CH3
Sound Corporate Governance

Performance Highlights:

42.86% female directors

15% ESG weighting in senior executives' remuneration

100% ESG training for senior management

98points in international information security assessment

0cases major information security incidents

0cases information security breach incidents

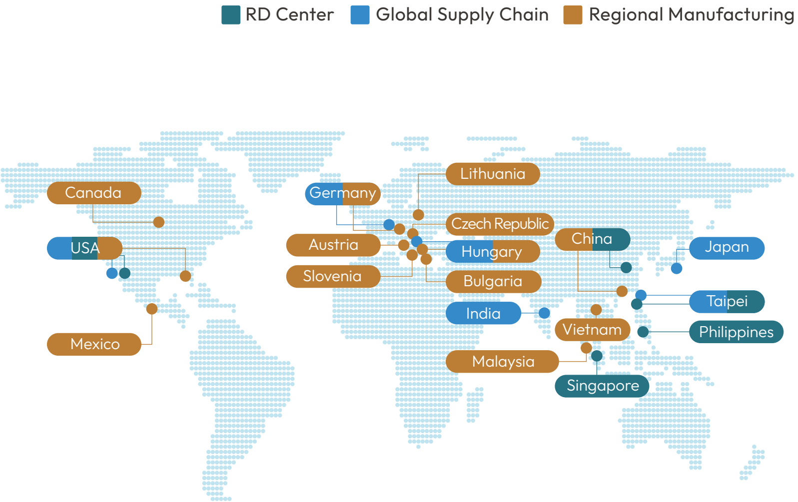
2hectares of Nature-based Solutions (NbS) project

3.1 Company Overview

3.1.1 About Ennoconn

Ennoconn Corporation (6414) was established in 1999 and is headquartered in Zhonghe District, New Taipei City. The Company was officially listed on the Taiwan Stock Exchange in 2014 and is a leading global provider of industrial computer solutions. With deep industry expertise, Ennoconn has built a global operational footprint across 73 locations. The Company has management and service centers in Asia, Europe, and the Americas, as well as three major production bases in Suzhou, Vietnam, and Hungary. By integrating advanced R&D and logistics systems, the Company provides timely and reliable services to customers worldwide. In response to the trend of digital transformation, Ennoconn is committed to AIoT cloud-edge integration, developing efficient and secure terminal interaction systems for the smart manufacturing, retail, and energy industries. In 2025, the Company recorded operating revenue of NT$1,458,864 thousand, leading industry innovation trends.

Ennoconn Global Operations



5 RD Centers

13 Manufacturing in 13 Countries

73 Sales Locations in 73 Countries

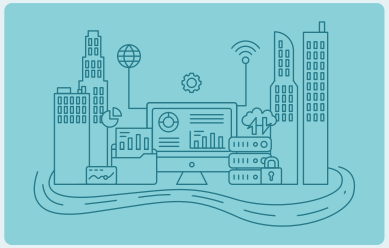
3.1.2 Business Structure

In response to the trends of digital transformation and sustainable development, Ennoconn has developed a comprehensive smart solution ecosystem. The Company categorizes its core competencies into three dimensions, extending from the underlying hardware architecture to advanced cloud applications. Through integrated services, the Company achieves a high level of automation, embeds energy management and digital twin technologies into its operating processes, and creates long-term sustainable value through "ESaaS (Ennoconn Solution as a Service)."

Comprehensive Smart Solution Ecosystem

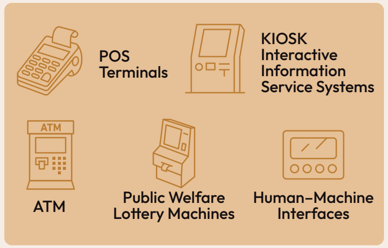
Smart Software: Cloud-Ground Integration

Ennoconn integrates industrial software, machine learning, and digital twins to enhance cloud-ground platform integration solutions. The Company introduces AI applications into smart building and transportation scenarios to enhance operational decision-making efficiency.



Industrial Internet of Things: Edge Foundation

Ennoconn empowers endpoint devices through edge computing, focuses on cybersecurity communications and embedded system integration, and realizes Internet of Things applications.



Smart Factory: Field Application

The Company provides intelligent automation systems for the high-tech industry, helping customers build smart factories aligned with green manufacturing, optimize processes, and enhance production.

3.1.3 Participation in External Organizations

Ennoconn Group is committed to advancing industrial upgrading and sustainable transformation. The Group actively participates in trade associations and international organizations to stay informed of sustainability trends and regulatory developments in Taiwan and abroad. Ennoconn has established a management mechanism for trade association memberships and lobbying activities, which applies to certain operating sites of Ennoconn Group and its subsidiaries. The ESG Promotion Office is responsible for coordinating and overseeing these activities and reports regularly to the Chief Sustainability Officer, helping ensure that all engagements are aligned with the Company's climate goals and the objectives of the Paris Agreement.

Ennoconn actively implements energy conservation and carbon reduction measures and supports the temperature goals of the Paris Agreement, as well as the development of climate-related policies and regulations, including those relating to renewable energy, carbon credits, and carbon sinks. Before and during its participation in trade associations or lobbying activities, the Company evaluates whether the relevant positions and activities are aligned with its carbon reduction pathway and net-zero vision. The ESG Promotion Office has established a climate alignment review mechanism to regularly evaluate the positions and lobbying activities of the organizations in which the Company participates. If a misalignment with the Company's climate strategy and goals is identified, the Company will first engage with the organization to seek alignment. If no substantive improvement is made within one year, the Company will withdraw from the organization.

In 2025, Ennoconn Group participated in 19 associations and organizations, with total expenditures of NT$527,160. The list of participation is shown in the table below. Ennoconn Group did not engage in any direct lobbying activities in 2025. Following a comprehensive review, all trade associations with climate-related positions were confirmed to be aligned with the Company's climate goals. Accordingly, no misaligned associations were identified in 2025.

Industry and Technology

The Group actively participates in exchanges on forward-looking trends such as communications specifications, semiconductor supply chains, and smart manufacturing, driving digital transformation across the industry. At the same time, the Group closely monitors initiatives and regulatory developments in areas such as energy conservation for green facility systems and smart healthcare. Through participation in the development of industry standards, the Group promotes industrial innovation and sustainable shared prosperity.

Associations and organizations	Membership Status	Expenditures (NT$)
Peripheral Component Interconnect Special Interest Group (PCI-SIG)	Regular member	130,240
Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)	Regular member	100,000
Taiwan Electronic Equipment Industry Association (TEEIA)	Regular member	36,000
Taiwan Automation Intelligence and Robotics Association	Level 4 Group Member	30,000
Smart Industrial Computer and Internet of Things Association	Class B membership	30,000
Taiwan Intelligent Zero Carbon Building Alliance	Regular member	20,000
Taiwan Intelligent Building Association	Regular member	12,000
Taiwan Panel & Solution Association (TPSA)	Regular member	12,000
Taiwan Medical and Biotech Industry Association (TMBIA)	Regular member	12,000
Taiwan High-Tech Facility Association	Regular member	10,000
Taiwan Refrigeration and Air-Conditioning Engineering Association	Regular member	10,000
Allied Association for Science Park Industries	Regular member	10,000
Taipei Computer Association	Regular member	2,000
SMT Special Committee, Jiangsu Institute of Electronics	Regular member	920

Other categories

Through long-term local engagement, the Group promotes the development of the ICT industry and local economy. The Group focuses on engagement with local stakeholders and, through exchanges on business management and corporate governance practices, fulfills its local care and social responsibility as a corporate citizen.

Associations and organizations	Membership Status	Expenditures (NT$)
Taiwan Listed Companies Association	Regular member	70,000
The Institute of Internal Auditors – Chinese Taiwan	Regular member	20,000
Chinese Professional Management Association	Regular member	12,000
Little Giant Award Fellowship Association	Regular member	10,000
Kunshan Taiwan Business Association	Regular member	-

Expenditures on Trade Associations Participation over the Past Four Years

(Amount: NT$)

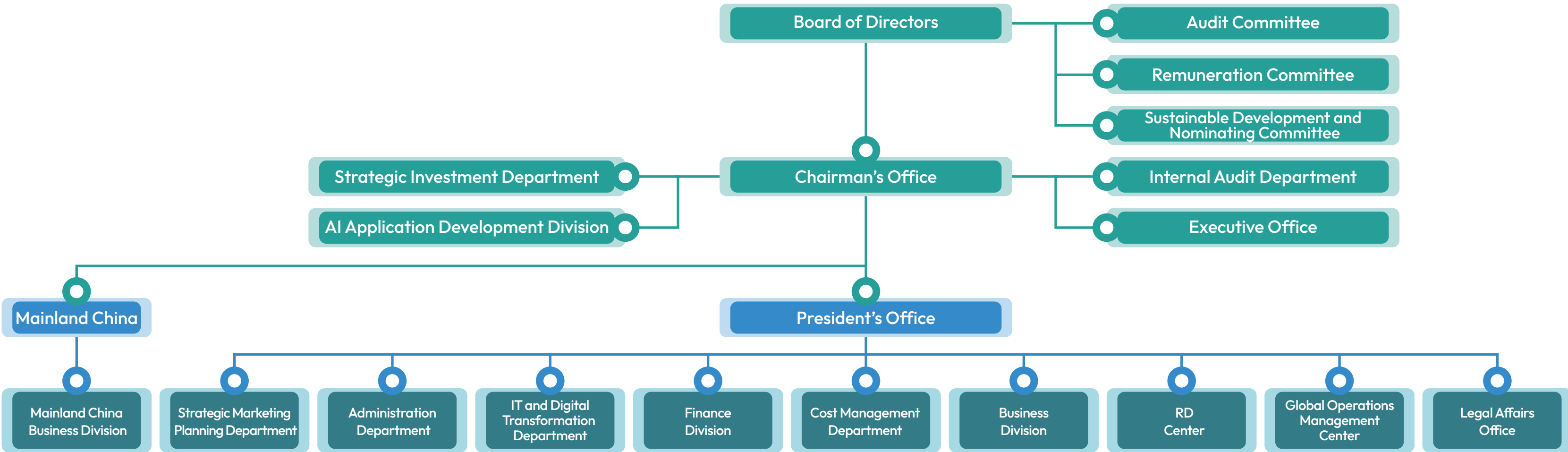
Summary of Expenditures	2022	2023	2024	2025
Lobbying, interest representation, or similar organizational activities	0	0	0	0
Local and regional activities of political organizations	0	0	0	0
Trade associations and other think tanks	0	171,500	94,000	527,160
Other organizations established due to referendum	0	0	0	0
Donations or other dues	0	0	0	0
Data coverage	0%	100%	100%	100%

Ennoconn
Solutions For Smart Future

3.2 Governance Structure

3.2.1 Board Structure

The Board of Directors is the Company's highest governance body and is responsible for business decision-making and long-term value creation. By regularly reviewing the implementation results of each functional committee, the Board ensures a transparent and well-functioning governance structure and safeguards the long-term interests of the Company, shareholders, and all stakeholders.



1 Specialized Responsibilities and Functional Committees

The Board of Directors has established three functional committees, namely the Audit Committee, the Remuneration Committee, and the Sustainable Development and Nominating Committee. These committees conduct professional reviews of operational risk control, remuneration of senior executives, the quality of financial information, and key ESG performance indicators.

2 Structure and Operating Performance

The election of the Board of Directors (including independent directors) follows the candidate nomination system under the Guidelines for Nomination of Directors. All directors faithfully fulfill their fiduciary duties and focus on global strategic planning, financial performance oversight, and compliance risk management. They possess core competencies in operational judgment, financial analysis, crisis management, and international market insight. In addition, in accordance with the diversity policy set forth in Article 20 of the Corporate Governance Code of Practice , the Company refers to the industry framework of the Global Industry Classification Standard (GICS) as a basis for director selection. This ensures that Board members have backgrounds highly aligned with the Company's business scope and future development, possess complementary professional expertise, and adhere to the principle that directors concurrently serving as managerial officers shall not exceed one-third of the Board, thereby building a resilient decision-making team.

The current Board of Directors consists of seven directors, including 4 independent directors, with a term of three years. The Board has 3 female directors, accounting for 42.86% of all directors, outperforming the industry average and demonstrating the Group's commitment to promoting gender-equal governance. Ennoconn maintains a frequent and efficient communication mechanism and convenes Board meetings once every quarter to ensure that key proposals receive thorough discussion. In 2025, the Company convened 8 Board meetings, with an average attendance rate of 96%.

Disclosure of Ennoconn Board Member Information

Among the members of the current Board, 3 directors have more than 20 years of practical experience in the computer and peripherals industry, and four directors have more than 20 years of practical experience in accounting, finance, and banking, ensuring that the Board can guide the Company in responding to the impacts of industry transformation risks and other challenges.

Name	Basic Information							Global Industry Classification Standard (GICS) Industry Background and Experience				Professional abilities								
	Nationality	Gender	Concurrently an employee of the Company	Age: Aged 51-55	Age: Aged 56-60	Age: Aged 61-65	Years of service as an independent director	Industrial computer/EMS	Computers and peripheral equipment	Accounting and finance	Legal and risk control	Business administration	Risk control	Operational judgments	Crisis handling	Industrial knowledge	International market perspective	Leadership	Decision-making ability	Sustainability expertise
Steve Chu	ROC	Male	V			V		>20 years	V			V	V	V	V	V	V	V	V	V
Chuan-Wang Chang	ROC	Male			V				V			V		V	V	V	V	V	V	V
Guang-Yeu Fang	ROC	Male				V			V		V	V	V	V	V	V	V	V	V	
Hsin-I Chan	ROC	Female		V			3			V		V			V			V		V
Miao-Hsin Wen	ROC	Female				V	3			V			V				V		V	V
Shui-En Liu	ROC	Male				V	0.5			V			V			V				V
Chien-Hua Shao	ROC	Female				V	0.5			V		V		V	V	V		V	V	V
Statistics	100% domestic nationals	Male 57.1% Female 42.9%	Employees 14.3% Non-employees 85.7%	14.3%	14.3%	71.4%	-	-	42.9%	57.1%	14.3%	71.4%	57.1%	57.1%	71.4%	71.4%	57.1%	71.4%	71.4%	85.7%

Board Performance Evaluation

In accordance with the Company's Evaluation of Board of Directors, the Company has established a systematic evaluation mechanism to assess the operating effectiveness of the Board as a whole, individual directors, and functional committees through "annual internal self-evaluations" and "external professional evaluations." The evaluation results serve as a reference for future director candidate nominations and selections, and are reasonably linked to the remuneration of individual directors to ensure that operational effectiveness remains aligned with the Company's long-term strategic goals.

Evaluation Mechanism	Implementation Methods
Internal Evaluation	The Company distributes self-assessment questionnaires each year. Directors evaluate items including "company operations," "improving the quality of Board decision-making," "Board composition and structure," "director election and continuing education," and "internal control."
External Evaluation	Every three years, the Company engages an external professional institution to conduct the evaluation. The Company engaged the Taiwan Corporate Governance Association to conduct the external performance evaluations of the Board of Directors and functional committees in 2022 and 2025. The Association issued the latest Board Performance Evaluation Report on January 29, 2026, which has been uploaded to the Company's official website. The Company plans to conduct the next external evaluation in 2028 and will continue to introduce objective perspectives to enhance corporate governance.

The 2025 internal performance evaluation results showed that the Board of Directors and each committee operated effectively, with average scores exceeding the standards. The scores are shown in the table below, and the relevant results were reported to the Board of Directors on March 13, 2026.

Evaluation Item	Average Score
Performance of Individual Board Member	93.5
Overall Performance of the Board of Directors	99.1
Audit Committee Performance	93.0

Evaluation Item	Average Score
Remuneration Committee Performance	93.3
Sustainable Development and Nominating Committee Performance	92.1

Continuing Education and Professional Development of Directors

To enhance directors' ability to respond to global developments and technological transformation, Ennoconn arranges training courses for directors each year based on industry trends and operating strategies, ensuring that decision-makers stay informed of regulatory compliance and governance practices. In 2025, the seven directors completed a total of 48 training hours, with each director completing nearly seven hours on average, exceeding regulatory requirements. This year's training priorities reflected the Group's "AIoT cloud-ground integration" and "ESG sustainable transformation" strategies, enhancing directors' forward-looking insights into emerging technologies and climate change and demonstrating the Company's determination to align with international practices and implement sustainability. The Company will continue to plan courses related to "digital resilience" and "corporate sustainability."

Proportion of training hours by category

Remuneration of Directors and Senior Management

In accordance with the "Compensation Committee Charter," the Company has established a competitive transparent remuneration framework that links individual incentives with the Company's long-term risks and shareholders' interests. The Remuneration Committee regularly reviews the performance targets of directors and senior managers, takes industry standards into consideration, and links the Company's overall financial performance with non-financial sustainability performance, ESG, to ensure that the management team's operations are aligned with the Company's long-term value. To strengthen the alignment of senior management remuneration with long-term performance and shareholder interests, the Company links the variable remuneration of the Chairman & CEO and the President & Chief Sustainability Officer to both short- and long-term business performance. Variable remuneration is assessed against corporate performance indicators approved in advance by the Remuneration Committee. Long-term performance incentives have a performance measurement period of up to three years and are determined based on the achievement of predetermined financial, customer-related, management, and sustainability performance indicators. The incentives are reviewed by the Remuneration Committee and submitted to the Board of Directors for approval before payment. Currently, no portion of short-term performance incentives is deferred through shares or stock options. Accordingly, the deferral ratio is 0%.

