



2024

**Environmental
Social
Governance
Report**

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About the Report

Since its establishment, Ablerex Electronics Co., Ltd. (hereinafter referred to as "Ablerex") has persistently valued corporate sustainable development as a long-term commitment and obligation of the company. In order to make investors, customers, suppliers, employees, community neighbors, government authorities and other stakeholders aware of the Company's efforts and achievements in sustainable development, Ablerex has been proactively disclosing the Ablerex Corporate Social Responsibility Report since 2015. The report is available in the official website under the section of corporate governance for all stakeholders to refer to (Website: http://www.ablerex.com.tw/ch/csr_3_7.php).

In order to continuously improve the disclosure quality of the report and keep up with the global trends, Ablerex has compiled this Report according to the principles of the GRI Standards issued by the Global Reporting Initiative (GRI) for sustainability reports. It is hoped that in a report prepared based on the guidance of GRI Standards, the information disclosed is appropriate and can meet the expectations of stakeholders and fully demonstrate Ablerex's actions and performance in sustainable development.

Scope Boundaries in the Report

Disclosure Type	Scope of coverage
Period	The report mainly discloses the business from January 1 to December 31, 2024. Some of the management performance covers data before 2024.
Boundary of Scope	The boundary of the report covers the following seven locations of Ablerex Electronics Co., Ltd. in Taiwan (excluding overseas companies): Taipei Headquarters, Hsinchu Office, Taichung Office, Tainan Office, Kaohsiung R&D Center, Pingtung Plant 2 and Pingtung Plant 1
Financial data	The chapter on management performance is consistent with the consolidated financial statement data disclosed by Ablerex; the chapter on sustainable environment and the appendix adopts the financial data based on the parent company only financial statement data disclosed by Ablerex.
Data of Environment, Safety and Health	Same as the scope boundary of the above
Data of employees	Same as the scope boundary of the above
Performance of public welfare activities	Same as the scope boundary of the above
Restatements of information	There was no significant change in the Company's organizational structure or reporting scope during the year. If there is a change in some of the data from the previous year, the difference and restatement is explained at such changes.

Report Preparation Guidelines and Verification

The report is prepared in accordance with the GRI Universal Standards 2021 issued by the Global Reporting Initiative (GRI), and complies with the requirements of the "Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies" and adopts the framework of the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) Standards, as well as the Sustainability Disclosure Indicator in the category of Other electronics Companies. The appendix of the report also provides the content index of the GRI, SASB Standards, Sustainability Disclosure Indicator for Other electronics Companies, and the Index for Climate Related Information of TPEX-listed Companies, for stakeholders' reference. This report has been verified by Ares International Certification Co., Ltd., and it had been compliance with the Type 1 of application of the AA1000 Accountability Principles (2018) as a medium level of assurance. The assurance statement is attached to the appendix of the report.

In addition, the content of 3. Management Performance Data of Chapter Three of this Report refers to the financial annual report information certified by PricewaterhouseCoopers Taiwan (PwC Taiwan). For details, please refer to Chapter Three of this report or the company's annual report.

Issuance of Report

2024 ESG report: Issued in August 2025

Report Period: 1 year

The previous edition 2023 ESG report: Issued in August 2024

To cope with the trend of environmental protection and eco-friendliness, the company promotes paperless operations. Accordingly, this report is an electronic version and is published on the company's website.

Shall you have any suggestions or questions on this report, please feel free to contact us.

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Message from our Chairman

To all shareholders, partners, and employees:

As the development of the global ESG (Environment, Social and Governance) trend continuously accelerates, the requirements for corporate sustainable operations are also becoming increasingly strict. The market, investors and consumers continue to increase their expectations of corporate responsibility, which not only drives changes in the industry structure, but also brings new values to the capital market. Against such a backdrop, Ablerex Electronics Co., Ltd. has come to realize that ESG is no longer limited to a corporate social responsibility, but that it is the foundation of sustainable corporate development. Therefore, we have always integrated the concept of ESG into our corporate strategy, and actively adjusted and innovated to embrace the challenges and opportunities of the global market.

More and more enterprises around the world are taking concrete actions to respond to issues including climate change, resource recycling and social equality. To us, this is not only a challenge but also a new opportunity for growth, prompting us to continuously reflect and optimize our own business model, thereby maintaining our competitive advantage in the ever-changing market. For Ablerex, corporate sustainability not only means environmental protection and social responsibility, but it is also a key driver of innovation and R&D, resource integration and brand trust. We continuously promote the concept of ESG sustainable management, not only to pursue higher standards in the production process, product design, and supply chain management, but also to become an important basis for our corporate governance and risk control. As a provider of energy management solutions, our mission is “to enhance energy efficiency.” We develop the high-performance inverters, energy storage systems, and smart grid technology, to assist customers in reducing their carbon footprints. Therefore, we have been awarded the Gold Class of the Sustainability Rating Certificate as an excellent supplier in the Sustainability and Low-Carbon Alliance by Chunghwa Telecom and SGS in 2020. Meanwhile, we continuously promote energy saving and waste reduction in the plants.

For many years, Ablerex has continuously contributed its efforts and resources to the



ESG field. From the internal management system to our cooperation with external partners, we have insisted on continuously implementing our ESG policies with an ethical, transparent and innovative attitude. We have not only established a comprehensive management system and introduced the ISO14064-1 organizational carbon inventory, to collect and analyze data from various activities as a plan for carbon reduction in the future, but also actively participate in social welfare activities and cultivate every employee's awareness and practical ability of sustainable development through employee education and training. All these efforts aim to create a more socially responsible and environmental friendly corporate image, leaving a beautiful and sustainable development foundation for future generations.

It has been ten years since the Company began to voluntarily release its Corporate Social Responsibility Report in 2015, renamed as the ESG Sustainability Report in accordance with the law. Through several indicators, the Company's performance in promoting sustainable development is evaluated while inspecting the appropriateness of the Company's business policy. In terms of promoting sustainable development, the Company was ranked in the top 5% and top 6%-20% many times in the previous “Corporate Governance Evaluations.” The Company insists on refining and improving constantly, ensuring that all stakeholders can receive complete and relevant information and supervise the Company to keep up with the ever-changing business environment through attention and communication. In addition, on this sustainable marathon without a finish line, in the face of the challenges and opportunities of the ESG trend, we will remain steadfast and consistent to our philosophy, by actively integrating internal and external resources, to strive to become an example of sustainable development in the industry. It is expected that the report not only presents results, but also starts conversations. Ablerex will continuously improve ESG management, promote the value of social sharing, and work together to create a better tomorrow.

Let's cheer each other on

Chairman

Sustainable Performance

Corporate governance performance

Company's performance in corporate governance evaluation over the years

Year	Session	Grade
2014	1st	6%~20%
2015	2nd	Top 5%
2016	3rd	Top 5%
2017	4th	Top 5%
2018	5th	Top 5%
2019	6th	6%~20%
2020	7th	Top 5%
2021	8th	6%~20%
2022	9th	6%~20%
2023	10th	6%~20%
2024	11th	6%~20%

Business performance return-to shareholders

<Dividend distribution the last five years.

The Company mainly pays dividends in cash>

Dividends policy		Unit: NT\$
Year	Cash dividend	Total
2021	1.25	1.25
2022	2.00	2.00
2023	2.00	2.00
2024	2.00	2.00
2025	2.00	2.00

the Company announced its first smart photovoltaic cloud management platform which can help domestic small and medium-sized system integrators and users manage their projects and operation and maintenance jobs and even automate software upgrades and parameter adjustment, which can greatly reduce labor costs and improve return on investment.

In order to facilitate the development of the domestic photovoltaic industry, the Bureau of Standards, Metrology and Inspection of the Ministry of Economic Affairs issued the updated grid-connection regulations for photovoltaic converters CNS 15382:2017 in 2018, so that converters are no longer just a simple power generation device, but has become a smart converter. It can help stabilize the power grid and improve the penetration rate of new energy, and the Company fully promotes the certification for localization. Ablerex took the initiative in applying for Voluntary Product Certification (VPC), and became the first photovoltaic inverter supplier to be awarded a VPC.

In order to cooperate with national policies, Ablerex has actively developed large-scale energy storage systems. In 2022, the Company's verified 1MW energy storage system in the Pingtung plant became the first in the country to pass the safety assessment and on-site testing conducted by the third-party certification body Metal Industries R&D Center for energy system project sites. Later in 2023, the 2MW energy storage system was certified by Metal Industries R&D Center for "energy system." The Company has established a 3MV energy storage system in Pingtung Industrial Park that is integrated into the power trading platform for dynamic regulation supporting services to contribute to the stability of grids in Taiwan.

• Photovoltaic inverter (PV inverter) -- Energy conservation benefits of the three-phase grid-connected PV inverter

The PV inverters manufactured by the Company conform to the best specifications for solar panels currently in the market. They adopt smart maximum power tracking technology and incorporate the I-V curve scanning technology to detect project site conditions in real time, so that the reasons for low power production efficiency can be screened out to generate higher power production efficiency.

• Uninterruptible power supply (UPS) -- Three-phase UPS KRONOS 40kVA

Adopt the multi-level architecture which has better power factor improvement function

Green product development

In its early years in business, Ablerex focused on the on-site application of uninterruptible power supply (UPS) and other power conversion equipment. After years of experience with uses and on-site services, the Company began to introduce the in-house design and manufacturing of power and electronic products in 2000. In addition to the UPS systems, the product lineup includes active power filters (APF), battery management system (BMS) and smart power distribution units (PDU).

In response to the development of the green energy industry, the Company launched its first grid-connected photovoltaic inverter (PV Inverter) product series in 2009. In 2015,

over the traditional two-level architecture. Product efficiency is improved, saving overall power.

- **UPS -- On-line UPS ARES Plus 1-3k RT Series**

The 3rd-generation machine is 1-2% more efficient than the 2nd-generation product, and the 3rd-generation product can meet the Energy Star V2.0 performance standard. The products can be used in communication/telecom/data equipment rooms, etc., which shall not be powered off, or in load equipment applications that require higher power quality in the power supply system.

- **Energy Storage System (ESS) -- ESS500KW**

Conduct scheduling according to the time-of-use price, so it can release electricity at the peak time to reduce the contracted capacity of the users, and then fully recharge the battery at night. Products can be used in energy storage solutions incorporating a bidirectional power conversion system, battery, and system controller and cloud energy management system, and can conduct real-virtual power coordination according to grid scheduling.

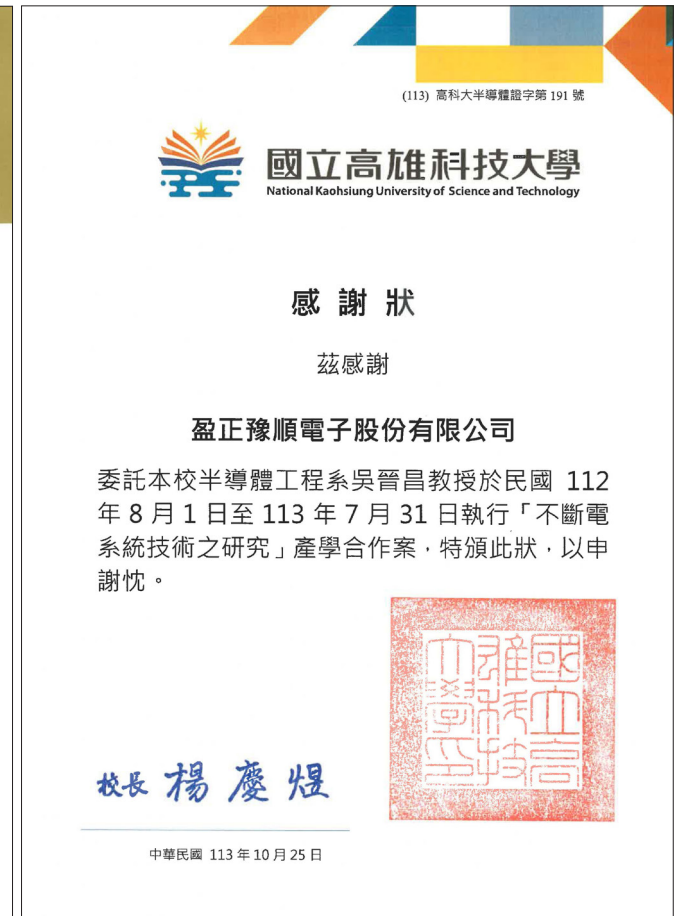
Social care public welfare activities

- Social Care
- Cultural and arts activities
- Industry-academia collaboration

For details, please refer to Chapter Six on employee care and social participation.




Chungwa Telecom Sustainability Gold Award



Certificate of appreciation from National Kaohsiung University of Science and Technology

Respond to UN Sustainable Development Goals

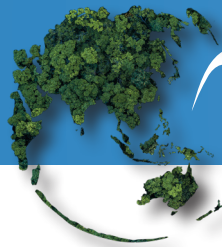
2024 promotion performance and response to the UN SDGs

Item	Aspect	2024 Performance Highlights	Corresponding SDGs
1	Corporate Governance and Ethical Management	<ul style="list-style-type: none"> Starting in 2015, the Corporate Social Responsibility Report has been voluntarily disclosed every year; it has been renamed the ESG report since 2021. In 2024, in the 11th Corporate Governance Evaluation for TPEx-listed Companies, the Company was ranked among the top 6-20%, and top 2-10% for industries with market value under NT\$5 billion. The Company has set up an investor contact platform, stakeholder contact information, and customer service webpages on its website. There were no grievances filed in 2024. 	 
2	Sustainable Product and Customer Management	<ul style="list-style-type: none"> Has obtained 83 patent certificates as of 2024. Passed the 2MW energy storage system verification for the "Energy Storage System" by Metal Industries R&D Center in 2023. The Company has established a 3MV energy storage system in Pingtung Industrial Park that is integrated into the power trading platform for dynamic regulation supporting services to contribute to the stability of grids in Taiwan. Awarded the Gold Level Certified Supplier of the Sustainability Rating Certificate as an excellent supplier in the Sustainability and Low-Carbon Alliance by Chunghwa Telecom and SGS in 2023, which is valid until December 2026. 	 
3	Sustainable Environment	<ul style="list-style-type: none"> Based on the characteristics of the industry, Ablerex has obtained the ISO 14001 Environmental management system certification to reinforce the operations management of the environment, safety and health in factory areas, and taken actions to respond to environmental impact. In 2024, there were no fines or penalties for violations of environmental laws and/or regulations. The Corporate Governance and Sustainability Committee holds meetings for discussions and management. The climate change issues and status of implementation are reported to the Board of Directors regularly every year. 	 
4	Employee care	<ul style="list-style-type: none"> In 2024, the re-instatement rate of employees after their parental leave were 100%. The Company ensures equal treatment in hiring, remuneration and benefits, training opportunities, promotion, dismissal or retirement and other labor rights matters, and does not discriminate on the basis of age, gender, physical and mental disability, ethnicity, race, nationality, religion or other status, etc. The average hours of training received by each employee were 13.07 hours in 2024. For the year, the total hours of training reached 4,535 hours. The Company's safety and health policy and labor health management plan, regular safety and health education and promotion, regular education and training, all aim to cultivate employees' safety-related knowledge and habits. Won the "Outstanding Innovation Award" at the 2024 Pingtung Excellent Enterprise Award 	    
5	Social Participation	<ul style="list-style-type: none"> In 2024, we continuously sponsored the development plans of Health Co-Operation Organization, Taiwan and the Early-Childhood Nutrition Supplement Program in Indonesia. In 2024, we also sponsored the Sam-Siu Garden outdoor concert. Between the end of 2019 and the end of 2024, a total of NT\$2,904 thousand was invested in the support efforts for several industry-academia research projects. 	  



1

Overview



1.1 Company Profile

1.1.1 Company information

Stock Code	3628	Industry Type	Other electronics companies listed on TPEx	Country where the foreign company is registered	---
Company Name	Ablerex Electronics Co., Ltd.		Contact Number	02-29176857	
Address	1F, No. 3, Lane 7, Baogao Road., Xindian District, New Taipei City			Ownership and legal form	Limited company
Chairman	Steven Hsu		President		Ming-Zhou Huang
Spokesman	Jeff Lin		Title of Spokesperson		Manager of Finance Department
Phone Number of Spokesperson	02-29176857		Deputy Spokesman		Damon Chao
Main Operating Business	Uninterrupted Power Supply (UPS) system research, development, manufacturing, sales and agency Improvement of electricity quality system and equipment Photovoltaic power system equipment research, development, manufacturing and sales Maintenance and technical service business				

1.1.2 About Ablerex

Ablerex Electronics Co., Ltd. with its headquarter stationed in Xindian, New Taipei City, R.O.C. is a world leading manufacturer in Uninterruptible Power Supply (UPS) systems and Power Quality Devices (PQD). The main products include UPS, active power filters, photovoltaic (PV) inverters, power monitoring systems and automatic transfer switches etc. With a strong R&D team and advanced professional production equipment, the Company is committed to the development and production of fast and high-efficiency power electronic products that are capable of satisfying market demands.

To satisfy the market demands and price competition for power electronic devices, the company established its first manufacturing facility plant in Suzhou, China in 2005. Subsequently, as the company continues to launch new products, to meet the rapid development of the market demand, the company has completed the construction of Suzhou Plant 2 in 2008, and its scale is five times greater than Plant 1. The Company and the Suzhou plant have qualified and received the international certification of ISO9001 and ISO14001. In addition, the products of the company have also qualified for certifications of the international quality control system one after another along with the acquisition of TLC product certification and various international certificates, such as: CE, UL, CB and VDE etc.

In response to the emergence of the concept of green and environmental protection, the Company's R&D team is committed to developing renewable energy solutions. In 2005, the PV inverter was the Company's first achievement for the initiative of environmental protection and green products. In recent years, the Company has been granted 14 patents aiming to improve products' energy efficiency technology. In future R&D, we will expand to wind power inverters and fuel cell inverters.

"Experts in Power Conversion" is the sustainability goal we seek to achieve with dedication. Our vision is to be the best energy solutions provider in the fields of industrial applications and information applications.

With the expansion of the market and business operation scope, Ablerex presently have operation offices in Taiwan, China, Italy, Singapore and U.S.A. For the region of Taiwan, in addition to the headquarter of the company, we also have offices in Hsinchu, Taichung and Tainan. Furthermore, we have also established R&D centers and manufacturing sites in Kaohsiung and Pingtung. The total number of employees in Taiwan is approximately 347 people. In response to the growth, the Company has built locations around the world and partnered with thousands of professionals with excellent R&D and manufacturing capabilities. With a solid competitive fundamental, Ablerex will be the best choice for providing consumer power solutions.





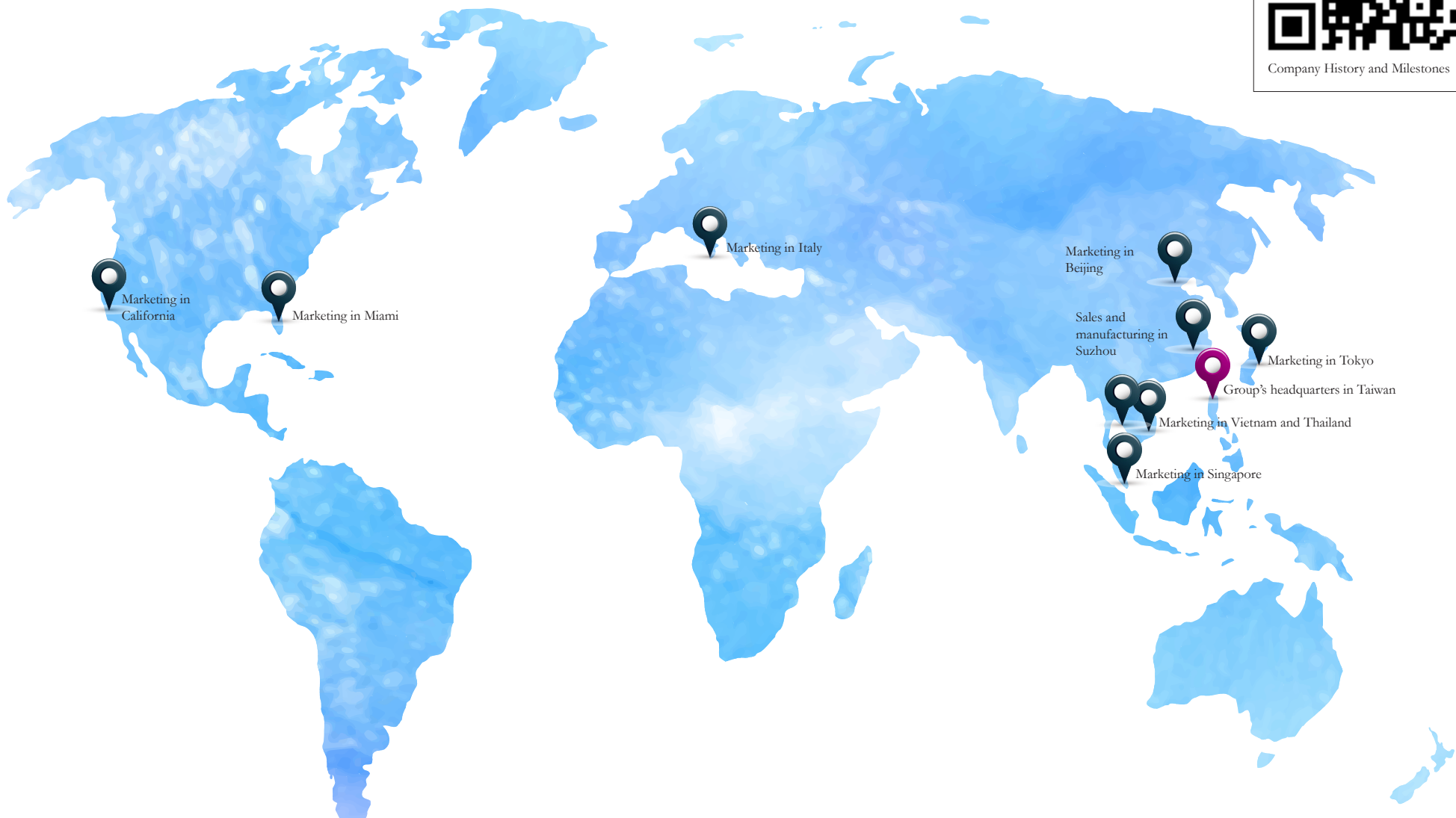
In recent years, the carbon emissions reduction and net-zero trends around the world and Taiwan's energy transition policy have facilitated the adoption of renewable energy and energy storage, which are favorable for the sales and promotion of PV converters and energy storage equipment supplied by the Company.

1.1.3 Company History

Please refer to Company History and Milestones on the official website.



Company History and Milestones





1.1.4 Employment status of employees

All of the present employees of Ablerox are regular employees and there are no contractual employees. Relevant information on employees is as follows:
Up to the date of December 31, 2024, the number of employees, average period of employment in the last three years classified according to the gender and employment contract (regular and temporary) of employees in Taiwan show no non-regular employment contracts:

Unit: people				
Year		2022	2023	2024
Number of employees	Direct Labor	25	26	24
	Indirect Labor	54	49	46
	Administrative Staff	247	269	277
	Total	330	344	347
Average age		38.2	39.1	40
Average service tenure		8.5	8.65	9.09

Note: This is statistical data for employees in the region of Taiwan

Employees classified according to the gender and employment contract (regular and temporary, full-time and part-time) in Taiwan

Unit: people						
Year/Type	2022		2023		2024	
	Male	Female	Male	Female	Male	Female
Full-time/Regular	250	80	265	79	264	83
Temporary/Part-time	0	0	0	0	0	0
Total	250	80	265	79	264	83

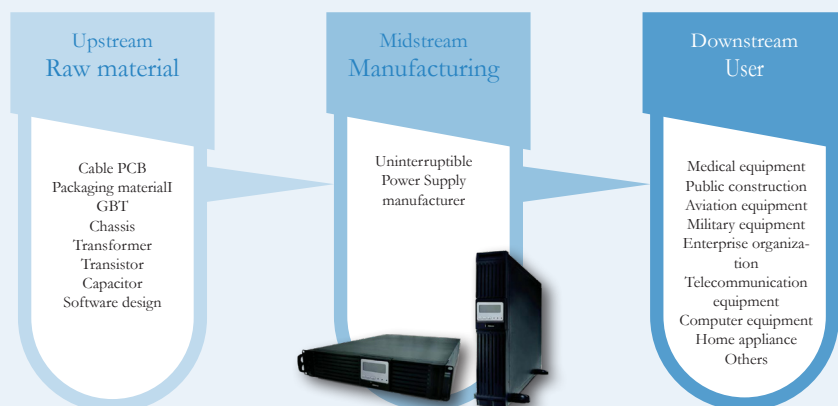


1.2 Industry Introduction

1.2.1 Relations in the industry

Relationships between the upstream, midstream and downstream of the industry for the Company's main products are as below, and there was no significant change from the previous reporting period.

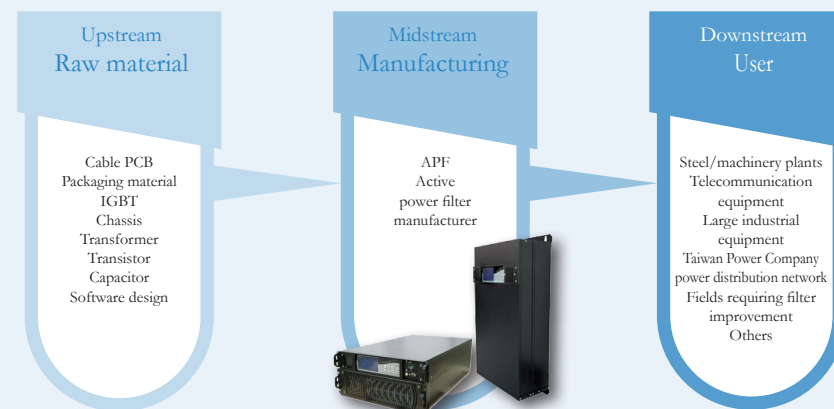
◆ Upstream, midstream and downstream of UPS



Ablerex is a professional design and production manufacturer of UPS systems, and the upstream of the product mainly includes the component parts (transformers, chassis, cables, capacitors, PCB etc.) suppliers, battery suppliers and software development companies. All of the products are provided to the downstream terminal users, which includes various industries such as medical, aviation, military equipment, financial, security, nuclear power, petroleum, telecommunications and computer equipment etc., through an integrated sales network.

With the rapid development of the internet, information and telecommunication industries, the demand for power supply quality has become more rigorous, which attracts more enterprises to the use of UPS for the protection of their equipment. Accordingly, the future potential industrial growth of the company is remarkable.

◆ Upstream, midstream and downstream of APF

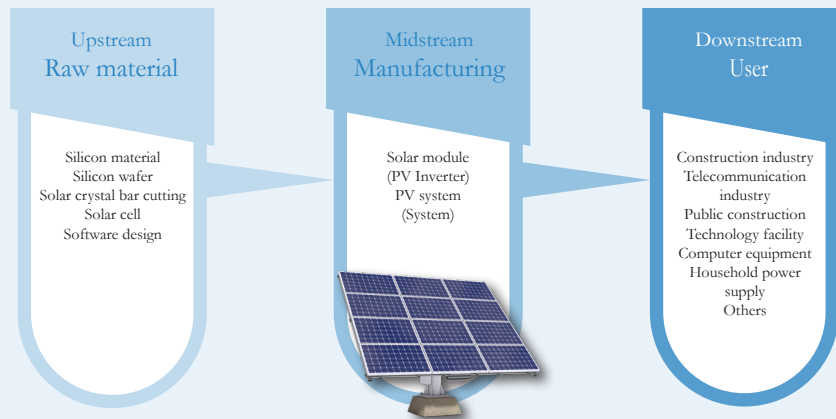


Ablerex is a professional design and production manufacturer for Active Power Filters (hereinafter referred to as “APF”). The upstream of the product mainly includes the component parts (transformers, chassis, cables, capacitors, PCB etc.) suppliers, battery suppliers and software development companies. All of the products are provided to the downstream terminal users, which include various industries such as steel machinery manufacturers, telecommunications companies, large industrial equipment users, Taiwan Power Company power distribution network and other fields or equipment requiring filter improvement etc., through an integrated sales network.

The demand for power supply quality of various industries has become more rigorous nowadays, which drives more industries to use APF to improve the power usage quality to reduce the power consumption loss. In addition, the technical barrier of such products is high such that there are only a few domestic and foreign manufacturers capable. Consequently, the Company’s APF products provide us with a great competitive advantage in the market and is one of the main product types promoted by the company.



◆ Upstream, midstream and downstream in photovoltaic applications



Ablerex is in the system and converter sectors of the PV industry chain. The company designs and manufactures PV Inverters. The products manufactured by the company are provided to the downstream system integration and various industries, such as: the construction industry, telecommunication industry, public construction, technology facilities etc., through integrated sales network.

Since the PV industry is a great business opportunity for the future, and presently, the number of domestic competitors is small due to the limitation of the advanced technology barrier, the PV Inverters manufactured by the company have certain advantages in terms of quality and price competitiveness. Currently, Ablerex has become one of the leading global manufacturers of PV inverters, and a great number of international giants have designated Ablerex as the ODM supplier; therefore, PV inverters are one of the products capable of increasing the revenue of the company.

◆ Upstream, midstream and downstream applications in household energy storage systems



Ablerex is in the system and converter sectors of the household energy storage system industry chain. The company designs and manufactures ESS converters. The products manufactured by the company are provided to the downstream system integrators and various industries, such as: the construction industry, telecommunication industry, public construction, technology facilities etc., through an integrated sales network.

Since the energy storage system industry is a great business opportunity for the future, and presently, the number of domestic competitors is small due to the limitation of the advanced technology barrier, the ESS converters manufactured by the company have certain advantages in terms of quality and price competitiveness. Currently, Ablerex has become one of the leading global manufacturer in PV inverters, and numerous domestic giants have designated Ablerex as the ODM supplier; therefore, the ESS converter is one of the products capable of increasing the revenue of the company.



1.2.2 Main sales areas for products and services

Unit: NT\$ thousand; %

Year		2022		2023		2024	
Item		Amount	%	Amount	%	Amount	%
Domestic Sales		1,537,222	50.27%	1,365,411	46.68%	1,293,058	42.76%
Export	Asia	879,697	28.77%	857,188	29.30%	924,060	30.56%
	America	227,093	7.43%	291,743	9.97%	370,802	12.26%
	Europe	412,341	13.48%	398,131	13.61%	416,758	13.78%
	Others	1,414	0.05%	12,710	0.44%	19,456	0.64%
Total		3,057,767	100.00%	2,925,183	100.00%	3,024,134	100.00%

1.2.3 External association participation status

Name of associations	Member
 台灣智慧能源產業協會 Taiwan Smart Energy Industry Association	✓
 台灣區電機電子工業同業公會 Taiwan Electrical and Electronic Manufacturers' Association	✓
 台北市電腦公會 Taipei Computer Association	✓
 Electricity Industry Association R.O.C.	✓
 Pingtung County Industrial Association	✓
 台灣智慧型電網產業 Taiwan Smart Grid Industry Association	✓
 台灣太陽能光電產業協會 Taiwan Photovoltaic Industry Association	✓
 中華民國太陽光電發電系統 商業同業公會 Photovoltaic Power Generation System Association	✓
 Taiwan Refrigerating and Air-Conditioning Engineering Association of Republic of China	✓





2 Identification of Stakeholders and Material Topics

As a corporate citizen, Ablerex respects social ethics and values sustainable development. In addition, the company also cares about the rights and benefits of stakeholders while taking up the social responsibilities required to be borne by corporate entities. While seeking sustainable operations and stable profits, the company also improves in the aspects of Environmental, Social, Governance (ESG) management. In addition, the company also analyzes and summarizes the material topics that concern stakeholders in order to provide active response and to continuously improve in all aspects of business operations.

