Solteam Sustainability Report

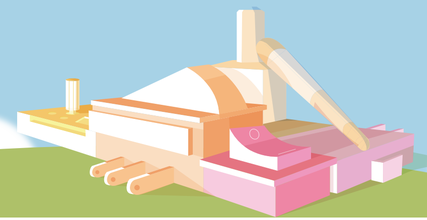
2025



solteam
trusty solutions for life

2025 Solteam Sustainability Report

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Foreword

About the Sustainability Report

This Report is the fourth sustainability report issued by Solteam Incorporation (hereinafter referred to as Solteam or the Group), of which the contents primarily disclose to stakeholders the operational achievements in environmental, social, and corporate governance aspects except the financial performance. This Report was approved for issuance by the Board of Directors in August 2026. It will be published annually to serve as a basis for the continuous communication with stakeholders and to demonstrate Solteam's determination in promoting sustainable development.

Disclosure Period and Boundary Scope of the Report

◆ GRI 2-2、GRI 2-3

The disclosure period of this Report covers the information dated from January 1st, 2025 to December 31st, 2025. The contents of the disclosure mainly include Solteam's operational activities in the aspects of Environment, Social, and Governance. The disclosing scope includes the Solteam Group and is aligned with the scope of the consolidated financial reports. Any inconsistency is specifically elaborated in the Report. The financial data within this Report have been audited and certified by the CPA, and the reporting period is the same as that of the Sustainability Report, and are all expressed in New Taiwan Dollar.

Editorial Basis

The contents of this Report are prepared in accordance with the 2021 Standards by the Global Reporting Initiative (GRI) and the Electrical & Electronic Equipment Standard 2023 by the Sustainability Accounting Standards Board (SASB). Simultaneously, the Report refers to the Task Force on Climate-related Financial Disclosures (TCFD) and conforms with the related contents of the Sustainable Development Goals (SDGs). The index comparison tables of the GRI Standards as well as the SASB Standards are also enclosed in the Appendix section of this Report.

Issuance Cycle

◆ GRI 2-3

Solteam will publish the "Sustainability Report" every year and disclose the same under the corporate sustainable development section of the official website.



Current Release

August 2026

Next Release

August 2027

External Assurance

◆ GRI 2-5

The financial data have been audited and attested by Deloitte Taiwan. To enhance the quality of the Sustainability Report disclosure, the Company entrusted Ernst & Young to provide limited assurance on water, energy, and waste data in accordance with the ISAE 3000 standard, obtaining this assurance in July 2026. Currently, the greenhouse gas (GHG) emissions data follows a biennial verification cycle. The most recent verification was conducted by Ernst & Young in May 2025 in accordance with the International Standard on Assurance Engagements (ISAE) No.3410, obtaining reasonable assurance for the 2024 data.

Feedback and Contact Information

◆ GRI 2-3、GRI 2-26

Please contact us should you have any inquiry or suggestion regarding this Sustainability Report.

Contact Point: Sustainable Development Office

Email: ESG@solteam.com.tw

Telephone: 03-3162168

Official Website: http://www.solteam.com.tw/

Whistle-Blowing Channels

In order to protect the integrity, honesty, and uprightness of suppliers, partners, and customers, Solteam has set up the following "Methods and Channels for Complaints" to prevent unethical conduct such as accepting rebates and improper benefits:

- Solteam shall not accept complaints should they contain malicious attacks, falsehoods, no specific contents, no real name, or no contact information.
- Please specify the name, department, and title of the person being reported; and attach specific evidence such as receipts, contracts, letters, videos, and photos.
- Please send complaints relating to human rights (including sexual harassment, bullying, and discrimination) to hr.service@solteam.com.tw; and other types of complaints to sol_credit@solteam.com.tw or to the "Audit Office" at the address of 7F-2-3, No. 888, Jingguo Road, Taoyuan District, Taoyuan City, R.O.C. 33051 by post.
- Please be assured that the identity of the whistleblower and the contents of the complaint are handled confidentially by the dedicated department in charge of complaint-handling within Solteam.
- Other whistle-blowing methods: (1) Communication through the official website; (2) Telephone: 03-3162168

Message from the Chairman

GRI 2-22

A Structural Transformation Amidst the Changing Landscapes

Since 2025, the global economy has entered a normal state of low growth and high costs, while the workforce structure is undergoing a once-in-a-century reshaping under the impact of AI technology. Facing the external disruptions such as shortened customer forecasting cycles and severe raw material fluctuations, Solteam Incorporation no longer merely pursues expansion in scale, but strives to achieve "comprehensive structural optimization." We firmly believe that true sustainability lies in establishing a "rapid response mechanism" within an uncertain environment.

Environmental Governance: From "Compliance" to "Low-Carbon Smart Manufacturing"

Under the ongoing and severe challenges of resource fluctuations, Solteam views environmental protection as a source of cost control and competitiveness.

- Precise Inventory and Smart Carbon Reduction: To implement our commitment to carbon reduction, we have initiated the "Group-Wide Greenhouse Gas Inventory" to fully grasp the current emission status and establish specific carbon reduction plans accordingly. On this foundation, we have further strengthened the "Smart Manufacturing Capability" across all factories. In the future, we hope to utilize AI technologies and big data to monitor energy consumption precisely, effectively reduce the carbon footprint in the production processes, and transforming our efforts in environmental protection to tangible operational benefits.
- Advancing High Value and Eco-Friendliness Simultaneously: In product research and development, we are moving towards "product modularization," which not only increases the Average Selling Price (ASP) but also reduces component redundancy as well as material waste.
- Green Supply Chain Resilience: In response to external disruptions, we have established a more agile supply chain management mechanism. By integrating ISO 14001 with the greenhouse gas inventory system, we combine carbon reduction targets with risk early-alerting mechanisms to ensure supply stability in a volatile environment.

Technology and Talent: A Workforce Transition Driven by "AI Assistants"

As AI redefines the labor market, Solteam, instead of viewing it as a threat, positions it as an "AI Assistant" to empower our employees.

- Process Re-engineering and Empowerment: We introduce smart applications for process re-engineering, thus liberating employees from tedious and repetitive tasks and guiding them toward more creative decision-making and analysis.
- Competency Reshaping: Targeting the shifts in the labor market, the Company provides comprehensive AI skill training. This is to ensure that our colleagues remain competitive in the era of "smart collaboration" and that mutual growth for both employees and the enterprise is achieved.
- Resilient Workplace: Under the pressure of shortened delivery cycles, we place greater emphasis on mental health and flexible management. Through transparent communication and promotion mechanisms, we build a highly cohesive team that is capable of rapid adaptation.
- Product Innovation: Social Contributions of Medical and Precision Industries

The core of sustainable development lies in solving social problems. Solteam is actively enhancing its production capability for new products, particularly for applications in the medical field (e.g., injection pens).

- Medical Health: Utilizing precision manufacturing technology, we provide more accurate and reliable medical device components. While responding to the demands for home-based healthcare in a globally aging society, the Company fulfills our social responsibility for public health.
- Modular Design: Not only do we strengthen product modularization capabilities to shorten development cycles, but we also respond more swiftly to market demands for low-energy and high-efficiency precision components.

Future Outlook: Parting the Mist to Realize Resilient Values

Although 2026 is regarded as a "year of mist," Solteam's goals remain clear: We will demonstrate that sustainable management and profitability can coexist in a low-growth macro-environment through the financial performances of "4.5 Steady Growth, 5.0 Challenging the Limits." We will continue to review and rectify various challenges and transform external disruptions into opportunities for internal optimization.

Solteam Incorporation hereby promises that, with transparent governance, smart production, and respect for talent, we will advance steadily through the mist, create value for shareholders, contribute goodwill to the society, and jointly safeguard our planet earth.



Chairman
Tseng, Wen-Cheng

Message from the General Manager

GRI 2-22

Solteam's Sustainability Outlook: Smart Leadership and Sustainable Shared Success

As time goes by, we have stepped into a brand-new era full of changes and challenges.

Facing global inflationary pressure, geopolitical uncertainties, and the impacts of extreme climate on industries, Solteam deeply believes that vision is essential in times of turmoil.

We take "Smart Leadership, Sustainable Shared Success" as our highest operational guideline. Instead of chasing lifeless financial statistics, we steadily devise long-term values.

We have officially launched the transformation of "Growth Trilogy," defining this year as the baseline year of transformation. Adhering to the strategic path of "Rooting the Foundation, Consolidating the Trunk, and Breaking New Ground," we leverage core technologies such as AI to precisely control resource inputs through "digitalized management" and "production automation." This not only optimizes the operational decision-making, but also substantially reduces manufacturing losses, thereby achieving capacity enhancement and mitigating environmental burdens.

In terms of market deployment, we are actively extending our reaches from the main trunk of traditional home appliances to eco-friendly emerging fields, such as AI servers, robotics, and high-performance medical platforms, in order to fulfill our value commitment of "Technological Leadership and Customer Trust."

Corporate sustainability stems from respect toward life and the environment. We regard talent as our most important asset. Through digital empowerment and talent retraining programs, we cultivate our colleagues' capability to march forward in a steady pace amid the AI wave.

Simultaneously, Solteam strengthens intellectual property protection and collaborates with supply chain partners to implement green manufacturing and energy management. Together we are moving toward the goal of "Simultaneous Progress in Intelligence and Sustainability."

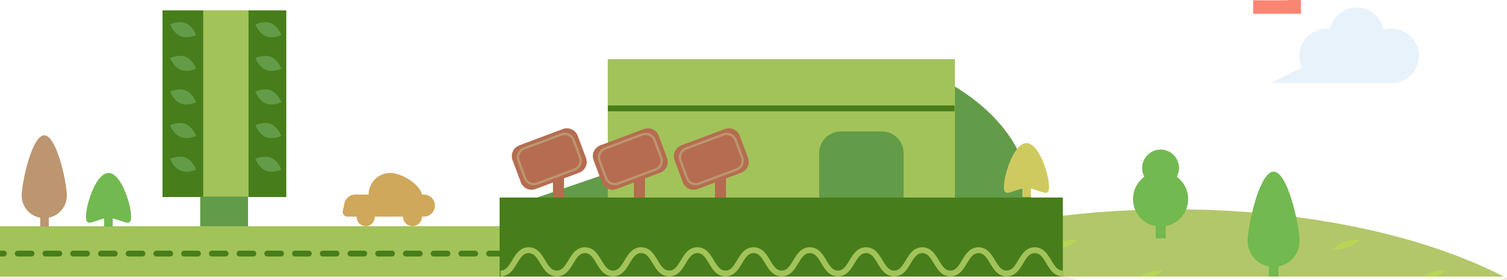
Although the global economic outlook remains uncertain, we believe with no doubt that the best way to predict the future is to create one with our own hands.

With the spirit of "changing amidst volatility," Solteam will co-create a more resilient future.

Let us look up at the starry sky and dream boundlessly;

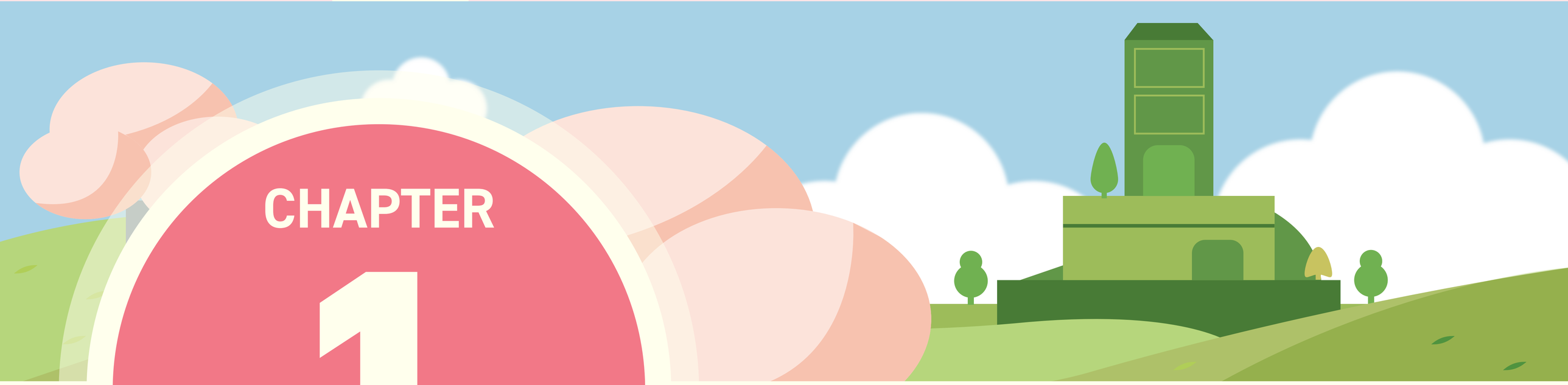
Let us stand firm on the ground and steadily embark on a journey of a thousand miles;

Let us embrace transformation and tread steadfastly with foresight.





General Manager
Chang, Mao-Chiang



CHAPTER

1

About Solteam

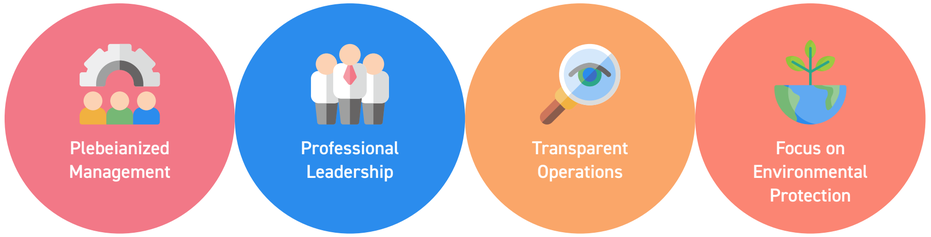
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1.1 Corporate Sustainability Strategy and Vision

1.1.1 Brand Spirit, Operation Locations, Product and Service

Since the foundation in 1992, Solteam has adhered to the core values of "Passionate Collaboration, Honest and Practical, Always Striving for Improvement" and cultivated in depth the electronic control units and electromechanical integration solutions. As a world-class manufacturer, we leverage our years of experience in research, development, and manufacturing to offer high-quality and tailored manufacturing services to customers in the global fields of power tools, white goods, new energy vehicles, AI application and energy storage, and medical industries.

Management Philosophies



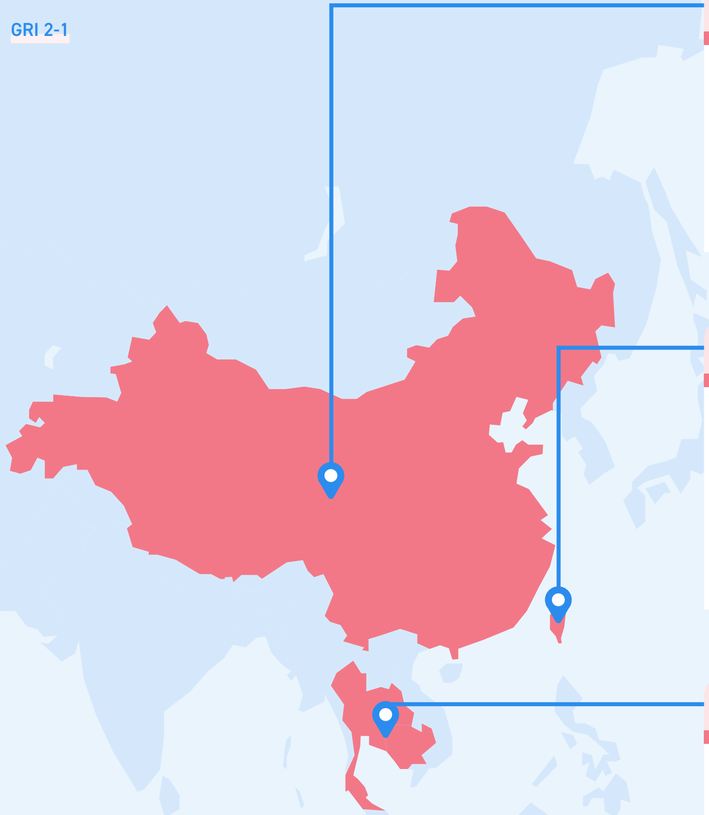
Brand Spirit

Sustainable Living, Your Best Partner!



Major Operation Locations

GRI 2-1



China

Dong Guan Solteam Electronics Co., Ltd. (Dong Guan Factory)

No. 8, Shang Zhen 2 Rd., Shang Jiao Community, Chang An Town, Dong Guan City, Guang Dong Province.

Solteam Electronics (Suzhou) Co., Ltd. (Suzhou Factory)

No. 358, Liuxu Rd., Economic Development Zone, Wujiang City, Jiangsu Province.

Taiwan

Solteam Incorporation (Headquarters)

7F-2-3, No. 888, Jingguo Rd., Taoyuan Dist., Taoyuan City.

Solteam Incorporation (Dayuan Factory)

No. 38 & No. 40, Ln., 151, Wuqing Rd., Dayuan Dist., Taoyuan City.

Solteam Opto, Inc.

13F, No. 898, Jingguo Rd., Luzhu Dist., Taoyuan City.

Asia-Pacific

Solteam Electronics (Cambodia) Co., Ltd.

Phum Troyueng, Khum Peuk, Srok Angsnoul, Kandal Province. No. 4 Rd. , 27KM, Qichang Industrial Park, Phnom Penh Of Cambodia

Solteam Cambodia

Phnom Penh Special Economic Zone, National Road 4, Phum Kamrieng, Sangkat Hantouk, Khan Kambol, Phnom Penh, Kingdom of Cambodia.

Solteam (Thailand) Co., Ltd.

No. 351/15 Moo 4 Prakasa Soi 12, Prakasa Road. Tambol Prakasa, Amphur Muang, Samutprakarn 10280, Thailand.

Product and Service

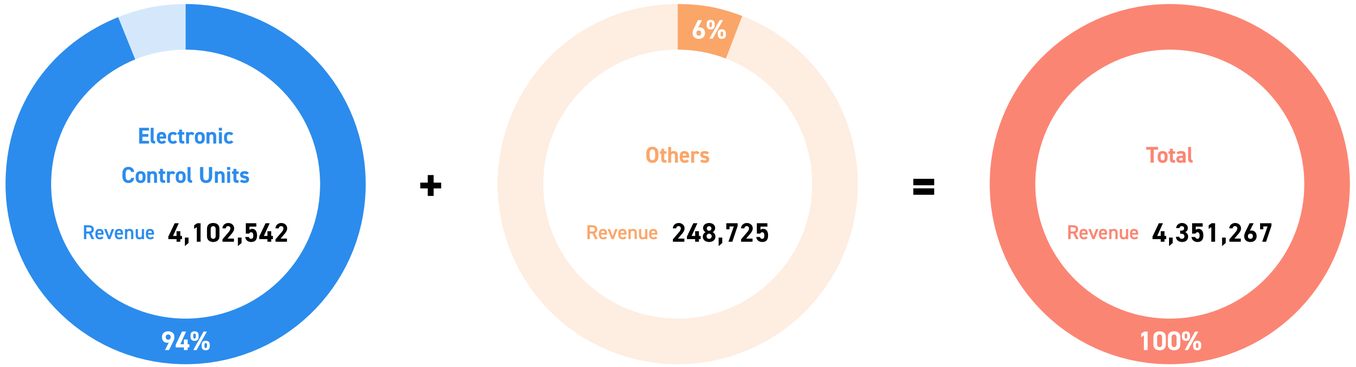
GRI 2-6

The major core technical capabilities of Solteam are mold development and motor controls. We have been upholding the spirit of always striving for improvement through non-stop research, development, and innovation. The main products are electronic control units. The applications cover power tools, white goods, new energy vehicles, AI application and energy storage, medical, and environmental industries, and are gradually being extended to the areas where higher safety certification is required.

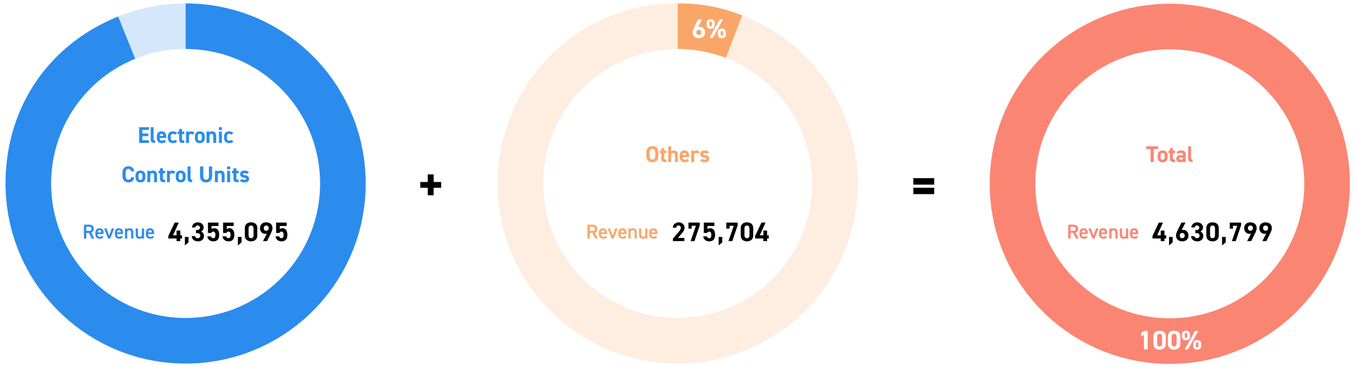
Product Category and Revenue Proportion

Unit: NT$ thousands

2024

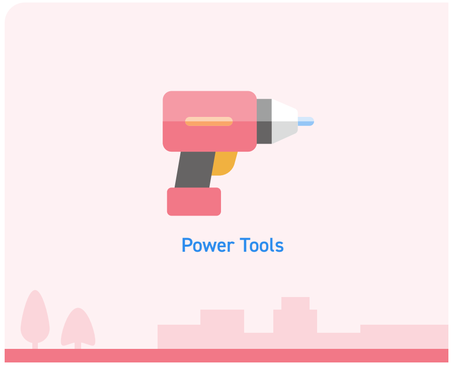


2025

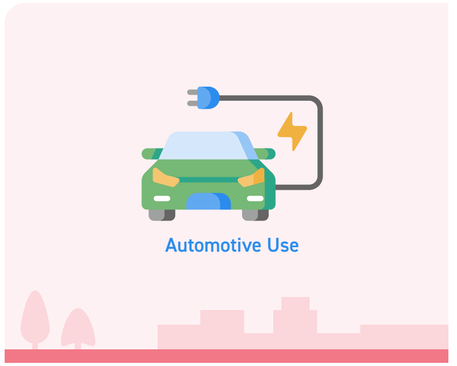


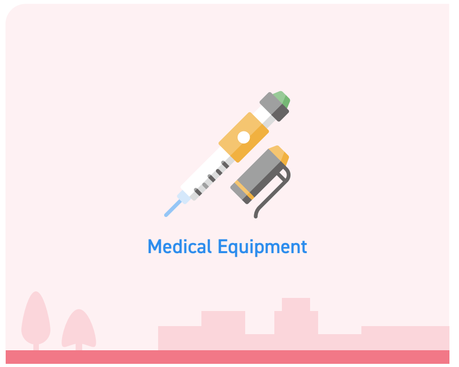
Product Introduction (Click to visit the official website)













1.1.2 Operational Accomplishments

Operational Performance and Income Proportion

◆ GRI 201-1

Solteam's consolidated net operating revenue in 2025 was NT$4,630,799 thousand, the net income after tax was NT$333,442 thousand, and the earnings per share after tax was NT$4.27. Please refer to Solteam's 2025 Annual Report for more financial information.

Item	Basic Elements	2024	2025
Direct Economic Value Generated	Revenues (thousand)	4,351,267	4,630,799
Economic Value Distributed	Operating Costs (thousand)	3,152,615	3,307,896
	Payments to Providers of Capital (thousand)	192,670	197,070
	Payments to Government (thousand)	179,663	163,898
	Community Investments (thousand)	49	94
	Employee Wages and Benefits (thousand)	685,162	742,231
Economic Value Retained	Direct Economic Value Generated – Economic Value Distributed	316,317	333,442

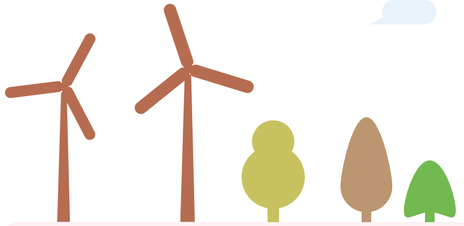
Item	2024	2025
Net Income After Tax (thousand)	316,317	333,442
Consolidated Profit Margin	7.27%	7.20%
R&D Investment (thousand)	249,353	265,019
Return on Equity	10.73%	10.30%
Cash Dividend Distribution Rate	59.95%	58.55%
Earnings Per Share After Tax	4.17	4.27

1.2 Company Profile

1.2.1 Important Events in the Recent Three Years

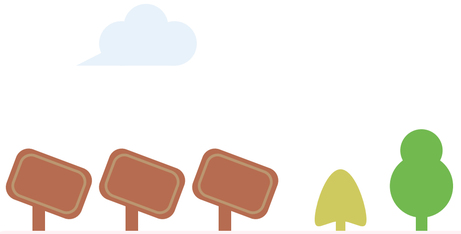
2025

- Solteam received the Ecovadis' Committed Badge.
- Solteam received the Makita2024 Quality Improved Award.



2024

- Solteam Opto received the 2025 Taiwan Excellence Award for its Industrial Integrated "Turbidity & Transmittance Water Sensor."
- Solteam received the Bronze Award of the Corporate Sustainability Reporting Awards in the second category of Electronic Information Manufacturing Industry at the Taiwan Corporate Sustainability Awards (TCSA).



2023

- Solteam received the Silver Award in the 2023 Happy Enterprise Awards presented by 1111 Job Bank.
- Solteam received the Bronze Award of the Corporate Sustainability Reporting Awards in the first category of electronic components at the TCSA Taiwan Corporate Sustainability Awards.



Please refer to Solteam's Official Website>Milestones for Solteam's other important events.

1.3 Sustainability Performance Highlights

1.3.1 Sustainability Performance Highlights

Highlights	Description	Environment	Social	Governance
Greenhouse Gas Inventory and Digital Management	We have introduced a digitalized carbon management system and completed the Scope 1 and 2 inventories covering the major domestic and overseas factories. The reduction targets are expected to be set in 2027 in accordance with the SBTi.	✓		✓
Active Participation in international Carbon Disclosure Project (CDP)	While participating in the capital market evaluation of the CDP and voluntarily disclosing the evaluation results, we are able to connect with international trends and enhance sustainability transparency.	✓		✓
Green Manufacturing and Resource Optimization	By implementing the "MTS 3.0 Electrical Testing Fixture Improvement Project" with the adoption of shared modular framework, we have substantially reduced development material disposables and physical waste.	✓		
Climate Risk Re-identification and Management Upgrades	On the basis of the governance experience in the previous years, we have initiated a re-identification procedure for climate risks. In the future, we will quantize climate-related scenarios, analyze potential financial impact, and integrate them with corporate risk management in depth.	✓		✓
High Customer Satisfaction and Guaranteed Quality	We scored 91.7 points for customer satisfaction and received the "Excellent Supplier Award" and "Makita's Annual Quality Improved Award" from our clients.		✓	✓
Establishment of a Supply Chain with Sustainability Resilience	We require our suppliers to sign the "Supplier Sustainable Development Code of Conduct." The signing rate for the current fiscal year reached 93.7% (incl. 12 new suppliers).	✓	✓	✓
Honor of EcoVadis Sustainability Evaluation	We participated in the evaluation conducted by EcoVadis, an internationally authoritative institution, and were recognized for our efforts in the environment, human rights, and sustainable procurement, earning the "Committed" badge.	✓	✓	✓
Emphasis on Employee Training and Healthcare	We recorded 18,739 participants (exceeding 20,000 hours) for the annual education and training and 82 participants for the on-site services by external doctors and nurses, which were arranged in order to take care of the physical and mental wellbeing of our colleagues.		✓	
Expanding Social Influence and Green Finance	We undertook the "Green and Sustainable Deposit" of Megabank with an amount of NT$15 million and invested in procurement from social enterprise in support of "Shuang-Lian Pear" and the Godot Theatre's FilpMentor Education Program.	✓	✓	
Connection Between Sustainability Performance and Remuneration of Senior Officers	The sustainable development performance indicators have been officially incorporated in the annual performance evaluation of the Chairman, General Manager, and other senior officers, with a weighting of 30%.	✓	✓	✓
Strict Information Security Protection System and Drills	We have an Information Security Committee in place with a comprehensive information security organizational structure. We recorded zero material information security incidents for the current year, implemented information security education and training with 669 participants, and rectified high-risk vulnerability.			✓
Implementation of Ethical Corporate Management and Zero Tolerance	We promulgated the "Solteam Group's Code of Conduct" and recorded a 100% of achievement rate for ethical corporate management education and training and zero incidents regarding violation or whistle-blowing for the current fiscal year.			✓
Developing Technological Innovation and Intellectual Property Deployment in Depth.	By establishing an innovation management system, we have completed a total of 101 development projects in the power tools, white goods, new energy vehicles, AI application, and energy storage sectors. Additionally, we have been actively applying for patens in the fields of medical instruments and electronic components.	✓		✓

1.3.2 Sustainability Column

Smart Sludge Settling Monitoring System: Not Only a Device, But Also a "Guardian" of Water Cycles

Driven by the waves of smart aqua management and ESG, the SC-SV30 Smart Sludge Settling Monitoring System (under the Sbravo brand) developed by Solteam Opto. is more than just a piece of equipment—it serves as a "guardian" in the water resource cycles.

01

Bidding Farewell to the Chaotic Era of "Bottles and Cans"

In the past, the daily routine at wastewater treatment plants resembled a race against time and error. Operators carried countless bottles and cans every day to manually collect samples, let them settle, and wait for 30 minutes, only to observe the settling status of sludge. This traditional manual measurement method was not only time-consuming and labor-intensive, but often caused data inconsistencies due to human reading errors. This compromised the stability of effluent quality and led to manufacturing disruptions, thus creating a breach in the frontline defense of environmental protection.

The SC-SV30 system replaces these tedious manual operations by utilizing the exclusive MLSS (Mixed Liquor Suspended Solids) online sensing technology to continuously record sludge variation every second under the influence of gravity. This is like installing smart eyes for aeration tanks, instantly calculating crucial "health indicators" such as SV30 and SVI. When the data shows a risk of sludge bulking (SVI>200 ml/g), the system issues an early warning, shifting operators' role from "remediation" to "precise monitoring."

02

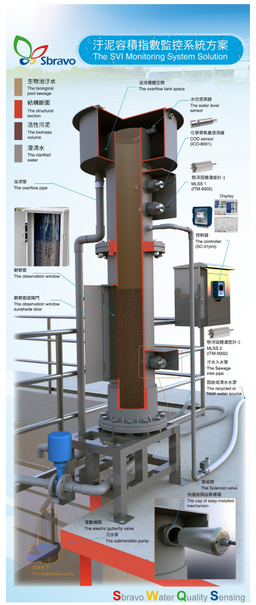
Sustainability Contribution - Giving Every Drop of Water a New Life

This technological revolution has brought profound contributions to environmental sustainability, which are concretely embodied in the following three aspects:

01 **Energy Saving, Carbon Reduction, and Resource Conservation:** Through data-driven precision processes, factories can accurately adjust aeration and chemical dosing. This not only eliminates unnecessary energy consumption but also substantially reduces the utilization of chemicals, successfully fulfilling the smart factory objective for "Net-Zero Carbon Emissions."

02 **Safeguarding the "Green Life" of Ecosystem:** Stable effluent quality represents our respect for natural water bodies such as rivers and lakes. The SC-SV30 ensures that the activated sludge process effectively decomposes pollutants while maintaining microbial activity, enabling water resources to truly enter a healthy chain of "recycle and reuse."

03 **Enhancing Operational Efficiency and Stability:** Automated monitoring allows operators to put their energy in higher-value decision-making tasks. With innovative and flexible features, Sbravo has injected vitality into water quality management and served as the most reliable guardian at the frontline of environmental monitoring.



SC-SV30 Smart Sludge Settling Monitoring System (under the Sbravo brand)

From Ageless Health to Precision Drug Administration: Crucial Injectors in the Era of Chronic Diseases and Weight-Loss Medications

As "ageless health" becomes a global consensus, health management has shifted from disease treatment to a choice of cross-generational, long-term, and proactive lifestyle. The post-pandemic world has further highlighted the importance of chronic disease control. The rapid rise of metabolic diseases such as diabetes, cardiovascular diseases, and obesity has motivated a soaring growth for weight-loss and metabolic medications, which primarily feature the usage of GLP-1. Except for drug innovation, delivering medications safely, stably, and conveniently into the human body has become the critical factor in the feasibility of transforming therapeutic efficacy into reality.

Under this trend, injectors for chronic disease treatment are no longer just auxiliary tools, but a part of the overall therapeutic experience. Under the quality management system compliant with ISO 13485, Solteam focuses on the design and development of injectors. We provide customized designs tailored to different medication characteristics and usage scenarios while finalizing global patent searches during the initial development phase to ensure market competitiveness and regulatory compliance of our products. All products must undergo comprehensive testing, verification, and validation processes prior to mass production and launches in the global market.

The core value of an injector is precision and reliability. Through key technologies, such as mechanical design, material engineering, mold development, and precision injection molding, we guarantee the consistency and long-term stability in our drug dosage delivery. In addition to aligning with non-toxic and eco-friendly trends, the material selection takes into consideration of biocompatibility and user safety to fully satisfy the long-term usage demand of patients with chronic diseases.

In the context of the rapid popularization of GLP-1 and various chronic disease medications, disposable injectors have been widely applied in therapeutic scenarios such as insulin, anticoagulants, osteoporosis, immunomodulator, and obesity management. Their advantages are enhancing the precision of medical administration, reducing infection risks, and strengthening user convenience. Driven by the rising health awareness globally, the relevant demand is expanding rapidly across key markets in India, the Middle East, North America, South Korea, China, and Taiwan, serving as a critical bridge between drug innovation and patients' life quality.



Reusable Injection Pen (with replaceable cartridges)

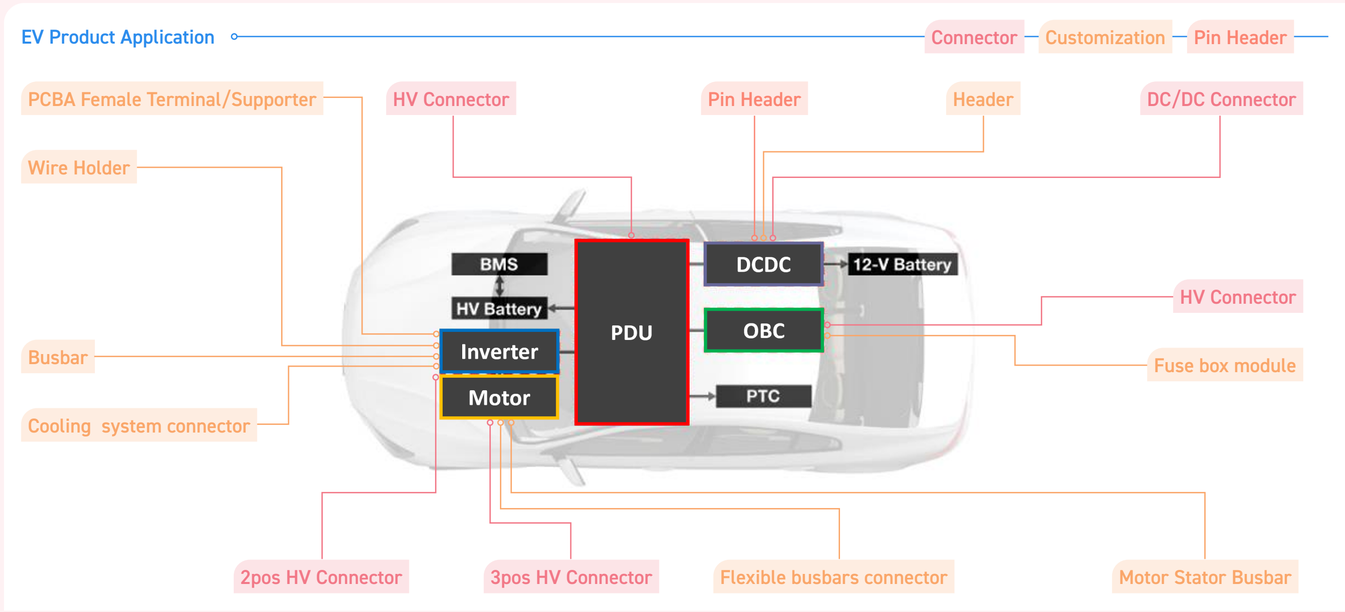
Advancing the Sustainable Value Chain of Electric Vehicles Steadily Among the Carbon Reduction Reality and Integration Trends

In response to global net-zero emissions targets, electric vehicles (EVs) have become an important direction for carbon reduction in transportation. Moving forward to 2025, along with economic environments and policy adjustments, the growth of battery electric vehicles (BEVs) is rational. Simultaneously, the market is developing PHEV and high-efficiency hybrid structures, introducing greater flexibility and sustainability to electrification process. While promoting electrification, the North American market values more on supply chain resilience, localized manufacturing, and long-term reliability. This drives dynamic systems to be developed toward highly integrated, mass-producible designs in balance of cost and quality.

Under this trend, the e-Axle technology dynamic systems have become the mainstream. Through system integration, we enhance power density and energy efficiency, reduce material utilization and assembly complexity, and thereby contribute to the elevation of overall resource efficiency. The performance of components in electrical conduction and structural stability plays a vital role in system safety and lifespan.

As a professional OEM, Solteam has continuously and deeply developed in the fields of automotive electronics and electronic control, accumulating core technology in metal stamping, plastic molding, and insert molding. With North America as our primary EV market, we serve Tier 1 and Tier 2 dynamic system customers. Through products such as high-current and high-voltage connectors, Bus Bars, Terminal Blocks, isolation fixtures, and cooling system connectors, Solteam assists customers in ensuring stable conduction, structural safety, and automotive-grade reliability within highly integrated dynamic systems.

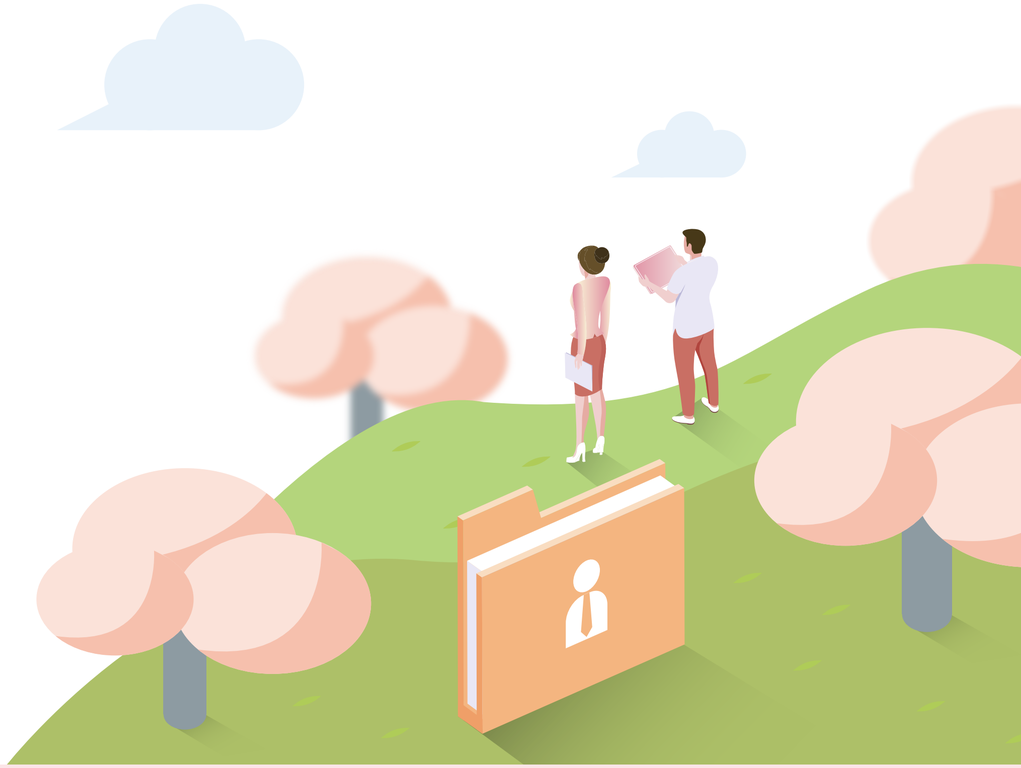
In the future, Solteam will continuously invest in the optimization of EV-related technologies and manufacturing processes. In a pragmatic and steady manner, we will support the EV supply chain in enhancing energy efficiency and contribute long-term value to transportation carbon reduction and sustainable industrial development.



1.4 External Initiatives

1.4.1 External Initiatives

In order to advance the relations and the joint benefits with our competition, Solteam actively participates in international and domestic associations, unions, and business associations. Additionally, the Company proactively collaborates with colleges, universities, and government agencies for the purpose of talent cultivation, hoping to deploy the talent market and level up Solteam's competitive edges through industry-academia collaboration.



Association Participation

◆ GRI 2-28

For domestic participation, the quality of medical instruments and Taiwan medical demands have drastically increased in Taiwan society with high-standard medical environment, popularized national health insurance, and the flourishing industry in health care. Also, the severe situation of aging population with a low fertility rate has made the regulations governing the medical instruments industry more stringent.

Facing management regulations that move with the times, the Company has actively joined the Taoyuan Medical Instruments Commercial Association to better understand the existing laws, regulations, and feedback, encourage employees in the participation of skill training and relevant courses, and obtain business surveys, statistics, researches and development, and development projects within and outside the country. Solteam hopes to promote the relationship and the common interest of our competition.