The Company's performance evaluation framework for its senior management team covers two tiers based on their respective roles and responsibilities: (1) the Chairman & CEO and the President & Chief Sustainability Officer; and (2) senior managers serving as ESG functional heads. For the top executive tier, variable compensation is assessed against corporate performance indicators approved in advance by the Remuneration Committee and is linked to both short- and long-term business performance. The performance indicators comprise financial indicators, weighted at 40%; customer indicators, weighted at 30%; management indicators, weighted at 15%; and sustainability development and learning indicators, weighted at 15%.

The financial indicators cover annual budget achievement, earnings quality, cash flow, cost control, and capital expenditure discipline, as well as financial return metrics such as Return on Equity (ROE) and Return on Invested Capital (ROIC). Relative financial performance is assessed with reference to the percentile ranking of Total Shareholder Return (TSR) among industry peers or comparable listed companies, as well as the Company's ROE and ROIC rankings relative to its peers. These indicators strengthen the alignment of senior management compensation with long-term shareholder value creation and market competitiveness.

In 2025, the Chairman and President led the team in completing Scope 1 and 2 inventories and reduction pathway planning, and implemented coverage of sustainability and human rights clauses for key suppliers. For senior managers (ESG functional heads), the assessment focuses on the implementation and execution of sustainability strategies. In 2025, the Company achieved 100% ESG training coverage for senior management, with three hours per person, and established ESG risk and internal control processes. In 2026, the assessment focus for management will include reducing Scope 1 and 2 carbon emissions, by at least 1% each year, increasing the share of renewable electricity to at least 1%, implementing at least one low-carbon product design solution, and improving scores in international ESG questionnaire assessments, demonstrating the Company's determination to advance sustainability transformation.

Furthermore, the Company has established a remuneration adjustment mechanism. In the event of material violations of laws or regulations, fraud, or significant environmental or safety incidents, the Remuneration Committee may submit a proposal to the Board of Directors to reduce the relevant senior manager's compensation. If a senior manager engages in unlawful conduct or commits material negligence that results in reputational damage to the Company, the relevant remuneration may be recovered under the Company's clawback mechanism within three years after payment. This policy reflects the Company's commitment to sustainable management and business ethics and ensures that every senior executive shares responsibility with shareholders for the Company's long-term sustainable development.

Remuneration Indicators for the Chairman and CEO/President and Chief Sustainability Officer

Indicator Dimensions		Weight	2025	2026 Focus
Financial indicator		40%	Achieve the annual budget, improve profit quality and cash flow, and maintain cost control and capital expenditure discipline	Improve competitiveness relative to industry peers and comparable stocks (percentile/relative ranking); strengthen operational resilience (maintain profitability/cash flow under stress scenarios)
Customer Indicator		30%	Key customer retention and expansion, delivery quality, delivery rate, and customer complaints	Increase the revenue contribution of high value-added solutions (AI/information security/energy/smart manufacturing/smart retail)
Management Indicator		15%	Annual strategic milestones, major investment/M&A integration, and implementation of the risk management system	Cross-business group synergy and efficiency (process digitalization/internal control maturity); preventive achievement of major risk management targets (supply chain backup, information security patching, etc.)
Sustainability Development Indicators	Climate and Carbon Management (E)	2.5%	Complete Scope 1 and 2 inventories, the base year and reduction pathway, and climate risk/scenario analysis	Improve Scope 1 and 2 emissions intensity per unit of revenue by at least 1% compared to the base year; renewable electricity share at least 1%.
	Low-carbon Supply Chain and Responsible Procurement (E/S)	2.5%	Key supplier tiering, sustainability/human rights/occupational safety and health clause coverage (new contracts/renewals); achieve the target coverage for high-risk supplier self-assessments/audits	Achieve key supplier improvement plans; 100% closure rate within the period for major deficiencies (human rights/occupational safety and health/environmental safety)
	Green Products and Customer Value (E/G)	2.5%	Establish policies and guidelines for green products/materials and energy efficiency	Complete the implementation of at least 1 low-carbon design product/solution and incorporate customer needs/business applications.
	Governance and Compliance (G)	2.5%	Complete information security/privacy governance and drills; achieve 100% coverage of integrity management training	Major information security/corruption/major penalty incidents = 0; 100% closure rate within the period for major deficiencies
Learning Indicators		5%	ESG/climate/supply chain human rights/information security governance training for senior executives	Institutionalize ESG capabilities (data governance, internal audit, and CSA/MSCI/FTSE issues)

Senior Managers (ESG Functional Heads) Remuneration Indicator

Indicator Dimensions		Weight	2025	2026 Focus
Sustainability Development Indicators	Sustainable Procurement and Human Rights Due Diligence (S/G)	4%	Supplier tiering; 100% coverage of sustainable procurement/RBA/human rights clauses (new contracts/renewals); achieve the targets for high-risk supplier identification and self-assessments/audits	Achieve high-risk supplier improvement plans; major deficiencies (child labor/forced labor/major environmental safety/occupational safety cases) = 0 or 100% closure rate within the period
	Energy/Carbon Management and Renewable Energy (E)	3%	Inventory/data governance, energy hotspot analysis; renewable energy strategy (self-generation/power purchase/certificates) and roadmap	Improve electricity intensity by at least 1%; renewable electricity share at least 1%; achieve the target coverage for third-party verification (by scope/site).
	ESG Risk Management and Disclosure Quality (G)	3%	Establish ESG risk and internal control processes; calibrate disclosure consistency (materiality/boundaries/definitions)	100% submission rate for CSA/MSCI/FTSE questionnaires; reduce deficiency items/improve scores for internally mapped items.
Learning Indicators		5%	100% employee ESG training coverage; three training hours per person	100% employee ESG training coverage; improve employee satisfaction score by 2 points

Conflict of Interest Management and Recusal Mechanism

Ennoconn's Rules of Procedure for Board of Directors Meetings, and the organizational charters of the Audit Committee, Remuneration Committee, and Sustainable Development and Nominating Committee all expressly set forth conflict of interest recusal provisions. If a director has a personal interest, or an interest involving the director's spouse, blood relatives within the second degree of kinship, or any company under a controlling or subordinate relationship with the director, in any matter discussed at a meeting, the director shall proactively explain the key details of the interest at the Board meeting. If the matter may be detrimental to the Company's interests, the director may not participate in the discussion or voting, shall recuse himself or herself during the discussion and voting, and may not exercise voting rights on behalf of another director, thereby ensuring the objectivity and independence of the decision-making process. The names of relevant directors, descriptions of interests, and recusal status are all recorded in detail in the meeting minutes for review.

Board Accountability, Director Responsibilities, and Succession Planning

Ennoconn strengthens Board accountability through high Board meeting attendance, Board performance evaluations, conflict-of-interest recusal mechanisms, oversight by Board committees, and internal audit reporting mechanisms. In 2025, the Board held 8 meetings, with an average attendance rate of 96%. The Company conducts annual internal performance evaluations covering the Board as a whole, individual directors, and Board committees. Furthermore, the Company commissions an external professional institution to conduct an independent evaluation every three years, with the Taiwan Corporate Governance Association serving as the external evaluator. The results are reported to the Board and used as references for director nominations, remuneration, and corporate governance improvements. As of the end of 2025, each of the Company's 6 non-executive and independent directors held no more than 4 concurrent directorships or equivalent senior executive positions at other listed or over-the-counter companies. This demonstrates their capacity to devote sufficient time and attention to fulfilling their Board responsibilities.

To safeguard shareholder interests, amendments to the Company's Articles of Incorporation are handled in accordance with Article 277 of the Company Act. Any amendment to the Articles of Incorporation must be submitted to shareholders for approval and may not be made without a resolution of the shareholders' meeting. On May 29, 2025, the shareholders' meeting approved an amendment to the Articles of Incorporation. Ennoconn's directors owe fiduciary duties and duties of care to the Company, bearing legal liabilities under the Company Act, Securities and Exchange Act, and other relevant regulations. The Company's Articles of Incorporation, Rules of Procedure for Board of Directors Meetings, and Corporate Governance Principles contain no provisions that exempt, reduce, or limit directors' legal liabilities.

The Company maintains Directors and Officers (D&O) Liability Insurance as part of its governance and risk management. However, this insurance does not exempt or limit directors' fiduciary duties, duties of care, or other legal liabilities. Directors must disclose any personal or related-party interests in Board proposals that may conflict with the Company's interests, and must recuse themselves from discussions and voting.

Ennoconn has established succession planning and delegation arrangements for senior management, covering both planned and unplanned departures of the Chairman, President, and key senior managers. Under the oversight of relevant committees and the Board, the Company regularly reviews the readiness of potential successors, their development plans, and anticipated succession timelines to ensure continuity in operations and strategy execution.

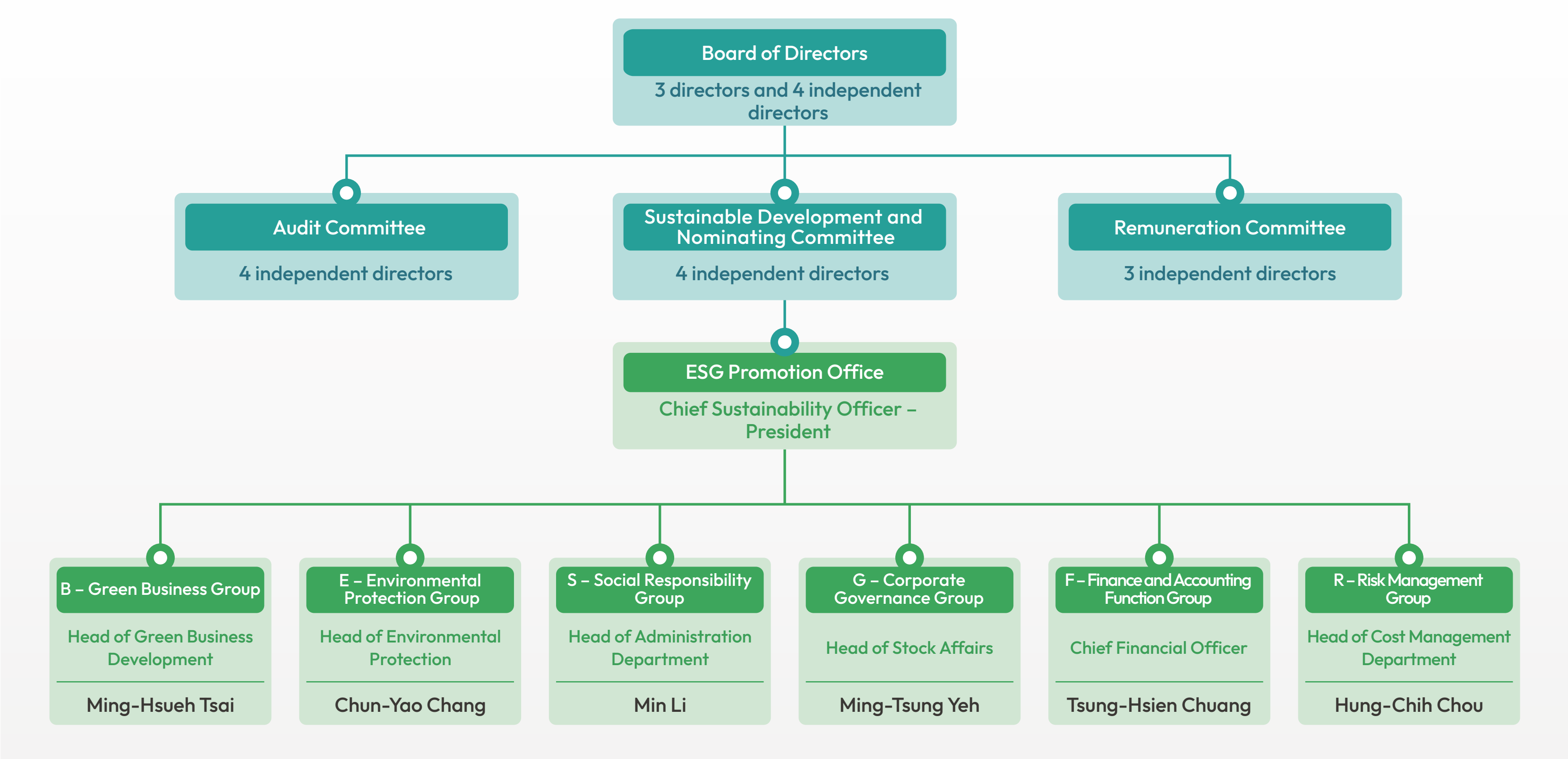
Ennoconn
Solutions For Smart Future

3.2.2 Functional Committees

The Board of Directors of Ennoconn has established three functional committees, namely the Audit Committee, the Remuneration Committee, and the Sustainable Development and Nominating Committee. In addition to exercising their powers independently in accordance with laws and regulations, each committee is accountable to the Board of Directors and regularly submits review results and proposals to the Board of Directors for reporting or resolution, thereby implementing a specialized division of responsibilities.

Sustainable Development and Nominating Committee

On May 29, 2025, Ennoconn's Board of Directors appointed independent directors Hsin-Yi Chan, Miao-Hsin Wen, Shui-En Liu, and Chien-Hua Shao as members of the 2nd term Sustainable Development and Nominating Committee. The Committee operates in accordance with the "Sustainable Development and Nominating Committee Charter" approved by the Board of Directors. Its core responsibilities include coordinating the management, resolution, and supervision of governance strategies for the Company's material ESG topics; reviewing policy implementation and the achievement rates of key targets; reviewing the qualifications of director candidates and the independence qualifications of independent directors; and reviewing the performance evaluations of the Board of Directors and functional committees, as well as director training plans. The Committee convenes at least two meetings each year and regularly reports implementation results to the Board of Directors to ensure that the Company's sustainability strategy is aligned with its operating direction.



Under the Committee, six major executive groups have been established according to functional responsibilities, namely the Green Business Group, Environmental Protection Group, Social Responsibility Group, Corporate Governance Group, Finance and Accounting Function Group, and Risk Management Group. The Chief Sustainability Officer supervises each group, and the heads of the responsible units are appointed as group leaders. The executive groups are responsible for identifying material ESG issues related to operations, formulating management strategies and targets, and preparing the annual sustainability report. The Chief Sustainability Officer regularly reviews each group's implementation performance and target achievement and reports to the Sustainable Development and Nominating Committee at least twice a year.

Organization	Main Responsibilities	Short-term (until 2028)	Medium and Long term (until 2050)
Green Business Group	▪ Promote smart energy management ▪ Develop green technology solutions	▪ Improve the efficiency of the energy management platform ▪ Increase R&D investment ▪ Implement ISO 20400 Sustainable Procurement Guidance	
Environmental Protection Team	▪ Promote the Company's environmental and energy policy ▪ Introduce the Company's five major environmental protection policies	▪ Renew third-party verification for ISO 14001, ISO 50001, and ISO 14064-1 each year ▪ Biodiversity and carbon sink projects ▪ Reduce energy consumption by 1% each year ▪ Reduce Scope 1+2 carbon emissions by at least 1% each year	▪ 60% renewable energy by 2030 ▪ 100% renewable energy by 2040
Social Responsibility Group	▪ Care for employee well-being and benefits ▪ Support social well-being activities	▪ Maintain the competitiveness of salary in the market ▪ Provide English training for key talents ▪ AI empowerment training program ▪ Arrange courses and activities for work-life balance and health promotion ▪ Raise awareness of preventing sexual harassment in the workplace ▪ Introduce app services to take care of the physical and mental health of employees in real time ▪ Implement the ISO 45001 management system ▪ Introduce employee satisfaction surveys ▪ Introduce human rights due diligence	▪ Enhance talent recruitment and retention ▪ Enhance global management capabilities and effectiveness ▪ Support local culture ▪ Promote industry-academia cooperation programs
Corporate Governance Group	▪ Managing corporate governance affairs. ▪ Holding Board meetings and functional committee meetings. ▪ Maintaining information security.	▪ Maintain top two-tier results in corporate governance/ESG evaluations ▪ Convene Board meetings and functional committee meetings in accordance with laws and regulations, and convene the annual shareholders' meeting with video conferencing support ▪ Complete the setup of three information security platforms	▪ Improve corporate governance ▪ Strengthen information disclosure ▪ Protect information security
Finance and Accounting Functional Group	▪ Review financial statements to ensure the accuracy and fairness of information ▪ Formulate financial planning and oversee the implementation procedures for major financial and business activities	▪ Identify and assess potential and material financial risk impacts, and enhance timely risk response capabilities ▪ Properly manage fund flows with stakeholders to create economic value returns	
Risk Management Group	▪ Review risk management policies and related guidelines ▪ Implement tiered risk management, identify risk factors and trends, assess the degree of impact, and propose response measures	▪ Assess corporate risks, formulate cross-departmental response measures, and oversee implementation status ▪ In response to financial double materiality management, regularly review risk management processes and strengthen implementation effectiveness	

In 2025, the Sustainable Development and Nominating Committee convened two meetings, with an attendance rate of 100% for all members. A total of four material matters were submitted to the Board of Directors this year. The relevant communication matters and resolution results are shown in the table below.