The Corporate Governance and Sustainable Development Committee of Ablerex upholds the principle of AA1000 Stakeholder Engagement Standards (AA1000 SES) along with the international trends and standards, especially as it relates to ESG development, in identifying that the main stakeholders of the company include employees, government agencies, suppliers/contractors, shareholders/investors and banks who also have been identified in the past.

2.1 Sustainability Material Topics

2.1.1 Identification of Material Topics

In order to understand stakeholders' interests on the Company's corporate governance, environment, and social aspects of considerations, the Company's Corporate Governance and Sustainability Committee conducts comprehensive evaluations and discussions of impacts and concerns through internal policy meetings, shareholder meetings, implementation performance assessments of each department, analysis of sustainable development trends and internal review. Every two years, survey questionnaires are distributed to investigate and analyze the extent of impacts on stakeholder concerns and sustainability, hoping to fully disclose all information on all aspects, to meet stakeholders' expectations. Ablerex has formulated 18 sustainability issues and invited major stakeholders to fill out the online questionnaires. A total of 207 valid questionnaires were collected, covering employees, suppliers/contractors, shareholders/investors, banks, customers, and government agencies. The scores for the level of concern to each sustainability issue by major stakeholders were calculated. Also, the on-line questionnaires were also distributed to 17 officers of the Company to score the impact of each sustainability issue on Ablerex. The scores from both were compiled to create a matrix of material topics. After the discussions of the sustainability development promo-

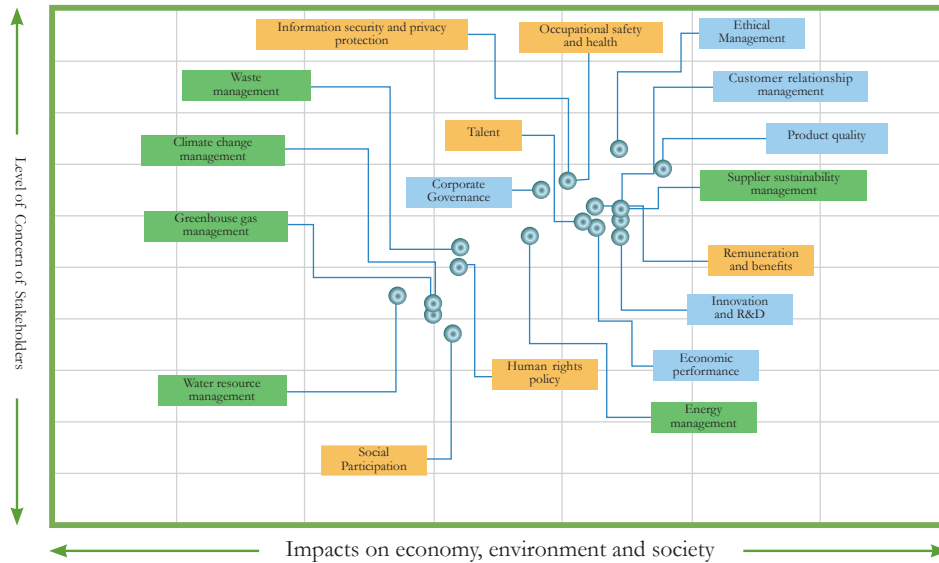
tion team, the top 10 sustainability issues in the three aspects of governance, environment, and society were included in the material topics for this year, confirming that, for Ablerex, the top 10 material ESG topics are: product quality, ethical management, customer relationship management, supplier sustainability management, innovative research and development, remuneration and benefits, information security and privacy protection, occupational safety and health, economic performance, and talent cultivation. In addition, greenhouse gas management has been added to complement the evaluation aspects. The sustainability promotion team and experts discussed the positive and negative, and actual and potential impacts of each sustainability issue. The Company will explain the management approaches and relevant disclosure items for each material topic in the Report. The following figure explains the material topics of concern to stakeholders in 2024.





2 Identification of Stakeholders and Material Topics

Results of materiality assessment



Remarks: The blue background is the governance aspect, the green background is the environmental aspect, and the yellow background is the social aspect.

2.1.2 Material topics order list



Order	2023 material topics	2024 material topics	Comparison
1	Risk management	Product quality	Added
2	Ethical Management	Ethical Management	-
3	Talent Cultivation	Customer relationship management	Added
4	Information security	Supplier sustainability management	↑5
5	Regulatory compliance	Innovation and R&D	↑3
6	Management performance	Remuneration and benefits	Added
7	Corporate Governance	Information security and privacy protection	↓3
8	Innovation and R&D	Occupational safety and health	Added
9	Supplier sustainability management	Economic performance	↓3
10	Greenhouse gas management	Talent Cultivation	↓7
		Greenhouse gas management (customized)	↓1



2.1.3 Description of boundaries of material topics

Aspect	Material Topics	Positive/Negative Actual/Potential	Description of impact	Chapter of management approach disclosure	Within the boundary	Outside of the boundary				
					Ablerex	Government agencies	Customers	Suppliers or contractors	Shareholders or investors	Banks
Corporate Governance	Product quality	Positive Actual	There was no major customer complaints that resulted in recalls or illegal conduct in 2024; in addition, the target has been achieved in the satisfaction survey in the recent three years.	4.1 Sustainable Product	●	●	●	●	●	●
	Ethical Management	Positive Actual	In 2024, through internal promotion and the signing of our social responsibility commitment letters by our partners, there were no relevant reports or complaints received in the same year.	3.2 Ethical Management	●	●	●	●	●	●
	Customer relationship management	Positive Actual	The satisfaction survey in 2024 reached 90.7, reaching the target for the third consecutive year.	4.3 Marketing and Service	●		●	●	●	●
	Innovation and R&D	Positive Actual	New product development is the only way for the Company to maintain its competitiveness. In the future, the Company will continuously develop products and services that meet market expectations, and the proportion of the annual R&D investment in the Company's operating revenue exceeds 5% every year.	4.1 Sustainable Product	●	●		●	●	
	Economic performance	Positive Actual	In 2024, the Company had a profit growth, with the EPS of NT\$2.15	3.4 Management Performance	●			●	●	●
Social	Remuneration and benefits	Positive Actual	The average salary of full-time employees in non-managerial positions of the Company was among the top 50% compare to other TPEX-listed electronics companies in 2024.	6.1 Employee Rights and Labor Relations	●	●	●	●	●	
	Information security and Privacy protection	Positive Actual	In 2024, the ISO 27001 information security management system certification was passed again to ensure the Company's information security and implement customer data protection.	3.3 Information Security	●	●	●	●	●	●
	Occupational safety and health	Positive Potential	There were no major occupational safety incidents in 2024, and the ISO 45001 occupational safety management system will be introduced in the future to establish a safer workplace environment.	6.3 Healthy and Safe Occupational Environment	●	●	●	●	●	●
	Talent Cultivation	Positive Actual	In 2024, the acquisition and maintenance of qualifications by relevant professionals were in compliance with the relevant legal requirements. In recent years, the number of hours of employee training has increased year by year, indicating that the Company's emphasis on talent cultivation and growth.	6.2 Talent Cultivation	●	●		●	●	
Environmental	Supplier sustainability management	Positive Potential	In 2024, the signing of the Supplier Social Responsibility Commitment has been implemented, and the ESG questionnaire has been introduced to promote contributions to sustainability throughout the supply chain.	4.2 Supply Chain Management	●	●	●	●	●	
	Greenhouse gas management	Positive Actual	The ISO 14064-1 GHG inventory was introduced, and the third-party verification was obtained in April 2024.	5.2 Greenhouse Gas and Energy Management	●	●			●	●

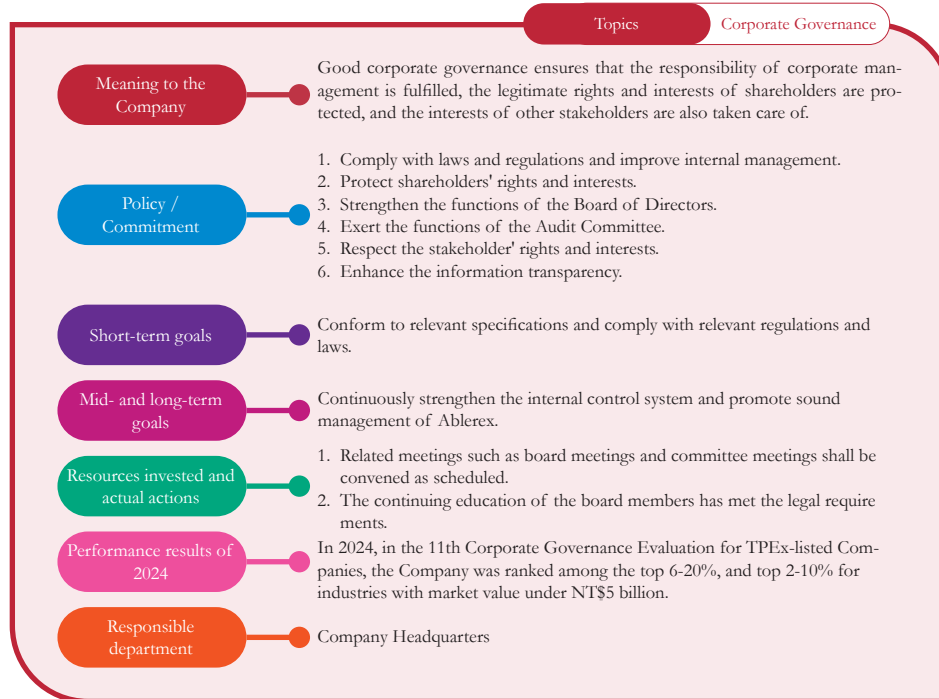
2.2 Stakeholder Communication

Stakeholder	Issues concerned		Communication channels, response methods and frequency of communication	Status of communication in 2024
<div></div> <div>Employees</div>	Product quality Ethical Management Customer relationship management Innovation and R&D Economic performance Remuneration and benefits	Information security and privacy protection Occupational safety and health Talent Cultivation Supplier sustainability management Greenhouse gas management	Set up internal communication channels and hold regular labor-employer meetings for two-way communication. Established the employee welfare committee to coordinate and announce various employee welfare matters. Hold employee education and training sessions for new hires and current employees.	Information being disseminated through internal announcements and email notifications. Positive communication in the four labor-employer meetings held during the year. Employee Welfare Committee operates properly and announces welfare matters. Four orientation sessions were held in 2024, totaling 144 hours.
<div></div> <div>Government agencies</div>	Product quality Ethical Management Innovation and R&D Economic performance Remuneration and benefits	Information security and privacy protection Occupational safety and health Talent Cultivation Supplier sustainability management Greenhouse gas management	The official website provides information on the spokesperson and the communication channels available for stakeholders. The corporate website discloses information related to corporate governance, finances and sales performance in a timely manner. The interactions between the liaison of official document exchange and the competent authority adopt proper corporate governance and regulatory compliance procedures.	The Company's website discloses information related to operations, finances and corporate governance. On 2024.8.1, the Company voluntarily disclosed the 2023 sustainability report on the Market Observation Post System and the Company's website. Good communication with the competent authority, and there are no violations.
<div></div> <div>Customers</div>	Product quality Ethical Management Customer relationship management Remuneration and benefits	Information security and privacy protection Occupational safety and health Talent Cultivation Supplier sustainability management	The official website provides information on the communication channels available for stakeholders. There are customer service personnel who provide consultations and handle suggestions and grievances to protect the rights and interests of customers. Annual customer satisfaction survey as the focus of the Company's internal management.	Properly conduct customer relationship management and implement customer satisfaction survey according to schedule as the basis for management improvement. Two customer satisfaction surveys were conducted during the year, and the total average score of 90.7 achieved the target.
<div></div> <div>Suppliers or contractors</div>	Product quality Ethical Management Customer relationship management Innovation and R&D Economic performance Remuneration and benefits	Information security and privacy protection Occupational safety and health Talent Cultivation Supplier sustainability management	The official website provides information on the communication channels available for stakeholders. Actively invite suppliers to sign the Supplier Social Responsibility Commitment to jointly promote governance, environment and social responsibilities for sustainability. Supplier evaluation and management	Worked with suppliers to fulfill their corporate social responsibilities, and new suppliers affirmed the actions and signed the Commitment in response. Evaluated suppliers with whom the Company has consistent transactions during the year, and the total average score of 97.69 achieved the target.
<div></div> <div>Shareholders or investors</div>	Product quality Ethical Management Customer relationship management Innovation and R&D Economic performance Remuneration and benefits	Information security and privacy protection Occupational safety and health Talent Cultivation Supplier sustainability management Greenhouse gas management	The official website provides information on the communication channels available for stakeholders. The corporate website discloses information related to corporate governance, finances and sales performance in a timely manner. Hold annual general meetings and disclose the annual reports in both Chinese and English versions.	The Company's website discloses information related to operations, finances and corporate governance. Investor relations platform complies with laws and sincerely provides answers to shareholder and investor inquiries. The shareholder meeting held on 2024.6.25 had positive results.
<div></div> <div>Banks</div>	Product quality Ethical Management Customer relationship management Innovation and R&D Economic performance	Information security and privacy protection Occupational safety and health Greenhouse gas management	The corporate website discloses information related to corporate governance, finances and sales performance in a timely manner. Establish communication and information channels, maintain contact with banks and properly handle finances and operations.	The Company's website discloses information related to operations, finances and corporate governance. Maintain good communication with banks, comply with laws and regulations and sincerely respond to banks' inquiries.



3 Corporate Governance

3.1 Corporate Governance



The function of corporate governance is to "create corporate value" and "fairly distribute value". The better the corporate governance, the lower the chance of a company getting involved in financial problems. Good corporate governance is achieved by the board of directors and the management acting in the best interests of the company and all shareholders, assisting the management and operation, and providing an effective supervision practice to motivate the company to make good use of resources and improve efficiency and competitiveness to promote the social well-being of the public.

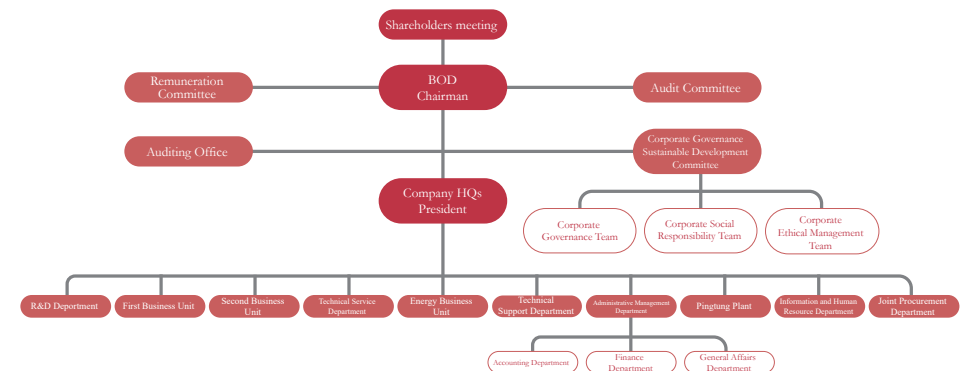
On March 22, 2013, the board approved the formulation of the Corporate Governance Best Practice Principles based on the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies. Under the supervision of the board, the Company established the Corporate Governance and Sustainability Committee based on the indica-

tors of corporate governance evaluation on May 2, 2018. On December 1, 2018, a head of corporate governance was assigned. On August 5, 2019, the board reviewed and approved the amendments to standards such as the Corporate Governance, the Sustainable Development Best Practice Principles and the Ethical Corporate Management Best Practice Principles and appointed personnel responsible for various tasks. In response to regulatory changes, the board has made amendments to maintain regulatory compliance and effectively promote the operation of the corporate governance structure, which can protect shareholder and stakeholder interests, reinforce board capacity, implement the function of supervision, and improve information transparency. Moreover, on March 13, 2024, the "Procedures for Preparing Sustainable Reports" were approved to improve the quality of sustainability reports.

The board of the company is dedicated to the concept of sustainable management, and the corporate governance information is transparent. Financial statements, material information, etc. are simultaneously published on the Market Observation Post System in both Chinese and English to meet stakeholders' needs. For the 11th Corporate Governance Evaluation of TPEx-Listed Companies in 2024, the Company was ranked in the top 6-20%, and top 2-10% among the TWSE and TPEx-listed Companies with a market capitalization under NT\$5 billion. The results of the Corporate Governance Evaluation of TPEx-Listed Companies was the same as that of 2023.



Company organizational chart



3.1.1 Board of Directors

The responsibilities of the Board of Directors include the appointment and supervision of the management level of the company, and is in charge of the overall operating status of the company as well as the establishment of proper goals and achievement thereof in its efforts. In addition, the Board of Directors is also committed to maximizing benefits for the shareholders. The election of directors (including independent directors) shall adopt the nomination approach in accordance with the Articles of Incorporation.

The Company has established professional independent directors such that during the major decision making operations of the company, they are able to provide recommendations based on an objective and just position and are able to fully utilization of their experience and expertise. In addition, during the discussion of any proposals, the directors uphold a high degree of self-discipline to avoid conflicts of interest. In the event that the directors and the juridical persons they represent have conflicts of interest with an agenda item at a board meetings, they shall explain the key content of the interest at the meeting. If their interest are likely to be hurtful to the interests of the Company, they shall recuse themselves from the discussion and voting, and not exercise their voting power on behalf of other directors. The Company also sufficiently considers the opinions of independent directors, and records the reasons for or comments on agreement or disagreement thereof into the meeting minutes in conjunction with the consideration of the principle of recusal based on conflict of interest. The chairman also does not concurrently serve as the president.

The Company currently has nine directors, including three directors who concurrently work as employees (accounting for 33.3% of directors) and three independent directors (accounting for 33.3% of directors). Members have extensive experience in business management, industry knowledge, financial accounting, environmental protection, etc. It is hoped that the goal of board diversity will be implemented by adding female directors with expertise in law and risk management. Currently, there are two female directors, which is an improvement from years prior. As the current directors' terms of office have not yet expired. In terms of gender diversity, the female directors are short of the one-third target. It is expected to meet this target during the next elections. For the name, education and professional background of directors, please refer to the related sections in the annual report.

Board meetings are held at least once a quarter to review the business performance and discuss key material events such as impacts, risks and opportunities involving the economy, environment and society. The meetings confirm the responsible units for follow-up

tasks, and report on the progress in the next meeting. In 2024, no key material events needed to be reported at board meetings.

The board of directors had 6 (A) meetings in the most recent fiscal year (2024), and the attendance of directors is shown as follows: (The total annual attendance rate of all directors is 100%).

Job title	Name	Number of Attendance (A)	Actual Attendance in Person B	Actual Attendance Rate (%) (B/A)
Chairman	Steven Hsu	6	6	100%
Director	Y.A. Chen	6	6	100%
Director Corporate rep. of UIS	L.Y. Pan	6	6	100%
Director	S.G. Wang	6	6	100%
Director	J.K. Sung	6	6	100%
Director	J.H. Ho	6	6	100%
Independent director	Y.J. Ding	6	6	100%
Independent director	Y.L. Su	6	6	100%
Independent director	J.C. Hsieh	6	6	100%



Continuing education of directors in 2024

Job title	Name	Course hours	Meeting the requirements of the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies?
Director	Steven Hsu	6	Yes
Director	Y.A. Chen	6	Yes
Director Corporate rep. of UIS	L.Y. Pan	6	Yes
Director	S.G. Wang	6	Yes
Director	J.K. Sung	6	Yes
Director	J.H. Ho	6	Yes
Independent director	Y.J. Ding	6	Yes
Independent director	Y.L. Su	6	Yes
Independent director	J.C. Hsieh	6	Yes

For the information on the board members, election, diversity and important resolutions on annual operations, please refer to the Company's website at (http://www.ablerex.com.tw/ch/csr_2_1.php).

For the performance appraisal of the board and functional committees, please refer to the Company's website. In the future, external appraisals will be evaluated for incorporation, to ensure the independence.

https://www.ablerex.com.tw/ch/csr_2_8.php

Remuneration for directors (including independent directors)

Directors currently do not receive fixed remuneration. Only when the Company has earned profits at the end of the year will the remuneration for directors, be allocated, and it shall be no more than 2% of the current year's profit, in accordance with the provisions of Article 25-1 of the Articles of Incorporation. The procedures for determining remuneration are based on the "Operating Performance Evaluation Measures", which evaluate the Company's overall operating performance, the industry's future operational risks and development trends, each director's performance the board's performance as a whole and the Company's operations before reasonable remuneration is paid. The relevant appraisal and rationality of remuneration are reviewed by the Salary and Remuneration Committee

and the board. The remuneration distribution measures are reviewed to align with the actual status of operations and relevant laws and regulations to achieve a balance between sustainability and risk control.

Remuneration to president and vice presidents

Officers are paid salaries and given bonuses based on their annual performance appraisal in accordance with the employee remuneration management measures. Other than financial performance, their non-financial performance also includes the ESG targets. If there is any earned surplus, the employee remuneration is then allocated in accordance with the employee remuneration distribution measures.

According to the Articles of Incorporation, the Company shall allocate 6% to 10% of the profit of the year as employee remuneration and no more than 2% of the profit as director remuneration. However, where the company has accumulated losses, such loss shall be compensated. The proposal for the employee and director remuneration is subject to board resolution before being reported at the shareholder meeting.



3.1.2 Audit Committee

After the re-election of directors conducted in the shareholders' meeting held on June 19, 2020, the Company established an Audit Committee. It operates in accordance with the Audit Committee Charter and the Management of Operation of the Audit Committee in order to reinforce the functional committees of the board to fulfill corporate governance. The Audit Committee consists of 3 independent directors. The purpose of the Committee is to assist the board to fulfill its supervision of the quality and integrity involved in performing accounting, auditing, financial reporting and financial control tasks. According to the Securities and Exchange Act, its requirements, as well as that of the Company Act and other laws, for supervisors also apply to the audit committee established by companies. For the information on the Audit Committee Charter, committee members and annual operations, please refer to the Company's website at (http://www.ablerex.com.tw/ch/csr_2_2.php).

The Audit Committee had 6 (Six) meetings in the most recent fiscal year (2024), and the attendance of independent directors is shown as follows: (The total annual attendance rate of all directors is 100%).

Job title	Name	Number of Attendance (A)	Actual Attendance in Person (B)	Actual Attendance Rate (%) (B/A)	Remarks
Convener/Independent director	Y.J. Ding	6	6	100%	
Committee member/Independent director	Y.L. Su	6	6	100%	
Committee member/Independent director	J.C. Hsieh	6	6	100%	

When convening the Board of Directors' meetings in 2024, more than half of the independent directors attended the meetings. For the information on the communication between the independent directors in the Audit Committee, the head of internal audit and the CPAs, please refer to the relevant sections of the Company's annual report and the website at (http://www.ablerex.com.tw/ch/csr_2_1_2.php).

3.1.3 Remuneration Committee

The function of the Remuneration Committee is to evaluate the salary and remuneration policy and system for Directors and managerial officers based on its professional and objective position in order to propose recommendations to the Board of Directors as references for the decision making of the Board.

The Company's Remuneration Committee consists of three members. The Audit Committee had 2 (A) meetings in the most recent fiscal year (2024), and the attendance of independent directors is shown as follows: (The total annual attendance rate of all directors is 100%).

Job title	Name	Number of Attendance (A)	Actual Attendance in Person (B)	Actual Attendance Rate (%) (B/A)
Convener/Independent director	Y.J. Ding	2	2	100%
Committee member/Independent director	Y.L. Su	2	2	100%
Committee member/Independent director	J.C. Hsieh	2	2	100%

For the information on the Remuneration Committee Charter, committee members and annual operations, please refer to the Company's website at: http://www.ablerex.com.tw/ch/csr_2_2.php.

3.1.4 Corporate Governance and Sustainability Committee

Under the supervision of the board, the Company established the Corporate Governance and Sustainability Committee on May 2, 2018. On December 1, 2018, a head of corporate governance was appointed. On August 5, 2019, the board reviewed and approved the amendments to relevant standards on the environmental and social aspects of sustainability and assigned personnel responsible for various tasks. The Committee is the highest-level decision-making unit for sustainable development within the Company. It is chaired by the Company's chairman, and the head of corporate governance serves as the convener to review the Company's core capabilities with a number of senior executives in various functions. It works to formulate intermediate and long-term sustainability plans.

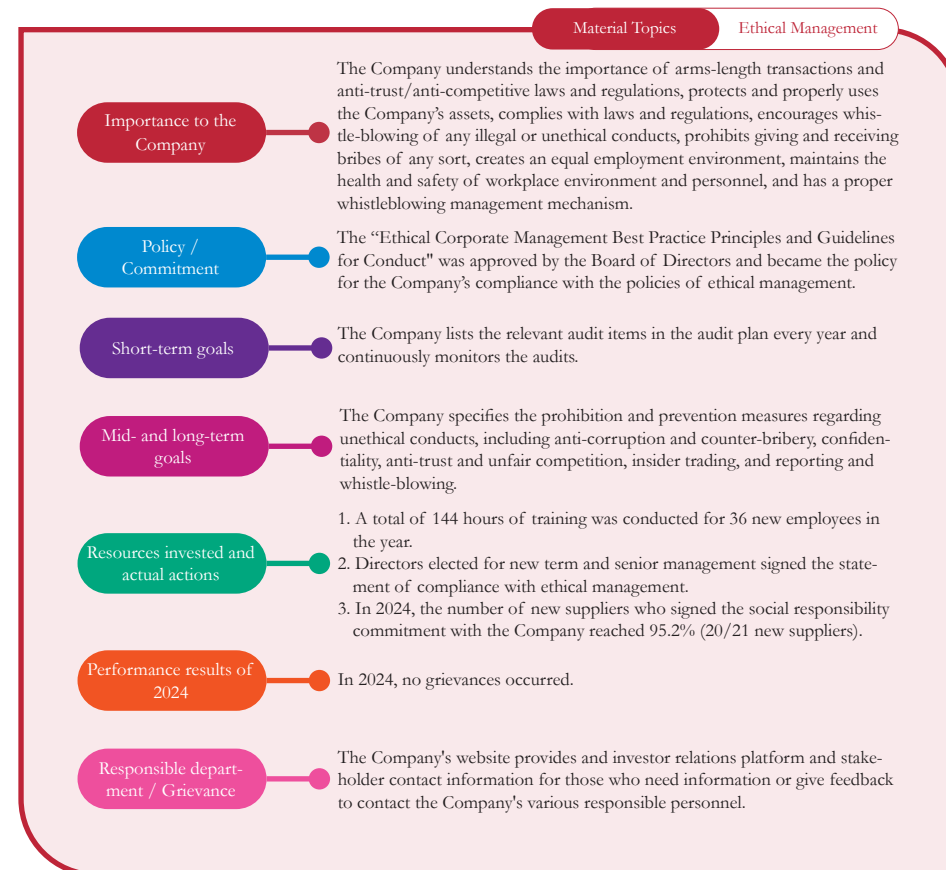
The Corporate Governance and Sustainability Committee reports to the board on the implementation results of sustainable development every year. On December 23, 2024, it reported the implementation status of promotion of CSR in the previous year to the board. The contents include (1) Identifying the concerns of stakeholders that require attention, and formulating action plans; (2) Goals and policy revisions on sustainability-related topics; (3) Supervising the implementation of sustainable management matters and evaluating the implementation status. The board understood and affirmed the operations and implementation of the Corporate Governance and Sustainability Committee.

On December 1, 2018, the Company established the position of head of corporate governance. On August 5, 2019, the board approved the appointment of Shun-Te Chao as the head of corporate governance. The head of corporate governance is responsible for coordinating matters related to board and shareholder meetings, assisting in the production of meeting minutes of board and shareholder meetings, helping directors in the onboarding process, in attending continuing education courses, in complying with laws and regulations, and providing them with information needed for them to perform their duties. For the information on the performance of duties and the status of continuing education in 2024, please refer to the Company's website (https://www.ablerex.com.tw/ch/csr_2_7_3.php).

Corporate governance generally refers to the methods adopted by companies for management and supervision. The main purpose is to reinforce the internal control and audit measures and improve information disclosure to improve companies' competitive advantages. As a small and medium-sized enterprise, the challenges we face when establishing internal control may include the inability to achieve proper division of labor due to lack of manpower, the management team improperly exercising its power above the internal control, difficulty in finding accounting personnel with sufficient professional skills, business owners not valuing financial reporting and inadequate information system, etc. In 2024, in the 11th Corporate Governance Evaluation for TPEX-listed Companies, the Company was ranked among the top 6-20%, and top 2-10% for companies in the industry with a market value under NT\$5 billion. The results of the Corporate Governance Evaluation of TPEX-Listed Companies was the same as that of 2023. The Company will constantly insist its operational philosophy of refinement and improvement for the sustainable operations and development.



3.2 Ethical Management



3.2.1 Culture of Ethical Management

The amended Ethical Corporate Management Best Practice Principles has been implemented after being approved in the board meeting held on May 12, 2014. On December 1, 2018, the Corporate Governance Committee announced the implementation status by showing the related indicators. The results are dis-

closed in the Company's website and the annual reports and reported to the board every year. Both internal and external business activities adhere to the Principles in a transparent manner. Furthermore, the company will continue to refine the English version of the Corporate Governance section on the company website in order to sufficiently disclose the present operation status and to allow overseas stakeholders to understand the execution strategies and measures of the Company. (http://www.ablerex.com.tw/about_4.php)

In order to meet the above-mentioned requirements, the Company's website provides an investor relations platform, stakeholder contact information, and customer service webpages available, so that those who would like to find information or give feedback can contact the Company's various responsible personnel. (http://www.ablerex.com.tw/ch/csr_3_5.php) In 2024, no grievance occurred.

3.2.2 Ethics and codes of conduct

The company establishes the “Procedures for Ethical Management and



Guidelines for Conduct”, “Code of Ethical Conduct for Directors and Managers” and the “Employee Code of Ethical Conduct” according to relevant laws in order to define unethical conduct and to specify matters to be cautious about, actions explicitly prohibited, and operating procedures for personnel of the Company during the execution of duties. Each year, the relevant audits items are listed in the audit plan in order to continuously implement the supervisory process, and the execution status is reported to the members of the Board of Directors.

The corporate governance section in the website discloses the contact information which can be used by stakeholders to contact the Company's various responsible personnel. Contact information for stakeholders is available at https://www.ablerex.com.tw/ch/csr_3_5.php. In the most recent three years, we did not receive any internal or external complaints.

To emphasize the promotion of ethical labor and business policies, the company has established and executed relevant human rights related policies according to the GRI standards and in spirit of the Global Reporting Initiative (GRI); in ad-



Education and training sessions on ethical conduct for new hires

dition the company has also establish the “Work Rules” for regulating the relevant rights and obligations of the human rights of the Company’s employees, ensuring that every employee is treated fairly, humanely and with respect. We also have formulated the Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace and provided grievance filing channels to protect the rights and interests of female employees. The company has established the labor human rights policies in order to provide guidance to the entire company in the handling of social responsibility and labor criteria related to labor human rights. Furthermore, to fulfill our social responsibility, the Company established the “Supplier Social Responsibility Rules” jointly with its cooperating partners in order to expand the Company’s influence and social responsibility throughout the supply chain.