Moreover, in order to connect the interaction between the organization and the government agencies, the Company has joined the National Association of Small and Medium Enterprises R.O.C. and obtained government resources to facilitate corporate development. Besides, we have participated in the Taiwan SMEs Innovation Award, the National Award of Outstanding SMEs, the Rising Star Award, and the Taoyuan City Industrial Association to promote information interchange and sharing between members. On top of that, we facilitate economic development and seek more new opportunities through maintaining industrial relations, planning industrial improvement and promotion with peers, forming cross-industry alliances, and exchanging as well as collaborating with each other.

As for international participation, to facilitate our development, expand trade interchange platforms, and help Taiwanese businesses keep abreast of the latest situations and policies, Solteam joined the Taiwan Compatriot Investment Enterprises Association of Wujiang District, Suzhou City and the Dongguan Association of Taiwan Business. Not only have we maintained an effective communication between enterprises and government departments, but we have protected the legitimate rights of Taiwanese businesses. In case of Taiwanese businesses encountering difficulties in other countries, we can also help each other by reporting to the relevant departments in time and seeking for solutions.

In 2024, Solteam officially joined the Open Compute Project (OCP) to proactively connect with the global cloud industry chain. We have also obtained the OCP certification for a variety of our connectors, which feature high power transmission stability, safety-added designs, structural reinforcement, and other advantages. Looking ahead, Solteam will continue to collaborate with OCP's strategic partners closely, dedicate ourselves to providing connectivity solutions tailored to application demands, and explore in depth the technological development of open computing architecture.

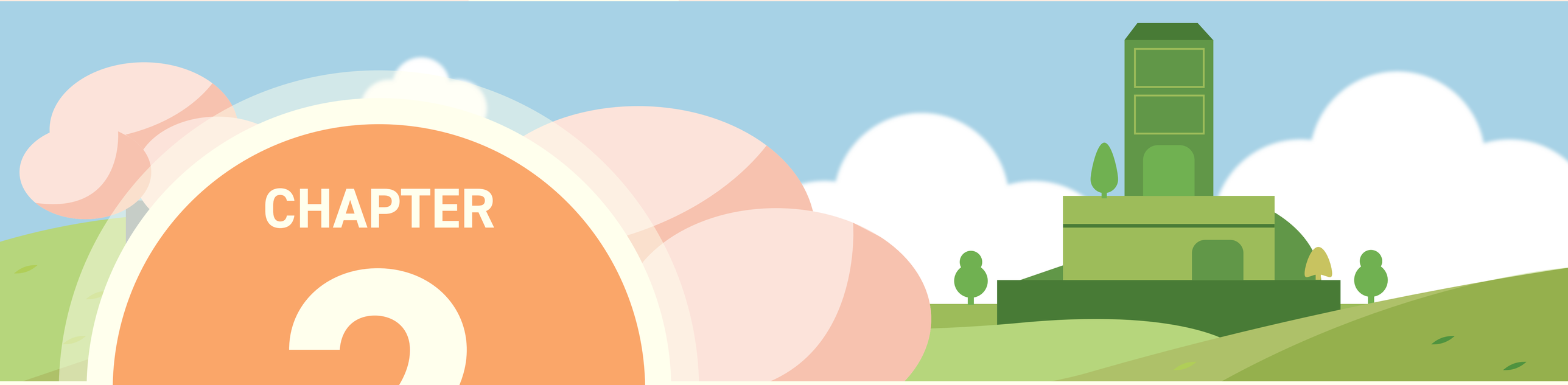
	No.	Name of Association	Qualification
Domestic	1	Taoyuan Medical Instruments Commercial Association	Member
	2	Taoyuan City Industrial Association	Member
	3	Taiwan SMEs Innovation Award	Member
	4	National Association of Small and Medium Enterprises R.O.C.	Member
	5	National Award of Outstanding SMEs	Member
	6	Rising Star Award	Member
	7	National Quality & Sustainable Excellence Alliance	Member
	8	Advanced Water Technology and AI IoT Technology Alliance	Member
	9	Water Affairs Organization	Member
International	10	Taiwan Compatriot Investment Enterprises Association of Wujiang District, Suzhou City	Member
	11	Dongguan Association of Taiwan Business	Member
	12	Open Compute Project	Member

1.5 Restatements of Information

To enhance data credibility, Solteam adopted third-party assurance for its 2025 Sustainability Report. During the assurance process, a comprehensive retrospective review of historical waste data was conducted. Upon review, it was confirmed that the data and calculation methodologies for 2024 required adjustment. Consequently, the data for the relevant years has been retrospectively restated to ensure consistency and accuracy.

For the resulting impacts, please refer to Section 5.2.4 Waste Management of this report.





CHAPTER

2

Stakeholders and Material Topics

2.1 Materiality Analysis 15
2.2 Stakeholder Communication 25

The Sustainability Report is an important channel through which Solteam and stakeholders communicate on issues related to sustainability. We address the issues concerned by stakeholders and propose corresponding strategies and actions through a variety of channels and stakeholder engagement.

2.1 Materiality Analysis

GRI 2-29、GRI 3-1

Solteam identifies the stakeholders with significant influence on the Company operations in accordance with the following process, understands the extent of each stakeholder's concerns about individual issues by means of questionnaires, and responds to stakeholders by proposing corresponding strategies as well as actions for the material topics to further achieve the effect of communication.

2.1.1 Materiality Analytic Process

01

Collection of Sustainability Issues

Solteam's collection of sustainability issues includes internal and external topics. The internal topics cover the Company's management goals and key performance indicators; whereas the external topics refer to the United Nations Sustainable Development Goals, stakeholder communication and opinions, and the material sustainability issues of peers or other industries. All of the above are then compiled as sustainability issues.

21
Sustainabitliy Issues

02

Identification of Stakeholders

Each person in charge from each department conducts evaluation following the five methods of the Stakeholder Engagement Standard (AA1000 SES), which are Dependency, Responsibility, Tension, Influence, and Diverse Perspectives, to identify stakeholders with materiality towards Solteam's operations. After evaluating the stakeholder weightings, the top five stakeholders are employees, customers, suppliers, shareholders, and industry, official, academia, and research institutes.

5 Types of
Significant Stakeholders

03

Stakeholder Questionnaire

We design online questionnaires to understand the extent of stakeholders' concerns about each sustainability issue. The results of the questionnaires, combining with the stakeholder weightings, are used to assess the level of concern of each issue.

76
Valid Questionnaires

04

Identification and Assessment of Organization's Impacts and Confirmation of Material Topics

Solteam identifies the issues related to sustainability in the organization's operational activities and business relationships. Then, the Sustainable Development Office performs an impact analysis to identify the potential/physical and positive/negative impact of these sustainability issues on the economy, environment, and people (including their human rights) and to define material topics based on the severity or the scale of the impacts and the likelihood of occurrence.

12
Material Issues

05

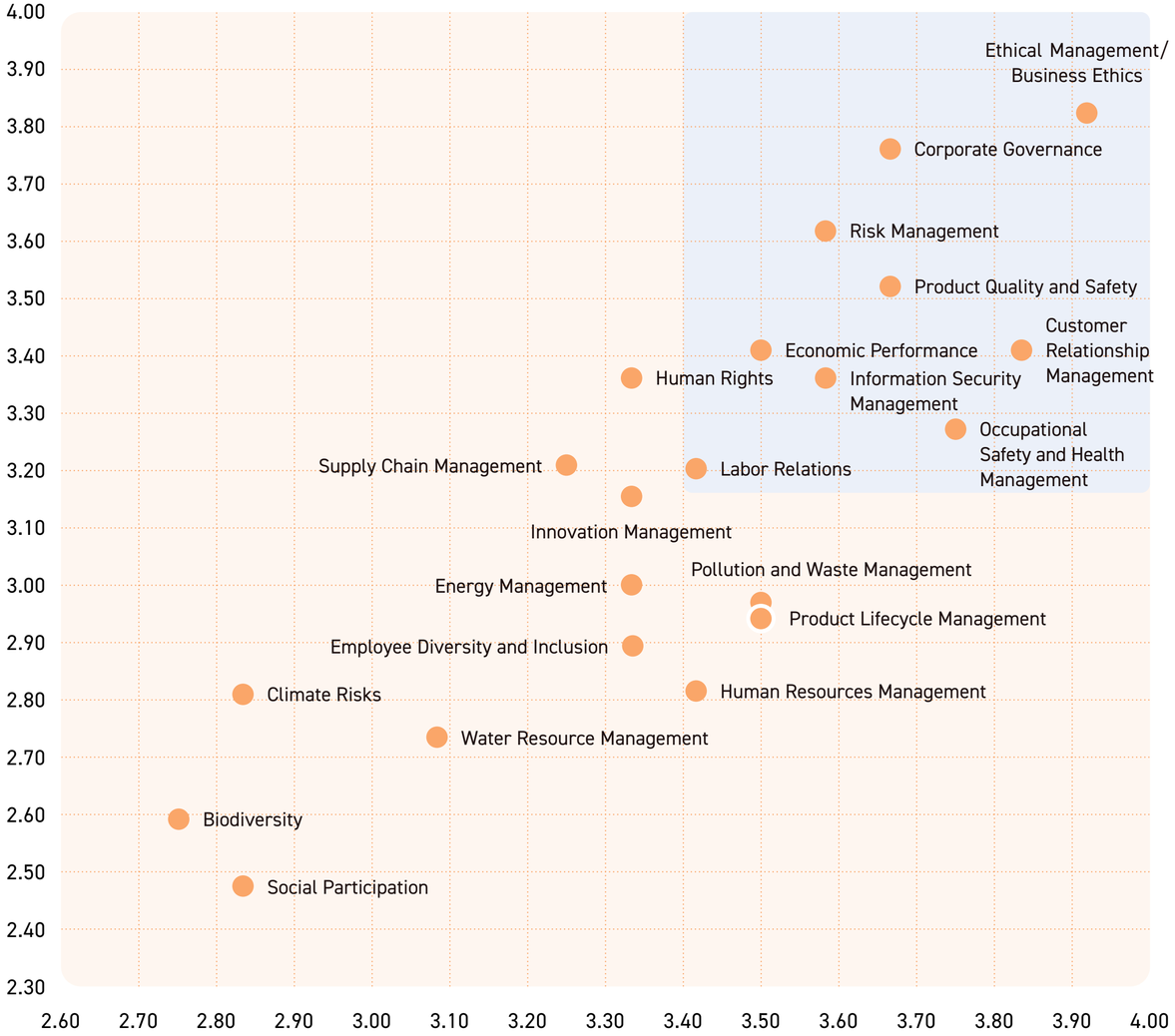
Confirmation of Material Issues and Preparation of Reports

The Sustainable Development Office collects the information on the assessment process and the results of material issues and submits it to the Sustainable Development Committee for review to ensure that material issues include environmental, social, and corporate governance aspects. Then, the material issues are compared with the GRI standards, and the management policy as well as reporting requirement thereof are disclosed in the Report to address the material topics concerned by stakeholders.

Approval from the Sustainable Development Committee

Distribution Chart of Material Issue Identification

Based on the analytic results of effective questionnaires collected from internal supervisors and external related parties, the distribution chart of material issue Identification was prepared with the horizontal axis as the operational impact and the vertical axis as stakeholders' level of concern. Apart from those that are greater than 3.4 points in operational impact and those that are greater than 3.16 points in stakeholders' level of concerns, we have included the climate risk and energy management topics of international concern and the human rights topics of customer concern into our material topics.



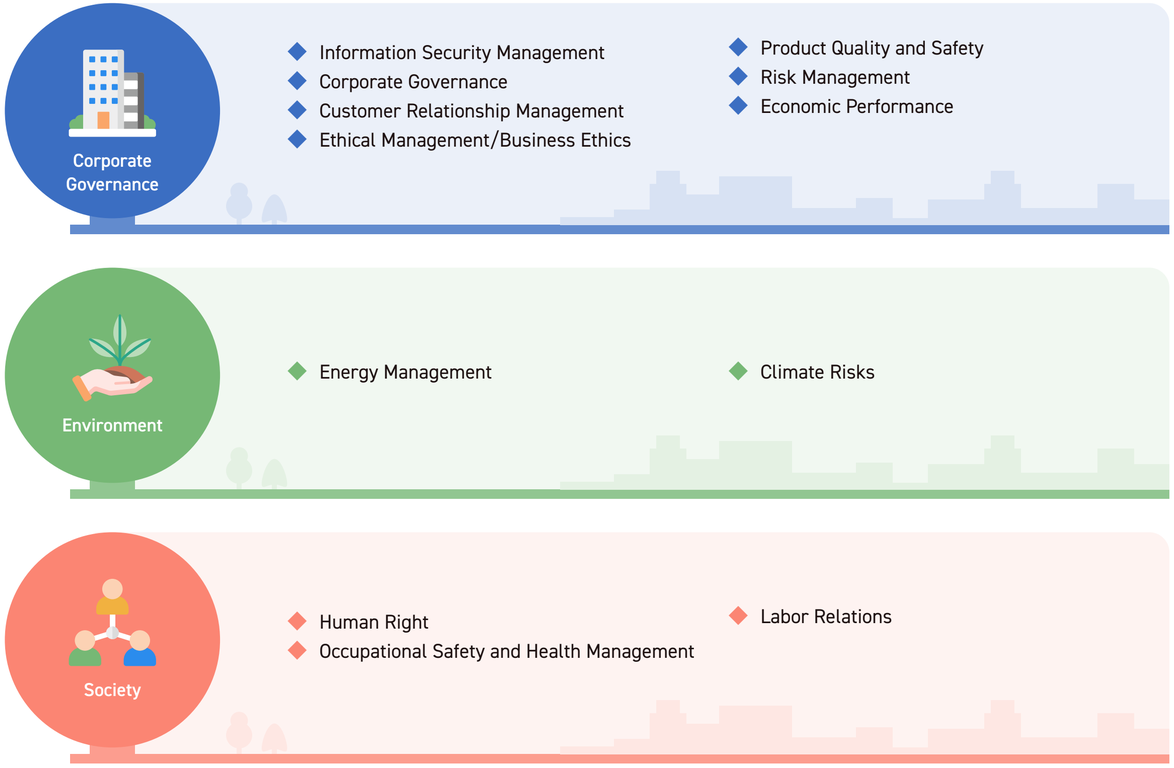
2.1.2 Value Chain and Material Issues

GRI 3-2

In terms of the material sustainability issues, Solteam explicitly defines their meaning, strategy, management policy, and long-term goals and dynamically adjusts our sustainability management actions through following up on the annual performance and promotion effectiveness. We identify in depth the impact boundaries of each material issue on the value chain and disclose the same in accordance with the GRI standards.

The screening of material topics for this year was based not only on the analysis results from stakeholder and internal senior officer questionnaire, but also incorporated international sustainability trends and the focusing areas of key customers. To proactively position ourselves and align with the qualitative and quantitative requirements for information disclosure of IFRS S1 and S2, we strategically narrowed and focused our sustainability topics to 12 items in 2025. Compared to 2024, after an integrated evaluation, the items that are no longer separately listed as material topics for this year include: human resources management, supply chain management, employee diversity and inclusion, and innovation management.

Material Topics in 2025



Material Issues and Value Chain

GRI 3-2

Aspect	Material Issues	Impact on Solteam	Solteam's Commitment	Concrete Action Plan and Its Achievement Status	Value Chain			Corresponding Chapter	Corresponding SDGs
					Upstream	Organization	Downstream		
Corporate Governance	Information Security Management	(+) Stable Company operations (-) Hacker threats (-) Breach of customer and other confidential data	We construct a highly resilient information and communication security defense network to strictly prevent any unauthorized information access, leakage, or breach. We are dedicated to deepening the cybersecurity awareness and professional skills of all employees. Additionally, through comprehensive disaster recovery plans and regular drills, we ensure rapid response in the face of emergency events. Our ultimate goal is to achieve uninterrupted operations for critical businesses, thereby safeguarding the information asset security of all stakeholders.	◆ There were no material incidents of information security during the current fiscal year. ◆ A vulnerability assessment covering the entire system was conducted, with all identified high-risk vulnerability rectified. ◆ The firewall and IDS/IPS latest signature were fully updated and maintained to ensure the effective operation of basic defense network. ◆ We conducted group-wide information security education and training sessions and phishing drills. Additional advocacy and re-test were also arranged for those colleagues who fell into victim of the phishing letters, in order to fulfill the PDCA cycle of information security. ◆ The Disaster Recovery Plan (DRP) was implemented to test the Company's resilience in prompt recovery, of which the Recovery Time Objective (RTO) and the Recovery Point Objective (RPO) shall be achieved within 24 hours.	◆	◆	◆	Chapter 3: Ethical Corporate Governance	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	Corporate Governance	(+) Stable Company operations (-) Operational impact resulted from regulatory costing and risks	We continuously deepen the transparency and accountability of corporate governance and promise to allow shareholders and investors to simultaneously grasp the Company's operational development and risk management effectiveness through smooth and two-way communication channels as well as timely information disclosure. With active engagement, we collaborate with stakeholders to create long-term sustainable value.	◆ We established an effective governance structure and transparent performance, continuously examine the changes in the external operational environment, optimize internal management procedures, and strengthen internal supervision and information disclosure transparency. ◆ The Sustainability Report, which had been resolved by the Board of Directors, was issued with an English version available. ◆ An "ESG" area was established on the Company's website to continuously update our sustainability actions, with a comprehensive contact platform for shareholders and investors. ◆ The internal control and audit mechanisms were continuously implemented to fortify our governance defense.	◆	◆	◆	Chapter 3: Ethical Corporate Governance	
	Customer Relationship Management	(+) Actively understanding customer needs and proactively offering solutions (+) Enhancing customer loyalty to broaden and deepen product market share (+) Creating new opportunities for product development by offering products with new values and reduced carbon footprint to increase collaboration projects	While closely focusing on international sustainability trends and the sustainability goals at customer end, we are devoted to maintain a high degree of agility and actively cooperate with customers on the introduction of sustainability products. We support customers' sustainability commitment with actions and jointly safeguard the stability as well as resilience of the industry chain.	◆ We proactively engaged in the sustainable development strategies at customers' end and cooperated with their progression of strategic sustainability goals. ◆ We implemented the project progression and real-time technology exchange, flexibly arranged for customer visits based on customer project schedules, and regularly exchanged real-time technology status via emails or conference calls to ensure smooth project advancement, precise order delivery with satisfied customer needs, and deepened partnership with customers. ◆ With "achieving customer satisfaction" as the highest goal of customer communication and service, we regularly reviewed the achievement status, made adjustments when necessary, and continuously enhanced overall customer satisfaction.	◆	◆	◆	Chapter 4: Safety and Customer Service Innovation	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 17 PARTNERSHIPS FOR THE GOALS

Aspect	Material Issues	Impact on Solteam	Solteam's Commitment	Concrete Action Plan and Its Achievement Status	Value Chain			Corresponding Chapter	Corresponding SDGs
					Upstream	Organization	Downstream		
Corporate Governance	Ethical Management / Business Ethics	(+) Stable Company operations (-) Operational impact resulted from regulatory costing and risks (-) Customer churn	We strictly adhere to the principles of honesty, transparency, and fair competition. Internally, we have established the "Ethical Corporate Management Best-Practice Principles" and other operational procedures to shape a culture of integrity. Externally, we have expressly stipulated ethical management clauses and whistle-blowing channels in our commercial contracts. By adopting a stringent standard, where any unethical behavior will lead to the termination of contracts at any time, we fully implement the essence of ethical governance.	◆ We implemented internal control through our Audit Office and announced the regulations as well as whistle-blowing channels on the intranet and official website. No reports of whistle-blowing were received in 2025. ◆ We conducted ethical culture advocacy and educational training by including ethical management topics as mandatory courses in new employee orientation, ensuring a consistent understanding among all personnel. ◆ We fulfilled our ethical commitment to both internal and external contracts. Internally, ethics-related clauses were added to employment contracts and work regulations, which must be signed by all employees. Externally, ethics-related clauses and whistle-blowing channels were explicitly stated in commercial contracts. Any unethical behavior will lead to the termination of contracts at any time. With these approaches, we strictly regulated our business execution standards.		■		Chapter 3: Ethical Corporate Governance	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	Product Quality and Safety	(+) Stable product quality (-) Decreased revenue (-) Customer churn	We implement rigorous product quality and safety management. Through conducting the verification prior to mass production, strengthening production process monitoring, and tracking post-sales data and customer feedback, we construct a comprehensive quality improvement mechanism (PDCA) spanning from R&D and production to post-sales services, ensuring continuous advancement in product safety and providing customers with the most reliable quality assurance.	◆ We strictly executed project reviews and product safety requirement verifications during the development phase. Also, we regularly analyzed testing failure cases and perform immediate corrective measures to ensure from the source that designs comply with laws, regulations, and customer safety requirements. ◆ We strictly monitored our manufacturing processes and managed the corresponding audits. Through weekly and monthly quality meetings, as well as executive management review mechanisms, we strictly supervised various parameters in the production process to guarantee the stability and reliability of product outputs. ◆ We regularly track customer satisfaction, supplier scorecards, and interview feedback, and integrated post-sales data into our internal quality improvement system to continuously refine product safety and service standards.	■	■	■	Chapter 4: Safety and Customer Service Innovation	3 GOOD HEALTH AND WELL-BEING 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
	Risk Management	(-) Business disruption (+) Effective risk management	We construct a highly resilient risk response defense line. In the face of the volatile external environment and operational challenges, we are dedicated to maintaining the dynamic adaptation capabilities of the organization. Through agile cross-functional project teams and real-time management reviews, we promise to swiftly identify and eliminate operational obstacles and safeguard the rights and interests of stakeholders in the most efficient manner.	◆ "The Group's Risk Management Policy" has been formulated with a responsible organization in place. The General Manager serves as the highest overseer and reports the implementation status of risk management to the Board of Directors annually to implement the highest level of supervision. The most recent report was presented on November 7, 2025. ◆ Daily operational risk control is conducted and executed independently by each responsible unit. In the event of a material incident, a cross-departmental crisis response and recovery management mechanism is initiated immediately. Directed and coordinated directly by the General Manager or a designated supervisor, this mechanism instantly assesses risks and formulates crisis handling procedures as well as recovery plans to ensure the rapid resumption of operations.	■	■	■	Chapter 3: Ethical Corporate Governance Chapter 5: Green Manufacturing	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Aspect	Material Issues	Impact on Solteam	Solteam's Commitment	Concrete Action Plan and Its Achievement Status	Value Chain			Corresponding Chapter	Corresponding SDGs
					Upstream	Organization	Downstream		
Corporate Governance	Economic Performance	(+) Increased net profit after tax (+) Taxation for social welfare	We set "regulatory compliance and robust operations" as the highest principle for economic decision-making. All material operational decisions shall implement risk assessment and comply with the laws and regulations in force. We are dedicated to maintaining positive economic performance and financial soundness, thereby ensuring the long-term stability of the Company's operations.	◆ Through the Group's annual strategic planning meetings, the senior management and supervisors from each unit jointly review and confirm the annual strategic policy and budget targets to guide the core direction of the Company's overall operational development. ◆ We call for Group operational meetings on a monthly basis to strictly track the Group's operational performance and ensure the precise implementation of our annual strategic policy through rolling reviews and dynamic management.		■		Chapter 3: Ethical Corporate Governance	8 DECENT WORK AND ECONOMIC GROWTH
Environment	Energy Management	(+) Cutting down on production costs and potential carbon fees (+) Reducing GHG emissions (+) Aligning with customers' needs to elevate customer satisfaction (-) Possible increase in operating costs due to inappropriate management	We advance energy management with a pragmatic step-by-step approach. We strive to implement group-wide energy inventories and greenhouse gas (GHG) verifications to ensure the transparency and accuracy of energy consumption data. By establishing comprehensive energy baseline data, we lay a solid foundation for promoting energy efficiency enhancements and carbon reduction actions subsequently and continuously strengthen corporate sustainable competitiveness.	◆ To enhance the efficiency of group-wide greenhouse gas inventories and ensure the accuracy and traceability of energy consumption data, the Company introduced a digitalized carbon management system in 2024. ◆ The Company expects to reach the milestone of completing group-wide inventories by 2026. Based on these precise inventory results, we will pragmatically formulate the overall carbon reduction targets for the Group.	■		■	Chapter 5: Green Manufacturing	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION
	Climate Risks	(+) Mitigation of climate change (+) Effective employment of energy resources (+) Effective management of GHG emissions	We adopt the TCFD (Task Force on Climate-related Financial Disclosures) framework to proactively identify the risks and opportunities of climate change on our operations, and enforce regulatory compliance to respond to stakeholder expectations.	◆ We closely monitor domestic and international climate policy trends and refer to the spirit of the TCFD (Task Force on Climate-related Financial Disclosures) framework to preliminarily identify potential risks and opportunities that climate change may bring to our operations. ◆ In the future, we will progressively incorporate climate change factors into corporate operational strategy evaluations in order to strengthen the Company's climate resilience in response to extreme weather.	■		■	Chapter 5: Green Manufacturing	13 CLIMATE ACTION

Aspect	Material Issues	Impact on Solteam	Solteam's Commitment	Concrete Action Plan and Its Achievement Status	Value Chain			Corresponding Chapter	Corresponding SDGs
					Upstream	Organization	Downstream		
Society	Human Rights	(+) Enhancement of stakeholders' trust	We regard human rights protection as the core of practicing corporate social responsibility. In accordance with the spirit of international human rights regulations and the Responsible Business Alliance (RBA) Code of Conduct, we are devoted to providing an equal, safe, and harassment-free working environment, comprehensively safeguarding labor rights, and collaborating with employees to create sustainable value.	◆ Adhering to the Code of Conduct – Responsible Business Alliance (RBA) and various international covenants on human rights, we strictly enforce the principles of child labor prohibition and anti-discrimination, while fully protecting colleagues' freedom of association and various fundamental human rights. In 2025, there were no incidents involving human rights violation. ◆ Committed to establishing a friendly workplace with diversity and equality, we provide compensation, benefits, and working conditions that meet and exceed labor laws and regulations. Meanwhile, through comprehensive internal communication and training systems, we deepen all employees' awareness of their legitimate rights and the Company's human rights policies to fully realize decent work and an inclusive culture.	◆	◆		Chapter 6: Diverse Social Inclusion	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
	Labor Relations	(-) In the face of talent shortage	Robust labor relations serve as a vital cornerstone for maintaining corporate operational continuity. We implement various employee care and welfare policies through a human-centric management mindset and actively promote positive dialogue and mutual trust between labor and management. By fostering strong employee satisfaction and teamwork, we effectively eliminate potential labor-management and talent turnover risks, ensuring that the enterprise continuously enhances its competitiveness on a harmonious and stable foundation.	◆ We are committed to establishing proper employee care systems and providing diverse and smooth communication channels to maintain harmonious labor relations. ◆ By promoting employee satisfaction surveys, we listen to the voices of our colleagues and continuously improve various suggestions raised by them. ◆ While continuously promoting diversified employee care and welfare activities, we implement essential care for our colleagues through pragmatic actions.		◆		Chapter 6: Diverse Social Inclusion	
	Occupational Safety and Health Management	(+) Creation of a safe workplace (-) Occupational Safety Hazard	With an emphasis on the occupational safety and physical and mental wellbeing of every worker, we implement occupational safety and health in our daily management. Through regular healthcare and safety audit mechanisms, we jointly safeguard the physical and mental health as well as the operational safety of all personnel within the factory premises.	◆ We not only enforce various labor health services and physical/mental health protection measures, but also actively cooperate with visits from government and relevant department personnel. ◆ We have upheld the "Zero Significant Occupational Safety Accidents" as our occupational safety and health goal. We ensure full mastery of operational conditions through "Evaluation and Planning" and "Environmental Risk Assessment." In terms of "Hazard Identification and Control," we conduct regular employee health examinations internally and strictly execute the "Safety and Health Management Procedures for Contractors" externally. Finally, through regular "Tracking and Review," we ensure that all safety and health measures are effectively implemented.	◆	◆		Chapter 6: Diverse Social Inclusion	3 GOOD HEALTH AND WELL-BEING

Target Achievement Status of Material Issues and Setting of Short-, Mid-, and Long-Term Goals

GRI 2-26、GRI 3

Aspect	Material Issues	Targets in 2025	Targets and Their Achievement Status in 2025	Short-term Goals (1 Year)	Mid-term Goals (3-5 Years)	Long-term Goals (More Than 5 Years)
Corporate Governance	Information Security Management	◆ To introduce digital tools and enhance information security management. ◆ To strengthen information security protection. ◆ To continuously upgrade the information security awareness of all colleagues across the Group. ◆ To continuously cultivate information security talents	◆ Introduced the Group's Privileged Access Management (PAM) platform. ◆ Conducted various cybersecurity protection and drills quarterly and identified 96 items of high-risk vulnerability, all of which have been rectified. ◆ Recorded a total of 669 participants and a total of 609.4 hours for the information security education and training across the Group. ◆ Recorded a total of 9 participants and a total of 119.8 hours for the education and training completed by our IT staff.	◆ To introduce digital tools and enhance information security management. ◆ To strengthen information security protection. ◆ To continuously upgrade the information security awareness of all colleagues across the Group. ◆ To continuously cultivate information security talents.	◆ To build an information security control dashboard and incorporate at least 5 information security indicators. ◆ To establish an information security risk assessment platform. ◆ To continuously strengthen information security protection. ◆ To continuously upgrade the information security awareness of all colleagues across the Group. ◆ To continuously cultivate information security talents.	◆ To promote the digitalization and automation of information security management and implement information security management. ◆ To actively participate in external collaborative cyber defense platforms and organizations to strengthen the overall protection capability. ◆ To continuously upgrade the information security awareness of all colleagues across the Group. ◆ To continuously cultivate information security talents and build an excellent information security team.
	Corporate Governance	◆ To reach the group of 21% to 35% in the Corporate Governance Evaluation. ◆ Target number of internal control and audit for the entire Group: More than 50 cases/year	◆ Corporate governance evaluation results: Reached the group of 21% to 35% among the companies in the TPEx market Reached the group of 11% to 20% among the listed and TPEx companies with a capital stock of less than NT$5 billion. ◆ Number of internal control and audit for the entire Group: 59 cases.	◆ To upgrade to the group of 6% to 20% in the ESG Evaluation (representing the ranking applicable for companies in the TPEx market or the listed and TPEx companies with a capital stock of less than NT$5 billion). ◆ Target number of internal control and audit for the entire Group: More than 50 cases/year.	◆ To upgrade to the group of 6% to 20% in the ESG Evaluation (representing the ranking applicable for companies in the TPEx market or the listed and TPEx companies with a capital stock of less than NT$5 billion). ◆ To increase the percentage of female directors. ◆ To align with the IFRS Sustainability Disclosure Standards. ◆ Target number of internal control and audit for the entire Group: More than 50 cases/year.	◆ To upgrade to the group of 6% to 20% in the ESG Evaluation (representing the ranking applicable for companies in the TPEx market or the listed and TPEx companies with a capital stock of less than NT$5 billion). ◆ To increase the percentage of female directors. ◆ To align with the IFRS Sustainability Disclosure Standards. ◆ Target number of internal control and audit for the entire Group: More than 50 cases/year.
	Customer Relationship Management	◆ To attain at least 88 scores of service satisfaction rating from the top 20 customers. ◆ To enter the sustainability product supply chain and the new sustainability supply chain of industrial transition at customers' end; to cooperate with customers in promoting sustainable development as well as carbon reduction; and to accumulate at least 3 pieces of the above sustainable development products every year.	◆ Scored 91.7 in the customer satisfaction survey in 2025. ◆ Numbers of cases supporting customers' strategic sustainable development in 2025 (1) Engaged in the sustainability products supply chain at customers' end: 6 cases. (2) New sustainable supply chain of industrial transition: 8 cases. (3) Cooperated with customers on the promotion of strategic sustainable development and the procedures of carbon reduction: 13 cases. (4) Cooperated with customers on the procedures of product carbon reduction: 9 cases.	◆ To attain at least 88 scores of service satisfaction rating from the top 20 customers. ◆ To enter the sustainability product supply chain and the new sustainability supply chain of industrial transition at customers' end; to cooperate with customers in promoting sustainable development as well as carbon reduction; and to accumulate at least 3 pieces of the above sustainable development products every year.	◆ To attain at least 90 scores of service satisfaction rating from the top 30 customers. ◆ To enter the sustainability product supply chain and the new sustainability supply chain of industrial transition at customers' end; to cooperate with customers in promoting sustainable development as well as carbon reduction; and to accumulate at least 5 pieces of the above sustainable development products every year.	◆ To attain at least 92 scores of the overall customer service satisfaction rating. ◆ To enter the sustainability product supply chain and the new sustainability supply chain of industrial transition at customers' end; to cooperate with customers in promoting sustainable development as well as carbon reduction; and to accumulate at least 8 pieces of the above sustainable development products per year.

Aspect	Material Issues	Targets in 2025	Targets and Their Achievement Status in 2025	Short-term Goals (1 Year)	Mid-term Goals (3-5 Years)	Long-term Goals (More Than 5 Years)
Corporate Governance	Ethical Management/ Business Ethics	◆ To reach 100% target completion rate for training and promotion. ◆ To arrange training sessions, promotion themes, and courses every year.	◆ Recorded a total of 727 individuals in the entire Group participated in the training, with a 100% target completion rate.	◆ To reach 100% target completion rate for training and promotion. ◆ To arrange training sessions, promotion themes, and courses every year.	◆ To reach 100% target completion rate for training and promotion. ◆ To arrange training sessions, promotion themes, and courses every year.	◆ To reach 100% target completion rate for training and promotion. ◆ To arrange training sessions, promotion themes, and courses every year.
	Product Quality and Safety	◆ No complaint for material non-compliance with laws and regulations or product safety problems. ◆ To achieve various annual quality objectives. ◆ To promote digitalized quality monitoring.	◆ No complaint for material non-compliance with laws and regulations or product safety problems. ◆ Reached 90% of achievement rate for various quality objectives in 2025. ◆ To refine quality performance, we continuously maintained the validity of third-party certifications for our management systems and implemented the digitalization of anomaly handling processes. This successfully reduced the average processing time by two-thirds, significantly enhancing problem-solving efficiency.	◆ No material complaint (for non-compliance with laws and regulations or product safety problems). ◆ To achieve various annual quality objectives. ◆ To promote digitalized quality monitoring. ◆ Successfully achieved the annual goals for quality consolidation and enhancement (through project-based improvements).	◆ 0 complaint for material quality abnormality. ◆ To establish a data platform of abnormal cases; and to minimize the occurrence of abnormality through cross department and cross-industry learning.	◆ 0 complaint for material quality abnormality. ◆ To strengthen the designing and supply chain management to eradicate risks of product safety.
	Risk Management	◆ No risks jeopardizing sustainable operations.	◆ There were no risks jeopardizing sustainable operations in 2025. ◆ The General Manager, the highest governor of risk management, appointed the Corporate Governance Officer to report on the execution of risk management to the Board of Directors on November 7, 2025, with the specific explanations on control and oversight procedures for high-risk items provided. ◆ In 2025, in response to the operational risks posed by "global tariffs," the management team established a dedicated task force to regularly review potential impacts, ensure timely updates for all units on the situation, and implement rolling operational adjustments.	◆ 0 incident involving risks jeopardizing sustainable operations.	◆ 0 incident involving risks jeopardizing sustainable operations.	◆ 0 incident involving risks jeopardizing sustainable operations.
	Economic Performance	◆ To continuously increase revenues and profits.	◆ The revenue in 2025 grew by 6.4%. We will continue to advocate sustainable operations as the core belief and create economic performance every year.	◆ Stable growth in EPS, business performance, and profitability.	◆ To promote multiple improvement plans, including factory automation, streamlined processes, enhanced production efficiency, and optimized factory constitution.	◆ To reinforce core values to customers and consolidate our position in key components.

Aspect	Material Issues	Targets in 2025	Targets and Their Achievement Status in 2025	Short-term Goals (1 Year)	Mid-term Goals (3-5 Years)	Long-term Goals (More Than 5 Years)
Environment	Energy Management	◆ To classify energy inventories and discuss effective improvements. ◆ To plan on the improvements of the energy efficiency of equipment.	◆ Enforced energy inventory, classification, and review processes and actively planned on the improvements for equipment energy efficiency to enhance overall energy consumption performance through concrete actions. ◆ Executed the replacement plans for aging and high energy-consuming equipment in phases. In 2025, we replaced 2 large-tonnage chillers that had been in use for 20 years, which will effectively reduce power consumption and electricity loss.	◆ To classify energy inventories and discuss effective improvements. ◆ To plan on the improvements of the energy efficiency of equipment.	◆ To increase the usage efficiency by 1.5%, compared with the baseline year.	◆ To increase the usage efficiency by 3%, compared with the baseline year.
	Climate Risks	◆ To complete climate risk assessment; and to take inventory on corporate GHG emissions. ◆ To keep promoting the GHG reduction program.	◆ Completed the climate risk assessment and the inventory on corporate GHG emissions and continued to promote the GHG reduction program. The inventory results for the current year are as follows: (1) Scope 1 and 2 (Category 1 and 2): Completed the inventories for Taiwan factories (the Headquarters, Dayuan Factory, Solteam Opto), Suzhou Factory, Dong Guan Factory, and Cambodia Factory. (2) Scope 3 (Category 3 to 6): Completed the inventories for Taiwan factories (the Headquarters, Dayuan Factory, Solteam Opto) and Suzhou Factory.	◆ To set 2026 as the baseline year and disclose the reduction targets, strategies, and concrete action plans for the year 2027 (establishing the carbon reduction roadmap in accordance with the Science Based Targets initiative (SBTi).	◆ To continuously disclose the greenhouse gas (GHG) reduction targets, strategies, and concrete action plans for the current publication year of the Annual Report, along with the target achievement status from the preceding year.	◆ To continuously disclose the greenhouse gas (GHG) reduction targets, strategies, and concrete action plans for the current publication year of the Annual Report, along with the target achievement status from the preceding year.
Society	Human Rights	◆ To continually implement the Code of Conduct – Responsible Business Alliance (RBA), relevant international covenants, and local statutes. ◆ To implement human rights policy without any violation of human rights	◆ Formulated and announced the "Group's Code of Conduct" and the "Group's Individual Data Protection and Privacy Management Policy" and continuously strengthened internal advocacy on human rights. ◆ No incidents involving violation of human rights in 2025.	◆ To continually implement the Code of Conduct – Responsible Business Alliance (RBA), relevant international covenants, and local statutes. ◆ To implement human rights policy without any violation of human rights	◆ To build a diverse, equal, inclusive, and respectful work environment to enhance employ loyalty. ◆ No violation of human rights.	◆ To keep achieving the goal of no violation against human rights.

Aspect	Material Issues	Targets in 2025	Targets and Their Achievement Status in 2025	Short-term Goals (1 Year)	Mid-term Goals (3-5 Years)	Long-term Goals (More Than 5 Years)
Society	Labor Relations	◆ To establish diverse communication channels. ◆ No incidents of labor dispute and violation of labor statutes.	◆ We conducted employee satisfaction surveys in phases. In 2025, the survey was implemented for the Suzhou Factory, achieving a questionnaire coverage rate of 88.3%. We will continuously pursue improvements on items that received lower scores in the survey results. ◆ In 2025, there was one case of violation of the "Labor Standards Act," resulting in a fine of NT$50,000. In response to this deficiency, we immediately implemented a review and corrective improvements. In addition to strengthening internal education, training, and legal awareness, we have simultaneously optimized the management systems to ensure strict regulatory compliance and thoroughly prevent the recurrence of similar incidents.	◆ To establish diverse communication channels. ◆ No incidents of labor dispute and violation of labor statutes.	◆ No incidents of labor dispute and violation of labor statutes.	◆ Diversified employee care and welfare activities. ◆ No incidents of labor dispute and violation of labor statutes.
	Occupational Safety and Health Management	◆ To accumulate less than 15 occupational safety accidents in the year. ◆ To provide labors the necessary safety and health protection pursuant to the provisions of Occupational Safety and Health Act. ◆ To prevent the risk of occupational accidents due to unsafe behaviors and condition by implementing the work safety procedures.	◆ In 2025, there were 2 occupational safety incidents. The causes identified were cuts and burns during work operations. We will continuously improve the working environment and conduct operational safety awareness training to prevent similar occurrences in the future. ◆ Provided doctor and nurse on-site services to take care of the physical and mental wellbeing of our colleagues. In 2025, a total of 82 participants were served. ◆ Continuously arranged the recurrent training for occupational safety and health personnel and updated relevant information. In 2025, a total of 5 employee attended the recurrent training.	◆ To accumulate less than 12 occupational safety accidents in the year. ◆ To provide labors the necessary safety and health protection pursuant to the provisions of Occupational Safety and Health Act. ◆ To complete statutory on-the-job training, establish risk identification and assessment mechanisms, improve specific high-risk operational environments, revise safety procedures, organize health lectures, ensure regulatory compliance, and promote employee physical and mental health activities.	◆ To accumulate less than 10 occupational safety accidents in the year. ◆ To ensure that the equipment and environment of the workplace comply with the regulations; and to provide education and training on labor safety and health as well as disaster prevention, including work safety procedures and information on possible hazards.	◆ To accumulate less than 6 occupational safety accidents in the year. ◆ To promote the Occupational Safety and Health Management Systems and the Environmental Management Systems; to enforce the management cycle of safety and health planning, auditing, and improving; to implement a comprehensive safety and health management; and to create a safe and comfortable working environment.



2.2 Stakeholder Communication

GRI 2-29

"Sincere communication" is the cornerstone where Solteam builds mutual trust with our stakeholders. Apart from implementing information equality through our official website for the purpose of communication approachability and transparency, we place an even higher value on the actual interactions that carry genuine warmth.

