirTAC are defined M/T9 (above)

Percentage of female employees in the past three years

Item	2023	2024	2025
Percentage of female employees	27%	26%	26%

2025 Employee Distribution by Gender and Position across Regions

Gender	AirTAC Taiwan				AirTAC Ningbo				AirTAC Guangdong			
	Supervisor	Non-Supervisor	Total	Percentage	Supervisor	Non-Supervisor	Total	Percentage	Supervisor	Non-Supervisor	Total	Percentage
Female	9	276	285	35%	7	1,386	1,393	24%	4	270	274	37%
Male	26	510	536	65%	152	4,278	4,430	76%	21	438	459	63%
Total	35	786	821	100%	159	5,664	5,823	100%	25	708	733	100%
Percentage	4%	96%	-	-	3%	97%	-	-	3%	97%	-	-

Gender	AirTAC China				Overseas Subsidiaries				Total			
	Supervisor	Non-Supervisor	Total	Percentage	Supervisor	Non-Supervisor	Total	Percentage	Supervisor	Non-Supervisor	Total	Percentage
Female	9	380	389	24%	1	22	23	32%	30	2,334	2,364	26%
Male	80	1,185	1,265	76%	11	39	50	68%	290	6,450	6,740	74%
Total	89	1,565	1,654	100%	12	61	73	100%	320	8,784	9,104	100%
Percentage	5%	95%	-	-	16%	84%	-	-	4%	96%	-	-

Note: Employees of overseas subsidiaries have been included in the statistics since 2025.

Hiring of Employees with Disabilities in the Past Three Years

Item	AirTAC Taiwan	Percentage	AirTAC Ningbo	Percentage	AirTAC Guangdong	Percentage	Total	Percentage
2025	7	0.85%	56	0.96%	12	1.64%	75	0.82%
2024	7	0.77%	9	0.16%	13	1.90%	29	0.33%
2023	9	0.90%	9	0.15%	13	1.96%	31	0.35%

Work-related Injury

Work-Related Injury Rates for the Past Three Years

Items	2023	2024	2025	
			Employees	Workers Who Are Not Employees
Number of Fatalities as a Result of Work-related Injury	0	0	-	-
Rate of Fatalities as a Result of Work-related Injury ^(Note 2)	0	0	-	-
Number of High-consequence Work-related Injuries ^(Note 3)	1	0	-	-
Rate of High-consequence Work-related Injuries % ^(Note 4)	0.05	0	-	-
Number of Recordable Work-related Injuries	56	53	58.00	-
Rate of Recordable Work-related Injuries % ^(Note 5)	2.68	2.4	2.54	-
Number of Cases of Work-related Ill Health	0	0	-	-
Number of Hours Worked	20,927,491	22,043,378	22,761,160.34	316,077.26
Total Recordable Incident Rate (TRIR) ^(Note 7)	0.54	0.48	0.50	0.00
Fatality Rate ^(Note 8)	0.00	0.00	0.00	0.00
Number of Near-miss Incidents ^(Note 9)	0.00	0.00	10.00	0.00
Near-miss Frequency Rate (NMFR) ^(Note 10)	0.00	0.00	0.08	0.00

Note 1: Work-related injury data are primarily based on the occupational injury statistics reported monthly by each manufacturing site.

Note 2: Rate of fatalities as a result of work-related injury = Number of fatalities as a result of work-related injury × 1,000,000 / Number of hours worked.

Note 3: A high-consequence work-related injury is defined as a work-related injury that results in a fatality or an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months.

Note 4: Rate of high-consequence work-related injuries (excluding fatalities) = Number of high-consequence work-related injuries (excluding fatalities) × 1,000,000 / Number of hours worked.

Note 5: Rate of recordable work-related injuries = Number of recordable work-related injuries × 1,000,000 / Number of hours worked.

Note 6: The main types of work-related injuries include cuts and lacerations caused by machinery, crushing injuries caused by objects, slips, and falls.