3.2.3 Implement anti-corruption measures

Based on the business philosophy of integrity, transparency and responsibility, we have formulated the Ethical Management Best Practice Principles, the Procedures for Ethical Management and Guidelines for Conduct, the Directors and Managers Ethical Code of Conduct, and the Code of Conduct for Employees. These standards serve as the basis for the Company's personnel conducting their business activities. Prevent corruption and bribery, including not to provide donations to political parties or candidates. Conduct education and training and promotion sessions for directors, officers, employees and substantial controllers, so they can understand the Companies' resolve to implement ethical corporate management, preventing the consequences of committing unethical conduct.

The Company also provides proper reporting channels (such as stakeholder communication channels on the Company’s website), and thoroughly keeps the identity of reporters and the content of reports confidential. After thorough investigations by the headquarters and Auditing Office, it is reported to the President for subsequent handling. In cases where senior management is involved, it is reported to the Independent Director directly. Furthermore, the ethical management policy and performance evaluation are combined with the human resource policy.

During the execution of audit work, the Auditing Office conducts the investigation according to its professional duties such that an attitude of constant awareness and alertness is maintained in order to audit possible frauds, errors,

omissions and conflicts of interests, etc. In cases where suspicious or possible corruption incidents occur, they are reported to relevant executives directly for appropriate investigation handling. During the recruitment of new employees, the Company always considers ethics-based personal qualities as one of the main criteria, and for senior management, they are requested to make a proper example for their staff. Therefore, since the Company’s establishment up to the year 2024, there has been no recurrence of any corruption and bribery incidents in the company.

In 2015, the company formulated the "Supplier Social Responsibility Rules", and began to request suppliers to sign the new version of the “Corporate Social Responsibility Declaration” (including the periodic and irregular feedback on the ethical status of Ablerex) and to guarantee that suppliers have not engaged in any bribery or payment of other illegal benefits, or any actions seeking illegal profits directly or indirectly. In case of any of the aforementioned matters, suppliers shall report to the company immediately. If any supplier engages in unethical conduct, it is treated as a severe breach of contract, and Ablerex may terminate or rescind the relevant contract or orders signed with such supplier. For serious violations, the company will revoke the qualification of the supplier immediately.





3.2.4 Operational risk and management

We have recognized risks as potentially unfavorable factors such as behaviors, events or circumstances which may affect the Company's operating policies or goal achievements, or hinder the finances or business and operational functions of the Company, causing a reduction in our competitive advantage. Therefore, the Company places risk management as the core of enterprise operation and management, so that it can evaluate, prevent, control and deal with the risks and crises that may occur or appear in the complex and ever-changing business environment. The risks related to material topics are put under supervision to correspond to the Company's policies and objectives and to ensure they remain within a tolerable level. The measures ensure the stable and healthy growth of various businesses and overall operations, which help the Company fulfill sustainable operation, corporate governance and social responsibilities.

Scope of operational risk management

The Company values stakeholders' concerns with material topics in environment, society and corporate governance. The scope of risk management corresponding to the nature of the industry includes the operations, finances, environment, hazards, regulations and the management of other international laws and initiatives, and the risk items include but are not limited to the list below:

1. Ethical management and anti-corruption
2. Shareholders' rights and interests
3. Socioeconomic compliance
4. Operational and market risks
5. Financial, liquidity, credit
6. Interest rate and exchange rate changes
7. Information security management
8. Intellectual property management
9. Climate change and management
10. Wastewater and waste management
11. Occupational safety
12. Product safety
13. Supplier management

Risk management organizational structure

The risk management organizational structure includes the board, Corporate Governance and Sustainability Committee, Audit Office, and the management team.

1. Board of directors: The top-level decision-making unit for risk management policies. It appoints and supervises the management team, and is responsible for the overall operations and the establishment of specific objectives. It confirms the overall effectiveness of risk management and internal control systems.
2. Corporate Governance and Sustainability Committee: Promotes and evaluates corporate governance, environment, social responsibility and other related affairs. Reviews and evaluates the Company's risk management policies and objectives for operation, and the appropriateness of the relevant internal control procedures and scope adopted by the Company.
3. Audit Office: Formulate audit plans and implementations according to the Company's risk management policies and assessments. Provide improvement suggestions in a timely manner. Promotes the annual self-directed evaluation of the Company's internal control system for each unit to facilitate the Company's risk control.
4. Management team: Plan and revise the risk management system in response to the internal and external environment and regulatory changes, and takes corresponding countermeasures for risk management and internal control.

Risk assessment and management strategy

The Company takes an active and cost-effective approach to manage all potential strategy, operational, financial and hazard risks which may affect the operations and profits, and uses a risk matrix to assess the severity of impact on the Company's operations. The risk levels are defined and put in order, and then adopt the corresponding risk management strategy. The management strategies or countermeasures for the major risks items assessed are listed as follows.



3 Corporate Governance

Material Topics	Risk Assessment Items	Risk Management Policy or Countermeasures
Corporate Governance	Ethical management and anti-corruption	Formulate the Corporate Governance Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct, and establish communication channels for external stakeholders.
	Shareholders' rights and interests	Commission specialized shareholder services agents to handle shareholder matters, establish communication channels between the spokespersons and external stakeholders, and disclose information on finances, business, products, corporate governance, etc. on the Company's website.
	Socioeconomic compliance	Analyze changes in relevant regulations and other international regulations and take various countermeasures for continuous evaluation and control. The Company has formulated corporate governance and CSR, internal control measures and various management regulations for daily operations in accordance with the Company Act and the Securities and Exchange Act, and obtained the ISO 9001 Quality Management System and the ISO 14001 Environmental Management System certification to meet the requirements of risk management and regulatory compliance.
Operation	Operational and market risks	Each business unit analyzes changes in the industries and adopts various countermeasures to control and handle potential market risk crises.
	Financial, liquidity, credit	Establish internal control systems, and control and implement procedures related to acquisition or disposal of assets, endorsement and guarantees, and lending of funds to others.
	Interest rate and exchange rate changes	Use online exchange rate real-time reporting systems and improve the interactions with financial institutions to determine the trends of exchange rates. Before providing quotations to customers, we first assess the future exchange rate trends and factors which may affect the exchange rates.
	Information security management measures	The policy objectives of information security risk management are met in three aspects, information security governance, regulatory compliance, and technology application. From the system to application, and individual to overall, we fully implement the information security management and control measures to ensure the correctness, integrity and security of information and communication, so as to achieve information security risk management and protect the results of the Company's operations.
	Intellectual property management measures	We are one of the leading companies specializing in UPS and power quality disturbance (PQD) equipment in the technical fields of power conversion and clean energy technologies. We value intellectual property rights and have formulated the IP Acquisition, Maintenance and Operation Procedures, Computer Operation Procedures and other necessary operating procedures to enforce the protection of the Company's intellectual property rights.

Material Topics	Risk Assessment Items	Risk Management Policy or Countermeasures
Environment	Climate change and management	By identifying potential climate risks and opportunities and incorporating GHG inventory operations, we analyze trends and hotspots of GHG emissions continually and make them the follow-up objectives for GHG reduction. We integrate the concept of reducing environmental impact into all stages of product lifecycles and work together with the supply chain to continue developing energy-saving products.
	Wastewater and waste management	Formulate the Energy and Resources Management Procedures to properly manage water, electricity and other energy resources. The Company specializes in assembly and manufacturing, and only domestic waste water is discharged into the sewer system. We have requirements for domestic water use in order to conserve water and reduce waste water. According to our Waste Management Procedures, general wastes are sorted and delivered to qualified recycling operators, and hazardous industrial wastes are entrusted to qualified resource processors for disposal.
Society	Occupational safety	Establishment of various strategies according to laws and execution thereof Employee health examinations are held regularly The production workshops are regularly inspected for their noise intensity Promote labor safety education, lectures on fire protection and fire drills.
	Product safety	The laboratory established by the R&D center collaborates with certification agencies to comply with international energy efficiency standards, ensuring that products can be legally sold in various regions around the world and meet customer and product requirements. Since the laws of various countries are different, the approval of electronics products shall be made based on the test reports or certificates submitted according to the relevant local regulations.
	Supplier management	We have formulated the Procurement Management Procedures, the Supplier Assessment Procedures and the Supplier Environmental Impact Assessment Procedures, and we assess the quality and the environmental impact of suppliers, and verify the actual situation before transactions with suppliers.

Implementation Status

The Corporate Governance and Sustainability Committee assists the board and functional committees in promoting and assessing matters related to corporate governance, environmental, and social responsibilities. It reports the performance of ethical management and CSR to the board once a year and discloses the status on corporate governance in the annual reports. Corporate governance is currently regarded as being at an appropriate standard.

Based on these procedures, the Corporate Governance and Sustainability Committee has prepared the Risk Management Assessment Questionnaire focusing on the scope and items of risk management and distributed it to each responsible unit in October 2024. The work units judge and analyze the possibility and the severity of impact of risk events based on their actual circumstances. The results on the 2024 risk management implementation were reported to the Audit Committee and the board in November 2024.

1. The disclosure covers the sustainability performance of the main locations between January 2024 and December 2024. The risk assessment boundary is

mainly included in the scope based on the relevance to the operation of the industry and the degree of impact on the material topics.

2. The Corporate Governance and Sustainability Committee conducts analysis based on the principle of materiality, communicates with internal and external stakeholders, and evaluates the materiality of ESG issues, formulates risk management policies for effective identification, measurement, monitoring and control, and takes specific actions to reduce the impact of related risks.
3. Based on the assessed risks, the relevant formulated risk management policies or countermeasures as follows:

2024 Risk assessment and countermeasures

Material Topics	Risk Assessment Items	Risk levels	Risk Management Policy or Countermeasures	Assessment of implementation of risk management
Corporate Governance	Ethical management and anti-corruption	Low-level risk	Formulate the Corporate Governance Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct, and establish communication channels for external stakeholders. There has been no violations of ethical corporate management or incidents of corruption, nor has there been any penalty imposed by the competent authority in recent years.	Effective
	Shareholders' rights and interests	Low-level risk	Commission specialized shareholder services agents to handle shareholder matters, establish communication channels between the spokespersons and external stakeholders, and disclose information on finances, business, products, corporate governance, etc. on the Company's website. The Company has been distributing dividends for consecutive 13 years since being listed on the TPEx.	Excellent
	Socioeconomic compliance	Low-level risk	Analyze changes in relevant regulations and other international regulations and take various countermeasures for continuous evaluation and control. The Company has fulfilled corporate governance and CSR, formulated internal control measures and various management regulations for daily operations in accordance with the Company Act and the Securities and Exchange Act, and obtained the ISO 9001 Quality Management System and the ISO 14001 Environmental Management System certification to meet the requirements of risk management and regulatory compliance.	Effective
Operation	Operational and market risks	Low-level risk	Each business unit analyzes changes in the industries and adopts various countermeasures to control and handle potential market risk crises.	Effective



3 Corporate Governance

Material Topics	Risk Assessment Items	Risk levels	Risk Management Policy or Countermeasures	Assessment of implementation of risk management
Operation	Financial, liquidity, credit	Low-level risk	Establish internal control systems, and control and implement procedures related to acquisition or disposal of assets, endorsements and guarantees, and lending of funds to others.	Effective
	Interest rate and exchange rate changes	Low-level risk	(1) Continue to strengthen the concept of exchange risk hedging among financial personnel. Use online exchange rate real-time reporting systems and improve the interactions with financial institutions to determine the trends of exchange rates and respond to negative impacts caused by exchange rate fluctuations. (2) Before providing quotations to customers, comprehensively consider and evaluate future exchange rate trends and the factors affecting the exchange rates to determine appropriate and reasonable quotations, further minimizing the impact. (3) Use the offsetting control between the recurring foreign currency receivables and payables to achieve a certain degree of hedging. (4) Evaluate and purchase various derivative financial instruments in accordance with the Operating Procedures for Acquiring and Disposing of Assets, and have responsible supervisors strictly control the hedging positions to prevent improper transactions and reduce exchange losses from exchange rate risks.	Effective
	Information security management measures	Low-level risk	The policy objectives of information security risk management are met in three aspects, information security governance, regulatory compliance, and technology application. From system to application and individual to overall, we fully implement the information security management and control measures to ensure the correctness, integrity and security of information and communication, to achieve information security risk management and protect the results of the Company's operations. In 2023, the Company introduced the ISO-27001 information security management system and completed third-party agency verification in October.	Effective
	Intellectual property management measures	Low-level risk	We are one of the leading companies specializing in UPS and power quality disturbance (PQD) equipment in the technical fields of power conversion and clean energy technologies. We value intellectual property rights and have formulated the IP Acquisition, Maintenance and Operation Procedures, Computer Operation Procedures and other necessary operating procedures to enforce the protection of the Company's intellectual property rights. The annual summary of the operation are reported to the Audit Committee and the Board of Directors.	Effective
Environment	Climate change and management	Low-level risk	By identifying potential climate risks and opportunities and incorporating the GHG inventory operations as required, we analyze trends and hotspots of GHG emissions continually and make them the follow-up objectives for GHG reduction. We integrate the concept of reducing environmental impact into all stages of product lifecycles and work together with the supply chain to continue developing energy-saving products. In April 2024, the ISO 14064-1 GHG inventory were introduced, and third-party verification was obtained.	Effective
	Wastewater and waste management	Low-level risk	Formulate the Energy and Resources Management Procedures to properly manage water, electricity and other energy resources. The Company specializes in assembly and manufacturing, and only domestic waste water is discharged into the sewer system. We have requirements for domestic water use in order to conserve water and reduce waste water. According to our Waste Management Procedures, general wastes are sorted and delivered to qualified recycling operators, and industrial wastes are entrusted to qualified resource processors for disposal.	Effective
Society	Occupational safety	Low-level risk	In accordance with laws and regulations, we regularly hold employee health examinations, labor safety promotion, and firefighting education and drills. It is planned to introduce ISO45001 Occupational Safety and Health Management System in 2025.	Effective
	Product safety	Low-level risk	The laboratory established by the R&D center collaborates with certification agencies to comply with international energy efficiency standards, ensuring that products can be legally sold in various regions around the world and meet customer and product requirements. Since the laws of various countries are different, the approval of electronics products shall be made based on the test reports or certificates submitted according to the relevant local regulations.	Effective
	Supplier management	Low-level risk	We have formulated the Procurement Management Procedures, the Supplier Assessment Procedures and the Supplier Environmental Impact Assessment Procedures, and we assess the quality and the status of environmental impact of suppliers, and verify the actual situation before transactions with suppliers.	Effective

Material Topics	Risk Assessment Items	Risk levels	Risk Management Policy or Countermeasures	Assessment of implementation of risk management
Environment	Climate change and management	Low-level risk	By identifying potential climate risks and opportunities and incorporating the GHG inventory operations as required, we analyze trends and hotspots of GHG emissions continually and make them the follow-up objectives for GHG reduction. We integrate the concept of reducing environmental impact into all stages of product lifecycles and work together with the supply chain to continue developing energy-saving products.	Effective
	Wastewater and waste management	Low-level risk	Formulate the Energy and Resources Management Procedures to properly manage water, electricity and other energy resources. The Company specializes in assembly and manufacturing, and only domestic waste water is discharged into the sewer system. We have requirements for domestic water use in order to conserve water and reduce waste water. According to our Waste Management Procedures, general wastes are sorted and delivered to qualified recycling operators, and hazardous industrial wastes are entrusted to qualified resource processors for disposal.	Effective
Society	Occupational safety	Low-level risk	In accordance with laws and regulations, we regularly hold employee health examinations, and sessions on labor safety education and promotion, and firefighting education and fire drills, among other things.	Effective
	Product safety	Low-level risk	The laboratory established by the R&D center collaborates with certification agencies to comply with international energy efficiency standards, ensuring that products can be legally sold in various regions around the world and meet customer and product requirements. Since the laws of various countries are different, the approval of electronics products shall be made based on the test reports or certificates submitted according to the relevant local regulations.	Effective
	Supplier management	Low-level risk	We have formulated the Procurement Management Procedures, the Supplier Assessment Procedures and the Supplier Environmental Impact Assessment Procedures, and we assess the quality and the status of environmental impact of suppliers, and verify the actual situation before transactions with suppliers.	Effective

3.2.5 Regulatory compliance

Ablerex has always believed that legal compliance is the foundation of a company's establishment, mainly because of the following two points:

(1) It Improves corporate governance and protects shareholders' rights and interests

In accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and relevant laws and regulations promulgated by the competent authority, the Company has established the Corporate Governance Best Practice Principles; the Ethical Corporate Management Best Practice Principles; the Directors and Managers Ethical Code of Conduct; the Code of Conduct for Employees; the Human Rights Policy and the Corporate Social Responsibility Best Practice Principles to be followed by all employees. The measures are to fulfill corporate governance, communicate with stakeholders on their concerns and protect shareholders' rights and interests. In 2024, the Company had no complaints or reports of

violations relating to unethical management, corruption, or illegal activities.

(2) It fulfills CSR and complies with social, economic and environmental regulations

The Company has fulfilled corporate governance and CSR, formulated internal control measures and various management regulations for daily operations in accordance with the Company Act and the Securities and Exchange Act, and obtained the ISO 9001 Quality Management System and the ISO 14001 Environmental Management System certification to meet the requirements of risk management and regulatory compliance for product safety, labeling specifications and international standards in regions or countries of sales. In 2024, the Company did not violate laws and regulations or suffer major fines (more than NT\$100,000) and penalties related to environmental protection, occupational safety and health, human rights, gender discrimination, intellectual property patents, etc.

3.3 Information Security



3.3.1 Information security management strategy

In terms of the information security risk management policy goal under sustainable operations, the Company works on three major aspects, namely, information security governance, legal compliance, and technology applications, to enhance the Company's management of information security, and establish the concept of "security-based information development" to ensure the confidentiality, integrity, and availability of customer and employee data processing, and to protect the security of the Company's data, provide safe, stable, and high-efficiency information services, while committing to the implementation and continuous improvement of the information security management system.

Information security strategy

Information security governance	Physical and environmental safety: Ensure that the physical facilities and environment of the organization are appropriately controlled for safety. Asset management: Manage the assets of the organization, including identification, classification, tracking, and protection of assets. Information security incident management: Establish strategies and procedures for handling information security incidents and accidents. Information backup: Ensure appropriate information backup and recovery plans. Information categorization, classification, and processing: Ensure that information is categorized, classified, and processed according to the sensitivity.
Regulatory compliance	Network security: Protect the organization's network and data transmission in compliance with relevant laws and standards. Safeguard development policy: Formulate and implement appropriate information security policies to ensure compliance. Technical vulnerability management: Monitor and manage the security vulnerabilities of systems and applications.
Technology applications	Data transmission: Ensure that data are appropriately protected during transmission. Security configuration of endpoint devices: Manage and maintain the security configuration of endpoint devices. Cryptography: Protect sensitive information and communications with appropriate encryption technology. Technical vulnerability management: Identify, assess, and handle vulnerabilities with technology tools comprehensively.

The Company's information security management unit is the Information Department, which is responsible for reviewing the Company's information security governance policies, planning, supervising, and implementing information security management operations at each branch point, and monitoring the information security status at each point at any time. In the event of a material information security risk event, the Company reports to the General Manager in a timely manner, regularly assess information security risks, and reports to the Board of Directors.

3.3.2 Information security management programs

The Company reviews the information security risks through risk identification and risk assessment to confirm the degree of adverse impact of the information security risks on the Company's operations, and takes corresponding management measures. The Company also reviews the information structure and network activities, as well as inspects network equipment, servers and terminals, tests other equipment, and reviews security settings, among other things. The Company looks for any loophole or equipment problem continuously, and responds to the challenges faced in terms of information security, such as APT, DDoS, ransomware, social engineering attacks, theft of information, and other information case issues. The Company's information security management is planned as follows:

- 1. Risk assessment:** Perform comprehensive risk assessments on a regular basis to identify potential threats, weaknesses, and risks.
- 2. Security policy and procedures:** Implement access control, password strategy, and data classification requirements.
- 3. Access control:** Implement the authentication and authorization mechanism to ensure that only the authorized personnel can access sensitive information.
- 4. Network security:** Protect network infrastructure, including firewalls, intrusion detection systems, vulnerability scanning, and security updates, to reduce cyber threats.
- 5. Security training and education:** Provide employees with security training and education to enhance their awareness of information security.
- 6. Monitoring and alert:** Implement a monitoring system to monitor network activities and detect abnormal behavior in a timely manner to respond to security incidents.
- 7. Incident response plan:** Formulate a response plan and data recovery strategy for security incidents to reduce losses and quickly restore operations.
- 8. Periodic review and update:** Periodic review and update security measures to ensure they can respond to new threats and loopholes.

Resources invested in information security

Unit: NT\$

Item	2022	2023	2024
Anti-virus software	58,500	58,500	96,750
Maintenance fee	2,210,687	2,363,149	2,209,711
Expenses for access control to the data center	0	0	0
Expenses for equipment and software upgrades	2,675,750	3,259,830	4,653,578
Total	4,944,437	5,681,479	6,960,039

In order to better protect the Company's information assets, improve risk management and provide customers with confidence, AblereX introduced the ISO 27001 Information Security Management System (ISMS) and certification in 2023. In 2024, the certificate validity was maintained. The Company's overall information security implementation is reviewed through internal audits every year to ensure compliance with relevant legal requirements, customer requirements and information security system requirements, in order to ensure that all of AblereX's information assets are adequately protected. There was no information security incidents that impacted the Company's operations or infringed on customer privacy in 2024.



ISO 27001 Information Security Management System Certificate



3.4 Management Performance

Material Topics

Economic performance

Importance to the Company

Maximizing operational performance and value are the goals of business operations.

Policy / Commitment

Ablerex focuses on developing diverse green products and solutions which can optimize the energy conservation benefits, and the approach achieves stable revenue growth and profitability.

Short-term goals

Dividends are continuously distributed every year.

Mid- and long-term goals

Stable operating revenue growth and profitability are realized to enhance return on shareholders' equity.

Resources invested and actions

The Company's financial health and development potential are assessed through multiple indicators and the Company's operating performance is inspected.

Performance results of 2024

Distribution of cash dividend of NT\$2 per share in 2024.

Performance evaluation mechanism

Internal and external audit, the Sustainable Development Committee

Contact window

Responsible department: spokesman from the Financial Department
Grievance Mechanism: financial@ablerex.com.tw

Sustainable development is the mission of an enterprise, and maximizing performance and value is the objective and pathway for an enterprise to give back to its stakeholders. Stakeholders' concerns of enterprise growth, business performance and other rights and interests are important indicators for future investment and decisions. Ablerex values stakeholders' concerns of operating performance, and, in order to fulfill corporate governance and sustainable development, focuses on developing diverse green products and solutions which can optimize the energy conservation benefits, and the approach achieves stable revenue growth and profitability to improve return on shareholders' equity. The Company expresses its business performance during the period with financial data, which comes from the financial reports audited by professional accounting firms.

Consolidated Statement of Financial Position

Item	2022	2023	2024
Capital (NT\$ thousand)	450,000	450,000	450,000
Consolidated revenue (NT\$ thousand)	3,057,767	2,925,183	3,024,134
Gross profit (NT\$ thousand)	723,876	747,438	799,080
Income tax (NT\$ 1,000) (Note 2)	27,534	26,035	35,956
Net income for the period (NT\$ thousand)	113,824	90,591	97,230
After-tax earnings per share (NT\$)	2.55	1.95	2.15
Net Worth Per Share (NT\$)	38.58	37.45	38.23
Payments to funders: Distributed as stock dividends (NT\$)	0	0	0
Payments to funders: Distributed as cash dividends (NT\$)	2.0	2.0	2.0

Note 1: The consolidated financial position adopts the International Financial Reporting Standards, covering 13 invested subsidiaries (see page 132 of the 2024 Annual Report for details).

Note 2: The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income.

The Company's operating revenue items include revenues from sales and services. Comparing the five major products in terms of sales and services to the previous year, three items grew in 2024 in terms of sales amount, including other categories (parts and components, batteries, etc.), UPS systems, and labor service revenue based on the amounts; the operating revenue from solar power converters, active filters, and engineering of projects declined, on the other hand. As the total operating revenue of growth items is higher than the total operating revenue of other items, the total operating revenue in 2024 was NT\$3,024,134 thousand, a moderate increase of NT\$98,951 thousand or 3.38% from NT\$2,925,183 thousand in 2023.

The total operating expenses of 2024 were NT\$2,925,044 thousand, an increase of NT\$110,577 thousand (3.93%) over NT\$2,814,467 thousand in 2023. Of which, the operating costs increased by NT\$47,309 thousand, and operating expenses increased NT\$63,268 thousand. As the gross profit margin in 2024 increased from 2023, the increase in operating costs mainly reflects the growth of operating revenues. The continuous increase in R&D expenses in the operating expenses is to meet the need of the development strategy and talent retention, and the significant increase in marketing expenses is due to the normalized execution of marketing campaigns and inflation.

Company's dividends policy

According to the Articles of Incorporation of the company, where there are surplus earnings for a fiscal year, the company shall first make its tax payments, compensate for any accumulated losses, then set aside 10% as legal reserve, provided that if the legal reserve has already reached the paid-in capital of the company, such requirement may not be applied.

The Company's profit is distributed in the form of cash or stock. For the type and ratio of the distribution of such profit, according to the future cash demands and long-term operating plans of the company, the Board of Directors may establish a distribution proposal based on the consideration of shareholders' rights, dividend balance policy and expense planning, etc. in order to report to the shareholders' meeting for resolution on the adjustment thereof.

In principle, the board proposes at least 30% of the profit as shareholders' dividends, of which cash dividends should not be less than 30%.

The 2024 earnings per share after tax is NT\$2.15, and a cash dividend of NT\$2 is distributed per common share.

<Direct economic value generated and distributed>

Unit: NT\$ thousand

Consolidated Financial Position			2022	2023	2024
Production and of Direct Economic Value	Operating Revenue		3,057,767	2,925,183	3,024,134
	Other income (including interest and others)		15,341	14,295	22,176
	Other gains and losses		17,024	5,271	24,067
Economic value distributed	Operating costs	Operating costs	2,333,891	2,177,745	2,225,054
		Operating expenses	602,721	636,722	699,990
	Employee salary and benefits	Employee benefits expenses	617,156	625,174	685,591
	Paid to fund providers	Financial cost	12,162	13,656	12,147
		*Cash dividend	56,250	90,000	90,000
	Government transactions	Income tax expenses	27,534	26,035	35,956
		Fines	17	0	0
	Community investment	Charity expenses	364	364	468
	Economic value retained		57,574	591	7,230



4 Sustainable Product and Customer Management

4.1. Sustainable Products

4.1.1 Product R&D and innovations, and green products



In recent years, due to the extensive development of the industry, the traditional petroleum energy on earth is consumed rapidly, leading to severe impact on the global environment, such as environmental pollution and greenhouse effect. The question on how to reduce the reliance on the traditional petroleum energy has become an important issue to all countries around the globe. Based on the viewpoint of reducing pollution and developing permanent energy from various types of energies and diversity of sources thereof, the development of renewable energy is an inevitable trend, and it has been listed by governments of various countries as important administrative goals for developing focused projects. Among the most potential renewable energies, there are solar power, wind power generation and fuel cells, etc.

In response to the UN's initiative on resources and environmental protection and to reduce severe environmental impacts and to contribute efforts to our earth, Ablerex is devoted to the research and development of products with high efficiency Uninterrupted Power Supply (UPS) system, Active Power Filter (APF) capable improving power quality, Solar inverter for green energy system equipment and Energy Storage System (ESS) for relevant renewable energies, etc. in order to assist customers in the reduction of carbon dioxide emission and utilization of energy. We also adopt this mindset in our continuous efforts innovating and developing products.



4.1.1.1 Product design strategy and concept

[R&D short-, mid- and long-term goals]

R&D Stage	Goals	Strategic Policy
Short-term	Meet market demand	<ol style="list-style-type: none"> 1. Develop low-end single-phase UPS products to meet the low-price market demand 2. Streamline and simplify mass production design to achieve manufacturing cost advantages
Intermediate-term	Consolidate market demand	<ol style="list-style-type: none"> 1. Consolidate products in different fields to develop overall solutions 2. Continue to fill products in different price ranges to meet diverse needs 3. Focus on product research and development for the improvement of power quality and increase of power supply reliability
Long-term	Technology innovation to enhance competitiveness	<ol style="list-style-type: none"> 1. Commitment in technology innovation to enhance the technical competitiveness 2. Continuously invest in the development of related products in the new energy, renewable energy, energy recycling, and energy saving fields to be launched in the future market; 3. Develop products with costs meeting market demand while considering feasible manufacturing, flexible customization, and diverse functional choices; 4. Improve the development capabilities of high-power capacity products, and develop toward the direction of large-scale, industrialization, and modularization

[Product design]

Products continue to trend toward high efficiency, and becoming compact and light-weight, while being equipped with smart, modular and network functions, as well as having energy-saving and carbon reduction traits. In addition, the Company's products are developed to fulfill the responsibilities of the health and safety of customers and environmental sustainability, ensuring that no violations of health and safety related laws occur during the product lifecycle. Assessment and measures of product lifecycle safety and health at each design stage:

➤ Product Concept Development Stage

Through market information collection/survey, further product development and development trends are evaluated in order to reduce the safety and health concerns of end users on the products.

- Market survey
- Customer feedback information
- Scholar researches and feedback information
- Reports of research institutions

➤ Product Research and Development Stage

◆ Materials aspect

During the early development and design stage, the company discusses with the suppliers the materials required and requests the suppliers to provide materials test reports in order to determine whether or not relevant component parts contain hazardous substances, and also requests that all materials shall come from a lead-free manufacturing process, thus preventing hazardous materials affect the health and safety of end users.

◆ Technical design aspect

- a. Specification environmental protection/safety function improvement
 - Design the new product structure in order to reduce the pollution and to improve the grid power quality
 - Automatic shutdown during any environmental variable abnormality in order to ensure the safety of terminal users.
- b. Increase efficiency

Continuously research products of increased efficiency and energy savings, and integrate various products in order to assist customers to reduce energy, costs and pollution.

►Product Certification Stage

Develop products complying with the environmental protection as well as health and safety regulations based on the safety standards information specified in various countries and customer demands

- United States: UL, cTUVus, FCC, ENERGY STAR, DOE
- Europe: CE / TUV / EMC / GS&CB / GS / VDE-AR-N4105 G83/39 / CGC
- Taiwan: BSMI / VPC • Thailand: ETS • Australia: SAA
- UK: UKCA • Mexico: NOM

[Product Design Direction]

1. Development of multi-functions of high efficiency, compact, light-weight, smart, modularized, network and decentralized UBS new technologies.
2. Three-phase, high frequency and parallel connected Medium and large UPS
3. APF of high efficient power quality management technology
4. Grid-connected type of high power SOLAR INVERTER
5. Power management monitoring software technologies AC PDU, DC PDU
6. SMART GRIDS and cloud application related products
7. Wireless battery monitoring system BMS
8. Large energy storage system (ESS)

4.1.1.2 R&D expenditure

[Personnel committed to R&D and their experience]

As of December 31, 2024, the Company has a total of 128 R&D personnel, and their education background is as follows:

December 31, 2024 / Unit: people

Education	Doctoral degree	Master's degree	Bachelor's degree	College	Senior high school and below	Total
Number of people	2	69	48	5	4	128
Percentage	1.56	53.91	37.50	3.91	3.12	100.00%

[R&D expenditure]

The Company greatly emphasizes product development with annually incremental R&D expenses, and the R&D expenses already committed in the last three years are as below:

Item \ Year	2022	2023	2024
Research and development expenses (NT\$ thousand)	165,063	170,979	188,965
Net operating income (NT\$ thousand)	3,057,767	2,925,183	3,024,134
Percentage (%) of net operating income as R&D expenses	5.40%	5.85%	6.25%

4.1.1.3 R&D results

4.1.1.3.1 Improvement of energy efficiency of various types of products

According to the types of products, the energy efficiency of various types of products is as follows

Product type	Energy efficiency	Benefit
UPS (Uninterruptible Power Supply system)	95.36%	Provide stable power quality and backup power to help enterprises reduce costs, and also reduce the use of generator equipment to reduce carbon emissions, air pollution and noise
SOLAR INVERTER	98.01%	Using the power inverter to transform the solar energy into usable electricity to be used for loads or put into the mains (wholesale), and to assist enterprises in achieving the objective of energy savings and carbon reduction.
APF (Active Power Filter)	97.62%	The use of APF is able to reduce the harmonic pollution/virtual power compensation and balance loads in order to stabilize power quality and reduce power distribution loss; in addition, it is also able to increase the power factor in order to achieve the objective of carbon reduction.
ESS (Energy Storage System)	98.07%	The power generated by solar energy and wind energy is provided to household loads through power converters, and the remaining electricity can be stored in batteries, providing benefits of self-sufficiency or time-of-use pricing, while reducing energy consumption, carbon emissions and costs.