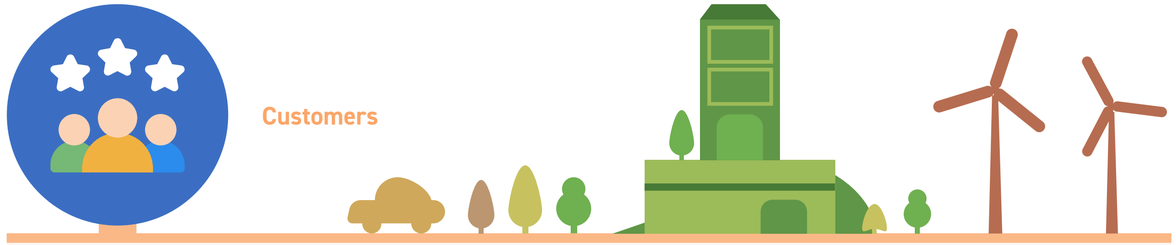
2.2.1 Communication Channels and Response Methods

Stakeholder Communication

Solteam proactively establishes diverse communication bridges and initiates actual internation with Shareholder, Employee, Customer, Supplier, and Industry/Government/Academia/Research, together referred to as the five key partners. From consensus-building in labor-management meetings and vision expositions in investor conferences to close visits within the supply chain and with customers and active participation in industry/government/academia/research initiatives, we are dedicated to ensuring completely unimpeded communication channels.

We treasure every opportunity for exchange. Through our official website and questionnaire surveys, we broadly gather suggestions from all sectors and regard such genuine feedback as the motivation for Solteam's continuous progress, with the goal of fulfilling the profound expectations of all our stakeholders.





Customers

Issues of Concern

- Product Quality and Safety
- Customer Relationship Management
- Corporate Governance
- Occupational Safety and Health Management

Communication Frequencies and Channels

Unscheduled

01 Meetings (Face-to-face, video meetings, and telephone calls)
02 Email correspondence
03 On-site visits to customers
04 Company website (customer inquiry email)
05 Social media: LinkedIn

Scheduled

01 Biannual customer assets inventory, verification, and contact for maintenance status
02 Annual customer satisfaction surveys on the top 20 customers in terms of the annual turnover in the previous fiscal year
03 Annual assessment on customer evaluation system
04 Annual online or face-to-face supplier conferences
05 Annual auditing visits by customers
06 Biennial customer audits and inspections

Communication Accomplishments

01 Gained an average score of 91.7 in 2025 for customer satisfaction surveys.
02 Established various service mailboxes with an automatic assignment function to respective responsible units, ensuring real-time receipt of customer inquiries and prompt response from designated personnel.
03 Organized regular online meetings and technical seminars according to customer needs to facilitate a deepened exchange of new product specifications and applied techniques.
04 Continuously visited potential international and domestic customers for product specification discussions and new product demonstrations.
05 Participated in three supplier conferences hosted by customers and was honored with the "2024 Quality Improvement Award."
06 Participated in customers' online audits and seminars to grasp the direction for customer development and sustainability needs; and completed 3 projects.
07 Cooperated with customers to carry out 1 process of assets inventory, verification, and contact for maintenance status.
08 Successfully completed a total of 24 audit operations, including the annual routine audits on mass production models for customers in power tools, home appliance, and automotive industries and the approval of manufacturing process for new product introduction. The evaluation results indicated that Solteam's overall performance qualified for the required level for suppliers or excellent suppliers.

Suppliers

Issues of Concern

- Ethical Management/Business Ethics
- Product Quality and Safety
- Occupational Safety and Health Management
- Supply Chain Management
- Product Lifecycle Management

Communication Frequencies and Channels

Unscheduled

01 On-site auditing and guidance for suppliers
02 Official website and external communication mailbox
03 Technology sharing and visits

Scheduled

01 Communication via weekly telephone calls, fax, emails, and communication software
02 Monthly selection of supplier evaluation

Communication Accomplishments

01 Received suggestions through official website and external communication mailbox; and communicated as necessary in a timely manner through telephone calls, emails, and communication software.
02 Conducted 2025 Solteam Group's supplier inspection:
- 88.9% of tier 1 supplier inspection.
- 93.3% of actual visit to tier 1 suppliers.
- 100% of actual visit to high-risk suppliers.

03 Performed a total of 17 sessions of unscheduled on-site auditing, inspection, and guidance in 2025.

Employees

Issues of Concern

- Human Rights
- Human Resources Management
- Information Security Management
- Labor Relations
- Occupational Safety and Health Management
- Employee Diversity and Inclusion

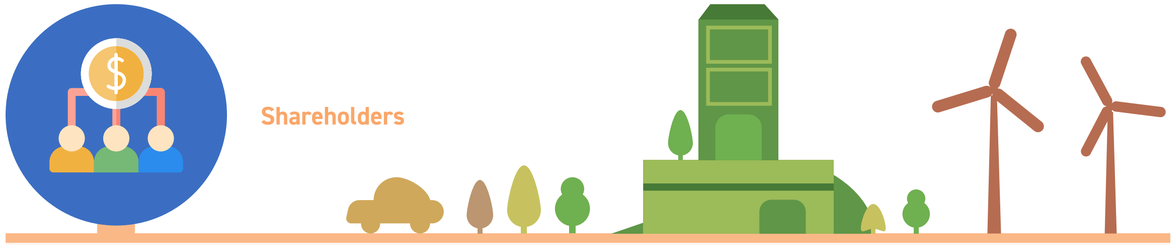
Communication Frequencies and Channels

Unscheduled

01 Labor-management meetings
02 Intranet
03 Whistle-blowing/appeal mailboxes

Communication Accomplishments

01 Conducted 1 performance evaluation interview with every employee annually.
02 Held 10 labor-management meetings in 2025.
03 Received 0 whistle-blowing and appeal incident.
04 Recorded a total of 18,739 participants and 20,950.56 hours for the Group-wide educational training in 2025.



Shareholders

Issues of Concern

- Ethical Management/Business Ethics
- Corporate Governance
- Risk Management
- Climate Risks
- Pollution and Waste Management
- Water Resource Management
- Energy Management

Communication Frequencies and Channels

Unscheduled

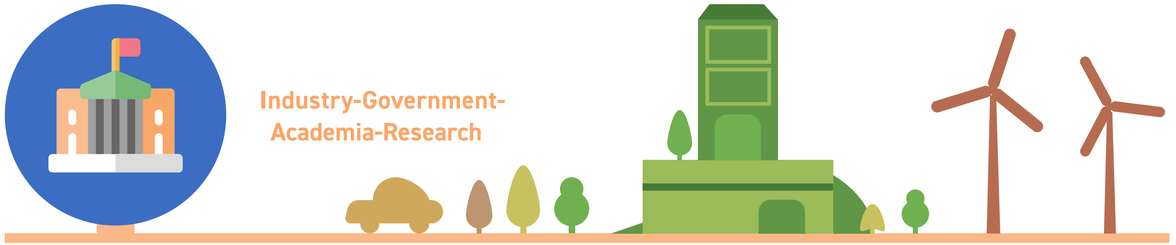
01 Investor section on the Company website
02 Market Observation Post System
03 Telephone calls or email communication

Scheduled

01 Monthly announcement of financial performance
02 Quarterly announcement of financial statements
03 Annual shareholders' meetings
04 Annual investor conferences

Communication Accomplishments

01 Published the 2025 Annual Report and quarterly financial reports in Chinese and English in accordance with the regulations, announced unaudited revenues and industry-specific revenue breakdown data on a monthly basis, and released a total of 23 material information pieces in both Chinese and English to ensure the timeliness and transparency of financial information disclosures.
02 Organized a Shareholders Meeting on June 25, 2025 and 2 investor conferences (in March and August 2025) and responded to investor inquiries on an unscheduled basis for more than 50 times to actively maintain mutual communication with shareholders and investors.
03 Constantly updated the ESG section of the official website to enhance the convenience of access to various sustainability information.



Industry-Government-Academia-Research

Issues of Concern

- Human Rights
- Social Participation

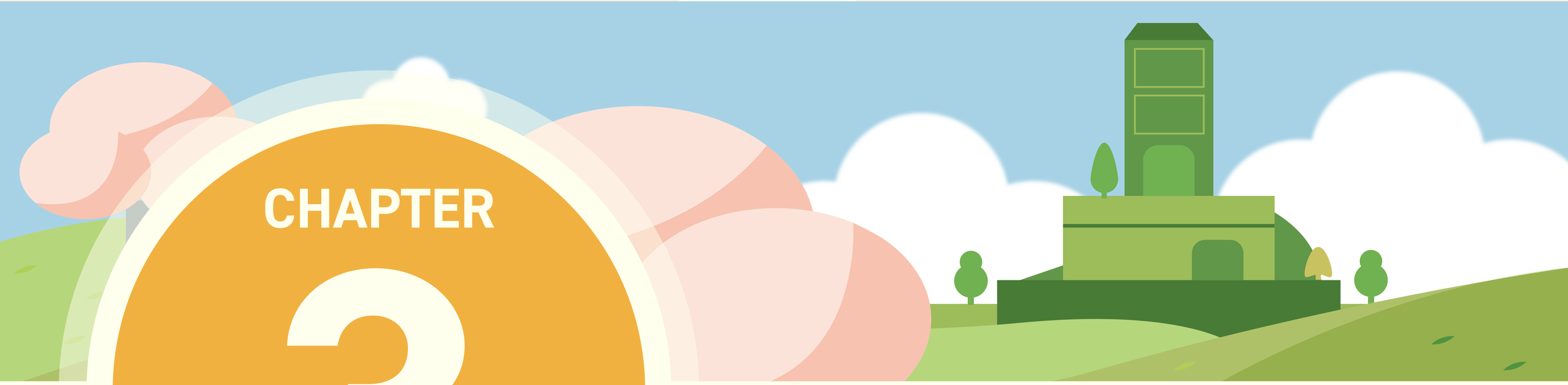
Communication Frequencies and Channels

Unscheduled

01 Official website, external communication mailbox, and telephone interviews.
02 Participation in seminars and forums.
03 Participation in public welfare activities.
04 Signing of industry-academic collaboration projects with academic institutions.
05 Enrollment of various industry-government-academia-research guidance programs.
06 Enrollment of initiatives.

Communication Accomplishments

01 Participated in the NTU TPIDC Digital Transformation and Sustainable Development Industry-University Alliance and the industry-academia alliance of Yuan Ze University; and kept ourselves updated on industry trends and operational knowledge through attending various seminars.
02 Engaged in the Enterprise Zone - AI Talent Cultivation and Mentorship Program co-organized by the Ministry of Economic Affairs and the Information Service Industry Association of R.O.C. (CISA).
03 Established industry-academia collaborations between the Cambodia Factory and local schools to recruit interns, actively implementing localized talent cultivation.
04 Attended the Smart Water Market Opportunities and Technology Seminar hosted by the Water Affairs Organization Taiwan to aggressively master market developments and sharpen product technical competitiveness.
05 Responded to the 2025 ESG & Sustainability Initiative of E.SUN Bank and collaborated with industry partners to jointly promote ESG development to demonstrate our corporate commitment to sustainable management.



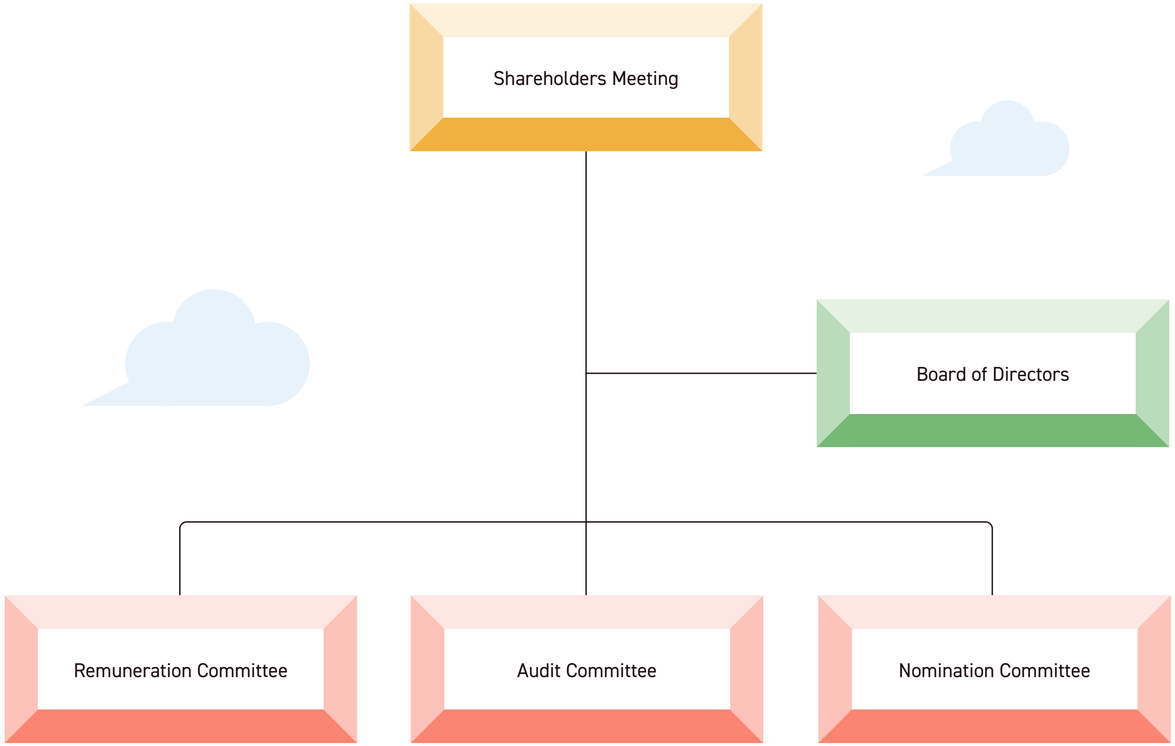
CHAPTER

3

Ethical Corporate Governance

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3.1 Corporate Governance Structure



The Board of Directors serves as the highest governance body of Solteam. The Chairman leads the entire Group to progressively achieve sustainable operations. To continuously strengthen governance mechanisms, the Company has established Independent Director seats on the Board and has set up the Remuneration Committee, the Audit Committee, and the Nomination Committee. Upholding the philosophy of ethical corporate management, the Board of Directors and each functional committee are dedicated to promoting and refining corporate governance policies. Their operational objectives are focused on comprehensively constructing the performance goals and remuneration structures for directors and managerial officers, enforcing internal control and risk management, and effectively responding to potential corporate crisis.

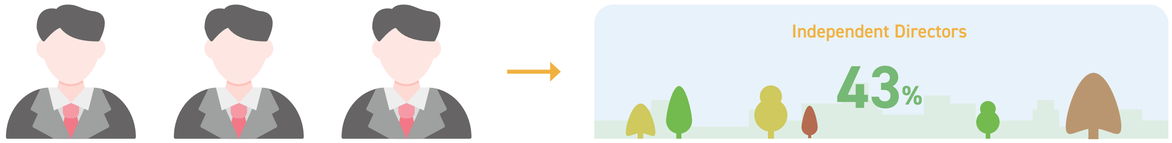
3.1.1 Composition and Implementation of the Board of Directors

◆ GRI 2-9、GRI 2-10、GRI 2-11、GRI 2-12、GRI 2-14、GRI 2-15、GRI 2-19、GRI 2-20

Composition of the Board of Directors

The "Director Election Methods" and the "Corporate Governance Best Practice Principles" of Solteam explicitly stated that the overall composition of the Board of Directors shall be taken into consideration in the nomination and selection of directors. The composition of the Board members shall not only require professional knowledge and relevant skills but also achieve diversity and independence.

All members of the current Board of Directors are local citizens, who possess not only abundant and practical industry knowledge but also diverse backgrounds in academic and legal expertise. Solteam's current Board of Directors consists of 7 members. Among them, there are 3 independent directors, accounting for 43% of the total number of director seats; 2 director concurrently serving as an employee, accounting for 29% of the total number of director seats; and 1 female director concurrently serving as an employee, accounting for 14% of the total number of director seats.





1 Female Director

Independence of the Board of Directors

None of the Board members has any of the conditions listed in Article 30 of the Company Act, nor does any of the directors have any relationship of spouses and relatives within the second degree of kinship, fully demonstrating the independence of the Board and fulfilling the purpose of supervision. All decisions made by Solteam's Board of Directors and each functional committee in the 2025 followed the principle of recusal due to conflicts of interest and implemented accordingly.

Diversity Policy of the Board of Directors

Policy	Achievement Status	Description
The Board members shall at least consist of one female director.	✓ Achieved	To further implement the diversity policy of Solteam's Board of Directors, we will continue to optimize the composition of the Board of Directors in the next re-election. With a commitment to comprehensively considering the aspects of professional background, gender, age, and nationality during the nomination process, we will actively develop and introduce female director candidates to achieve the governance target of having female members occupy one-third of the total Board seats.
At least two-thirds of the Board members shall possess the abilities relevant to the core competencies.	✓ Achieved	All of Solteam's directors possess diverse professional competencies. Moreover, to strengthen corporate governance, Solteam arranges continuing education and training courses for directors annually. This is to deepen the highest governance body's collective knowledge on international sustainability trends and regulatory changes and ensure the alignment between decision-making and the latest global sustainability trends as well as compliance requirements.
The number of directors who are employees of the Company, its parent, subsidiary or affiliated company shall be less than one-third of the total number of directors.	✓ Achieved	Among Solteam's current Board members, only two members of the current Board of Directors hold concurrent employee status, accounting for less than one-third of the total board seats.

Duties and Composition of Functional Committees

Functional Committee	Duty
Audit Committee	Assisting the Board of Directors in fulfilling its oversight of the quality and integrity of the accounting, auditing, reporting, and financial control practices.
Remuneration Committee	Assessing the policies, systems, standards, and structure for compensation, regularly reviewing as well as establishing compensation, and proposing recommendations to the Board of Directors.
Nomination Committee	Formulating the election standards and diversity policies of directors and senior managerial officers using a professional and objective approach and executing the election, review, and nomination operations for candidates to ensure the suitability of the Company's management team.

Please refer to Solteam's 2025 Annual Report (P13~P29) for detailed composition and implementation of each functional committees.

Performance Self-Evaluation of the Board of Directors and Functional Committees

Solteam's Board members and the convenors of all functional committees evaluated the performance of the meeting proceedings of the Board of Directors and the functional committees for 2025 based on the following five perspectives. All of the evaluation results indicated full marks.

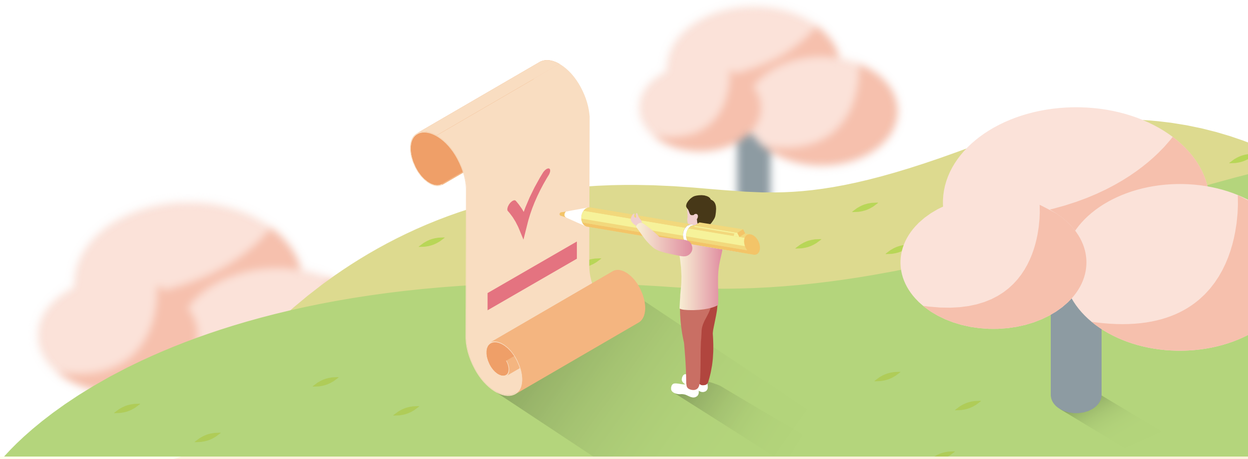
Board of Directors

01 Participation in the operation of the company;
02 Improvement of the quality of the board of directors' decision making;
03 Composition and structure of the board of directors;
04 Election and continuing education of the directors; and
05 Internal control.

Functional Committees

01 Participation in the operation of the company;
02 Awareness of the duties of the functional committee;
03 Improvement of quality of decisions made by the functional committee;
04 Makeup of the functional committee and election of its members; and
05 Internal control

Please refer to the Corporate Governance section of the Company's website for the members composition, charters, and implementation status of the functional committees mentioned above and more information related to corporate governance.



Linkage Between Board Compensation and Sustainability Performance

To further embed the philosophy of sustainable operations and encourage senior managerial officers and all employees to value comprehensive performance, the Company has formally integrated five major sustainability themes into the annual performance evaluation of the Chairman, General Manager, and senior managerial officers starting from 2025. This initiative aims to strengthen the practice of sustainable development and promote a value-oriented management mindset.

With this system, we link sustainability index performance to compensation and establish clear weightings for each theme. This ensures that key management level, in their daily operational decision-making, can effectively balance financial performance with environmental, social, and corporate governance (ESG) responsibilities.

The financial performance indicators and sustainable development indicators are as follows:

Performance Indicators	Weighting	Aspect	Theme
Financial Performance Indicators	70%	Return on Equity (ROE)	
Sustainable Development Indicators	30%	E (Environment)	Energy Management (20%)
		S (Society)	Human Resources Management (20%)
			Occupational Safety and Health Management (15%)
		G (Governance)	Customer Relationship Management (30%)
			Ethical Management/Business Ethics (15%)

3.1.2 Continuing Education of Directors and Supervisors

◆ GRI 2-17

To continuously deepen the knowledge related to corporate governance, Solteam arranges director training courses every year, which not only assist directors in grasping the current regulations of corporate governance and sustainability trends, but also allows more interactive and communicative opportunities for directors to interchange diverse perspectives.

Please refer to the 2025 Annual Report (P.25~26) for details on the Continuous Education of Directors and Supervisors in 2025.

3.2 Corporate Sustainability Management

3.2.1 Sustainability Committee and Governance Structure

◆ GRI 2-9

In order to concretely practice corporate social responsibility, Solteam's Board of Directors adopted the "Sustainable Development Best Practice Principles," which serve as the highest guidance for our sustainable development promotion. Solteam has established the "Sustainable Development Committee" as the highest decision-making level for sustainable development. The Chairman personally serves as the chairperson whereas senior management at the Assistant General Manager level and above serve as committee members to coordinate various sustainability decisions. Furthermore, the "ESG Office" has been established to take dedicated responsibility for sustainability strategy formulation, project deployment, and information consolidation. The "Sustainability Task Force" acts as the core execution unit to ensure that various sustainability action plans are implemented within daily operations.

To ensure the effective execution of sustainable development strategies, the core duties and responsibilities of the Sustainable Development Committee are explicitly defined as follows:

01 Formulating, promoting, and strengthening the Company's sustainable development policies, annual plans, and strategies.

02 Reviewing, tracking, and revising the implementation status and effectiveness of sustainable development.

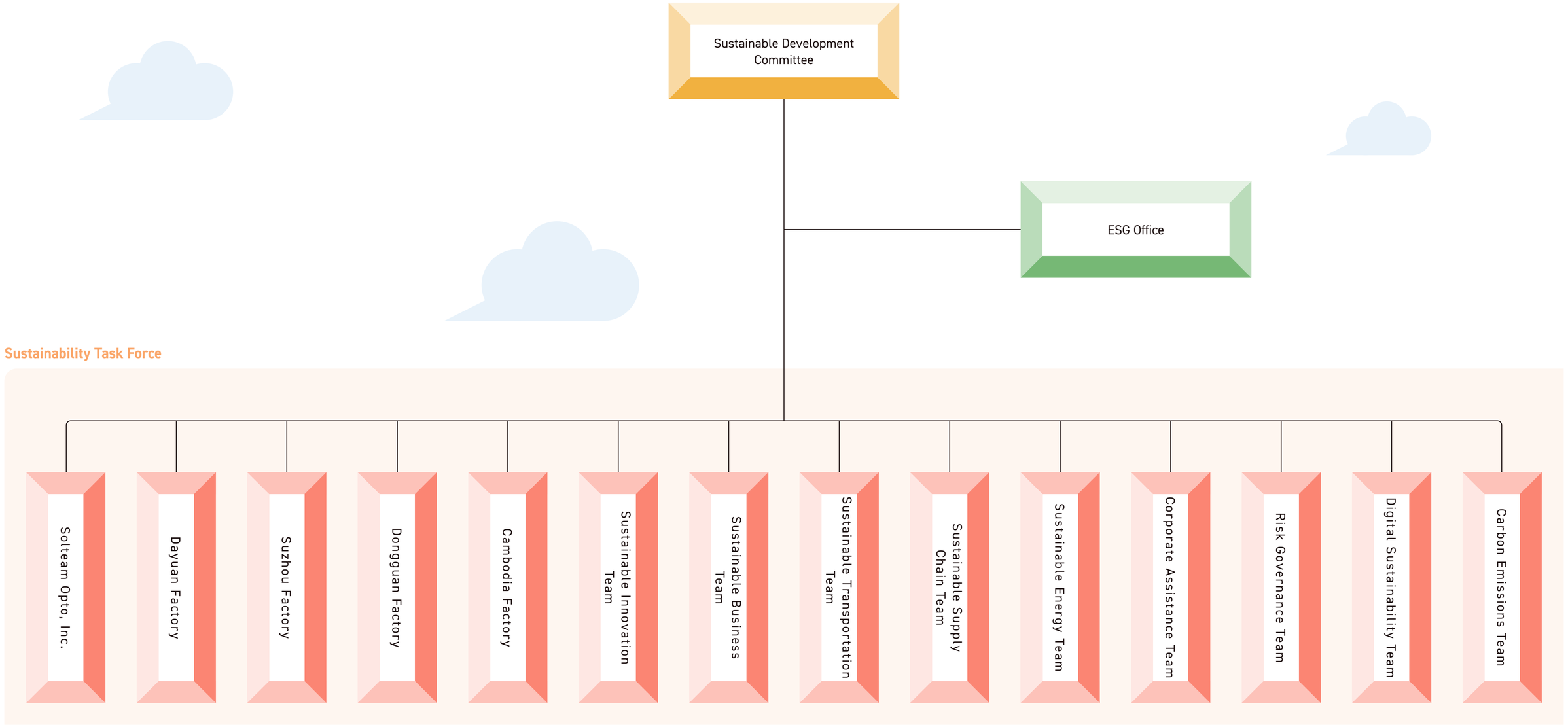
03 Supervising sustainability information disclosure matters and reviewing sustainability reports.

04 Overseeing operations related to the Company's Sustainable Development Best Practice Principles or decisions pertaining to sustainability efforts.

05 Monitoring issues of concern to various stakeholders, including but not limited to shareholders, customers, suppliers, employees, and industry-government-academia-research institutions, and supervising communication plans.



To fulfill the highest governance body's responsibility in overseeing sustainability risks and opportunities, the Company's Sustainable Development Committee regularly reports its implementation performance to the Board of Directors. In 2025, the ESG Office presented reports on the "2025 Sustainability Promotion and Implementation Status" to the Board of Directors on August 7 and November 7, respectively. This ensures that the Board precisely grasps the management progress of Solteam's various sustainability issues and provides timely strategic guidance.



3.3 Risk Management

3.3.1 Risk Management

GRI 2-16

Solteam has stipulated the "Risk Management Policy for the Group of Solteam Incorporation," which was resolved by the Board of Directors. The policy aims to minimize various risks faced by the Company to a tolerable and controllable scope and use them as an important basis for reference through the identification, assessment, control, supervision, and communication of potential risks in a qualitative and quantitative management method. Additionally, Solteam has established the "Risk Management Committee." The General Manager serves as the highest governor of risk management, whereas each frontline personnel of risk management takes charge of monitoring the Group's risk management affairs.

The Company's risk management policy specifies the responsible authority of each risk factor. Each department regularly assesses the potential risks in daily operations and adheres to the following control mechanism:

01 Task Force and Senior Supervision: If a risk of greater impact on the Company is identified, the General Manager shall coordinate and establish a risk-tracking task force. The task force consists of supervisors from each relevant department and is responsible for formulating corresponding policies and regularly report on the progress thereof.

02 Intensive Follow-Up on High Risks: The task force follows up on the progress of risks with a high level of impact every two weeks to ensure that the corresponding measures effectively minimize or mitigate risk impact.

03 Auditing and Regular Assessment: When the level of impact has been leveled down to the Company's standards, the project will be submitted to the "Internal Audit" units for random inspection and periodical evaluation on the level of risk impact to avoid recurrence.

04 Material Crisis Handling: In the event of a cross-departmental or cross-factory crisis, the General Manager or his designee will take charge of directing and coordinating the matter across departments to ensure the proper management of the relevant risks.

Solteam's highest governor of risk management (or his designee) reports the status of the Company's risk management implementation to the Board of Directors annually. On November 7, 2025, the Corporate Governance Officer was appointed to present a report to the Board of Directors regarding the operational impact, risk adaptation, and management mechanisms arisen from "Global Tariffs" issues.

- Project Establishment and Executive Designation: In April 2025, the "Global Tariff Response Task Force" was formally established, with the General Manager and the Senior Assistant General Manager of the Department of General Administration concurrently serving as chairpersons.
- High-Frequency Cross-Departmental Tracking: During the initial phase of the project, the primary task was to take inventory of the impacts of global tariff fluctuations on the Group's operations. The Business, Materials, and Tariff units consolidated the latest information on a weekly basis and reported directly to the chairpersons.
- Integration into Operational Management Mechanisms: Since the initiation of the project, the "Global Tariff Project" has been listed as a regularly reporting item in the monthly "Group Operational Meetings," enabling all business units to grasp international development in a timely manner and make rolling operational adjustments.
- Strategic Adjustment and Risk Mitigation: The task force continuously followed up on the development of global tariff issues every month, promptly adjusting the Group's operational strategies based on the latest situation to ensure the concrete implementation of risk control measures.

The material risk items identified by the Company that carried significant impact on operations are detailed below. Please refer to Chapter 5 of this report for the management mechanisms and financial impacts relating to "Risks and Opportunities Related to Climate Change."

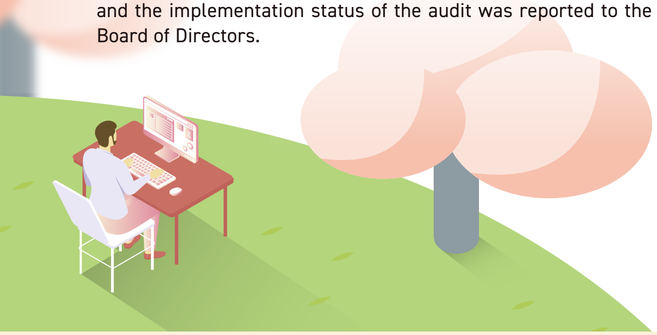
Risk Type	Risk Impact	Countermeasures
Strategic Risks	Impact on the Company's development due to the decision-making and execution of strategies.	◆ Annual strategic policy guidelines are jointly formulated by management and department heads through group strategy planning seminars. ◆ Annual strategic policies and goal achievement are managed through operational meetings.
Operational Risks	Risks affecting operations due to significant capital expenditures.	◆ Procedures for conducting benefit evaluations for significant capital investments are stipulated in the fixed asset regulations. ◆ Significant capital investments are subject to review by the Audit Committee and approval by the Board of Directors.
Financial Risks	Impact on the Company's profit and loss due to uncertainties caused by changes in interest rates and fluctuations in exchange rates.	◆ Monitor changes in the interest rate market, manage existing long-term and short-term borrowing positions, and reduce interest costs. ◆ Grasp the funding situation, control the funding level according to the annual budget demand, and reduce the cost of financing. ◆ Maintain good relationships with banks and strive for the best financing rates and deposit rates. ◆ Monitor daily fluctuations and information in the foreign exchange market, and evaluate the foreign exchange risks and changes in profits and losses generated by the Company's asset and liability positions. ◆ Reduce foreign exchange risks through planning of foreign currency assets and liabilities.
Hazard Event Risks	Risks of emergencies such as accidents or disasters affecting the continuous operation of the Company.	◆ System operations and resource integration are implemented to ensure continuous operation in case of emergencies such as accidents or disasters, aiming for uninterrupted operation. ◆ Each factory and functional organization formulate emergency response and recovery plans for specific crisis events; and continuously improve response procedures and recovery strategies.
Regulatory Compliance Risks	Risks of adjustments to the current operating status due to updates in regulations or penalties for non-compliance.	◆ Departments consolidate and update relevant regulations in accordance with legal requirements, and adjust internal regulations reasonably, such as arrangements for production and pollution prevention.

3.3.2 Inclusion of Sustainability Information Reporting Into Internal Control Systems

For the completeness, accuracy, and reliability purposes of sustainability information disclosure, Solteam has formulated the "Operational Procedures for the Preparation of Sustainability Reports" to regulate the generation and management of all relevant disclosures. Furthermore, we have revised our "Internal Control System," "Enforcement Rules of Internal Audits," and "Internal Audit System" to formally integrate the "Sustainability Information Management" into our internal control operations. This management has also been listed as a mandatory annual audit item and was officially incorporated into the 2025 Audit Plan. Guiding the compilation of sustainability information, the Sustainable Development Office also assists each department in preparing the information in accordance with the GRI Standards, SASB Standards, TCFD framework, and the latest domestic and international regulations.

The data and information provided by each department must first be reviewed and approved by the respective supervisors. Upon confirmation of accuracy, the Sustainable Development Office proceeds with the compilation and editing. Prior to its official publication, an annual sustainability report must, in accordance with the relevant procedures, be submitted to the Sustainable Development Committee for professional review and then presented to the Board of Directors for resolution. Through the actual oversight of the highest governance body, the Company reasonably ensures the quality and high compliance of the disclosed information prior to its release to the public.

The 2024 Sustainability Report has successfully undergone a project audit conducted by the Internal Audit Office. The audit results were submitted to the Independent Directors for review, and the implementation status of the audit was reported to the Board of Directors.



3.4 Regulatory Compliance

GRI 2-27

As Solteam operates across various countries, we need to keep abreast of the dynamics of overseas and domestic policy as well as regulatory changes. Therefore, we have appointed an external law firm to provide professional consultation and education training related to legal services in order to perfect the regulatory compliance system. Since 2022, Solteam's Audit Office has commenced its stipulation of regulatory compliance process and has included the same in the routinely auditing items every year.

Execution Projects	Execution Effects
Regulatory Compliance System Process	Solteam Group's《Regulatory Compliance System》Process Regulation Collection ▶ Directory Establishment ▶ Regulation Analysis ▶ Countermeasures ▶ Annual Review Each Department / Each Department/Audit Office
Regulation Collection	◆ Each department has a dedicated personnel of regulatory compliance in place. They proactively follow up on and compile the latest regulations and letters through diverse channels, such as websites of national laws and regulations database, competent authority, and relevant associations, in order to strengthen the internal regulatory identification and compliance mechanisms.
Directory Establishment	◆ We categorize the collected regulations and create a specialized directory of regulations in each department, including the subsidiaries and factories. ▶ Currently there are 18 regulation directories for headquarters and 26 for subsidiaries. ◆ The entire Group utilizes the Knowledge Management System (KMS), in which the common information is stored in the document management center. It includes a special folder for regulatory compliance, where departments of each factory can keep the relevant regulatory directory and important clauses in this folder for sharing purposes. If a new law is promulgated, we will identify the items related to Solteam after analyzing the terms and conditions and further follow up on whether corresponding countermeasures are required to be implemented, such as updates on the internal control procedures, to ensure the completeness of regulatory compliance.
Regulation Analysis	◆ The dedicated personnel of regulatory compliance from each department proactively follows up on and submits the latest amended laws and regulations and appoints relevant personnel to carry out "Regulatory Identification" and "Compliance" according to the category and impact aspect of the amendments.
Countermeasures (Latest Legal News)	◆ Upon adding or updating ordinances, each department would conduct ordinance announcements and educational training as well as revise internal regulations. Should there be inconsistency or pending items in the amendment, regulation and letter confirmation forms will be filled out and marked as further follow-up. ▶ The Audit Office also pays attention to newly-added laws and regulations on a daily basis, and then refers them to the relevant departments to avoid omission of new laws and regulations.
Annual Review	◆ In addition to each department updating the latest laws and regulations in a timely manner, the Audit Office promotes the group-wide regulatory directory updates and regulatory identification self-assessment operations on an annual basis. ◆ The process for regulatory compliance system is included in the internal control audit routines and is reviewed during the cycle-auditing period.

Based on Solteam's results of the risk assessments, the significant impacts on operations in the perspective of regulatory compliance were environmental laws and regulations, intellectual property rights, and safety regulations. The relevant impacts and responding procedures are detailed as below.

3.4.1 Compliance with Environmental Regulations

◆ SASB-RT-EE-250a.2

The environmental compliance risks of the entire Group are summarized below:

Risk Type	Risk Impact	Countermeasures
Air Pollution Control Act Waste Disposal Act Safety Regulations Fire Services Act Noise Control Act Act Governing Food Safety and Sanitation Water Pollution Control Act Prevention and Control of Atmospheric Pollution	1. The major environmental compliance risks come from the factory premises with production functions. 2. The office buildings are mainly used for administration, research, development, and design. Therefore, they were deemed no potential environmental risk in the assessment. 3. Since the medical materials factory has obtained the ISO-13485 and the GMP certifications from the Ministry of Health and Welfare, the potential environmental risk is considered relatively low after assessment. However, production and sales may be affected if the factory violates the ISO-13485 and the GMP certification. 4. If the waste in other factory premises is industrial waste, it should be removed pursuant to local regulations, or be cleared by a third-party company with an operating license, and be reported according to the regulations, which may be subject to fines for non-compliance. General or domestic waste should also be handled in accordance with local regulations. 5. Other emissions such as wastewater, waste gas, etc. must also be controlled in compliance with local emission standards; e.g., Jiangsu Integrated Emission Standard of Air Pollutants, and may be subject to fines if case of violation. 6. The manufacturing process and workplace are governed by local regulations, which require the installation of fire-fighting equipment and consideration of production safety.	1. The medical material factory adheres to the requirements of ISO-13485 and GMP of the Ministry of Health and Welfare. 2. Set up fire-fighting facilities and occupational safety and health units in accordance with fire-fighting laws and regulations. 3. Reasonably arrange production and pollution management programs in pursuant to laws and regulations. 4. Control emissions (wastewater, waste, noise, etc.) and dispose of them in compliance with local legal requirements, building management committees, and community regulations. 5. Regularly monitor compliance and conduct random inspections every year.

In the fiscal year of 2025

There was no violation against the local environmental regulations for the Solteam.

3.4.2 Other Regulatory Compliance (Intellectual Property and Safety Regulations)

Solteam's products are primarily electronic control units, which are sold to customers and then assembled into final products for the market. Therefore, Solteam pays close attention to how to cooperate with customers on the continuous development of products and the regulatory compliance with intellectual property rights. Moreover, the safety regulations of electronic products vary in different fields and countries and are the emphasis of Solteam's stakeholders and end consumers. Hence, Solteam has stipulated the following process for the compliance with intellectual property rights and safety regulations.

During the reporting period, Solteam did not have any significant instances of regulatory non-compliance regarding intellectual property rights and safety regulations, nor was it required to pay fines.

Regulatory Process for Intellectual Property Rights Management

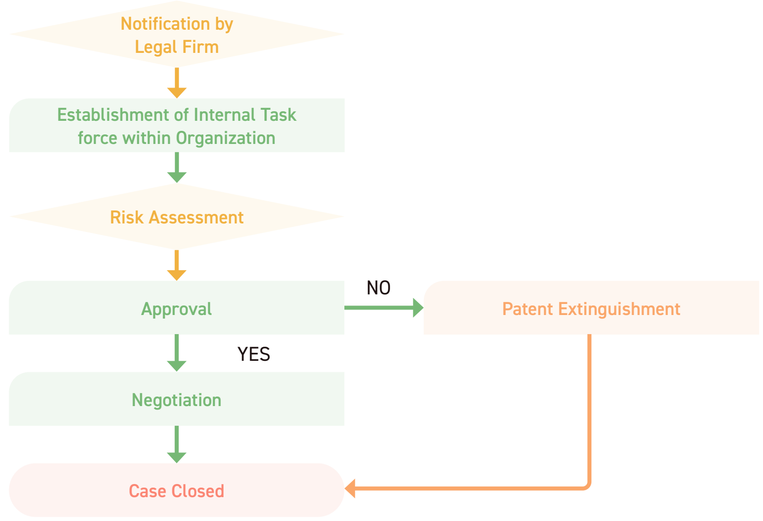
In the event of a patent lawsuit or patent dispute, the following procedures shall be implemented:

01 The patent office informs Solteam's dedicated personnel in Quality Assurance Department.

02 An internal task force shall be established to discuss about the matter with the R&D, Business, Materials, and Quality Assurance Departments.

03 Once the relevant risk assessment is completed, a comprehensive assessment report shall be submitted to the Chairman for approval.
- A. If the risk is deemed acceptable, we shall notify law firms for consultation and, where necessary, legal proceedings.
- B. If the risk is deemed unacceptable, the law firm shall proceed with patent extinguishment.