Communication Matters	Date	Material Recommendations	Committee Resolution Results	Results of the Resolutions of the Board of Directors
Formulated the Sustainable Development and Nominating Committee Charter	2025.5.13	N/A	The Chairperson consulted the other attending members, who agreed to approve the proposal as presented.	Resolved by all attending directors.
Reviewed and approved the Company's 2024 Sustainability Report	2025.5.13	N/A	The Chairperson consulted the other attending members, who agreed to approve the proposal as presented.	Resolved by all attending directors.
Proposal for the 2026 ESG Work Implementation Targets	2025.11.13	N/A	The Chairperson consulted the other attending members, who agreed to approve the proposal as presented.	Resolved by all attending directors.
Proposal for the 2026 Greenhouse Gas Emissions Targets and Implementation Measures	2025.11.13	N/A	The Chairperson consulted the other attending members, who agreed to approve the proposal as presented.	Resolved by all attending directors.

Ennoconn's Board of Directors approved the Sustainability Information Management Procedures and established an internal control system for sustainability information preparation. The system covers processes such as the collection, recording, processing, preparation, reconciliation, approval, and publication of sustainability information. The Company has also incorporated sustainability information management into its internal control system and annual audit plan. The most recent audit was completed on December 31, 2025, to enhance the reliability of sustainability disclosures.

Data Quality Control	Each responsible unit provides reviewed data and implements authorization and list management to prevent unauthorized distribution. Personnel in charge handle the relevant matters in accordance with applicable laws and regulations, standards, and Company procedures, subject to review and approval by supervisors.
Materiality Judgment Principles	The materiality of the sustainability report follows the GRI 3 process, while the materiality of sustainability information in the annual report refers to the IFRS Sustainability Disclosure Standards.
Estimates or Assumptions and Change Management	For sustainability information involving estimates or assumptions, the Company retains the scenarios, data sources, scope of application, and basis of estimation. In the event of changes to the organizational structure, methodology, or systems, the Company assesses the reasonableness of such changes and maintains change records.
Information Control, Assurance, and Retention	The Company follows internal control requirements for electronic data processing to ensure information confidentiality and integrity. If third-party assurance or verification is conducted, the Company evaluates and approves the qualifications of the service provider in accordance with procurement requirements, and properly retains relevant data and working papers.

Remuneration Committee

Ennoconn has established the Remuneration Committee in accordance with the Compensation Committee Charter. The current Committee consists of three independent directors to ensure independence and objectivity in the decision-making process. The Committee regularly reviews the performance targets, remuneration policies, and structures for directors and managers. It also evaluates and makes recommendations on individual remuneration based on annual and long-term operating performance, and submits its review results to the Board of Directors for decision-making. In 2025, the Committee convened three meetings, with an attendance rate of 100% for all members. A total of five material matters were submitted to the Board of Directors this year. The relevant communication matters and resolution results are shown in the table below.

Communication Matters	Date	Material Recommendations	Committee Resolution Results	Results of the Resolutions of the Board of Directors
Proposal for 2024 Managerial Officers' Performance Bonuses	2025.1.15	N/A	All members of the committee agreed to pass the motion.	Except for individual directors who recused themselves in accordance with the law and did not participate in the discussion or voting, the proposal was approved by all attending directors.
Proposal for 2024 Total Amount of Remuneration of Directors and Remuneration of Employees	2025.3.28	N/A	All members of the committee agreed to pass the motion.	Approved as proposed by all directors.
Proposal for 2024 Distribution of Remuneration of Directors	2025.8.12	N/A	The motion was approved by all members of the committee, with the exception of individual members who recused themselves from the discussion and voting in accordance with the law.	The proposal was submitted to the Board of Directors. Aside from individual directors who recused themselves due to conflicts of interest in accordance with the law and did not participate in the discussion or voting, the proposal was approved by all directors present.
Proposal for 2024 Distribution of Remuneration of Employees to Managerial Officers	2025.8.12	N/A		
Proposal for 2025 Salary Adjustments for Managerial Officers	2025.8.12	N/A		

Audit Committee

Ennoconn has established the Audit Committee in accordance with the "Audit Committee Charter." The current Committee consists of all four independent directors as required by law. The Committee convenes regular meetings at least once every quarter and assists the Board of Directors in supervising the Company's accounting, audit, financial reporting processes, and internal control quality. In 2025, the Committee convened seven meetings, with an average attendance rate of 95.8%. The Company has established a separate communication mechanism between the independent directors, the internal audit officer, and the certifying CPAs. The relevant meetings are shown in the table below.

Meeting Format	Number of Meetings	Meeting Content
Internal Audit Communication Meeting	5 times	The independent directors and the internal audit officer held in-depth discussions on the implementation status and potential risks of the internal control system.
CPA Communication Meeting	3 times	The independent directors held meetings with the certifying CPAs. In addition to reporting on the results of financial report reviews or audits, the CPAs also provided updates on the latest regulatory changes and exchanged views with the independent directors.

3.3 Economic Performance

3.3.1 Economic Value

Ennoconn has established a systematic mechanism for annual budget management. In the fourth quarter of each year, the Company launches the budget preparation process for the following year, with each department preparing budgets for sales, production, procurement, and labor costs based on strategic goals. After consolidating the budgets, the cost management department prepares the projected statement of income, balance sheet, and statement of cash flows. After review by the President, the Chairman or a representative designated by the Chairman reports the budget preparation results at the first Board meeting of the following year, and the budget is approved by resolution of the Board of Directors to ensure that resource allocation is closely aligned with operating strategies. To ensure the achievement of targets, the Company conducts monthly performance reviews. The Finance Department consolidates the financial statements for the period, conducts variance analysis and comparisons among actual operating results, the annual budget, and prior-period conditions, and submits the results to the President for discussion, enabling timely adjustments to operating policies and improving decision-making accuracy. Ennoconn upholds the principle of information transparency. The Company discloses its quarterly and annual consolidated financial reports and standalone financial reports on the Company's official website and the Market Observation Post System in accordance with the statutory schedule for stakeholders to review. In 2025, Ennoconn's consolidated revenue reached NT$142.3 billion, a decrease of NT$4.1 billion from the previous year.

Unit: NT$ thousands

Group Financial Items	2022	2023	2024	2025
Operating revenue	108,228,533	121,640,976	146,383,720	142,289,669
Profit (loss) before tax	3,709,274	6,915,695	7,633,179	9,908,143
Net profit (loss) after tax	10,212,093	6,915,695	6,131,781	8,464,015
Earnings (losses) per share	32.62	19.01	20.03	23.26
Cash dividend (per share)	**12.75**	**11.41**	**12.2**	**14.0**

Note: The cash dividend for 2025 was approved by resolution of the Board of Directors on March 27, 2025 and submitted to the shareholders' meeting for acknowledgment.

Unit: NT$ thousands

Group Financial Details		2023	2024	2025
Direct economic value generated (A)		122,221,447	146,956,827	142,892,244
Economic value	Operating revenue	121,640,976	146,383,720	142,289,669
	Non-operating income	580,471	573,107	602,575
Economic value distributed (B)		117,012,674	143,599,994	140,499,776
Economic distribution	Operating cost	98,042,051	117,551,890	113,111,179
	Employee wages and benefits	16,392,426	22,483,335	23,595,549
	Interest expense	913,377	1,374,739	1,281,030
	Income tax paid	1,664,820	2,190,030	2,512,018
	Community investment	0	0	0
Economic value retained (A-B)		**5,208,773**	**3,356,833**	**2,392,468**

Notes:
1.Non-operating income includes interest, dividends, rental income, and share of profit or loss of investments accounted for using the equity method.
2.Employee wages and benefits include salaries, labor and health insurance expenses, pension contributions, and other employee benefit expenses.

3.3.2 Tax Policy

Honest tax payment is the most direct economic contribution a company makes to local society. Ennoconn complies with the tax laws and regulations of all operating locations worldwide and refers to the tax guidelines of the Organization for Economic Cooperation and Development (OECD) to establish an open and transparent tax governance strategy. Ennoconn formulates different tax strategies for different countries and establishes reasonable pricing principles within the Group based on functions and risks assumed, ensuring that profits are reasonably retained in each tax jurisdiction. While fulfilling its corporate tax responsibilities, the Company manages tax audit risks to achieve the goals of stable operations and shared prosperity with local communities.

Governance Structure

Governance Level	Competent Authority	Core Responsibilities
Highest Decision-Making Level	Board of Directors	Approve the annual tax strategy and regularly review tax risk assessment reports.
Supervisory Unit	Internal Audit Department	Regularly review tax operations, internal control systems, and regulatory compliance each year to ensure that all locations complete tax filing and payment in accordance with local laws and regulations.
Implementing Units	Finance Division	■ Tax implementation: Led by the Chief Financial Officer, the Finance Department monitors changes in tax laws in each country, identifies potential tax risks, and implements appropriate measurement and control mechanisms. The Finance Department is responsible for daily tax administration and compliance reporting, and reviews strategies and risks from time to time. ■ Personnel training: The Company regularly arranges for employees to participate in professional training held by competent authorities or internally by the Company to enhance the professional knowledge of implementation personnel.

Six Principles of Tax Strategy

Ethical Management
Comply with the spirit as well as the letter of the tax laws and regulations in the countries in which the Company operates

Prohibition of Profit Shifting
Transferring no profits and value created by the Company to low-tax jurisdictions

No tax structures lacking commercial substance are used, and no tax avoidance activities are conducted through tax havens or secrecy jurisdictions

Tax Assessment in Decision-making
All major operating decisions of the Company take tax impacts into consideration

International Standards
Transactions are conducted based on the arm's length principle and in compliance with the internationally recognized transfer pricing guidelines published by the OECD

Transparent and Trust-based Communication
Building a relationship of mutual respect with tax authorities based on information transparency.

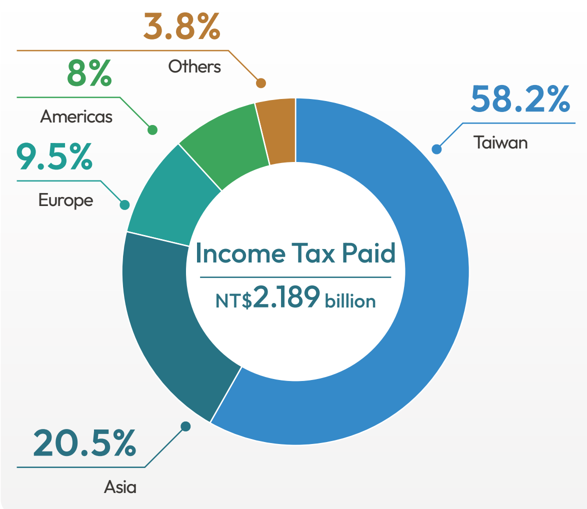
Risk Governance
Changes in tax laws at operating locations may result in additional costs. The Company regularly reports potential issues related to tax costs and filing status to the Board of Directors

Tax Risk Management

Changes in tax laws and regulations directly affect the Company's effective tax rate and net income performance. Ennoconn regularly reviews tax laws and regulations in each country where it operates, proactively identifies potential risks, and reports them to the Board of Directors for discussion. For new operating activities or transactions, the Company conducts tax impact assessments in advance. In terms of risk assessment, the Company covers changes in tax costs such as import and export duties, value-added tax, and income tax, and confirms whether the tax-related activities of its global localized operations comply with local tax laws and regulations. In response to the above risks, the Company is committed to improving its internal control system, strengthening its tax agency system, and actively recruiting dedicated tax personnel. In 2025, the Chief Financial Officer reported the annual tax cost analysis, risk assessment, and response measures to the Board of Directors on November 13, ensuring that management fully understands the status of tax governance. In addition, Ennoconn values positive interaction with tax authorities and experts. In addition to regularly engaging external accounting firms to certify tax filings, the Company also actively participates in regulatory seminars held by competent authorities to assess in advance the potential impact of regulatory changes on the Company.

Country-by-Country Tax Report

Taiwan, as the Group's operating headquarters, is the region with the highest contribution to global income tax paid. As the Company continues to deepen its presence in each country, it complies with local regulatory procedures to ensure legality and transparency. The Company fully cooperates with audits or investigations by tax authorities in each jurisdiction, provides the required documents and explanations, and fulfills its tax obligations.



Unit: NT$ thousands

Country/Region	Main Business	Number of Employees	Revenue	Profit Before Tax	Income Tax Payable	Income Tax Paid
Taiwan	Headquarters/R&D	1,966	47,671,142	4,026,354	435,276	1,274,064
Asia	Manufacturing/Sales	4,185	25,532,612	1,339,478	140,887	448,649
Europe	Manufacturing/Service	6,745	73,817,711	3,359,766	322,599	207,902
Americas	Manufacturing/Service	934	31,226,977	(367,437)	73,935	175,454
Others	-	47	4,879,007	(16,279)	(359)	82,484
Total	-	13,877	183,127,449	8,341,882	972,338	2,188,553

Notes: The differences between the data in this table and the financial statements are explained below

1. The "revenue" in this table includes operating revenue and non-operating income. Certain non-operating items are affected by the net presentation principle. For example, exchange gains and losses for the full year are included in this table only when presented as net gains. If they are net losses, they are not included. As a result, differences arise between this table and the financial statements.
2. The data in this table is converted directly into New Taiwan Dollars based on the original bookkeeping currency of each subsidiary. In contrast, the financial statements involve multiple currency conversions under the Group structure, and different exchange rate bases apply to each quarter. Therefore, exchange rate translation differences arise.

Effective Tax Rate Statistics of the Consolidated Financial Statements

Unit: NT$ thousands

Financial Items		2024	2025
Profit before tax		7,633,179	9,908,143
Income tax expense		1,609,821	1,514,420
Income tax paid		2,190,030	2,512,018
Book effective tax rate	Percentage	21.09%	15.28%
	Industry average	15.39%	15.39%
Cash effective tax rate	Percentage	28.69%	25.35%
	Industry average	15.09%	15.09%

Notes:
1.Book effective tax rate = income tax expense / profit before tax; cash effective tax rate = income tax paid / profit before tax.
2.The industry average refers to the average book effective tax rate and cash effective tax rate of the Technology Hardware & Equipment industry among the 20 industry groups under the Global Industry Classification Standard, based on the S&P Global CSA Handbook 2026.

Whistleblowing and Grievance Mechanism

For the grievance mechanism, please refer to the "Business Ethics Whistleblowing Mechanism" in Section 3.4.2 Ethical Management and Anti-corruption. As of the end of 2025, the Company had not experienced any unethical or illegal tax violations.

3.4 Responsible Business Conduct

3.4.1 Legal Compliance

Ennoconn's Legal Affairs Office establishes management processes and governance policies to improve the Company's legal protection framework. By tracking regulatory developments across global operating locations in real time, the Company monitors any changes in laws and regulations that may affect its operations, and implements compliance management and impact assessment. At the same time, together with the Internal Audit Department's implementation of the annual risk management plan, the risk assessment coverage rate across global operating locations reached 100%, minimizing compliance risks through the internal control system. For large-scale investment projects, the President assigns dedicated project teams to conduct specialized management and control fraud and unlawful conduct risks.

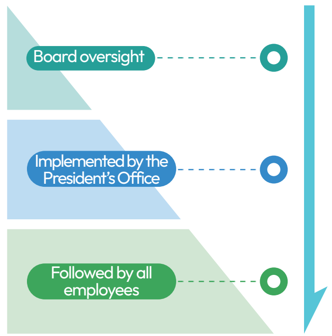
Ennoconn maintained a record of "0 cases" of violations of laws and regulations related to the environment, society, governance, products, and services. For the disclosure standard of regulatory compliance, the Company follows the definition of "material event" under the Taiwan Stock Exchange Corporation Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities. Any single event with cumulative fines reaching NT$1 million or more is classified as a material violation, and the Company is committed to making full and accurate disclosures. In 2025, Ennoconn had no material compliance violations and no convictions related to bribery or corruption. Detailed information is shown in the table below.

Aspects	Violation Type	Monetary penalty (NT$)	Non-monetary penalties (number of cases)
Aspect of Governance	Bribery and corruption	0	0
	Competitive (trust) and monopoly practices	0	0
	Customer privacy	0	0
	Money laundering and insider trading	0	0
	Conflicts of interest	0	0
Aspect of Environment	Violations related to environmental regulations	0	0
Aspect of Society	Labor and human rights	0	0
	Discrimination and harassment	0	0

3.4.2 Ethical Management and Anti-corruption

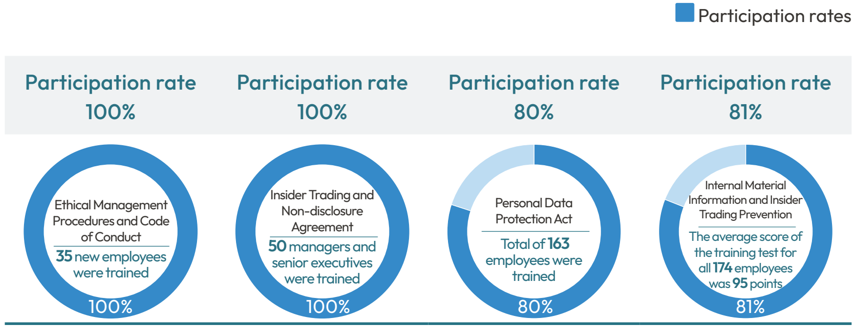
Policy Commitments and Governance Structure

The Board of Directors, as the highest governance body for ethical management, is responsible for approving regulations and supervising implementation. In accordance with relevant regulations for TWSE/TPEx listed companies, Ennoconn has established a top-down system of the Code of Ethical Conduct. For directors, managerial officers, and all employees, the Company has separately formulated and implemented the Procedures for Ethical Management and Conduct Principles, Code of Ethics and Insider Trading Rules. The above regulations expressly prohibit bribery, improper benefits, insider trading, and unfair competition, and require management to lead by example, avoid conflicts of interest, and maintain market order. In addition, the Company guides stakeholders in implementing its ethical management policy through multiple channels and extends these standards to its supply chain. Suppliers are required to cooperate with ESG self-assessments and due diligence processes. For details, please refer to Section 4.3 Supply Chain Resilience. Ennoconn promotes the concept of ethical management within the Company to its business partners and jointly creates a transparent and responsible business environment.