* Note 1: The efficiency data is extracted from power analyzers HIOKI PW3390 and YOKOGAWA WT1600, using the maximum efficiency value of similar product in each year to generate the reports.

Note 2: In recent years, products in various application fields have focused on improving product competitiveness/cost reduction/applicability function expansion as the development pillar. Therefore, the energy-saving efficiency of the UPS is based on the data of 2023; the energy-saving efficiency of the SOLAR INVERTER and ESS is based on the data of 2021; and the energy-saving efficiency of the APF is based on the data of 2022.

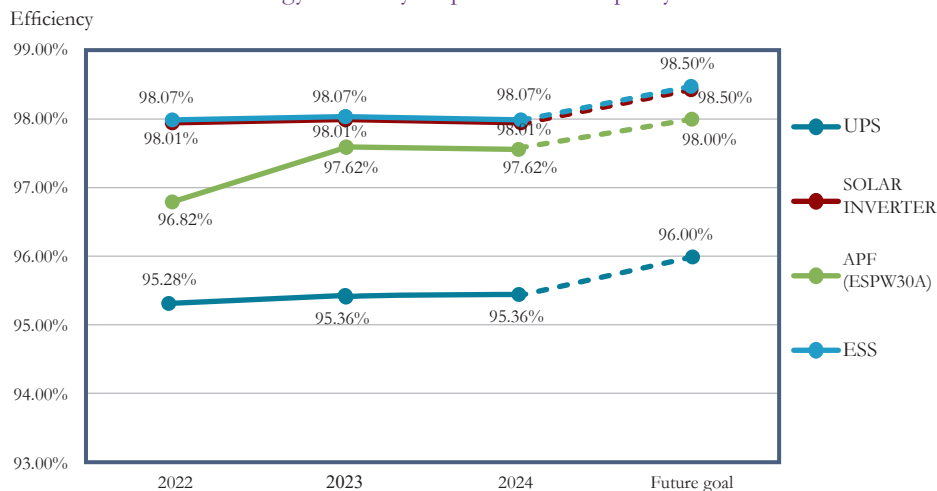


Improvement results of energy-saving efficiency of new product technology over the years

Product\ Year	2022	2023	2024	Future goal
UPS	95.28%	95.36%	95.36%	96.00%
SOLAR INVERTER	98.01%	98.01%	98.01%	98.50%
APF (ESPW30A)	97.62%	97.62%	97.62%	98.00%
ESS	98.07%	98.07%	98.07%	98.50%

* Note : The efficiency data is extracted from power analyzers HIOKI PW3390 and YOKOGAWA WT1600, using the maximum efficiency value of similar product in each year to generate the reports.

Technology efficiency of products in the past years



Note: In recent years, products in various application fields have focused on improving product competitiveness/cost reduction/applicability function expansion as the development pillar. Therefore, the energy-saving efficiency of the UPS is based on the data of 2023; the energy-saving efficiency of the SOLAR INVERTER and ESS is based on the data of 2021; and the energy-saving efficiency of the APF is based on the data of 2022.

4.1.1.3.2 Technology or product researched and developed successfully

Technologies or products successfully developed by Ablerex in the last three years are described as follows:

Year	Product type	Technology or product researched and developed successfully	Description of features or usages
2022	ESS	Battery Container Energy Storage System	<p>Ablerex battery container energy storage system adopts the battery module framework and multi-level BMS, which can meet customer needs for system power capacity and batter capacity. Ablerex can provide customers with integrated planning and design of various solutions for battery modules, energy storage systems and battery containers.</p> <p>Product characteristics:</p> <ul style="list-style-type: none">• Smooth intermittent energy• Peak and frequency adjustment• Stable output of renewable energy• Ancillary services• Peak shaving and valley filling• Smooth load, curb demand• Improve grid reliability and power quality• Real and virtual power regulation• Energy arbitrage• Contract capacity compensation• Spare capacity <p>The battery container energy storage system is composed of a battery rack with multiple battery modules, EPS (energy storage converter) and EMS (energy management system), which is realized in MW/MWh-level lithium battery systems.</p>
	APF	APF 30A ESPW30A	<ol style="list-style-type: none">1. Use of new three-level structure in order to significantly increase the operating efficiency of the entire machine2. Reduce noise, suitable for office building applications3. Improve power density to effectively reduce size4. Wall-mounted design
2023	UPS	Online three-phase UPS TAURUS 200k	<ol style="list-style-type: none">1. Use of new three-level structure in order to significantly increase the operational conversion efficiency of the entire machine2. Output power factor design can reach PF = 1.03. Addition of accelerated ECO supply conversion mode, and-conversion speed < 3ms4. Added the function to sent the battery energy back to the grid

Year	Product type	Technology or product researched and developed successfully	Description of features or usages
2024	UPS	Online single-phase UPS AP2 1k~3k RT / Tower Model for 230Vac / 120Vac System	<ol style="list-style-type: none"> 1. Power factor 1.0 2. Increase the conversion efficiency of the entire machine to 93% 3. Possible to combine Super Charger for 8A charging current 4. Patented function of residual electricity estimation 5. 1K: 2-3 batteries; 2K: 4-6 batteries; 3K: 6 batteries 6. Lead-acid battery/lithium battery compatible design
		Online single-phase UPS MP4 6k/10k RT / Tower Model for	<ol style="list-style-type: none"> 1. Power factor 1.0 2. Increase the conversion efficiency of the entire machine to 95% 3. 2U RT high power density design 4. Possible to combine Super Charger for 4A charging current 5. Lead-acid battery/lithium battery compatible design
		Online interactive single-phase UPS GR2 550VA~1kVA	<ol style="list-style-type: none"> 1. Increase power factor of the existing products from 0.6 to 0.7 2. Improvement of power density/simplification of design complexity/enhancement of stability 3. Suitable for generator applications 4. Equipped with USB charging ports
	UPS	Online three-phase UPS TAURUS 200k low-frequency UPS	<ol style="list-style-type: none"> 1. Use of new three-level structure in order to significantly increase the operating efficiency of the entire machine 2. Output power factor design can reach PF = 1.0 3. Addition of accelerated ECO supply conversion mode, and conversion speed < 3ms 4. Expansion of sales scope in markets
	ESS	Energy Storage System Based on PCS Taurus 200kVA	<ol style="list-style-type: none"> 1. New generation of energy storage system, with a single unit capacity of 200kW. It can expand the system capacity in parallel according to user needs, up to 1.6MW. It can be equipped with high-energy-density lithium battery modules. 2. Through ESS-MET, PCS Taurus, PV Inverter can be integrated to exert the complete function of regulation and control in the energy-storage system, including: time-of-use tariff, auto scheduling, peak-shaving, self-sustaining, emergency disaster output, among other function modes.

Description of key innovation and R&D results in 2024

Item Battery Container Energy Storage System

Description:

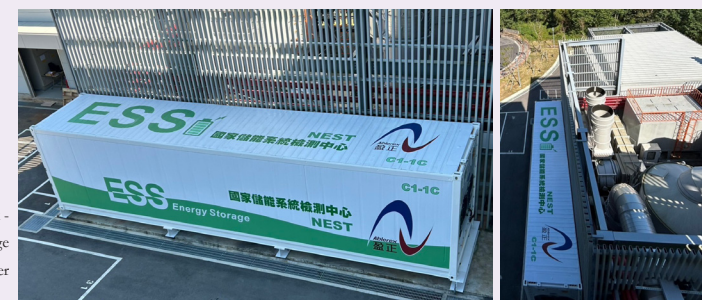
In response to the national development strategy and the frequency at which regulation services of the Taiwan Power Corporation conduct power storage when the frequency is high at TPC, we are able to conduct power discharge from our storage when the frequency is insufficient, which establishes a decentralized grid, further reducing the power loss on feeders from TPC's power plants to users that usually occurs.

Product characteristics:

At present, many energy storage systems used domestically are manufactured overseas, which often leads to problems such as failure to connect to the grid, long waits for spare parts, and maintenance difficulty due to the inability of system integration. Ablers makes good use of its in-house core technology and the advantage of being a domestic enterprise to continue investing in Taiwan and strengthening the development of in-house brands of PV converters, energy storage systems and UPS products, which further reinforces the resilience of the power grid in Taiwan through the introduction of domestically-made energy storage systems.

Benefits:

In response to the requirements of the Bureau of Standards, Metrology and Inspection, a set of 1MW/1.024MWh energy storage system has been installed at the National Energy Storage System Testing Center in the Tongluo Industrial Park. The system charges during off-peak hours and discharges at the peak hours, which helps users save on electricity costs, and helps Taipower reduce feeder loss, carbon emissions and power generation costs. In addition, when the National Energy Storage System Testing Center conducts the battery discharge test, the energy storage system can charge. When the tested battery needs to be charged or there is another load demand, the energy storage system will discharge to reduce energy loss as well as carbon emissions and electricity costs. In addition, when the power supply of Taipower is interrupted, the energy storage system will continuously supply power to the National Energy Storage System Testing Center if the battery is charged, becoming a micro-grid and disaster prevention mechanism. The construction cost of this energy storage system is about NT\$26,800 thousand, which has been accepted by the Bureau of Standards, Metrology and Inspection, Ministry of Economic Affairs on November 12, 2024. The National Energy Storage System Testing Center was opened on December 16, 2024, and the energy storage system has been operating steadily and activated.



Tongluo Industrial Park -
National Energy Storage
System Testing Center

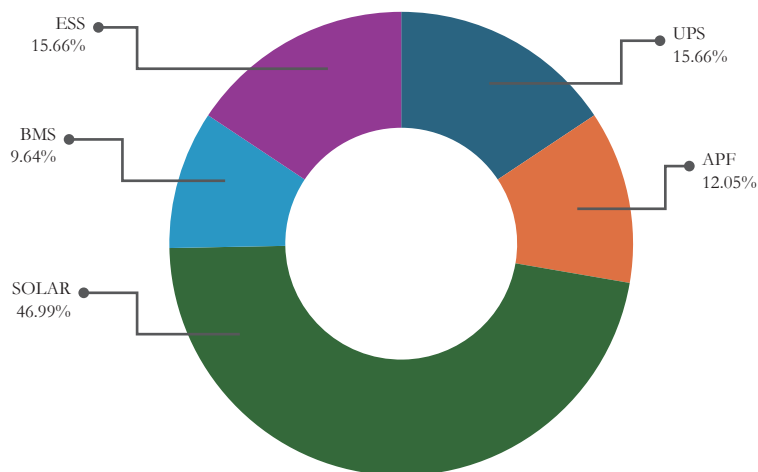
4.1.1.3.3 Patented technology

To enhance innovative product research and development as well as to increase the competition of the company in the market, the quantity of the domestic and foreign patents of Ablerex has increased significantly, which substantially affects the improvement of technologies, and helps in achieving the ultimate goals of energy efficiency and carbon reduction. 83 certificates have been obtained.

<Quantity of Patent Applications for Different Product Types>

Registration region	UPS	APF	SOLAR	BMS	ESS	Total
Taiwan	5	2	19	4	6	36
China (PRC)	1	2	8	2	3	16
U.S.A.	6	6	12	2	4	30
Italy	1	0	0	0	0	1
Total	13	10	39	8	13	83

<Ratio of Patent by Product Types>



<Ablerex develops patented technologies capable of significantly improving product performance and efficiency>

No.	Patent Name	Application Summary	Applicable Product Type
1	Method and apparatus for tracking maximum power of solar power generation system	Applied to a solar power generation system, using an active resistive method to provide the maximum power output from the solar panels for load use in order to maximize the utilization of renewable energy.	SOLAR INVERTER
2	Two-way DC/DC converter control method	Applied to household solar energy storage systems; can store excessive power into the battery set such that it is able to achieve self-sufficiency and save energy during power consumption at peak times or during power outages.	SOLAR INVERTER
3	Business model, method and system generated from recovering information from testing power energy	Applied to a battery facility, this system is able to recover the power consumed by the equipment pending for testing back to the grid system in order to achieve the energy saving and carbon reduction effects.	UPS
4	Solar cell module shielding compensation apparatus	When a solar panel is shielded by external objects such that the power generation amount is reduced, such technology is able to increase the output voltage and power of the solar panel in order to achieve the optimum use of solar energy.	SOLAR INVERTER
5	Solar panel power generation abnormality testing method and system thereof	When a solar panel is damaged, this technology is able to detect the cause of the malfunction early for replacement thereof such that the solar energy resource application can be maintained at the most optimum state.	SOLAR INVERTER
6	Battery status testing method and system thereof	Applied to the energy storage system, telecommunication server, base station and utility room, etc. Such technology is able to detect the remaining electricity status and health condition of the battery through partial discharge in order to maintain the system in its optimal state during usage.	BMS
7	Multiport energy storage system and its control methods	Used in ESS or UPS systems, this technology can provide multi-power input and single-power output for the purpose of supplying the load or putting into the mains and single-power input and multi-power output supplying the load or inject power into the mains	UPS / ESS
8	Dual-port energy storage system and its control methods	Used in ESS or UPS systems, this technology can provide single-power input and dual-power output for the purpose of supplying the load	UPS / ESS

No.	Patent Name	Application Summary	Applicable Product Type
9	Quick cut-off device of thyristor AC switch and its operations	Used to replace the traditional AC switch with this smaller version	SOLAR INVERTER
10	Power smoothing method and system for renewable energy power generation	Resolve issues with intermittent renewable energy grid connection causing power system instability	SOLAR INVERTER
11	Two-way isolating multi-level DC-DC power conversion apparatus with a wide voltage range and method thereof	Used in a two-way isolating multi-level DC-DC power conversion apparatus with a wide voltage range to reduce the capacity of the filter circuit, so as to expand the output voltage range and two-way power conversion and improve the operational efficiency.	ESS
12	Simplified solar panel power generation abnormality testing method and system thereof	Used in a solar panel power generation exception detection system. It compares the current point or several voltage points with an exception testing model with power generation to check if the solar cell module generates electricity abnormally. The power does not need to be calculated, so it can simplify the power generation exception testing procedures and reduce the testing costs, while improving the testing efficiency.	SOLAR INVERTER
13	Operation and maintenance exception testing method and system for solar module or module string	Diagnostic system and method used in detecting exceptions in solar module power generation or cleaning times, which can provide testing for multiple power generation exceptions and integrate with operation and maintenance exception testing to prevent improper direct conversion performance.	SOLAR INVERTER
14	Power factor compensation control method and system for solar power project field	Used in solar power system project field for day-night VAR compensation to improve the stability of the power system.	SOLAR INVERTER

4.1.2 Customer health and safety



Alerex highly values the health and safety of customers, and strictly abides by international energy efficiency standards through cooperation with certification units. All products comply with international regulations and guidelines on product safety and labeling. From research and development, design, manufacturing to product use and other stages,

the impacts on the safety of the human body and the environment are taken into consideration. The Company also takes the initiative to obtain product-related safety certifications and submit test reports or certificates to increase market access while providing customers and users with safe and reliable products. As of 2024, no prohibited or controversial products have been sold, and no large fines imposed for violation of laws and regulations due to the provision and use of products and services.

4.1.2.1 Product safety compliance and hazardous substance management

The laboratory established by the R&D center collaborates with certification agencies to comply with international energy efficiency standards, ensuring that products can be legally sold in various regions around the world and meet customer and product requirements for energy conservation. Since the laws of various countries are different, the approval of electronic products shall be made based on the test reports or certificates submitted according to the relevant local regulations. The Company has transparent and effective customer complaint handling procedures for products and services. A corporate governance section on the Company's website includes stakeholder communication channels to facilitate consumer complaints and the expression of opinions of various stakeholders. Since 2016, a corporate social responsibility webpage constructed in English has also been provided for foreign stakeholders to further understand the Company's operations, and it also serves as a platform for filing complaints. We carry out customer satisfaction survey every year, and analyze and improve on the survey results.

We value the health and safety of customers, and effectively control the process from R&D, design, production and manufacturing to finished product output in accordance with relevant regulations to comply with customers' local specifications for products.

Technical design:

We improve environmental protection and safety functions in our specifications. New product architecture is designed to reduce the amount of harmonic pollution to improve the power quality of mains. Products are reinforced with sufficient filters to block harmonics from entering the mains, so as to prevent long-term pollution to mains which may affect the health and safety of users. Automatic shutdown is available during the environmental variable abnormality in order to ensure the safety of end users. Continuous research products of increased



efficiency and energy savings, and integrate various products in order to assist customers to save more energy, costs and harmonic pollution.

Production materials:

Promotion of the Restriction of Hazardous Substances Directive (RoHS). RoHS came into effect on July 1, 2006. Products sold to the EU must not contain lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyls, polybrominated diphenyl ethers, bis(2-ethylhexyl) phthalate, benzyl butyl phthalate, dibutyl phthalate and diisobutyl phthalate.

We actively promote green production and procurement. During the early development and design stage, the company discusses with the suppliers the materials required and requests the suppliers provide material test reports in order to determine whether or not relevant component parts contain hazardous substances, and also requests that all materials shall be lead-free.

We use lead-free raw materials and apply electrical testing on lead-free products to achieve lead-free process in the production line. We have worked with our major customers to offer products that are free of harmful substances, winning customers' recognition.

Regulatory compliance:

The company products seek to achieve the goal of being environmental friendly, energy saving and hazardous substance free in order to comply with the local laws and regulations. In principle, all products shall comply with the RoHS for procurement. When assessing new suppliers, we request them to include the RoHS requirements for parts or raw materials in the contracts or orders, and their R&D personnel shall provide information related to safety.

4.1.2.2 Safety inspection

To cope with the global environmental protection issues, Ablerex is devoted to the improvement of power quality and increase of efficiency. In addition, through integration and development of energy saving and green products and solutions, the company is able to assist consumers reducing energy consumption in order to achieve the effect of energy and power saving while ensuring the health and safety of terminal users. We have set up a professional safety work unit to collect the latest laws and regulations in a timely manner. The R&D team can immediately respond to changes in standards and design innovative products that meet safety standards. At present, our products meet the energy efficiency standards as shown in the table on the right.

Country of safety regulations	International safety/energy efficiency regulations
U.S.A.	cUL us cTUVus FCC ENERGY STAR DOE
Europe	CE TUV EMC GS&CB GS VDE-AR-N 4105 G83/39 CGC
Taiwan	BSMI VPC
Thailand	ETS
Australia	SAA
United Kingdom	UKCA
Mexico	NOM

4.1.3 Product labeling

Since the laws of various countries are different, the approval of electronic products shall be made based on the test reports or certificates submitted according to the relevant local regulations. Prior to selling products to different countries, the company needs to first understand the relevant local laws and regulations in order to manufacture products in compliance with the laws and regulations, such as: European Unit's compulsory product safety standard of CE, and the compulsory product safety standard of UL in USA. No violations of regulations of product and service information labeling as well as the voluntary specification were recorded in 2024.

4.1.4 Competitive Niche

With a strong R&D team and advanced professional production equipment, the Company is committed to the development and production of fast and high-efficiency power electronics products that are capable of satisfying market demands. We have the following competitive advantages:

4.1.4.1 Actively participate in international exhibitions to show brand advantages

The Company constantly and actively participates in international and domestic important electronic information industry exhibitions, and Ablerex is well-known in the relevant global industry chains. The products of the company have also passed safety standard inspections in many countries, facilitating the expansion of the sales. In addition, the company offers complete product specifications for small and micro types of UPS in order to provide a complete product line to satisfy customer demands. Furthermore, the technical image and R&D competence of the company are strong, and the company is able to continuously meet the demands of customers in the development of new products. In the domestic industry, Ablerex is a cooperating partner receiving great recognition from international giant manufacturers, which is beneficial to the company in seeking ODM and OEM cooperation opportunists.



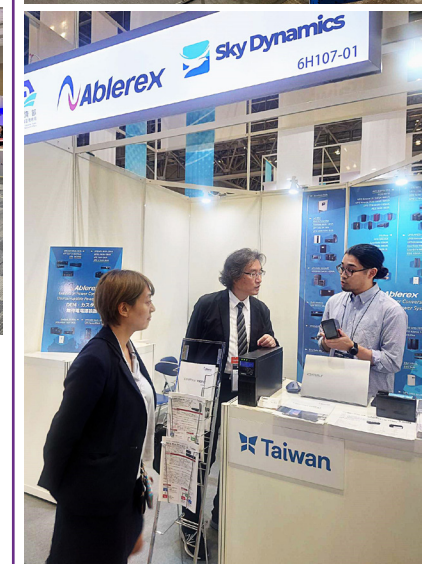
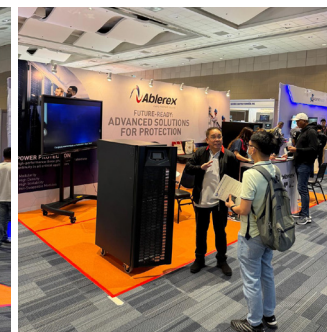


Thailand - TEMCA M&E EXPO THAILAND 2024

Singapore - Data Center World Asia



Philippines-IIIEE 3E XPO 2024



Japan-CEATEC 2024

4.1.4.2 Products are light, small, smart and modularized

UPS products are heading toward the trend of being lightweight and compact in size as well as being intelligent, modular and networked. The core technology of the company has been headed completely toward the field of high-speed and high-precision. Moreover, in terms of the product development, the company has not only been equipped with the software and hardware design and development capabilities but also achieved the first class level on the product development seed and design quality. Accordingly, the company is able to cope with the changes in customer demands and evolution of technologies in order to timely launch new products and to engage in the market competition with greater performance and quality at a lower cost.

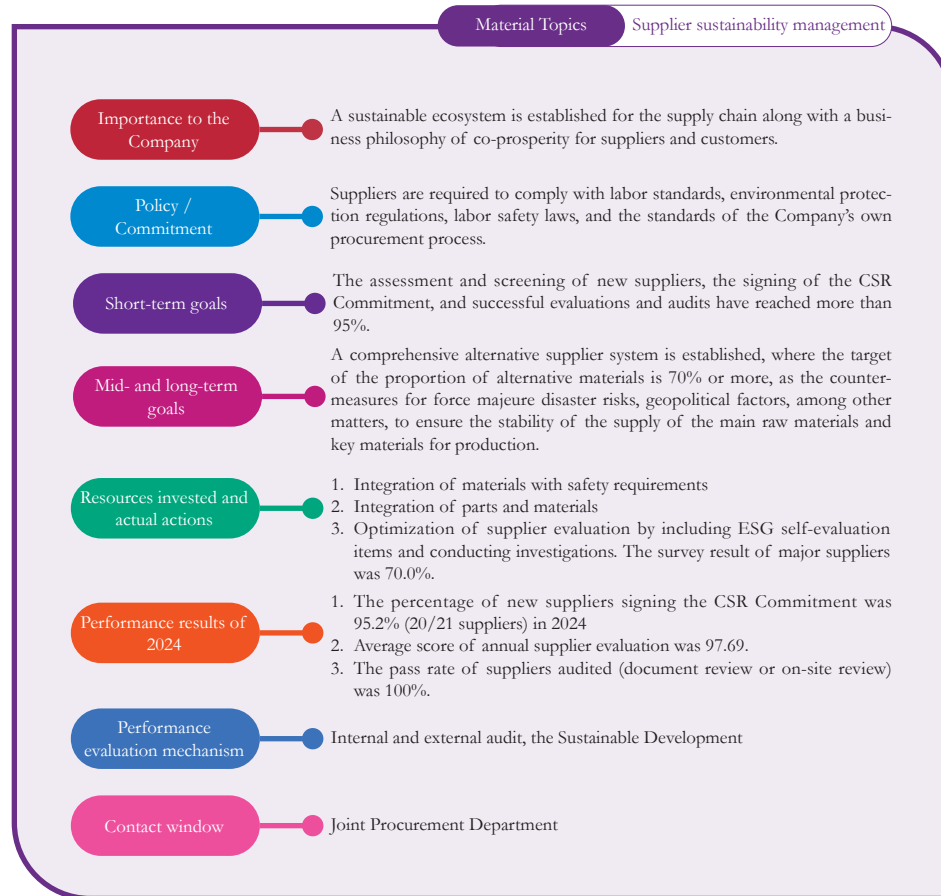
4.1.4.3 Stable quality based on the overall process planning

Improvements in production processes are an important factor in manufacturing cost control, and quality stability is also a key for the customer satisfaction and future business development. For the new product development process, the company implements detailed planning in the overall manufacturing process along with continuous process and quality improvement operations in order to facilitate the production and effectively reduce the cost while improving the quality thereof. Ablerex is equipped with the professional manufacturing capability for a complete process of its own product development, software design, manufacturing and automatic assembly testing. The company continues to provide products of excellent quality, achieve on-time delivery and complete after-sales services such that the company is equipped with adequate competitive abilities.

Our goals for product quality and the environment are to meet customer, regulatory and organizational requirements. The head office and the plant in Suzhou have obtained the ISO 9001 Quality management system and the ISO 14001 Environmental management system certification.



4.2 Supply Chain Management



4.2.1 Supply Chain Overview

Our products include the power accessories and services for UPS, APF, solar inverter and ESS. The main materials are batteries, transformers, semiconductor electronic parts, plastic materials, iron shell, PCB, wires and other components. We

maintain long-term, stable and good collaborative relationships with our suppliers. The suppliers currently working with the Company supply as needed, without supply shortages or disruptions. No supplier supplies the majority of goods, so that there is no risk of over-reliance on a single supplier. In addition, we continuously promote localized procurement to reduce the impact of carbon emissions on the environment during transportation. In the past three years, we have continuously traded with more than 370 raw material suppliers, and the amounts by procurement area are shown in the figure below.

Percentage of purchase amount in the recent three years by location

Procurement by region	2022	2023	2024
Purchase in China	50.44%	49.04%	50.22%
Purchase from Taiwan	38.99%	38.24%	41.73%
Purchase in Americas	0.08%	0.22%	0.19%
Purchase in Europe	0.82%	1.07%	1.35%
Other purchases	9.67%	11.43%	6.51%
Total	100.00%	100.00%	100.00%

Note: The classification is based on the location of the supplier.

4.2.2. Supplier management policy

We manage the risks and opportunities in the supply chain to prevent the occurrence of force majeure disasters and geopolitical risks, as well as ensure the stability of sources of supply for key materials. In addition to the localized purchase and R&D of alternatives, as the countermeasure, we also actively develop secondary and tertiary suppliers that we keep in touch with, or as preparation for future transactions, to complement our current supply chain management.

We have formulated the Procurement Management Procedures, the Supplier Assessment Procedures and the Supplier Environmental Impact Assessment Procedures, and we assess the quality and the status of environmental impact of the supplier, and verify the actual situation before transactions with suppliers. In 2015,



we formulated the Supplier Social Responsibility Rules. We support and encourage high-standard CSR practices, and we notify suppliers of our standards on the management of enterprises, ethics, labor, environment, health and safety. We also request suppliers to cooperate with our policy and respect their employees' basic rights of freedom of association and collective bargaining. Per our customers' orders or regulatory requirements, we may ask suppliers to provide their Suppliers' CSR Commitment, Conflict-Free Minerals Declarations, HSF and other information as reference. We also evaluate the prior impact of new suppliers on the environment and society. As of 2024, we have continuously registered the approved suppliers, and 620 copies of CSR Commitments have been signed..

4.2.3 Status of supplier management

In order to provide customers with good and stable products and services, we also have continued to keep up with the ever-changing business environment by managing our supply chain. We screen and assess new suppliers, and conduct evaluations, audits and counseling with our existing suppliers in ongoing transactions, hoping to keep excellent qualified suppliers who can align themselves with our sustainable development philosophy in terms of environmental protection, social sustainability, and corporate governance.

4.2.3.1 Supplier evaluation

Evaluation and screening processes for new suppliers: The evaluation items are divided into the five aspects of: quality, management, technology, equipment, and cooperation. For suppliers with comprehensive evaluation scores reaching a total score of above 70 points, they can be listed as qualified suppliers of the company upon confirmation of the review. We also request newly qualified suppliers sign the CSR Commitment which requires them to comply with environmental regulations, reduce pollution, conserve energy and reduce carbon emissions, and protect labor rights; prohibit forced labor, discrimination and child labor; and improve general workplace conditions, as well as other topics involving environmental protection, safety or health; so that we can all fulfill corporate social responsibility.

4.2.3.2 Supplier evaluation

For existing suppliers (raw materials/components), we conduct annual evaluations on their quality, cost, lead time, services and other aspects, and classify them based on the evaluation results in order to select the outstanding performers for more transactions. Starting from 2024, we have conducted ESG surveys on suppliers with which we have ongoing business. We selected 30 raw material suppliers to reach out to with the ESG survey; 25 suppliers replied. The number of valid questionnaires returned was 21. In the future, we will screen the suppliers based on the transaction amounts and number of transactions.

4.2.3.3 Supplier audit survey and counseling

We have established an audit team to conduct audits from time to time. Suppliers who are graded at more than 80 points are considered qualified, and those who are graded below 80 are required to make improvements. We conduct follow-up inspections of their deficiencies or give them suggestions, experience sharing and education and training sessions, hoping to improve their quality, technology and yield.

The Joint Procurement Department conducts supply chain management based on the Company's regulations, which include the assessment and screening of new suppliers and the signing of the CSR Commitment, supplier evaluations and supplier audits. The results were in line with the expected goals, as follows.

Item / Year	2022	2023	2024
Number of new suppliers developed	42	22	21
Number and percentage of new suppliers signing the CSR Commitment	41 97.6%	21 95.5%	20 95.2%
Number of suppliers (with transactions) evaluated in the year	130	118	117
Average score and pass rate of annual evaluation for comprehensive purchase from supplier	92.5 100.0%	93.24 100.0%	97.69 100.0%
Number of suppliers audited (document review or on-site review) and the pass rate	12 100.0%	12 100.0%	12 100.0%
Number of suppliers surveyed for ESG	-	-	30
Number and percentage of ESG questionnaires collected from suppliers in the year	- -	- -	25 83.3%
Number and percentage of valid ESG questionnaires collected from suppliers in the year	- -	- -	21 70.0%

Note: The annual ESG questionnaire was first sent out beginning in 2024

4.3 Marketing and Service



4.3.1 Marketing Management

The products and technologies of the company are mostly self-developed by the company or jointly researched and developed with academic institutions. During the R&D and manufacturing process, professional personnel also collect external information related to patent, technology and legal aspects, and also sign relevant contracts with clarified responsibilities in order to ensure the compliance to the relevant laws and regulations. In addition, the Company's product introductions and advertisements are mainly in printed journals and magazines, with completed proposals submitted to the handling department supervisor for content review, which is also required to be submitted to the senior management or the President for approval in order to be sent to the art editor for creation. Furthermore, for the work completed by the art editor, it is verified by the handling personnel again before being submitted to the media for publication. During the aforementioned review and audit process, deceptive content or infringement are also prevented. As of 2024, there has been no violations of regulations and voluntary guidelines regarding marketing promotion (including advertising, promotion and sponsorship).