Note 7: Total Recordable Incident Rate (TRIR) = Number of recordable work-related injury cases × 200,000 / Total hours worked.

Note 8: Fatality Rate = Number of fatalities × 200,000 / Total hours worked.

Note 9: As of 2025, only AirTAC Taiwan has established a management mechanism for near-miss incidents. Therefore, the calculation boundary for the Near-miss Frequency Rate (NMFR) covers only AirTAC Taiwan.

Note 10: Near-miss Frequency Rate (NMFR) = Number of near-miss incidents × 200,000 / Total hours worked.

Note 11: Starting from 2025, the reporting boundary includes information on workers who are not employees.

Governance

Participation in International Initiatives and Associations

Name of the Association Involvement	Participation Status
China Hydraulics Pneumatics & Seals Association	Executive Director
Pneumatics Branch of China Hydraulics Pneumatics & Seals Association	Vice Chairman
Ningbo Intelligent Manufacturing Association	Vice Chairman
Ningbo High-Tech Promotion Association	Vice Chairman
Fenghua High-Tech Enterprise Association	Vice Chairman
Ningbo Association of Enterprises with Foreign Investment	Director
Ningbo Taiwan-Invested Enterprises Association	Member
Ningbo People's Association for Friendship with Foreign Countries	Director
Fluid Power Industry Association	Director
Taiwan Electronic Equipment Industry Association	Member
China Association for Medical Devices Industry	Member
China Sewing Machinery Association	Member
Shanghai Integrated Circuit Industry Association	Member
Micro Motor & Component Branch of China Electronic Components Association	Member
China Electronics Production Equipment Industry Association	Member
Battery Equipment Branch of China Industrial Association of Power Sources	Member
Manufacturing Branch of China Society of Automotive Engineers	Member
China Machine Tool & Tool Builders' Association	Member
Spinning Machinery Branch of China Textile Machinery Association	Member
Guangdong Battery Industry Association	Member
Liquid Crystal Branch of China Optics and Optoelectronics Manufactures Association	Member
Yuhuan Pharmaceutical and Medical Device Packaging Industry Association	Member
Zhejiang Robot Industry Development Association	Member
Zhejiang Semiconductor Industry Association	Member
Yuhuan Machine Tool Industry Association	Member

Government subsidies

Items	Amount
Tax deductions and tax credits	108.75
Investment subsidies, R&D subsidies and other type of related subsidies	260.29

Unit: NT\$ million

Signing and Screening New Suppliers

Items	2025 new suppliers or newly signed contracts	New suppliers selected by environmental standards	
		Total	Proportion
AirTAC Taiwan	29	29	100%
AirTAC Ningbo	57	13	23%
AirTAC Guangdong	17	1	6%

GRI Standards Content Index

Statement of Use	AirTAC International Group has reported in accordance with the GRI Standards for the period from January 1, 2025 to December 31, 2025.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	-

GRI Standards No.	Disclosure	Corresponding Chapters	Pages	Notes
GRI 2: General Disclosure 2021				
Organization 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 Report scope boundary	2 3	
2-3	Reporting period, frequency and contact point	ABOUT THE REPORT	2	
2-4	Restatements of information	ABOUT THE REPORT	2	
2-5	External assurance	ABOUT THE REPORT	110-116	Appendix – Independent Third-Party Assurance Statement
Activities and workers				
2-6	Activities, value chain and other business relationships	2.1 About AirTAC 2.7 Supplier Sustainability Management	22 56	
2-7	Employees	2.1 About AirTAC 4.2 Employee Fostering Appendix	22 81 103	
2-8	Workers who are not employees	Contractor Safety Management	88	
Governance				
2-9	Governance structure and composition	2.1.1 Company Organization 2.2 Corporate Governance	24 29	Please refer to AirTAC' s 2025 Annual Report
2-10	Nomination and selection of the highest governance body	2.2 Corporate Governance	29	Please refer to AirTAC' s 2025 Annual Report
2-11	Chair of the highest governance body	2.2 Corporate Governance	29	Please refer to AirTAC' s 2025 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 2.3.1 Risk Management Mechanism	29 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	29-30	
2-16	Communication of critical concerns	1.1 Stakeholder Communication 1.2 Sustainability Issue Identification	12 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	29-30	
2-19	Remuneration policies	4.1.3 Remuneration System 2.3.2 Climate-related Risk Governance	79 44	
2-20	Process to determine remuneration	2.2.1 Operation of the Board of Directors 4.1.2 Remuneration System 2.3.2 Climate-related Risk Governance	30 79 44	
2-21	Annual total compensation ratio	Appendix	99	