Education and Training

To ensure that the culture of integrity is deeply embedded in the Company, relevant policies are disclosed on the Company's intranet and official website. For new employees, the Company includes the "Integrity Principles and Anti-corruption Course" as a mandatory training item and requires 100% of new employees to sign the "Integrity and Intellectual Property Rights Agreement." In addition, the Company conducts at least one "Ethical Management and Insider Trading Prevention Training" session each year for directors, managerial officers, and all employees. Personnel participating in confidential projects are required to sign a non-disclosure agreement (NDA). The training courses cover the importance of ethical conduct, business partner evaluation, avoidance of unethical transactions, use of whistleblowing channels, procedures for handling reported cases, handling of material information, and prevention of insider trading. Relevant training materials are also available on the intranet at any time. In 2025, total training hours reached 334 person-hours.



Note: Participation rates are calculated based on the number of employees employed on the date of each training session.

Business Ethics Whistleblowing Mechanism

In accordance with Article 21 of the Procedures for Ethical Management and Conduct Principles, Ennoconn publicly discloses its Anti-Corruption and Anti-Bribery Policy on its official website and has established an integrated oversight and reporting mechanism. The mechanism covers integrity-related concerns, corruption and bribery, tax and human rights issues, potential risk alerts, and grievances. The Company has established a Business Ethics Whistleblowing Mechanism and a dedicated physical mailbox, providing accessible reporting and grievance channels for employees and external stakeholders. Reports may be submitted anonymously. Upon receipt of a report, the Company handles the case in accordance with the principles of fairness and independence. Depending on the nature of the case, the Administration Department or a cross-departmental team conducts the investigation and reports the case to the President or independent directors according to the case classification system to clarify the facts. Ennoconn also expressly commits to "zero retaliation." Its whistleblower protection measures safeguard the confidentiality of whistleblowers' identities and report details and protect whistleblowers from retaliation or other improper treatment. If a reported matter is verified to be true, the Company handles the matter in accordance with regulations, reviews the internal control system, and reports improvement measures to the Board of Directors.

In 2025, the Company did not receive any reports involving violations of ethical management, tax compliance, or human rights. Details are shown in the table below.

Violation Type	Quantity
Number of reports received	0 cases
Number of cases filed for investigation	0 cases
Confirmed violations	0 cases
Number of persons subject to disciplinary action	0 persons

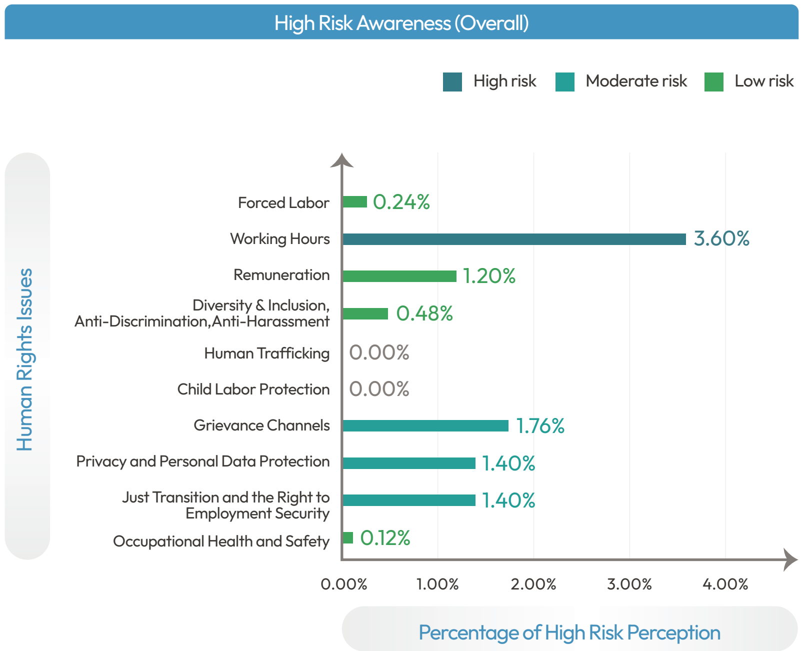
3.4.3 Human Rights Management and Due Diligence

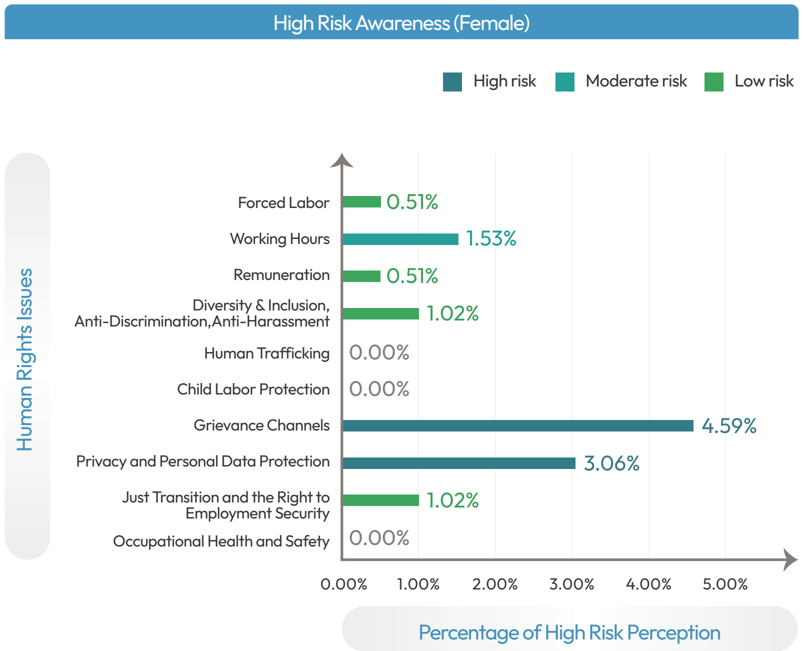
Human Rights Policy and Commitment

Ennoconn follows the Universal Declaration of Human Rights, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, and the International Labour Organization Declaration on Fundamental Principles and Rights at Work, and has formulated the Ennoconn Human Rights Policy, which applies to the entire Group and its supply chain. The Company eliminates child labor, forced labor, and employment discrimination, and protects freedom of association and gender equality to create a diverse, inclusive, and friendly workplace. To implement human rights oversight, the Company has established confidential grievance channels managed by dedicated personnel and is committed to protecting whistleblowers from retaliation. In 2025, the Company had no records of human rights violations. In addition, to extend human rights standards to supply chain management, the Sustainable Procurement Guidelines expressly require suppliers to comply with the Responsible Business Alliance (RBA) standards and cooperate with regular audits to ensure implementation of the human rights policy. For details, please refer to Section 4.3 Supply Chain Resilience.

Human Rights Due Diligence

Ennoconn conducts an annual human rights risk identification and due diligence process. The scope of the 2025 “Ennoconn Human Rights Risk Identification and Due Diligence Report” covered 205 employees of the parent company, with the assessment conducted by 50 representatives from different functions at the section-manager level or above. In accordance with the United Nations Guiding Principles on Business and Human Rights, the Sustainable Development and Nominating Committee reviewed potential human rights impacts arising from the Company’s operations, identified ten priority topics, and conducted a questionnaire survey. Based on the assessment results, four key human rights risks were identified: working hours, grievance channels, privacy and personal data protection, and just transition and the right to employment security. In 2025, Ennoconn focused on implementing remediation measures for these four key risks, with the Administration Department responsible for monitoring improvement progress. In 2027, the Company plans to expand the scope of the assessment to its supply chain and global operating sites to further strengthen labor relations and human rights governance.

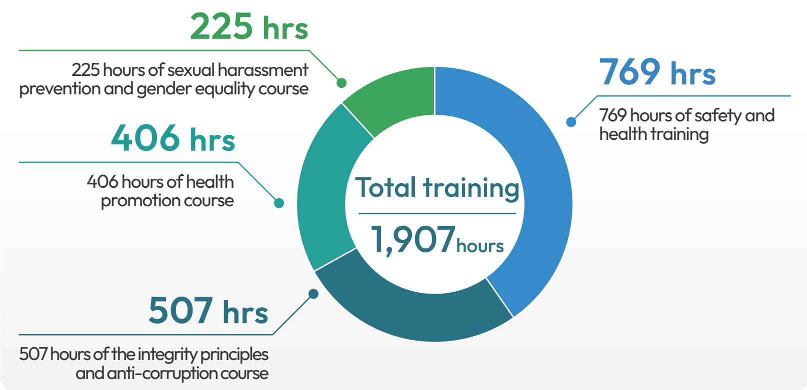




Risk Topic	Risk Scenario and Impact Description	Management Measures and Remedial Mechanisms	Certification and Policy
Working Hours	Project schedule pressures may result in employees working more than eight hours in a single day, potentially reducing the time available for family responsibilities and affecting work-life balance.	1. Working-hour monitoring: The Company complies with applicable labor laws and uses its attendance management system to ensure that monthly overtime hours remain within legal limits. 2. Reasonable compensation: Employees are provided with overtime pay in accordance with the law, as well as compensatory leave arrangements, and are encouraged to take adequate rest. 3. Workload assessment: The Company regularly reviews employee workloads across departments. Where abnormal working hours are identified, employees are provided with appropriate guidance and support. Excessive working hours are addressed at the source by optimizing workflows or increasing staffing levels where necessary.	Work Rules (Internal Document)
Grievance Channels	Employees may not be sufficiently familiar with the Company's existing grievance channels. They may also be concerned that disclosing their identity could result in unfair treatment, exclusion by supervisors, or unfavorable performance evaluations, creating a situation in which grievance channels are available but employees are reluctant to use them.	1. Enhanced communication and training: The Company increases awareness of its grievance channels through new employee orientation and the corporate intranet to ensure that employees understand how to access them. 2. Objective grievance handling: The Company provides cross-departmental and multi-level channels through which employees may raise concerns, including monthly meetings and the Employee Welfare Committee. The Administration Department receives and objectively investigates cases, corrects identified deficiencies, and provides appropriate support and responses 3. Commitment to non-retaliation: The Company protects the rights and privacy of complainants, respondents, and other reporting persons and ensures that individuals who submit complaints or reports are not subject to retaliation in any form.	Workplace Sexual Harassment Prevention Measures, Complaints and Punishment Measures, Unlawful infringement in the workplace prevention plan
Privacy and Personal Data Protection	External malicious actors may impersonate the Company's senior executives or government agencies and claim that a meeting is in progress, that an urgent business matter has arisen, or that an official fee remains unpaid. They may then send targeted phishing emails or text messages designed to create a sense of urgency and induce employees to transfer funds, disclose sensitive personal information, or click malicious shortened links.	1. Implementation of protection principles and immediate loss-prevention measures: The Company promotes three key information security principles: do not click unfamiliar links, do not provide sensitive information, and do not trust unverified requests for money. An immediate incident-reporting mechanism is also in place. 2. AI-enabled phishing protection and external sender labels: AI models filter 99.9% of malicious threats each day and help protect against zero-day phishing emails. Suspicious emails are subject to delayed delivery and in-depth scanning, while prominent warning labels are triggered by the system. If a high-risk link is clicked, access to the webpage is immediately blocked through integration with the "Safe Browsing" database. 3. Information security awareness training and simulation exercises: The Company regularly conducts anti-phishing simulations to strengthen employee vigilance and information security awareness.	ISO 27001, Privacy Protection Policy, Management Regulations for Personal Data Protection
Just Transition and the Right to Employment Security	As the Company introduces AI-enabled tools and advances its digital transformation, some employees may be unable to adapt their skills to technological changes in a timely manner. This may create concerns that technology will replace human labor and pose potential risks to employees' long-term career development.	1. Digital transformation project training: The Company launched the "AI Digital Transformation Project" and requires all employees to complete Google AI and Google Skills courses, ensuring that employees are equipped to use the latest technological tools. 2. Advanced seed-member development program: For selected core and high-potential seed members, the Company continues to plan and provide advanced courses, including A2-level training, to strengthen internal technical capabilities and support organizational transformation.	Artificial Intelligence Policy

Human Rights Education and Training

In addition to regularly inviting external experts to provide regulatory and case-based awareness sessions, Ennoconn has translated relevant human rights policies into English and posted them on its official website for employees of different nationalities and suppliers to review. Human rights issues are mandatory training for all employees. During new employee training, the Company introduces its human rights and sexual harassment prevention policies. The Company adjusts training content based on regulatory changes and stakeholder feedback. In 2025, the Company conducted a total of 87 human rights-related training sessions, with total training hours reaching 1,907, an increase of 501.5 hours from 2024, demonstrating the Company's commitment to creating an equal and inclusive workplace.



Training courses	Number of sessions	Number of participants
Safety and health training	28	237
Integrity principles and anti-corruption course	38	416
Health promotion courses	20	338
Sexual harassment prevention and gender equality course	1	150

Communication and Remedial Measures

For communication and remedial measures, please refer to the "Business Ethics Whistleblowing Mechanism" in Section 3.4.2 Ethical Management and Anti-corruption. As of the end of 2025, the Company had no human rights violations involving discrimination or harassment, employment of child labor, forced labor, or obstruction of freedom of association and collective bargaining.

3.5 Information Security

Material Topic Impact Assessment and Management Approach

Competent Authority | Information Security Management Department

Policies and Commitments	Impact Assessment	Management Actions and Performance Tracking	Stakeholder Engagement
With the goal of "zero data breaches," Ennoconn uses the ISO 27001 management system to formulate information security policies, risk control standards, and incident response mechanisms. The Company is committed to comprehensive asset protection, dynamically adjusts its protection strategies, and responds to emerging technology threats through regular simulation drills and employee training to safeguard the data security and digital integrity of the Company, customers, and partners.	**Positive impact** A comprehensive information security management system protects the personal data privacy of employees, customers, and suppliers, ensures compliance, and helps enhance customer trust and international competitive advantages.	**Risk prevention and mitigation** The dedicated information security team strengthens software and hardware protection through asset risk inventories, vulnerability analysis, intrusion detection tools, and firewalls. At the same time, the Company establishes backup and redundancy mechanisms, emergency response plans, and disaster recovery plans to ensure immediate response and rapid recovery capabilities in the event of an incident and minimize related damage.	**Internal channel** Annual Information Security Committee meeting, and irregular cross-departmental information security communication meeting.
	Negative impact If information security measures are inadequate, system vulnerabilities or data breaches may occur, leading to business interruptions, reputational damage, and human rights governance risks. Such impacts may affect the entire value chain, customer satisfaction, and expose the Company to legal penalties and customer claims.	**Implementation and oversight mechanism** The Company responds to information security risks through real-time monitoring and tracking mechanisms, and conducts regular drills to strengthen resilience in responding to material incidents. Relevant management status and risk monitoring results are regularly reported to the Board of Directors.	**External channel** The Company discloses information through the sustainability report each year.

Targets

Item	2025 Current Status	2026 Targets
Major information security incidents	0 cases	0 cases
Personal data breach incidents	0 cases	0 cases
ISO 27001	Completed transition to the 2022 version	Continue to pass verification/review
Information security training coverage rate	>80%	100%
Information security training for new employees	100% completion within 3 months of commencement	100% completion within 3 months of commencement
High-risk vulnerability remediation rate	100% of improvements completed	100% of improvements completed
Disaster recovery	Backup and testing	Annually
Board of Directors' Report	Annually	Annually
External information security rating	98 points	Maintain a Grade A or a score of 95 or higher

3.5.1 Organization Structure and Management System

Ennoconn has established a dedicated Information Security Management Department and assigned professional information security supervisors and personnel. Following the PDCA (Plan-Do-Check-Act) cycle, the Company has established rigorous inventory and improvement mechanisms for six major information security risks that are critical to operations, ensuring continuous optimization of the management system.

Information Security Organization Structure

Six Core Management Scopes

Core Aspects	Implementation Methods
Division of Information Security Responsibilities	1. A risk management team composed of first-level supervisors and relevant units is responsible for policy formulation and cross-departmental implementation. 2. The audit unit, together with relevant units, conducts information security audits and other related matters. Audit reports are provided to independent directors for review and submitted to the Audit Committee, which regularly oversees information security risks and the implementation of related strategies and management objectives.
Education, Training, and Awareness	1. Regularly promote the importance of maintaining IT system security to employees, raising awareness of IT security issues in all departments. 2. Announce and promote IT security-related information at any time to enhance employee IT security awareness.
Computer System Security Management	1. Use various software in accordance with regulations, which require the submission of a Software Installation Request Form and prohibit the use of unauthorized software. 2. Install antivirus software on computer systems and regularly perform virus scans and update virus definitions. 3. Regularly review system logs for various security items and track anomalies.
Outsourcing Operation Security	1. Request outsourced vendors or third parties to sign non-disclosure agreements (NDAs), requiring them to comply with the Company's information security policy and legal requirements. 2. Control the permissions for external units to access data, including rights and obligations, and breach handling methods in the contract.
System Access Control	1. Regularly back up computer and network system data and store data off site. 2. Control access to external private USB devices. 3. When personnel change positions or leave the company, the IT Department should be notified to cancel or change their system permissions. 4. Users are required to change passwords periodically according to regulations, with a password expiration period of 6 months.
Network Security Management	1. Install a network firewall and regularly review the firewall logs. 2. Confidential data should only be processed in an isolated network environment or networks with restricted external connections. 3. Implement account privilege control, and personnel must complete a Personal Network Access Application Form. 4. Clearly define the domain scope and the available network connection services.