4.3.1.1 Product-related labels

For power products with application categories, they must comply with the relevant national and international safety standards and regulations, and must be certified before they can be sold in the country. In the safety regulations, the installation, electronic components and testing of power supply products are clearly described and defined, especially when the product is tested under abnormal operating conditions, to avoid the risk of disasters and accidents resulting in damage to life and property due to poor design or improper use. Certification applications are submitted based on the countries where the products are sold and to meet customer needs in those locations.

4.3.1.2 Obtaining certifications of safety specifications standards

Only products passing inspections and certified can show the certification label on the product. Common safety regulation certification labels are as follows: UL in the US, CSA in Canada, NOM in Mexico, IRAM in Argentina, CE in the

4.3.2 Respect and protect customer privacy

of operating procedures, as well as periodic reviews in order to ensure that the operating procedures continue to be effective.

In addition, company personnel shall avoid making any business deals with agencies, suppliers, customers or other parties in a business relationship of the company involving any unethical conduct. In a case where the party in a business relationship or cooperation is found have acted unethically, the business relationship with such party shall be terminated, and it shall be listed as a disqualified party for business in order to implement the ethical management policy of the company.

[illegible][illegible][illegible]

TAURUS 系列 在線式三相不斷電系統

120KVA ~ 250KVA

技術特點:

- 採用輸入電壓零位鎖相技術(VLLC)控制電壓輸出精度，確保系統準確的輸出UPS。
- 可透過網路或方式與監控系統連接，透過網路監控系統，大綱的系統構成表。
- 具有內建靜電保護裝置，保護輸入電壓穩定，避免輸入電壓過高，導致系統停止及損壞。
- 具備可透過網路及RS485，透過Modbus RTU或Modbus TCP與監控系統連接。
- 完善的設備狀態監控管理，即時性的訊息及錯誤訊息，確保設備安全及系統運行的穩定。
- 可與工業網路相連，使用雙重網路功能，安全，確保系統安全及系統運行的穩定。
- 具備1+1熱備用線路冗余(C+N-1)：能支援AC/DC mode 1+1，無雙重。
- 具有內建網路(VLAN) Modbus - Dry Contact - RS485 - 工業網路，無雙重。
- 主機具備網路測試功能，如網路參數測試功能(Chummy load)。
- 可與網路及PLC連接管理系統，透過網路及PLC及網路系統連接。

新加坡總代理：新加坡怡和洋行
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 新加坡分公司：新加坡怡和洋行

4.3.3 Customer service satisfaction

Satisfying customer needs is our mission and goal. We conduct interviews or questionnaire surveys in a timely manner to understand subjective and objective customer satisfaction with services (cooperation, technology, customer complaint handling) and products (quality, lead time, price) as reference for the company's continuous improvement in the future.

According to the Customer Satisfaction Survey Procedures, the sales department conducts interviews in each half of the year with customers who have regular orders and once a year with those who place orders from time to time. Through the results collected from the data of the satisfaction survey, the items and evaluation suggested by customers are known. The salespersons will also make improvements according to the comments provided by the customers. If such matter belongs to the responsibility scope of other departments, a meeting is also held to review the defects. Scoring standard: Based on the average data of the recovered questionnaires, the overall satisfaction score must reach 75 points or more to be considered as satisfactory, and those with a total individual customer satisfaction score less than 80 points will need further review for future improvement.

Customer satisfaction survey results are as below

Department / Year	2022	2023	2024
Sales Department 1	86.0	92.8	91.3
Sales Department 2	83.9	94.8	90.0
Technical Services Department	88.7	91.7	89.8
Energy Department	88.7	91.0	91.6
Total average	87.1	92.6	90.7

The impact of COVID-19 was eliminated in 2024, raw material stock fully seized the delivery time, and the shipping schedules were stabilized. Compared to 2023, in 2024, the customer satisfaction of each department has slightly decreased. Upon analysis, the reason was that some customers required very urgent delivery time, lower than the shortest delivery time available by the plants during the previous year. Overall, the customers' evaluations in all aspects were in line with the expected goals. The Sales Department will continuously consolidate the opinions reflected and expressed by customers. For the satisfactory parts, we will maintain performance, and the Company will continuously endeavor improving quality and services, so that customers are more satisfied with the Company's products, services and prices, and their expectations are met.



5 Sustainable Environment

5.1 Management of Climate-related Risks and Opportunities

Ablerex recognizes the impact of climate change on the development of the industry and the Company. By identifying potential climate risks and opportunities, the Company incorporated a voluntary GHG inventory beginning in 2016, and conducts annual GHG inventories to analyze the trends and hotspots of GHG emissions, and make them the follow-up objectives for GHG reduction. The Company has introduced and passed the third-party verification of ISO 14064-1 greenhouse gas inventory in 2024.

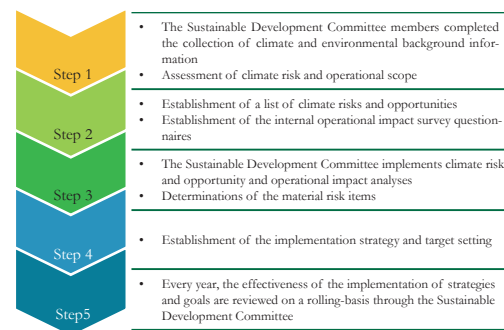
In response to extreme weather caused by global warming, and the increasing importance of energy and climate change issues in recent years, and in order to mitigate the impact of climate change on the Company's operations, the Company has divided its management into governance, strategy, risk management, indicators and goals based on the framework of the Task Force on Climate-related Financial Disclosures (TCFD). Senior management scores the impact and frequency of risks and opportunities, identifies the financial impact of risks and opportunities caused by climate change on operations in terms of transition risks (policies and regulations, technology, market, and reputation), physical risks (immediate risks and long-term risks) and opportunities (resource efficiency, energy sources, products/services, markets, and resilience), while promoting various climate change mitigation and adaptation operations, to continuously reduce risks, enhance resilience and create sustainable development opportunities.

Governance	Strategy	Risk management	Indicators and objectives
Governance of climate-related risks and opportunities	Actual and potential climate-related impacts on business, strategy, and financial planning	Climate-related risk management process	Assess and manage indicators and targets of climate-related issues

◆ The Corporate Governance and Sustainability Committee, chaired by the chairman, holds meetings to discuss climate change issues. Meetings are held every year, and the discussions include potential environmental impacts such as climate change and utilization efficiency of energy and resources on the Company's operations. The climate change issues and implementation status are regularly reported to the board every year.

In response to climate-related risks and opportunities affecting the Company's strategy and financial planning, Ablerex has referred to the TCFD's climate-related scenario analysis and used quantitative and qualitative climate-related scenario analysis to adopt corresponding strategies. We have discussed the 2°C Scenario (2DS) in the meetings of the sustainability working group and used the tools of the TCCIP (The Taiwan Climate Change Projection Information and Adaptation Knowledge Platform) for the assessment of physical risk scenarios of climate change. Finally, we have decided to adopt the 2DS / RCP 2.6 scenario, and conducted subject descriptions of climate change risks and opportunities for physical risks, regulatory transition risks, etc. Finally, we have identified climate risks and opportunities related to our scope of business, and referred to the TCFD reports related to the manufacturing industry: Using a 10-year period as the basis for our long-term business development, we have defined short-term as 1 to 3 years, intermediate-term as 3 to 5 years, and long-term as 6 to 10 years.

The members of the Sustainable Development Committee discuss the risks and opportunities of climate change. Principally, the materiality of climate change issues are reviewed every three years to identify relevant risks and propose action plans. Risk identification and assessment, and management process are as below:



◆ The third-party verification of the GHG inventory was completed in 2024

◆ Increase disclosures on the official website and MOPS.

◆ Goal of GHG reduction: The GHG emissions intensity (metric tons/NT\$ million) of the previous year is the base period, and the emissions intensity should be reduced by 1% year by year.

2024 climate-related risks and opportunities of short-, mid- and long-term

Risk	Factor	Climate change risk issues	Risk levels	Scope of time	Opportunities:	Factor	Climate change opportunity issues	Opportunity levels	Scope of time	
Transition risk: Policies and regulations	Technology	R1 Raise the GHG emissions pricing	High	Short-term, intermediate-term, long-term	Opportunity resource efficiency	Energy sources	O1 Adopt more efficient transportation methods	Low	Intermediate-term	
		R2 Strengthen emissions reporting obligations	Low				O2 Use more efficient production and distribution processes	High	Short-, mid- and long-term	
		R3 Requirements and supervision of existing products and services	Low				O3 Recovery and reuse	Low		
		R4 At risk of litigation	Low				O4 Move to more efficient buildings	Low		
		R5 Replace existing products and services with low-carbon goods	Low	Intermediate-term			O5 Reduce water usage and waste	Low		
		R6 Failed investment in new technology	Low				O6 Use low-carbon energy	Low		
		R7 Costs of transition to low-carbon technologies	Low				O7 Adopt an incentive policy	Low		
		R8 Changes in customer behaviors	High	Short-term, intermediate-term, long-term			O8 Use new technology	Low		
	Market	R9 Uncertain market news	Low			O9 Participate in a carbon trading market	Low			
		R10 Rising raw material costs	High	Short-term, intermediate-term, long-term		O10 Shift to decentralized energy	Low			
	Reputation	Shifting consumer preferences -- stigmatization of the industry	Low			O11 Develop and/or increase low-carbon goods and services	Medium	Intermediate-term, long-term		
		R12 Increasing concern and negative feedback from stakeholders	Low			O12 Develop climate adaptation and insurance risk solutions	Low			
	Physical risks:	Timeliness	R13 Increased severity of extreme weather events such as typhoons and floods	High		Short-term, intermediate-term, long-term	Product and service	O13 R&D and innovation in developing new products and services	Low	Intermediate-term
			R14 Change in rainfall (water) patterns and extreme change in climate patterns	Low		Long-term		O14 Diverse business activities	Low	
		Long-term	R15 Average temperature rises	Low		Long-term		O15 Shifting consumer preferences	Low	
			R16 Sea-level rises	Low		Long-term		O16 Enter new markets	Medium	Short-term, long-term
Note: Short-term is 1-3 years, mid-term is 3-5 years, long-term is 6-10 years						Market	O17 Make good use of incentives offered by the public sector	Low	Short-, mid- and long-term	
							O18 Acquire new assets and regions that need to be insured	Low	Short-, mid- and long-term	
							O19 Participate in renewable energy programs and implement energy conservation measures	Low	Short-, mid- and long-term	
							O20 Energy alternatives/diversification	Low	Short-, mid- and long-term	

Topics	Aspect	Item	Impact timetable	Impact on the Company's finances	Management measures to be taken in response
TCFD Climate-Related Financial Disclosures	Transition risk: Policies and regulations	Policies and regulations increase the cost of GHG emission.	Short-, mid- and long-term	As the laws and regulations related to GHG reduction become stricter, enterprises will be required to pay carbon fees or purchase renewable energy separately, resulting in increased operating costs. However, the Company is not in a high carbon emissions industry (annual emissions exceeding 25,000 metric tons), and the carbon fee will have little financial impact on the Company.	<ol style="list-style-type: none"> In the future, we will continuously conduct the ISO 14064-1 greenhouse gas inventory every year to control emissions, and accelerate the formulation of plans to reduce greenhouse gas emissions. Pay attention to the updated status of laws and regulations at all time. Review the Company's conformity to regulations and then develop various measures for regulatory compliance.
	Transition risk: Market	Changes in customer behaviors	Short-, mid- and long-term	Consumers emphasize sustainable products or services more, and their attention to corporate ESG issues is increasing. If an enterprise fails to respond to the low-carbon economy trend and provide customers with more energy-saving and carbon-reducing products or services, it may be gradually eliminated from the market.	<ol style="list-style-type: none"> We integrate the concept of reducing environmental impact into all stages of product lifecycles, and continue developing energy-saving products. The R&D investment accounts for more than 3% of the operating revenue each year. In 2024, the innovation and R&D investment was NT\$188 million, accounting for 6.25% of the operating revenue.
		Rising raw material costs	Short-, mid- and long-term	Extreme weather events may lead to a shortage of raw materials, resulting in increased prices for suppliers. The cost of raw materials will increase the Company's operating costs and dilute profits, resulting in a decrease in competitiveness. The main materials of Ablerex's products are batteries, transformers, semiconductor electronic parts, plastic materials, iron shell PCB, wires and other components. The products' nature is of little relevance to climate change, and thus the rising prices of raw materials due to climate change have less impact on the Company's finances.	<ol style="list-style-type: none"> For the main raw materials in the supply chain, develop a backup or secondary supplier. Change production areas and conduct continuous development of power equipment and green products. For the stability of sources of supply for main and key materials, in addition to the localized purchase and R&D of alternatives, we also actively develop secondary and tertiary suppliers that we keep in contact with to be used as the countermeasure, or as preparation for future transactions, to complement our supply chain management. We maintain long-term, stable and good collaborative relationships with our suppliers. The suppliers currently working with the Company supply materials and goods as needed, without supply shortages or disruptions. No supplier supplies majority of goods, so that there is no risk of over-reliance on one supplier.
	Physical risks: Immediate risks	Increased severity of extreme weather events such as typhoons and floods	Short-, mid- and long-term	<ol style="list-style-type: none"> Excessive rainfall in a short period may cause flooding in the plant basement. Typhoon-strength winds may also cause damage to the related facilities in plants. In 2024, the loss of personnel expenses in Taiwan due to suspension resulting from typhoons was NT\$4,734 thousand. In addition to the costs of post-disaster recovery, extreme weather events may also lead to delays in the supply transportation schedule, and thus increase the transportation or inventory costs. The disruption of key components may lead to delays in customer delivery or even cause customer outages, resulting in risks of default penalties and reputation damage. The Company evaluates the number of days that may be affected by the possible disruption of operations resulting from extreme weather events and the severity of future extreme weather events to calculate the degree of impact on operating revenue. Upon the assessment, the potential financial impact is not considered to have reached the threshold of being a material financial impact as defined by the Company (a loss of 10% or more on the Company's annual operating revenue). 	<ol style="list-style-type: none"> The operating equipment in plants is located on the ground floor with elevated foundations, so there is little risk of flooding. Every year, typhoon response measures are implemented before typhoons, and plants conduct regular inspections, fix windows, and place sand bags at the entrances of basements, among other things. Localized production or operating sites are established for key markets, to shorten the supply chain, reduce transportation risks, and increase service speed. The supply sources of raw materials are increased to enhance the resilience of the supply chain.
	Opportunities: Resource efficiency	Use more efficient production and distribution processes	Short-, mid- and long-term	The high-efficiency plants are established, to optimize existing processes, automated smart processes have been introduced to help control costs and modularize procurement of materials, while simultaneously increasing production capacity and production efficiency to reduce operating costs.	<ol style="list-style-type: none"> The R&D of green product-related technologies are continuously promoted to meet customer demands, lead market demand, expand market share, and increase sales operating revenue. The carbon emissions in the production and distribution process are regularly assessed. Through energy-saving and emission-reduction projects, such as improving equipment efficiency, optimizing the production process and logistics planning, the greenhouse gas emissions are effectively reduced and the overall operating efficiency is improved.

5.2 Greenhouse Gas and Energy Management

Facing the severe challenges of climate change, enterprises around the world must continuously reduce greenhouse gas emissions during the operation process to mitigate the negative impact on the climate. To respond to the global net-zero trend, the carbon border mechanism in the western countries, and the Climate Change Response Act, Ablerex has formulated the “Energy and Resources Management Procedures;” “Waste Gas Treatment and Monitoring Management Procedures;” and “Environmental Supervision and Measurement and Testing Procedures”, for all employees to follow. The Corporate Governance and Sustainability Committee has been authorized to carry out supervision and management. All plants in Taiwan have also voluntarily conducted greenhouse gas inventory for many years. In 2024, they have passed the third-party verification of the ISO 14064-1 greenhouse gas inventory. Subsequently, we will continuously comply with requirements of the competent authorities and the ISO 14064-1 inventory every year as a reference for energy saving and carbon reduction.



Material Topics Greenhouse gas management

Importance to the Company

Complying with environment protection and social responsibility helps reduce costs, improve efficiency, shape a good corporate image, enhance competitiveness, and achieve the goal of sustainable development.

Policy / Commitment

1. Pay attention to the updated status of laws and regulations at all time. Review the Company's conformity to regulations and then develop various measures for regulatory compliance.
2. We integrate the concept of reducing environmental impact into all stages of product life cycles and work together with the supply chain to continue developing energy-saving products.

Short-term goals

Implement the Company's greenhouse gas inventory for each site in Taiwan.

Mid- and long-term goals

1. Quantitative management objectives for energy conservation and carbon emissions reduction: The GHG emissions intensity (metric tons/NT\$ million) of the previous year is the base period, and the emissions intensity should be reduced by 1% year by year.
2. In the future, we will also continuously evaluate Scopes 1 and 2 related risks and carbon reduction measures through the annual ISO 14064-1 greenhouse gas inventory results.

Resources invested and actual actions

1. Energy-saving lighting equipment
2. All photocopiers use eco-friendly cartridges.
3. Garbage classification is fully implemented
4. Visitors are given tea in washable mugs
5. Production documents are digitized to reduce paper consumption
6. Secondary paper is recycled and reused
7. ISO 14064-1 Greenhouse Gas Inventory is conducted annually

Performance results of 2024

1. Traditional lights were replaced with high-efficiency and energy-saving lights in 2024, and 58,428 kWh of electricity was saved, while reducing Scope GHG emissions by approximately 27.695 metric tons of 2 CO₂e/year.
2. Passed the ISO 14064-1 third-party verification in 2024.

Performance evaluation mechanism

Internal and external audit, the Sustainable Development Committee

Contact window

Pingtung Plant

Energy management

The types of energy used in 2024 included purchased electricity and diesel; and no renewable energy was used. Currently, the energy consumption is all for in-house use and not for sale, and the main energy consumption is purchased electricity (94.54%). Please refer to the table below for the electricity/oil consumption data of each of the Company's sites in Taiwan in 2024.

Energy consumption

Year	Internal energy consumption (GJ)			External energy consumption (GJ)		Total energy consumption (GJ)
	Purchased electricity	Diesel	Gasoline for company cars	Gasoline for private cars used for business purposes	Diesel for private cars used for business purposes	
2022	3,958.47	13.07	-	-	-	3,971.54
2023	3,684.52	11.34	72.38	114.43	-	3,882.67
2024	5,320.19	15.26	153.95	73.41	64.58	5,627.39

Note 1: 1 kWh = 3.6 MJ, GJ = 10⁹ J; 1 cal = 4.1868 J; the calorific value per liter diesel is 8,400kcal = 0.03516912 GJ, and the calorific value per liter gasoline is 7,800 kcal = 0.03265704 GJ. The calorific value of various types of energy and the liter oil equivalent are calculated based on the "Table of Calorific Value Per Unit Energy Product" announced by the Bureau of Energy, Ministry of Economic Affairs. Source: website of Bureau of Energy, MOEA (<http://www.moeaboe.gov.tw/>).

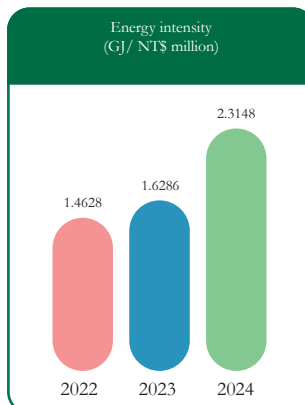
Note 2: The scope of the 2024 inventory covered the Company's locations in Taiwan (the Taipei headquarters, Hsinchu office, Taichung office, Tainan office, Kaohsiung R&D Center, and Pingtung Plants 1 and 2). This is different from the scope of the 2022 and 2023 inventories, where only the Taipei headquarters and Pingtung Plant 2 were inventoried.

Note 3: Gasoline for company cars is not included in the statistics because the data of 2022 is not available.

Energy intensity

Year	Total energy consumption (GJ)	Ablerex standalone revenue (NT\$ million)	Energy intensity (GJ/ NT\$ million)
2022	3,971.54	2,715	1.4628
2023	3,882.67	2,384	1.6286
2024	5,627.39	2,431	2.3148

Energy intensity = total energy consumption (GJ)/operating revenue (NT\$ million)



Energy management measures

1. Each operating site must comply with local energy regulations.
2. If possible, purchase equipment with energy-saving labels in the future, to reduce energy consumption.
3. The lighting in offices and plants will be all replaced with LED lighting.
4. In pantries, restrooms, and conference rooms, labels indicating to turn off lights when not needed are posted, to raise employees' awareness of the need to reduce energy consumption.
5. The water dispensers in the plants are set to not reheat from 12:00 a.m. to 6:00 a.m.
6. Previously, all working orders from production management were printed in hard copies. Now, production management adopts a systematic modularized operation, so no further printing of hard copy is required, thereby reducing paper consumption.
7. The old equipment in testing stations was replaced to reduce electricity consumption and save electricity.
8. The computer equipment in offices is set in power-saving mode. Once not in use for 5-10 minutes, computers will enter a low energy consumption mode.

Greenhouse gas management

Carbon dioxide is the main cause of global warming and climate change. Its characteristics produce a greenhouse effect. In recent years, a large amount of carbon dioxide has been emitted by humans, enabling the greenhouse effect to trap heat, and resulting in an increasing average temperature each year. In turn, this causes environmental problems such as glacial melting, sea-level rise, and the destruction of natural environments.

It is identified that the main greenhouse emission sources of Ablerex are electric power, transportation vehicles (diesel), cooling equipment (coolant) etc. Since 2023, the Company started to plan the coaching of ISO14064-1 certification, to inventory the GHG emissions in plants gradually, so that the GHG emissions and management trends could be better understood, and countermeasures could be taken early. In 2024, the Company has completed the ISO 14064-1 inventory report and verification. and will continuously evaluate Scopes 1 and 2 related risks and carbon reduction measures through the annual ISO 14064-1 greenhouse gas inventory results. In addition to carbon dioxide, Ablerex has not emitted ozone-depleting substances (ODS), Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions during its process.

◆ Direct greenhouse gas emissions (Scope 1)

The direct greenhouse gas emission sources of the Company include four major categories, namely: stationary combustion sources (e.g. diesel for emergency power generators), mobile combustion sources (e.g. diesel for company cars and forklifts), production and manufacturing processes (e.g. WD40, Kontakt PCC circuit board cleaning agent, and ECS for electronic contact oil sludge), and fugitive emission sources (e.g. dryers, refrigerators, air conditioners, septic tanks, aerosol fire extinguishers, foam fire extinguishers, CO₂ fire extinguishers, eco-friendly NAF fire extinguishers, automotive air-conditioners, dehumidifiers, water dispensers, ice-makers, and chillers).

◆ Indirect Energy (Scope 2)

Indirect greenhouse gas emissions from the energy input (purchased electricity) of the Company. Electricity consumption in the plants, offices, and public areas.

◆ Other indirect greenhouse gas emissions (Scope 3)

Including indirect greenhouse gas emissions generated by transportation (transportation of upstream raw materials and consumables procurement, including waste removal, employee commuting, and business travel); indirect greenhouse gas emissions generated by products used by the organization (purchased goods such as raw materials and consumables related to production in plants, and derived waste treatment processes in plants).

Statistics of Total Greenhouse Gas Emission

Unit: metric ton CO₂e/Year; %

Year of inventory	Scope 1					Scope 2		Scope 3		Total Greenhouse Gas Emission
	Emissions from stationary combustion sources	Emissions from mobile combustion sources	Fugitive emission	Emission of Scope 1	Percentage of Scope 1 emission sources	Scope 2 energy indirect emissions	Percentage of Scope 2 emission sources	Scope 3 indirect emissions	Percentage of Scope 3 emission sources	
2022	-	0.926	111.69	112.60	20.84%	427.70	79.16%	-	-	540.300
2023	0.1128	6.0787	51.4119	57.6034	7.52%	365.9762	47.76%	342.6696	44.72%	766.249
2024	0.1474	11.8725	110.0619	122.0818	8.35%	700.4922	47.90%	639.9827	43.76%	1,462.557

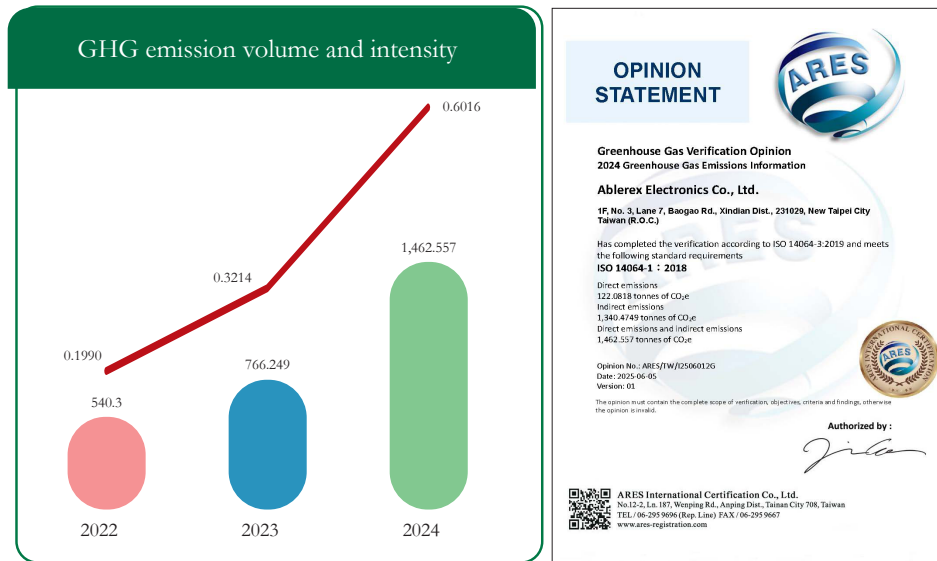
Note 1: According to the 2022 electricity carbon emission of 0.495 kg CO₂e, e announced by the Bureau of Energy, Ministry of Economic Affairs, the 2023 electricity carbon emission coefficient is 0.494 kg CO₂e, e, and the 2024 electricity carbon emission coefficient is 0.474 kg CO₂e

Note 2: National Greenhouse Gas Emission Coefficient Management Table 6.0.4 - announced by the National Greenhouse Gas Emission Factor Management Platform.

Note 3: GWP value published in IPCC AR6 (2021) assessment report

Note 4: The Company's 2022 greenhouse gas inventory data are estimated and calculated in-house, with only Scope 1 and Scope 2 included. Scope 1, Scope 2, and Scope 3 were included in 2023-2024, and the inventory results have been verified by a third-party ISO 14064-1 certification body.

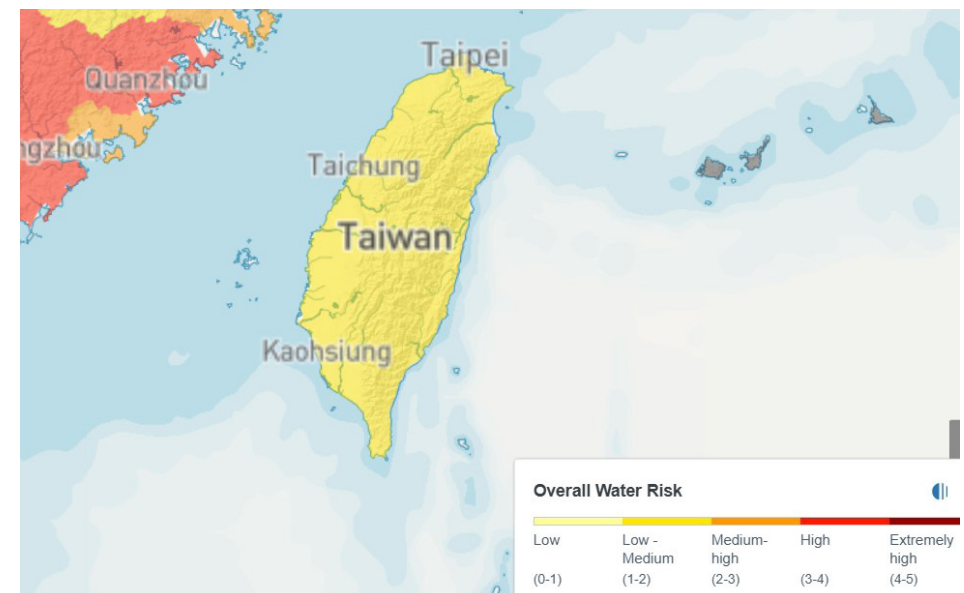
Note 5: The scope of the 2024 inventory covered the Company's locations in Taiwan (the Taipei headquarters, Hsinchu office, Taichung office, Tainan office, Kaohsiung R&D Center, and Pingtung Plants 1 and 2). This is different from the scope of the inventories in 2022 and 2023, where only the Taipei headquarters and Pingtung Plant 2 were inventoried.



Note 1: GHG emissions intensity = total GHG emissions (metric tons of CO₂e)/parent company only operating revenue (NT\$ million)
Note 2: In 2022 and 2023, only the Taipei headquarters and Pingtung Plant 2 were inventoried; in 2024, the scope of the inventory covered the Taipei headquarters, Hsinchu office, Taichung office, Tainan office, Kaohsiung R&D Center, and Pingtung Plants 1 and 2, where the base period is different from 2022 and 2023.

5.3 Water Resource Management

The geographical boundary of the water resources statistics of the Report of Ablerex covers seven operating sites in Taiwan, including the headquarters in Xindian District, New Taipei City, offices in Hsinchu/Taichung/ Tainan, Kaohsiung R&D Center, and Pingtung Plants 1 and 2. The results from the scenario simulation analysis by using the Aqueduct tool of the World Resources Institute (WRI), all operating sites are in low stressed water resource zones in 2030; regarding the sources of water withdrawal, except for the Taichung Office, where groundwater is withdrawn, the water sources of the other six operating sites are all water from a third-party, i.e. tap water, which is freshwater ($\leq 1,000$ mg/L of total dissolved solids). No water is withdrawn from seawater, ground water, or water output, among other water sources. Surrounding areas of all operating sites are not ecological conservation areas, so there is no significant impact on the ecological environment of the local water sources.



In order to fulfill social responsibilities and respond to the issue of global water shortages, the Company has the management objective of per capita water use intensity (thousand liters/person) of the previous year as the base period, and reduces the water consumption intensity of the corresponding period of the current year by 1%. The water consumption intensity in 2024 was 0.0028 million liters/NT\$ million of revenue, and the water consumption intensity was 0.0024 million liters/NT\$ million of revenue in 2023. The implementation of water consumption management measures effectively reduced the waste of water resources, and we will maintain such efforts. The scope of the 2024 inventory covered the Company's locations in Taiwan (the Taipei headquarters, Hsinchu office, Taichung office, Tainan office, Kaohsiung R&D Center, and Pingtung Plants 1 and 2). This is different from the scope in 2022 and 2023, where only the Taipei headquarters and Pingtung Plant 2 were inventoried. Therefore, the water consumption intensity of 2024 is not comparable to that of 2023 due to different calculation basis.

The manufacturing of Ablerex's products is an assembly model. There is

no large amount of industrial water consumption or wastewater discharge in the office and plant area. There is only domestic wastewater generated from the domestic water of the employees. The wastewater discharged from the office area is discharged to the sewage system pursuant to the regulations. The wastewater discharged from the Pingtung plants is discharged to the wastewater treatment plant in the industrial zone for treatment. The wastewater from the plant area is regularly monitored according to the laws and regulations (such as the Water Pollution Control Act). The affluent from the plant area is sampled at the Company's outdoor discharge wells once every six months for water quality testing.