GRI Standards No.	Disclosure	Corresponding Chapters	Pages	Notes	
Strategy, policies and practices					
2-22	Statement on sustainable development strategy	Message from the Chairman	4	Please refer to AirTAC’ s 2025 Annual Report	
2-23	Policy commitments	1.1 Stakeholder Communication	12		
		2.2.2 Integrity in Business Operations and Anti-Bribery and Corruption Policy	31		
		2.3 Risk Management	35		
		4.1.1 Human Rights Protection	37		
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	4 35 37		
2-26	Mechanisms for seeking advice and raising concerns	2.2.2 Integrity in Business Operations and AntiBribery and Corruption Policy	31		
		2.4.1 Customer Communication	46		
		4.1.6 Labor Relations	80		
2-27	Compliance with laws and regulations	2.2.2 Integrity in Business Operations and AntiBribery and Corruption Policy	31		
		2.4.2 Product Quality and Safety	47		
		3.3.2 Wastewater Management	65		
		4.1.1 Human Rights Protection	72		
		4.3.1 Occupational Safety and Health	86		
2-28	Membership associations	2.1 About AirTAC Appendix	22 104		
Stakeholder engagement					
2-29	Approach to stakeholder engagement	1.1 Stakeholder Communication	12	AirTAC has not signed a collective bargaining agreement, but communicates extensively with employees through labormanagement meetings	
2-30	Collective bargaining agreements				
GRI 3: Material Topic Disclosure					
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 201: Economic Performance					
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	4.1.5 Pension Plan	80		
201-4	Financial assistance received from government	Appendix	104		
GRI 202: Market Presence					
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	4.1.3 Remuneration System	79		
202-2	Proportion of senior management hired from the local community	Appendix	102		
GRI 203: Indirect Economic Impacts					
203-1	Infrastructure investments and services supported	5.1 Community Companionship-Sunshine Action	92		
		5.2 Supporting Social Welfare-Student Aid Project	93		
203-2	Significant indirect economic impacts	5.1 Community Companionship-Sunshine Action	92		
		5.2 Supporting Social Welfare-Student Aid Project	93		
GRI 204: Procurement Practices					
204-1	Proportion of spending on local suppliers	2.7 Supplier Sustainability Management	58		
GRI 205: Anti-corruption					
205-1	"Operations assessed for risks related to corruption"	2.2.2 Integrity in Business Operations and AntiBribery and Corruption Policy	31		
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 2025	