Patent Cases/Flow Chart for Dispute

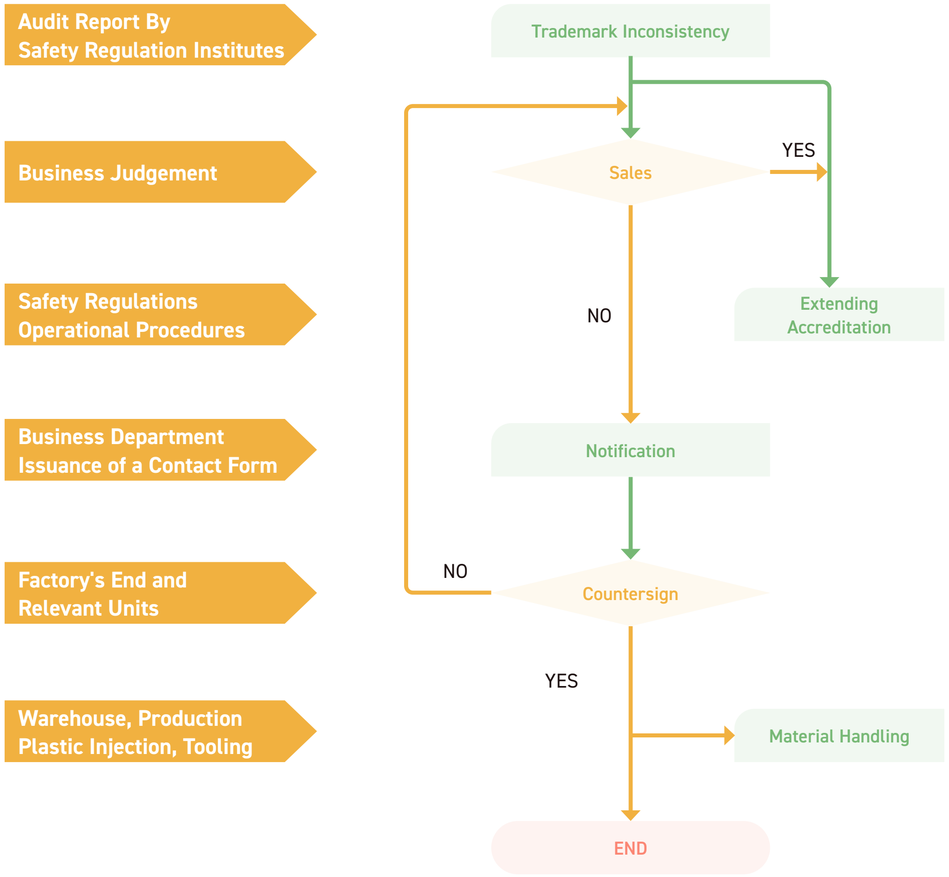


Regulatory Process for Safety Regulations

When a safety regulation organization discovers unaccredited products labeled with safety Regulation trademarks during factory inspection, a "non-conformity" notice shall be issued. In case of such event, the safety officer shall notify the salesperson to evaluate whether the product still needs to be sold. The handing process is as follows:

01 Deemed Not in Sale: The salesperson shall issue a contact form, which shall be countersigned by the factory, and notify the relevant units for material handling.

02 Remain in Sale: The safety personnel shall follow the "Safety Regulation Standards" to perform product certification and additional reporting procedures.



3.5 Ethical Corporate Management

3.5.1 Ethical Corporate Management

Formulation of Policies and Plans for Ethical Corporate Management

◆ RT-EE-510a.1

The Board of Directors passed the Company's "Ethical Corporate Management Best-Practice Principles," the "Procedures and Guidelines for Ethical Corporate Management and Behavior," and the "Ethical Corporate Management Policy" that have been announced in the Company regulations, the Company's internal and official websites. The Board members and senior managerial officers of Solteam have signed the declaration for compliance of ethical corporate management. The Company upholds an ethical principle while conducting a stable and honest business. We do not participate in business activities attaching high risks of unethical conduct and enforce the relevant precautionary measures.

Fulfillment of Ethical Corporate Management

To further deepen our corporate culture of integrity and sustainable governance, and to ensure the consistency of the highest ethical standards across all of our global operating sites in the face of diverse market and cultural contexts, the Solteam Group formulated and announced the "Solteam Group's Code of Conduct" in 2025. On the basis of this shared value, we declare our zero tolerance towards any unlawful or unethical conduct.

In 2025, the Solteam Group did not find any violation against ethical corporate management. The implementation status of the Company's ethical management is as follows:

01 Implementation of Counterparty Due Diligence: Before developing a commercial relationship with another party, such as an agent, supplier, customer, or other counterparty in commercial dealings, the Solteam Group shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of involvement in unethical conduct, in order to ensure that the party conducts business in a fair and transparent manner and avoid business transactions with parties that is involved in unethical conduct.

02 Inclusion of Ethical Management Terms in Commercial Contracts: When engaging with others, the Solteam Group shall gain a thorough knowledge of the status of the other party's ethical management and strive to include ethical management principles in commercial contracts. The commercial contracts explicitly stipulate that: Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party may terminate or rescind the contract unconditionally at any time.

03 Smooth Appeal and Whistle-blowing Channels: If members of the Solteam Group discover or receive reports regarding any Solteam members involved in unethical behavior or violation against relevant laws or this Code of Conduct, they shall submit a whistle-blowing or appeal report through the established whistle-blowing channels. The Company shall then implement reasonable preventative and protective measures to safeguard whistleblowers from retaliation or improper treatment. No whistleblowing incidents were received in 2025.

04 Embedment of Integrity Culture through Education and Training: To effectively implement our code of conduct, the Solteam Group's Code of Conduct has been integrated into the training materials for new employee orientation. Additionally, a Group-wide refresher training is conducted on an annual basis.

Recusal Due to Conflict of Interest and Anti-Corruption Status

01 Recusal Due to Conflicts of Interest: The Solteam Group's Code of Conduct explicitly defines conflict of interest as a situation where a Solteam member's personal activities or investments potentially impair their judgment in performing their duties or prevent them from acting in the best interests of the Solteam Group. Solteam's members must remain vigilant at all times, recuse themselves from conflicts of interest related to their duties, and refrain from engaging in any business, investment, or activity that may pose a conflict of interest to the Solteam Group.

02 The Company's Corporate Governance Best Practice Principles explicitly stipulate that: If any director or a juristic person represented by a director is an interested party, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the Company, the director may not participate in discussion or voting on that agenda item, and further, shall enter recusal during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter.

03 When the Company is involved in a merger, acquisition or public tender offer, in addition to proceeding in accordance with the applicable laws and/or regulations, it shall not only pay attention to the fairness, rationality, etc. of the plan and transaction of the merger, acquisition or public tender offer, but information disclosure and the soundness of the Company's financial structure thereafter. The Company's personnel handling the relevant matters shall pay close attention to the occurrence of any conflicts of interest and the need for recusal.

04 Anti-Corruption and Zero-Tolerance Policy: The Solteam Group maintains a zero-tolerance policy toward unethical behavior such as bribery and corruption. Any form of bribery, corruption, extortion, or embezzlement is strictly prohibited.

05 Prevention of Insider Trading and Control of Insider Stock Transactions: To protect the shareholders' rights and interests and ensure their equal treatment, the Company strictly prohibits Company insiders from trading securities using information not disclosed to the market.

06 We have also promulgated that from the date insiders become aware of the contents of the Solteam Group's financial reports or relevant financial conditions and performance, they shall not trade their shares during the closed period of 30 days prior to the publication of the annual financial reports, 15 days prior to the publication of the quarterly financial reports, and 15 days prior to the convening of investor conferences.

07 Explanation of the 2025 Incident: In 2025, an insider's misunderstood the relevant regulations, mistakenly believing that trading was permissible on the actual day of the financial report publication and purchased the Company's shares on November 7, 2025. In response to this incident, the Company has strengthened regulatory education and training for insiders and reminded them to confirm with the stock affairs unit prior to executing stock trades in the future, in order to prevent similar occurrences.

Please refer to the Governance section of the Company's official website for the complete contents of corporate regulations related to ethical management, the whistle-blowing system, and the newly released "Solteam Group's Code of Conduct" in 2025.

3.5.2 Educational Training on Ethical Corporate Management

Status of Educational Training and Governance Supervision

Solteam has innated the philosophy of ethical management into our organizational culture, ensuring that all members implement the ethical management policies and various operational procedures and thoroughly understand the legal risks and consequences of violating ethical conduct. To continuously strengthen ethical governance, the Company has launched ethical management promotion and educational training since 2020, with the implementation status reported to the Board of Directors annually.

The educational training covers regulations and case-sharing related to ethical management and trade secrets. Through the combination of educational training, internal auditing, and internal control system, we ensure that all employees can master the operational procedures precisely, effectively prevent the risks of dishonest behavior, and thereby implement an ethical culture.

2025

Number of Participants
727

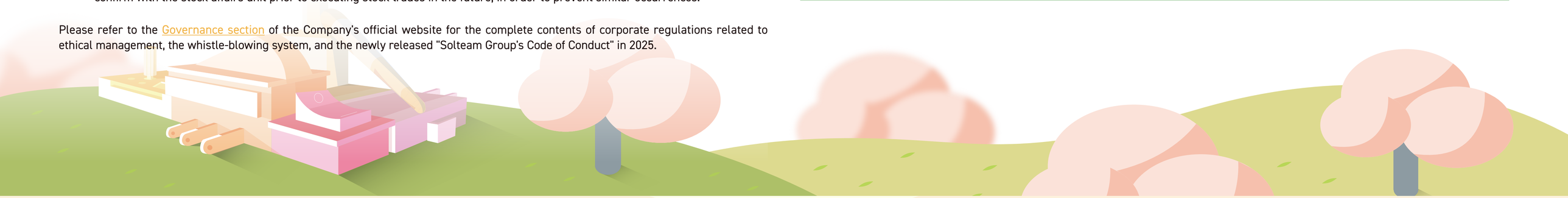
Training Hours
363.5 hours

Course Format

Instructors deliver advocacy in person or via recorded video materials.

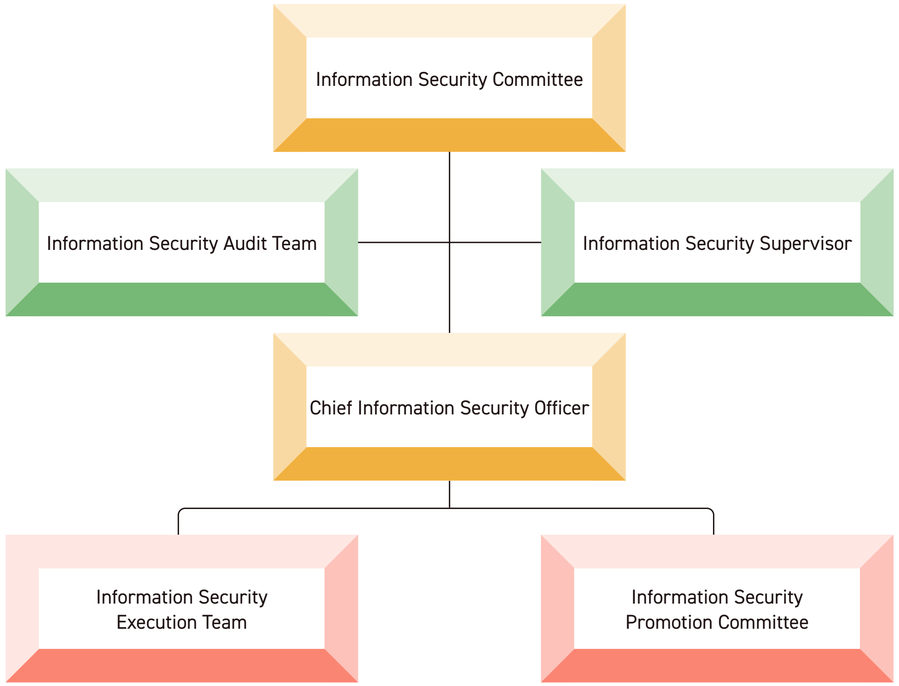
Frequency

Annually
Mandatory for onboarding employees



3.6 Information Security

3.6.1 Information Security



Information Security Governance Structure

The Company has established the Information Security Committee, with the Chairman serving as the chair and the General Manager as well as the Senior Assistant General Manager of the Department of General Administration serving as the members. Moreover, the colleagues in the Information Management Department concurrently fulfill the roles of the Audit Team, Supervision Team, Security Officer, Execution Team, and Promotion Committee members.

Governance Over Information Security

The world is continually exposed to increasingly severe cyberattack and data breach. The Information Security Committee persists in deepening and consolidating the governance system for information security. With the joint efforts from the members of the highest level, we further optimize the information security structure to reduce information security risks in this digital era and upgrade our adaptability comprehensively.

The Information Security Committee focuses on strengthening the organization's resilience and continues to be guided by the Chief Information Security Officer in developing information security policies, management objectives, and relevant measures as well as standards. Simultaneously, the Information Security Execution Team enhances its early detection and response capabilities of emerging threats and concentrates on the changing dynamics of the external environment and internal risks. Targeting the identified risks, we conduct a deep analysis and take corresponding actions by priority.

Reporting and Response for Information Security Incidents

To ensure that incident reporting can be effectively executed and necessary response measures can be taken in case of an information security incident to mitigate the potential operational impacts and damages brought by the incident, Solteam has formulated the "Operational Regulations for Information Security Incident Reporting and Response." This policy ensures that the entire Group possesses a unified information security response and defense standard. Furthermore, to refine our early-warning and monitoring mechanisms, the Solteam Group conducts at least one information security incident drill annually to safeguard the effectiveness of our information security incident reporting as well as handling operations.

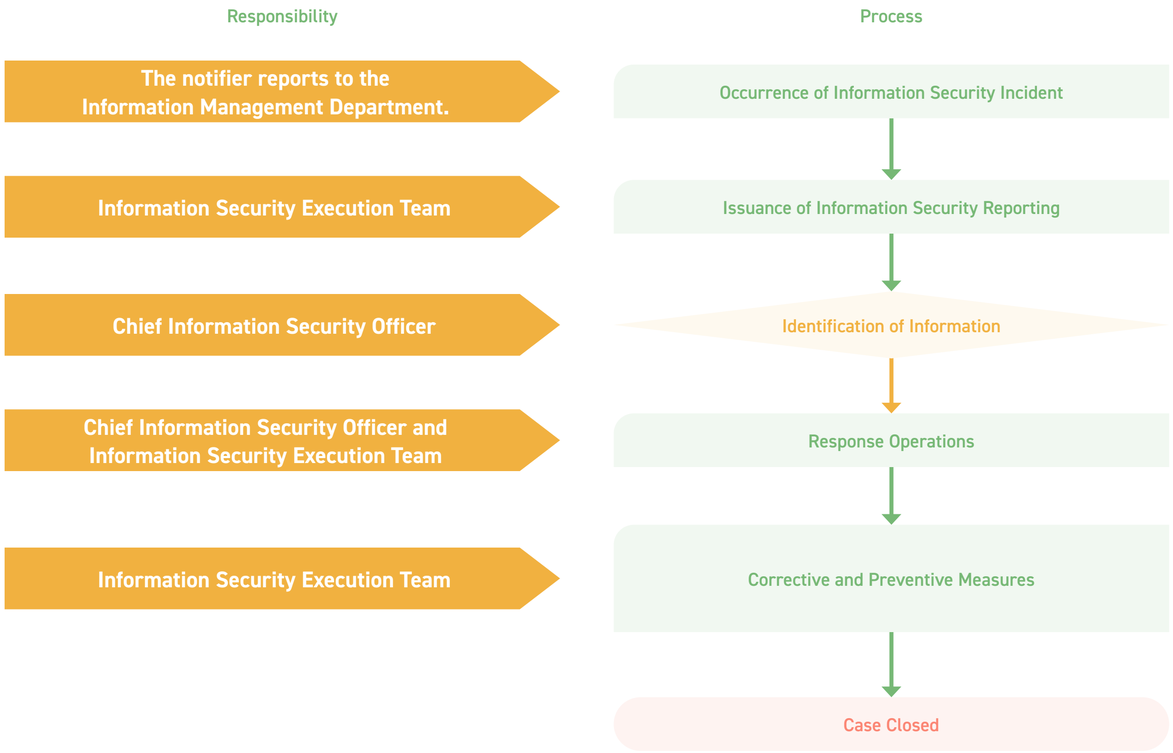
Classification and Risk Definition of Information Security Incident

Information security risk incidents are classified into General Information Security Incidents and Material Information Security Incidents based on the severity of their impact and whether they cause business interruption. The "Chief Information Security Officer" holds ultimate authority for determining whether an incident constitutes an actual information security event and specifying its corresponding classification level. Upon being deemed as an actual information security incident, the information security incident response is activated immediately. Conversely, if an incident is determined to be a non-information security event, the Information Security Execution Team shall communicate the conclusion back to the initial notifier and provide necessary assistance to address and resolve the issue.

Classification	Status	Reporting Level
General Information Security Incident	Refers to situations where trade secret data, products, or facilities experience partial disclosure, tampering, or destruction, but do not result in business interruption within the Company.	The Information Security Execution Team shall report the matter to the Chief Information Security Officer and subsequently escalate the matter to the "Information Security Committee."
Material Information Security Incident	Refers to situations where trade secrets data, products, or facilities suffer severe disclosure, tampering, or destruction, resulting in business interruption and material damage to the Company, and where the system cannot be restored within the tolerable interruption time. Possible scenarios include persistent threats, comprehensive computer virus outbreaks, or natural disasters.	The Information Security Execution Team shall report the matter to the Chief Information Security Officer, escalate the matter to the Information Security Committee, and formally report to the competent authorities in accordance with applicable regulations.

To ensure the dynamic effectiveness of risk management throughout the subsequent handling process, if the actual impact caused by an incident is discerned to exceed or fall below the initially determined level, the Chief Information Security Officer shall immediately report the situation to the Information Security Committee. Then, the incident analysis and identification shall be executed once again.

Operational Process in Case of Information Security Incident



Information Security Defense Plan

The Solteam Group has formulated comprehensive information security work plans to address the potential risks. Below are the primary measures of the plans:

Strategy	System	Plan
Information Security	◆ Information security risk assessment ◆ Information security management reviews	1. To implement the classification requirement of confidential information and guidelines for basic information security protection. 2. To perform risk assessment on information security to evaluate the potential risks. 3. To carry out information security audits regularly and follow up on the improvement status of the audits.
Technological Application	◆ Cyber security ◆ System security ◆ Data encryption ◆ Identification authentication	1. To employ Unified Threat Management (UTM) equipment. 2. To conduct vulnerability assessment. 3. To develop system source code analysis by ourselves. 4. To utilize e-data protection systems. 5. To adopt the Multi-factor Authentication (MFA) for remote working.
Information Optimization	◆ Early warning of information security risks ◆ Continuous business operation and drills ◆ Raising of employees' awareness for information security ◆ Fortification of wide area network hosts	1. To analyze possible threats of existing equipment and adopt precautionary measures. 2. To participate in external cyber-defense organizations. 3. To hold disaster recovery drills regularly. 4. To reinforce education and training on information security. 5. To perform phishing email drills. 6. To transfer the wide area network hosts to a Demilitarized Zone (DMZ).

Targeting the information systems, Solteam has also formulated the following defense plans:

Items	Plans	Expected Plan Objectives
Social Engineering Prevention Drills	Simulating malicious phishing emails to statistically analyze the clicking pattern of employees and initiate subsequent strengthening education.	To enhance the personnel's capabilities of cybersecurity threat identification and minimize initial penetration risks.
Vulnerability Assessment and Penetration Testing	Executing vulnerability assessment and intrusion simulation on core operating systems and network architectures and completing risk remediation verification.	To ensure the effectiveness of technical defense and prevent external attacks as well as data leakage.
Information Security Incident Response and Disaster Recovery Drills	Simulating ransomware infections or critical system failures to execute recovery procedure testing and verify the integrity of data backups.	To ensure Business Continuity Planning (BCP) and comply with the legal requirement for uninterrupted operations.
Annual Information Security Reports	Compiling the information security KPI (e.g., vulnerability recovery rates and training completion rates) and audit results for the entire year and submit implementation status.	To fulfill the highest governance body's responsibility in overseeing information security and ensure legal compliance.

Specific Accomplishments

The Solteam Group did not have material information security incidents in 2025, demonstrating the effectiveness of our information security governance and its positive outcomes. All of Solteam's information security measures strictly comply with regulatory requirements. Moreover, the Company actively adheres to the "Cyber Security Control Guidelines for TWSE and TPEx Listed Companies" and has integrated the Guidelines into the annual audit checklists. To continuously safeguard the robust digital security protection essential for stable corporate operations, the Solteam Group will further deepen its information security governance and promote the continuous development of our information security system. Our specific achievements are as follows:

1.Implementation Results of Information Security Education and Training

Through the Learning Management System (LMS) and various diversified training programs, we ensured that all personnel, from entry-level staff to core technical specialists, possess the capability to counter cybersecurity threats.

Subject	Number of Participants	Total Training Hours (Hours)	Annual Target Achievement Rate	Content of Training Courses
All Colleagues	676	597.5	100% (Target>=450 hours)	Quarterly cybersecurity seminars: Phishing emails advocacy, discussion on corporate integrity and information security, etc.
Information Security Personnel	9	119.8	100% (Everyone>12 hours)	Advanced cybersecurity courses hosted by external parties: Exploring the impact of AI on information security, information security laws and regulations, etc.

Constant advocacy were also arranged and are outlines as follows:

New Hires	The basic education of information security was included in the orientation courses for new hires.
Existing Employees	The IT Department announced information security updates on a monthly basis to strengthen preventive awareness in daily life.

2.Social Engineering (Phishing) Drills and Improvement Measures

Two drills were conducted annually, of which the remedial measures were subsequently implemented for the unmet items, in order to fulfill risk control.

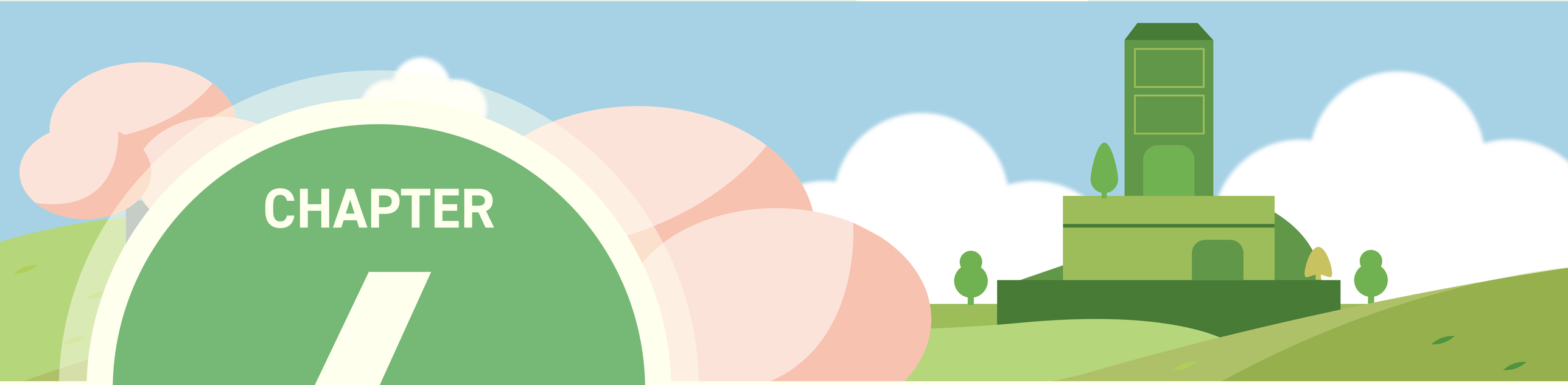
Cycle	Drill Highlight	Drill Result (Clicking Rate)	Improvement Action
First Half of Year	Simulating malicious phishing emails	1.59% (Outperformed target)	The click rate in the second half of the year was noticeably higher than that in the first half. In response, the IT Department will continue to implement education, training, and retesting mechanisms for employees who showed abnormal clicking behavior. Furthermore, the Department will track their improvement status to continuously elevate the colleagues' adaptive awareness regarding social engineering attacks.
Second Half of Year		5.62% (Targe unmet)	

Note: The target for clicking rate: <=3%.

3. Achievements in Information Security Governance and Maintenance Management

Implementing the supervision and internal control of the Information Security Committee and ensuring the confidentiality, integrity, and availability of information assets.

Regular Supervision Mechanism	Information security team meetings were held regularly to present the implementation progress of annual plans to the Information Security Committee.
Technical Defense Practices	The following audits and inspections were completed in 2025, with every result showing positive compliance. Annual Audit on Information Security: Verified the implementation of system. Vulnerability Assessment and Risk Evaluation: Inspected and rectified all system vulnerability. Data Analysis of Information Security System: Monitored anomalous traffic and potential threats.



CHAPTER

4

Safety and Customer Service Innovation

4.1 Customer Service 42
4.2 Technological Innovation and Patent Deployment 45
4.3 Product Quality and Safety 51

4.1 Customer Service

4.1.1 Customer Management Policy

◆ GRI 418-1

With the increasing international competition in the industry, the rising awareness of sustainability has motivated the swiftness in the technological innovation and development of new products. Along with the rapid changes in customer demand, how to quickly grasp, react, and respond to customer needs has become one of the most important tasks for Solteam. Compared with profitability, Solteam emphasizes more on the collaborative relationship with customers. Therefore, it is an important goal for Solteam to be equipped with excellent and professional customer service capability and action, enhance the performance of new product development through collaboration, experience sharing, and technical exchange, and become a strong and powerful support as well as a win-win partner for our customers.

Customer Service Action

Solteam is dedicated to constructing an efficient and in-depth customer relationship management mechanism. Through the four major dimensions, which are diversified communication, collaborative development, project optimization, and satisfaction tracking, we comprehensively upgrade customer trust and service quality.

A Deepening Customer Stickiness and Market Expansion

01 Developing Key Customers: For major domestic customers, weekly visits are conducted to precisely grasp product usage status and subsequent planning. For overseas customers and important agents, in addition to weekly routine contact and regular video conferences, oversea business trips and joint visits are scheduled periodically to deepen product exchange.

02 Expanding Potential Markets: Dedicated contact points are established on the official website and LinkedIn, along with active participation in exchange activities organized by various associations. In the meanwhile, the integration of digital marketing and AI technology, such as audio product tours, further assists in our business promotion and effectively explores new markets.

03 Optimizing Communication Efficiency: For key customers, we provide a single-contact service and align internal information using digital tools to ensure timely responses to customer requirements.

B Collaborative Product Development and High-Quality Technical Services

01 One-Stop Professional Services: Development teams are tiered according to industry structures and technical characteristics. Dedicated units are assigned to each stage spanning design, production, and testing. Moreover, we strictly adhere to international quality processes such as Advanced Product Quality Planning (APQP) under the IATF 16949 and ISO 13485 to guarantee development quality.

02 Customization and Compliance Evaluation: In response to customer needs, sales personnel accompany project teams for on-site visits to conduct technical verification across departments spanning hardware, mechanics, software, and firmware. Regulatory requirements, patent applications, and material selection evaluations are also implemented.

03 Technical Exchanges and Forward-Looking Planning: Leveraging domestic and international resources, we actively participate in international exhibitions. Based on industry features and customer needs, we organize technical seminars on an unscheduled basis and exchange knowledge with academic institutions. Focusing on product techniques and applications, we gather market demands to devise future product roadmaps.

C Optimizing Project Management and Jointly Creating Commercial Value

01 Real-Time Dynamic Adaptation: Through various diversified communication channels, we promptly respond to any changes in customer needs and provide optimal commercial support.

02 Jointly Creating Win-Win Partnerships: In addition to reviewing cost and product unit prices regularly with customers, we proactively launch cost optimization projects at appropriate timings to help customers enhance market competitiveness, thereby achieving mutually beneficial and prosperous circumstances.

D Implementing Satisfaction Survey and Continuous Improvement

01 Routine Feedback Mechanism: Customer satisfaction surveys are executed periodically to gain in-depth insights into customers' potential needs and pain points.

02 Agile Response and Solution: By transforming the survey results into the driving force for continuous internal improvement, Solteam is able to adapt rapidly and make timely adjustments. While assisting customers in solving problems immediately, we are able to achieve the highest standards of customer satisfaction.

Customer Service Action

Upholding the spirit of comprehensive protection and excellent service, Solteam's Business and Quality Assurance Departments collaborative seamlessly to respond to the diverse demands of customers. The major customer demands received across the Group are categorized into the following three types. The Company has successfully coordinated various services with our professional teams. The service items for 2025 are as follows:

Item	Description	Number of Cases
Environmental Protection and Hazardous Substance Management	Including the confirmation of environmental protection documents such as the RoHS compliance statement and the HSF (Hazardous Substance Free) investigations.	132
Technical Assistance of Product Application	Close coordination between the Quality Assurance Department and customers for the improvement of product specifications and efficacy.	2
Sustainable Supply Chain and ESG Engagement	Including EcoVadis, CDP, conflict minerals due diligence, and ESG-related sustainability assessment in response to global trends.	101

Participation in Third-Party Evaluations

To demonstrate our commitment to global sustainable development, the Solteam Group participated in the review by EcoVadis, a globally authoritative sustainability evaluation institution, as well as the assessment by the Carbon Disclosure Project (CDP) in 2025.

EcoVadis

This evaluation encompassed four major themes: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement, and the Solteam Group was honored with the "Committed" badge in recognition of our efforts. The evaluation results from EcoVadis not only serve as an objective validation of Solteam's current ESG practices but also act as a crucial guidance for our continuous advancement. Looking ahead, we will persistently optimize our internal management mechanisms targeting the areas of improvement revealed in the assessment and deepen the collaboration with the partners in our value chain in order to march toward more excellent sustainability goals.

CDP

In the CDP assessment in 2025, the Solteam Group participated in the capital markets evaluation for the first time. We received a C rating in the "Water Security" field and a D rating in the "Climate Change" field. This outcome indicates that there remains substantial room for growth regarding our sustainability targets. Engaging in the CDP assessment not only allows external and objective auditing on our current management status, but also guide the precise direction for enhancing Solteam's future sustainability actions and align ourselves with international standards.

To show our commitment to sustainable development, Solteam has taken the initiative to publicly disclose our 2025 evaluation results. This action not only enhances corporate transparency in sustainability disclosure but also aims to boost our visibility as well as trust among potential client base. Moving forward, we will utilize this evaluation as a cornerstone to establish and progressively attain sustainability goals across various fields, while continually collaborating with supply chain partners to create a more climate-resilient and sustainable business model.

Customer Privacy Protection

Customer trust is the cornerstone of corporate sustainable management. All members of the Solteam Group comply with the "Trade Secrets Management Rules" to fulfill our protection over customer privacy. The specific approaches are as follows:

- In terms of access control, the Company has established stringent permission tiering for customer privacy and internal management data. Employees may only access these data according to their levels of authority.
- Warning labels are placed on electronic folders and paper files. Non-business-related persons may not exercise unauthorized viewing.
- For system defense, Solteam has set up dedicated supplier management systems and password protection mechanisms according to the customers portfolio to ensure information independence and security.
- To instill information security and regulatory compliance awareness, all employees across the Group must complete the mandatory education and training on the topics of "Trade Secrets" and "Ethical Management" annually.
- The Company regularly reviews the implementation effectiveness of privacy protection systems and, through rolling improvements, ensure the continuity of providing customers with the greatest information security protection.

In 2025, Solteam Group did not receive any substantiated complaints concerning breaches of customer privacy or experience any incidents involving leaks, thefts, or losses of customer data.

Achievements in Exhibition Participation

Attended the 2025 InstallerSHOW Energy Exhibition to Mutually Create a Green and Sustainable Future

To actively align with the global trend of Net Zero Emissions and deepen customer communication, the Solteam Group participated in the InstallerSHOW in 2025, the UK's most iconic exhibition for heat, air conditioning, and energy technology. Through this physical exhibition, the Company's management team engaged in technical exchanges in-depth with key European customers and potential buyers. This not only showcased Solteam Group's research and development capabilities in high-performance and low-consumption components but also allowed us to gather first-tier market demands within the green supply chain. Attending this exhibition effectively strengthened the stickiness between Solteam and international stakeholders and provided a crucial foundation for the development roadmap of our future green products.



Demonstrated Products at the installerShow in 2025



Introducing Products to Visiting Guests at the installerShow in 2025


Introducing Products to Visiting Guests at the installerShow in 2025



Attended the Taiwan International Water Week (TIWW) to Jointly Develop a Future with Water Sustainability

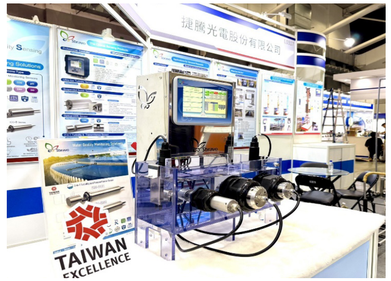
In support of the global concerns regarding extreme weather and water resilience, the Solteam Group participated in the "Taiwan International Water Week (TIWW)" in 2025, the most representative exhibition for the domestic water resources industry. Through our physical showcase, the Company demonstrated key component technologies applied to water treatment equipment and energy-saving systems to domestic and international sectors across industry, government, and academia, while conducting in-depth dialogues at the venue. This participation not only demonstrated Solteam's emphasis on sustainable water resource management but also assisted us in precisely grasping the green demands of the smart water market and deepening the partnership in collaborative development with our customers.



Demonstrated the SVI Sludge Settling System for the first time at the TIWW in 2025.



Solteam Opto team at the TIWW in 2025.



Products demonstrated at the TIWW in 2025.

4.1.2 Customer Management Performance

Solteam upholds the goal of "Achieving customer satisfaction" for our communication with customers and takes customers' opinions as an important basis for the company's continuous product improvements and business services. Through customer feedback, we are able to better understand customers' demands and satisfaction level. Also, we make necessary adjustments through regular reviews on the achievement status and continue to enhance the positive cycle of overall customer satisfaction.

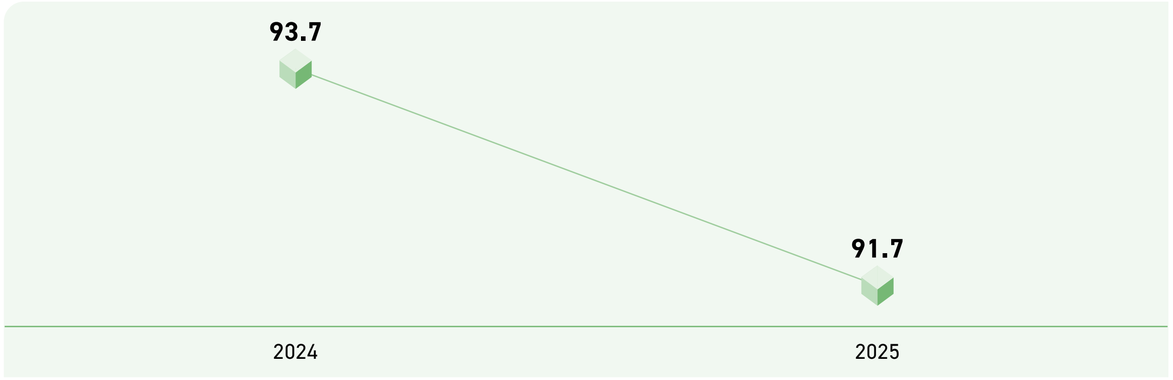
To achieve a steady growth in operational performance, innovate value-added products, and provide good customer service and high satisfaction, we plan short-, mid-, and long-term service satisfaction performance indicators to create maximum profitability and maintain a good customer relationship.

Every year, Solteam conducts customer satisfaction surveys on the top five customers in the medical instrument industry and the top twenty customers in non-medical instrument industry by annual revenue.

The average customer satisfaction in 2025

91.7 scores

Service Satisfaction Survey



The Solteam Group carries out customer satisfaction surveys annually to review our overall service performance and takes customer feedback as our driving force for continuous advancement. According to the survey results in 2025, our customers expressed a high level of recognition for Solteam's overall service momentum and commercial competitiveness. In particular, our proactive service, flexible capacity adaptation, active cost optimization, and comprehensive technical support have effectively boosted customer trust and satisfaction.

Nonetheless, the overall satisfaction results for this period indicated a decline compared to the previous year. The primary reason was that certain product delivery were delayed by global raw material shortages and that specific product defects were found. Targeting the aforementioned customer feedback, Solteam has listed these items as the annual prioritized improvement. Apart from strengthening the supply chain resilience to address external risks, we will upgrade the quality inspection system entirely as an effort of providing customers with more stable and excellent products and sustainability services.

4.2 Technological Innovation and Patent Deployment

4.2.1 Technical Innovation

Solteam upholds the concept of "manufacturing services" to develop partnerships in depth with customers and promote collaborative R&D and value innovation based on product development needs. To ensure outstanding service quality and product competitiveness, Solteam embeds technical innovation and inspire the research and development momentum within our colleagues through innovation management systems. The Group's current business domain spans the power tools, white goods, new energy vehicles, AI application and energy storage, medical, environment, and industry sectors. Additionally, we have developed differentiated innovation management models according to the unique natures and technical demands of each sector in order to precisely align ourselves with market dynamics.

Innovation Management System

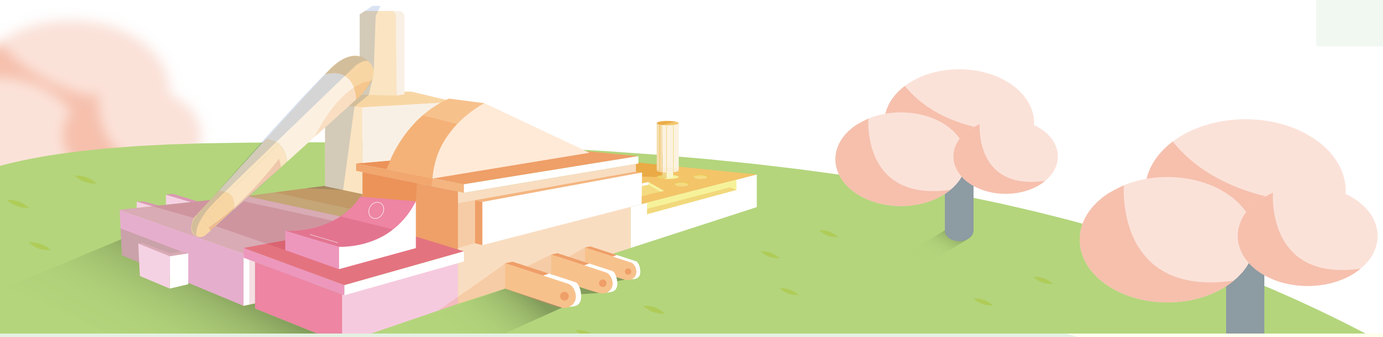
To stimulate continuous innovation, Solteam encourages employees to dedicate themselves to creative research and development and process improvement through our annual project competitions, where internal review experts evaluate the submissions collectively and provide practical guidance to enhance innovation quality and technological maturity. For outstanding proposals, the Company has established a well-structured reward system. The management team evaluates the patent value and corporate contribution of each submission and then provide substantial bonuses, transforming the spirit of innovation into the foundation of corporate growth. Besides these innovation-inspiring policies, Solteam applies innovative technologies to the development of new products. When any industry requests a need for new product development, relevant procedures can be followed to complete product development process. The innovation management systems for various sectors are as follows:

Power Tools, White Goods, New Energy Vehicles, AI Application and Energy Storage

Market Demand Input	Open to Designing Recommendation	Selection of the Most Effective Method	Joint Collaboration on Innovation and Development	Technical Guidance and Output
Developing self-owned modularized application products and creating maximum value for products through adapting customer demands, formulating reciprocal proposals, arranging appropriate employment of talents, and integrating specifications.	Holding experience-sharing seminars on production technology and innovative design and development for colleagues' refence and learning purposes and organizing the Innovation Review Committee to offer valid recommendation and assessment for proposals.	Establishing the knowledge base, integrating the development experiences, and strengthening the quality of innovation to concretize actual products from proposals and maximize our contribution.	Combining customer demands and innovation and optimizing the system for proposals to avoid waste of resources and enhance product advantages.	Introducing the Knowledge Management System (KMS), setting up a technology exchange platform, and compiling knowledge into a development guidance handbook to accumulate basic experience and capability, minimize trial period, and improve development efficiency.

Medical Materials Industry

Innovative Product Development	Sustainable Products	Intellectual Property Management
Continuously investing in the development of injection device platforms to satisfy customers' demand for products.	Conducting quality verification and assurance on products in compliance with ISO13485 to ensure that the quality of production assembly aligns with customers' demand.	Taking regular inventory of intellectual property rights to avoid the risks of infringement or being infringed upon.



Environmental and Industry

Product Planning

Defining Solteam Opto's course of brand and development, including new innovative visions and strategic goals.

Technology and Market Monitoring

Monitoring technology trends and market dynamics to ensure the Company's advantageous position in market competition. This may include technological scan, market research, competition's intelligence analysis.

R&D Process Management

Apart from the original Product Lifecycle Management (PLM) targeting the management of product development projects, we additionally use a digital system (ASANA) to follow up on and manage the customer/product information of the previous period, technological research and progress, sample demands and timeframes, and customer feedback.

Technological Innovation and R&D Investment

Managing and distributing organization's R&D investment to ensure a maximum effect on resource deployment and simultaneously facilitate the development of new technology and innovation.

Knowledge Management

Managing and sharing product knowledge to ensure innovative ideas among team members, avoid repetitive work, exchange the best practices, and expedite team communication.

Market Verification and Feedback System

Establishing methods for product verification and collecting market suggestions as well as feedback during the process of product development to calibrate the course of product development.

Digital Management and IPR Management

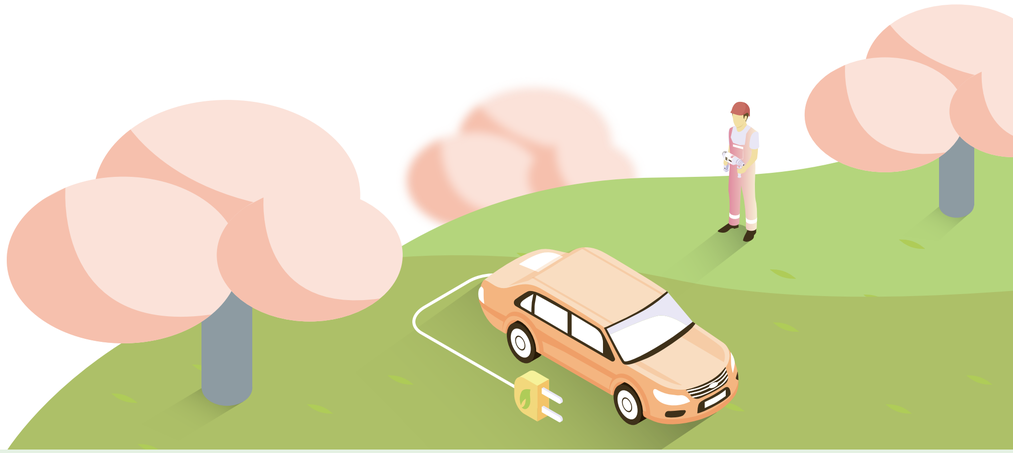
01 Designing or optimizing digital management tools based on demands.