Results of water quality test in the plant area

Testing item	pH value	COD	SS
Regulatory standards	6.0–9.0	540	180
2023	7.7–8.0	103–221	17.6–49.3
2024	7.8–8.0	144–192	17.7–36.3

Note 1: Total number of tests was 10, and the data is from the lowest to the highest test value in the year.



Statistics of water resource consumption

(Unit: million liters (ML))

Year	Total water withdrawal (ML)	Total water discharge (ML)	Total water consumption (ML)	Ablerex standalone revenue (NT\$ million)	Water use intensity (ML/NT\$ million)
2022	5.869	5.869	0	2,715	0.0022
2023	5.676	5.676	0	2,384	0.0024
2024	6.825	6.825	0	2,431	0.0028

Note 1: The scope of the 2024 inventory covered the Company's locations in Taiwan (the Taipei headquarters, Hsinchu office, Taichung office, Tainan office, Kaohsiung R&D Center, and Pingtung Plants 1 and 2). This is different from the scope of the inventories in 2022 and 2023, where only the Taipei headquarters and Pingtung Plant 2 were inventoried.

Note 2: The Taichung Office used tap water from January to April 2024, but because it is located in a commercial office building, there is no independent water meter to track the water intake; after relocating to the current location, from May to December 2024, groundwater was used and no water meter was installed. Therefore, the water intake of the Taichung Office was estimated based on the 2024 tap water domestic water consumption statistics announced on the official website of the Water Resources Agency, Ministry of Economic Affairs. The estimation formula is the daily domestic water consumption per person in Taichung City of 291 (L)/24 hours * 4 employees * 245 working days * 9 hours of water use per day (8 working hours plus 1 hour lunch break) and converted to million liters.

Note 3: Water consumption intensity: total water withdrawal / Ablerex's parent-company only revenue

Water resource management measures

- Promote water-saving measures, including recycling and reusing, and enhance the efficiency of water use equipment:
 - Replace and update old pipelines from time to time.
 - The water dispensers are regularly replaced with filters to ensure water safety.
 - Check the water leakage from time to time to avoid unnecessary waste of water resources, and in case of leakage, troubleshooting is immediately performed.
 - Encourage employees to take water-saving measures in their daily work.
- The toilets equipped with automatic sensors for flushing can adjust the water volume automatically according to uses.
- The information on water-saving, power consumption, treasuring resources are announced through posting on billboards or e-mails from time to time. In the orientations or trainings to existing employees for correct water using knowledge.
- When replacing sanitary equipment, purchase those with a water-saving label, and install water-saving devices on hand washing sinks.
- In the future, we are considering installing water-saving fountains and energy-saving sprinklers on the faucets in pantries to spring mists, to save water
- We are considering replacing all faucets in restrooms with sensing faucets in the future. Only when hands are sensed at the faucet, the sensing faucet provides water.

5.4 Waste Management

Ablerex has formulated the "Waste Management Procedures" to comply with the relevant national waste management laws and regulations, and promises that the products do not use prohibited substances and raw materials, while actively promoting waste reduction. From design to production, waste generation is reduced as much as possible, such as digitization of production reports, improvement of the maintenance team's ability to replace parts during maintenance to avoid direct scrapping of abnormal panels, implementation of low-carbon procurement as a principle, as much local procurement as possible with local suppliers being our priority, and implementation of resource classification and recycling.

The management objectives for waste generated from design to production are that the waste intensity (metric tons/NT\$ million) in the previous year is the base period, and the waste intensity shall be reduced by 2% year by year. The scope of the 2024 inventory covered the Company's each site in Taiwan (the Taipei headquarters, Hsinchu office, Taichung office, Tainan office, Kaohsiung R&D Center, and Pingtung Plants 1 and 2). This is different from the scope in 2022 and 2023, where only the Taipei headquarters and Pingtung Plant 2 were inventoried. Therefore, the water consumption intensity of , 2024 is not comparable to that of 2023.

Ablerex belongs to the alternative electronics industry, and product manufacturing is mainly the assembly model. The types of waste sources in the overall operation activities and manufacturing process include general industrial waste and hazardous industrial waste. General industrial waste includes domestic waste, and hazardous industrial waste includes waste electronic components, scraps and defective products generated by plants, and PCB waste materials and powders containing metal. All wastes generated in plants are first treated centrally, classified, and weighed, and then disposed of and recycled for reuse by qualified professional third-party disposing, treating, and recycling contractors according to the type of waste.

Before working with third-party disposing, treating, and recycling contractors, Ablerex will first check the industrial waste declaration and management information system "Inquiry for License Information" and the resource reuse management system "Inquiry for Licensed Reuse Institutions" of the Resource Circulation Administration, Ministry of Environmental Protection, to confirm that the contractor has obtained the local government's approval and the relevant licenses are issued and are still valid. Only after reviewing the relevant licenses and certificates, will the Company sign a contract with the contractor for the disposal of waste, or commission them for the disposal of waste.

Disclosure of product life cycle management

- (1) The weight of related scrapped products and electronic waste is shown in the table above, and qualified third-party vendors are commissioned to clear and transport them.
- (2) No generated waste is currently recycled, so the recycling percentage is 0%.

The platform is monitored as follows

事業廢棄物即時監控平台	
聯單編號	T42B015711300025
事業機構	盈正豫順電子股份有限公司屏東二廠
處理機構	屏東縣琺瑯垃圾資源回收廠
開始時間	2024/12/25 10:11:00
結束時間	2024/12/25 12:39:00
車號	KEP-5193

Total weight of waste in the year

Type	Item of waste	Total waste weight of the year (ton)			Treatment method	Off-site/on-site treatment
		2022	2023	2024		
Hazardous industrial waste ^[1]	Waste electronic component parts, scraps and defective parts	0.0900	0.1470	0.1000	Physical	Off-site
	PCB waste and powder containing metal	0.1100	0.0630	0.1200	Physical	Off-site
General industrial waste - domestic garbage ^[2]		5.1700	5.2400	88.9945	Incineration	Off-site
General industrial waste - slurry		-	-	2.6600	Landfill	Off-site
Total weight		5.3700	5.4500	91.8745	Note: Unit: Metric ton	
Ablerex standalone revenue		2,715	2,384	2,431	Note: Unit: NT\$1 million	
Waste intensity		0.0020	0.0023	0.0378	Note: Unit metric tons/NT\$ million	

Note1: Only Pingtung Plant 2 currently has "hazardous industrial waste" items. The data are from the annual total weight of the third-party disposal company based on the disposal order copies.

Note2: The data for "general industrial waste - domestic waste" in Pingtung Plant 2 also come from the annual total weight of the third-party disposal company based on the disposal order copies. The years of the statistics are 2022 - 2024. From 2024, the statistics of the remaining sites are based on the consolidated estimate of the average amount of general waste per person per day published by the Ministry of Environment, and the estimation method is the number of employees x 9 hours of working time per person x general waste generation).

Compliance with Environmental Protection Laws

Based on the characteristics of the industry, Ablerex has obtained the ISO 14001 Environmental management system certification to reinforce the operations management of the environment, safety and health in factory areas, and taken actions to respond to environmental impact. There is no major source of pollution in the production process. However, in response to changes in laws and the needs of operation and management, we have assigned dedicated personnel in charge of environmental protection who check the status of regulatory changes from time to time to determine whether the Company's operations are affected. The Company's waste water discharge and waste disposal are handled in accordance with relevant laws and regulations, and the leftover, scrap, and waste generated in the production process are entrusted to qualified recycling operators for further treatment. All employees follow the management standards for environmental protection, safety and health. In 2024, the Company was not fined or sanctioned for pollution, violating environmental laws and regulations or being involved in litigations.





6 Employee Care and Social Participation



6.1 Employee Rights and Labor Relations

Ablerex believes that our employees are the Company's most important assets. Employees are provided with a safe, healthy and high-quality work environment. Investment in and cultivation of talents help them maximize their potential in job performance. Providing comprehensive remuneration and benefits and creating a worry-free workplace with transparent and appropriate labor-employer communication practices can build friendly labor-management relations and help the Company continue to grow.

6.1.1 Remuneration and benefits

The Company has formulated the Work Rules in accordance with the Labor Standards Act. The content includes salary, bonuses, working hours, leave, attendance and performance assessments, welfare measures, etc., and it clearly defines the rights and obligations of both employers and employees, so that they can work together to find more growth. According to the Articles of Incorporation, the Company shall allocate 6% to 10% of the profit of the year for employee bonuses. In addition, the Remuneration Committee consolidates relevant company policies, employee performance appraisal systems and corporate social responsibility policies every year, and takes the policies, practices, standards and structure into the consideration for remuneration. In 2024, the average salary of the non-officer full-time employees increased, indicating that the Company is willing to let employees share in its growth and success.

Material Topics

Salaries and Benefits

Importance to the Company

Good labor-employer communication helps boost the trust and cooperation between the Company and its employees, and improves work satisfaction and team cohesion, thereby enhancing productivity and corporate competitiveness. A comprehensive salary and benefits system is the key to attracting and retaining outstanding talent, and is helpful to motivate employees to unleash their potential, thus creating a higher value. Through a fair salary system and effective communication mechanism, not only labor disputes are reduced, but also a harmonious working environment is created to ensure the stable development of the Company.

Policy / Commitment

1. Legal compliance: The internal personnel administration and management comply with the local labor laws and regulations of each operating location.
2. Regular communication and dialogues between both parties: Promote information exchanges and maintain good labor-employer relations.
3. Internal diversified communication framework established: enables employees to fully express their opinions, and the Company also responds in a timely manner to create policies for implementation
4. 0.15% of the Company's total monthly operating revenue is appropriated as the benefit fund

Short-term goals

1. Labor-employer meetings are held quarterly in accordance with the law, to discuss major labor-employer related matters
2. Welfare Committee: holds meetings from time to time to decide the Company's benefit measures such as travel and year-end banquets
3. Reduction of turnover rate: the target is below 15%

Mid- and long-term goals

1. Continuous and effective communications: labor-employer meetings are regularly held to ensure that both parties can communicate fully and enhance trust and cooperation.
2. Optimization of the salary structure: the salary level is adjusted according to market trends and corporate development to ensure that employees receive competitive remunerations and increase the retention rate.
3. Comprehensive benefits and incentive system: diverse benefits are provided, such as health management and career development, to enhance employee satisfaction and loyalty.

Resources invested and actual actions

1. Salary policy: monthly salary, employee bonuses, employee stock warrants, project bonuses, performance bonuses, and bonuses for three major festivals (Dragon Boat Festival, Mid-Autumn Festival, and year-end bonus)
2. Leave policy: two days off per week, annual leave, paternity leave, family care leave, and parental leave, etc.
3. Insurance policy: monthly contributions to new/old system pensions, labor insurance, health insurance, occupational accident insurance, regular health examinations, among other things
4. Activities organized by the Employee Welfare Committee Domestic/foreign travel, birthday monetary gift, subsidies for wedding, funeral, celebration, childbirth, and hospitalization, year-end banquets, and gifts or cash subsidies for the three major festivals

Performance results of 2024

1. In recent years, labor-employer relationships have been harmonious. No labor dispute occurred in 2024, and no losses have been caused by labor disputes.
2. In 2024, four labor-employer meetings were held in accordance with the law: 2024/3/8, 2024/6/3, 2024/9/6, and 2024/12/6
3. In 2024, the Company allocated NT\$3.65 million into the employee benefit fund

Responsible department/Complaint contact information

Information and Human Resources Department 02-29176857 ext. 276
Email : yaohung@ablerex.com.tw

Proportion of senior management hired from the local community

Remuneration at main business locations of Ablerex and the employment of local residents as senior officers:

Employment situation	Number of people/Percentage
Local senior management	17
All senior managers	17
Proportion of senior management hired from the local community	100%

Average and median salary of non-officer full-time employees

Unit: person / NT\$ thousand

Full-time non-officer employees	Number of employees	Average annual salary	Median of annual salary
2023	333	796	690
2024	334	817	724
Difference	1	21	34

Ratio of the standard salary of non-executive employees of different genders to local minimum wage

Type of junior staff	Gender	Ratio of standard salary to local basic wage
Taiwan	Male	1: 1
	Female	1: 1

Note: Junior staff are defined as cleaning personnel and on-site operators

Ratio of the basic salary plus remunerations of women to that of men

Ratio of basic salary and remuneration			2022		2023		2024	
Key locations of operations	Employee Type	Item	Male	Female	Male	Female	Male	Female
Taiwan	Direct	Basic salary	1	0.99	1	0.94	1	1
		Remunerations	1	0.99	1	0.95	1	1.01
	Indirect	Basic salary	1	0.77	1	0.81	1	0.79
		Remunerations	1	0.75	1	0.80	1	0.78

Note: The statistics are based on the salary of the month at the end of each year. The base salary is the principal salary, and the remuneration includes all allowances

Employee benefit measures and implementation

In terms of employee benefits, to promote the work efficiency of employees, we provide various incentive policies, benefit measures, and a comfortable office environment. Various employee welfare activities are also organized from time to time to help employees reduce work pressure and enhance positive interactions among employees. The Company has established an Employee Welfare Committee. In 2024, the Company allocated approximately NT\$3.65 million as various employee benefits, such as domestic and overseas employee travel subsidies, year-end banquets, birthday monetary gifts, subsidies for weddings, funerals, celebrations, festivals and benefits, childbirth allowance, establishment of a fitness center and sports equipment purchases. In addition, the Company also provides employees with a free health examination plan to properly take care of their physical and mental health.

Item	Descriptions
Fitness centers	The Plant and the R&D Department provide sports equipment for employees to use.
Parking spaces	Free parking spaces for motorcycles and some parking spaces for cars.
Travel, hiking, and year-end banquet	The Welfare Committee organizes domestic and overseas trips and year-end banquets every year.
Subsidies for employees' weddings, funerals, celebrations, and festivals	The subsidies are given pursuant to the Compilation of the Company's Welfare Committee Management Rules [Rules for Paying Subsidies for Wedding, Funeral, and Festival and Benefits].
Hospitalization condolence allowance	The subsidies are given pursuant to the Compilation of the Company's Welfare Committee Management Rules [Rules for Paying Subsidies for Wedding, Funeral, and Festival and Benefits].
Employee health examinations	Employee health examinations and special examinations are held as required by laws and regulations.
Birthday monetary gifts	The Welfare Committee gives monetary gifts to each employee in the month of his/her date of birth.
Labor and health insurance and group insurance	Since the employees come on board, they are entitled to the labor insurance, the national health care insurance, and some field staff are entitled to the group insurance

Other benefits



Employee rewards

1. According to Article 25-1 of the Articles of Incorporation, the Company shall allocate 6% to 10% of the profit of the year as employee remuneration based on the performance of the year.
2. In accordance with the "Regulations for the Payment of Year-end Bonus," the bonuses are paid based on the Company's annual operating performance, financial position and individual work performance, to reward employees for their efforts.



Leave and attendance

Regarding the leave system, in addition to the fixed weekend days-off, employees who have worked for one full year are entitled to seven days of special leave. Employees who have worked for six full months are entitled to three days of special leave. For employees in need of a longer leave time in case of childcare, major injury/disease, or major accident, they may apply for an unpaid leave of absence to take care of their personal and family needs.



Insurance and Health

◆ Insurance

The Company's employees are covered by labor insurance and national health insurance from the onboarding date; some field staff are entitled to the free group insurance (medical insurance for accidents)

◆ Free health examination

The Company provides employees with a general health examination once every three years and a special physical examination every year in accordance with the law.

- ◆ Stationed doctors come to the plants to provide employees with health consultation services on a regular basis. For personnel found to be at high-risk from the examinations, the stationed doctors and nurses will follow up and provide health guidance.



Employee travel subsidies

The Welfare Committee provides annual travel subsidies, available to employees to relieve work pressure and enhance positive interactions with their family members.



Fitness centers



Health examinations and lectures



Employee travels

Year-end banquet party of 2024

The event was held in Dianhua Hall in Xinzhuang. The chairman generously gave out year-end bonus red envelopes to reward everyone for their hard work and joint efforts in achieving the good performance, and the employees also joyfully participated in singing and dancing and enjoyed the fine dining and delicacies on offer.



Retirement system and implementation progress

The company established employee retirement regulations according to the Labor Standards Act, and the company also appropriates a certain ratio of pension reserve according to the total amount of salary payment on a monthly basis in compliance with the Regulations for the Allocation and Management of the Workers' Retirement Reserve Funds, and the pension reserve is deposited into the Bank of Taiwan (Trust Department) for utilization such that during the actual payment of pension, in case where the reserve account is insufficient for the payment, the deficit part is listed as an expense of the current period.

Since July 1, 2005, in accordance with the implementation of the Labor Pension Act, (hereinafter referred to as the "New System"), the service years of employees with the applicability of the old system for the payment of pension choose the use of the New System, or the service years of employees on board after the implementation of the New System change to use the affirmed appropriation system, then the payment of the pension shall be handled by the company by appropriating no less than 6% of the monthly wage on a monthly basis to be deposited into the employees' personal labor pension account. For the affirmed appropriation pension part, the company shall appropriate 6% of the monthly wage of the employee to the Bureau of Labor Insurance according to the regulations of the Labor Pension Act, and the appropriated amount is listed as an expense of the current period. At the end of each year, the actuary estimates the number of people close to retirement to calculate the allocation amount, which has been fully allocated in 2024.

6.1.2 Employee Communication

The Company's employees can participate in the Company's management and express their opinions through different channels. The Company has not yet established a labor union or signed a collective bargaining agreement group agreement. However, the Company has regularly implemented labor-employer meetings in accordance with the law, with diverse communication channels in place. Through two-way communications, employees can fully express their opinions, and the Company can respond in a timely manner and turn their suggestions into policies for implementation. Meanwhile, the Company provides a grievance filing system. In accordance with Article 23 of the "Ethical Corporate Management Best Practice Principles", whistleblowers are protected from inappropriate treatment due to their grievance filing. In 2024, there were no labor disputes nor employee complaints filed, and thus no losses sustained due to any labor dispute.

(Note: As of 2024, the Company has not experienced a large-scale lay-off. If it occurs, the Company will notify employees 60 days in advance pursuant to the Act of the Protection of Employees During Mass Redundancy.

Communication Channels of Ablerex

Communication channel	Function	Responsible department
Laborer and employer meeting	Labor rights or policy communication	Representatives from labor and employer
Employee complaints	Develop good labor-employer relations and listen to employees' needs and expectations	Head of human resources
Prevention of sexual harassment	Prevention of sexual harassment and protection of victims' rights and interests	Head of human resources
Anti-corruption reporting	Anti-corruption reporting to maintain the culture of ethical management	Head of human resources
Official website	Policy announcement	Head of human resources
Factory manager's email	Establish various one-way/two-way communication methods and assist employees to solve problems	Factory manager

Four labor-employer meetings were held in 2024. Representatives from the two parties discussed labor and employer rights and interests and related policies. In 2024, the Employee Welfare Committee organized a domestic employee travels. The labor-employer meeting held in December 2024 disseminated information on new regulatory policies in response to the change in the rate table of the National Health Insurance introduced by the National Health Insurance Administration of the Ministry of Health and Welfare, which was adjusted to NT\$28,590 due to the increase in basic wage starting January 1, 2025.

6.1.3 Employee diversity

AblereX is committed to providing employees with a dignified and safe working environment, and implementing a culture of diversity, remuneration and promotion opportunities, to ensure that employees will not be discriminated against, harassed or treated unfairly for any reason, such as race, gender, religious beliefs, age, political orientation and other conditions. The Company values the rights and benefits of employees and shares the profits and earnings with employees. The Company maintains a good working environment, including comprehensive physical, mental, and spiritual care for various groups: (1) Employing physically challenged employees and assigning them suitable jobs and facilities; (2) Implementing projects for selection, cultivation, employment and dismissal, cultural inclusion, and health and safety; and (3) Implementing a friendly workplace, regardless of gender, to provide employees with a safe working environment.

The Company complies with the regulations on the amount of employees with disabilities as specified in the People with Disabilities Rights Protection Act. In 2024, we hired 7 employees with disabilities, more than the legal requirement. In addition, we actively implemented equal remunerations and equal promotion opportunities for both genders, to facilitate sustainable and inclusive economic growth. From 2022 to 2024, we have maintained over 10% of female officers for three consecutive years. In 2024, female employees accounted for 23.92% of all employees and female officers accounted for 11.76% of all officers. Over 90% (91.64%) of the employees possess a college degree or above, and over 70% (89.05%) of them are under 50 years old. This indicates that the Company has a stable talent pool.

Employees Diversity Statistics

Human Resources Structure - employment type composition

Year			2022		2023		2024	
Number of total employees			332		343		347	
Type	Group	Gender	Number of people	Percentage in all employees	Number of people	Percentage in all employees	Number of people	Percentage in all employees
Job duties	Senior management level (officers)	Male	15	4.52%	15	4.37%	15	4.32%
		Female	2	0.60%	2	0.58%	2	0.58%
		Subtotal	17	5.12%	17	4.96%	17	4.90%
	Intermediate management level	Male	91	27.41%	93	27.11%	104	29.97%
		Female	10	3.01%	11	3.21%	10	2.88%
		Subtotal	101	30.42%	104	30.32%	114	32.85%
	Professionals	Male	64	19.28%	66	19.24%	64	18.44%
		Female	23	6.93%	22	6.41%	27	7.78%
		Subtotal	87	26.20%	88	25.66%	91	26.22%
	Technicians	Male	81	24.40%	91	26.53%	81	23.34%
		Female	46	13.86%	43	12.54%	44	12.68%
		Subtotal	127	38.25%	134	39.07%	125	36.02%
Total		332	100.00%	343	100.00%	347	100.00%	

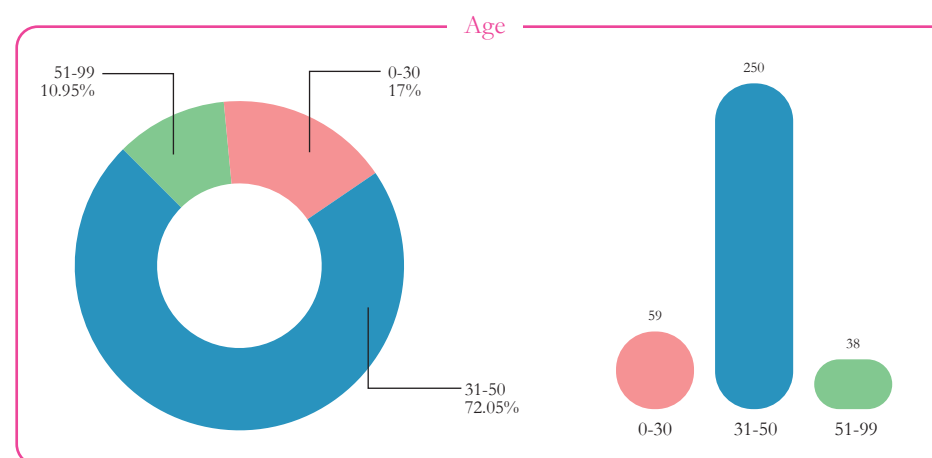


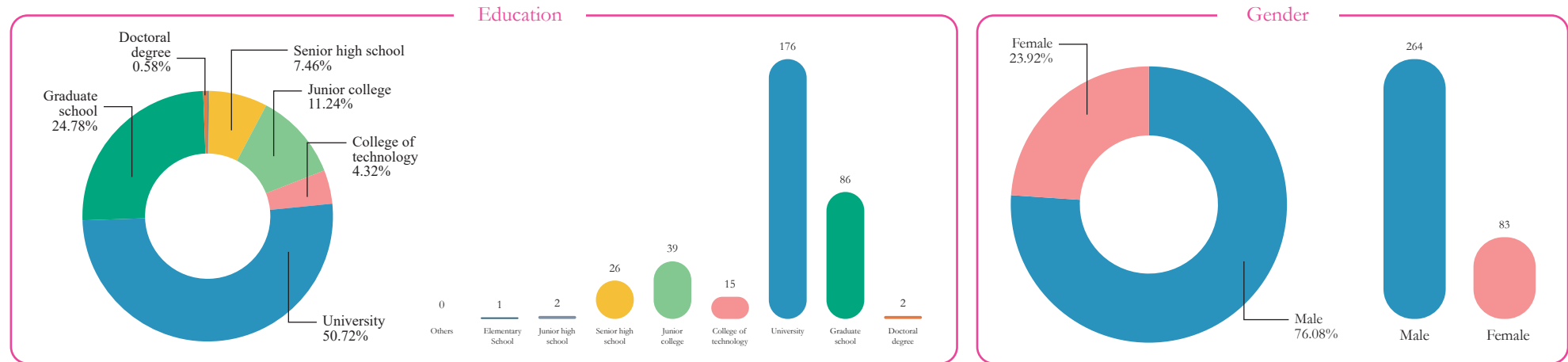
Human Resources Structure - education composition

Year			2022		2023		2024	
Number of total employees			332		343		347	
Type	Group	Gender	Number of people	Percentage in all employees	Number of people	Percentage in all employees	Number of people	Percentage in all employees
Education	Senior high school and below	Male	13	3.92%	15	4.52%	17	5.12%
		Female	13	3.92%	12	3.61%	12	3.61%
		Subtotal	26	7.83%	27	7.87%	29	8.36%
	Junior college	Male	24	7.23%	24	7.23%	22	6.63%
		Female	16	4.82%	16	4.82%	17	5.12%
		Subtotal	40	12.05%	40	11.66%	39	11.24%
	College of technology	Male	12	3.61%	13	3.92%	11	3.31%
		Female	4	1.20%	6	1.81%	4	1.20%
		Subtotal	16	4.82%	19	5.54%	15	4.32%
	University	Male	120	36.14%	130	39.16%	134	40.36%
		Female	41	12.35%	34	10.24%	42	12.65%
		Subtotal	161	48.49%	164	47.81%	176	50.72%
	Graduate school	Male	79	23.80%	81	24.40%	78	23.49%
		Female	7	2.11%	10	3.01%	8	2.41%
		Subtotal	86	25.90%	91	26.53%	86	24.78%
	Doctoral degree	Male	3	0.90%	2	0.60%	2	0.60%
		Female	0	0.00%	0	0.00%	0	0.00%
		Subtotal	3	0.90%	2	0.58%	2	0.58%
	Total			332	100.00%	343	100.00%	347

Human Resources Structure - age composition

Year			2022		2023		2024	
Number of total employees			332		343		347	
Type	Group	Gender	Number of people	Percentage in all employees	Number of people	Percentage in all employees	Number of people	Percentage in all employees
Age	0–30 years old	Male	46	13.86%	47	13.70%	49	14.12%
		Female	15	4.52%	10	2.92%	10	2.88%
		Subto- tal	61	18.37%	57	16.62%	59	17.00%
	31–50 years old	Male	188	56.63%	199	58.02%	192	55.33%
		Female	53	15.96%	54	15.74%	58	16.71%
		Subto- tal	241	72.59%	253	73.76%	250	72.05%
	51–99 years old	Male	17	5.12%	19	5.54%	23	6.63%
		Female	13	3.92%	14	4.08%	15	4.32%
		Subto- tal	30	9.04%	33	9.62%	38	10.95%
Total		332	100.00%	343	100.00%	347	100.00%	





Statistics of employee change

The basic employee structure of new hires, resignations and age status is as follows. The Company's operations are stable, and it continuously maintains various employee benefits and talent cultivation programs, with the turnover rate reduced year by year.

Total number and percentage of new recruits

Year			2022		2023		2024	
Number of total employees			332		343		347	
Item	Age range	Gender	Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
New hires	0–30 years old	Male	20	6.02%	19	5.54%	17	4.90%
		Female	4	1.20%	1	0.29%	3	0.86%
		Subtotal	24	7.23%	20	5.83%	20	5.76%
	31–50 years old	Male	22	6.63%	24	7.00%	10	2.88%
		Female	3	0.90%	14	4.08%	10	2.88%
		Subtotal	25	7.53%	38	11.08%	20	5.76%
	51–99 years old	Male	0	0.00%	1	0.29%	0	0.00%
		Female	0	0.00%	0	0.00%	2	0.58%
		Subtotal	0	0.00%	1	0.29%	2	0.58%
	Total		49	14.76%	59	17.20%	42	12.10%

Number and percentage of employees resigned

Year			2022		2023		2024	
Number of total employees			332		343		347	
Item	Age range	Gender	Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
Re-signed	0–30 years old	Male	11	3.31%	10	2.92%	9	2.59%
		Female	1	0.30%	2	0.58%	1	0.29%
		Subtotal	12	3.61%	12	3.50%	10	2.88%
	31–50 years old	Male	28	8.43%	18	5.25%	17	4.90%
		Female	10	3.01%	13	3.79%	9	2.59%
		Subtotal	38	11.45%	31	9.04%	26	7.49%
	51–99 years old	Male	0	0.00%	1	0.29%	0	0.00%
		Female	0	0.00%	0	0.00%	2	0.58%
		Subtotal	0	0.00%	1	0.29%	2	0.58%
	Total		50	15.06%	44	12.83%	38	10.95%



Employee ethnic indicators

Type	Number of people	Percentage in all employees
Nationality of ROC	343	98.85%
Nationality of Japan	4	1.15%

Indicators of female diversity

Type of target	2024
Percentage of female employees	23.92%
Percentage of female officers	11.76%

Other diversity indicators

Type	As a percentage of full-time employees
People with disabilities	2.02%
Indigenous people	0.86%

6.1.4 Human rights policy

Human rights policy

The Company values the promotion of labor and business ethics policies. The Company has adopted the principles of the GRI Standards for sustainability reporting issued by the Global Reporting Initiative (GRI) in 2021 to establish and implement human rights-related policies, and followed the Labor Standards Act, the Employment Service Act, the Act of Gender Equality in Employment and other relevant regulations promulgated by the competent authority to formulate the Company's Work Rules to define the rights and obligations of the Company and its employees. It is believed that every employee should be treated equally and with respect, and we have established the Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at the Workplace and channels for grievance filing to protect the rights and interests of female employees.

Human rights assessment

The Company is committed to sustainable development and operation, and also pays attention to enhancing the concern for people and the environment, and undertakes and promotes social responsibility for employees, consumers and the overall environment. In order to fulfill the commitment to providing a safe and healthy workplace, an environmental, occupational and health management unit has been set up to manage employees' occupational safety and health operations, and regularly hold general health inspections for current employees. The Company also established the "Supplier Social Responsibility Rules" jointly with its cooperating partners and has them sign the CSR Commitment in order to expand the Company's influence and the influence of CSR throughout the supply chain.

Human rights concerns and practices

◆ Comply with local government regulations and international standards

We abide by ethical standards as well as the standards of local government regulations and international standards, providing employees firm assurance when performing their business activities.

Ablerex complies with the government laws and regulations of each region in which it operates. In case of any major changes in the Company's operations such that the rights and benefits of employees may be affected, or where there is a major change in the duties of employees, the company will provide advance notice and discussions.

If an employment contract is to be terminated, the advance notice period is provided according to the Labor Standards Act as follows:

- Where an employee has worked continuously for more than three months but less than one year, the notice shall be given ten days in advance.
- Where an employee has worked continuously for more than one year but less than three years, the notice shall be given twenty days in advance.
- Where an employee has worked continuously for more than three years, the notice shall be given thirty days in advance.

◆ Prohibit unlawful discrimination to reasonably ensure equal job opportunities

The Company ensures equal treatment in hiring, remuneration and benefits, training opportunities, promotion, dismissal or retirement and other labor rights matters, and does not discriminate on the basis of age, gender, physical and mental disability, ethnicity, race, nationality, religion or other status, etc.