GRI Standards No.	Disclosure	Corresponding Chapters	Pages	Notes
GRI 206 : Anti-competitive Behavior				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices			No such case in 2025
GRI 207: Tax 2019				
207-1	Approach to tax	2.1.2 Operational Performance	26	
207-2	Tax governance, control, and risk management	2.1.2 Operational Performance	26	
GRI 301: Materials				
301-1	Total weight or volume of materials	3.6 Raw Materials Management	68, 97	
301-2	Recycled input materials used	3.6 Raw Materials Management	68, 97	
GRI 302: Energy				
302-1	Energy consumption within the organization	3.2 Energy and Greenhouse gas Management and Appendix	61, 94-95	
302-3	Energy intensity	Appendix	95	
302-4	Reduction of energy consumption	3.2 Energy and Greenhouse gas Management	61	
302-5	Reductions in energy requirements of products and services	2.6.1 Clean technology innovation	53	
GRI 303 : Water				
303-1	Interactions with water as a shared resource	3.3 Water Resources and Wastewater Management	64	
303-2	Management of water discharge-related impacts	3.4 Water Resources and Wastewater Management	65	
303-3	Water withdrawal	3.3 Water Resources and Wastewater Management and Appendix	64, 96	
303-4	Water discharge	3.3 Water Resources and Wastewater Management and Appendix	64, 96	
303-5	Water consumption	3.3 Water Resources and Wastewater Management and Appendix	64, 96	
GRI 305: Emissions				
305-1	Direct (Scope 1) GHG emissions	3.2 Energy and Greenhouse gas Management and Appendix	61, 94	
305-2	Energy indirect (Scope 2) GHG emissions	3.2 Energy and Greenhouse gas Management and Appendix	61, 94	
305-4	GHG emissions intensity	Appendix	94	
305-5	Reduction of GHG emissions	3.2 Energy and Greenhouse gas Management and Appendix	61, 94	
305-6	Emissions of ozone-depleting substances			No ozone-depleting substances (ODS) used
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	3.4.1 Air Pollution Management and Appendix	66, 98	
GRI 306: Effluents and Waste				
306-1	Waste generation and significant waste-related impacts	3.5 Waste Management	67	
306-2	Management of significant waste-related impacts	3.5 Waste Management	67	
306-3	Waste generated	3.5 Waste Management and Appendix	67, 97	
306-4	Waste diverted from disposal	Appendix	97	
306-5	Waste directed to disposal	Appendix	97	
GRI 307: Environmental Compliance				
3-3	Material Topics	1.3 Management Policy	17	
307-1	Non-compliance with environmental laws and regulations			No such case in 2025
GRI 308: Supplier Environmental Assessment				
308-1	New suppliers that were screened using environmental criteria	2. 7 Supplier Sustainability Management	56	
308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken	2. 7 Supplier Sustainability Management	56	
GRI 101: Biodiversity				
101-1	New suppliers that were screened using environmental criteria	3.7 Biodiversity	69	
101-2	Management of biodiversity impacts	3.7 Biodiversity	70	

GRI Standards No.	Disclosure	Corresponding Chapters	Pages	Notes
GRI 401: Employment				
401-1	New employee hires and employee turnover	Appendix	101	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.1 Employee Welfare	72	
401-3	Parental leave	4.1 Employee Welfare and Appendix	79, 99	
GRI 402: Labor/Management Relations				
402-1	Minimum notice periods regarding operational changes	4.1 Employee Welfare		<ul style="list-style-type: none"> ■ 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				
403-1	Occupational health and safety management system	4.3 Safe Workplace	86	
403-2	Hazard identification, risk assessment, and incident investigation	4.3 Safe Workplace	86	
403-3	Occupational health services	4.3 Safe Workplace	89	
403-4	Worker participation, consultation, and communication on occupational health and safety	4.3 Safe Workplace	86	
403-5	Worker training on occupational health and safety	4.3 Safe Workplace and Appendix	87, 100	
403-6	Promotion of worker health	4.3 Safe Workplace	89	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3 Safe Workplace	86	
403-8	Workers Covered by an Occupational Health and Safety Management System	4.3.1 Occupational Health and Safety	87	
403-9	Work-related injuries	4.3 Safe Workplace and Appendix	88, 103	
403-10	Work-related ill health	4.3 Safe Workplace and Appendix	86, 103	
GRI 404: Training and Education				
404-1	Average hours of training per year per employee	4.2 Employee Training and Appendix	82, 100	
404-2	Programs for upgrading employee skills and transition assistance programs	4.2 Employee Training	82	
404-3	Percentage of employees receiving regular performance and career development reviews	4.2 Employee Training	85	
GRI 405: Diversity and Equal Opportunity				
405-1	Diversity of governance bodies and employees	4.1.1 Human Rights Protection Appendix	76 102	
405-2	Ratio of basic salary and remuneration of women to men	Appendix	99	
GRI 406: Non-discrimination				
406-1	Incidents of discrimination and corrective actions taken	4.1.1 Human Rights Protection	72	
GRI 407: Freedom of Association and Collective Bargaining				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	4.1.1 Human Rights Protection	72	
GRI 408: Child Labor				
408-1	Operations and suppliers at significant risk for incidents of child labor	4.1.1 Human Rights Protection	75	
GRI 409: Forced or Compulsory Labor				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	4.1.1 Human Rights Protection	75	
GRI 414: Supplier Social Assessment				
414-1	New suppliers that were screened using social criteria	2. 7 Supplier Sustainability Management	56	
414-2	Negative Social Impacts in the Supply Chain and Actions Taken	2. 7 Supplier Sustainability Management 4.1.1 Human Rights Protection	56 75	

