

2024 Sustainability Report



About This Report

Welcome to the 2024 Sustainability Report of Chenbro Micom Co., Ltd. (hereinafter referred to as "Chenbro"). With a commitment to integrity and transparency, Chenbro outlines its current strategies and goals on key sustainability issues related to our core objectives and future development. Through a clear understanding of and dedication to these topics, we aim to strengthen our path toward sustainable operations. This report also enables stakeholders to gain a comprehensive view of Chenbro's performance and achievements in sustainability. The report is available in both Chinese and English, and can be downloaded from our official website.

Boundary and Coverage of This Report

The organizational boundaries covered in this year's report include Chenbro's headquarters, major production sites (Chiayi Factory, Chenbro Technology Factory, Procise Electronic Factory, Chen-Feng Precision Factory), as well as our overseas offices in the United States, Germany, and China. Starting in 2024, the scope of disclosure has been expanded to include our offices in Germany and China. For sustainability-related events, projects, and implementation plans mentioned in the report, Chenbro discloses associated financial data based on materiality principles. Primarily, future events, projects, or initiatives with an expected investment exceeding NT\$1 million are included.

Reporting Period

Chenbro has been publishing its Sustainability Report since 2019, and began third-party verification in 2021 to enhance the report's credibility. This report covers the disclosure period for the year 2024 (January 1 to December 31, 2024), which aligns with the financial reporting period. It presents specific practices and performance data across multiple areas, including corporate governance, corporate commitment, innovation and service, environmental sustainability, and social participation. To provide a comprehensive view of our sustainability performance, certain data and topics are traced back to 2022. The previous edition was published in August 2024.

Report Compilation Principles

This report is compiled based on the four principles of AA1000, the GRI Standards, the Sustainability Accounting Standards Board (SASB), and the Task Force on Climate-related Financial Disclosures (TCFD). It integrates the company's annual sustainability goals and actions, along with material topics of concern to stakeholders. The content has been reviewed and approved by the highest executive of the sustainability implementation unit— Chenbro's CEO and Chief Sustainability Officer—and submitted to the board for final approval to ensure the reliability of the disclosed information. The report has been verified by BSI (British Standards Institution Taiwan Branch) in accordance with the AA1000 AS V3 Type 1 Moderate Assurance Level, and the declaration is included in the report appendix.

Feedback

If you have any questions concerning our 2024 Sustainability Report, please feel free to contact us.

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Message from the Chairman and CEO – With great resolve, we stay the course toward sustainability

In 2024, Chenbro faced a dynamic global political and economic landscape, rapidly shifting supply chain structures, and intense competition driven by technological innovation. Despite these challenges, we demonstrated outstanding resilience and adaptability, overcoming obstacles and ultimately achieving record-breaking annual revenue of NT\$14.52 billion—a 29% year-over-year growth—once again setting a new high in Chenbro’s history. While achieving new revenue milestones, we also made remarkable strides in ESG, advancing sustainable development across corporate governance, corporate commitment, environmental sustainability, and social engagement under our guiding principle of “Connecting for Mutual Benefit.” This embodies our belief that the path to sustainable business success lies in balancing both EPS and ESG.

In terms of corporate governance, four out of Chenbro’s nine board members are independent directors, and four are women—each accounting for over 40% of the board—setting a benchmark for board diversity among publicly listed tech companies. For corporate commitment, we envision becoming a “competitive and happy enterprise” by cultivating a learning-oriented organization and nurturing a solid succession pipeline for long-term sustainability. Meanwhile, we place great emphasis on employee well-being, encouraging a culture of physical activity through corporate sports clubs, organizing Family Day events, and offering subsidies for childcare and eldercare. Our commitment to people extends beyond professional development, embracing holistic care for both employees and their families. In response to the challenges of climate change, Chenbro has completed a group-wide greenhouse gas inventory and obtained ISO 14064-1:2018 certification. We are actively expanding our solar energy facilities and increasing the use of renewable energy. Our new plant under construction in Malaysia is being built according to green building standards to support carbon reduction goals and environmental sustainability. Company-wide, employees continue to embrace Lean methodologies, aiming to minimize waste across product design, manufacturing, and packaging delivery—contributing to conserving Earth’s resources and reducing environmental impact through our actions.