02 Proposing demands in accordance with the application procedures, performing evaluations and reviews, including the process in management control, and regularly reviewing, maintaining, and taking inventories of intellectual property rights.

Innovation Management Process

Power Tools, White Goods, New Energy Vehicles, AI Application and Energy Storage

01	Market Survey and Costing Analysis	Selecting the designs that best meet the practical benefits and collecting market demands as well as product pricing to increase the rate of successful cases.
02	Risk and Financial Effectiveness Assessment	Confirming resources and materials, studying the laws and regulations, analyzing the characteristics of customer demands, and subsequently drafting management procedures to improve product quality, avoid risks, and evaluate its efficiency.
03	Innovative Products and Specific Development	Collaborating with relevant units to confirm the measurement, assembly, and management according to product specifications, so as to meet developmental needs.
04	Testing and Assistance for Fixture Development	Developing production fixtures to enhance production efficiency; and testing as well as verifying whether or not customer demands are met.
05	Market Introduction	Trial run to achieve target yield and productivity.



Medical Materials Industry

01	Planning	Developing and reviewing engineering specifications according to development requirements; ensuring that the designing is aligned with customer demands; and designating PM and PIC for each project.
02	Designing	Conducting trial run and verification based on the proposals of designing concept developed at the project phase review meetings; and calling designing phase review meetings to determine whether to proceed with the engineering stage.
03	Engineering	01 Carrying out detailed designing and verification of products based on the designing concepts approved by the designing phase review meetings; and completing engineering samples for customers and product testing. 02 The validation must be conducted with a validation plan, including methodology, acceptance criteria, statistical techniques, and reasonable sample sizes. The R&D team should prepare all design transfer data and hold engineering phase review meetings to decide whether to proceed with the validation stage.
04	Validation	The project teams, such as R&D, product engineering, quality control, and manufacturing units, initiate limited production based on the manufacturing process approved by the engineering phase review meetings. PMs convene manufacturing validation phase meetings to determine whether to proceed with mass production.
05	Mass Production	Commencing mass production after approval by manufacturing validation phase meetings.

Environment and Industries

01	Planning and Researching	Collecting market demands and product positioning, conducting feasibility researches, designing Prove of Concept (POC) and cost analysis to increase success rate.
02	Product Designing	Commencing designing corresponding to product specification, development timeframe, and resources invested to ensure that samples are aligned with customers' expectations and demands; convening designing review meetings to determine whether or not to progress to the phase of verification for design; and performing preliminary verification at customers' end when necessary.
03	Verification for Design	Completing samples based on the definition of product specifications for customers to run verification plans (Test Matrix w/ Plan), including items, methods, sample sizes, and timeframes, and to carry out quality testing; simultaneously running reliability tests and external verification and convening designing review meetings to determine whether or not to progress to the phase of engineering pilot run.
04	Engineering Pilot Run	Based on the resolutions of the designing review meetings, the R&D team is required to prepare various data of design transfer for the arrangement of production in small batches. The manufacturing assurance review meetings are also held to determine whether or not to progress to the mass production phase.
05	Mass Production	Commencing mass production after the manufacturing assurance review meetings.



Visions and Objectives of Each Sector

Power Tools, White Goods, New Energy Vehicles, AI Application and Energy Storage

To fortify market competitiveness and innovation momentum in the power tools industry, Solteam continuously optimize product design and electric specifications and introduce modular design to enhance product stability and reduce development costs. For the white goods industry, we leverage our core competencies in electromechanical module products and strategically deploy the development in intelligent application technologies. In the new energy vehicles industry, we continue to explore in depth the embedding techniques, the parameter standardization of electroplating, and the development technologies for motor wiring panels. In the area of AI application and energy storage, we focus on the high-standard requirements of data center servers and storage device connectors by leveraging our "Initiate, Connect, and Deliver" advantages, thereby achieving customized manufacturing services from conceptual design to manufacturing results. Moreover, for the purpose of rooting a long-term development foundation for the Company, we encourage colleagues to proceed with projects of basic technical research and patent applications in order to fulfill the protection over intellectual property rights. Additionally, by prudently monitoring the completion number of product development projects, we polish our team's report composition as well as presentation capabilities for the betterment of the entire R&D efficiency and service value.

Item (cases/year)	Achievements in 2025	Short-term	Mid-term	Long-term
Number of Patent Applications	8	3	4	5
Number of Research Projects	23	18	20	20
Number of Completed Development Cases	101	110	120	130

Medical Materials Industry

In terms of the deployment in the medical materials industry, Solteam continuously invests in the innovative designing and trial production capacities of injection device platforms, with an aim of precisely satisfying customers' actual demand for products. In the meantime, to implement our philosophy in sustainable products, Solteam persistently refines and upgrades the designing, production, and product validation processes of the platform, so as to ensure their strict compliance with medical quality and production regulations. Furthermore, we proactively plan on, applying for, and strengthen the patent deployment of the injection device platforms through a strategic IP management to fortify the Company's core technical assets as well as long-term market advantages.

Item (cases/year)	Achievements in 2025	Short-term	Mid-term	Long-term
Number of Patent Applications	10	2	3	5
Number of R&D Project Presentations	0	2	3	5

Environment and Industry

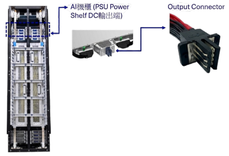
In the environmental and industrial field, datafication serves as the core of Artificial Intelligence (AI) development. Consequently, Solteam is dedicated to optimizing data collection mechanisms and transforming them into an expert system of high application values. Additionally, we actively invest in the development of water quality sensors and data analyzing systems for industrial use. By deepening the key technologies and incorporating expertise across the industry and academia, we realize the goal for advanced Made-in-Taiwan industrial sensors and provide comprehensive solutions for continuous monitoring systems. To implement the sustainable product development roadmap, we, in the short-term, focus on modularized and maintainable design to prolong product lifecycle and introduce AI elements, such as smart reporting, early alerting, and real-time monitoring/analysis, to significantly minimize the consumption of consumables applied at the terminal end. In the mid-term planning, we will comprehensively incorporate environmentally-friendly materials, energy-saving technologies, and expert data systems. As for the long-term scheme, we will boldly explore the research and development of new environmentally-friendly materials and motivate an industrial upgrade with innovative design and green manufacturing to keep producing forward-looking sustainable products with features of highly competitiveness and environmental friendliness.

Item (cases/year)	Achievements in 2025	Short-term	Mid-term	Long-term
Development of Sustainable Products	2	2	3	4
Number of Patent Applications	0	2	3	4
Number of R&D Project Presentations	3	3	4	5

Note: Short-term refers to a period within three years; mid-term refers to a period from 3 to 5 years; and long-term refers to a period of 5 years.



Concrete Achievements in Technical Innovation

Industry	Technique or Product	Description
Power Tools	Trigger Switch with Hall Effect Technology 	As power tools comprehensively transition from traditional direct current (DC) motors to the generation of brushless DC (BLDC) motors, switch designs have shifted from power-driven types to signal control. This shift has brought about the continuous miniaturization of trigger switches. However, requirements in the terminal market for vibration resistance and tolerance to harsh environments remain unchanged, leading to extreme challenges for the durability of miniaturized switches. To address this challenge, Solteam has pioneeringly implemented the Hall Effect sensing technology. With the adoption of contactless magnetic sensing, we effectively overcome mechanical wear generated by severe equipment vibration and frequent reciprocal operations and significantly enhance product reliability and overall lifecycle. Currently, the technology has successfully completed its prototype development. In the future, we will closely align with the terminal application needs of customers and continue to facilitate the development of customized and advanced products.
	MTS 3.0 Electrical Testing Fixture Improvement 	In the past, electrical testing fixtures for power tools mostly adopted a design of "dedicated fixture per model." With the growing variety of customized models, this approach easily led to the duplication and depletion of development resources. To implement green manufacturing and maximize resource efficiency, Solteam has comprehensively facilitated the Manufacturing Test System 3.0 Electrical Testing Fixture Improvement Project, introducing an innovative "divided and module-shared" architecture. The lower part of the fixture is built as a standardized and universal base, while the upper part is designed with an interchangeable structure based on the requirements of different customized models. In addition to significantly increasing the cross-model commonality rate of electrical testing fixtures and effectively reducing material waste as well as physical scrap during the development process, this innovation has greatly shortened the testing cycle for introducing new products to mass production, thereby enhancing production efficiency and advancing towards environmental sustainability.
AI Application and Energy Storage	DC Busbar Connectors 	Facing the boosting development of global Artificial Intelligence (AI) and the massive demand for computing power, the energy consumption management and transmission security of data center servers and advanced energy storage equipment have become a critical challenge among sectors. To precisely align with customers' advanced applications and forward-looking development, Solteam actively invests in the research and development of high-current connection and carrying capacity technologies. Leveraging our development capability in advanced components, we have made a breakthrough in the obstacle of current specification for existing DC busbar connectors, ensuring the high efficiency and stable operation of high-performance computing equipment. Currently, we have successfully developed and surpassed the technical threshold of 500A high-current specification. In the future, we will keep pushing the limits of our research and development roadmap and march toward the target of ultra-high current-carrying technologies exceeding 1000A.

Industry	Technique or Product	Description
 New Energy Vehicles	Magnetic Induction Technology-Wheel Speed Sensors 	Following the low-carbon development trend of new energy vehicles, driving safety and intelligent control for electric two-wheeled vehicles have become the core demands in the market. Solteam actively invests in the research and development of critical components of new energy vehicles and has successfully developed high-precision wheel speed sensors specifically designed for electric two-wheeled vehicles. This sensing technology perfectly adapts to harsh and intensively vibrating outdoor riding environments, providing precise and stable wheel speed data. Additionally, it significantly enhances the efficiency of anti-lock braking systems and vehicle dynamic control for electric vehicles.
 Medical Materials	Auto-Injector Series 	To specifically implement our sustainability commitment to medical innovation and patient welfare, Solteam has successfully developed a series of Auto Injectors that is compliant with the ISO 13485 quality management certification. Specially designed for emergency medical services, self-care of chronic diseases, and rapid clinical drug delivery, the product integrates innovative features, such as automatic needle shielding, precise dosage control, audio-visual feedback mechanisms, and a single-handed ergonomic operation layout, significantly mitigating medical needlestick risks and guarantee drug delivery safety. Meanwhile, we have initiated various patent deployment targeting its core injection mechanism as well as safety protection features. By establishing the intellectual property defensibility, we further deepen our solid capabilities within the medical device industry.

4.2.2 Patent Deployment

Solteam has formulated the "Intellectual Property Management Plan" to control various patents through a systematic management operation, thereby effectively reducing intellectual property risks and comprehensively safeguarding the important intellectual assets and R&D technologies of the Company. Upon obtaining forward-looking research and development results, Solteam immediately and proactively commences global patent planning. Particularly in the highly regulated medical device sector, where products require high integration with pharmaceutical drugs and must qualify stringent regulatory drug inspections, any concerns regarding IP infringement may trigger product recalls or re-development. Such scenarios pose an irreversible and material impact on corporate reputation and customers' operations. Consequently, Solteam handles patent-related issues with a prudent attitude.

Solteam's patent applications during the most recent three years are as follows:

	2024	2025
Number of Patents Added	8	4
Number of Patents with Application in Progress	4	2
Total	12	6
Description of Patents	1. Power Tools: Breakthroughs in the current specifications and service of life for trigger switches. 2. New Energy Vehicles: Mostly related to motor control module products of electric vehicles, including high-voltage connectors, electrode tips, conductive contacts, etc. 3. Medical Instrument Industry: Platform patents of the Reusable Pen Injector, the Disposable Pen Injector, and the Auto Injector. 4. Environment and Industry: Patents mostly related to dish washers TBS and projection equipment.	
R&D Expenses (thousand)	196,163	265,019
Percentage of R&D Expenses to Revenue	5.75%	5.72%

In recent years, Solteam has invested in technological transformation and innovation to improve product safety, tolerance, and service life. We not only cooperate with customers' demands, but also minimize the use of resources due to replacement.

4.3 Product Quality and Safety

◆ SASB-RT-EE-250a.1

Solteam's products are closely linked to safety. How to master product quality control is the most important task of Solteam.

4.3.1 Product Quality and Safety

Solteam has established a thorough and highly professional self-inspection and testing capacity. By obtaining the certification from the UL Witness Test Data Program in 2011, we are able to shorten the delivery time for sending samples to the United States or the UL labs and significantly enhance the certificating efficiency. In terms of quality and environmental governance, our Taiwan and overseas factories have passed the certification of the IATF 16949:2016 Automobile Quality Management System and will continue to make their efforts in sustaining their certification validation. Additionally, our oversea factories have attained dual certification of the ISO 9001:2015 Quality Management Systems and the ISO 14001:2015 Environmental Management Systems, practically fulfilling our commitment to both green manufacturing and excellent quality. Moreover, targeting the highly-regulated medical device field, the Dayuan Factory, which is dedicated to medical device manufacturing exclusively, has successfully obtained the certification of the ISO 13485:2016 Medical Devices - Quality Management Systems, safeguarding the utmost safety of our medical products through the most rigorous quality structure.

To meet customers' demand on delivery and quality, Solteam provides accurate, reliable, and efficient quality production solutions and fast and comprehensive services. Not only all factories are configured with complete Service-Mount Technology (SMT) and Dual in Line Package (DIP) production lines, automatic glue injection, and automatic testing equipment, all production process are also integrated with Enterprise Resource Planning (ERP), Advanced Planning and Scheduling (APS), and Manufacturing Execution Systems (MES) in executing the planning of manufacture and production. Through systems we are able to provide real-time responses, improve production efficiency, shorten production cycles, and enhance our quality.

Concrete Quality Management Planning

Short-term

Precautionary quality management

- Strengthening the informatization of quality data and reducing quality loss and waste through real-time monitoring on data and real-time decision-making.
- Reinforcing the process integration of management systems (quality/environment/greenhouse gases).
- Enhancing the competencies of automotive product staff in utilizing core tools and Eight Disciplines Problem Solving.
- Improving the manufacturing techniques, product structure, and error-proofing of our mature products.
- Confirming the consistency of the quality among the injection pen series based on the design verification protocol established for the platforms of reusable and disposable injection pens.
- Setting the control point of the Alert Mechanism for various processes through data accumulation (such as on-time delivery rate, customer satisfaction, number of customer complaints, etc.) in order to be able to review prior to the occurrence of defects and to achieve the various annual quality indicators.

Mid-term

Quality control capability with zero defects

- Strengthening the VQA (Vendor Quality Assurance) functions and fortifying the awareness of supply chain quality through VDA6.3.
- Guarantee on designing quality-Ensuring zero problems related to product designs prior to mass production through risk management and product verification systems and thoroughly considering customers' product requirements for quality and HSF standards.
- Turning quality abnormality management cost-effective and indicating improvement hotspots through statistical data.
- Upgrades in testing technology systems: Actively introducing automated inspection equipment to realize the comprehensive integration of quality data and ERP/PLM systems.

Long-term

- Achieving the goal for Total Quality Management (TQM) in depth along with product development roadmap; introducing all-staff education and quality circle systems; comprehensively implementing the MES (Manufacturing Execution System) quality modules for thorough tracking purposes; and monitoring production through data management as well as forecast
- Implementing corporate sustainable operations and designing products with the priority of Net-zero emissions, energy conservation and carbon reduction, and green consumption.

Note: Short-term refers to a period within three years; mid-term refers to a period from 3 to 5 years; and long-term refers to a period of 5 years.

Valid certifications of Solteam Group as of now




ISO 9001:2015 (Quality Management Systems)





ISO 14001:2015 (Environmental Management Systems)



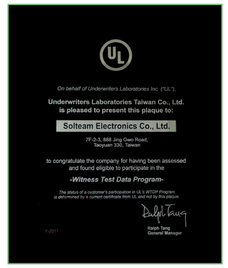

ISO 13485:2016
(Medical Devices - Quality Management Systems)



IATF 16949:2016 (Automotive Quality Management Systems)



Medical Device Quality Management System Regulations (Taiwan QMS/GMP)



UL Witness Test Data Program Certification

Quality Management

Commitment to Product Safety and Quality Management

Ever since its foundation, Solteam has always prioritized end customer safety as the primary consideration and commitment during product development. As the business scope of the Group expands, the requirements for product safety and compliance in which the sectors we have established presence have grown more stringent. This phenomenon not only represents a perfect opportunity for Solteam to demonstrate our outstanding research and development capabilities, but also embodies our insistence and emphasis on the safety regulations of high-standard products. While the technologies for product development are gradually becoming advanced and mature, Solteam's quality and safety standards across all sectors have experienced a synchronized leap:



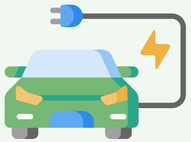
White Goods

Establishing a solid basis for electromechanical and modular safety.



Power Tools

Expanding into safety protection designs for harsh conditions such as high power and vibration durability.



New Energy Vehicles

Complying with the stringent requirements of automotive electronics for extreme reliability and occupant safety.



Medical Material Industry

Developing products compliant with medical regulations and supportive of health welfare.

Safety Regulation Certificates

To ensure that all product comply with the international and industry-specific safety regulations, Solteam actively introduces and implements various internationally-recognized safety certifications to construct our solid defense network in quality. The following is the specific status of our products with secured safety certificates across respective sectors, including a total of 4 domestic certificates and 162 international certificates:

No.	Safety Regulation Certificate		Validity of Certificate	Product Type
1	ATEX	Atex Certification for the EU	August 2025~Continuous Maintenance	Switches
2	BSMI	Bureau of Standards, Metrology and Inspection, M.O.E.A, R.O.C.	March 2018~Continuous Maintenance	Aquarium lighting
3	CCC	China Compulsory Certification	July 2025~Continuous Maintenance	Plugs
4	CQC	China Quality Certification	December 2024~Continuous Maintenance	Switches
5	CSA	Canadian Standards Association	July 2020~Continuous Maintenance	Switches
6	CUL	UL Solutions	October 2025 New Product Certification ~ Continuous Maintenance	Switches Automotive connectors Plugs and receptacles
7	ENEC	European Norms Electrical Certification	October 2025 New Product Certification ~ Continuous Maintenance	Switches / plugs
8	IECEx	International Electrotechnical Commission Certification Body	August 2025~Continuous Maintenance	Switches
9	KC	Korea Certification for Electric Appliances Safety	November 2011~Continuous Maintenance	Switches / plugs
10	SAA	Standards Association of Australia	November 2017~Continuous Maintenance	Receptacles
11	TUV	TUV Rheinland	August 2025 Revised Standards ~ Continuous Maintenance	Automotive connectors
12	VDE	Verband Deutscher Elektrotechniker	February 2024~Continuous Maintenance	Plugs
13	VPC	Voluntary Product Certification Mark by the BSMI, Taiwan	January 2024~Continuous Maintenance	Plugs

Customer Appeal and Handling System

Solteam has been upholding the policies of "Maintaining and Continuously Improving the Effective Quality Management System" and "Improving the Quality of Products and Processes to Achieve Customer Satisfaction" as the basis for the Company's long-term development. Hence, in addition to understanding the needs of customers through satisfaction surveys, we also have a comprehensive tracing system in place for customer complaints to ensure that they are properly handled and resolved.

Upon receipt of customer feedback, Solteam will first collect defective products and their related information for preliminary evaluation and visit the customer's location to confirm the situation when necessary. Then, a short-term response within three working days and a long-term countermeasure within five working days will be proposed. (For medical material products, we shall respond to the customer within 24-48 hours depending on the severity of the problem.) After the initial evaluation, we will define whether the customer's feedback is a complaint or an appeal, which will then be handled in accordance with our standard operating procedures.

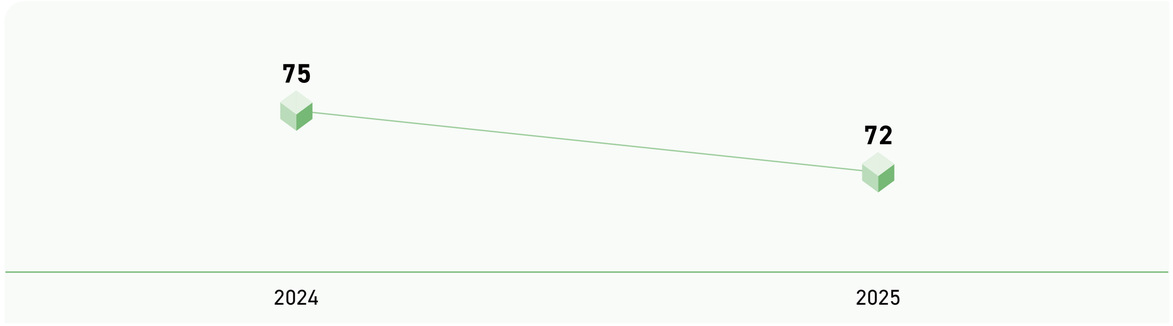
Handling of Customer Complaint Cases



Number of Customer Complaints

The number of customer complaints in 2025 showed a stably downward trend compared with the previous year. In the future, Solteam will continuously uphold the spirit of always striving for improvement, optimize product quality, minimize the occurrence of customer complaints at source, and spare no effort in delivering the most reliable product experience to our customers.

Number of Customer Complaints



Product Recall Procedures

Should a complaint case require a product recall, the Company will first evaluate the risk to human health of the product to be recalled, propose a plan for recall operation plan, formulate an outcome report on recall upon completion of the recall operation, and report to the competent authorities within the deadline.

As of 2025,

Solteam did not experience any incidents involving product recalls

01

Evaluate Risk Class

Evaluate whether the risk class belongs to Class 1, Class 2, or Class 3; and propose a plan for recall operation according to the rating.

02

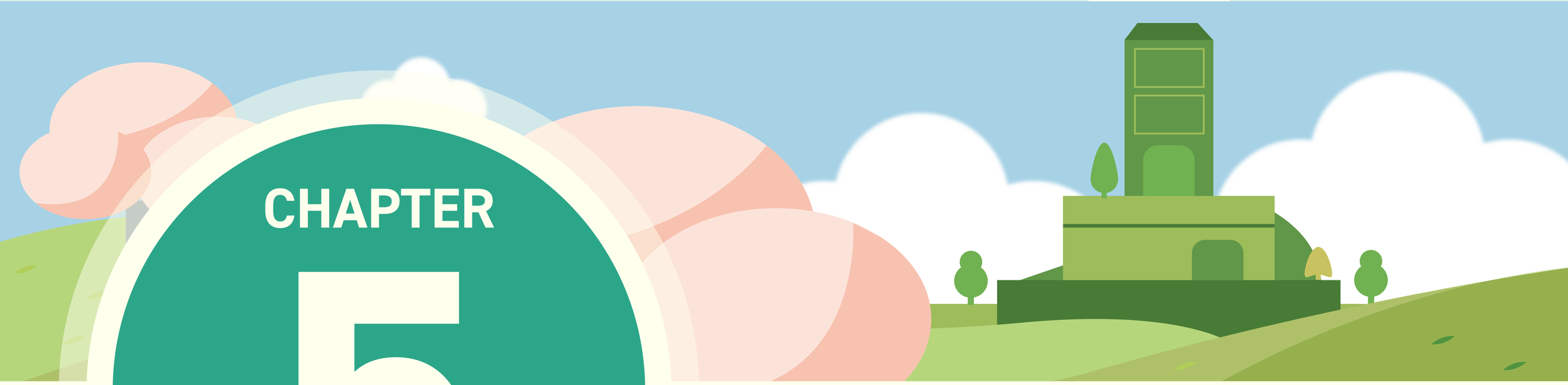
Propose Plan for Recall Operation

In case of a Class 1 or Class 2, notifications shall be made to competent authorities within three days from the date of recall.
In case of a Class 3, notifications shall be completed within two weeks from the day following the date that manufacturing license has been cancelled or from the day that recall has been deemed necessary.

03

Formulate Outcome Report on Recall

In case of a Class 1 or Class 2, notifications to the competent authorities shall be completed within three days from the date of recall completion.
In case of a Class 3, notifications to the competent authorities shall be completed within two weeks from the date of recall completion.



CHAPTER

5

Green Manufacturing

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5.1 Climate Risks and Governance

◆ TCFD、GRI 2-13、GRI 201-2

TCFD Governance

In response of the actual risks brought by climate change, Solteam has actively implemented the transitional actions for various stages. Since the establishment of the ISO 14064-1 Greenhouse Gases Inventory Team in 2022, we have finalized the inventory operations for the Taiwan Headquarters, Dayuan Factory as well as Suzhou Factory and their third-party verification. In 2024, the Group's Carbon Management Digital Platform was initiated to improve the accuracy and transparency of data collection. Moreover, the "Sustainable Development Office" was formally set up in 2025 to not only take inventory of and trace probable risks and opportunities but also assess the possible financial impact resulted from the relevant risks and opportunities. Furthermore, the Office presents the implementation status to the "Sustainable Development Committee" quarterly and the Board of Directors annually.

TCFD Strategy/Risk Management

Through the TCFD framework, Solteam's Sustainable Development Office collects relevant information from each department to identify climate-related risks and opportunities, and evaluates the likelihood of the occurrence of impacts, the degree of impacts, and the significance of the impacts, which serves as the basis for the subsequent climate risk management. Subsequently, in accordance with the risk management system, the Task Force assesses and formulates contingency plans as well as management objectives, and reports to the Board of Directors in accordance with the risk management procedures.

Solteam adopts a classified management method for climate-related risks and opportunities: Transitional risks are managed by dedicated personnel in each department. External professionals may be consulted when necessary. Physical risks are included in the scope of emergency response measures and practiced through regular drills. Opportunities are evaluated according to the customer dynamics and industry tendency monitored by our Business and R&D Departments. Each assessment result is regularly discussed in management meetings to enhance cross-departmental collaboration, effectively cope with the impact of climate risks, and seize market opportunities precisely.

Aspect		Risk/Opportunity	Likelihood of Impact Occurrence	Potential Financial Impact	Impact Level	Management and Countermeasures	Connection with Material Topics
Transitional Risk	Policies and Regulations	Taiwan's carbon fee scheme, which charges by annual emissions, may results in increased operating costs. Additionally, under the condition that customer products are ultimately exported to the EU and that carbon fees under the CBAM starting from 2026 is formally enforced and collected, the costs related to supply chain emissions may be passed on by upstream suppliers, creating additional cost pressure and leading to extra expenses.	Likely	Increase in operating costs	Medium to Low	◆ The digitalized carbon management system has been introduced in 2024. The GHG inventory across the Group is expected to be completed in 2026. ◆ With 2026 as the projected baseline year, a set of carbon reduction targets will be formulated in accordance with the SBTi and disclosed in 2027.	5.2 Environmental Management 5.3 Sustainable Supply Chain

Aspect		Risk/Opportunity	Likelihood of Impact Occurrence	Potential Financial Impact	Impact Level	Management and Countermeasures	Connection with Material Topics
Transitional Risk	Policies and Regulations	Affected by the EU's Ecodesign for Sustainable Products Regulation (ESPR), future electrical appliances and electronic equipment exported to the EU market will be subject to strict mandates regarding product recycling rates and the proportion of recycled content. Consequently, customers may request the Company to adjust product designs and adopt recycled raw materials to comply with regulatory requirements, which in turn could lead to an increase in the research and development expenditures.	Likely	Increase in operating expenses	Medium	◆ The Company has steered toward the target of "Sustainable Design" and incorporated regulatory as well as safety requirement verification during research, development, and manufacturing processes to enhance the compliance at the designing phase. ◆ We have invested in the applications of recycled materials. One example is the recycling and reuse of scrapes generated from plastic molding, where scrapes and virgin materials are mixture and put into mass production after their stability is lab-verified. ◆ The Company regulates our raw material suppliers through the Supplier Sustainable Development Code of Conduct and relevant audits. In 2025, the signing rate reached 92% to 93%, ensuring the compliance and quality of alternative and recycled materials.	4.1 Customer Service 4.2 Technological Innovation and Patent Deployment 5.3 Sustainable Supply Chain
	Technology	To achieve the Company's carbon reduction targets and align with the sustainability standards of the supply chain, Solteam must introduce new technologies such as energy-efficient equipment and low-carbon manufacturing processes. Consequently, the replacement of equipment, the optimization of manufacturing processes, and the incorporation of technologies will incur additional expenditures.	Most Likely	Increase in capital expenditures	Medium	◆ A replacement project for high energy consumption equipment has been executed. With a further planning for continuous efficiency enhancement, it is expected that the mid-term and long-term efficiency will increase by 1.5% and 3%, respectively. ◆ The baseline data for energy is developed in order to promote energy efficiency and carbon reduction actions in alignment with the carbon reduction roadmap.	5.2 Environmental Management 5.3 Sustainable Supply Chain
	Market	As international brand owners gradually request suppliers to comply with carbon emission requirements, companies who fail to meet customers' demands may risk losing orders.	Most Likely	Decrease in operating revenues	Medium	◆ The Company actively aligns with the international trends and customer requirements. In 2025, we successfully completed various sustainability projects and attended associating online audits as well as conferences to keep tabs of sustainability-related demands.	4.1 Customer Service 4.2 Technological Innovation and Patent Deployment 5.2 Environmental Management
		Due to stakeholders' great expectation on the Company's use of renewable energy, the Company may need to purchase renewable energy to meet customer requirements.	Likely	Increase in operating expenses	Medium to Low	◆ In accordance with the planning of the carbon reduction roadmap, purchasing renewable energy will be considered one of the options for reducing carbon emissions in energy use.	5.2 Environmental Management
	Reputation	Failure to sustain a growth in ESG-related evaluation or rating may result in a negative image to stakeholders and an unfavorable impact on the value chain partnerships.	Likely	Decrease in operating revenues	Medium	◆ In addition to investing resources in obtaining assurance, such as the successful third-party verification for the GHG data in 2024, we issue sustainability reports annually and establish the ESG area on the website to enhance the transparency of disclosure. ◆ Through regular investor conferences, material information disclosures, and stakeholder communication, we minimize the risks of damaged goodwill and capital market.	2.2 Stakeholder Communication 5.2 Environmental Management

Aspect		Risk/Opportunity	Likelihood of Impact Occurrence	Potential Financial Impact	Impact Level	Management and Countermeasures	Connection with Material Topics
Physical Risk	Acute Effects	The sixth Assessment Report (AR6) of the IPCC indicates that climate change has led to more frequent and more intensive extreme precipitation, projected escalation in the proportion of intense tropical cyclones, and increasing frequency and severity of pluvial floods. These factors may result in damages to the Company's factory premises or hardware infrastructure at the offices.	Likely	Increase in capital expenditures	Low	◆ The Company has established the "Group's Risk Management Policy" to initiate cross-departmental crisis contingency and recovery system in a material event and has included the physical risks in the emergency response system for our regular drill operations. ◆ The information system has a set of Disaster Recovery Plan (DRP) drills in place to respond to and recover processes, ensuring that the critical operations remain uninterrupted.	3.3 Risk Management 3.6 Information Security
		Extreme weather events may result in interrupted or delayed supply of key raw materials. Consequently, the Company's shipment could be affected by hindered transportation, leading to delay in contract performance and, even more, breach of contract.	Likely	Decrease in operating revenues	Medium	◆ In addition to performing risk assessment on our suppliers, the Company implements the secondary suppliers and substitute material systems to avoid single-source procurement and practices safety stock adjustment and local procurement to enhance supply chain resilience. ◆ With the Business Continuity Management framework, the Company initiates cross-departmental crisis contingency and recovery system for material events. The highest management level is in charge of the coordination thereof.	3.3 Risk Management 3.6 Information Security 5.3 Sustainable Supply Chain
	Chronic Effects	The sixth Assessment Report (AR6) of the IPCC indicated that global warming will intensify drought risks, which may further affect the water supply essential for the production operations of factories. In particular, factories located in regions with higher water stress are highly susceptible to water supply shortages and impacted operations.	Likely	Decrease in operating revenues	Low	◆ After identifying and assessing the risks associating with water resource scarcity, the Company formulates water shortage procedures and deployment measures. ◆ We maintain water storage facility on a regular basis and evaluate the necessity of additional water storage equipment based on operational needs. ◆ We cooperate with water suppliers during sever water shortages to deploy emergency water tankers.	5.2 Environmental Management
		Global warming has caused the rising of average temperatures and frequency of extreme temperatures. These factors not only affect the stability of power grids but also accelerate the risks of unstable power supply and power outages, together aggravating the risk of operational disruption.	Likely	Decrease in operating revenues	Medium	◆ After identifying and assessing the risks associating with power outages, the Company formulates power outage procedures and recovery plans. ◆ We maintain emergency power supply and storage facilities on a regular basis and install additional power supply and storage equipment based on operational needs.	5.2 Environmental Management 6.2 Employee Occupational Safety

Aspect		Risk/Opportunity	Likelihood of Impact Occurrence	Potential Financial Impact	Impact Level	Management and Countermeasures	Connection with Material Topics
Opportunity	Resources Efficiency	By optimizing the production models, such as automated production lines, replacement of high energy consumption equipment, and development of production jigs and testing tools, we enhance production efficiency, product yield, and energy effectiveness.	Most Likely	Decrease in operating costs	High	◆ We take group-wide energy inventories and improve the energy efficiency of equipment. ◆ A replacement project of old and energy-consuming equipment has been executed by stage. 2 large-capacity chillers that have been in use for 20 years were replaced in 2025, which will conserving electricity consumption effectively. ◆ We aim to increase energy efficiency by 1.5% compared to the baseline year in the mid-term planning (3-5 years), and 3% in the long-term (over 5 years) planning.	5.2 Environmental Management
	Energy Source	Reports from the IEA shows that fossil-fueled power systems are more susceptible to cost. Therefore, purchasing renewable energy or constructing its facility not only reduces carbon emissions but also potentially decreases energy costs.	Likely	Decrease in operational expenses	Low	◆ We continue to plan for short-, mid-, and long-term objectives for renewable energy procurement and construction. ◆ Self-generation and self-consumption of green electricity, such as the installment of rooftop solar system, has been evaluated.	5.2 Environmental Management
	Product and Service	Proactively adapting to carbon reduction trends in terminal products, such as the EU's Ecodesign for Sustainable Products Regulation (ESPR), investing in the research and development of recycled materials and associated products, and putting them into production processes not only significantly reduces product carbon footprints but also strategically secures customers' favor.	Likely	Increase in operating revenues	High	◆ Green materials are continuously developed and applied to manufacturing processes. ◆ Mixture of virgin materials and regrind materials are put into production after its stability is verified.	4.2 Technological Innovation and Patent Deployment 5.2 Environmental Management
		In response to the market trends of wireless and lightweighting design, the Company optimizes material utilization efficiency and manufacturing energy performance through calibrating designs and processes. This approach minimizes the consumption of energy and resources and the waste amount after product disposal, thereby sharpening our product competitive edges and motivating growth in business opportunities.	Most Likely	Increase in operating revenues	High	◆ The development and production of energy switches as well as motor control modules for wireless and chargeable tools have been continuously expanded. ◆ Products are developed toward the direction of miniaturized, high-power, and signal-controlled features.	4.2 Technological Innovation and Patent Deployment
	Market	Aligning with the rapid expansion of the global green product market and the green economy, the Company continuously develops and manufactures eco-friendly products. This strategy not only satisfies the surging market demand for sustainability, low carbon, and environmental friendliness solutions but also further boosts our brand competitiveness and business opportunities.	Likely	Increase in operating revenues	High	◆ We are dedicated to developing and manufacturing high-current/high-voltage connectors, signal connectors, Bus Bars, and other mechanical components and modules for electric vehicles. ◆ We have developed chargers with optimized electric power. ◆ We spare no effort in strengthening the embedding, electroplating, and motor wiring panel technologies.	4.2 Technological Innovation and Patent Deployment

5.2 Environmental Management

Environmental sustainability is one of the major concerns for Solteam in the supply chain. In addition to complying with relevant regulations and aligning with international standards, it is also a crucial issue to achieve the net-zero goal with our customers. Therefore, Solteam aims to manage the energy/resource usage, emissions, and waste treatment of the headquarters and each factory with higher standards, and considers the following items in our operational activities and decision-making to minimize the impact of operation-related activities on the society and the environment.

- Reducing the energy and resource consumption during the course of production and service.
- Maximizing the usage of recyclable resources.
- Enhancing the recyclability and reuse of products and the relevant raw materials.
- Improving and purchasing new equipment to minimize energy and resources consumption as well as pollutant emissions.

In 2025, Solteam continued to invest resources to ensure the compliance with environmental regulations and to mitigate operational risks. The overall environmental management expenses for the current year increased compared to the previous year. The description is as follows:

- **Expenses on Air Pollution Management:** Recycling devices were installed onto the waste air treatment equipment across our factories in order to strengthen the air pollution control, which successfully optimized equipment efficacy. Although the infrastructure increased the costs of consumables (e.g., activated carbon), it has effectively improved exhaust gas emissions.
- **Expenses on Wastewater Management:** The increased expenditures was primarily due to the execution of annual maintenance for the factories' sewage pipes and the adjustment to the wastewater levy standards by the local competent authority.
- **Expenses on Waste Management:** In response to the increasingly stringent regulations pertaining to waste treatment at each operating sites, we have reviewed and adjusted the classification standards, where certain items previously classified as General Waste have now been treated as Industrial Waste for compliant disposal. This adjustment has resulted in a higher unit price for clearance, transport, and treatment.

Environmental Management Policy

Unit: NT$ thousands

	2024	2025
Expenses on Air Pollution Management	141	347
Expenses on Wastewater Management	406	872
Expenses on Waste Management	806	1,154

5.2.1 Energy

GRI 302-1、GRI 302-2、GRI 302-3、GRI 302-4、GRI 302-5、SASB-RT-EE-130a.1

Environmental sustainability stands as the cornerstone of corporate competitiveness. Solteam has fully implemented the ISO 14064-1 greenhouse gases inventory system and completed the 2024 inventory and third-party assurance. The scope of the inventory encompasses our core operational locations, including the Taiwan headquarters, the Dayuan Factory, Solteam Opto., and the Suzhou Factory. Adhering to the core philosophy of "Manufacturing Service Industry," we incorporate climate change governance into our operational strategies and monitor GHG emissions to fortify our advantages in the industry. Simultaneously, by rooting the carbon reduction awareness into our daily operations, we lead all personnel to implement energy conservation and strive for the fulfillment of long-term goals for sustainable development.

Solteam's Policy for Energy Conservation and Carbon Reduction:



Air Conditioning and Ventilation Management

- **Temperature and Operation Control:**
  The air-conditioning across the office and utility rooms are set at a fixed temperature parameters. An inspection and shutdown procedure is implemented after business hours.
- **Equipment Optimization and Supporting Actions:**
  - Circulators are installed to enhance cooling efficiency and reduce the operational load of air conditioning units.
  - Air filters are regularly cleaned to prevent airflow blockages from degrading equipment operational efficacy.
  - While phasing out old units progressively, water-cooled systems are installed to replace Freon air conditioning.



Lighting Equipment Management and Lighting System Optimization

- **Natural Lighting Adoption and Reduction:**
  - Natural lighting (e.g., window and specific work zones) is prioritized depending on weather conditions to substitute artificial light sources.
  - Lighting equipment in underutilized areas (e.g., lighting fixtures at unoccupied workstations) are removed or routinely turned off.
- **Zone and Time Control:**
  - In support of the Earth Hour practice, office lighting is turned off during daily lunch break.
  - Monitor-sensor lights are installed in pantries, which are automatically turned on when people are present.
  - The operating zones in each factory warehouse remain with accent lighting, while the non-essential areas practice a light-out policy.
- **Outdoor Energy Conservation:**
  We utilize solar-powered energy storage illumination fixtures as part of outdoor lighting.

Electricity Management for Equipment and Manufacturing Use

- **Standby Electricity Management:**
  - We implement equipment de-energization protocols (e.g., disconnecting power plugs) during prolonged periods of inactivity, weekends, or consecutive national holidays.
  - A power interlocking system is implemented that automatically disconnects power supply to peripheral devices upon the shutdown of major equipment, eradicating the energy waste during standby.
- **R&D and Testing Integration:**
  Samples requiring identical testing parameters are scheduled as a batch to enhance the utilization efficiency of environmental testing equipment.
- **Production and System Optimization:**
  - **Centralized Scheduling:** Production plans are optimized to reduce fragmented overtime operations and minimize the idling of energy-consuming equipment such as air compressors.
  - **Consolidated Management of Server Rooms:** Distributed database servers are consolidated into a standard server room where UPS structures and professional temperature control systems are utilized to enhance operational energy efficiency and safety.

Maintenance, Inspection, and Replacement

- **Energy Monitoring and Auditing:**
  - **Data Management:** After reviewing the data of monthly energy consumption (e.g., electricity bills), we analyze the results and propose improvement policies targeting any anomalous fluctuations.
  - **Pipeline Inspection:** Leakage detection for the pipelines of production floors are conducted regularly to eradicate invisible waste caused by gas leaks.
- **Equipment Replacement and Efficacy Optimization:**
  - **Replacement:** We continue to execute the retirement project for energy-consuming and outdated equipment and introduce high-performance equipment models.
  - **Precise Control:** Through automated timers and thermostatic control settings, energy consumption is managed within an optimal range, preventing machinery overwork.