GRI Standards No.	Disclosure	Corresponding Chapters	Pages	Notes
GRI 416: Customer Health and Safety				
416-1	Assessment of the Health and Safety Impacts of Product and Service Categories	2.4.2 Product Quality and Safety	48	The Company's products and services have no significant impact on customer health.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	2.4.2 Product Quality and Safety	48	No such case in 2025
GRI 417: Marketing And Labeling				
417-2	Incidents of non-compliance concerning product and service information and labeling			No such case in 2025
417-3	Incidents of non-compliance concerning marketing communications			No such case in 2025
GRI 418 : Customer Privacy				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.4 Customer Service	47	No such case in 2025
GRI 419: Socioeconomic Compliance				
419-1	Non-compliance with laws and regulations in the social and economic area			No such case in 2025

Sustainability Accounting Standards Board, SASB reference table

Expose the subject	Indicator code	Nature	Expose indicators	Pages	Remarks
Energy management	RT-IG-130a.1	Quantitative	(1) Total Energy Consumption, (2) Percentage of Grid Electricity, and (3) Percentage of Renewable Energy	95	(1) 1,039,973 GJ (2) 72.24% (3) 2.78%
Employee health and safety	RT-IG-320a.1	Quantitative	(a) Direct Employees and (b) Contract Employees: (1) Total Recordable Incident Rate (TRIR), (2) Fatality Rate, and (3) Near-miss Frequency Rate (NMFR)	103	The Total Recordable Incident Rate (TRIR) for direct employees and contract employees was 0.5 and 0, respectively; the Fatality Rate was 0 for both; and the Near-miss Frequency Rate (NMFR) was 0.08 and 0, respectively.
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	68	For raw materials subject to RoHS, REACH, or other regulatory or customer requirements, the Company requires suppliers to provide compliance documentation and conducts third-party testing to verify compliance with applicable regulations. Other raw materials are managed in accordance with the Company's procurement and quality management procedures.
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