◆ Prohibition of child labor

In case where the company and suppliers are subject to the condition of employing child labor (age above 15 but less than 16 years old according to the Labor Standards Act), then it shall be handled according to the relevant regulations of the Labor Standards Act. In addition, it is strictly prohibited to employ child labor in the period from 8:00PM to 6:00AM of the



next morning and from performing heavy and hazardous work, in order to comply with the Item 138 of the International Labour Convention and the contents of the Convention on the Rights of the Child of the United Nations. The Company complies with laws and regulations and has not employed child labor.

◆ Prohibition of inhumane treatment

The Company prohibits physical harm, inappropriate corporal punishment, threats of physical, sexual and other harassment, verbal violence or any other form of intimidation.

◆ Prohibition of forced labor

The Company specifies that the working hours (including overtime) shall not exceed the regulations of the local laws, and one rest day shall be provided in seven working days. The company establishes the attendance system in order to list abnormal attendance conditions. In addition, dedicated personnel are designated to review records of abnormality. Relevant unit supervisors are informed to understand the working conditions of employees and to make appropriate working arrangements in order to care for the health of employees and the quality of their family lives.

◆ Respect employees' freedom of association and collective bargaining

We respect employees' freedom of association and collective bargaining. According to the Labor Union Act, employees have the right to organize and join labor unions. Current employees have formed the Employee Welfare Committee to facilitate various measures for employee welfare.

◆ Provide a safe and healthy work environment

Employee health is the greatest fortune of an enterprise! Regarding occupational health promotion, the company provides a complete health and safety program in order to increase its corporate sense of honor and responsibility, to establish its corporate image and to implement corporate social responsibility. For employees, it does more than simply provide a safe and healthy working environment; it is also able to improve the em-

ployee morale, to enhance health, and to increase work satisfaction, in order to expand the benefit to families and communities, creating a win-win situation.

◆ Physical and mental health and work balance

The company provides a gym in order to allow employees to improve physical strength during their free time. In addition, the company also provides general physical examinations to all of the employees once every three years, and the cost for such examination is borne by the company. As for safety, the company organizes on time labor safety, health and fire safety training once every half year. To monitor the office environment quality, we implement office area cleaning and maintenance according to the annual plan in order to perform environmental disinfection operations. We also periodically appoint professional institutions to perform water quality testing on the drinking water of the drinking machines. In view of the above, the company provides a healthy, safe and sanitary environment to employees.

Mitigation measures for human rights risks

◆ Training practices for human rights protection

➤ Provide relevant regulations for training new hires

The Company arranges training programs for new hires, which include the company profile, business philosophy, quality policy, work rules, employee ethics and code of conduct, management of personal data protection, employee environmental safety and health, ethical management, CSR principles, supplier social responsibility principles, human rights policy, internal material information handling and insider trading management regulations, product introduction, information security risk management, respect for intellectual property rights, welfare and other courses, so that employees can understand the corporate culture, vision and work environment. The relevant measures are placed on the Company's website and internal system for all employees to follow.

- Provide communication channels for employee opinions or grievance filing

The Company prohibits physical harm, inappropriate corporal punishment, threats of physical, sexual and other harassment, verbal violence or any other form of intimidation. Establish internal and external feedback or grievance filing channels.

- Occupational safety training

The company holds labor safety and health and fire safety training every six months to enhance the awareness of environmental, industrial and health concepts. Occupational safety and health personnel may apply for continued training in accordance with the regulations of the competent authority to ensure continuous improvement.

◆ Number of participants in training related to promotion of human rights protection

- In 2024, a total of 36 people participated in the orientation promoting human rights policy concerns and practices, for a total of 144 hours. All related regulations are made clear to employees through promotions to in-service employees from time to time.



6.1.5 Care in workplace

The percentages of the reinstated and retained employees after parental leave by gender: in 2024, the reinstatement rate was 100%; indicating that the Company's environment is friendly to employees who have a need for parental leave.

Statistics on employees applying for parental leave and their reinstatement

Year		2022	2023	2024
Qualified for parental leave application (A)	Male	31	26	17
	Female	11	10	10
	Subtotal	42	36	27
Number of actual applicants (B)	Male	0	0	1
	Female	0	0	1
	Subtotal	0	0	2
Number of employees expected be reinstated in the current year (C)	Male	0	0	0
	Female	0	0	1
	Subtotal	0	0	1
Number of employees actually reinstated in the current year (D)	Male	0	0	0
	Female	0	0	1
	Subtotal	0	0	1
Reinstatement rate (D/C)	Male	0.00%	0.00%	0.00%
	Female	0.00%	0.00%	100.00%
	Subtotal	0.00%	0.00%	100.00%
Number of employees reinstated from parental leave in the previous year (E)	Male	0	0	0
	Female	2	0	0
	Subtotal	2	0	0
Number of reinstated employees having worked for one full year in the previous year (F)	Male	0	0	0
	Female	1	0	0
	Subtotal	1	0	0
Rate of remaining at job position (F/E)	Male	0.00%	0.00%	0.00%
	Female	50.00%	0.00%	0.00%
	Subtotal	50.00%	0.00%	0.00%

Note 1: The number of employees qualified for parental leave in 2024 (A) is calculated based on the number of employees who applied for paternity leave and maternity leave between January 1, 2022 and December 31, 2024.

Note 2: The number of employees due to reinstate after unpaid parental leave in 2024 (C) is the number of employees who applied for unpaid parental leave pay between 2022 and 2024 and whose parental leave expired in 2024.

Note 3: Reinstatement rate = Number of employees reinstated from unpaid parental leave in the year (D) ÷ Number of employees reinstated from unpaid parental leave in the previous year (E).

Note 4: Retention rate = Number of employees having worked for one full year after reinstatement from unpaid parental leave in the year (F) ÷ Number of employees having worked for one full year after reinstatement from unpaid parental leave in the previous year (E).



6.2 Talent Cultivation

Material Topics Talent Cultivation

Importance to the Company

Cultivation of talent enhances the professional and innovative capabilities of employees and strengthens the competitive advantages of the Company. Through a comprehensive training mechanism, enterprises can attract and retain outstanding talents to ensure long-term development and market leadership. AblereX regards its employees as its most important asset, and emphasizes teamwork, innovative services and self-learning, so that each employee can have sufficient space to demonstrate their strengths. The Company has established clear career development plans, and through training and internal promotion opportunities, it ensures that employees can grow together with the Company.

Policy / Commitment

The Company provides corresponding training and learning resources for employees and officers in different positions to help them with their work functions and career development. AblereX provides comprehensive training and development opportunities, including internal professional and skill training and external training or study subsidies, to help employees grow in various ways, and establishes a fair promotion and incentive mechanism, so that employees can understand the goals and pathways to promotion. Through performance evaluation and remuneration incentives, the employees remain committed, innovative thinking is stimulated, and the Company's competitiveness is enhanced.

Short-term goals

1. Education and training rate for new hires is 100%
2. The average hours of annual training reached 5 hours.
3. 100% of employees participated in external training certificates each year

Mid- and long-term goals

1. Enhance the innovative thinking and competitiveness of employees in all categories through internal and external training programs
2. Improve the professional skills and management capabilities of employees and officers to maintain the Company's technologies

Resources invested and actual actions

1. Resources of education and training
Internal functional and professional training courses, and external continuing education subsidies are provided to ensure that employees continuously improve their professional skills and knowledge. Strengthen the management competencies of officers and cultivate leaders who can embrace future challenges.
2. Encourage project participation:
Enhance employees' practical experience and problem-solving ability through cross-departmental cooperation and various projects.
3. Performance evaluation and remuneration incentives:
Through appropriate performance evaluation, incentive systems, and promotion opportunities, employees are encouraged to continue learning and thus continue adding value to the Company.

Performance results of 2024

1. In 2024, the investment in education and training reached NT\$754,390 (NT\$447,330 in 2023), an increase of 1.69 times from that of 2023.
2. Education and training rate for new hires is 100%.
3. The average hours of annual training of employees reached 13.07 hours in 2024.
4. In 2024, the rate of certificate acquisition by employees participating in external training was 100%.

Performance evaluation mechanism

Internal and external audit, the Sustainable Development Committee

Responsible department / Grievance Mechanism

Information and Human Resources Department 02-29176857 ext. 276
Email : yaohung@ablereX.com.tw

Enterprise sustainability requires the improvement of products and services, and requires employees to elaborate on their strengths and grow with the ever-changing business environment. The human resources department and other various departments formulate plans and arrange education and training according to the Company's needs. New hires are given training so that they can understand the Company's corporate culture, vision and work environment. In order to help employees grow with the ever-changing business environment, we encourage them to participate in specialization training and career development to enrich their knowledge and skills and improve work efficiency and quality. This connects their learning and growth with the Company's development goals to create sustainable business growth and development.

6.2.1 Education and training

6.2.1.1 Orientation Training

The Company runs orientation programs for new hires, which include the company profile, business philosophy, quality policy, human rights policy, ethical management, CSR principles, rules and regulations, product introduction, welfare environmental safety and health and other courses, so that employees can understand the corporate culture, vision and work environment. The relevant measures are placed on the Company's website and internal system for all employees to follow.

6.2.1.2 External professional training

Department supervisors of the company may assign their staff to participate in external professional training depending upon the job needs in order to assist in improving employee knowledge and technical skills as well as to increase work efficiency and quality. In addition, the learning and growth of employees can be linked with the development goals of the company. Employees can also request for external training based on the needs of individual job duties and professional development. In 2024, the investment in external education and training reached NT\$754,390, an increase of 1.69 times from that of 2023.



External training expenses

Unit: NT\$

Item	2022	2023	2024
Manufacturing -- Education and training expenses	3,900	5,809	29,689
Labor services -- Education and training expenses	11,600	153,531	97,995
Sales -- Training fees	49,472	91,646	145,676
Management -- Education and training expenses	84,287	75,300	99,524
R&D -- Education and training expenses	23,857	121,044	381,506
Total expenses	173,116	447,330	754,390

6.2.1.3 Internal training

When new employees enter the Company, they are guided by personnel and the experience is passed on. In addition, educational training on professional skills is also conducted on current employees from time to time. The internal and external training, based on employee gender and job category in 2024, are disclosed below. Due to technical expertise required for specific positions, male employees have more training hours than female employees. Currently, the annual average training hours of employees reached 13.07 hours. For the year, the total hours of training reached 4,535 hours.



Average hours of training received by employees

Statistics/year	2022	2023	2024
Total number of employees	330	344	347
Average hours of training received by employee regardless of gender	6.28	11.82	13.07
Number of employees categorized by gender			
Female	80	79	83
Male	250	265	264
Total hours of training for employees categorized by gender			
Female	162.00	505.5	486.59
Male	1,909.50	3,559.50	4,048.23
Average hours of training received by employees by gender			
Female	2.03	6.40	5.86
Male	7.64	13.43	15.33
Average hours of training received by employee by category			
Senior managerial officer	13.30	20.20	7.14
Intermediate management level	7.50	14.70	8.46
Professionals	1.40	8.60	7.76
Technicians	7.80	11.20	21.94

Note 1: Total number of employees for the year: Based on the total number of employees at the end of the year (December 31). Average hours of training received by employee regardless of gender: total hours of training received by all employees in the year / total number of employees of the year

Note 2: Average hours of training received by each female employee: total hours of training received by female employees in the year / total number of female employees of the year.

Note 3: Average hours of training received by employee of all categories: total hours of training received by the employees of the category in the year / total number of employees of the category of the year

Training programs for upgrading employee functions

The Company values the inspiration of employees' strategic thinking, and arranges internal and external training according to the job needs of employees every year. For instance, managerial personnel go to external institutions to obtain new management knowledge every year, and professional personnel also participate in courses related to their own expertise. The Company also organizes a variety of special training courses for employees to improve their skills throughout the year. Through the above training, enterprises can improve internal human resource capital and further maintain their competitive advantage in the market.

6.2.2 Performance Management Regulations

Each year, a performance evaluation is conducted on employees periodically in order to encourage them to continue to improve, to enhance on-the-job training in order to improve individual's professional skills, and to further combine personal career planning with Company growth at the same time. Relevant performance evaluation status is as shown in the following:

<According to Employee Gender>

	2022		2023		2024	
	Male	Female	Male	Female	Male	Female
Number of employees receiving regular performance and career development reviews	242	79	240	74	249	76
Number of people participating in reviews	321		314		325	
Percentage of people participating in reviews	74.7%	24.4%	71.2%	22.0%	71.8%	21.9%
Total number of employees (8/31)	324		337		345	
Total percentage	99.1%		93.2%		94.2%	

* The review period is for current employees (new hires who have started work less than 3 months ago are not included) that are in their position by 8/31 every year

<According to Employee Type>

Number of employees receiving regular performance and career development reviews (8/31)

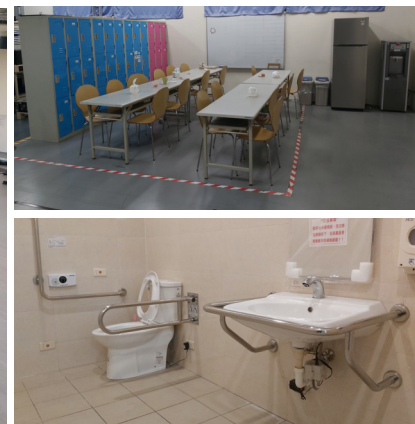
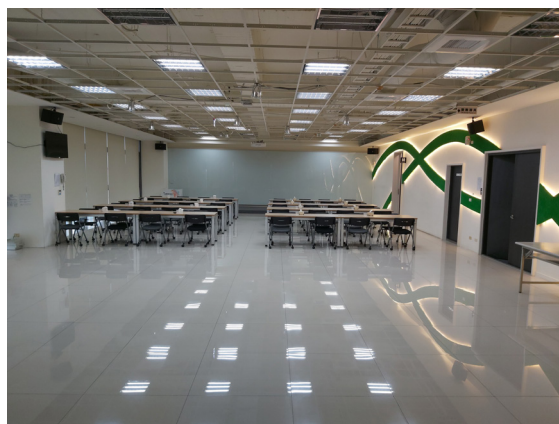
Type	Senior managerial officer		Intermediate management level		Professionals		Technicians		Total	
2022	16	5.0%	99	30.8%	88	27.4%	118	36.8%	321	100.0%
2023	15	4.8%	94	29.9%	91	29.0%	114	36.3%	314	100.0%
2024	15	4.6%	107	32.9%	84	25.8%	119	36.6%	325	100.0%

* The review period is for current employees (new hires who have started work less than 3 months ago are not included) that are in their position by 8/31 every year

6.3 Healthy and Safe Occupational Environment

Employees are an indispensable element and an important asset for the sustainable development of an enterprise. Providing a safe and friendly workplace environment for employees should be a commitment of an enterprise and a basic assurance for employees. Ablerex has established a good working environment to protect employees' workplace safety and physical and mental health. We are committed to promoting workplace health and caring for employees' daily wellbeing. We also build cohesion, improve morale and reduce work pressure to further create an efficient, friendly and inclusive environment.

The Company organizes labor health examinations for all employees every three years (the examination was completed in 2024), and cares for employees' physical and mental health by monitoring work overload. A fitness center has been built to offer employees a place to strengthen their body and mind and relax in their free time, which can further boost morale and improve health indicators. There are other user-friendly facilities (nursery room, toilets and changing rooms for male/female). We commission specialized vendors to clean our environment, maintain elevators and check water quality of water dispensers and carbon dioxide content according to our annual plan. The measures ensure a healthy and safe workplace for all our employees.



6.3.1 Occupational Safety and Health Management

We provide employees with a safe, healthy and comfortable work environment, and the scope includes the production and non-production areas and routine and non-routine operations within our job sites. We have continued to commit resources to promote various occupational safety measures and actions. The purpose of management is not to apply restrictions, but to reduce the occurrence of errors. Our management of workplace safety and health is based on the regulations related to the “Occupational Safety and Health Act,” and through the formulation of the “Safety and Health Code,” employees can have safety rules to follow. Our “Occupational Safety and Health Management Plan” established annual goals, and the “Occupational Safety and Health Review Meetings” in the 4th quarter review the contents of goals and various occupational safety and health management issues. If major occupational safety incidents are found in our daily operation, we immediately hold discussions and disseminate the importance of occupational safety of personnel to implement occupational safety and health management.

We follow the rules specified in the Occupational Safety and Health Act to promote our occupational safety and health management plans. Every year, we organize education and training sessions, disaster prevention drills and labor safety and health promotion sessions to develop employees' awareness of workplace safety. Occupational safety and health personnel conduct evaluations on labor safety and work processes at job sites and formulate safety work procedures to eliminate sources of hazards and prevent and reduce risks and occurrences of occupational injuries.

For other workers who are not employed by us, they are reminded of following labor safety and health rules when entering the factory areas. Suppliers are notified of the Company’s standards of ethics, labor rights, environmental protection, health and safety, and are required to stay committed to continue collaboration.





2024 education and training for occupational safety and health

Labor safety education is promoted regularly in the plant areas, and firefighting drills are conducted periodically every year, including training for fire-fighting work groups such as the fire-fighting squad, notification squad, evacuation guidance squad, safety protection squad, first-aid squad and also for emergency evacuations. These measures improve the ability of employees to respond to emergencies, and the Company deploys first aid personnel to assist in the handling of emergencies. For new employees, they are provided with orientation when onboarding, including an introduction of the Company and training related to labor safety. Refreshing training is provided specifically to labor safety personnel, first-aid personnel, and firefighting administrators regularly, to enhance the safety awareness of all employees.

Education and training for occupational safety in plants	2022	2023	2024
Total person-time (number of people) trained	419	138	202
Total hours of training (hours)	964.0	510.0	934.5
Average time (person/hour)	2.3	3.7	4.6



Health examinations and promotion activities

We have collaborated with hospitals to introduce on-site health services provided by medical personnel, at a quality higher than the legal requirements. The nurses visit the plants two hours per month, and doctors visit twice a year; they promote personal health and environmental safety education and training. We classify the health risks of employees. For high-risk cases, we arrange health consultation sessions and formulate four main plans: burnout plan, human-induced hazard plan, harassment plan, and maternal health plan. We also detect potential workplace risks so that employees can work in a safer and more appropriate way. We prevent health hazards in the workplace to achieve personal health protection and management. In 2024, doctors were invited to the plant to teach employees about the “three highs” (high blood pressure, high cholesterol, and high blood sugar), illegal infringement in workplace and sexual harassment control, as well as preventive measures on food poisoning, to enhance the related knowledge of employees. The Company’s 2024 health service: upon interview with and assessment by doctors, most risk cases were related to the “three highs”. These risk cases were advised to have a healthy diet and take health education and provide advice on the results of the assessment. For their competency assessment, all of them remained suitable for their original working environment and there was no need to make any job changes.



6.3.2 Hazard Identification, Risk Assessment and Incident Investigation

A hazard is a source or condition that may result in death, injury, occupational illness, property damage, damage to the work environment, or a combination of these conditions. The Company emphasizes labor health and safety, and a healthy and safe workplace environment. We identify hazards at the workplace and assess risks in accordance with the relevant standards. After identifying all operational hazards in the manufacturing process, operating activities or services, we then determine the risk control measures based on the risk level. The goal is to eliminate risks, and conduct construction control and administrative control, or provide related personal protective equipment according to the risk assessment level, so as to reduce the occurrence of industrial safety accidents. Technical service engineers visiting other sites to provide assistance or repair services should follow the on-site regulations. They should be led by those who have the Class A qualification in labor safety knowledge and skills and can assess protection measures before and during jobs to further reduce and prevent the occurrence of hazards.

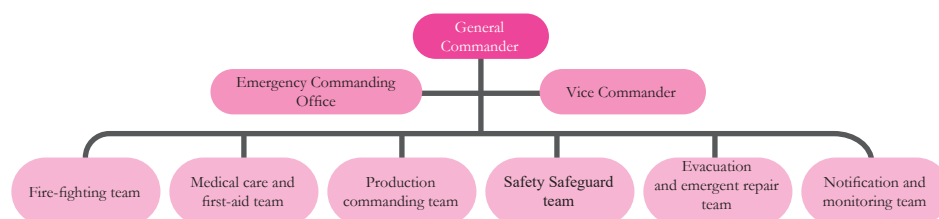
In the event of a work-related accident, the officers and safety and health personnel are informed immediately to begin emergency treatment. The safety and health personnel also notify the related units, and work with relevant units to analyze the cause, jointly develop improvement measures, and notify relevant personnel to be on alert and take corresponding measures.







New safety and health facilities and equipment added in 2024 to ensure the safety of employees.

To ensure the safety in special work areas, in addition to the general firefighting equipment, new CO2 extinguishers are equipped in the Information Room, and the electric forklift charging stations are installed with the new hand-held pressure-strengthened liquid extinguishers to quickly extinguish fires and stop the spread of fires. The timely use of fire extinguishers can minimize damage and protect both people and property.

Structure of emergency responding organization



2024 Emergency Response Drill

Date of implementation	2024/05/03 and 2024/11/09
Drill item	Firefighting drill
Drill description	Company-wide meeting and training on emergency response plans. Enhance the training on basic fire safety knowledge and the use of fire extinguisher of employees to enhance their awareness of self-protection. Enhance the ability of employees to respond to accidents in key positions and critical locations.
Photos	   

6.3.3 Occupational disaster analysis and prevention plan

Production processes are becoming more complex and they come with increasing disaster risks; therefore, measures protecting labor safety have become even more important. Labor safety is an extremely important topic, and it must be well protected to prevent injury. Ensuring the safety and health of workers is the legal obligation of employers, and implementing labor safety is the best way to protect workers' rights to life and work. With our safety and health policy and the Labor Hygiene Management Plan, we have prepared budgets for disaster prevention tasks and occupational safety, such as the management and regular inspections of machinery/equipment or tools, key spot inspection/process inspection and patrol inspection, management of personal protective equipment, purchase of safety gear and education and training, etc. We also have allocated room in the annual budget for warning signs on workplace safety and regular safety and hygiene education and promotion to develop employees' knowledge and habits about safety.

We follow the rules of the Occupational Safety and Health Act. Workers performing duties who find that there is a immediate danger should stop work and evacuate to a safe place without endangering the safety of other workers, and report to their immediate supervisors right away.

The Company shall not dismiss or transfer the abovementioned workers, or cancel the wage paid for the work period or carry out other improper penalties.

The statistics of the Company's occupational injuries in recent years are shown in the table below. In 2024, there was one employee disabling injury, where the employee had the right index finger cut and injured when dismantling the platform. The employee was sent to the clinic for stitching. In addition to strengthening employee education and training, the Company also has required the use of protective equipment in the operation. IR=0.58, ODR=0, absenteeism=0.82%.

Workplace health indicators

Year		2022	2023	2024
Total work hours	Male	503,856	513,975	525,088
	Female	158,096	153,265	161,056
	Total	661,952	667,240	686,144
Occupational injuries (Number of cases) (Excluding traffic accidents)	Male	4	1	1
	Female	0	0	0
	Total	4	1	1
Occupational Disease Rate (ODR)	Male	0.00	0.00	0
	Female	0.00	0.00	0
	Total	0.00	0.00	0
Injury Rate (IR) (Including traffic accidents)	Male	1.98	0.39	0.76
	Female	1.27	0.00	0
	Total	1.81	0.30	0.58
Absence Rate % (AR)	Male	0.98%	1.08%	0.81%
	Female	1.44%	1.28%	0.85%
	Total	1.09%	1.12%	0.82%

Note:

- Occupational Disease Rate (ODR) = (Number of cases / Total working hours)*200,000.
- Injury rate (IR) = (Total number of cases / Total employee-hours of exposure)*200,000.
- Absence rate (AR) = Total days absent / Working days x 100%, (Number of days absent includes sick leave and occupational injury leave)
- In the calculation above, 200,000 is derived from 40 working hours a week for 50 weeks in a year for every 100 employees.
- Non-employee workers did not suffer any occupational injuries in 2024.

Employee Work Injury Index

Year	2022	2023	2024
Total employee-hours of exposure (hr)	661,952	667,240	686,144
Number of disabling injury	4	1	1
Frequency of disabling injuries (F.R.)	6.04	1.50	1.46
Days lost due to disabling injury	10	1	1
Severity of disabling injuries (S.R.)	15.11	1.50	1.46
Frequency severity index (F.S.I.)	0.30	0.05	0.05

Note 1: Frequency of disabling injuries (F.R.): Number of injuries / Total employee-hours of exposure*1,000,000.

Note 2: Severity of disabling injuries (S.R.): Number of days lost due to accidents / Total employee-hours of exposure*1,000,000.

Note 3: Frequency severity index (F.S.I.): $\sqrt{F.R \times S.R} / 1,000$.

In 2024, we had no violations of occupational safety and health regulations, nor occupational injuries that caused losses of more than 180 days of work or death.

Statistics of occupation injuries and diseases

Statistics/year		2022	2023	2024
Total number of working hours		661,952	667,240	686,144
Death accidents caused by occupational injuries	Number of people	0	0	0
	Percentage	0	0	0
Severe occupational injuries (excluding death)	Number of people	0	0	0
	Percentage	0	0	0
Recordable occupational injuries (F.R)	Number of people	4	1	1
	Percentage	6.04	1.50	1.46
Work-related illness	Number of people	0	0	0
	Percentage	0	0	0
Recordable occupational disease	Number of people	0	0	0
	Percentage	0	0	0

Note 1: The calculation in the table above is based on the calculated ratio per million working hours (assumed for 500 full-time workers working 2,000 hours per year). The 1,000,000 working hours ratio is the number of occupational injuries per 500 full-time workers in a year.

Note 2: GRI 403-9 Recordable work-related injuries = Number of recordable occupational injuries/Number of working hours x1,000,000; the formula is same as the frequency rate (F.R) of disabling injuries.

Note 3: Severe occupational injuries: Occupational injuries that cause death or result in workers being unable or finding it hard to return to their pre-injury state of health within six months, but the number of deaths shall be excluded from the statistics.

Note 4: Recordable occupational injuries or occupational diseases: Occupational injuries or occupational diseases resulting in any of the following circumstances, such as death, departure from work, work restriction, or transfer to another post, medical treatment beyond first aid, or loss of consciousness, or major injuries or diseases diagnosed by doctors or other medical professionals with licenses (even if such injuries or diseases do not cause death, departure from work, work restriction, or transfer to another post, or loss of consciousness), but the number of deaths shall be included in the statistics. Specify whether the minor injuries (work-related injuries solved on site with first aid) shall be excluded or included.

Note 5: Occupational injury statistics only count the injuries caused by accidents occurring to the Company's cars, but excluding personal traffic accidents involving non-company cars.

Review meeting of occupational safety and health

The occupational injuries in 2024 were discussed in the occupational safety and health review meeting. There was one non-traffic related occupational injury, indicating that the safety promotions to the related personnel achieved the expected goal. However, the safety of employees has been the highest guiding principle of Ablerex, so personnel are continuously required to wear protective gear, patrol inspections have been added to reduce the occurrence of accidents, and follow-up

and corrective actions have been implemented to achieve the goal of zero occupational injuries for employees. Review meetings are held at least once a year, with participation by the officers, labor safety staff, and labor representatives, to review or improve safety and health related issues. If major industrial safety incidents are found in routine operations, relevant labor safety personnel are urged to collect relevant information and hold meetings in due course. They can also bring up the issues in labor safety education sessions. The purpose is to disseminate the information on the improvements to further strengthen employees' skills and knowledge and prevent recurrence.



Labor Safety Inspection

There are on-site labor safety personnel who conduct occupational safety patrols on the environment within the plant area every month, so as to reduce the occurrence of hazards and industrial safety incidents. They also assist in disseminating the information on occupational safety and health, and help factory affairs personnel check and manage facilities and equipment, so that employees can communicate and consult one another, further realizing the awareness of occupational safety and health at job sites.

Statistics on number of workers covered by an occupational health and safety management system

Management System/ Regulations	Type of inspection	Number of people	Percentage
Occupational Safety and Health Act	Internal audit	347	100%
	Labor inspection	347	100%

6.4 Social Participation

The 2030 SDGs agenda and the 17 SDGs signed by countries of the UN in September 2015 officially came into effect on January 1, 2016. The Company's social care goals respond to SDG 3 to ensure health and promote well-being of all age groups, and to SDG 4 to ensure nondiscriminatory, equal and high-quality education, and promote lifelong learning.

6.4.1 Social Care

Social Care Projects - In 2023, we sponsored the Health Co-Operation Organization of Taiwan to promote the “Soybean Milk Nutrition Project in Sri Lanka”; in 2024, we continued to sponsor the “Nutrition Supplement Project for Kindergarten in Rural Indonesia”. to help improve the BMI of local children to contribute to their healthy growth. Nutritional supplements are provided to kindergarten children in rural Indonesia.



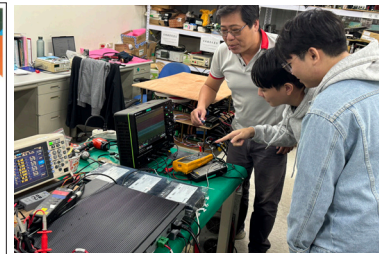
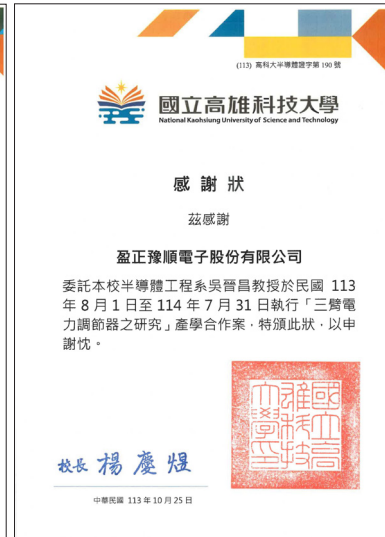
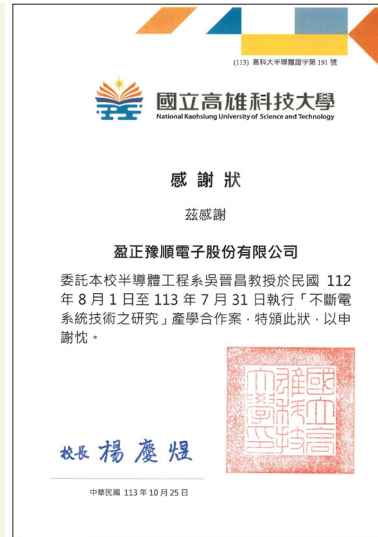


6.4.2 Cultural and arts activities

Sam-Siu Garden at Dapi Township, Yunlin County holds an outdoor concert in autumn every year. In 2024, the Company sponsored the Sam-Siu Garden Art Festival Event: "Flowing Glow Outdoor Concert"

6.4.3 Industry-academia collaboration

The company not only provides excellent products and services in light of seeking a greater energy quality world-wide but also actively participates in various social charity events. In recent years, through the concept of integrating corporate core technologies and social charity events, Ablerex has actively participated in the environmental energy education and cultivation of green energy leading talents etc. with great human resources and financial investments. Since the end of 2019 to the end of 2024, a total of NT\$2,904,500 has been invested to support a number of industry-academia research projects, including sponsorship and commission of National Kaohsiung University of Science and Technology (Nanzy Campus) on the "Study of Technology of Uninterruptible Power Supply System," and the "Study of Three-Armed Power Regulators." The principal investigators published related papers to create mutual benefits for the Company's product R&D and the university, hoping to further drive the industry transformation through various research projects. The industry-academia collaboration has continued for more than 20 years. In 2024, three officers contributed to the two projects, benefiting 3 students at schools, for a total of 352 hours.