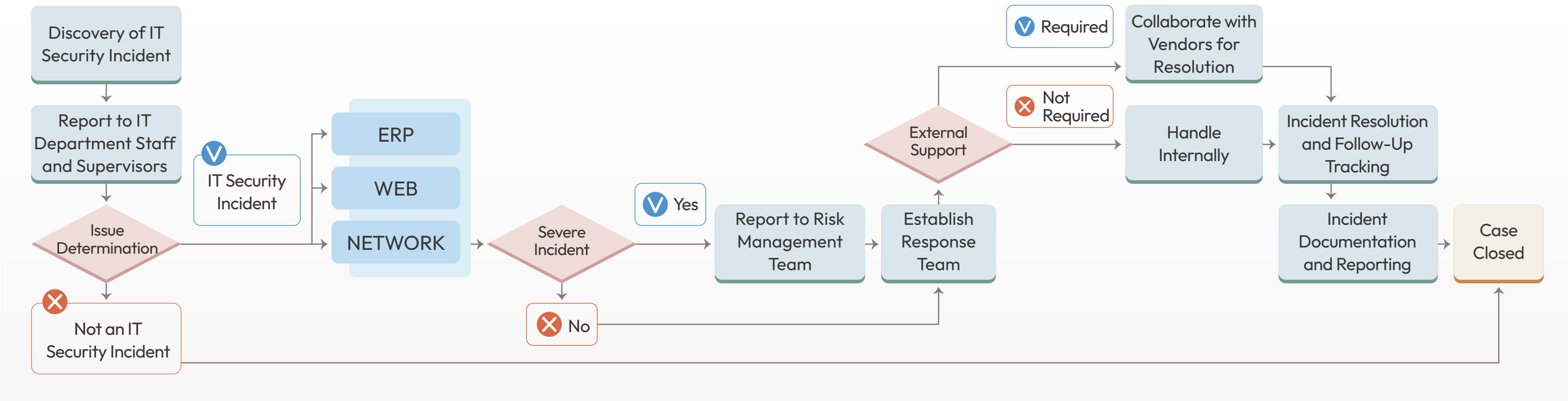
3.5.2 Information Security Risk Monitoring

In response to increasingly severe cyber threats, the Company has established response foundations and defense review mechanisms, continuously strengthened technical resilience, and ensured uninterrupted operations through a multi-layered protection network.

Monitoring Method	Description
Professional Information Security Team	Responsible for monitoring, responding to, and preventing information security incidents to ensure the stability of the Company's information security operations
ISO Information Security System	Maintain the ISO 27001 Information Security Management System and establish risk assessment systems and preventive measures
Emergency Response Plan	Formulate standard operating procedures to ensure immediate response when information security incidents occur and minimize damage
Information Security Protection Equipment	Deploy firewalls, intrusion detection systems, vulnerability scanning, and other tools to improve system protection at the technical level
Backup Mechanism	Regularly perform system and data backups, establish business continuity plans, and review operational status through regular training and inspection mechanisms
Information Security Review	Regularly conduct security reviews and audits to verify the effectiveness of protective measures and improve vulnerability protection

IT Security Incident Reporting SOP

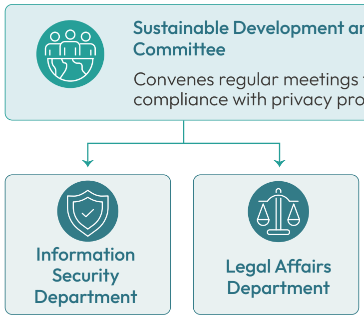
When the monitoring system or personnel identify a potential information security incident, response measures are activated in accordance with standard operating procedures The information unit conducts issue resolution and risk control according to the incident level (Levels 1 to 3). By isolating affected systems and disabling non-essential functions, the Company suppresses the spread of threats. At the same time, the Company implements important data backups and boundary protection to prevent damage from spreading. Finally, the incident is recorded in the Information Security Incident Report Form to retain the handling method and ensure traceability. Through a systematic reporting chain, the Company ensures that management can obtain timely updates and minimize business impacts.



3.5.3 Privacy Policy and Protection

Ennoconn is committed to protecting the privacy rights of customers, suppliers, and employees. The Company complies with the Personal Data Protection Act and related regulations and has formulated the Management Regulations for Personal Data Protection. In accordance with the policy and regulations, the Company explains the reasonable purposes and scope of personal data use, protects stakeholders' data to ensure proper use, and ensures that collected information is not improperly used. The Company also requires suppliers, contractors, and other business partners to comply with this policy and work together to safeguard privacy and personal data. In 2025, Ennoconn did not use any collected personal data for secondary purposes.

Privacy Governance Structure and Division of Responsibilities



The Information Security Department and Legal Affairs Department jointly implement personal data protection regulations and incident reporting and handling procedures.

Privacy Management Guidelines

Management Guidelines	Implementation Contents
Governance and Oversight Mechanism	Information security (including privacy and personal data protection) is one of the core dimensions of the Company's Enterprise Risk Management (ERM) framework. The Sustainable Development and Nominating Committee meets regularly to oversee risks related to personal data protection and information security, as well as the implementation of relevant management approaches and improvement measures. Through its internal audit and control systems, the audit unit conducts annual internal control audits of personal data protection processes to ensure compliance with applicable regulations and the Company's internal policies.
Protection of Data Subject Rights	The Company respects and protects the statutory rights of data subjects. Stakeholders may exercise their rights to access, correct, delete, and restrict the processing of personal data in accordance with regulations to ensure their autonomy over such data.
Personal Data Processing Principles	The Company clearly requires that personal data processing comply with the principle of integrity and not exceed the scope of the collection purpose. For special categories of personal data, the Company does not actively collect or process such data except under specific circumstances required by law or with the consent of the data subject.
Zero-tolerance Compliance Policy	Ennoconn adopts a -"zero-tolerance"- approach to personal data infringement. Any violation will trigger an investigation in accordance with the response process and be subject to strict discipline.

Privacy Response Process

Stage 1 Daily Protection and Drills

The Company continuously updates and implements rigorous information security measures across hardware and software facilities, personnel operations, and other aspects.

Stage 2 Zero-tolerance Incident Response

When an infringement incident occurs, the Information Security Department and Legal Affairs Department immediately initiate an investigation and notify relevant units.

Stage 3 Accountability and Improvement

Personnel who violate confidentiality obligations will be disciplined in accordance with internal regulations, and the Company will review and revise its privacy policy on a rolling basis.

3.5.4 Information Security Education and Training

Employees are the first line of defense for corporate information security. In 2025, the Company enhanced organizational response capabilities for all employees and new employees through diverse courses and practical drills.

Target Audience	Course Item	Training Content	2025 Awareness and Course Results
All employees	Information Security Awareness and Internal Social Engineering Drills	The Company promotes the latest phishing techniques to employees through email and conducts internal social engineering drills from time to time	A total of two information security awareness emails and two social engineering drills were conducted
	Training on Prevention of Malicious Email Social Engineering	Explained social engineering attack methods, shared case studies, and introduced protective measures to remind employees how to identify the latest fraud techniques	The one-hour course was attended by 125 employees, totaling 125 training hours.
	Mobile Device and Digital Application Protection	Explained security requirements for mobile devices accessing Company data, including passwords and data transmission security	The 0.5-hour course was attended by 168 employees, totaling 84 training hours.
	Integrity Principles and Anti-corruption Course	Promoted personal data processing principles, including that processing may not exceed the purpose of collection and that confidentiality obligations must be fulfilled	Course duration: 1 hour; a total of 163 employees participated; total training hours: 163 hours; participation rate reached 80%
New hires	Personal Data Protection Act	Explained the information security policy and common threats, ISO 27001, and password principles, and required employees to sign the Integrity and Intellectual Property Rights Agreement to enhance their awareness of information protection and compliance obligations	One training session was held, with 35 participants and a total of 8.75 training hours

3.5.5 Information Security Governance Performance

In 2025, through the implementation of risk assessments, external verification, and monitoring mechanisms, the Company achieved the goal of zero major information security incidents, safeguarded customer data, and maintained the stability of corporate operations. Relevant governance data and implementation results are summarized in the table below.

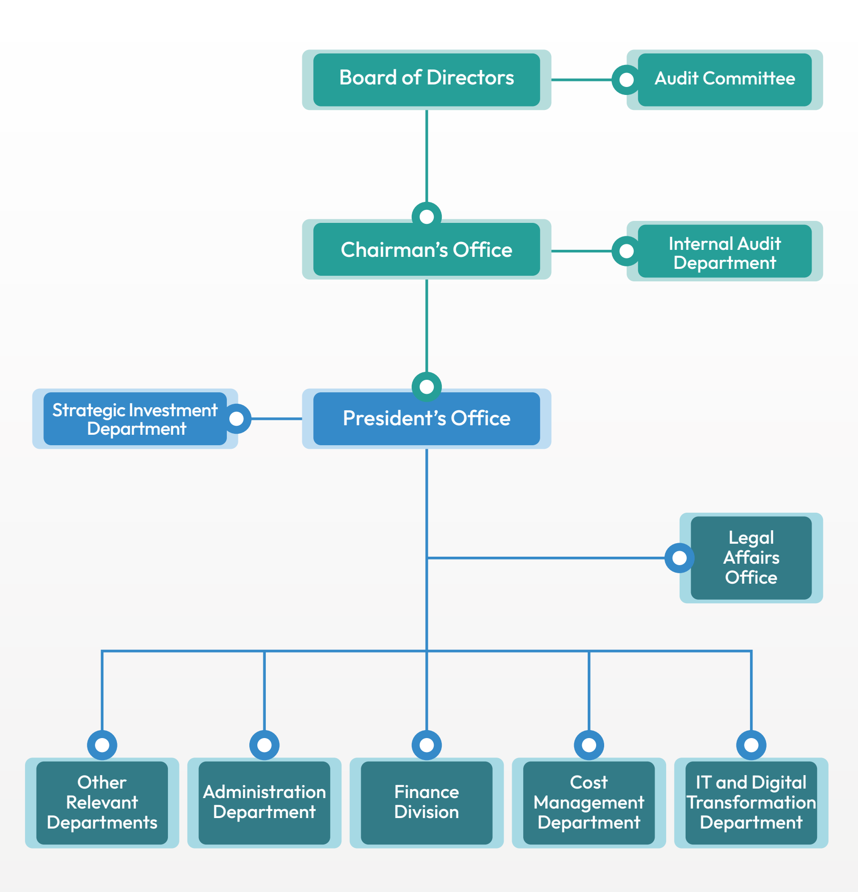
Aspects	Implementation Results
Zero Information Security Incidents	In 2025, the Company had no major information security incidents and no personal data breaches. Throughout the year, the Company blocked a large number of external automated scans and invalid connections. For abnormal behavior with potential risks, the Information Department initiated investigations and implemented six specific response measures, including four network scanning incidents, one phishing email blocking incident, and one external supplier risk response. All incidents were handled at the initial stage and caused no substantive impact. In addition to initiating investigations, the Information Department improved endpoint protection and antivirus mechanisms and enhanced employees' identification and response capabilities through information security awareness and social engineering drills.
External Verification	After obtaining ISO 27001 certification in 2023 and passing the review in 2024, the Company completed transition certification to ISO 27001:2022 in 2025, maintained the operation of its management system, regularly conducted risk assessments and vulnerability scanning, and implemented dynamic management.
Joint Defense Performance	Taipei and Ennoconn (Suzhou) achieved a score of 98 points in 2025 on SecurityScorecard, a third-party information security rating platform, maintaining excellent performance.
Governance Oversight	The information security management team regularly reports the current status of information and communications security management and risk monitoring results to the Board of Directors. On November 13, 2025, the team reported the "2025 Implementation Status of the Company's Information Security Risk Management" to the Board of Directors, implementing senior management oversight and participation.

3.6 Risk Management

3.6.1 Risk Management Policy and Organization Structure

Ennoconn implements the Procedures and Policies for Risk Management approved by the Board of Directors and follows the Risk Management Best-Practice Principles for TWSE/TPEx Listed Companies issued by the Financial Supervisory Commission. Based on existing operating policies, the Company defines four major risk categories, namely strategic, operational, financial, and other risks. Within its acceptable risk tolerance, the Company actively prevents potential losses and optimizes resource allocation. In 2025, the Company regularly reported the risk environment, management priorities, and response strategies to the Audit Committee, whose chair summarized and presented them to the Board of Directors to ensure close integration between senior governance and risk control.

Organizational Structure of Ennoconn's Risk Management



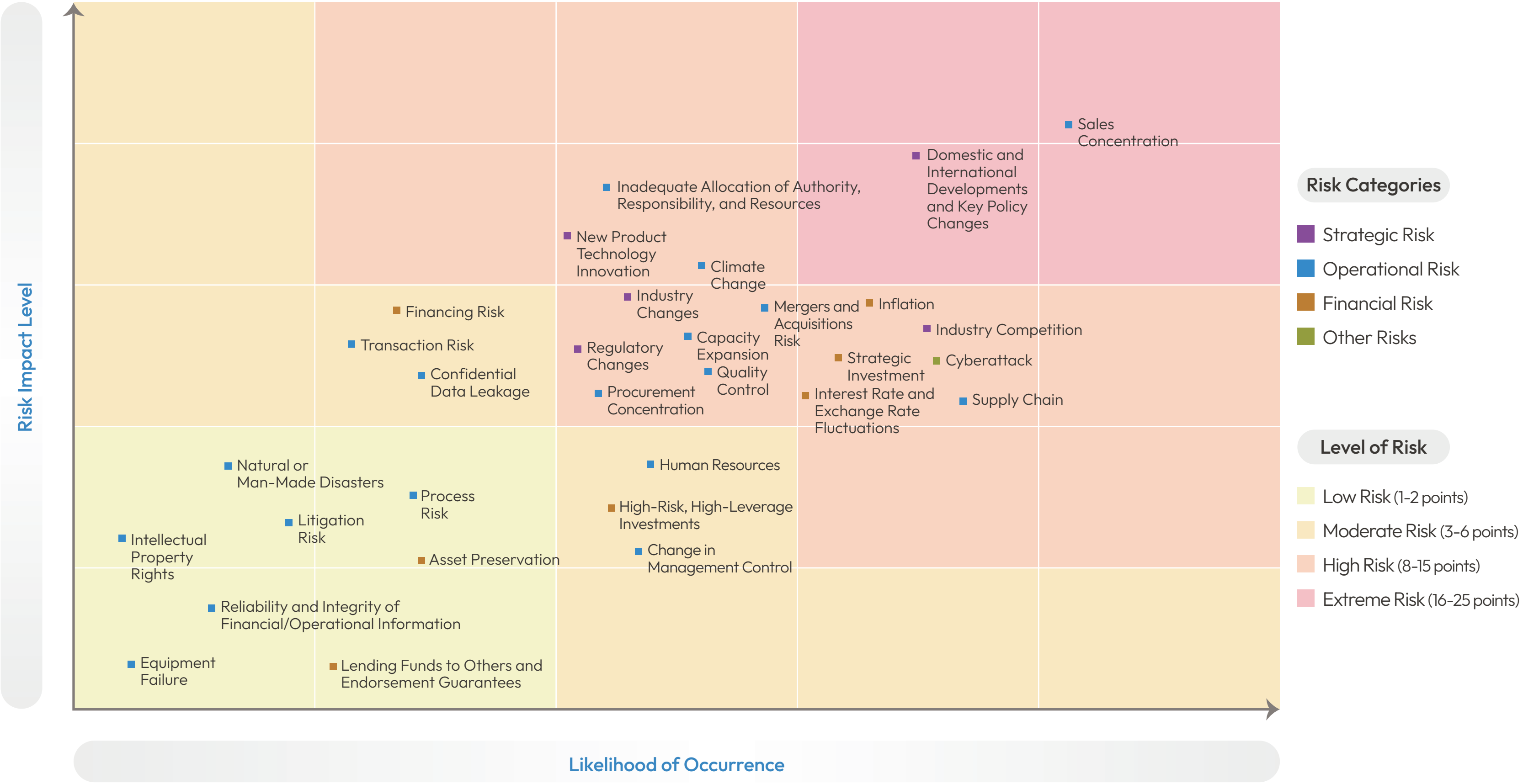
Competent Department	Risk-related matter
Board of Directors	As the Company's highest decision-making body for risk management, the Board of Directors bears ultimate responsibility for risk management. With the goal of legal compliance and promoting and implementing overall risk management, the Board understands the risks faced in operations and ensures the operation of the risk management mechanism.
Audit Committee	Composed of independent directors, the Audit Committee regularly reviews the implementation of risk management, internal controls, and internal audit results and submits summary reports to the Board of Directors.
Internal Audit Department	As an independent unit under the Board of Directors, the Internal Audit Department is responsible for internal monitoring and audit operations, and reviews various risk operating procedures to ensure the implementation of management actions.
Management Meeting	Convened by the President and comprising senior managers and representatives of relevant functional units, the Management Meeting serves as the executive-level second-line risk management oversight body. The Management Meeting reviews first-line risk management plans, oversees risk control standards and the implementation of risk control measures.
Finance Division	As the capital allocation unit independent of each functional unit, the Finance Department is responsible for handling Company-wide financial operations and providing short-, medium-, and long-term investment evaluation reports.
Functional Units	First-level supervisors bear first-line risk management responsibilities. They are responsible for identifying, analyzing, and monitoring potential risks within their respective business scope, and ensuring the implementation of control mechanisms and procedures.