As a corporate citizen, Chenbro continues to emphasize educational innovation, land and arts. Partnering with the AAEON Foundation, it has successfully promoted school education in Yunlin for a decade. We are expanding our partnerships with the Po-lin Foundation and Sharestart Foundation to promote environmental education and teacher development. Centered around our Chiayi factory, we are engaging in academia-industry collaboration with multiple universities in the Yunlin-Chiayi-Tainan region, establishing joint laboratories, sponsoring lecture series, and hosting Smart Robot Camps to cultivate interdisciplinary T-shaped talent with advanced industry insights. To promote work-life balance, we are also developing hillside farmland in Dahu, Miaoli, as a recreational space for employees and partners—supporting long-term career and personal well-being. In support of traditional arts, Chenbro has united with fellow enterprises to sponsor the Contemporary Legend Theatre’s residency at the Banqiao Broadcasting Center and became the title sponsor of its performance of Caesar's Maze. Additionally, we support the establishment of the Paul Ching Art Center, which integrates indigenous arts to create an international landmark and revitalize the East Coast.

Sustainability has become an urgent responsibility and an essential goal. At the heart of sustainability is people—and more importantly, a group of individuals who share common values, a united vision, and the will to move forward together. While the roadmap to sustainability is clear, the journey is not without its challenges. Yet, We firmly believe that with the collective effort and unwavering dedication of all our colleagues, Chenbro will continue to advance toward greater operational excellence. Guided by the spirit of “Connecting for Mutual Benefit,” we will continue to deepen our ESG commitments and usher in a new era of sustainable success for Chenbro.



Maggi Chen
Maggi Chen | Chairman



Corona Chen
Corona Chen | CEO

Honors and Recognition in 2024

Company Awards

- 7th Taiwan Mittelstand Award
- 2nd New Taipei City Enterprise Classic Award – Potential Enterprise Award
- 2024 Forbes Asia’s Best 200 SMEs
- 2024 Inerbrand Best Taiwan Global Brands – Honorable Mention
- 3rd TIRI Best Investor Relations Company
- 2024 TCSA Taiwan Corporate Sustainability Awards
 - Bronze Award for Sustainability Report
 - Workplace Wellbeing Leadership Award
 - Social Inclusion Leadership Award
- 8th PwC Sustainability Impact Awards – Industry Innovation Special Award
- Awards for the China Factory
 - Kunshan City Harmonious Labor Relations Enterprise (Chenbro Technology)
 - Kunshan City Grade A Labor Security Credit Rating (Chenbro Technology)
 - Outstanding Import and Export Contribution Enterprise (Chenbro Technology)
 - Level 2 Enterprise for Safety Production Standardization (Chenbro Technology)
 - Top 10 Green and Safe Enterprises (Chenbro Technology)
 - Happy Enterprise of Kunshan City (Chenbro Technology)
 - Top 10 High-Growth Taiwanese-Invested Enterprises (Chenbro Technology)
 - 2024 Top 10 Foreign-funded Enterprises by Main (Procasa Electronic)
 - 2024 Enterprise Contribution Award (Procasa Electronic)

Environmental Sustainability

- RBA certification – Platinum level (Chiayi factory)
- RBA certification – Silver level (Chenbro Technology)

- Climate Change Questionnaire Response Score - Grade D
- Water Resource Questionnaire Response Score - Grade C

Participation in E.SUN Bank's ESG Sustainable Initiative Action to implement energy-saving and carbon reduction measures.



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01 About Chenbro

1.1 Company Profile

1.2 Corporate Philosophy and Value

1.3 Operational Performance

1.1 Company Profile

Founded in Taiwan in 1983, Chenbro has transformed from a small trading company to a pioneer in the design and manufacturing of rackmount, tower servers, storage, and PC enclosure solutions. In response to the trend of globalization in the supply chain, Chenbro has established its headquarters in Xinzhuang, Taiwan, with major sales offices and production sites located across key regions worldwide, enhancing global logistics capabilities, building a comprehensive global distribution network, and providing customers with localized services.