Summary of Subject Matter Assured

No.	Assurance Item	Assurance Subject							Applicable Standards	Pages																																																																
1	2025 Total Energy Consumption of AirTAC Taiwan, AirTAC Ningbo, AirTAC Guangdong, AirTAC China, and overseas subsidiaries	<table><tr><th>Item</th><th>AirTAC Taiwan</th><th>AirTAC Ningbo</th><th>AirTAC Guangdong</th><th>AirTAC China</th><th>Overseas</th><th>Total</th></tr><tr><td>Natural Gas (GJ)</td><td>1,340</td><td>155,992</td><td>1,800</td><td>-</td><td>1,276</td><td>160,408</td></tr><tr><td>Liquefied petroleum gas (GJ)</td><td>-</td><td>141</td><td>-</td><td>-</td><td>10</td><td>151</td></tr><tr><td>Gasoline (GJ)</td><td>804</td><td>582</td><td>139</td><td>38,738</td><td>608</td><td>40,871</td></tr><tr><td>Diesel (GJ)</td><td>1,686</td><td>48,184</td><td>27</td><td>7,333</td><td>1,408</td><td>58,638</td></tr><tr><td>Methanol (GJ)</td><td>-</td><td>34</td><td>-</td><td>-</td><td>-</td><td>34</td></tr><tr><td>Purchased Electricity (GJ)</td><td>77,316</td><td>592,442</td><td>69,369</td><td>10,939</td><td>860</td><td>750,926</td></tr><tr><td>Purchased Electricity-Green energy (GJ)</td><td>-</td><td>26,473</td><td>-</td><td>-</td><td>338</td><td>26,811</td></tr><tr><td>Spontaneous Electricity-Green energy (GJ)</td><td>2,134</td><td>-</td><td>-</td><td>-</td><td>-</td><td>2,134</td></tr><tr><td>Total (GJ)</td><td>83,280</td><td>823,848</td><td>71,335</td><td>57,010</td><td>4,500</td><td>1,039,973</td></tr></table>	Item	AirTAC Taiwan	AirTAC Ningbo	AirTAC Guangdong	AirTAC China	Overseas	Total	Natural Gas (GJ)	1,340	155,992	1,800	-	1,276	160,408	Liquefied petroleum gas (GJ)	-	141	-	-	10	151	Gasoline (GJ)	804	582	139	38,738	608	40,871	Diesel (GJ)	1,686	48,184	27	7,333	1,408	58,638	Methanol (GJ)	-	34	-	-	-	34	Purchased Electricity (GJ)	77,316	592,442	69,369	10,939	860	750,926	Purchased Electricity-Green energy (GJ)	-	26,473	-	-	338	26,811	Spontaneous Electricity-Green energy (GJ)	2,134	-	-	-	-	2,134	Total (GJ)	83,280	823,848	71,335	57,010	4,500	1,039,973	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; for AirTAC Ningbo, AirTAC Guangdong, and AirTAC China, the conversion followed the China General Rules for Calculation of the Comprehensive Energy Consumption and China Energy Statistical Yearbook; for overseas subsidiaries, the conversion followed the calorific values announced in each country or the IPCC calorific values, if not announced by the government.	94-95
		Item	AirTAC Taiwan	AirTAC Ningbo	AirTAC Guangdong	AirTAC China	Overseas	Total																																																																		
		Natural Gas (GJ)	1,340	155,992	1,800	-	1,276	160,408																																																																		
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Total (GJ)	83,280	823,848	71,335	57,010	4,500	1,039,973																																																																				
2	2025 Total Water Use of AirTAC Taiwan, AirTAC Ningbo, AirTAC Guangdong, AirTAC China, and overseas subsidiaries (including total water withdrawal and recycled), water discharge, water consumption	<table><tr><th>Item</th><th>AirTAC Taiwan</th><th>AirTAC Ningbo</th><th>AirTAC Guangdong</th><th>AirTAC China</th><th>Overseas</th><th>Total</th></tr><tr><td>Total Water Withdrawal (ton)</td><td>59,860</td><td>734,833</td><td>65,435</td><td>18,346</td><td>2,255</td><td>880,729</td></tr><tr><td>Water Recycled (ton)</td><td>4,908</td><td>51,399</td><td>4,515</td><td>0</td><td>0</td><td>60,822</td></tr><tr><td>Total Water Consumption (ton)</td><td>64,768</td><td>786,232</td><td>69,950</td><td>18,346</td><td>2,255</td><td>941,551</td></tr><tr><td>Total Water Discharge (ton)</td><td>32,545</td><td>562,698</td><td>15,689</td><td>14,677</td><td>1,804</td><td>627,413</td></tr><tr><td>Net Water Consumption (ton)</td><td>27,315</td><td>172,135</td><td>49,746</td><td>3,669</td><td>451</td><td>253,316</td></tr></table>	Item	AirTAC Taiwan	AirTAC Ningbo	AirTAC Guangdong	AirTAC China	Overseas	Total	Total Water Withdrawal (ton)	59,860	734,833	65,435	18,346	2,255	880,729	Water Recycled (ton)	4,908	51,399	4,515	0	0	60,822	Total Water Consumption (ton)	64,768	786,232	69,950	18,346	2,255	941,551	Total Water Discharge (ton)	32,545	562,698	15,689	14,677	1,804	627,413	Net Water Consumption (ton)	27,315	172,135	49,746	3,669	451	253,316	Total water consumption of AirTAC Taiwan, AirTAC Ningbo, AirTAC Guangdong, AirTAC China, and overseas subsidiaries (including total water withdrawal and recycled water): Total water withdrawal refers to tap water usage; recycled water refers to rainwater harvesting and process water recycling. The sources of total water discharge statistics include flow meters at outfalls, per capita water discharge from environmental impact assessment reports, and water discharge estimated by withdrawal water and discharge coefficients. Net Water Consumption is equal to Total Water Withdrawal minus Total Water Discharge.	96																												