3.6.2 Risk Identification and Response Measures

Ennoconn emphasizes a risk control culture with participation by all employees. In accordance with the Regulations Governing Establishment of Internal Control Systems and with reference to The Global Risks Report 2025, the Company has established defense mechanisms for four major risk categories. The Company conducts risk identification and assessment annually. In 2025, the Company used the product of "risk impact level" and "likelihood of occurrence" as the quantitative indicator and assessed 35 risk items. A total of two extremely high-risk issues and 15 high-risk issues were identified. Each functional unit analyzes the risks within its area of responsibility in terms of their characteristics, potential impact, and controllability. Based on the assessment results, the units establish quantitative or qualitative management criteria and define the corresponding risk appetite and risk tolerance thresholds. After the relevant risk list was reviewed and approved at the management meeting chaired by the President, it was submitted to the Board of Directors for approval on November 13, 2025 and formally incorporated into the annual internal audit plan.

Mechanism	Risk Detection	Risk Assessment	Reporting and Internal Control
Implementing Units	First-level supervisors of each functional unit	President and Management Meeting	Internal Audit Department and Board of Directors
Key Operating Focus	Implement first-line risk awareness and daily controls to ensure timely risk identification	Evaluate the feasibility of response actions and risk assessments	Arrange the annual internal audit plan based on the risk assessment results and submit it to the Board of Directors for review

2025 Risk Issues Matrix



Extreme Risk Issues

Risk Category	Risk Topic	Impact Aspect: Environment	Impact Aspect: Society	Impact Aspect: Governance	Note	Countermeasures
Strategic Risks	Domestic and International Developments and Key Policy Changes			V	Political and economic changes or policy shifts, such as tariffs, import/export restrictions, and subsidy policies, may affect operating costs and markets.	The Company has established an external environment monitoring mechanism, conducts dynamic scenario analysis for tariffs and trade policies, and flexibly adjusts its global production capacity allocation and sales strategies.
Operational Risks	Sales Concentration		V	V	High dependence on a limited number of major customers may pose risks. If these customers change their demand, terminate cooperation, or encounter financial difficulties, it will directly affect the Company's revenue and profitability.	The Company actively develops new markets and new customer groups to diversify operational risks, and establishes dedicated personnel maintenance mechanisms and risk early warning systems for core customers.

Introduction

Sustainable Management Approach

Sound Corporate Governance

Company Overview

Governance Structure

Economic Performance

Responsible Business Conduct

Information Security

▪ Risk Management

Climate and Nature Risks, Opportunities, and Resilience Governance

Green Operations and Innovation

Environmental Sustainability Management

Co-creating Talent Value

Practicing Social Inclusion

Appendix

High-Risk Issues

Risk Category	Risk Topic	Impact Aspect: Environment	Impact Aspect: Society	Impact Aspect: Governance	Note	Countermeasures
Strategic Risks	Industry Competition			V	Intense competition among industry peers may trigger price wars, shrink profit margins, or prompt competitors to launch more attractive products or services, potentially resulting in customer loss.	The Company increases R&D capacity to enhance product differentiation, and maintains competitive advantages and strengthens customer relationships through regular market surveys and customer satisfaction tracking.
	New Product Technology Innovation	V		V	Rapid development of new technologies or products may shift market demand, causing existing products or technologies to lose competitiveness.	The Company implements proposal preparation and product design reviews, conducts trial production and testing, and establishes an agile design change process to align with market trends.
	Industry Changes			V	Changes in industry structure or trends, such as a reduction in market size or demand shifting to other substitutes, may lead to revenue decline or increased operational pressure.	The Company invests in forward-looking technology research and diversifies the risks arising from changes in a single industry trend through strategic alliances or diversified operations.
	Regulatory Changes			V	Changes in government laws or regulations may affect compliance costs and operational processes, and could even lead to business disruptions or require strategic readjustments.	The Legal Affairs Office regularly tracks domestic and international legal changes and converts the latest regulatory requirements into internal operating rules to ensure a high level of compliance across all processes.
Operational Risks	Supply Chain	V		V	Raw material price fluctuations and shortages.	The Company implements procurement, production demand, and schedule control operations, estimates demand through material requirements planning, and establishes diversified supply sources and safety stock mechanisms.
	Procurement Concentration			V	Dependence on a single or limited number of suppliers can pose significant risks. If these suppliers encounter issues such as supply disruptions or price fluctuations, it may seriously affect production or the supply chain.	The Company implements a qualified supplier management mechanism and promotes strategic procurement to reduce dependence on a single source.
	Capacity Expansion			V	During capacity expansion, difficulties such as funding shortages, equipment installation delays, or insufficient market demand may arise, leading to resource waste or increased financial pressure.	The Company implements investment plan evaluation and budget preparation controls, and conducts equipment installation and verification according to the production schedule to ensure optimized resource allocation.
	Climate Change	V		V	Climate change may affect supply chain stability, product costs, or energy supply.	The Company promotes energy conservation, carbon reduction, and green production, and formulates emergency response and recovery plans for supply disruptions that may be caused by extreme weather events.
	Mergers and Acquisitions Risk			V	Risks may arise during the merger and acquisition process, such as poor cultural integration, failure to achieve synergies, and unresolved legal or financial issues, all of which could affect post-acquisition operational performance.	The Company implements rigorous acquisition and disposal of assets evaluation procedures, including due diligence, legal risk audits, and post-merger organizational integration and performance tracking management.
	Quality Control		V		Quality issues may cause product defects, returns, or recalls, resulting in increased costs and damage to customer relationships.	The Company implements quality control and product component labeling management to ensure shipment standards.
	Inadequate Allocation of Authority, Responsibility, and Resources		V	V	Risks may arise from unclear role definition or unreasonable resource allocation, potentially leading to poor decision-making, resource waste, low efficiency, and even affecting team collaboration and morale. If not adjusted and optimized in a timely manner, such risks may have negative impacts on the Company's overall performance and long-term development.	The Company implements job authorization and deputy arrangements, optimizes the division of responsibilities and budget management within the Information Department, and ensures the reasonableness of resource allocation through the salary and wage system and performance evaluations.
Financial Risk	Interest Rate and Exchange Rate Fluctuations			V	Fluctuations in interest rates or exchange rates may directly affect the Company's financing costs, overseas income, or import/export business, thereby increasing operational uncertainty.	The Finance Department regularly monitors financial market trends and adopts hedging strategies and fund allocation tools to minimize the impact of exchange rate fluctuations on the Company's profit and loss.
	Inflation			V	Inflation increases the Company's operating costs, such as raw materials and wages, compresses profit margins, and may lead to declining demand.	The Company improves efficiency through procurement contract cost locking and production process optimization, and adjusts product prices when appropriate to transfer part of the cost pressure.
	Strategic Investment			V	Inappropriate or unsuccessful strategic investments, such as expansions or entering new markets, may result in capital waste, asset losses, or hindered business development.	The Company implements subsidiary supervision and various investment review operations, and conducts regular performance evaluations and risk monitoring for short-, medium-, and long-term investment projects.
Other Risks	Cyberattacks			V	Malicious cyber attacks may involve threats such as data theft, ransomware, system paralysis, and phishing, resulting in data breaches, business interruptions, financial losses, and reputational damage.	The Company has established a dedicated information security team and protection equipment, implements the ISO 27001 management system, performs regular data backups and vulnerability scanning, and conducts social engineering drills.

Fostering a Risk Culture

Ennoconn bases its approach on the Board-approved Procedures and Policies for Risk Management. The Board serves as the highest risk-related decision-making body, overseeing the effectiveness of the overall risk management mechanism. The Audit Committee regularly reviews risk management implementation, internal controls, and audit results, reporting its findings to the Board. Meanwhile, the heads of functional units serve as first-line risk owners and are responsible for identifying, analyzing, and monitoring potential risks within their daily operations.

In 2025, the Company continued to conduct annual risk identification and assessment across four major dimensions: strategy, operations, finance, and other risks, integrating key identified risks into the annual internal audit plan. Through Board education, organization-wide risk training, product/service risk standards, performance evaluations, and financial incentive mechanisms, Ennoconn embeds its risk culture into governance oversight, daily operations, product innovation, and departmental management processes.

Director Education on Risk Management

Ennoconn arranges annual continuing education courses for directors based on industry trends, operational strategies, and risk governance needs. This training enhances the Board's oversight capabilities regarding global trends, technological transformation, regulatory compliance, ESG transition, cybersecurity, climate change, enterprise resilience, and risk governance.

In 2025, the Company's 7 directors completed a total of 48 hours of continuing education, averaging nearly 7 hours per director. This year's training prioritized alignment with the Group's "AIoT Cloud-to-Edge Integration" and "ESG Sustainable Transformation" strategies. This approach sharpened directors' forward-looking insights into emerging technologies and climate change, equipping the Board with timely, professional judgment for strategic oversight, technological evolution, climate risk, regulatory compliance, and corporate governance.

Organization-Wide Risk Management Training

Ennoconn drives organization-wide risk management training through a role- and scenario-based approach, integrating risk identification, reporting, prevention, and corrective action tracking into its employee development programs. In 2025, Ennoconn Group invested NT$ 2.89 million in training expenditures, delivering 167,000 total training hours with an average of 15.2 hours per employee. This comprehensive curriculum targeted core operational risks to strengthen employee awareness and crisis response capabilities.

1.Integrity & Compliance Training	2.Occupational Health & Safety (OHS) Training	3.Information Security Awareness & Defense Drills	4.Human Rights & Workplace Inclusion Training
Conducted professional ethics and anti-corruption courses for directors, managers, and all employees. This initiative included internal campaigns on preventing insider trading and adhering to the code of conduct, achieving a participation rate of 82.94% among the total workforce in Taiwan.	Implemented OHS education for both new hires and current employees, supplemented by regular fire response team drills and evacuation exercises, covering 81.82% of the total workforce in Taiwan.	Conducted malicious email social engineering simulation drills for all employees to reinforce corporate information security defense networks. The participation rate for new hires reached 100%.	Provided education on workplace sexual harassment prevention, gender equality, and relevant legal regulations to foster a diverse and inclusive working environment, achieving a participation rate of 80.43% among the total workforce in Taiwan.

Incorporating Risk Criteria into Product and Service Development

Ennoconn integrates risk management standards into its product and service development process—spanning product conception, design review, material selection, supplier management, pilot verification, mass-production launch, to end-of-life management—introducing risk identification and control mechanisms throughout. In accordance with the Ennoconn Green Product Design and Development Code, the Company introduces life-cycle thinking throughout product design and development, evaluating material sourcing, environmental compliance, and conflict mineral risks during the raw material procurement stage; assessing resource utilization, energy consumption, carbon emissions, product safety, quality stability, and cybersecurity risks during the design and manufacturing stage; considering energy efficiency, reliability, maintainability, and customer safety during the transportation and usage stage; and evaluating product disassembly, component reuse, waste treatment, and regulatory risks related to Extended Producer Responsibility (EPR) during the maintenance, recycling, and disposal stage. Through these mechanisms, Ennoconn embeds environmental, regulatory, quality, safety, and supply chain risks into product design decision-making and development management, mitigating product life-cycle risks while enhancing sustainability.

Linking Risk Management Metrics to Financial Incentives

Ennoconn links its annual risk identification results with its performance management system. Through probationary period evaluations, annual performance reviews, agile performance appraisals, and team performance assessments, corporate operational goals are cascaded into departmental and individual targets. Annual performance appraisals evaluate four major dimensions—finance, customer, process, and growth—combining self-assessments, direct supervisor initial reviews, and responsible executive secondary reviews to serve as the basis for promotions, salary adjustments, bonuses, and training development.

For directors and senior managers, the Remuneration Committee regularly reviews performance targets, remuneration policies, and frameworks to link individual remuneration with long-term corporate risks and shareholder interests, aligning overall financial performance with non-financial sustainability outcomes.

The management indicators within the remuneration metrics for senior management include annual strategic milestones, major investments and M&A integration, and implementation of risk management systems. The Company's 2026 priorities also include preventive targets for material risks such as cross-business-group synergy and efficiency, internal control maturity, supply chain redundancy, and information security vulnerability remediation. Through director remuneration, variable remuneration for senior managers, employee performance evaluations, and cross-departmental project rewards, Ennoconn extends risk management from governance oversight to organizational behavior, ensuring that its risk culture is aligned with long-term value creation, sustainable development, and operational resilience.

3.7 Climate and Nature Risks, Opportunities, and Resilience Governance

According to the "Global Risks Report 2025" released by the World Economic Forum (WEF), "biodiversity loss and ecosystem collapse" has been ranked among the top three global risks over the next decade, second only to "extreme weather events" in terms of severity. As Ennoconn's supply chain spans the globe, its operations are closely connected to natural capital. If the Company overlooks these risks, it may face financial impacts such as supply chain disruptions, business interruptions, and obstacles to financing.

This year, the Company plans to introduce the IFRS S2 climate-related disclosure standards under the International Financial Reporting Standards and the TNFD LEAP framework in advance, and conduct quantitative stress testing by combining the World Wide Fund for Nature (WWF) water risk analysis tools with 2024 financial report data. The assessment shows that if the Company overlooks physical climate risks and transition risks such as carbon pricing, it may face significant potential financial impacts. To respond to the threat that climate and nature risks pose to financial performance, the Company has elevated "climate resilience" and "biodiversity" to the Board decision-making level. It has also launched the "Riverbank Mangroves" restoration project at its Taiwan headquarters, responding to risks through Nature-based Solutions (NbS) and demonstrating Ennoconn's commitment to the environment.

Aspects	Metric	Management Actions and Performance
Governance	Board Oversight	1. The Board of Directors approves the annual climate strategy and carbon reduction pathway, and reviews major climate-related capital expenditures. 2. In 2025, the Board approved the budget for the Tamsui River biodiversity project.
	Management Role	1. The Sustainable Development and Nominating Committee is supervised by the President, who concurrently serves as the Chief Sustainability Officer, to oversee carbon reduction progress. 2. The Chief Financial Officer leads risk quantification and incorporates it into financial report reviews. 3. Climate indicators are incorporated into the performance evaluations and remuneration linkage of senior managers, with a weighting of 3%.
Strategy	Scenario Analysis	The Company adopts the IEA NZE 2050 scenario for transition risks, the IPCC SSP5-8.5 scenario for physical risks, and the WWF pessimistic water resource scenario for nature risks to conduct stress testing.
	Short-, Medium-, and Long-term Risks and Opportunities	1. The Company identified the two transition risks with the greatest impact, carbon pricing and goodwill, one physical risk, flooding, and one opportunity, renewable energy. 2. For the Taipei and Suzhou sites, the Company analyzes their dependence on freshwater resources and potential environmental impacts. 3. The Company integrates green energy procurement through Ennoconn Group.
Risk Management	Identification and Assessment	1. The Company incorporates climate risks into the enterprise-wide ERM framework and introduces the TNFD LEAP framework to deepen nature risk assessment. 2. The Company prepares a matrix based on "impact level" and "probability of occurrence" to identify high-risk items.
	Management and Adaptation Actions	1. For high-risk sites, the Company promotes the "Riverbank Mangroves" Nature-based Solutions project to enhance flood resilience. 2. For transition risks, the Company implements an internal carbon pricing (ICP) mechanism and green supply chain management.
Indicators and targets	Scope of GHG	1. Scope 1 and 2 greenhouse gas emissions in 2025 were 331.45 tCO_2e (✓ target achieved, a 5.68% annual reduction) 2. SBTi targets: reduce Scope 1+2 emissions by 42% from the base year by 2030 and achieve net-zero emissions by 2050.
	Other Climate and Nature Indicators	1. Water resources: per capita water savings reached 26.85% in 2025 (✓ target achieved) 2. Waste: the recycling and reuse rate increased by 1.9% in 2025 (✓ target achieved) 3. Renewable energy: 100% of Taiwan subsidiaries will use renewable energy by 2030.

3.7.1 Governance Structure and Policy Commitments

Governance Structure

Ennoconn's Board of Directors leads the climate and nature governance structure to ensure the implementation of risk management strategies. To strengthen management accountability, climate indicators, such as the carbon reduction achievement rate and green electricity usage rate, are incorporated into the performance evaluations and remuneration linkage of senior managers, with a weighting of 2.5% to 3%. In addition, the Board of Directors regularly reviews climate-related capital expenditures. In 2025, it approved the budget for the biodiversity project in the Tamsui River basin in Taiwan, demonstrating the Board's substantive oversight and support for nature risk governance.