Appendix

Appendix 1. GRI Content Index Table

Appendix 2. Sustainability Disclosure Indicator -- Other Electronics Companies

Appendix 3. Index of SASB Standards

Appendix 4. Climate-related Information of TPEX-listed Companies

Appendix 5. Verification Statement

Appendix 1. GRI Content Index Table

★ Material topics

Statement of Use Ablerex has complied with the GRI Standards to prepare the report covering January 1st, 2024 to December 31st, 2024.

GRI Adopted GRI 1: Foundation 2021

The applicable GRI Sector Standards The Company is categorized as Other Electronics in TPEX, and there is no corresponding GRI Sector Standards.

Topics	Disclosing item	Description of item	Chapter	Page number	Reason for omission / Necessary explanation
GRI 2: General Disclosures 2021					
Organization and reporting practices	2-1	Detailed information on the organization	1.1.1 Company information	8	
	2-2	Entities included in the organization's sustainability reporting	1.1.1 Company information	8	
	2-3	Report period, frequency and point of contact	About the Report	2	
	2-4	Restatements of information	About the Report	2	
	2-5	External guarantee/assurance	About the Report Appendix Verification statement	2 95	
Activities and workers	2-6	Activities, value chains and other business relationships	1.2.1 Relations in the industry	11	
	2-7	Employees	1.1.4 Employment status of employees	10	
	2-8	Non-employee workers	1.1.4 Employment status of employees	10	
Governance	2-9	Governance structure and composition	3.1 Corporate Governance	20	
	2-10	Nomination and selection of the highest governance	3.1.1 Board of Directors	21	
	2-11	Chair person of the unit with the highest governance	3.1.1 Board of Directors	21	
	2-12	The role of the highest governance in supervising impact management	3.1 Corporate Governance	20	
	2-13	Responsible person for impact management	3.1.4 Corporate Governance and Sustainability Committee	23	
	2-14	The role of the highest governance in sustainability reporting	3.1.4 Corporate Governance and Sustainability Committee	23	
	2-15	Conflict of interest	3.1.1 Board of Directors	21	
	2-16	Communicate material events	3.1.1 Board of Directors	21	
	2-17	Collective intelligence of the highest governance	3.1.1 Board of Directors	21	
	2-18	Performance evaluation of the highest governance unit	3.1.1 Board of Directors	21	
	2-19	Remuneration policy	3.1.1 Board of Directors	21	
	2-20	Process for determining remuneration	3.1.1 Board of Directors	21	
	2-21	Annual total remuneration percentage	--		Highest annual total compensation is confidential information



Topics	Disclosing item	Description of item	Chapter	Page number	Reason for omission / Necessary explanation
Strategy, policy and practices	2-22	Sustainability strategy statement	Message from our Chairman	3	
	2-23	Policy and commitment	3.2 Ethical Management	24	
	2-24	Included in policy and commitment	6.1.4 Human rights policy	72	
	2-25	Procedures for remediating negative impacts	3.2 Ethical Management	24	
	2-26	Measures for seeking advice and raising concerns	3.2.1 Culture of Ethical Management 6.1.2 Employee Communication	24 68	
	2-27	Regulatory compliance	3.2.5 Regulatory compliance	31	
	2-28	Membership in associations	1.2.3 External association participation status	13	
Stakeholder engagement	2-29	Stakeholder engagement policy	2.2 Stakeholder Communication	18	
	2-30	Collective bargaining agreements	6.1.2 Employee Communication	68	No union has been established so far, so no collective bargaining agreement has been signed.
GRI 3: Material topics 2021					
Material Topics	3-1	Process for determining material topics	Identification of Stakeholders and Material Topics	15	
	3-2	List of material topics	2.1.2 Material topics order list	16	
Economic aspect					
★ Economic performance					
GRI 3: Material topics 2021	3-3	Management of material topics	3.4 Management Performance	34	
GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	3.4 Management Performance	34	
	201-2	Financial impacts and other risks and opportunities caused by climate changes	5.1 Management of Climate-related Risks and Opportunities	54	
	201-3	Define benefit plans, obligations and other retirement plans	6.1.1 Remuneration and benefits	65	
	201-4	Financial assistance received from the government	--		Confidentiality provisions
Market position					
GRI 202: Market position 2016	202-1	Ratio of the standard salary of non-executive employees of different genders to local minimum wage	6.1.1 Remuneration and benefits	65	
	202-2	Proportion of senior management hired from the local community	6.1.1 Remuneration and benefits	65	
★ Practice of purchase (supplier sustainability management)					
GRI 3: Material topics 2021	3-3	Management of material topics	4.2 Supply Chain Management	48	
GRI 204: Procurement practice 2016	204-1	Percentage of sourcing from local suppliers	4.2.1 Supply Chain Overview	48	
★ Anti-corruption (ethical management)					
GRI 3: Material topics 2021	3-3	Management of material topics	3.2 Ethical Management	24	

Topics	Disclosing item	Description of item	Chapter	Page number	Reason for omission / Necessary explanation
GRI 205: Anti-corruption 2016	205-1	Operating sites that have conducted corruption risk assessments	3.2 Ethical Management	24	
	205-2	Communications and training about anti-corruption policies and procedures	3.2 Ethical Management	24	
	205-3	Confirmed incidents of corruption and actions taken	3.2 Ethical Management	24	
Environmental					
Energy					
GRI 302: Energy 2016	302-1	Energy consumption within the organization	5.2 Greenhouse Gas and Energy Management	57	
	302-2	Energy consumption out of the organization	5.2 Greenhouse Gas and Energy Management	57	
	302-3	Energy intensity	5.2 Greenhouse Gas and Energy Management	57	
	302-4	Reduce energy consumption	5.2 Greenhouse Gas and Energy Management	57	
Water and effluents					
GRI 303: Water and effluents 2018	303-3	Water withdrawal	5.3 Water Resource Management	60	
	303-4	Water discharge	5.3 Water Resource Management	60	
	303-5	Water consumption	5.3 Water Resource Management	60	
★ Emission (greenhouse gas management)					
GRI 3: Material topics 2021	3-3	Management of material topics	5.2 Greenhouse Gas and Energy Management	57	
GRI 305: Discharge 2016	305-1	Direct (Scope 1) greenhouse gas emissions	5.2 Greenhouse Gas and Energy Management	57	
	305-2	Indirect (Scope 2) greenhouse gas emissions	5.2 Greenhouse Gas and Energy Management	57	
	305-3	Other indirect (Scope 3) greenhouse gas emissions	5.2 Greenhouse Gas and Energy Management	57	
	305-4	GHG emissions intensity	5.2 Greenhouse Gas and Energy Management	57	
	305-5	Reduction of GHG emissions	5.2 Greenhouse Gas and Energy Management	57	
	305-6	Emissions of ozone-depleting substances (ODS)	5.2 Greenhouse Gas and Energy Management	57	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	5.2 Greenhouse Gas and Energy Management	57	
Waste					
GRI 306: Waste 2020	306-3	Waste generated	5.4 Waste Management	62	
	306-4	Waste diverted from disposal	5.4 Waste Management	62	
	306-5	Waste directed to disposal	5.4 Waste Management	62	
★ Supplier environmental assessment (supplier sustainability management)					
GRI 3: Material topics 2021	3-3	Management of material topics	4.2 Supply Chain Management	48	
GRI 308: Supplier environmental assessment 2016	308-1	Screen new suppliers with environmental standards	4.2.3 Status of supplier management	49	
	308-2	Negative environmental impacts in the supply chain and actions taken	4.2.3 Status of supplier management	49	
Social					
★ Labor-employer relationship (remuneration and benefits)					



Topics	Disclosing item	Description of item	Chapter	Page number	Reason for omission / Necessary explanation
GRI 3: Material topics 2021	3-3	Management of material topics	6.1.1 Remuneration and benefits	65	
	401-1	New hires and outgoing employees	6.1.3 Employee diversity	69	
	401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	6.1.1 Remuneration and benefits	65	
GRI 401: Employment 2016	401-3	Parental leave	6.1.5 Care in workplace	74	
	Salary	The number of full-time non-officer employees in the Company, the average and median salary of non-officer full-time employees, and the differences of these three figures from that of the previous year shall be disclosed	6.1.1 Remuneration and benefits	65	
Labor-management relations					
GRI 402: Labor-management communication 2016	402-1	Minimum notice periods regarding operational changes	6.1.4 Human rights policy	72	
★ Occupational safety and health					
GRI 3: Material topics 2021	3-3	Management of material topics	6.3.1 Occupational Safety and Health Management	78	
	403-1	Occupational safety and health management system	6.3.1 Occupational Safety and Health Management	78	
	403-2	Hazard identification, risk assessment and incident investigation	6.3.2 Hazard Identification, Risk Assessment and Incident Investigation	80	
	403-3	Occupational healthcare services	6.3 Healthy and Safe Occupational Environment	77	
GRI 403: Occupational safety and health 2018 management policy	403-4	Worker participation, consultation, and communication on occupational health and safety	6.3.1 Occupational Safety and Health Management	78	
	403-5	Worker training on occupational health and safety	6.3.1 Occupational Safety and Health Management	78	
	403-6	Promotion of worker health	6.3.1 Occupational Safety and Health Management	78	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6.3.1 Occupational Safety and Health Management	78	
	403-8	Workers covered by an occupational health and safety management system	6.3.3 Occupational disaster analysis and prevention plan	81	
GRI 403: Occupational safety and health 2018	403-9	Work-related injuries	6.3.3 Occupational disaster analysis and prevention plan	81	
	403-10	Work-related illness	6.3.3 Occupational disaster analysis and prevention plan	81	
★ Training and education (talent development)					
GRI 3: Material topics 2021	3-3	Management of material topics	6.2 Talent Cultivation	75	

Topics	Disclosing item	Description of item	Chapter	Page number	Reason for omission / Necessary explanation
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	6.2.1 Education and training	75	
	404-2	Programs improving employees' capabilities and transition assistance	6.2.1 Education and training	75	
	404-3	Percentage of employees receiving regular performance and career development reviews	6.2.2 Performance Management Regulations	76	
Diversity of employees and equal opportunity					
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	3.1.1 Board of Directors 6.1.3 Employee diversity	21 69	
★ Supplier social assessment (Supplier sustainability management)					
GRI 3: Material topics 2021	3-3	Management of material topics	4.2 Supply Chain Management	48	
GRI 414: Supplier social assessment 2016	414-1	Screen new suppliers with social criteria	4.2.3 Status of supplier management	49	
	414-2	Negative social impacts in the supply chain and actions taken	4.2.3 Status of supplier management	49	
Customer health and safety					
GRI 416: Customer health and safety 2016	416-2	Incidents of products and services involving the violation of health and safety	4.1.2 Customer health and safety	43	
Marketing and labeling					
GRI 417: Marketing and labeling 2016	417-2	Incidents of non-compliance concerning product and service information and labeling	4.1.3 Product labeling	45	
	417-3	Incidents involving incompliance with marketing-related regulations	4.3.1 Marketing Management	50	
★ Privacy of customer (information security and privacy protection)					
GRI 3: Material topics 2021	3-3	Management of material topics	3.3 Information Security	32	
GRI 418: Customer privacy 2016	418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	3.3 Information Security	32	
Customize topics					
★ Product quality					
GRI 3: Material topics 2021	3-3	Management of material topics	4.1.2 Customer health and safety	43	
Customize material topics	Customize	No illegal recall due to product quality	4.1.2 Customer health and safety	43	
★ Customer relationship management					
GRI 3: Material topics 2021	3-3	Management of material topics	4.3 Marketing and Service	50	
Customize material topics	Customize	Customer satisfaction survey	4.3.3 Customer service satisfaction	52	
★ Innovation and R&D					
GRI 3: Material topics 2021	3-3	Management of material topics	4.1.1 Product R&D and innovations, and green products	37	



Appendix 2. Sustainability Disclosure Indicator -- Other Electronics Companies

Num-ber	Indicator	Indicator type	Status of disclosure for the year												
1	Total energy consumed, purchased electricity percentage and consumption of renewable energy (GJ. %)	Quantitative	5.2 Greenhouse Gas and Energy Management												
2	Total water withdrawal and consumption (thousand cubic meters, 1,000m3)	Quantitative	5.3 Water Resource Management												
3	Weight and recycling percentage of hazardous waste generated (metric ton. per-cent)	Quantitative	5.4 Waste Management												
4	Explain the type, number and percentage of occupational disasters	Quantitative	6.3.3 Occupational disaster analysis and prevention plan												
5	Disclosure of product life cycle management: Include the weight of end-of-life products and electronic waste and the percentage of recycling (Note 1)	Quantitative	5.4 Waste Management 4.1.1.1 Product design strategy and concept												
6	Description of the risk management associated with the use of key materials	Qualitative de-scription	4.1.2.1 Product safety compliance and hazardous substance management												
7	Total pecuniary damages (\$) resulting from legal proceedings related to anti-com-petitive conduct regulations	Quantitative	No legal proceedings involving violations in 2024												
8	Main product output by category	Quantitative	<table><tr><td>Uninterruptible Power Supply system</td><td>128,142 units</td></tr><tr><td>Active Power Filter</td><td>980 units</td></tr><tr><td>Solar energy power converters</td><td>3,108 units</td></tr><tr><td>Engineering of project</td><td>-</td></tr><tr><td>Others (circuit components, etc.)</td><td>-</td></tr><tr><td>Total</td><td>132,230 units</td></tr></table>	Uninterruptible Power Supply system	128,142 units	Active Power Filter	980 units	Solar energy power converters	3,108 units	Engineering of project	-	Others (circuit components, etc.)	-	Total	132,230 units
Uninterruptible Power Supply system	128,142 units														
Active Power Filter	980 units														
Solar energy power converters	3,108 units														
Engineering of project	-														
Others (circuit components, etc.)	-														
Total	132,230 units														

Appendix 3. Index of SASB Standards- Solar Energy Technology and Project Developer

Topics	Indicator	Disclosing item	Corresponding contents	Corresponding chapter
Energy management during production and manufacturing	RR-ST-130a.1	(1) Total energy consumption (GJ) (2) Percentage of consumed electricity (3) Percentage of renewable energy	The total energy consumption in 2024 was 5,627.39 (GJ), and the consumed electricity accounts for 94.54%, and no renewable energy was used.	5.2 Greenhouse Gas and Energy Management
Water resource management during production and manufacturing	RR-ST-140a.1	(1) Total water withdrawal (2) Total water consumption and percentage of water withdrawn from stressed water resource zones	(1) Total water intake: 6.825 ML. (2) Total water consumption 0 ML. Percentage from stressed water resource zones: 0%	5.3 Water Resource Management
	RR-ST-140a.2	Describe water-related risks and actions taken to reduce risks	The Company product manufacturing is an assembly model. The waste and sewage discharged at each operating site and factory area are mainly domestic sewage. In order to ensure that the domestic sewage discharged meets the regulations for water pollution prevention, the water quality is treated to meet the standards for effluents, and then the sewage is discharged to the sewer system.	
Hazardous waste management	RR-ST-150a.1	Weight (metric ton) and recycling percentage of hazardous waste	0.22 metric tons of hazardous waste in 2024. No generated waste is currently recycled, so the recycling percentage is 0%.	5.4 Waste Management
	RR-ST-150a.2	Number of reportable leakage and recovered volume (kg)	No violations in 2024, 0 reportable leakage, and 0 kg of recovered volume.	
Impact of the development of the project on the environment	RR-ST-160a.1	Number of days and number of items delayed due to environmental impact	The Company is an equipment manufacturer, so no delayed day and item occurs.	-
	RR-ST-160a.2	Describe the actions taken on the local community and environment when developing solar energy projects	The Company is an equipment manufacturer and does not engage in solar energy field project related business, so it is not applicable.	-
Integration of energy facilities and management of related laws and regulations	RR-ST-410a.1	Describe the risks of energy integration and the actions of risk management	The laboratory established by the R&D center collaborates with certification agencies to comply with international energy efficiency standards, ensuring that products can be legally sold in various regions around the world and meet customer and product requirements. Since the laws of various countries are different, the approval of electronics products shall be made based on the test reports or certificates submitted according to the relevant local regulations.	3.2.4 Operational risk and management



Topics	Indicator	Disclosing item	Corresponding contents	Corresponding chapter
Integration of energy facilities and management of related laws and regulations	RR-ST-410a.2	Describe the impact of energy policy on energy integration	The Company commits to developing high-efficiency, compact and light-weight products, with development trending in the direction of having smart, modular and network functions as well as having energy-saving and carbon reduction traits, in addition to the responsibilities of the safety and health of customers and environmental protection.	4.1.1 Product R&D and innovations, and green products
Management of product life cycle	RR-ST-410b.1	Percentage of recyclable and reusable sold products	No generated waste is currently recycled, so the recycling percentage is 0%.	-
	RR-ST-410b.2	Weight and percentage of recycled scrapped materials	No generated waste is currently recycled, so the recycling percentage is 0%.	-
	RR-ST-410b.3	Percentage of products containing IEC 62474 in total revenue	No substance specified in IEC 62474 Declared Substance List is used for Ablere's products	-
	RR-ST-410b.4	Describe the methods and strategies for designing high-value recycled products	Currently, there is no recycling practice in place	-
Material purchase	RR-ST-440a.1	Description of the risk management of key materials	We actively promote green production and procurement. During the early development and design stage, the company discusses with the suppliers the materials required and requests the suppliers provide material test reports in order to determine whether or not relevant component parts contain hazardous substances, and also requests that all materials shall be lead-free.	4.1.2.1 Product safety compliance and hazardous substance management
	RR-ST-440a.2	Describe the management of environmental risks related to the polysilicon supply chain	Not applicable since the Company is not a manufacturer of solar panel equipment and does not use poly-silicon materials.	-
Activity metrics	RR-ST-000.A	Total output of solar photovoltaic components	Not applicable since the Company is not a manufacturer of solar panel equipment.	-
	RR-ST-000.B	Total capacity of the completed solar energy system	Not applicable since the Company is not a manufacturer of solar panel equipment.	-
	RR-ST-000.C	Total assets developed in projects	Not applicable since the Company is not a manufacturer of solar panel equipment.	-

Appendix 4. Climate-related Information of TPEX-listed Companies

Item	Implementation status
1. Describe the supervision and governance of climate-related risks and opportunities by the Board of Directors and the management.	
2. Describe how the identified climate risks and opportunities affect the Company's business, strategy, and finance in the short, medium, and long term.	
3. Describe the impact of extreme climate events and transition actions on the finances of the Company.	
4. Describe how the process of climate risk identification, assessment, and management is integrated into the overall risk management system.	Please refer to 5.1 Management of Climate-related Risks and Opportunities in the Report for details.
5. If the scenario analysis is used to assess the resilience to climate change risks, the used scenarios, parameters, assumptions, analysis factors, and major financial impacts shall be described.	
6. If there is a transition plan for managing climate-related risks, please describe the plan, and the indicators and targets used to identify and manage physical and transitional risks.	
7. If internal carbon pricing is used as a planning tool, the basis for pricing shall be described.	The Company has not yet implemented the internal carbon pricing policy.
8. If climate-related targets are set, the activities covered, the scopes of greenhouse gas emissions, the planned timetable, and the progress achieved each year shall be described. If carbon credits or renewable energy certificates (RECs) are used to achieve the relevant targets, the sources and quantity of the carbon credits or the number of RECs shall be described.	<ol style="list-style-type: none"> To reduce the impact on the surrounding environment during the operation process, the Company has invested considerable resources in environmental indicators and required suppliers to cooperate with energy-saving and carbon reduction measures. The Company has completed the ISO 14064-1 inventory report and verification in 2024, and will continuously evaluate Scopes 1 and 2 related risks and carbon reduction measures through the annual ISO 14064-1 greenhouse gas inventory results. Goal of GHG reduction: The GHG emissions intensity (metric tons/NT\$ million) of the previous year is the base period, and the emissions intensity should be reduced by 1% year by year. No carbon credits or renewable energy certificates (RECs) have been used to offset carbon quotations
9. The GHG inventory and assurance status, and reduction targets, strategies, and specific action plans.	

1-1 GHG inventory and assurance status of AblereX in the recent two years

1- 1- 1 Information on GHG inventory

Describe the emissions (metric tons of CO₂e), intensity (metric tons of CO₂e/NT\$ million) and scope of data covered for the last two years.

Type	2023		2024	
	Total emissions (Metric ton CO ₂ e)	Intensity (Metric ton CO ₂ e/ NT\$ million)	Total emissions (Metric ton CO ₂ e)	Intensity (Metric ton CO ₂ e/ NT\$ million)
Scope 1	57.6034	0.0242	122.0818	0.0502
Scope 2	365.9762	0.1535	700.4922	0.2881
Scope 3	342.6696	0.1437	639.9827	0.2633
Total	766.249	0.3214	1462.557	0.6016

Note 1: The operating revenue in 2023 was NT\$2,384 million; the operating revenue in 2024 was NT\$2,431 million.

Note 2: In 2023, only the Taipei headquarters and Pingtung Plant 2 were inventoried; in 2024, the scope of the inventory covered the Taipei headquarters, Hsinchu office, Taichung office, Tainan office, Kaohsiung R&D Center, and Pingtung Plants 1 and 2

1-1-2 Greenhouse Gas Assurance Data

Describe the assurance status for the last two years as of the publication date of the annual report, including the scope of assurance, the assurance agency, the assurance standards, and the assurance opinions.

The Company has introduced and passed the third-party verification of ISO 14064-1 greenhouse gas inventory in 2024.

1-2 The GHG reduction targets, strategies, and specific action plans

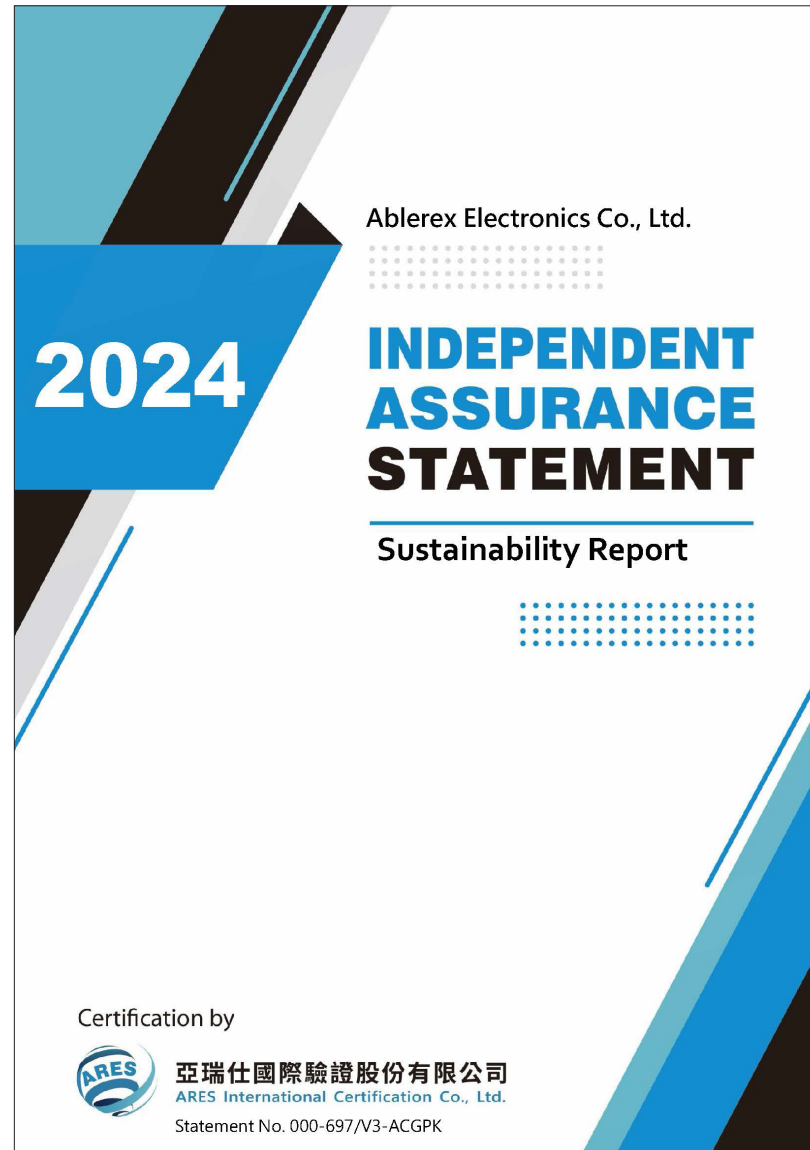
Describe the base year for greenhouse gas reduction and the data thereof, reduction targets, strategies, and specific action plans, and the achievement of reduction targets.

Goal of GHG reduction: The GHG emissions intensity (metric tons/NT\$ million) of the previous year is the base period, and the emissions intensity should be reduced by 1% year by year.

All plants in Taiwan have also voluntarily conducted greenhouse gas inventory for many years. In 2024, they have passed the third-party verification of the ISO 14064-1 greenhouse gas inventory. Subsequently, we will continuously comply with requirements of the competent authorities and the ISO 14064-1 inventory every year as a reference for energy saving and carbon reduction.



Appendix 5. Verification Statement





Independent Assurance Statement

Statement No. 000-697/V3-ACGPK

This Independent Assurance Statement by ARES Certification Co., Ltd. on Ablerex Electronics Co., Ltd. ESG Sustainability Report of 2024.

ARES International Certification Co., Ltd. and Ablerex Electronics Co., Ltd. are mutually independent organizations. In addition to the assessment and verification of 2024 ESG Sustainability report, ARES International has no financial relationship with Ablerex Electronics Co., Ltd.

The purpose of this Independence Assurance Statement (hereinafter referred to as Statement) is only to conclude that the relevant issues within the scope of the Ablerex Electronics Co., Ltd.'s ESG Sustainability Report are guaranteed, but not for other purposes. Except for this Statement on the verified facts, for any use of other purposes, or any person who read this Statement, ARES International is not responsible or liable for any legal or other responsibility.

This Statement is based on the conclusions made from the verification of the relevant information provided ARES International by Ablerex Electronics Co., Ltd. Therefore, the scope of the verification is based on and confined to the content of these provided information, and ARES International shall consider that the contents of the information are complete and accurate.

All concerning and questions about the contents or the relevant issues contained in this statement shall be answered by the Ablerex Electronics Co., Ltd.

The Scope of Assurance

The agreed scope of assurance by Ablerex Electronics Co., Ltd. and ARES International includes the following:

- The contents of the entire ESG Sustainability Report and all operating performance of Ablerex Electronics Co., Ltd. from January 1st, 2024 to December 31st, 2024.
- According to the type 1 of application of the AA1000 Assurance Standard (v3), the assessed nature and degree of the Ablerex Electronics Co., Ltd.'s compliance with the AA1000 Accountability Principles (2018) but excluding the verification of the reliability of the information or data disclosed in the ESG Sustainability Report.

This statement is prepared in Chinese and has an English version for reference. In the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

ARES INTERNATIONAL's Opinion

We summarize the contents of Ablerex Electronics Co., Ltd.'s ESG Sustainability Report and provide a fair opinion of Ablerex Electronics Co., Ltd.'s relevant operations and performance. We believe that the indices such as economic, social and environmental performance of 2024 are presented correctly. The performance indices disclosed in the report demonstrate Ablerex Electronics Co., Ltd.'s efforts to identify and meet stakeholder expectations.

Our verification activities are implemented by a team with the capacity for verifying in accordance with AA1000 Assurance Standard (v3), as well as planning and implemented this part of the activities to obtain the necessary information and data. We believe there are sufficient evidences provided by Ablerex Electronics Co., Ltd. to show that its reporting method according to the AA1000 Assurance Standard (v3) and their self-statement are in line with the GRI standards.

Verification Method

In order to collect evidences related to conclusions, we implemented the following tasks:

- Implement the high-level management review for topics from external groups related to ESG Sustainability policy to confirm the appropriateness of the report in this statement.
- Discussions about stakeholder's engagement with the managers of Ablerex Electronics Co., Ltd., however, we have no direct contact with external stakeholders.
- Interviews with employees related to ESG Sustainability management, report preparation and information provision.
- Review the critical developments related to organizations.
- Review the scope and maturity of systems related to financial and non-financial reports.
- Review the supporting evidences declared in the report, and the process management described in the report and its associated AA1000 Accountability Principles (2018) on the principles of inclusivity, materiality, responsiveness and impact.

Conclusion

The detailed review results of the AA1000 Accountability Principles and the core disclosures of the Global Reporting Initiative (GRI) Standard, Sustainability Accounting Standards Board (SASB) Standards for inclusivity, materiality, responsiveness and impact are as follows:

- **The inclusivity**
This report reflects that Ablerex Electronics Co., Ltd. engages with its stakeholder through a variety of channels, such as internal and external communication mechanisms and the activities of stakeholders. This report covers topics of concern in stakeholders associated with Ablerex Electronics Co., Ltd., fairly reports, and discloses economic, social, and environmental information. In our professional opinions, this report covers Ablerex Electronics Co., Ltd.'s inclusivity issues.
- **The materiality**
Ablerex Electronics Co., Ltd. publishes the information related to ESG Sustainability to enable stakeholders to judge the Ablerex Electronics Co., Ltd.'s management and performance. In our professional opinions, this report appropriately covers the material issues of Ablerex Electronics Co., Ltd.
- **Responsiveness**
Ablerex Electronics Co., Ltd. responds to requests and opinions from stakeholders. The implementation methods include customer satisfaction surveys and communication mechanisms for numerous internal and external stakeholders. In our professional opinions, this report covers Ablerex Electronics Co., Ltd.'s responsiveness topics.
- **Impact**
Ablerex Electronics Co., Ltd. developed and implemented processes to monitor, measure and account for how their actions affect the wider ecosystem, echoing all the aspects of this report demonstrated by their own management systems and capabilities issue content, and provide the comprehensive and balanced disclosure, such as the declaration of energy projects and carbon footprint verification. In our professional opinions, this report covers Ablerex Electronics Co., Ltd.'s impact topic.

GRI Standards

Ablerex Electronics Co., Ltd. provides declaration of compliance with the GRI Standards. Based on the results of the review, we confirmed that the relevant ESG Sustainability indicators referred to GRI Standards in the report have been completely disclosed, partially disclosed or omitted. In our professional opinions, this declaration covers the Sustainability topics of Ablerex Electronics Co., Ltd.

SASB and TCFD standards

Ablerex Electronics Co., Ltd. provides declaration of compliance with the SASB and TCFD standards. Based on the results of the review, we confirmed that the relevant ESG Sustainability indicators referred to SASB and TCFD standards in the report have been completely disclosed, partially disclosed or omitted. In our professional opinions, this declaration covers the Sustainability topics of Ablerex Electronics Co., Ltd.

Assurance Level

According to the AA1000 Assurance Standard (v3), we verify this statement as a medium level of assurance, as in the scope and method described in this statement.

Responsibility

The responsibility of this ESG Sustainability report, as stated in this statement, is owned by the person in charge of Ablerex Electronics Co., Ltd. The responsibility of ARES International is to provide professional opinions based on the described scope and method, and to provide an independent assurance statement for the stakeholders.

Ability and Independence

ARES International is composed of experts in a various field of management systems. The verification team is composed of members in the professional backgrounds with the qualifications of lead auditor trained in sustainable development, environmental and social management standards such as AA1000AS, AA1000AP, ISO 14001, ISO 14064-1, ISO 14067, ISO 45001 and ISO 9001. This independent assurance statement is based on the ARES International's fair trading guidelines.

On behalf of the assurance team

July 3, 2025

ARES International Certification Co., Ltd. (ARES Certification Group)
Taiwan, Republic of China

Signed by

林育德

Lead Verifier

Calvin Chen

C.E.O
Calvin Chen



AA1000
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000-697/V3-ACGPK