Chenbro's core advantage lies in its R&D, design, and manufacturing capabilities, enabling three business models: OTS standard products, ODM/JDM, and OEM Plus. This sets us apart from other chassis manufacturers, establishing a competitive edge through industry differentiation. We globally market our brand "CHENBRO" and expand sales through various channels, offering joint development and OEM services. Our focus is on providing optimal customized solutions, enhancing partnerships with other industries, and fostering win-win relationships with customers.

Company's Name	Chenbro Micom Co., Ltd.
Stock Symbol	8210 (TWSE)
Chairman	Maggi Chen
Founding Year	1983
Listing Year	2012
Headquarter	19F, No. 558, Zhongyuan Rd., Xinzhuang Dist., New Taipei City, Taiwan
Business Locations	USA: California, New Jersey, Texas, Washington State Germany: Dusseldorf China: Beijing, Shanghai
Production Sites	Chiayi Factory (Chiayi) Chen-Feng Precision (Shulin) relocated from Wugu to Shulin in 2025 Chenbro Technology (Kunshan) Procase Electronic (Dongguan)
Capital	NTD 1,209,876,880 (as of February 2025)
Number of Employees	1,612 employees (as of December 31, 2024)
Revenue	NTD 14,517,185,000 (as of 2024)
Participation in External Organizations	Taipei Computer Association, Taiwan Machine Tool & Accessory Builder's Association, Commonwealth Sustainability Forum, Association of Sustainable Enterprise, Gap of Learning and Field, Family Friendly Workplace Enterprise Alliance, Taiwan Automation Intelligence and Robotics Association, Taiwan Excellent Brand Association

Diverse Business Model

Chenbro has developed three major business models—OTS, JDM, and OEM Plus—to meet the diverse needs of different customer segments. We offer a comprehensive range of server solutions from Level 3 to Level 6, while providing full support throughout every stage of product design, assembly, and validation—delivering highly professional mechanical enclosure solutions. Through these three models, Chenbro integrates advanced design capabilities, efficient quality management processes, and a flexible manufacturing system that responds swiftly to customer requirements, ensuring every product meets the highest standards of excellence. Recognizing the growing demand for flexibility and compatibility in the low-volume, high-mix server market, our solutions emphasize high compatibility and product differentiation. We are committed to helping customers accelerate time-to-market, shorten development cycles, and maintain consistent production quality. Chenbro operates major production facilities and sales offices across Taiwan, North America, Europe, and China, establishing a robust global supply chain network that enables rapid response and enhanced service efficiency. With comprehensive technical support and localized services, we empower our customers to excel in highly competitive markets. Chenbro's value lies in fostering a more collaborative and open ecosystem within the IT, server, and cloud industries. We strive to create mutually beneficial partnerships among Chenbro, supply chain partners, motherboard manufacturers, system integrators, and end customers.

OTS

The OTS model adopts a modular design and production approach, delivering server chassis solutions that offer both high compatibility and high differentiation. Our brand philosophy, "Whatever's Inside, CHENBRO Outside," perfectly captures the dual strengths of our products—combining robust internal functionality with exceptional external design, enabling our customers to efficiently deploy products across diverse application scenarios.

Chenbro's products have gained international recognition. From winning the iF Design Award (Germany) in 2022 to receiving the MUSE Design Award and the TITAN Innovation Award in the United States in 2023, we have demonstrated our leadership in product design within the global market.



JDM

The JDM model elevates our service to a comprehensive product co-development partnership. By offering end-to-end solutions—from design concept to final product, including both mechanical and electronic components—Chenbro delivers highly specialized services and support.

Whether in design, validation, or manufacturing, Chenbro is committed to embedding quality-focused thinking into every stage of product development. Our engineering process integrates Design for Manufacturing (DFM) assessments and is supported by both software-based simulations and physical measurement laboratories, enhancing the overall efficiency and accuracy of our R&D efforts. Our goal is to help customers minimize development risks and costs, accelerate time-to-market, and capture and retain design know-how, ultimately creating maximum value through long-term collaboration.

OEM Plus

Chenbro leverages its advanced manufacturing processes and DFM services to help leading brands overcome production challenges. We also offer comprehensive supply chain management services to ensure efficiency and stability throughout the manufacturing process. Our goal is to support customers in excelling in a highly competitive market.