Board of Directors	Highest supervisory unit for climate and natural governance	■ Approve the annual climate strategy and carbon reduction pathway (including SBTi and renewable energy targets) ■ Review major climate-related capital expenditures (such as green electricity, carbon sinks, and biodiversity)
Sustainable Development and Nominating Committee	The President concurrently serves as Chief Sustainability Officer, and meetings are convened quarterly	■ Supervise the implementation performance of the Environmental Protection Group ■ Track carbon reduction achievement rates and greenhouse gas inventory progress
ESG Promotion Office	Cross-departmental coordination and implementation	■ Conduct TCFD climate risk and opportunity identification ■ Review the climate resilience of global sites on a quarterly basis
Environmental Protection Team	Promote environmental and energy policy	■ Promote environmental and energy policy ■ Implement environmental protection principles and carbon reduction actions
Finance and Accounting Functional Group	Led by Chief Financial Officer	■ Financial quantification assessment: use scenario analysis models to estimate the impacts of climate change on revenue, costs, and assets ■ Risk control: formulate hedging strategies and report to the Board of Directors

Biodiversity and No Deforestation Commitment

Ennoconn Technology is committed to protecting natural capital and has issued the "Ennoconn Technology Biodiversity and No-Deforestation Commitment," establishing the following three governance principles:

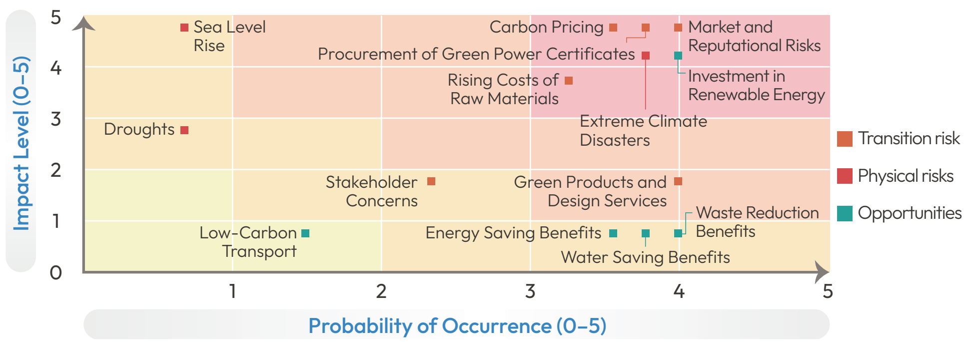
1.Avoidance and mitigation	2.Value chain management	3.Ecological restoration and compensation
The Company commits to avoiding IUCN Category I-IV protected areas and World Heritage Sites when selecting sites for new or expanded plants, and strives to achieve zero pollution emissions during operations.	The Company requires tier-one suppliers to sign the no deforestation commitment, ensures that wooden pallets, packaging materials, and cartons come from sustainably managed forests, such as FSC-certified forests, and inventories water resource risks in the supply chain.	In areas where impacts cannot be fully avoided, the Company creates positive environmental impacts by investing in local ecological restoration projects.

3.7.2 Scenarios and Financial Impact Analysis

Climate and Nature Risk Identification

In 2025, the ESG Promotion Office continued the existing risk identification mechanism from 2024 and convened first-level supervisors of business units and key functional departments, such as finance, procurement, and business management, to review the climate issues with the greatest financial impact on the Company. Through cross-analysis of "likelihood of occurrence" and "impact level," the Company redefined the two transition risks, carbon pricing, and market and reputational risks, one physical risk, extreme climate disasters, and one climate opportunity, investment in renewable energy, that pose the greatest challenges to Ennoconn's operational resilience, serving as the basis for subsequent financial impact assessment.

2025 Climate Change Risks and Opportunities Matrix



Financial Impact Assessment Table for Major Climate Risks and Opportunities

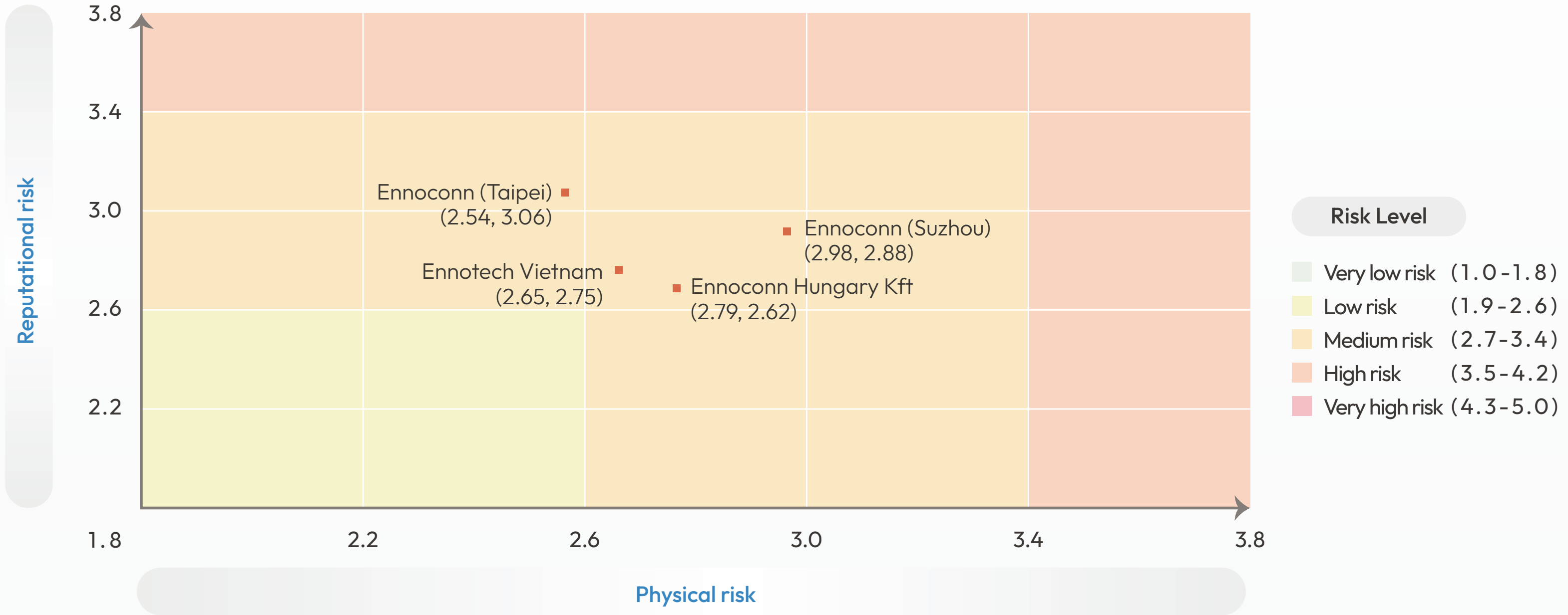
Category	Sub-Category	Risk/ Opportunity Items	Note	Financial Impact Level	Probability of Occurrence	Scope of Impact: Upstream or Supply Chain	Scope of Impact: Direct Company Operations	Scope of Impact: Downstream or Use Phase	Management Approach
Transition risk	Regulation and Legal Risk	*Carbon Pricing (Carbon Fees/ CBAM)	The introduction of Taiwan's carbon fees and the implementation of the EU CBAM may directly increase operating costs and green tariff costs for product exports if carbon prices rise in the future	High	Short-term	V	V	V	1. Conduct internal carbon pricing (ICP) trial calculations 2. Accelerate ISO 14064 inventories and reductions at the Suzhou and Vietnam plants 3. Introduce a life cycle assessment (LCA) system to respond to EU reporting requirements
	Technology Risk	Green Products and Design Services	In response to increasing demand from customers and suppliers for green products	Medium	Short-term	V	V	V	1. Introduce ISO 20400 Sustainable Procurement Guidance 2. Establish Green Product Design and Development Code
	Regulation and Legal Risk	Procurement of Green Power Certificates	In response to competent authority requirements and in line with the Company's energy conservation and carbon reduction pathway	High	Short-term	V	V	V	Purchase green electricity certificates at the Group level and expand the scope of green electricity use
	Market Risk	*Market and Reputational Risks	If failure to comply with the EU CSDDD or material ecological controversies cause European customers to shift orders, the Company may incur revenue losses	High	Long-term	V	V	V	1. Establish a Group sustainability governance system and incorporate due diligence into Company policies and risk management processes 2. Inventory potential risk points within the Company and the supply chain, such as child labor, forced labor, and environmental pollution 3. Implement Ennoconn's climate transition plan to ensure that its operating model is aligned with the 1.5°C target of the Paris Agreement.

Category	Sub-Category	Risk/ Opportunity Items	Note	Financial Impact Level	Probability of Occurrence	Scope of Impact			Management Approach
						Upstream or Supply Chain	Direct Company Operations	Downstream or Use Phase	
Transition risk	Market Risk	Rising Costs of Raw Materials	Geopolitical and pandemic-related risks may increase freight expenses	High	Short-term	V	V		1. Require 100% of suppliers to pass audits 2. Implement localized production and manufacturing strategies
	Reputational Risk	Stakeholder Concerns	Declines in the Company's sustainability disclosures and assessment performance may affect investors' evaluation of the Company, investment weighting, and market capitalization	Medium	Medium-term	V	V	V	Engage with stakeholders to explain Ennoconn's ESG goals, plans, actions, and quarterly progress toward annual targets, and ensure consistency in external disclosures
Physical risk	Acute Physical Risk	* Extreme Climate Disasters (Typhoons/ Floods)	Taiwan and Suzhou are located in high-risk areas for heavy rainfall. If a once-in-a-century flood causes plant shutdowns, the Company may face financial impacts such as asset damage and revenue interruption	High	Long-term	V	V	V	1. Nature-based Solutions (NbS): promote the "Riverbank Mangroves" project to enhance flood resilience in the basin 2. Business Continuity Plan (BCP): regularly conduct compound disaster response drills and diversify production bases
		Droughts	Water outages or shortages may cause machinery to overheat and shut down	Medium	Long-term		V		Improve water use efficiency and plan the use of reclaimed water to reduce operating costs
	Chronic Physical Risk	Sea Level Rise	Flooding in low-lying areas may cause permanent business shutdowns	High	Long-term	V	V	V	In the short term, refer to flood risk response measures. In the medium and long term, plan new office locations and prioritize areas with low flood risk
Opportunity	Resource Efficiency	Energy Saving Benefits	Implement energy-saving policies to reduce electricity expenses; improve product efficiency and create energy-saving benefits for customers	Low	Short-term		V		1. Reduce electricity consumption by 3% each year 2. Introduce green design principles into at least two new product designs each year
		Water Saving Benefits	Promote water-saving policies to reduce water expenses	Low	Short-term		V		Set a 2026 target of reducing per capita water consumption by 3%, with two-stage management to improve water use efficiency
		Waste Reduction Benefits	Implement the Company's waste recycling policy to reduce costs	Low	Short-term		V		Set a 2025 target for reducing per capita waste by 1%
		Low-Carbon Transport	Electric vehicles are used to bring down carbon emission costs	Low	Medium-term		V		Reduce unnecessary employee field work and business trips
	Energy Source	* Investment in Renewable Energy	Invest in green electricity projects and green bonds to reduce carbon costs and create a stable long-term investment income	High	Short-term		V		1. Ennoconn Group integrates green energy procurement 2. Invest NT$10 million in Taiwan Cooperative Bank green bonds

Notes:
1. Probability of occurrence: short term 1–3 years, medium term 3–5 years, long term 6–10 years
2. Financial impact level: low (NT$1 million to NT$3 million), medium (NT$10 million to NT$100 million), high (over NT$100 million)
3. *: Redefined 2024 climate risks and opportunities

To understand the potential threats of climate and natural capital, Ennoconn introduced the WWF Biodiversity Risk Filter (BRF) tool to quantify and score water resource risks at four major sites worldwide. The analysis results show that the Company's supply chain in Asia generally faces the challenges of "extremely high pollution pressure" and "high physical climate risk." These results serve as an important basis for subsequent adaptation strategies.

Global Site Physical Risk Matrix



Risk	Ennoconn (Taipei)	Ennoconn (Suzhou)	Ennotech Vietnam	Ennoconn Hungary Kft	Analysis
Pollution Pressure	4.25	4.58	4.58	4.42	All sites are located in densely populated and industrially intensive areas, where environmental carrying capacity is saturated. Any emissions may cause significant impacts.
Typhoons	4.0	4.0	4.0	2.5	The supply chain in Asia is highly exposed to typhoon paths and must strengthen disaster prevention resilience.
Water Shortage	2.8	3.2	3.1	2.6	Suzhou and Vietnam face competition for industrial water use and may face water shortage risks in the future.

Notes: 1.0~1.8: Very low risk; 1.8-2.6: Low risk; 2.6–3.4: Moderate risk; 3.4-4.2: High risk; 4.2-5.0: Very high risk

The WWF tool also assessed the "reputational risk" faced by each site. This indicator reflects the risk of public opinion pressure, legal proceedings, or investor divestment that a company may face if an environmental controversy occurs locally. The results show that Ennoconn's Taipei headquarters ranks highest among all global sites in reputational risk, mainly due to the following reasons:

(1) Ecological proximity sensitivity

As the site is close to the Tamsui River basin, under Taiwan's high level of social attention, any pollution incident involving the basin, including indirect impacts, is highly likely to be amplified and scrutinized by the media, causing irreversible damage to the brand image. The WWF score of 3.5 points for "protected area proximity" provides clear evidence of this.

(2) High stakeholder expectations

Ennoconn Taipei is a TWSE/TPEx listed company in Taiwan, and the Financial Supervisory Commission, institutional investors, and environmental groups impose ESG disclosure standards that are among the highest in the world.

Site	Key Driving Factors	Reputational risk
Ennoconn (Taipei)	Protected Area Proximity and Media Oversight Intensity	3.06
Ennoconn (Suzhou)	Supply Chain Labor and Environmental Regulations	2.88
Ennotech Vietnam	Land Use Change Controversies	2.75
Ennoconn Hungary Kft	Strict EU Regulations (EUDR)	2.62

Notes: 1~1.8: Very low risk; 1.8-2.6: Low risk; 2.6-3.4: Moderate risk; 3.4-4.2: High risk; 4.2-5.0: Very high risk

Scenario Analysis

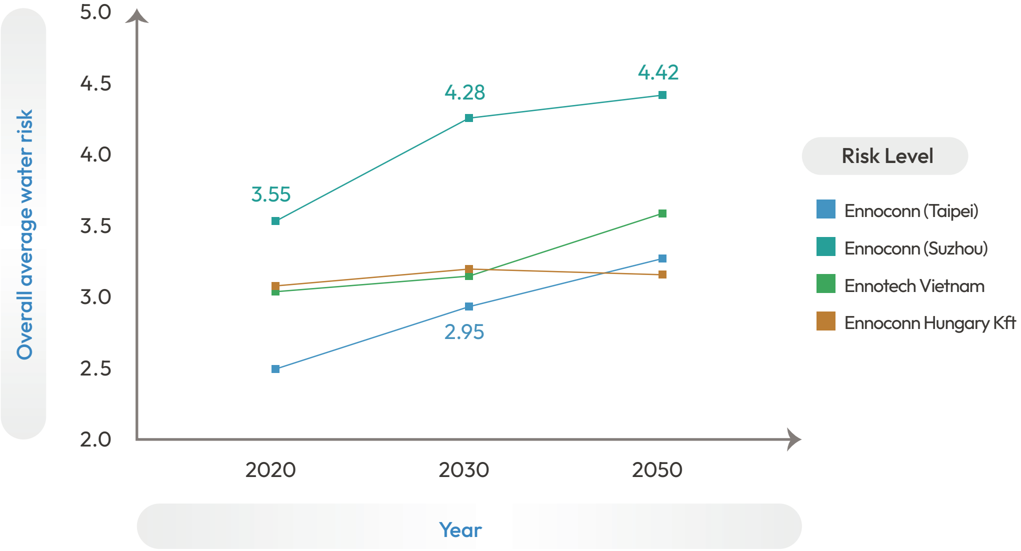
To quantify the potential financial impacts of climate change on Ennoconn, the Company conducts scenario analysis for "transition risks" and "physical risks" in accordance with TCFD and IFRS S2 requirements. Using standard scenario data published by the International Energy Agency (IEA) and the United Nations IPCC, together with the WWF Water Risk Filter tool, the Company analyzed the following two extreme scenarios this year to examine its resilience under the most severe conditions:

Analysis Dimension	Selected Scenario	Key Parameter Settings
Transition risk	IEA Net Zero 2050 (NZE) Net-zero Emissions Scenario	1. Carbon price trend: carbon prices in advanced economies are expected to rise in the future, significantly increasing operating costs. 2. Regulatory control: the EU Carbon Border Adjustment Mechanism (CBAM) is fully implemented, and Scope 3 supply chain emissions are included in mandatory disclosures. 3. Energy structure: renewable energy accounts for more than 60% of the global electricity structure, and customers require the supply chain to increase green electricity usage.
	Reference Source : IEA World Energy Outlook (2023)	
Physical risk	IPCC SSP5-8.5 (very high emissions scenario)	1. Temperature rise projection: the global average temperature is projected to rise by approximately 4.4°C by 2100, representing the most severe climate scenario. 2. Sea level rise: the projected rise reaches 0.8 to 1.0 meters, and low-lying coastal areas, such as Suzhou and parts of Bac Ninh in Vietnam, face flooding threats. 3. Extreme climate: the frequency of heavy rainfall and typhoon intensity in East Asia are projected to increase by 30%, raising the risk of operational interruptions.
	Reference Source: IPCC AR6 (Sixth Assessment Report)	

Water Resource Risk Scenario Analysis

The Company conducted a 2030 water resource risk stress test for its global core sites, using the "pessimistic scenario" and assuming that global climate governance fails to meet expectations, to examine the Company's operational resilience under the most severe conditions.