		Item	AirTAC Taiwan	AirTAC Ningbo	AirTAC Guangdong	AirTAC China	Overseas	Total																																																																		
		Total Water Withdrawal (ton)	59,860	734,833	65,435	18,346	2,255	880,729																																																																		
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No.	Assurance Item	Assurance Subject					Applicable Standards	Pages																																																																											
3	2025 Total Waste of AirTAC Taiwan, AirTAC Ningbo, and AirTAC Guangdong	<table><tr><td>Unit: metric ton</td><td>AirTAC Taiwan</td><td>AirTAC Ningbo</td><td>AirTAC Guangdong</td><td>Total</td></tr><tr><td colspan="5">Hazardous Waste</td></tr><tr><td>Recycled and Reused</td><td>-</td><td>5,413</td><td>19</td><td>5,432</td></tr><tr><td>Incineration (excluding energy recovery)</td><td>-</td><td>134</td><td>90</td><td>224</td></tr><tr><td>Landfilling</td><td>-</td><td>124</td><td>-</td><td>124</td></tr><tr><td>Other Disposal Operation</td><td>-</td><td>-</td><td>103</td><td>103</td></tr><tr><td>Subtotal</td><td>-</td><td>5,671</td><td>212</td><td>5,883</td></tr><tr><td colspan="5">Non-Hazardous Waste</td></tr><tr><td>Recycled and Reused</td><td>184</td><td>44</td><td>67</td><td>295</td></tr><tr><td>Other Recycling Operations</td><td>348</td><td>13,551</td><td>1,824</td><td>15,723</td></tr><tr><td>Incineration (including energy recovery)</td><td>42</td><td>823</td><td>60</td><td>925</td></tr><tr><td>Landfilling</td><td>39</td><td>-</td><td>-</td><td>39</td></tr><tr><td>Other Disposal Operations</td><td>192</td><td>-</td><td>-</td><td>192</td></tr><tr><td>Subtotal</td><td>805</td><td>14,418</td><td>1,951</td><td>17,174</td></tr><tr><td>Total</td><td>805</td><td>20,089</td><td>2,163</td><td>23,057</td></tr></table>					Unit: metric ton	AirTAC Taiwan	AirTAC Ningbo	AirTAC Guangdong	Total	Hazardous Waste					Recycled and Reused	-	5,413	19	5,432	Incineration (excluding energy recovery)	-	134	90	224	Landfilling	-	124	-	124	Other Disposal Operation	-	-	103	103	Subtotal	-	5,671	212	5,883	Non-Hazardous Waste					Recycled and Reused	184	44	67	295	Other Recycling Operations	348	13,551	1,824	15,723	Incineration (including energy recovery)	42	823	60	925	Landfilling	39	-	-	39	Other Disposal Operations	192	-	-	192	Subtotal	805	14,418	1,951	17,174	Total	805	20,089	2,163	23,057	Total waste of AirTAC Taiwan, AirTAC Ningbo, and AirTAC Guangdong is classified by treatment method into: recycled and reused, other recycling operations, incineration (including energy recovery), incineration (excluding energy recovery), landfill, and other disposal operations.	97
		Unit: metric ton	AirTAC Taiwan	AirTAC Ningbo	AirTAC Guangdong	Total																																																																													
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4	2025 Work-Related Injury Rates of AirTAC Taiwan, AirTAC Ningbo, AirTAC Guangdong, AirTAC China, and overseas subsidiaries	<table><tr><td>Item</td><td>Employee</td><td>Non-employee (outsourced worker)</td></tr><tr><td>Total Recordable Incident Rate (TRIR)</td><td>0.50</td><td>0.00</td></tr><tr><td>Fatality Rate</td><td>0.00</td><td>0.00</td></tr><tr><td>Near-Miss Frequency Rate (NMFR)</td><td>0.08</td><td>0.00</td></tr></table>			Item	Employee	Non-employee (outsourced worker)	Total Recordable Incident Rate (TRIR)	0.50	0.00	Fatality Rate	0.00	0.00	Near-Miss Frequency Rate (NMFR)	0.08	0.00	In accordance with the "Labor Health and Safety" (RT-IG-320a.1) from the Industrial Machinery & Goods Industry in SASB Standards, AirTAC International Group reports on the following metrics — covering both direct and contract employees: (1) Total Recordable Incident Rate (TRIR), (2) Fatality Rate, and (3) Near-Miss Frequency Rate (NMFR).	103																																																																	
		Item	Employee	Non-employee (outsourced worker)																																																																															
		Total Recordable Incident Rate (TRIR)	0.50	0.00																																																																															
		Fatality Rate	0.00	0.00																																																																															
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Independent Assurance Report - Key Performance Indicators