Sustainability Actions

- We lead our colleagues to plant trees within the factory premises every year to green the environment of the factory.

Energy Consumption

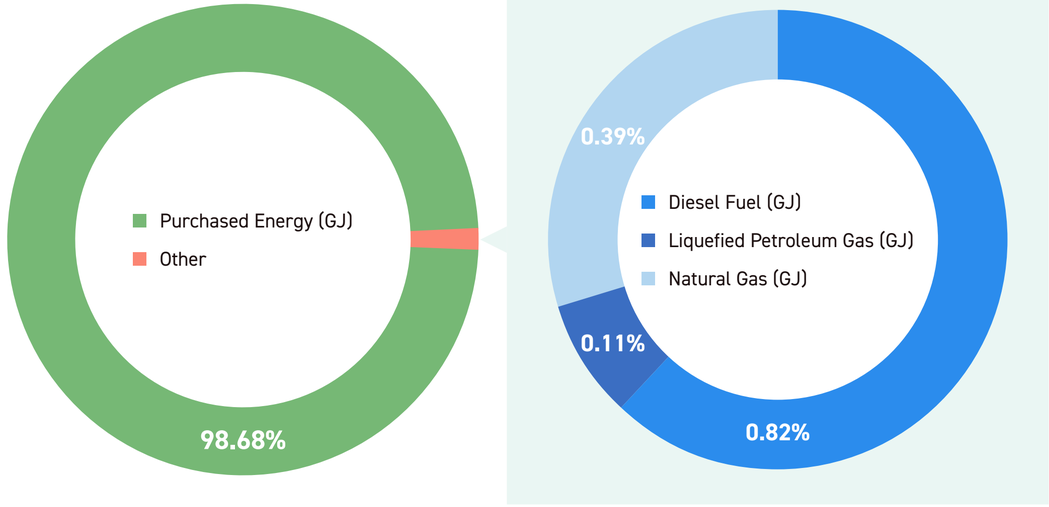
Solteam Group's energy consumption by regions in 2025 is as follows:

	Taiwan	China	Asia-Pacific
Purchased Energy (GJ)	4,274	41,759	9,273
Diesel Fuel (GJ)	3	130	324
Liquefied Petroleum Gas (GJ)	-	49	15
Natural Gas (GJ)	-	216	-
Total	4,277	42,154	9,612

Note: The calculation of the calorific value are sourced from the latest Net Calorific Value of Energy Products announced by the Energy Administration, the Ministry of Economic Affairs.

Energy Consumption Percentage

2025

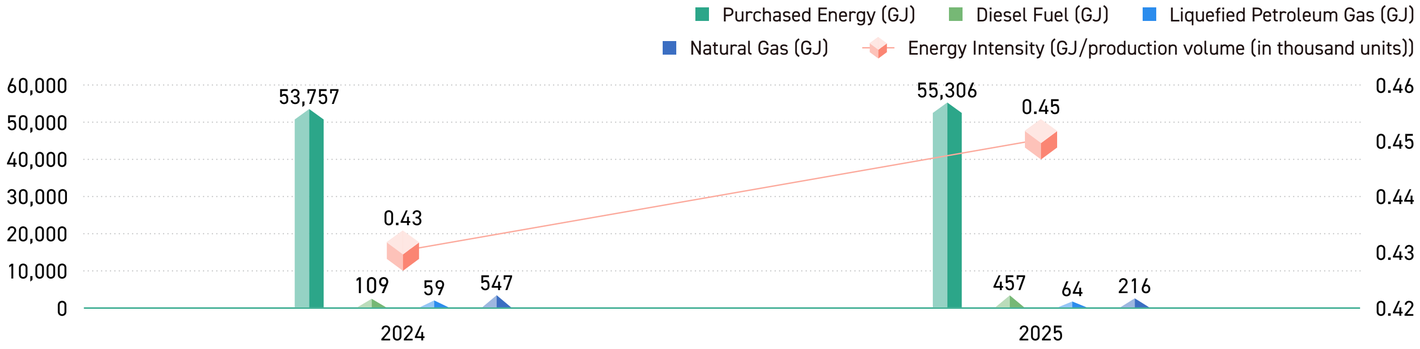


Solteam's energy consumption for the entire Group during the most recent two years is as follows:

Year	2024	2025
Purchased Energy (GJ)	53,757	55,306
Diesel Fuel (GJ)	109	457
Liquefied Petroleum Gas (GJ)	59	64
Natural Gas (GJ)	547	216
Total	53,757	56,043
Intensity Value (production volume (in thousand units))	126,825	125,610
Energy Intensity (GJ/production volume (in thousand units))	0.43	0.45
Proportion of Non-Renewable Energy (%)	100	100
Proportion of Renewable Energy (%)	0	0

Note: The reporting boundaries (including the individual entity) of the sustainability information for the year 2025 are consistent with that in the Company's consolidated financial statements.

2024-2025 Energy Consumption Status



Note: The energy data for the current fiscal year showed fluctuations, which were primarily affected by the adjustments in the Group's inventory boundaries and data optimization. The specific explanation is as follows:

01. In 2025, the Dong Guan Factory and the Cambodia Factory were added to the inventory boundaries.
02. Diesel and Liquefied Petroleum Gas (LPG): The consumption increased significantly in 2025 primarily due to the official introduction of organizational greenhouse gas inventory system at the Cambodia Factory. Following a rigorous review and inventory of the data sources, certain emission sources that were previously unrecorded have now been included, resulting in a higher statistical value than the previous years.
03. Natural Gas: The consumption decreased in 2025 due to the transition of our employee cafeteria operations to an outsourced model. According to the operational control approach, the energy consumption generated from outsourced business operations is not included in the scope of the Company's direct energy usage. Therefore, the relevant data is excluded.

5.2.2 Greenhouse Gas Emissions

◆ GRI 305-1、GRI 305-2、GRI 305-3、GRI 305-4、GRI 305-5

2025 Inventory

Solteam has adapted ISO14064-1 for the inventory of greenhouse gas emissions since 2022. A third-party verification was completed in September 2023. Currently, the Solteam Group plans to conduct an inventory annually and a third-party verification semi-annually. From 2027 onwards, third-party verification will be conducted annually.

Solteam continued to take the greenhouse gas inventory for 2025 in accordance with the ISO 14064-1 Standards, with the boundaries covering Scope 1 and Scope 2. Looking ahead, we plan to set the year 2026 as our baseline year and formally establish the carbon reduction roadmap in 2027. Solteam promises to disclose our annual carbon reduction targets, strategies, and concrete action plans on a regular basis, implements sustainable management with practical actions, and steadily moves toward the target of net-zero emissions by 2050.

Year	2024	2025
Scope 1	193.5155	448.3052
Scope 2	3,477.1192	7,572.8364
Total	3,670.6347	8,021.1416
Intensity Value (production volume)	126,825	125,610
Intensity of Greenhouse Gas Emissions	0.0289	0.0639

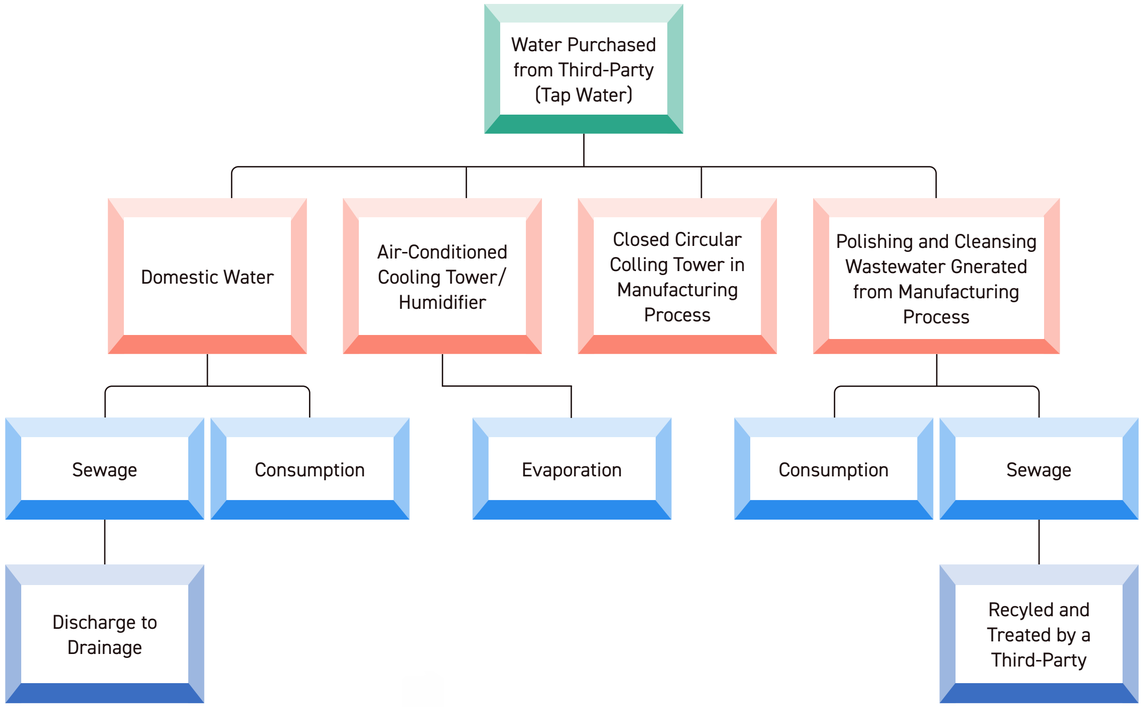
Note:
01. The unit for greenhouse gas emissions is metric ton (CO_2e).
02. The inventory boundaries for 2024 include: the Headquarters, the Dayuan Factory, Solteam Opto., and the Suzhou Factory. The boundaries of assurance by a third-party institute for 2024 include: the Headquarters, the Dayuan Factory, and the Suzhou Factory.
03. The inventory boundaries for 2025 include: the Headquarters, the Dayuan Factory, Solteam Opto., the Suzhou Factory, the Dong Guan Factory (newly added), and the Cambodia Factory (newly added).



5.2.3 Water

◆ GRI 303-1、GRI 303-2、GRI 303-3

Solteam's products are primarily electronic parts and components. As the manufacturing process is not characterized as the industry with high water consumption, we are not considered a "Major Water Consumer." The water utilization during our operations are primarily (1)domestic water, (2) air-conditioned cooling towers, and (3)water used in manufacturing processes (including closed circular cooling towers used in the manufacturing process). Therefore, our objective for water resource management is focused on the conservation of domestic water.



Regarding water withdrawal and wastewater discharge management, the water utilized across all Solteam's operational sites is sourced exclusively from third-party water supplies (tap water). The Company does not withdraw groundwater or any water directly from ecologically sensitive water sources. In terms of effluent management, we have established a pre-process mechanism based on the characteristics of each operating site to ensure the compliance with the local sewer connection standards. In 2025, Solteam's factories did not have incidents involving violation of wastewater treatment and environmental protection regulations.

Item	Discharge and Managing Methods
Domestic Wastewater	General domestic wastewater is discharged into the sewage system and routed to wastewater treatment plants in accordance with the sewer connection standards. Blackwater undergoes mandatory pre-treatment via septic tanks prior to final discharge. Designated operating sites have established water quality monitoring matrix at discharge points.
Process Wastewater	Process wastewater is transferred monthly to a third-party organization for recycling and treatment. There was no effluent directly discharged into the natural environment.

Regarding the calculation for water consumption, with the sole exception of water volumes lost to evaporative dissipation during cooling tower operations, all remaining process and domestic water effluents are discharged directly into the sewage system after utilization. Consequently, the overall water consumption is calculated using an estimation methodology to demonstrate a reasonable flow direction of water resources.

Risk Assessment of Water Resources

For risk assessments of water resources, we adopt the Aqueduct Water Risk Atlas of the World Resources Institute (WRI) to assess the risks of water pressure at each operating site. The assessment results indicate the following:

Low-Risk Area	Medium-Risk Area	High-Risk Area
Operating locations in Taiwan (the Headquarters, the Dayuan Factory, and Solteam Opto.)	The Dong Guan Factory in China.	The Suzhou Factory in China, the Cambodia Factory, and the Thailand Factory.

Management Policy and Monitoring Mechanism

For water management objectives and monitoring mechanisms, we have established the "Solteam Group's Water Resource Management Policy," dedicated to the promotion of sustainable management in water resources. Considering our current operational characteristics, we focus on "monitoring water utilization efficiency" and "tracking per capita water consumption" to ensure that all water utilization complies with sustainability principles.

01 **Management Index Establishment:** The primary water consumption for Solteam's corporate operations is derived from employee domestic utilization. To accurately and subjectively measure water utilization efficiency, we have set the per capital water consumption as the management index. We promise to disclose the Group's overall water resources information (including total water withdrawal and per capita water consumption) on a regular and transparent basis, so as to continuously track and review the effectiveness of water resource management and fulfill the sustainable utilization of resources. In the meantime, we are committed to achieving a 1% reduction in Group-wide water consumption by 2030 comparing with 2025 (baseline year).

02 **Anomaly Management and Improvement Mechanism:** We regularly review the water utility data across all factories. Upon finding any anomaly, a review mechanism is initiated immediately. Relevant departments are gathered to discuss corresponding improvement plans. Through a rolling management method, we ensure that the water utilization efficiency remains within a reasonable range.

03 **Water-Saving and Wastewater Treatment Measures:**

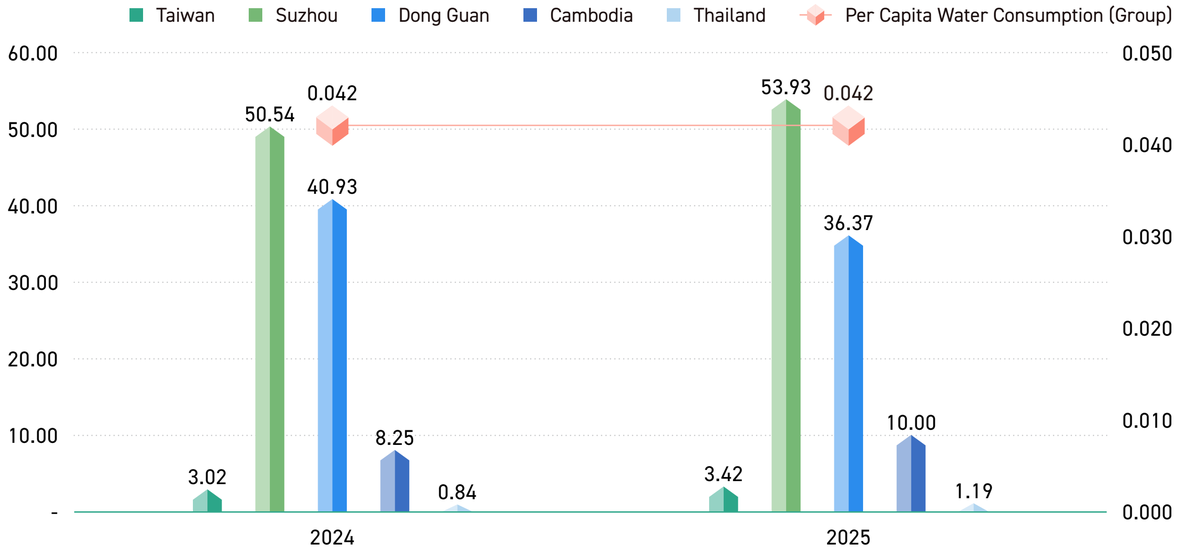
Water-saving Measures	Execution Methods
Promotion of Water Conservation	1. Incorporating the "Solteam Group's Water Resource Management Policy" into the training material of employee orientation and regularly promoting water conservation awareness to colleagues. 2. Posting water-saving slogans, such as "Save Water" and "Please Turn Off the Taps Tightly," to remind colleagues of cherishing water resources.
Water Recirculation	1. Introducing water recirculation for areas with higher water consumption and improving operations to achieve water-saving effects. 2. Utilizing a closed cooling circulation system during manufacturing processes to significantly reduce evaporative consumption, maintain stability in water quality, and implement the practice of conserving water at source.
Water Quality Management	1. Installing automated water quality testing devices to air-conditioned cooling towers; and performing drainage replacement when the water quality exceeds the standard value.

The water consumption for the entire Solteam Group over the past two years is as follows:

Unit: Megaliter

Region \ Year	2024	2025
Taiwan	3.02	3.42
Suzhou	50.54	53.93
Dong Guan	40.93	36.37
Cambodia	8.25	10.00
Thailand	0.84	1.19
Total	103.59	104.91
Per Capita Water Consumption (Group)	0.042	0.042

Solteam Group Water Intake of Each Factory and Group-Wide Water Consumption Per Capita



Note: 01. The regions in Taiwan include the headquarters, the Dayuan Factory, and Solteam Opto.
02. The water intake is measured by megaliter.
03. Per Capita Water Consumption=Water Intake in Each Region (in megaliter)/Number of Employees (person)

5.2.4 Waste Management

◆ GRI 306-1、GRI 306-2、GRI 306-3、GRI 306-4、GRI 306-5、SASB-RT-EE-150a.1、SASB-RT-EE-150a.2

The waste generated by Solteam in the course of the operation mainly consists of domestic waste, with general industrial waste and a small amount of hazardous industrial waste. For the various waste, we have established a stringent classification and disposal system in accordance with the "Waste Management Regulations." While adhering to the local environmental protection regulations of our operating sites, we commission certified professional contractors for waste clearance, transport, and filing to ensure the compliance of the final disposal. **In 2025, the entire Solteam Group did not have any incident involving penalties due to violation of waste-related regulations.**

In terms of our efforts in promoting waste reduction, we recycle and reuse the plastic granules used for plastic injection molding processes. Scraps are recycled and mixed with virgin materials in a certain proportion. Following a rigorous laboratory assessment to assure its safety and quality, the mixture is re-introduced to the production process. This approach not only effectively mitigates overall waste output but also substantially amplifies raw material utilization efficiency, practically realizing our commitment to sustainable resource utilization.

Solteam's waste treatment in the most recent two years is as follows:

Unit: Ton

Type of Waste	Item / Fiscal Year	2024		2025	
	Type of Waste Treatment	On-site	Off-site	On-site	Off-site
General Industrial Waste	Total Amount of Other Treatment Methods of General Industrial Waste (recycled)	0	291.41	0	299.63
	Total Amount of Other Treatment Methods of General Industrial Waste (non-recycling)	0	71.92	0	64.64
Hazardous Industrial Waste	Total Amount of Incineration of Hazardous Industrial Waste (non-energy recycling)	0	18.85	0	53.22

Note: As certain recyclable non-hazardous industrial waste at the Suzhou Factory lacked verifiable weight records, the specific values thereof was excluded from the data of 2024 and 2025.

Definitions for Recycling Treatment are as follows:

01 **Preparation for Reuse:** Recycled waste is inspected, cleaned or repaired to be reused for its original purpose.

02 **Recycling:** Through immediate treatment, recycled waste is made into recycled materials.

03 **Other Recycling Treatment:** Any recycling method other than the two mentioned above is classified as other recycling treatment.

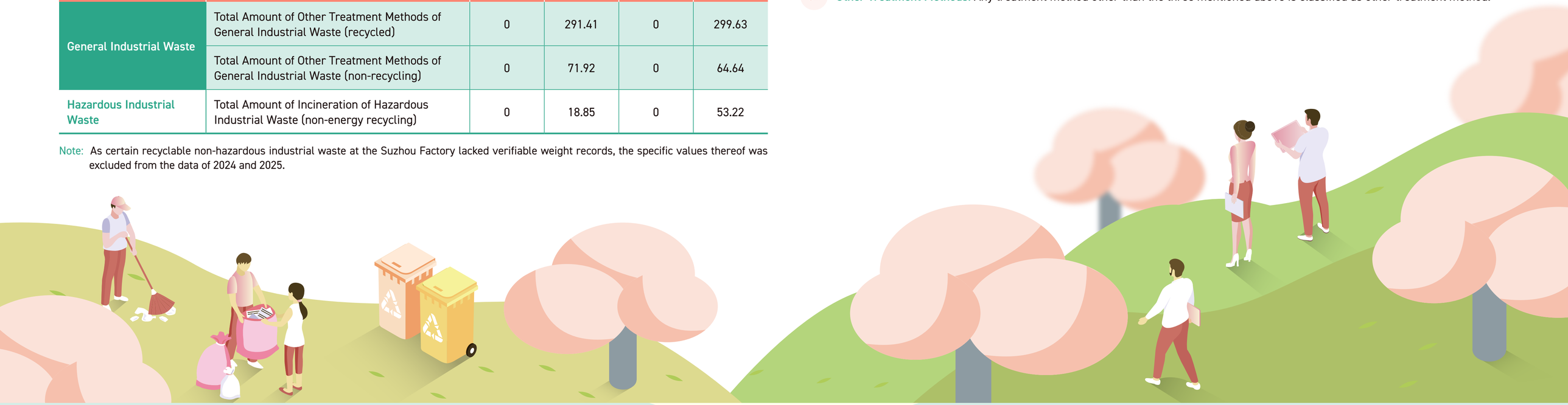
Definitions for Non-recycling Treatment are as follows:

01 **Incinerated Energy Recovery:** Waste is treated by incineration after exit from the factory, which includes energy recovery.

02 **Incinerated Non-energy Recovery:** Waste is treated by incineration after exit from the factory, which does not include energy recovery.

03 **Landfill Treatment:** Wastes is directly disposed of through landfill without being treated by incineration after exit from the factory.

04 **Other Treatment Methods:** Any treatment method other than the three mentioned above is classified as other treatment method.



Description of the Data Reinstatement in 2025

Unit: Ton

Type of Waste		Item / Year	2024	
		Type of Waste Treatment	On-site	Off-site
General Industrial Waste	After Amendment	Total Amount of Other Treatment Methods of General Industrial Waste (recycled)	0	291.41
	Before Amendment		0	1.7
	Description	The Dong Guan Factory and the Suzhou Factory amended the data on recycling and non-recycling waste.		
	After Amendment	Total Amount of Other Treatment Methods of General Industrial Waste (non-recycling)	0	71.92
	Before Amendment		0	73.01
	Description	Minor data adjustments from the Dong Guan Factory.		
Hazardous Industrial Waste	After Amendment	Total Amount of Incineration of Hazardous Industrial Waste (non-energy recycling)	0	18.85
	Before Amendment		0	18.54
	Description	Data amendments from the Cambodia Factory.		



5.3 Sustainable Supply Chain

5.3.1 Sustainable Supply Value Chain

Suppliers are Solteam's key strategic partners in achieving our sustainability visions. In the face of the ever-changing international situation, we strive to establish a tenacious a highly resilient supply value chain and continuously strengthen the supply chain management system in order to secure business continuity and competitiveness.

Solteam's supply value chain is presented as follows:

01 Research and Development	02 Production	03 Sales	04 Marketing	05 Others
Procedures at Each Phase				
◆ New product development and product improvement ◆ Laboratory testing ◆ Patent registration	◆ Raw material procurement ◆ Production as scheduled	◆ Product sales ◆ Customs declaration and logistics	◆ Participation in exhibitions ◆ Increasing product and technology exposure	◆ Services such as counselors, accountants, attorneys, and banks.
Type of Suppliers				
◆ Experimental equipment ◆ Experimental consumable ◆ Patents and safety regulation testing	◆ Raw materials ◆ Equipment procurement and maintenance	◆ Logistics transportation ◆ Customs clearance	◆ Participation in exhibitions and media	◆ Public service fees ◆ Others

Negative Social Impact Within the Supply Chain and Actions Taken Thereof

◆ GRI 414-2

Affected by the international situation as well as climate change in recent years, the instability of raw materials supply has been drastically increased. To prevent delayed delivery due to unstable supply of raw materials, which may further affect the Company's goodwill, Solteam actively develops secondary suppliers and establishes a substitute material system. We also adjust the safety stock replenishment system in a timely manner to keep the supply chain transparent and diversified and to minimize the risk of supply chain disruption.

5.3.2 Management Policy and Risk Assessment for Supply Chain

◆ GRI 308-1、GRI 308-2、SASB-RT-EE-440a.1

Supply Chain Management

Solteam understands that a company must consider the effect and impact of operating strategies on the society and the environment in the course of pursuing sustainable growth. With that in mind, we have established the "Supplier Sustainable Development Code of Conduct" and requested our suppliers to sign the Code. In the meantime, we regard suppliers' level of compliance as the major assessment item for the basis of our procurement decisions. As of 2025, the signing rate reached 93.7% (including 12 new suppliers).

Solteam's "Supplier Sustainable Development Code of Conduct" includes human rights issues, occupational safety, health, and hygiene, as well as environmental protection issues. A detailed description is as follows:



Human Rights

Human rights serve as the foundation for corporate management. The labor issues of Solteam's "Supplier Sustainable Development Code of Conduct" were formulated in strict accordance with the spirit and terms of the "Code of Conduct of the Responsible Business Alliance" (RBA) and with broad reference to the "United Nations Guiding Principles on Business and Human Rights," the International Labour Organization's "Declaration on Fundamental Principles and Rights at Work," and the "Universal Declaration of Human Rights." Suppliers are requested to absolutely comply with standards universally recognized by the international community and to publicly promise their efforts in the human rights protection of labors. This requirement includes but not limited to the prohibition of forced labor and child labor, the elimination of employment discrimination, the protection for freedom of association, and the regulatory compliance for work hours and salaries. Suppliers must develop a comprehensive labor management system to ensure a dignified environment for every worker.

Occupational Safety, Health, and Hygiene

Employee health and safety are the prerequisites of a company's stable production. Suppliers should possess a vigilant safety awareness recognizing that, apart from reducing the occurrence of occupational injuries and diseases as possible, creating a safe and healthy work environment substantially helps enhance product and service quality, guarantee the stability in production processes, and notably boost labors' loyalty as well as morale.

As a result, suppliers should establish systematic management mechanisms for occupational safety and health and realize that the "continuous investment and education in labors" are the key to identifying and solving health and safety problems in the workplace. We encourage suppliers to build a zero-disaster workplace through regular risk assessment, educational training, and emergency response drills.

Attention on Environmental Protection Issues

Challenged by climate change and resource depletion, suppliers should recognize and acknowledge that environmental protection responsibilities play a necessary part in producing world-class products. Environmental protection should transcend mere regulatory compliance; it should be seen as a source of competitive edges.

Suppliers should identify the environmental impact in their manufacturing and operational processes and strive to minimize damage to the earth. The concrete management actions should at least include: reducing the adverse effects caused by the production process on the community, surrounding environment, and natural resources; and concurrently protecting public health and safety. This scope covers aspects in the reduction of pollution emissions at source, the appropriate treatment of waste, the enhancement of energy efficiency, and the fulfillment of hazardous substances management.

Conflict Minerals Management

Solteam is fully aware of the potential human rights and environmental risks associated with mineral mining. To fulfill our corporate social responsibility, we promise to adhere to international standards, including the "Organisation for Economic Co-operation and Development (OECD)'s Due Diligence Guidance" and the "UN Global Compact (UNGC)." We also guarantee that the key minerals, such as gold, tin, tantalum, tungsten (together referred to as 3TG), cobalt, and mica, used in our products are not sourced from the mine sites in Conflict-Affected and High-Risk Areas (CAHRAs) financed by illegal armed groups. This commitment is to eradicate any procurement actions that may result in human rights abuses, environmental degradation, or social unrest. We plan on establishing a complete process for conflict minerals management and conducting due diligence of conflict minerals on suppliers to identify and appropriately control the risks related to the conflict minerals within the supply chain. Please refer to the Sustainable Supply Chain section of the official website for more details on Solteam's Conflict Minerals Management Policy.

Risk Assessment

On the way to the development of a sustainable supply chain, Solteam continues to assess and control the supply chain risks according to risk categories.

- Costing risk
- Risk of market competitive conflicts



- Risk of supply chain disruption
- Procurement risk

- Quality risk
- Risk of organization's internal operation and process

- Risk of natural and environmental factors

Risks Countermeasures

To effectively reduce the occurrence of various risks within the supply chain and to mitigate the potential impact of supply chain disruption on the Company's operations, Solteam shall avoid single-source procurement during the preliminary stage of supplier selection and shall incorporate sustainability performance into the assessment scope to select the most suitable partners for the onward journey toward a sustainable supply chain.

Moreover, to specifically monitor our suppliers' implementation status of sustainability, human rights, occupational health and safety, and environmental protection protocols, Solteam adopts a proactive risk inspecting mechanism. By distributing the "Supplier Sustainability Assessment Questionnaire (SAQ)" to our targeted suppliers, we are able to effectively identify potential high-risk suppliers and formulate differentiated management strategies accordingly. In 2025, the return rate of the Supplier Sustainability Assessment Questionnaire (SAQ) successfully reached 93%, demonstrating the substantial effectiveness of our sustainable supply chain governance.

5.3.3 New Supplier Selection and Assessment

When screening new suppliers, Solteam's R&D and Quality Assurance Departments conduct a "Comprehensive Risk Assessment on Components" for component quality and technical feasibility, followed by a "Supplier Operational Risk Assessment" by the Procurement Department. After the target suppliers are selected from a joint evaluation, the due diligence protocols are initiated. Then, relevant evaluation information is obtained from the suppliers.

The review and approval of new suppliers' qualifications are collaboratively conducted by the Purchasing, R&D, and Quality Assurance Departments. Suppliers who qualify the review are then registered in the "Qualified Supplier List" and officially eligible for developing a commercial relationship with the Company.

In addition to price comparison and final approval procedures, we require suppliers to sign the "Supplier Sustainable Development Code of Conduct" prior to formal transactions. Also, we continuously conduct audits and follow-ups on the suppliers after commencement of transactions.

When selecting a supplier, we not only consider its quality, pricing conditions, and production capacity but also include its material disruption risks and management systems. Furthermore, we perform stringent reviews on all suppliers (including those who are designated by customers) regarding their compliance records associating with human rights (including labor disputes), occupational safety and health, as well as environmental protection, so as to ensure there are no material violations.



The detailed process for the supplier selection and assessment in 2025 is as below:

01 Selection Threshold

01 In alignment with product specifications and quality requirements
02 Reasonable and flexible lead time
03 Stable and high-quality productivity
04 Guarantee on sufficient supply
05 Relatively advantageous and reasonable quote.
06 No record of violation against laws and regulations.
07 Suppliers who have already been acknowledged by customers.

02 Selection Method

Preliminary Selection:
A preliminary selection is conducted in accordance with the supplier assessment and management procedures.

Self-assessment:
A supplier self-assessment form is provided.

Final Decision:
The final decision is made jointly by internal relevant departments.

03 Supplier Assessment

Frequency:
Annually

Assessment Contents:
Whether the quality, cost, lead time, and service comply with the latest statutes and Solteam Group's Supplier Management Policy.

01 Supplier's provision of written information; and the reviewing and signing procedures
02 Data review, assessment, and, when necesary, an on-site evaluation
03 Trial Testing and Accreditation
04 Qualifying Supplier
05 Regular audits and continuous follow-ups
06 Supplier Sustainability Managment

5.3.4 Supplier Assessment and Performance

To effectively control supplier risks, Solteam's Material, Quality Assurance, Manufacturing, and Research and Development Departments jointly conduct regular supplier assessment every year, including supplier self-assessment and on-site inspections. The assessment covers supplier qualification checks, such as system certification and internal management, etc.

The Group's assessment process in 2025 is as follows:

01 Confirming Assessment Criterion



01 **Product quality and improvement on abnormality:** Delivered products must comply with requirements.
02 **Lead time:** Performance on lead time schedules and excess freight.
03 **Supplier's timeliness for abnormality handling:** Such as duplication, return and exchange, improvement measures, etc.
04 Supplier's capability of manufacturing technology, service cooperation, and ability of spontaneity to customer complaints.
05 Compliance with HSF (Hazardous Substances Free) and sustainable operation.

02 Formulating Assessment Method



01 Vendors are to fill out the supplier assessment survey reports.
02 An on-site inspection is conducted after a written review.

03 Setting Assessment Frequency



New Suppliers: An on-site inspection or a written review, in principle.
Existing Suppliers: As scheduled in the suppliers' annual audit plan.

04 Announcing Assessment Results



In 2025, 45 suppliers of the Group were scheduled for assessment and 45 suppliers were actually assessed, representing 100% of assessing rate.



Note:
01. Tier 1 Suppliers are defined as those whose annual transaction amount with the Solteam Group exceeds NT$1 million.
02. Tier 1 Crucial Suppliers are defined as (1) those who are designated by customers, (2) those whose supplying materials are essential and irreplaceable, (3) those who are ranked the top ten of the Group's total procurement expenditures, and (4) those who engage in medical materials and automotive materials businesses.
03. High-risk Vendors are defined as (1) those who receive a C rating or below in audits and (2) those who are characterized as High Risk Vendors in the results of their Supplier Sustainability Assessment Questionnaire (SAQ).

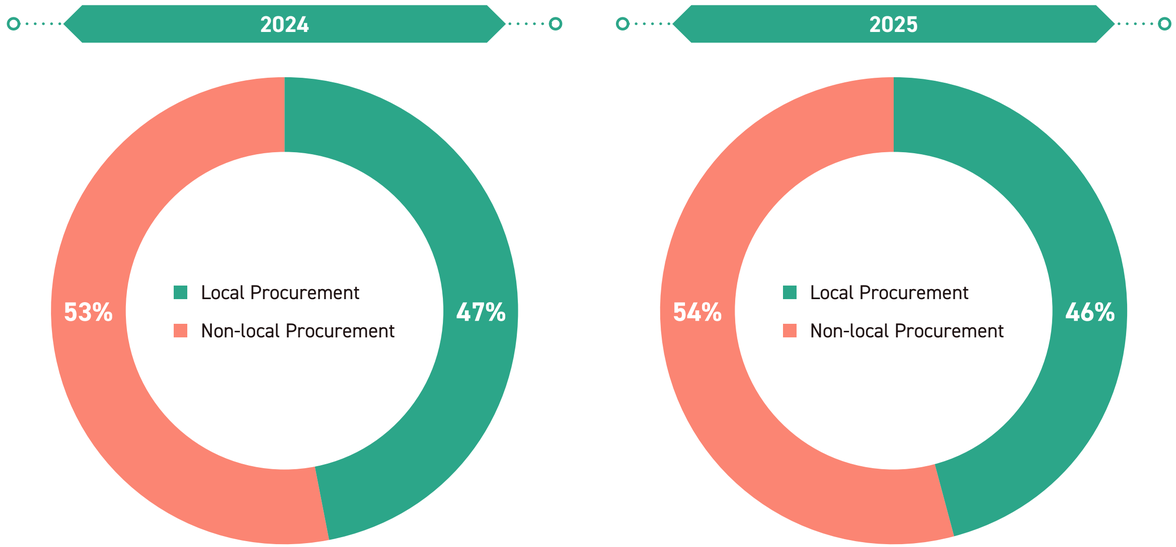
The scope of the actual visits covers: supplier system certification and internal management measures, procurement and incoming material management, process management, shipment management, warehouse management, environmental substance control, and relevant documentation required to be provided by suppliers.

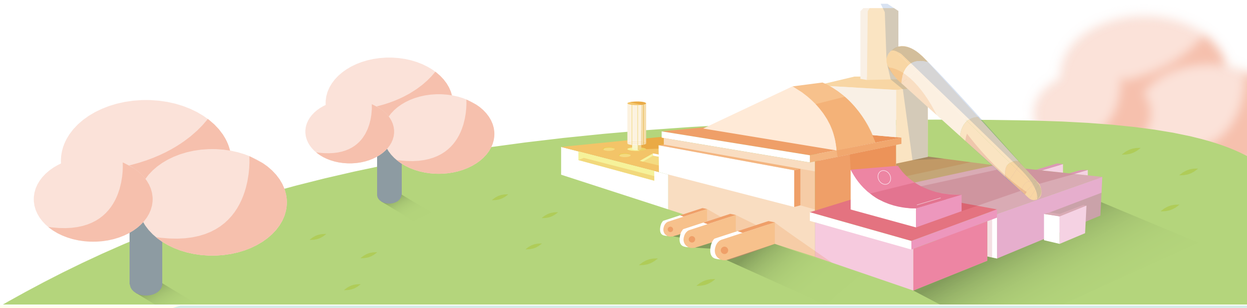
5.3.5 Local Procurement

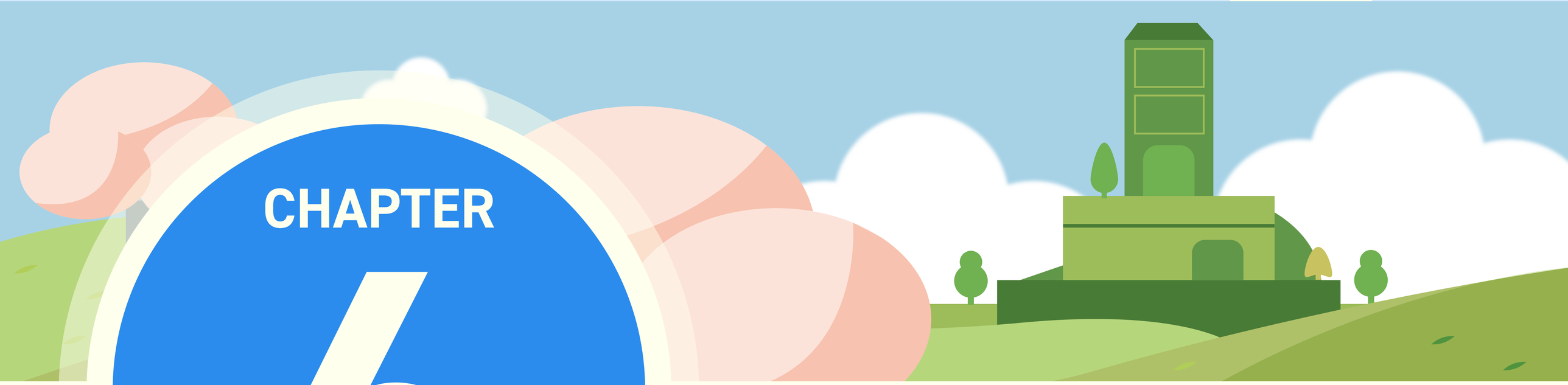
◆ GRI 204-1

For Solteam, suppliers located in the same country as the factories are considered as local suppliers. Solteam's main operating production premises are located in China, Cambodia, and Taiwan, etc. In addition to price, cost, technology, quality, and service, short chain (prioritizing local supply chain) is also an important consideration when choosing a partner supplier. Short-chain supply can significantly shorten transportation routes, save transportation time, reduce carbon emissions, and thus take us towards the goal of net zero. We continuously and actively improve the resilience of our supply chain to march towards sustainability and contribute our part to the planet hand in hand with suppliers.

The local procurement status is as follows:







CHAPTER

6

Diverse Social Inclusion

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6.1 Manpower Capital

Talents are the most important assets and the competitive advantages of Solteam. With the employment principle of meritocracy, suitability, and appropriateness, talents are able to fully demonstrate their expertise and bring their skills into full play. Treating employees as family, Solteam's goal in talent cultivation is not only to allow employees work peacefully and care-free, but also to thrive with the Company and march towards sustainable operations.

6.1.1 Employee Recruitment, Compensation, and Welfare

◆ GRI 2-7、GRI 2-8、GRI 2-30、GRI 401-1、GRI 401-2、GRI401-3、GRI402-1、GRI405-1、RT-EE-000.B

Solteam abides by the labor laws and regulations in each global location of the Company while eliminating any aggression upon human rights in order to create a diversified, open, and equal working environment and to fulfill the responsibility in human rights protection. We treat every employee with equal acceptance and respect, and emphasize the uniqueness and individual strengths of each employee, which empowers Solteam's sustainable growth in the industry.

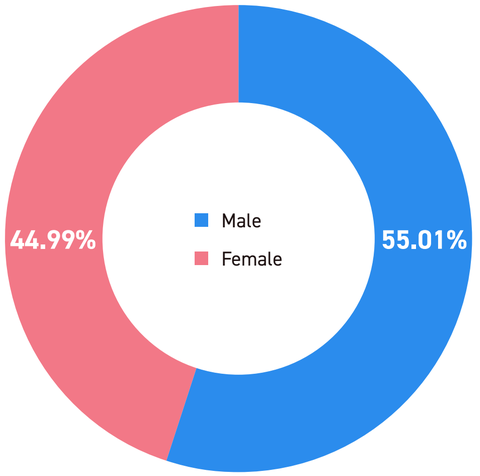
Manpower Structure

The Company has been consistently recruiting and retaining outstanding talents over the years to maintain stability in our workforce structure, while also implementing diverse talent development programs. We conduct pre-employment training and internal work guidance for new employment hires in accordance with employee training regulations to provide them with the skills required for their jobs. Also, we promote excellent and competent talents with a fair, open, and impartial promotion system. Additionally, during the course of recruitment and appraisal, Solteam does not discriminate ethnicity, color, age, gender orientation, race, disability, pregnancy, religion, political affiliation, union membership, or marital status.

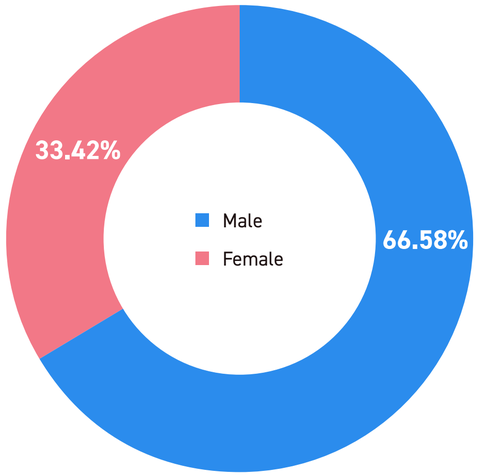
Statistics on the Nature of Employees

As of December 31, 2025, the total number of workers of the entire Solteam Group was 2,514, of which 1,383 (55.01%) were male and 1,131 (44.99%) were female, with an average ratio of men to women and a balanced development of gender. The proportion of female executives in the management was 37.41%, which shows that we talents were appointed by meritocracy and that fair development opportunities were entitled for all regardless of gender. The proportion of new male and female employees accounted for 66.58% and 33.42%, respectively. Solteam emphasizes on protecting gender equality in employment and creating fair competition as well as career development opportunities. Moreover, all operating locations of the Solteam Group adhere to their local regulations for people with disabilities rights protection and employ the stipulated number of individuals with disabilities. By the end of 2025, a total of 2 physically and mentally challenged employees were hired across the Group.