2020-2050 Group Site Water Risk Trend Analysis



Ennoconn (Taipei) (Flood Crisis)

The "flood" indicator for Taiwan headquarters is projected to rise to 2.95, high risk. Upon further breakdown of the sub-indicators, the single flood indicator may even reach 4.7 points in 2030. This confirms the necessity of the Company's launch of the "Riverbank Mangroves" flood prevention project along the Tamsui River. Through Nature-based Solutions (NbS), the project enhances basin resilience and serves as a key investment in protecting the Company's assets.

Ennoconn (Suzhou) (Water Shortage Crisis)

Under the pessimistic scenario, the Suzhou plant's "water scarcity" indicator in 2030 will surge from high risk to 4.28, very high risk, indicating that the lower Yangtze River region will face severe competition for industrial water use. This has driven the Company's decision to accelerate the introduction of process water recycling systems.

Ennotech Vietnam (Compound Risks)

The Red River basin faces flooding and water quality challenges, requiring strengthened drainage facility standards in the supply chain.

To respond to the aforementioned physical climate risks, the Company has formulated adaptation action plans for high-risk sites, encompassing measures such as process water recycling, water efficiency enhancement, flood defense facility reinforcement, nature-based solutions implementation, and the optimization of supply chain drainage facility standards. Relevant adaptation measures will be rolled out in phases based on the risk level of each site, with the deployment of adaptation measures at major high-risk sites to be completed within 5 years to enhance operational resilience and mitigate the potential impacts of physical climate risks on operations and assets.

This assessment covers the Company's global core operational sites, with the existing sites evaluated accounting for approximately 17% of the Company's consolidated revenue. Physical climate risk assessments will also be incorporated into the investment evaluation process for new sites, major plant expansion projects, and new capital investments. The assessment results will serve as a basis for site selection, design, and operational resilience planning.

Financial Impact Scenario Assessment

To assess the financial impacts of climate and nature risks on the Company's operations, Ennoconn uses the TCFD (climate) and TNFD (nature) frameworks for scenario analysis to simulate potential financial losses that the Company may face under extreme climate or stringent green regulatory scenarios. The analysis shows that if Ennoconn does not respond to relevant risks early, it may face material financial impairment, which could affect annual profitability and indicates the threat of climate and nature risks to financial performance.

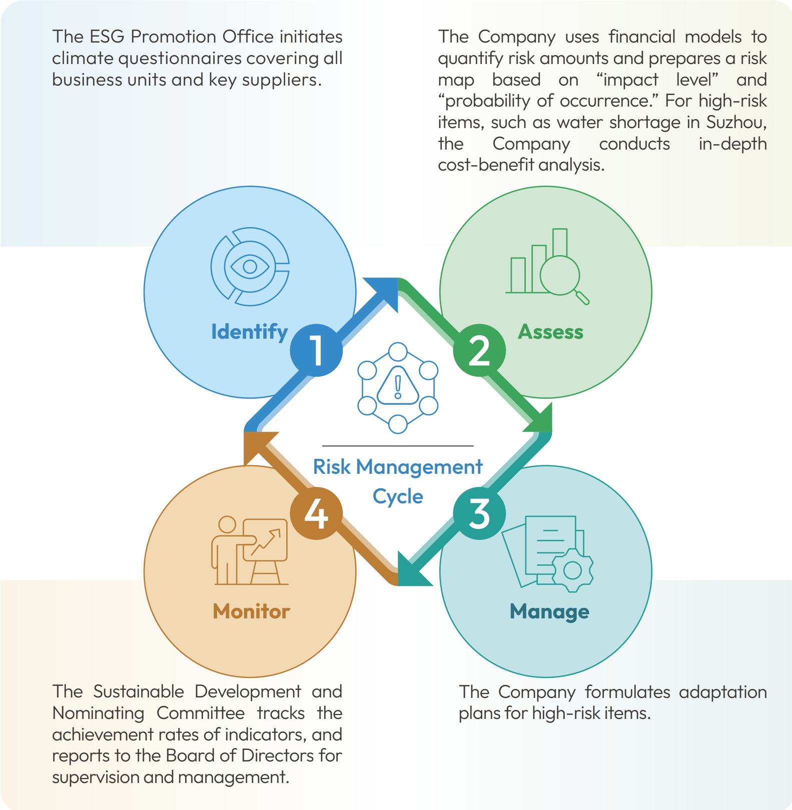
Risk Dimension	Risk Nature	Scenario Assumption	Potential Financial Impact Analysis
Asset Risk	Physical risk	Extreme climate disaster loss and operational interruption: Taiwan and China plants are located in high typhoon risk areas. If a once-in-a-century flood occurs, assets may be damaged.	1. Minor damage: property losses from partial asset damage together with operational interruption. 2. Severe disaster losses: significant financial impacts caused by extensive asset damage and long-term shutdown.
Operational Transformation Risk	Transition risk	Environmental cost increase: Operating costs increase due to the introduction of carbon fees, increases in industrial water prices, and rising waste compliance costs.	1. Slight cost increase: tightening environmental regulations lead to a slight increase in environmental costs. 2. Significant cost increase: various compliance and pricing mechanisms cause a significant increase in operating costs.
Goodwill and Market Risks	Transition risk	Customer order loss: If the Company fails to comply with the EU CSDDD or is involved in material ecological controversies, European customers may shift orders, resulting in revenue losses.	1. Minor impact: Minor revenue impact caused by partial order loss. 2. Serious impact: Significant revenue impact caused by key customers.

3.7.3 Climate Risk Management, Adaptation and Transition

Ennoconn integrates climate risk management into its Enterprise Risk Management (ERM) framework to ensure that climate issues are not addressed in isolation, but are reviewed together with market, credit, and operational risks. At the same time, to ensure that nature risk assessments are science-based and internationally comparable, the Company combined the "risk management cycle" with the "LEAP methodology" this year to formulate adaptation and transition strategies.

Risk Management Cycle

The "nature risks" identified through the LEAP framework are combined with the "climate risks" under the TCFD framework and incorporated into the Group's risk management cycle for unified control:



LEAP Framework Risk Identification

For nature-related risks, the Company conducts inventory based on the four steps of Locate, Evaluate, Assess, and Prepare. The analysis shows that although the Company does not directly use biological resources, its operations remain highly dependent on watershed ecosystem stability. The detailed assessment results are shown in the table below:

Locate	The Company overlays the geographic coordinates of its four major core operating sites worldwide, Taipei, Suzhou, Vietnam, and Hungary, with global biodiversity databases, such as IBAT and WDPA, for spatial analysis. The identification results show that Ennoconn's own operating sites are all located within legal industrial or commercial zones and do not overlap with "strict nature reserves." However, Ennoconn Taipei is located within the same watershed system as the "Tamsui River Mangrove Nature Reserve," while the Suzhou plant is located in the Taihu Lake basin, which has an extremely high environmental load. This means that the Company's operating sites "indirectly impact" areas of high ecological value.
Evaluate	Assess the Company's operational dependencies on natural capital and identify the drivers of potential impacts on biodiversity: 1. Overuse of resources: If water consumption exceeds the natural replenishment rate, it may cause groundwater levels to decline and land subsidence, further damaging wetland ecosystem functions. 2. Land use change: The construction of new plants and industrial park development may cause fragmentation of native habitats and block species migration corridors. 3. Pollution discharge: If process wastewater discharge changes the characteristics of receiving waters, it will affect the survival of aquatic organisms in the watershed.
Assess	Convert the above dependencies and impacts into corporate risk assessment: 1. Physical risks: Climate change increases the frequency of extreme rainfall and droughts, which may cause plant flooding, asset damage, or process water shortages, operational interruption, thereby increasing insurance costs and revenue losses. 2. Transition risk: With the implementation of the EU Deforestation Regulation (EUDR) and the Corporate Sustainability Due Diligence Directive (CSDDD), failure to prove that the supply chain does not involve ecological damage may result in the risk that products cannot enter the EU market. 3. Reputational risk: If an environmental pollution incident occurs, in addition to substantial fines, it may also lead to a decline in ESG ratings and affect institutional investors' willingness to hold shares.
Prepare	Based on the risk assessment results, Ennoconn has established tiered management strategies: for Suzhou and Vietnam, two areas with high pollution risk, the Company implements emission standards that exceed regulatory requirements. For Taipei and Hungary, two sites near ecologically sensitive areas, the Company promotes biodiversity restoration projects.

Ennoconn
Solutions For Smart Future

Introduction
Sustainable Management Approach
Sound Corporate Governance
Company Overview
Governance Structure
Economic Performance
Responsible Business Conduct
Information Security
▪ Risk Management
Climate and Nature Risks, Opportunities, and Resilience Governance
Green Operations and Innovation
Environmental Sustainability Management
Co-creating Talent Value
Practicing Social Inclusion
Appendix

3.7.4 Nature-based Solutions and Practices

In 2026, Ennoconn launched the "Riverbank Mangroves, Honey Path Coexistence" project to respond to the "extremely high reputational" and "proximity to protected areas" risks faced by its Taipei headquarters. This project adopts the "Nature-based Solutions (NbS)" advocated by the IUCN and is located around the "Tamsui River Mangrove Nature Reserve (Kanchin Village)," the world's highest-latitude pure Kandelia obovata mangrove forest. This area plays a critical role in flood control, carbon sequestration, and biological habitats in the watershed. The project is guided by the Forestry and Nature Conservation Agency, Ministry of Agriculture, to ensure ecological conservation compliance and professionalism. It also works with the Kanchinlin Community Development Association and Mu Feng Farm to introduce professional beekeeping techniques and community sites. The project adopts implementation strategies of "ecosystem restoration" and "technology empowerment":

1 Ecosystem restoration

Standard beehives are installed in forests around the reserve, using the efficient pollination characteristics of bees to increase the pollination and fruiting rates of Kandelia obovata and surrounding vegetation, thereby increasing the growth density of mangrove communities. Healthy and dense mangroves serve as natural breakwaters, buffering storm surge impacts caused by extreme weather and indirectly protecting urban safety within the watershed, responding to the typhoon risk identified in the WWF assessment.

2 Technology empowerment

Leveraging Ennoconn's AI audiovisual integration technology, the Company dispatches a team to film the mangrove ecosystem and beekeeping process and produce high-quality environmental education animations. The project transforms complex biodiversity knowledge into easy-to-understand visual teaching materials for use by the community and three nearby elementary schools, helping environmental education take root from an early age.

Expected Benefits

Ecological Aspect

2 Hectares of Mangrove Pollination

Pollination services cover approximately 2 hectares of mangrove buffer zones, maintaining biodiversity in the Tamsui River estuary wetland.

Economic Performance

Local Specialty **"Kandelia obovata Honey"**

The project produces "Kandelia obovata Honey" with local terroir characteristics, creating understory economic benefits for the community and serving as Ennoconn corporate gifts, putting green procurement into practice.

Aspect of Society

Enhance Environmental Literacy for **500+people**

The Company expects to hold one corporate volunteer honey harvesting experience and ecological tour to enhance the environmental literacy of more than 50 employees. At the same time, the project plans to play educational videos on bee restoration at three elementary schools, inspiring the environmental protection awareness of 500 students.

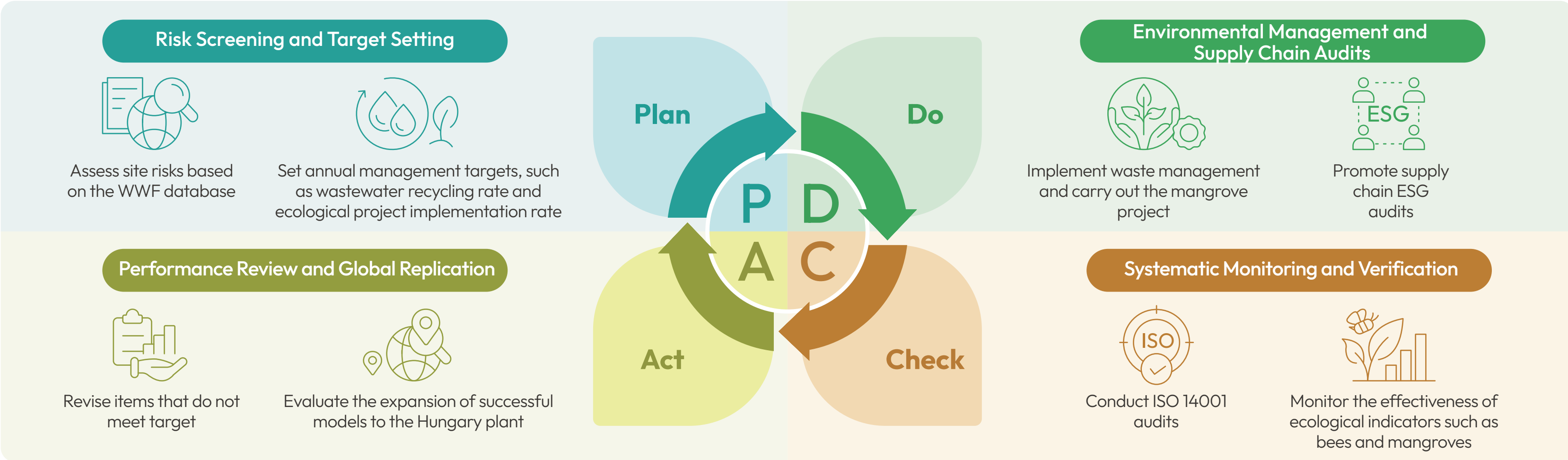
Contributions to the United Nations Sustainable Development Goals (SDGs) and the Kunming-Montreal Global Biodiversity Framework (GBF)

International Standard Framework	Order	Corresponding Goals and Contributions	
United Nations Sustainable Development Goals (SDGs)	Key Objectives	SDG 15 Life on Land	Through ecological beekeeping practices around the mangroves, the project provides pollination functions for mangroves, strengthens the terrestrial ecosystem of the estuary, and achieves the goal of halting biodiversity loss.
	Secondary Objectives	SDG 12 Responsible Consumption and Production	Promoting locally produced Kandelia obovata Honey supports environmentally friendly production models and demonstrates the Company's emphasis on sustainable production and consumption.
		SDG 8 Decent Work and Economic Growth	Creating the possibility of combining local employment and economic development with the reserve, achieving a sustainable employment and economic model.
Kunming-Montreal Global Biodiversity Framework (GBF)	Key Objectives	Target 15 corporate responsibility	Through corporate-named beehives and guided tour activities, the Company implements ecological beekeeping and mangrove habitat protection. While practicing resource co-management and species conservation, the Company enhances supply chain sustainability and demonstrates its commitment to ecological issues.
	Secondary Objectives	Target 9 Sustainable Use of Wild Species	Through the development of Kandelia obovata honey sources and ecological beekeeping, the project promotes bee restoration and activates the pollination system. Under the premise of habitat protection and avoiding overharvesting, it realizes the sustainable use of wild species, combines local revitalization, and demonstrates a model of coexistence between people and nature.
		Target 11 Enhance Ecosystem Service Functions	By using bee pollination efficiency and biological interactions, the project enhances the economic and resource value of mangroves. Combined with education and public participation, it promotes joint ecological maintenance by the community and the Company, realizing the sustainable goal of shared prosperity between production and conservation.

.

"Kandelia obovata Honey" from the Tamsui River estuary is Ennoconn's sweet return to nature and proof of its response to high reputational risk and progress toward sustainability. Ennoconn commits to deepening its practice of the Taskforce on Nature-related Financial Disclosures (TNFD), with the goal of advancing from "reducing negative impacts" to "creating positive impacts" by 2030. The Company will also evaluate joining the Science Based Targets Network (SBTN) to set science-based reduction targets for freshwater use and land use.

To ensure the implementation of its biodiversity management strategies, Ennoconn has established the following PDCA management cycle.



3.7.5 Climate-related Indicators and Vision

Ennoconn refers to the TCFD requirements for climate mitigation and adaptation, as well as the TNFD guidance on nature-positive actions and risk management, to set the following strategic indicators and long-term targets to track the management effectiveness of climate- and nature-related risks. In 2025, all key resilience indicators successfully achieved their annual targets. For detailed annual performance data on greenhouse gases, energy, water resources, and waste, please refer to Chapter 5 Environmental Sustainability Governance.

Aspect	Metric	2030 Targets	2025 Performance
Climate Mitigation	SBTi Science-based Carbon Reduction	Reduce Scope 1+2 emissions by 42%	Followed the SBTi pathway and achieved the annual carbon reduction target through equipment replacement and energy conservation
	Renewable Energy Use Rate	100% use of green electricity by Taiwan subsidiaries	Accelerated green electricity certificate procurement and project site development
Climate Adaptation	Supply Chain Resilience	100% of tier-one suppliers complete carbon inventories	Extended climate risk assessment to tier-one suppliers
Nature-positive	Biodiversity Impact	"Zero" deforestation at operating sites	Committed to avoiding IUCN protected areas for new plants and introduced the LEAP framework for assessment
	Nature-based Solutions (NbS)	Replicate ecological projects and flood prevention models to overseas sites	Launched the mangrove project along the Tamsui River to enhance watershed flood resilience and biodiversity