資誠

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 2025 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 aforementioned Identified Key Performance Indicators is set out in the "Report scope boundary" of the Sustainability Report.

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 Limitations

Certain subject matter information assured involves non-financial data which is subject to more inherent limitations than financial data. 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 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

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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.

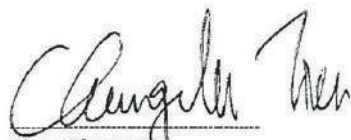
We also do not provide any assurance on the Sustainability Report as a whole or on the design or operating effectiveness of the relevant internal controls.

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 13, 2026

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 Assurance Report - Greenhouse Gas(GHG) statement



資誠

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, 2025, comprising the Emissions Inventory (as outlined in Appendix 1 - Summary of Subject Matter Assured) 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, 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"), and the Sustainable Development Roadmap for TWSE/TPEX Listed Companies with FAQs published by the Financial Supervisory Commission, 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, and the Directions for the Implementation of Assurance Institutions for the Sustainability Report of TWSE/TPEX Listed Companies. These standards 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, the Climate Information of TWSE/TPEX Listed Company, and the Sustainable Development Roadmap for TWSE/TPEX Listed Companies with FAQs published by the Financial Supervisory Commission 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

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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.

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 were 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 two 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.

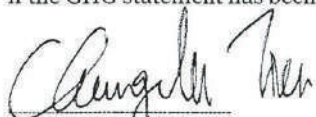
The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been 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, the Climate Information of TWSE/TPEX Listed Company, and the Sustainable Development Roadmap for TWSE/TPEX Listed Companies with FAQs published by the Financial Supervisory Commission.

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 Group's GHG statement for the year ended December 31, 2025, is not prepared, in all material respects, in accordance with the Greenhouse Gas Protocol, the Climate Information of TWSE/TPEX Listed Company, and the Sustainable Development Roadmap for TWSE/TPEX Listed Companies with FAQs published by the Financial Supervisory Commission.

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 GHG statement has been subsequently modified.



Tien, Chung-Yu
Independent Accountant
PricewaterhouseCoopers, Taiwan
Republic of China
August 13, 2026

Appendix 1 – Summary of Subject Matter Assured

Scope Boundary	GHG Emissions (tons CO ₂ e/year)	
Scope 1	19,458	
Scope 2	Location-based	Market-based
	102,140	121,830
Total	121,598	141,288

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.



AIRTAC INTERNATIONAL GROUP

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