Solteam Group Employee Gender Ratio in 2025



Solteam Group New Employee Gender Ratio in 2025



Regions	Taiwan	China	Asia-Pacific	Taiwan	China	Asia-Pacific
Nature of Employees	Male			Female		
Fixed Term Contracts	-	277	505	2	231	260
Non-fixed Term Contracts	157	13	-	131	13	-
Total	157	290	505	133	244	260
Full-time	157	290	505	131	244	260
Part-time	-	-	-	2	-	-
Total	157	290	505	133	244	260

Statistics on Employees and Non-Employee Workers

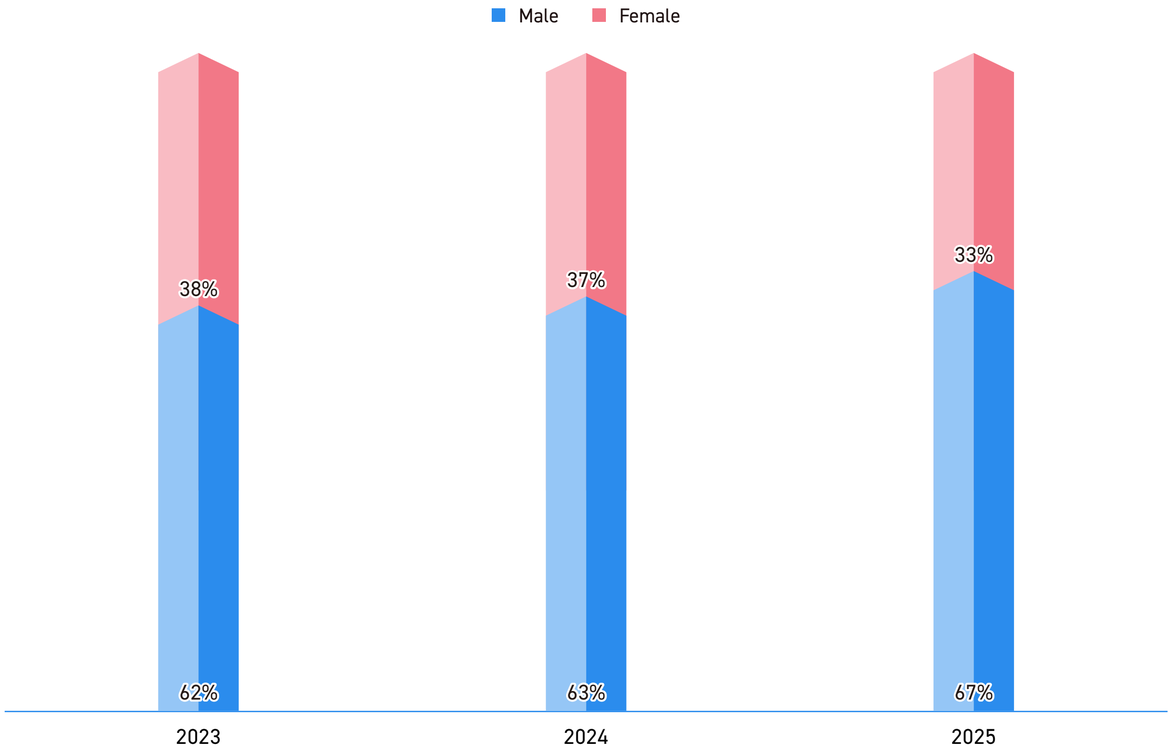
Regions	Taiwan	China	Asia-Pacific	Taiwan	China	Asia-Pacific
Nature of Workers	Male			Female		
Employees	157	290	505	133	244	260
Non-employee[Note]	-	431	-	-	494	-
Total Number of Workers	157	721	505	133	738	260

Note: 01. The headcounts for Taiwan region contains the individuals in Solteam Incorporation (incl. the Dayuan Factory) and Solteam Opto, Inc. The Asia-Pacific region refers to Asian territories exclusive of Taiwan and China, which specifically includes our operational sites across Southeast Asia.
02. Primarily agency workers.

Statistics on New Hires

Year	Region	Gender	Under 30 Years Old	30-50 Years Old	50 Years Old and Above	Total	Percentage
2023	Taiwan	Male	1	6	2	9	62%
	China		22	22	0	44	
	Asia-Pacific		107	30	0	137	
	Taiwan	Female	0	3	0	3	38%
	China		14	21	0	35	
	Asia-Pacific		60	18	1	79	
2024	Taiwan	Male	6	12	2	20	63%
	China		56	107	5	168	
	Asia-Pacific		237	104	0	341	
	Taiwan	Female	4	15	2	21	37%
	China		27	107	5	139	
	Asia-Pacific		107	42	6	155	
2025	Taiwan	Male	13	16	7	36	67%
	China		26	23	0	49	
	Asia-Pacific		461	242	1	704	
	Taiwan	Female	9	21	1	31	33%
	China		28	17	0	45	
	Asia-Pacific		202	110	8	320	

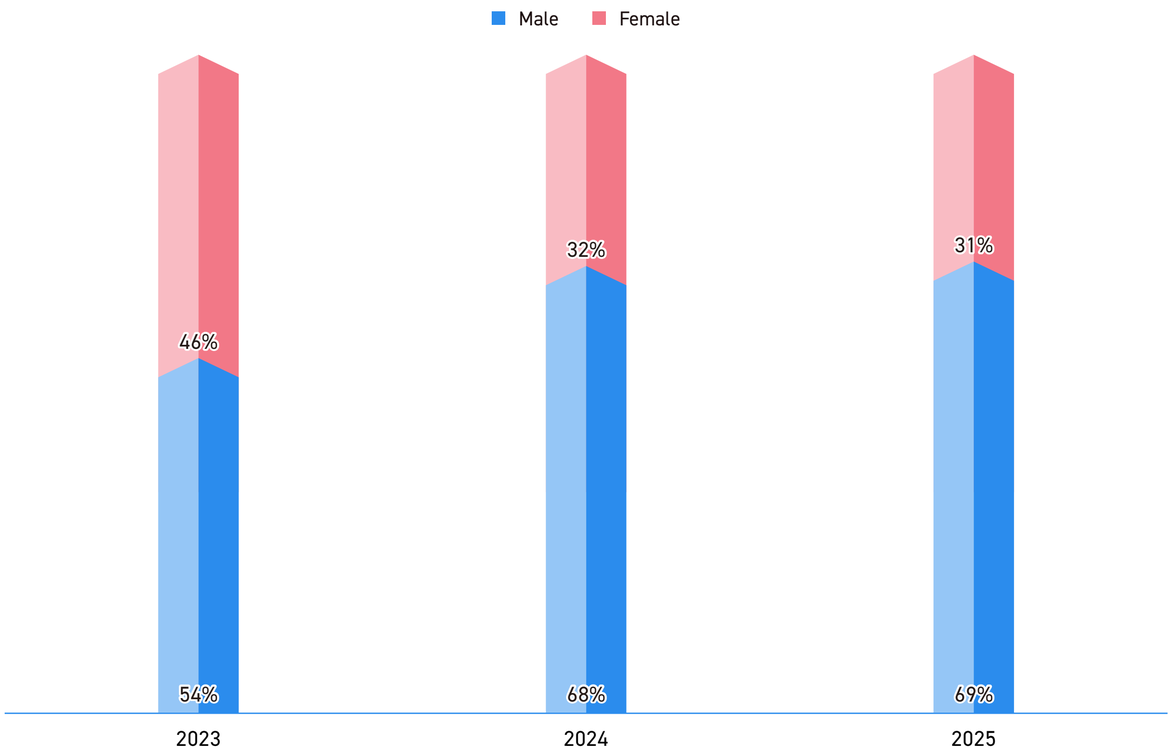
Solteam Group 2023-2025 New Employee Gender Ratio



Statistics on Employee Turnover

Year	Region	Gender	Under 30 Years Old	30-50 Years Old	50 Years Old and Above	Total	Percentage
2023	Taiwan	Male	4	10	5	19	54%
	China		54	47	1	102	
	Asia-Pacific		46	24	1	71	
	Taiwan	Female	4	9	0	13	46%
	China		33	59	8	100	
	Asia-Pacific		32	16	1	49	
2024	Taiwan	Male	0	5	0	5	68%
	China		30	44	0	74	
	Asia-Pacific		189	76	1	266	
	Taiwan	Female	1	2	2	5	32%
	China		23	36	2	61	
	Asia-Pacific		72	21	1	94	
2025	Taiwan	Male	3	15	7	25	69%
	China		27	27	4	58	
	Asia-Pacific		251	94	2	347	
	Taiwan	Female	4	13	2	19	31%
	China		16	23	0	39	
	Asia-Pacific		95	36	5	136	

Solteam Group 2023-2025 Resigned Employee Gender Ratio



Tendency and Reason for Turnover Dynamics

Driven by the Solteam Group's continuous expansion in recent years, the overall employee turnover has experienced a slight increase. An analysis of population structures and regions indicates that the turnover population in recent three years have primarily been concentrated among the younger generation, "aging under 30 years old," and the "Asia-Pacific region," with a higher proportion of men than women. This trend is correlated with the Group's scaling in the production base in Cambodia and the resultingly extensive employment of frontline production workforce, which is a role with higher turnover rate.

Employee Structure

Gender / Job Rank	Taiwan	China	Asia-Pacific	Taiwan	China	Asia-Pacific
	Male			Female		
Senior Management	12	3	0	4	0	1
Middle Management	41	24	8	16	13	3
Junior Management	18	69	0	16	51	0
General Staff	86	194	497	97	180	256
Total	157	290	505	133	244	260
Proportion of Each Gender in Management Level	62.72%			37.28%		

Diverse Employee Composition

Type of Identity	Taiwan		China		Asia-Pacific	
	Number of Employees	Ratio	Number of Employees	Ratio	Number of Employees	Ratio
Physically Challenged	2	0.69%	-	-	-	-
Indigenous	12	4.14%	-	-	4	0.52%
Ethnic Minorities[Note]	-	-	31	5.81%	-	-
Total	14	4.83%	31	5.81%	4	0.52%

Note: Except for the Han Chinese, all other ethnic groups in China are considered ethnic minorities.

Employee Benefits

Talents are the most important assets for Solteam. In order to attract, motivate, and retain outstanding talents, Solteam offers a variety of benefits that satisfies the needs of our employees.

Solteam has the "Employee Welfare Committee" in place that convenes meetings regularly to discuss about employee benefits and supervise the employment of the benefit bonuses. Employees may apply for various benefit allowances through the online system. Additionally, Solteam has set up the "Solteam Employee Stock Ownership Trust" program, in which every employee is eligible to participate. Employees may choose a fixed amount per month, within a certain quota, to be appropriated. Then, the Company contributes an amount of bonus at a certain percentage based on the said employees' appropriation to purchase Solteam's stocks in a dollar-cost-averaging manner. This way, employees become the shareholders of Solteam to jointly share the fruit of operational performance. In the meanwhile, it raises employees' attention to the Company's long-term operational goals as well as growth, boost employees' enthusiasm and teamwork at work, and enhance the protection of employees' retirement life.

Comprehensive Coverage to Keep Employee Minds from Worries

In order to help employees better manage their physical health, we have been organizing employee health check-ups as required by law. At the same time, the Company also covers the expenses of labor insurance, national health insurance, and occupational hazard insurance coverage along with monthly contribution to employee pensions. In addition, we also offer group insurance for our employees to include the coverage for life insurance, accident insurance, medical insurance, and cancel insurance so as to make the overall protection more comprehensive and allow employees to keep their minds from worries.

Diverse Subsidies to Provide Comprehensive Care for Employees

Solteam regards our employees as the most important partner. Therefore, we are dedicated to develop a comprehensive benefit system to accompany our colleagues at various important stages in life. By providing congratulatory gifts for marriage, maternity subsidies, education scholarship for our colleagues and their children, gifts for housewarming, emergency hospitalization grants, and subsidies for funeral and bereavement, we ensure substantial support for our employees at a time of need. Moreover, in gratitude to our employees' diligent contributions, we not only provide bonuses for festivals, the Labor's Day, and employee birthdays but also arrange employee trips and relevant subsidies annually. These initiatives encourage our colleagues to properly relax and balance their physical and mental wellbeing and return to their post with full energy.

Work-Life Balance and A Workplace in Support of Marriages, Parenting, or Family Care

Solteam is dedicated to cultivating an environment that supports marriages and parenting. We promote a flexible shift system, which allows employees to flexibly arrange work schedules based on their own and family circumstances, to assist them in attending to both career development and family care. In the effort of facilitating physical and mental health and family harmony, the Company organizes family activities and seminars annually.

Category	Content	Number of Participants
Family Seminar	Effective Discipline: Exploring Children's Strengths	38
Family Activity	Volunteering Activity—the Mid-Autumn Festival Gift-Wrapping—by the Down Syndrome Foundation	47

Application and Return-to-Work Rate of Unpaid Parental Leaves in 2025:

Gender	Male	Female
Number of People	1	3
Return-to-Work Rate	100%	100%

In 2025, a total of 9 employees applied for subsidies for marriage, childbirth, and education scholarships, with a total of NT$21,800 distributed. Solteam aims to continue our support to provide our colleagues with a more comprehensive and worry-free workplace.

Employee Remunerations

To attract, motivate, and retain excellent talents, the Company annually adjusts salaries, distributes employee remunerations, and year-end bonuses based on the Company's profit-making and employees' performance. We also provide incentive mechanisms such as various welfare measures and foreign language allowance.

The remuneration variations and incentive system is as follows:

Item	Description
Employee Remuneration and Year-end Bonus	According to the Company's compensation structure, which consists of fixed salary and variable salary, the Company determines the remunerations based on the job responsibilities within the Company and the degree of contribution to the Company. The Company's remuneration procedures not only consider the Company's overall operating performance and the future development of the industry, but also reflect individual performance and contribution when granting the remuneration.
Proposal Bonus	To encourage our colleagues in diverse thinking, if a proposal for breakthroughs in research and development technology, optimization of administrative processes, etc. is approved by the direct supervisor, a bonus will be awarded to the proposer in accordance with the incentive scheme.
Project Innovation Incentive Measures	The measures are set to encourage our colleagues to actively pursue innovative invention, thereby facilitating the Company's product development and enhancing the business performance. A bonus is awarded based on the number of patent applications to anyone who proposes patent applications that are adopted by the Company. An additional bonus is further awarded to the individual whose patent application is approved by the competent authority in charge of patent affairs.
Foreign Language Allowance	To encourage our employees in the advancement of foreign language abilities, we follow the implementation procedures for foreign language allowances and provide foreign language allowances for those who have obtained language certificates a certain level of proficiency.
Employee Remuneration	Solteam has stipulated in the Articles of Incorporation that 3% to 10% of the net profit before tax shall be contributed if the Company makes profits in that year. Additionally, no less than 5% shall be allocated out of the above contribution to serve as the compensation distributions for non-executive employees. In 2024, Solteam appropriated NT$32,204 thousand as employee compensation.

The employee benefits for the most recent three years are summarized below:

Unit: NT$ Thousand

Item	2023	2024	2025
Compensation Expenses	183,487	241,674	255,650
Director Remunerations	7,745	15,667	17,171
Post-retirement Benefits	10,296	10,053	11,216
Labor and Health Insurance Expenses	18,781	18,938	20,170
Share-based Payment	5,278	-	-
Total of Employee Benefits Expenses	225,587	286,332	304,207

Note: The information is based on the Solteam Group (headquarters and Dayuan factory).

Salary of Non-management Full-time Employees

◆ GRI2-21

In 2025, there were 212 full-time non-management employees in Solteam with an average annual salary of NT$977 thousand and a salary median of NT$878 thousand. The numbers were calculated in accordance with the regulations of the Taiwan Stock Exchange, which excludes executive officers (managers) and employees eligible for exemption. For those not employed by the Company for a full year, the data is prorated, and the profit-sharing amount is on a profit-year basis. The main reason for the decrease in non-management salaries in 2025, compared to that in previous fiscal year, is that the Company onboarded an increased proportion of graduates and entry-level technical operators, whose short service years and incomplete receipt of annual compensation diluted the statistical figures. Moving forward, we will continue to optimize our salary system to boost talent retention and sustainable development.

Unit: Expressed in NT$ thousands (except for the number of persons)

Value \ Year	2023	2024	2025
Number of Persons	208	189	212
Average	861	1,046	977
Median	763	929	878

Note: The information is based on the Solteam Group (headquarters and Dayuan factory).

Information Related to "Annual Total Compensation" of Solteam's Employees

Item	2024	2025	Variance
Annual Total Compensation for the "Highest-Paid Individual" (A)	-	-	18.29%
"Median Annual Total Compensation" for All Employees (Excluding the Highest-Paid Individual) (B)	-	-	1.85%
"Annual Total Compensation Ratio" (A/B)	6.98	7.54	990%

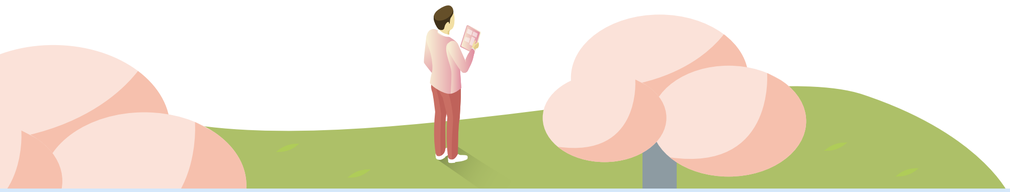
Note: 01. Annual Total Compensation Ratio = Annual Total Compensation for the Highest-Paid Individual / Median Annual Total Compensation" for All Employees (Excluding the Highest-Paid Individual)
02. Percentage Increase in Annual Total Compensation Ratio = Percentage Increase in Annual Total Compensation for the Highest-Paid Individual / Median Percentage Increase in Annual Total Compensation for All Employees (Excluding the Highest-Paid Individual)

Employee Performance Interviews

Solteam emphasizes on the communication with employees and conducts performance evaluation interviews with all employees every year. In 2025, the interview rate was 100%. Although there is no collective agreement (e.g., unions) yet, we still encourage employees to reflect their personal needs through interviews or complaint mailboxes and put forward relevant suggestions through labor-management meetings. In the event of alternation in the rights and interests of employees due to significant operational changes where a labor contract requires termination, such matters shall be handled in accordance with the local policies and regulations of each factory.

Employee Satisfaction and Opinion Surveys

To attend to the voice of our employees and continuously optimize our workplace, the Human Resources Department arranges employee satisfaction surveys annually. This mechanism gathers feedback across core dimensions, including work environment, compensation and benefits, and career development, serving as an important basis for refining organizational management and amplifying employee well-being. In 2025, the Company conducted a survey at our primary production hub, the Suzhou Factory. A total of 795 employees participated, representing an 88.83% response rate and receiving an average of 8 scores (out of 10) on the overall satisfaction. Moving forward, the scope of employee opinion surveys will be progressively scaled to cover the entire Group. The survey results in 2025 shows that the Company's office environment, management systems, corporate culture, and workplace atmosphere are highly recognized by our colleagues. Additionally, to address the suggestion raised by approximately 28% of employees regarding "cafeteria menu selections," the Company has emphasized on and initiated an improvement plan. The specific measures include: diversifying menu profiles, strengthening professional training for our kitchen staff, and dynamically adjusting flavors (e.g., seasoning) based on employee feedback. With these enhancements, we strive to deliver superior catering services and substantively upgrade employees' dining satisfaction.



6.1.2 Employee Education and Training

◆ GRI404-1、GRI404-2、GRI404-3

Solteam has a long-term plan for the training of employees' professional capabilities. In addition to the training of professional and managerial skills, Solteam also trains our colleagues to communicate and collaborate with overseas clients face-to-face in order to broaden the international perspective and increase the experience of international cooperation. Besides, Solteam encourages colleagues to take the initiative in strengthening their foreign language skills and provides foreign language allowances as a reward for those who have obtained foreign language certification and applied their foreign language expertise to work. Colleagues can discuss with their supervisors to draw up their own education and training programs based on their current abilities and work objectives and strengthen their professional and technical skills through practical experience, peer exchanges, teaching by senior colleagues and supervisors, and course sessions. Moreover, Solteam also has an education and training platform where learning resources are uploaded for employees to learn freely. The course contents contain not only professional and technical training, but also soft skills development.

- **Orientation Training:**
  Newly hired employees can seamlessly transition to their tasks upon onboarding through the online educational training platform, which includes topics of professional competencies, environmental safety and health, ethical corporate management and trade secrets, and information security as well as system operations.
- **Management Training for On-the-Job Supervisors:**
  Courses on management competencies are organized for supervisors at different levels (frontline, mid-level, and senior personnel) and management associates.
- **Training for On-the-Job Skills:**
  Based on the organization's operational policy, we arrange annual training programs, encompassing internal and external training courses as well as archiving the relevant records.





Training for On-the-Job Skills: Eight Disciplines (8D) Problem Analysis and Solving





Training for On-the-Job Skills: Comsol Electromagnetic Simulation Analysis





Training for On-the-Job Skills: Legal Course-Sexual Harassment Prevention



Training for On-the-Job Skills: Practical Applications of ChatGPT



Orientation Training: Dialogue with the Chairman



Management Training for On-the-Job Supervisors: Corporate Response Strategies for Global Tax Reform and Supply Chain Restructuring



Management Training for On-the-Job Supervisors: Ground-breaking AI Advancements and Commercial Applications

Solteam's colleagues actively participated in the education and training held by internal units and external organizations. The statistics on the training hours are as follows:

Management Level	2023	2024	2025
Male (Hour)	1,163	3,490	2,233
Female (Hour)	786	2,134	1,710
Total Hours Spent by the Management Level	1,949	5,624	3,943
Total Number of the Management Level	242	286	307
Average Training Hours of the Management Level	8.05	19.66	12.84

Non-management Level	2023	2024	2025
Male (Hour)	2,749	8,350	9,272
Female (Hour)	2,621	7,097	7,735
Total Hours Spent by the Non-management Level	5,370	15,447	17,008
Total Number of the Non-management Level	1,311	1,024	1,712
Average Training Hours of the Non-management Level	4.10	15.08	9.93

The content of the courses are as follows:

Category of Training System	Contents Covered	Training Hours (hours)
I. Training for New Employees and General Education	Onboarding training and general education	3,747.09
II. Leadership and Management Development	Corporate operation and management courses	442
III. R&D and Technical Engineering	Product R&D, engineering technology, information technology, and information security	3,182.43
IV. Production and Quality Management	Production management, materials management, quality control, and medical material quality management	10,039.22
V. Corporate Operation and Sustainability Governance	Sustainable development, environmental safety and health, human resources, financial and accounting internal control, and marketing business.	3,539.82

To guarantee the delivery of the most excellent products to our customers, Solteam extremely values the continuous optimization of manufacturing process and quality control. In the current fiscal year, we allocated a total of 10,039.22 hours in the education and training resources on the topic of "Production and Quality Management." Through solid production management training and dedicated courses on quality management and medical devices quality control for over 1,000 rigorous training hours, we are devoted to planting "quality awareness" into the daily operations of every employee and incessantly fortify corporate manufacturing advantages.

6.1.3 Human Rights

◆ GRI2-23、GRI2-24、GRI2-25、GRI406-1、GRI408-1、GRI409-1、GRI412-1、GRI412-2

Solteam approves of and voluntarily complies with the internationally-recognized human rights standards and principles, including the spirit and basic principles of human rights protection as revealed in the" Universal Declaration of Human Rights, "the" United Nations Global Compact," the "International Labour Conventions, "the" Code of Conduct – Responsible Business Alliance (RBA)" , and the "International Covenant on Civil and Political Rights (ICCPR)." Our human rights policies are formulated in alignment with the guiding principles of the aforementioned norms to embody the responsibility of respecting and protecting human rights and adherence to the labor laws and regulations in each global location of the Company and to eliminate any aggression upon human rights. Furthermore, Solteam and partners such as suppliers build cooperation modes according to the "Supplier Sustainable Development Code of Conduct" to jointly follow and safeguard the rights of both parties in the aspects of labor, health and safety, environment, ethics, and management systems and to create a comfortable and healthy working environment.

The scope of Solteam's human rights policy, which is applicable to Solteam, its domestic and overseas subsidiaries, and other related corporate organizations with substantial control, is described below:



Please refer to the Company's official website for Solteam's complete human rights policy.



Workplace Equality

Solteam will regularly assess the level of human rights risks and will formulate improvement as well as reinforcement measures according to the level of risk. Solteam has also set up work-related regulations in accordance with the "Regulations for Establishing Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace" in order to ensure the protection of employees' rights and to provide a workplace free of harassment. The relevant regulations are posted on the Company's intranet for employees' reading and inquiry at any time. In 2025, the completion rate of the educational training related to human rights completed by all employees was 100% with a total of 727 training hours. To ensure compliance with corporate social responsibility and ethical norms, there is no situation of forced labor, illegal human trafficking, and slavery within Solteam. When hiring employees, we also ensure that the ages of employees are aligned with the minimum working age required by the laws of the workspace and implement the stringent prohibition of child labor. Solteam never has any situations of child labor. In the future, we will continue to comply with the relevant regulations in order to protect the physical and mental health as well as the human rights of all employees.

Short Column

Breaking Language Barriers: Fulfilling Multi-National Diversity and Equity

To implement workplace Diversity, Equity, and Inclusion (DEI), Solteam hopes that employees with different national and lingual backgrounds are entitled with balanced career development. In support of this vision, the Cambodia Factory initiated a special "Internal Mandarin Education Course." Colleagues with good mandarin proficiency serve as the internal instructor to provide equalized linguistic capacity-building resources to our local employees. In the current fiscal year, the Company dedicated a total of 130 instructional hours to this educational program. On one hand, this initiative effectively dismantles intercultural communication barriers and secures information equality across the factory. On the other hand, it substantively empowers Cambodian talent and grants them equal opportunities to career development and promotion, building a truly friendly and inclusive cross-national workplace.

Employee Appeal Policy

Solteam provides employees with various communication channels to ensure that all kinds of opinions are received in a timely manner. In full support of an open and transparent culture with morals and integrity, internal employees and external personnel are encouraged to report, in anonymous or named manners, any non-compliance with laws and regulations or Solteam's related policies through the relevant whistleblowing channels. This is to avert the occurrence of problems such as improper supervision, inequity, workplace sexual harassment, or other workplace suggestions, etc., to implement the Code of Ethical Conduct and the Ethical Corporate Management Best-Practice Principles established by Solteam, and to ensure the legitimate rights and interests of the whistleblower and the relevant personnel.

In 2025, no complaint involving sexual harassment was received. After investigation and interviews, collection of relevant supporting evidence, and joint examination and resolution by the Complaint Handling Committee, the individual of misbehavior in this case was punished according to the degree of violation. In addition, Solteam organizes unscheduled courses on gender equality and related topics to raise employees' awareness of gender equality and personal rights protection through education and training. Through a systematic management mechanism, Solteam provides employees with a quality working environment free from discrimination, bullying, and harassment.

Appeal Procedures for Sexual Harassment

The complainant may file a complaint with the department head or the human resources units verbally, via email, or in writing.

→ Upon the receipt of a complaint, the department head or the human resources units shall submit the relevant materials in writing to the Human Resources Department within 3 days.

→ The Human Resources Department shall establish a Sexual Harassment Complaint Review Commitee within 7 days from the date the wirtten materials are received.

→ The Sexual Harassment Complaint Review Committee shall establish an investigation team for further investigation.

→ The investigation and ruling shall be completed within 2 months from the filing date of the complaint.

The period may be extended by 1 month if necessary, and the party concerned shall be notified in writing.

↓ NO

→ Disciplinary actions shall be taken according to the resolution.

→ Case closed

The party concerned disagree with the resolution results. ↑

An appeal may be filed with the local competent authority.

↑ YES

The party concerned shall be notified of the resolution results in writing.

Personal Data Protection Policy and Its Implementation

To implement privacy rights, Solteam has established the "Personal Data Protection and Privacy Management Policy," with the scope covering internal employees, customers, suppliers, and third parties with whom we develop commercial relationships. We have expressly stipulated that all data shall be included in our information security control mechanisms. Moreover, we have established corresponding collection and processing regulations based on the classification level of the information to effectively safeguard its confidentiality, integrity, and availability. When collecting data, Solteam shall protect the statutory rights of the parties concerned to access, correct, and delete their personal information. We uphold a zero-tolerance policy toward any violations and have clear appeal procedures and reporting channels in place. To embed a profound data protection awareness across all personnel, Solteam arranges education and training related to "Personal Data Protection and Privacy" annually. In 2025, a total of 685 individuals attended the training, with an accumulation of 342.5 hours. Looking ahead, we will spare no effort in building a secure and reliable information defense environment for all stakeholders through our comprehensive management systems.

A total of 685 individuals attended the training

685

Total accumulated hours reached

342.5 hours



6.2 Employee Occupational Safety and Health

◆ GRI403-1、GRI403-5、GRI403-7

Solteam has set up a dedicated Health and Safety Unit as required by law, which takes charge of labor's safety and health affairs and introduce appropriate management systems. Through joint formulation of the precautionary measures, coordination, and planning regarding safety and health regulations, we ensure our colleagues' safety in the workplace. For the purposes of embedding safety awareness, our colleagues must receive complete occupational safety education and training prior to their employment or transfer. Additionally, Solteam arranges diverse environmental safety and health training (including internal physical/online courses and external training sessions) on an unscheduled basis to continuously strengthen employees' concept of operational safety.

In terms of emergency response and disaster prevention, Solteam has a dedicated medical team in place. In 2025, a total of 14 participants completed the on-the-job refresher training for first-aid personnel and occupational safety and health and obtained the relevant certification. Concurrently, Solteam conducts stringent inspections on fire-fighting, disaster prevention, and safety equipment on a regular basis to mitigate disasters at source. Additionally, each factory holds fire drills once a year and fire prevention seminars twice a year. In 2025, a total of 378 individuals completed the training. For external partners, Solteam seamlessly follows the "Contractor Construction Safety and Health Management Procedures" to comprehensively safeguard the operating safety and health of the contractors within the factory premises.

For physical operating environments, Solteam conducts the workplace environmental monitoring once a year and provides personal protective equipment to employees in the positions involving occupational hazards in order to eradicate potential injuries. Furthermore, the Company implements environmental disinfection (semi-annually or annually) across the factory in order to provide our colleagues with a safe working environment and to effectively prevent contagious virus and vector-borne hazards.

In 2025, there were 2 occupational safety incidents in the entire Group of Solteam, consisting of cuts and burns during operations. The Company has conducted a thorough review regarding these occurrences. In the future, we will continuously optimize our work environment and protection equipment and enforce safety advocacy as well as audits on special operations to embed a precautionary management and strive for the ultimate goal of zero occupational accidents.

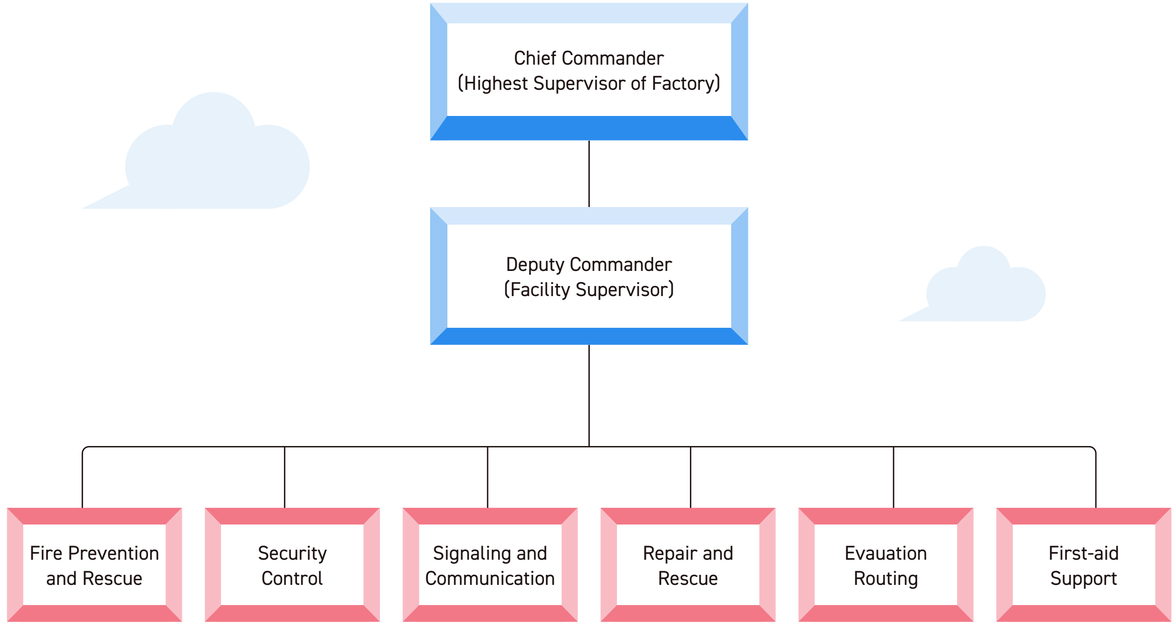
Identification of Occupational Safety and Health Hazards and Their Risk Assessment Process



Incident Investigating Process



Emergency Response Team



Chain of Command for Emergency Response

Once a disaster is noticed, the duty supervisors and the emergency response commander shall be notified instantly. The commander shall assemble the members of the emergency response team to the scene immediately and organize a personnel evacuation from the disaster scene promptly, where the members of the emergency response team shall follow the command and perform their respective functions without delay to assist in the evacuation. After evacuating from the scene to the designated gathering point, a head count shall be conducted immediately and reported back to the emergency response commander. Upon completion of the evacuation, the emergency response team then immediately carries out fire rescue measures, disconnect the electric switches, and rescue important properties depending on the development of the disaster.

External Communication

01 When the development of the disaster is beyond control of the Company, it is necessary to immediately call the police or the local fire department for help and assign personnel to guide and cooperate with the fire department for on-site rescue.

02 The emergency response team shall review the environmental pollution status of the accident, fill in the emergency analysis and environmental impact report, and, if necessary, submit the report to the government authorities in a timely manner.

03 After the occurrence of the accident, its causes shall be investigated and presented as an analysis report, according to which the contingency plan should be reviewed and amended with effective rectifying and preventive measures proposed subsequently.

04 After the accident, the Information Department shall repair the communication system with all speed to ensure smooth communication channels, confirm whether important data is damaged, and immediately activate the backup data.

05 The General Affairs Department shall instantly assemble personnel to clean up the accident site, repair water, electricity, and gas pipelines as well as facilities for power distribution, water supply, and gas supply, and report the damage status without delay.

06 The Materials Department shall promptly take an inventory of raw materials and finished products in stock, in transit, and in production, provide immediate feedback on the recovery situation to facilitate the decision-making by the management, and simultaneously conclude whether the major suppliers will be impacted due to natural disasters and other accidents.

Contingency Management

Contingency management is formulated targeting natural disasters, chemical leakage, communicable disease prevention, fire control, failure of critical equipment, production emergencies, and customer returns. Competent departments carry out contingency management according to each emergency and resume production at the earliest. Specific contingency management is as described in the "Emergency Response Control Procedures."



6.2.1 Employee Health Care

◆ GRI403-2、GRI403-3、GRI403-4、GRI403-6、GRI403-8、GRI403-9、GRI403-10

Personal Health Management

In Taiwan, Solteam provides complimentary health checkups for all employees every three years, of which the results of the health checkups are analyzed by on-site physicians and registered nurses. Those who have higher health risks are given health consultation and further follow-ups by on-site medical practitioners. In Cambodia, the health checkup is conducted once every two years by arranging physical examination for employees at partner hospitals.

In China, we conduct annual physical and health examination for employees who involve in chemicals, fumes, and noise projects and who take posts at welding, soldering, glue encapsulating, fumes, and injection molding. Additionally, we also arrange job-based and exit-employment physical examinations for new employee hires and employee turnover.

A total of 280 employees participated in the physical examination of Solteam Group in 2025

280

On the other hand, Solteam has an occupational physician and a nurse practitioner required by law to assist in grading employee health risks, arranging health consultations for high-risk cases, detecting potential risks in the working environment, and providing improvements for the working environment. The occupational physician visits Solteam's headquarters and Dayuan factory once every 2 months for 2 hours each time; whereas the occupational nurse practitioner visits the factories 6 times per month for 2 hours each time. A total of 82 employees were served by occupational physicians and nurse practitioners in 2025.



Fostering Psychological Health

On the visits to the factories every week, professional registered nurses provide complimentary psychological and health services with proper privacy protection to relieve employees' physical and mental stress. Employees can make appointments for one-on-one individual counseling with the professional registered nurses directly, of which the costs are fully covered by the Company with no limit on the number of times.

Solteam is dedicated to fostering the physical and mental health as well as the work-life balance of employees. By organizing diverse health and de-stress activities and courses for spiritual growth, we actively build a workplace with care and support. We encourage our colleagues to learn the methods of timely stress release and to further enhance their physical and mental well-being. The following activities were held in Taiwan headquarters and Dayuan factory in 2025 for our colleagues to sign up freely.

Solteam's courses on physical/mental health and work-life balance are as follows:

Name of Educational Training	Duration of Course	Number of Participants	Corresponding SDGs
Health Seminar-Navigating 3C Computer Vision Syndrome and Metabolic Syndrome	2	20	3 GOOD HEALTH AND WELL-BEING
Stress-Relief Creation: Pastel Art	1.5	5	3 GOOD HEALTH AND WELL-BEING
Therapeutic Stress Relief: Spinning Class	9	109	3 GOOD HEALTH AND WELL-BEING



Professional instructors led Solteam's employees in the Therapeutic Stress Relief: Spinning Class.



Our colleagues attended the Health Seminar-Navigating 3C Computer Vision Syndrome and Metabolic Syndrome.

6.3 Social Inclusion

Solteam upholds "Plebeianized Management, Professional Leadership, Transparent Operations, and Focus on Environmental Protection" as our corporate philosophies in hopes that we are able to reach balance in the economic, environmental, and social development and achieve the goals for sustainable development. Hence, Solteam actively participates in social welfare and environmental protection campaigns, hoping to help the minority and solve the most demanded and pressing problems. In the meanwhile, we are giving Company earnings back to the society and the environment as our contribution to them and expressing the relevant ideas to our stakeholders, so as to create a virtuous cycle.

6.3.1 Social Welfare Activities

To realize the philosophy of giving back to the society and the environment, Solteam actively organized or participated various public welfare campaigns in 2025, demonstrating our understanding and accountability toward social responsibility and our specific commitment to sustainable development. These campaigns not only enhance social welfare, but also strengthen employees' teamwork, raise social awareness, and promote environmental and social care through participation. Furthermore, employees can experience a sense of joy and fulfillment in helping others.

Hands-on Charity: Support for the Down Syndrome Foundation

10 REDUCED INEQUALITIES 17 PARTNERSHIPS FOR THE GOALS

Solteam upholds the co-prosperity philosophy of "Join Philanthropy with Solteam" to continuously amplify our social participation. In 2025, we invited our colleagues to join the volunteering activity—the Mid-Autumn Festival gift-wrapping—hosted by the Down Syndrome Foundation, delivering warmth with actual actions. After the event was successfully concluded, Solteam procured the products made by the Foundation as gifts for our colleagues. With practical purchase, we support the individuals with disabilities on their journeys toward independence. A total of 47 colleagues participated in this public welfare action enthusiastically, contributing an accumulation of 94 hours in community service and a total of NT$10,000. Through these efforts, we realize our sustainability vision of fostering inclusion and mutual benefit between corporate and underprivileged communities.



Group picture of Solteam's volunteers



Volunteered as packaging workers

Positive Circulation: Joining Hands and Delivering Love with 1919 Food Bank

Actively supporting the TPEx Family's rally, Solteam participated in the Love Action initiative of the 1919 Food Bank. In 2025, Solteam donated a total of 360 kilograms of rice, amounting to NT$15,000. Through substantial support, we take care of the economically challenged households in margins of society and project a positive and initiative social impact.



The Senior Assistant General Manager, Mrs. Chiu, Su-Ching, received a certificate of appreciation on behalf of Solteam.



TPEx Family Joins Hands in Support of Public Welfare

Hot-Blooded: Blood Donation Initiative

The colleagues at the Dong Guan Factory rolled up their sleeves to support the blood donation events. A total of 12 generous employees participated in the blood donation this year, donating a combined total of 4,200 ml of blood. Every drop of blood carries the hope of sustaining life and demonstrate the philanthropical spirit that runs through the selfless dedication of the Solteam family.





Colleagues at the Dong Guan Factory who proactively participated in the blood donation.

Safeguarding Underprivileged Groups and Their Equality: Responding to Reindeer Children Home and the Garden of Hope Foundation

Solteam has long been engaging in social care and committed to constructing a safety and protective sanctuary for the margins of the society. In terms of our efforts in child care, we have continued to support the Child Sponsorship of the Reindeer Children Home, contributing a total of NT$12,000 during this year. Every year, we make donations as the child support for orphaned and abused children, assisting in their safety and growth. Simultaneously, to actively respond to gender equality and the violence elimination, we have set up dedicated donation boxes and contribute all proceeds to the Garden of Hope Foundation. Through our sustained support to various underprivileged groups, we aim to establish a friendly environment free from discrimination and violence where everyone can enjoy a life with dignity and honor.

6.3.2 Social Influence

While participating in the public welfare activities mentioned above, Solteam also persists in investing resources to focus on assisting specific organizations and giving back to particular communities every year. With an effective resources deployment, Solteam can not only solve the current demands, but also facilitate the sustainable development of these groups.

Concrete Actions in Support of Social Enterprise

Tasting the Sweetness and Nurturing the Rural Communities: Procurement from Suan-Lian Pear on Mid-Autumn Festival

Every bite of the sweet fruit contains a hope for ameliorating the current educational conditions in rural areas. Upholding a co-prosperity philosophy, Solteam has continued the tradition of selecting the "Suan-Lian Pear," cultivated in Zhuolan, Miaoli, as Mid-Autumn Festival gifts for our guests. In the meantime, we also invite all colleagues to for the group-buying campaign. In 2025, we allocated a total of NT$75,229 in support of this project.

The "Suan-Lian Pear" initiative, as a social enterprise, stives to give back its profits back to the local communities. In addition to providing guaranteed purchase, securing the basic income for farmers, and promoting eco-friendly grass cultivation with no herbicide, the funds directly helps Jhuo Lan Elementary School by offering the after-school tutoring fees as well as transportation to/from school of the children. Through this meaningful Mid-Autumn Festival gifting, Solteam and our colleagues implement the spirit of "Responsible Consumption," practically safeguard local agricultures while enjoying quality agricultural products, and lighten up the future for rural students.



Group picture of the students from Jhuo Lan Elementary with the Shuang-Lian gift boxes.



Fresh pears cultivated and picked by local farmers.



Short Column

Go Paperless, Go Green: Electronic Coupons

In the past, the Employee Welfare Committee of Solteam procured charity gift boxes as Mid-Autumn greetings. To continue our operational philosophy in the ESG sustainability practices and to offer flexibility to our employees, we introduced the "Edenred Electronic Coupons" for festive bonuses. This strategic policy not only eliminated the paper consumption caused by conventional paperback vouchers, but also granted our colleagues a higher level of autonomy, which allowed them to use the electronic coupons for procurement of preferred charity boxes or products. This initiative has successfully achieved the paperless target and significantly reduced the waste of traditional gift boxes generated by logistics and over-packaging. Furthermore, its has seamlessly incoporated employee welfare and our aspiration of public welfare support, specifically realizing our coproate commitment to a greener environment.

Cultivating Innovative Sparks: Industry-Academic Collaboration in Developing Compassionate Science and Technology Talents

To encourage young students to dive into innovative research and development, Solteam has continuously sponsored the "National Compassionate Science and Technology Innovation Competition." A "Solteam's Special Award" has also been established with a total incentive of NT$25,000. Apart from the provision of substantial research and development rewards, we also arrange for on-site evaluations performed by our colleagues as a gesture of passing on practical corporate experience to the younger generation. We remain dedicated to fostering innovative talents capable of social care and technological applications in Taiwan.



Solteam's colleagues acted as presenters.



Solteam's colleagues acted as judges to provide practical experience from corporate view.

Go Extra Mile for Love: Supporting Literacy for Rural Students

Solteam believes that creative art possesses the power to unlocking the boundless potential of children. This year, we fervently supported the "Universal Theater for Rural Children," a public welfare program of the Godot Theatre, by sponsoring children from rural areas to watch the classic theatrical production, "3 Idiots." For this event, we specially launched a donation mechanism, where "the Company allocates an additional equivalent amount of every ticket purchased by an employee," successfully rallying 30 enthusiastic colleagues to participate. With the joint effort between labors and the employment, we contributed a total of NT$60,000. Through theatrical appeal, we aim to lead rural youth to transcend conventional academic frameworks and explore self-worth and confidence from the imaginative world. Following the successful completion of this event, the Company received handwritten gratitude cards from the children, where their innocent and genuine feedback not only touched the hearts of our colleagues but also turned into Solteam's best achievement in our continuous dedication to social care.





Gratitude cards handmade by the students from Yuanchang Elementary School

Achieving Financial ESG Circulation: Injecting Sustainable Finance and Expanding Social Influence

Solteam has taken part of the Mega Bank's "Green and Sustainability Time Deposit" Program since 2025. A total of NT$15 million has been invested as of the current fiscal year. With the influence of financial instruments, Solteam aims to transform corporate capital into the actual momentum for social advancement. Additionally, the said capital will be channeled into various projects related to the UN's Sustainable Development Goals (SDGs), including the promotion of renewable energy technologies and greenhouse gases reduction. In the meantime, it will be widely applied to social inclusion projects such as creating job opportunities, mitigating unemployment risks resulted from socio-economic crisis, supporting affordable residential construction, and boosting socio-economic development, and safeguarding basic rights. Solteam looks forward to generating a more profound and positive impact for the environment and society through cross-industry financial partnership.

6.3.3 Industry-academia Collaboration

The spirit of industry-academia collaboration is to satisfy or create the needs of enterprises through the abundant capacities of research and development in the academia, to establish an interactive platform for close resource integration under the guidance of the government or non-government organizations, to accelerate the replenishment of professional engineers and high-value-added talents spanning numerous industrial fields with the ability of software and hardware integration and practical skills, and to promote the development of industrial innovation.

Collaborating Party	Collaboration Project and Mode
NTU TPIDC Digital Transformation and Sustainable Development Industry-University Alliance	Through the collaboration and participation of alliance partners and members, we established a credible learning and sharing platform and strengthened the digital transformation as well as the capability of sustainable operations among Taiwanese industries and enterprises in order to upgrade corporate competitive edges.
Industry-Academia Alliance for Business Development of Yuan Ze University	
Taoyuan City Industrial Association	We provided various corporate talents training, occupational safety and health certificates, and training consulting services.
Department of Conscription Administration, Ministry of the Interior	With advanced planning of research and development deployment as well as early intake of quality research and development talents, we are able to pioneer in industrial development.
Buddhist Tzu Chi Charity Foundation	We sponsored the "National Compassionate Science and Technology Innovation Competition," which focuses on environmental protection and chooses charity or medical research as the R&D theme. Participants were to give full play to philanthropy and creativity and inject new blood of creativity into research and development, and stimulate endless innovative thinking.
Water Affairs Organization, Taiwan	We gathered cross-industry experts and groups dedicated to water environment governance and water resource utilization technologies as well as equipment to jointly facilitate the economic development of water affairs sector and optimize industrial technological capabilities as well as value added.
Information Service Industry Association, R.O.C., Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs	Through completing AI courses on the "SME e-university" digital learning platform, Solteam's colleagues can systematically enhance the foundational AI literacy and practical understanding of all employees, and successfully build a corporate learning organization capable of agile adaptation.

NTU TPIDC Digital Transformation and Sustainable Development Industry-University Alliance / Industry-Academia Alliance for Business Development of Yuan Ze University

In 2024, Solteam participated in NTU's Digital Transformation and Sustainable Development Industry-university Alliance and Yuan Ze University's Industry-Academia Alliance for Business Development, hoping to establish a credible learning and sharing platform through the collaboration and participation of the alliance partners as well members, to strengthen the digital transformation and sustainable management capabilities of Taiwanese industries and enterprises, and to enhance corporate competitive advantages.

In 2025, Solteam's senior executives participated in the following industry-academia alliance activities:

Name of Activity	Hours of Activity	Number of Participants	Total Hours of Participation
Business and Policy Seminar	2.5	8	20
Entrepreneurship and Business Models in the AI Era	3	2	6
2025 Taiwan Industrial Innovation and Transition Summit	3	1	3
Trump's Tariff War and the Countermeasures of Taiwanese Entrepreneurs	3.5	2	7
The Entrepreneurial Perspective: Mastering ESG and Net-Zero to Construct the Underlying Logic of Competitiveness vs. Leveraging: A Pragmatic Guideline for AI Deployment within Lean Teams	2	1	2

By participating in the activities mentioned above, Solteam not only enhances our development and promotion of the knowledge as well as the methodologies regarding digital transition, sustainable development, and strategic innovation, but also accelerates the Company's digital and green transition. Moreover, Solteam is able to upgrade the market competitiveness of both the industry and the Company through academic seminars, practical sessions, project forums, and the relevant talent cultivation and training. Last but not least, the industry-academia collaboration promotes the interaction, observation, and learning of academic and practical knowledge among industries, the government, the academia, and research institutes; and provides business opportunities to expedite industrial upgrading.





Event highlights

Practical Course for AI Talents Hosted by the Information Service Industry Association of R.O.C. and the Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs

Solteam has introduced external professional resources by participating in the "AI Talent Cultivation and Mentorship Project," which is jointly organized by the Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs and the Information Service Industry Association of R.O.C. We convert these external resources across the industry, government, and academia fields into internal growth catalysts, align them with the Company's future development visions, and formulate a tailored AI talent educational training program. This Project incorporates a digital learning platform, the "SME e-university," requiring our colleagues to complete a minimum of 15 mandatory training hours within the specialized "AI Theme Zone" and obtain official completion certificates. Through this cross-sector collaboration, Solteam has not only systematically upgraded the foundational AI literacy and practical deployment concepts for all employees, but also successfully constructed a corporate learning organization with agile adaptability. In 2025, a total of 50 individuals completed the training, with an accumulation of 750 hours.

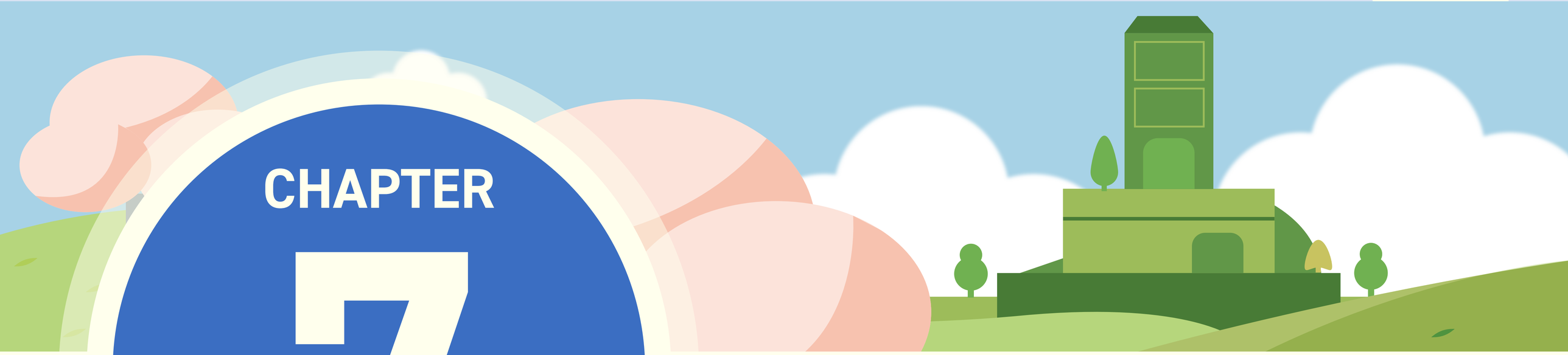


The Company organized a competition for our colleagues after the completion of training.



The Company was awarded an appreciation certificate by the Ministry of Economic Affairs for our proactive engagement in the promotion of digital technology.

Solteam has always believed the philosophy that "What is taken from the society should also be used in the society" and made every endeavor to actively participate in social care activities as well as giving back to the society. Although Solteam is not able to benefit everyone in the society, we still do our utmost to help those who are in need, regardless of the collective, individuals, ethnic groups, or categories. In the years to come, Solteam will continue our efforts in creating a greater and more positive social influence to turn every endeavor into an opportunity for transformation and to bring more hopes and illumination to the community.



CHAPTER

7

Appendix

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7.3 Article 4 of Taipei Exchange "Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies" – Table 1-8 and Table 1-14 Sustainability Disclosure Indicators – Semiconductor Industry, Computer and Peripheral Equipment Industry, Electronic Components Industry, Electronic Access Industry, and Other Electronics Industry. 95

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7.1 GRI Index and Relevant Data

Disclosed Item	Description		Disclosing Chapter /Description	Page No.
GRI 2: General Disclosures 2021				
GRI 2-1	The organization and its reporting practices	Organizational details	1.1 Corporate Sustainability Strategy and Vision	7
GRI 2-2		Entities included in the organization's sustainability reporting	Foreword	3
GRI 2-3		Reporting period, frequency and contact point	Foreword	3
GRI 2-4		Restatements of information	1.5 Restatements of information	13
GRI 2-5		External assurance	Foreword	3
GRI 2-6	Activities and workers	Activities, value chain and other business relationships	1.1 Corporate Sustainability Strategy and Vision	7
GRI 2-7		Employees	6.1 Manpower Capital	72
GRI 2-8		Workers who are not employees	6.1 Manpower Capital	72
GRI 2-9	Governance	Governance structure and composition	3.1 Corporate Governance Structure 3.2 Corporate Sustainability Management	29 31
GRI 2-10		Nomination and selection of the highest governance body	3.1 Corporate Governance Structure	29
GRI 2-11		Chair of the highest governance body	3.1 Corporate Governance Structure	29
GRI 2-12		Role of the highest governance body in overseeing the management of impacts	3.1 Corporate Governance Structure	29
GRI 2-13	Governance	Delegation of responsibility for managing impacts	3.1 Corporate Governance Structure	29
GRI 2-14		Role of the highest governance body in sustainability reporting	3.1 Corporate Governance Structure	29
GRI 2-15		Conflicts of interest	3.1 Corporate Governance Structure	29
GRI 2-16		Communication of critical concerns	3.3 Risk Management	33
GRI 2-17		Collective knowledge of the highest governance body	3.1 Corporate Governance Structure	29
GRI 2-18		Evaluation of the performance of the highest governance body	3.1 Corporate Governance Structure	29
GRI 2-19		Remuneration policies	3.1 Corporate Governance Structure	29
GRI 2-20		Process to determine remuneration	3.1 Corporate Governance Structure	29
GRI 2-21		Annual total compensation ratio	6.1 Manpower Capital	72
GRI 2-22	Strategy, policies and practices	Statement on sustainable development strategy	Foreword	3
GRI 2-23		Policy commitments	6.1 Manpower Capital	72
GRI 2-24		Embedding policy commitments	3.2 Corporate Sustainability Management	31
GRI 2-25		Processes to remediate negative impacts	6.1 Manpower Capital	72
GRI 2-26		Mechanisms for seeking advice and raising concerns	Foreword Chapter 3 Ethical Corporate Governance Chapter 4 Safety and Customer Service Innovation Chapter 5 Green Manufacturing Chapter 6 Diverse Social Inclusion	3 28 41 55 71
GRI 2-27		Compliance with laws and regulations	3.4 Regulatory Compliance	34
GRI 2-28		Membership associations	1.4 External Initiatives	12

Disclosed Item	Description		Disclosing Chapter /Description	Page No.
GRI 2-29	Stakeholder engagement	Approach to stakeholder engagement	2.1 Materiality Analysis	15
GRI 2-30		Collective bargaining agreements	6.1 Manpower Capital	72
GRI 3: Material Topics 2021				
GRI 3-1	Material Topics	Process to determine material topics	2.1 Materiality Analysis	15
GRI 3-2		List of material topics	2.1 Materiality Analysis	15
GRI 3-3		Management of material topics- Ethical Management/Business Ethics	Chapter 3 Ethical Corporate Governance	28
GRI 3-3		Management of material topics- Economic Performance	Chapter 3 Ethical Corporate Governance	28
GRI 3-3		Management of material topics- Corporate Governance	Chapter 3 Ethical Corporate Governance	28
GRI 3-3		Management of material topics- Information Security Management	Chapter 3 Ethical Corporate Governance	28
GRI 3-3		Management of material topics- Customer Relationship Management	Chapter 4 Safety and Customer Service Innovation	41
GRI 3-3		Management of material topics- Product Quality and Safety	Chapter 4 Safety and Customer Service Innovation	41
GRI 3-3		Management of material topics- Innovation Management	Chapter 4 Safety and Customer Service Innovation	41
GRI 3-3		Management of material topics- Risk Management	Chapter 5 Green Manufacturing	55
GRI 3-3		Management of material topics- Supply Chain Management	Chapter 5 Green Manufacturing	55
GRI 3-3		Management of material topics- Energy Management	Chapter 5 Green Manufacturing	55
GRI 3-3		Management of material topics- Climate Risks	Chapter 5 Green Manufacturing	55
GRI 3-3	Material Topics	Management of material topics- Human Resources Management	Chapter 6 Diverse Social Inclusion	71
GRI 3-3		Management of material topics- Human Rights	Chapter 6 Diverse Social Inclusion	71
GRI 3-3		Management of material topics- Labor Relations	Chapter 6 Diverse Social Inclusion	71
GRI 3-3		Management of material topics- Occupational Safety and Health Management	Chapter 6 Diverse Social Inclusion	71
GRI 200: Topic-Specific Standards Disclosure-Economy				
GRI 201-1	Economic Performance: 2016	Direct economic value generated and distributed	1.1 Corporate Sustainability Strategy and Vision	7
GRI 201-2		Financial implications and other risks and opportunities due to climate change	5.1 Climate Risks and Governance	56
GRI 201-3		Defined benefit plan obligations and other retirement plans	2025 Financial Statements	NA

Disclosed Item	Description		Disclosing Chapter /Description	Page No.
GRI 300: Topic-Specific Standards Disclosure-Environment				
GRI 302-1	Energy: 2016	Energy consumption within the organization	5.2 Environmental Management	60
GRI 302-2		Energy consumption outside of the organization	5.2 Environmental Management	60
GRI 302-3		Energy intensity	5.2 Environmental Management	60
GRI 302-4		Reduction of energy consumption	5.2 Environmental Management	60
GRI 302-5		Reductions in energy requirements of products and services	5.2 Environmental Management	60
GRI 303-1	Water and Effluents: 2018	Interactions with water as a shared resource	5.2 Environmental Management	60
GRI 303-2		Management of water discharge-related impacts	5.2 Environmental Management	60
GRI 303-3		Water withdrawal	5.2 Environmental Management	60
GRI 305-1	Emissions: 2016	Direct (Scope 1) GHG emissions	5.2 Environmental Management	60
GRI 305-2		Energy indirect (Scope 2) GHG emissions	5.2 Environmental Management	60
GRI 305-3		Other indirect (Scope 3) GHG emissions	5.2 Environmental Management	60
GRI 305-4		GHG emissions intensity	5.2 Environmental Management	60
GRI 305-5		Reduction of GHG emissions	5.2 Environmental Management	60
GRI 305-6		Emissions of ozone-depleting substances (ODS)	Not applicable as there is no such matter.	NA
GRI 305-7		Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable as there is no such matter.	NA
GRI 306-1	Waste: 2020	Waste generation and significant waste-related impacts	5.2 Environmental Management	60
GRI 306-2		Management of significant waste-related impacts	5.2 Environmental Management	60
GRI 306-3		Waste generated	5.2 Environmental Management	60
GRI 306-4		Waste diverted from disposal	5.2 Environmental Management	60
GRI 306-5		Waste directed to disposal	5.2 Environmental Management	60
GRI 308-1	Supplier Environmental Assessment: 2016	New suppliers that were screened using environmental criteria	5.3 Sustainable Supply Chain	66
GRI 308-2		Negative environmental impacts in the supply chain and actions taken	5.3 Sustainable Supply Chain	66
GRI 400: Topic-Specific Standards Disclosure-Society				
GRI 401-1	Employment: 2016	New employee hires and employee turnover	6.1 Manpower Capital	72
GRI 401-2		Benefits provided to full-time employees that are not provided to temporary or part-time employees	6.1 Manpower Capital	72
GRI 401-3		Parental leave	6.1 Manpower Capital	72
GRI 402-1	Labor/Management Relations: 2016	Minimum notice periods regarding operational changes	Should the rights of our colleagues be affected due to material operational changes, Solteam shall handle such matter pursuant to Article 11 or the provisions of Article 13 of the Labor Standards Act.	NA

Disclosed Item	Description		Disclosing Chapter /Description	Page No.
GRI 403-1	Occupational Health and Safety: 2018	Occupational health and safety management system	6.2 Employee Occupational Safety and Health	81
GRI 403-2		Hazard identification, risk assessment, and incident investigation	6.2 Employee Occupational Safety and Health	81
GRI 403-3		Occupational health services	6.2 Employee Occupational Safety and Health	81
GRI 403-4		Worker participation, consultation, and communication on occupational health and safety	6.2 Employee Occupational Safety and Health	81
GRI 403-5		Worker training on occupational health and safety	6.2 Employee Occupational Safety and Health	81
GRI 403-6		Promotion of worker health	6.2 Employee Occupational Safety and Health	81
GRI 403-7		Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6.2 Employee Occupational Safety and Health	81
GRI 403-8		Workers covered by an occupational health and safety management system	6.2 Employee Occupational Safety and Health	81
GRI 403-9		Work-related injuries	6.2 Employee Occupational Safety and Health	81
GRI 403-10		Work-related ill health	6.2 Employee Occupational Safety and Health	81
GRI 404-1	Training and Education: 2016	Average hours of training per year per employee	6.1 Manpower Capital	72
GRI 404-2		Programs for upgrading employee skills and transition assistance programs	6.1 Manpower Capital	72
GRI 404-3		Percentage of employees receiving regular performance and career development reviews	6.1 Manpower Capital	72
GRI 405-1	Diversity and Equal Opportunity: 2016	Diversity of governance bodies and employees	6.1 Manpower Capital	72
GRI 405-2		Ratio of basic salary and remuneration of women to men	Not disclosed yet	NA
GRI 406-1	Non-discrimination: 2016	Incidents of discrimination and corrective actions taken	6.1 Manpower Capital	72
GRI 408-1	Child Labor: 2016	Operations and suppliers at significant risk for incidents of child labor	6.1 Manpower Capital	72
GRI 409-1	Forced or Compulsory Labor: 2016	Operations and suppliers at significant risk for incidents of forced or compulsory labor	6.1 Manpower Capital	72
GRI 412-1	Human Rights Assessment: 2016	Operations that have been subject to human rights reviews or impact assessments	6.1 Manpower Capital	72
GRI 412-2		Employee training on human rights policies or procedures	6.1 Manpower Capital	72
GRI 412-3		Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	5.3 Sustainable Supply Chain	66
GRI 414-1	Supplier Social Assessment: 2016	New suppliers that were screened using social criteria	5.3 Sustainable Supply Chain	66
GRI 414-2		Negative social impacts in the supply chain and actions taken	5.3 Sustainable Supply Chain	66
GRI 418-1	Customer Privacy: 2016	Substantiated complaints concerning breaches of customer privacy and losses of customer data	4.1 Customer Service	42

7.2 SASB Index and Relevant Data

Upon inquiry using the SICS® look-up tool of the SASB, Solteam falls in the category of Electrical & Electronic Equipment under Resource Transformation. The information required to be disclosed is detailed in the following table.

Topic	Code	Metric	Category	Disclosure Chapter	Description	Page No.
Energy Management	RT-EE-130a.1	(1) Total energy consumed(GJ)	Quantitative	5.2 Environmental Management	56,043 (GJ)	60
		(2) percentage grid electricity(%) and	Quantitative	5.2 Environmental Management	55,306/56,043=98.68%	60
		(3) percentage renewable(%)	Quantitative	5.2 Environmental Management	Renewable energy was not used.	60
Hazardous Waste Management	RT-EE-150a.1	Amount of hazardous waste generated(T) and percentage recycled(%)	Quantitative	5.2 Environmental Management	53.22 metric tonnes of hazardous waste and 0% of percentage recycled	60
	RT-EE-150a.2	Number and aggregate quantity of reportable spills(kg) and quantity recovered(kg)	Quantitative	-	There were no circumstances involving spills.	NA
Product Safety	RT-EE-250a.1	Number of recalls issued and total units recalled	Quantitative	-	There were no circumstances involving recalls.	NA
	RT-EE-250a.2	Total amount of monetary losses as a result of legal proceedings associated with product safety.	Quantitative	-	There were no circumstances involving legal proceedings associated with product safety.	NA
Product Lifecycle Management	RT-EE-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	-	Not applicable as Solteam's products are not terminal products.	NA
	RT-EE-410a.2	Percentage of eligible products(%), by	Quantitative	-	Not applicable as Solteam's products are not terminal products.	NA
	RT-EE-410a.3	revenue, certified to the Energy Star® Standards	Quantitative	-	Not applicable as Solteam's products are not terminal products.	NA

Topic	Code	Metric	Category	Disclosure Chapter	Description	Page No.
Materials Sourcing	RT-EE-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	5.3 Sustainable Supply Chain	To prevent risks of supply chain disruption, the Company comprehensively evaluate the commercial conditions and sustainability performance of suppliers at the selection phase. Also, we avoid single-source procurement, develop secondary suppliers and substitute materials, and adjust our safety stock mechanism to strengthen the resilience across the supply chain. In the meantime, we proactively distribute the "Supplier Assessment Questionnaire (SAQ)" to identify and manage potential ESG risks, thereby effectively monitoring the implementation status of suppliers and ensuring a stable supply of raw materials as well as the sustainable development of the Company.	66
Business Ethics	RT-EE-510a.1	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	Discussion and Analysis	3.5 Ethical Corporate Management 5.3 Sustainable Supply Chain	Internal Regulations and Practices: We have formulated the ethical corporate management regulations and required Board members as well as the senior management to sign the relevant declaration. In 2025, we promulgated the "Solteam Group's Code of Conduct," which expressly stated our anti-corruption, anti-bribery, and anti-competition standards, to ensure that all of our operating sites adhere to the highest moral principle of "Zero Tolerance." Prevention Mechanism of Supply Chain: All suppliers are required to sign the "Supplier Sustainable Development Code of Conduct" to ensure that the entire value chain upholds a consistent set of legal and ethical standards.	36 66
	RT-EE-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	-	There were no circumstances involving legal proceedings associated with bribery or corruption.	NA
	RT-EE-510a.3	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	-	There were no circumstances involving legal proceedings associated with bribery or corruption.	NA
Activity Metrics	RT-EE-000.A	Number of units produced by product category	Quantitative	5.2 Environmental Management	In 2025, a total of 125,610 thousand units of electronic components were produced.	60
	RT-EE-000.B	Number of employees	Quantitative	6.1 Manpower Capital	A total of 2,514 workers in the entire Group	72

7.3 Article 4 of Taipei Exchange "Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies" – Table 1-8 and Table 1-14 Sustainability Disclosure Indicators – Semiconductor Industry, Computer and Peripheral Equipment Industry, Electronic Components Industry, Electronic Access Industry, and Other Electronics Industry.

Number	Indicator	Type of Indicator	Annual Disclosure
1	Total energy consumed, percentage grid electricity, and percentage renewable	Quantitative	Total energy consumed: 56,043 GJ Percentage grid electricity: 98.68% Percentage renewable: No renewable energy was used.
2	Total water withdrawn and total water consumed	Quantitative	Total water withdrawn: 104.91 megaliter Total water consumed:20.982 megaliter. Description: Solteam's water consumption was mainly generated from domestic use. The wastewater discharge was estimated at 80% of total water withdrawal, while the total water consumption was estimated at 20%.
3	Amount of hazardous waste generated and percentage recycled	Quantitative	Amount of hazardous waste:53.22 metric tonnes Percentage recycled: 0%
4	Description of the types, the number of people, and the ratio of occupational disasters	Quantitative	Number of occupational disasters and people affected: 2 incidents / 2 persons Type of Primary Disasters: Cuts and burns during operations. Disabling Injury Frequency Rate: 0.57 Calculation Formula: (Times of disability injury*1,000,000)/total person-work hours
5	Disclosure of product lifecycle management: Including the weight of discarded products and electronic waste and the percentage recycled	Quantitative	Not applicable as there were no related incidents.
6	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	To prevent risks of supply chain disruption, the Company comprehensively evaluate the commercial conditions and sustainability performance of suppliers at the selection phase. Also, we avoid single-source procurement, develop secondary suppliers and substitute materials, and adjust our safety stock mechanism to strengthen the resilience across the supply chain. In the meantime, we proactively distribute the "Supplier Assessment Questionnaire (SAQ)" to identify and manage potential ESG risks, thereby effectively monitoring the implementation status of suppliers and ensuring a stable supply of raw materials as well as the sustainable development of the Company.
7	Total monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	There were no monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations in 2025.
8	According to the production category, the main product output	Quantitative	Please refer to the Annual Report of Shareholder Meetings for details.

7.4 Climate-Related Information of TPEx-Listed Companies

Item	Implementation Status	Corresponding Section	Page
(1) Description of the supervision and governance of climate-related risks and opportunities by the board of directors and management.	In order to concretely practice corporate social responsibility, the board of directors of the company has passed the "Practical Guidelines for Sustainable Development," which clearly defines the four main principles of (1) implementing corporate governance, (2) developing a sustainable environment, (3) maintaining social welfare, and (4) enhancing the disclosure of corporate social responsibility information. This serves as the highest guiding principle for Solteam's promotion of sustainable development. The Company has established a "Sustainable Development Committee" as the decision-making unit, with the chairman serving as the convener and the general manager, senior general manager, and corporate governance officer serving as committee members. The committee is responsible for formulating sustainability strategies and directions, including the oversight and governance of climate-related risks and opportunities. In addition, the Company has established a sustainability office, with dedicated personnel assisting in the promotion and implementation of the Company's sustainability policies.	3.2 Corporate Sustainability Management	31
(2) Description of how identified climate risks and opportunities affect the company's business, strategy, and finances (short-term, medium-term, long-term).	To enhance the risk management function, the Board of Directors of Solteam has approved the Group's "Risk Management Policy." Through management procedures including risk identification, assessment, control, monitoring, and communication, the Company aims to clearly comprehend the scope of various risks and adopt appropriate measures. This ensures that relevant risks are properly managed, thereby efficiently allocating limited resources to risk management efforts. To assess the short-, medium-, and long-term operational and financial impacts of climate change, Solteam has adopted the TCFD framework to identify the likelihood and impact severity of climate-related risks and opportunities. Based on these findings, the Company plans to formulate response strategies and management targets, which will subsequently be reported to the Board of Directors in accordance with established procedures.	3.3 Risk Management 5.1 Climate Risks and Governance	33 56
(3) Description of the financial impact of extreme weather events and transition actions.	The Company has implemented the TCFD framework and completed the initial qualitative identification and potential impact assessment of extreme weather events (physical risks) and transition actions (transition risks). To more accurately measure the financial impacts, Solteam plans to further incorporate scenario analysis in the future to complete a quantitative financial assessment of climate-related risks.	5.1 Climate Risks and Governance	56
(4) Description of how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	The Company has formulated the group's "Risk Management Policy," in which business units, functional units, and regions analyze and identify risks within the scope of risk management defined by the group. After identifying possible risk factors, they analyze the likelihood of risk events and their potential negative impacts to understand the effects of risks on the company, providing the basis for risk management.	3.3 Risk Management 5.1 Climate Risks and Governance	33 56
(5) If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and major financial impacts should be explained.	The Company has completed the qualitative identification of climate-related risks and opportunities in accordance with the TCFD framework. However, the quantitative calculation of financial impacts has not yet been conducted at this stage. Moving forward, the Company will continue to gather relevant data to progressively build quantitative models for assessing specific financial impacts.	5.1 Climate Risks and Governance	56

Topic	Code	Description	Page No.
(6) If there are transformation plans to manage climate-related risks, describe the content of the plan, as well as indicators and targets used to identify and manage physical and transition risks.	The Company has not yet established a concrete climate transition plan. However, in terms of risk management, the Company has adopted the TCFD framework to conduct a qualitative identification of climate-related risks and opportunities at this stage. Upon completion of this identification process, the Company will further plan and disclose whether climate transition actions need to be initiated, based on the assessment results and actual operational conditions.	5.1 Climate Risks and Governance	56
(7) If internal carbon pricing is used as a planning tool, explain the basis for pricing.	The Company currently has no plans to implement internal carbon pricing in 2025.	5.1 Climate Risks and Governance	56
(8) If climate-related goals are set, explain the activities covered, scope of greenhouse gas emissions, planning timelines, annual progress, etc.; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve the goals, explain the source and quantity of the offset carbon credits or the number of RECs.	The company has not set climate-related goals yet, but commits to: (1) Managing greenhouse gas emissions and seeking opportunities to reduce emissions (2) Complying with climate change-related laws and regulations issued by regulatory authorities The company commits to strictly comply with environmental and energy regulations related to its activities, products, and services, and to meet or exceed relevant standards, actively cooperating with government environmental policies to continuously improve and prevent pollution.	5.2 Environmental Management	60
(9) Greenhouse gas inventory and assurance situation with reduction targets, strategies, and specific action plans (to be filled in sections 1-1 and 1-2).	Since the Company's capital has not yet reached NT$5 billion, according to the timeline outlined in the Sustainability Development Roadmap for TWSE/TPEx-listed Companies, we are required to disclose consolidated greenhouse gas (GHG) inventory information and set carbon reduction targets by 2027. For details on the 2025 GHG inventory and 2024 assurance, please refer to the section below titled "Greenhouse Gas Inventory and Assurance Status."	5.2 Environmental Management	60

1-1 Recent two-year greenhouse gas inventory and assurance situation:

1-1-1 Greenhouse Gas Inventory Information:

Describe the emissions (metric tons CO_2e), intensity (metric tons CO_2e/million NT$), and coverage scope of greenhouse gases in the most recent two years.

Note: The company's data for 2024 & 2025 is as follows. (The company is currently voluntarily disclosing)

Year	2024	2025
Scope 1 Emissions	193.5155	448.3052
Scope 2 Emissions	3477.1192	7,572.8364
Total	3670.6347	8,021.1416
Intensity Ratio (product output)	126,825	125,610
Intensity of Greenhouse Gas Emission	0.0289	0.0639

- 2024 Inventory Boundary: Taiwan Headquarters, Dayuan Plant, Solteam Opto, and Suzhou Plant.
- 2025 Inventory Boundary: Taiwan Headquarters, Dayuan Plant, Solteam Opto, and Suzhou Plant, with the addition of the Dongguan Plant and Cambodia Plant

Note:
01. Direct emissions (Scope 1, directly from sources owned or controlled by the company), energy indirect emissions (Scope 2, from purchased electricity, heat, or steam causing indirect greenhouse gas emissions), and other indirect emissions (Scope 3, emissions generated by the company's activities that are not energy indirect emissions but are from other sources owned or controlled by other companies).
02. The coverage scope and data of direct emissions and energy indirect emissions shall be handled according to Article 4-1, Paragraph 2 of the Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies (hereinafter referred to as these operational procedures). Other indirect emission information may be disclosed voluntarily.
03. Greenhouse Gas Inventory Standard: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by the International Organization for Standardization (ISO).
04. Intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least data based on revenue (in million NT dollars) should be provided.

1-1-2 Greenhouse Gas Assurance Information:

Describe the recent two-year assurance situation, including the scope of assurance, assurance organizations, assurance criteria, and assurance opinions:

The company's greenhouse gas inventory information for 2024 is as follows, No external assurance was conducted in 2025 (The company is currently voluntarily disclosing)

- Scope of Assurance (Organizational Boundary): Taiwan (including Dayuan) and Suzhou plant, China
- Assurance Organization: Ernst & Young
- Assurance Criteria: Case No. 3410 – Assurance of Greenhouse Gas Statement
- Audit Period: January 1, 2024 to December 31, 2024
- Assurance Opinion: The Reasonable Assurance Report on Greenhouse Gases for the Year 2024, please refer to the following page

1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Describe the baseline year and data, reduction targets, strategies, specific action plans, and progress toward reduction targets.

The company has not yet reached the mandatory disclosure deadline.

7.5 Third-party Verification – Greenhouse Gas

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English Translation of a Report Originally Issued in Chinese

Independent Accountant's Assurance Report on Solteam Incorporation Greenhouse Gas (GHG) Statement

Solteam Incorporation

We have undertaken a reasonable assurance engagement of the accompanying GHG statement of Solteam Incorporation (including the Head Office, Dayuan factory and Solteam Electronics (Suzhou) Co., Ltd.) ("Solteam") for the period from 2024/1/1 to 2024/12/31, comprising the Emissions Inventory.

Regarding GHG statement of Solteam's, please refer to appendix A.

Solteam's responsibility for the GHG Statement

Solteam is responsible for the preparation of the GHG statement in accordance with ISO International Standards ISO 14064-1:2018 ("ISO 14064-1:2018") published by International Organization for Standardization. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of a GHG statement that is free from material misstatement, whether due to fraud or error.

GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the The Norm of Professional Ethics for Certified Public Accountant of the Republic of China issued by the National Federation of CPA Associations of the R.O.C., which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies TWSQM1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Our Responsibility

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

A reasonable assurance engagement undertaken in accordance with ISAE 3410 involves performing procedures to obtain evidence about the quantification of emissions and related information in the GHG statement. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error. We have considered internal controls relevant to Solteam's preparation of the GHG statement. A reasonable assurance engagement also includes:

- Assessing the suitability in the circumstances of Solteam's use of ISO 14064-1:2018 as the basis for the preparation of the GHG statement;
- Evaluating the appropriateness of quantification methods and reporting policies used, and the reasonableness of estimates made by Solteam; and
- Evaluating the overall presentation of the GHG statement.

We believe that the evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Reasonable Assurance Opinion

In our opinion, Solteam's GHG statement for the period from 2024/1/1 to 2024/12/31 is presented, in all material respects, in accordance with ISO 14064-1:2018.

Ernst & Young
May 20, 2025
Taipei, Taiwan, Republic of China

Notice to Readers:
The reader is advised that the assurance report has been prepared originally in Chinese. In the event of a conflict between the assurance report and the original Chinese version or difference in interpretation between the two versions, the Chinese language assurance report shall prevail.

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Appendix A:

Emissions	t-CO2e/year	Proportion (%)
Category 1: Direct GHG emissions and removals	**193.5155**	**5.27**
Direct emissions from stationary combustion	0.3284	0.01
Direct fugitive emissions from the release of GHGs in anthropogenic systems	182.3620	4.97
Direct emissions from mobile combustion	10.8251	0.29
Category 2: Indirect GHG emissions from imported energy	**3,477.1192**	**94.73**
Indirect emissions from imported electricity	3,477.1192	94.73

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7.6 Third-Party Verification – Sustainability Report

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Independent practitioner's assurance report

To: SOLTEAM INCORPORATION

Scope

We have been engaged by Solteam Incorporation (the "Company") to perform a 'limited assurance engagement,' as defined by the Taiwan Accounting Research and Development Foundation, hereinafter referred to as the engagement, to report on selected sustainability performance indicators (the Subject Matter) contained in the Company's 2025 Sustainability Report (the "Report").

The Subject Matter selected by the Company and their applicable criteria

Regarding the Subject Matter selected by the Company and their applicable criteria, please refer to Appendix A.

The Company's responsibilities

The Company's management is responsible for the preparation of the Company's 2025 Sustainability Report in accordance with the adequate criteria, including referencing the Global Reporting Initiatives Standards ("GRI Standards") issued by the Global Reporting Initiative (GRI) , and compiling in accordance with the Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies issued by the Taipei Exchange (TPEx) and the disclosure standards issued by the Sustainability Accounting Standards Board (SASB) for electrical & electronic equipment industry, and for the design, execution and maintenance of internal controls in regard to report preparation to support the collection and presentation of the Company's 2025 Sustainability Report. The Company's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Statements on Assurance Engagements (ISAE) 3000" Assurance Engagements Other than Audits or Reviews of Historical Financial Information", issued by the Taiwan Accounting Research and Development Foundation, and the terms of reference for this engagement as agreed with the Company. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

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Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Norm of Professional Ethics for Certified Public Accountant in the Republic of China, and have the required competencies and experience to conduct this assurance engagement.

EY also applies Standards on Quality Control No. 1 "Quality Control for Public Accounting Firms", which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Conducted interviews with personnel to understand the business of the Company, the overall implementation of sustainability development and the reporting process
- Conducted interviews with personnel and inspections of documents to understand how the Company communicates with and responds to main stakeholders, and to understand stakeholders' expectations and needs
- Conducted interviews with key personnel of the Company to understand the process for collecting, collating and reporting the Subject Matter during the reporting period
- Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- Undertook analytical procedures on the Subject Matter; collected and evaluated the supporting documentation, obtained management's assertions of the Subject Matter, and, if necessary, tested on a sample basis
- Identified and tested assumptions supporting calculations
- Tested, on a sample basis, the underlying source information to check the accuracy of the data
- Read the Report to ensure that the overall implementation of sustainability development is consistent with our understanding

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Inherent Limitation

Non-financial information contained within the Sustainability Report are subject to measurement uncertainties. The selection of different measurement techniques can result in materially different measurement. Also, assurance engagements are based on selective testing of information being examined, and it is not possible to detect all of the existing material misstatements whether resulting from fraud or error.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter for the year ended December 31, 2025, in order for it to be in accordance with the applicable Criteria.

Hung, Kuo-Sen

Ernst & Young

July 31, 2026

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Appendix A:

No.	Page	Corresponding Chapter	Corresponding Report Contents	Applicable Criteria	Supplementary Explanation
1	62	5.2.1 Energy	The consumption of purchased electricity, the total energy consumed and the purchased electricity usage ratio in 2025.	The Company compiles energy consumption data for each facility based on electricity bills and other relevant energy consumption records.	According to Sustainability Disclosure Indicators set out in Attachments 1.8 to 1.14 of Article 4 of the Taipei Exchange Regulations Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies: (1) total energy consumption, (2) percentage of purchased electricity, and (3) renewable energy usage ratio.
2	64	5.2.3 Water	The total municipal water withdrawal, total water consumption, and per capita water consumption in 2025.	The Company compiles water withdrawal data for each facility based on water bills.	According to Sustainability Disclosure Indicators set out in Attachments 1.8 to 1.14 of Article 4 of the Taipei Exchange Regulations Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies: total water withdrawal and total water consumption.
3	65	5.2.4 Waste Management	Total amounts of general business waste and hazardous waste generated from the production process, and the recycling rate in 2025.	The total amount of business waste compiled by the Company and the corresponding disposal methods.	According to Sustainability Disclosure Indicators set out in Attachments 1.8 to 1.14 of Article 4 of the Taipei Exchange Regulations Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies: total weight of hazardous waste generated and recycling percentage.

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solteam

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