Chenbro actively collaborates with universities to strengthen our tooling design capabilities, with a focus on digital transformation. By establishing joint laboratories and adopting innovative technologies, we enhance the digitization of mold development—improving production performance while demonstrating our long-term commitment to both the environment and the industry. We firmly believe that sustainable operations are not only a corporate responsibility but also a key driving force in leading the industry forward.

1.2 Corporate Philosophy and Value

Chenbro's corporate culture is defined by “diligence and sincerity”, which represents focused commitment to improving core skills and providing better solutions for customers, as well as embodies an altruistic spirit towards others, both within and outside the company. This culture reflects the concept of "Altruism = Self-interest = Mutual Benefit”, promoting inclusiveness, connectivity, and co-prosperity.

Internally, Chenbro is committed to fostering a corporate culture rooted in Diversity, Equity, and Inclusion (DEI), providing comprehensive support to help employees achieve a healthy balance between work and life. We go further by offering robust family care initiatives, empowering our employees with the support they need both professionally and personally. Externally, guided by our mission of “Connecting for the Common Good,”Chenbro actively engages in educational innovation, environmental protection, and cultural preservation. We forge meaningful partnerships with local communities, academic institutions, and strategic partners, using innovative approaches to share our resources and expertise—fulfilling our corporate social responsibility and contributing to the greater good.

1.3 Operational Performance

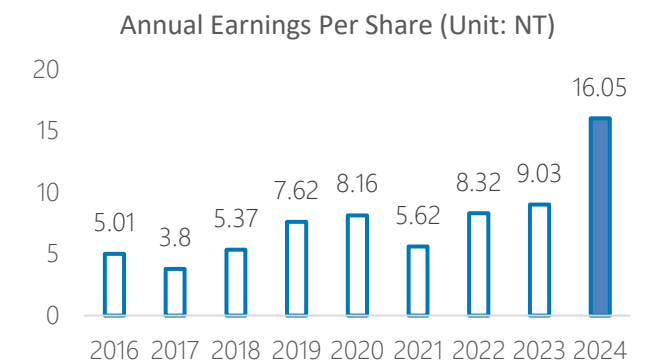
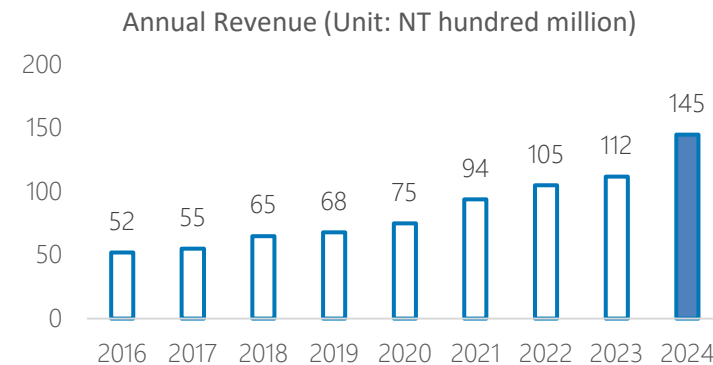
In recent years, the global pandemic, geopolitical tensions, and economic instability have posed significant challenges to the industry. However, thanks to the collective efforts of our team, Chenbro has demonstrated exceptional resilience. In 2024, the Group achieved record-high revenue of NT\$14.5 billion, representing a 29% year-over-year growth, with earnings per share (EPS) reaching NT\$16.05—continuing our strong track record of operational growth. Upholding the principle of transparency, Chenbro discloses complete financial and performance data in its annual report.

Main Products	Revenue	Business Proportion(%)
Server chassis & Peripheral products	14,343,018	99%
Personal computer chassis	174,167	1%
Total	14,517,185	100%

Unit : New Taiwan Dollars (NTD) thousands

Region	Sales Revenue	Percentages(%)
USA	6,640,127	46%
China	5,451,327	38%
Europe	973,548	7%
Taiwan	807,484	5%
Others	664,699	4%
Total	14,517,185	100%

Unit : New Taiwan Dollars (NTD) thousands



02 Corporate Sustainability

- 2.1 Sustainable Development Task Force Structure
- 2.2 Sustainable Goal
- 2.3 Stakeholder Identification and Communication Channels
- 2.4 Material Disclosure Topic Identity Process
- 2.5 Material Issue Management Approach



2.1 Sustainable Development Task Force Structure

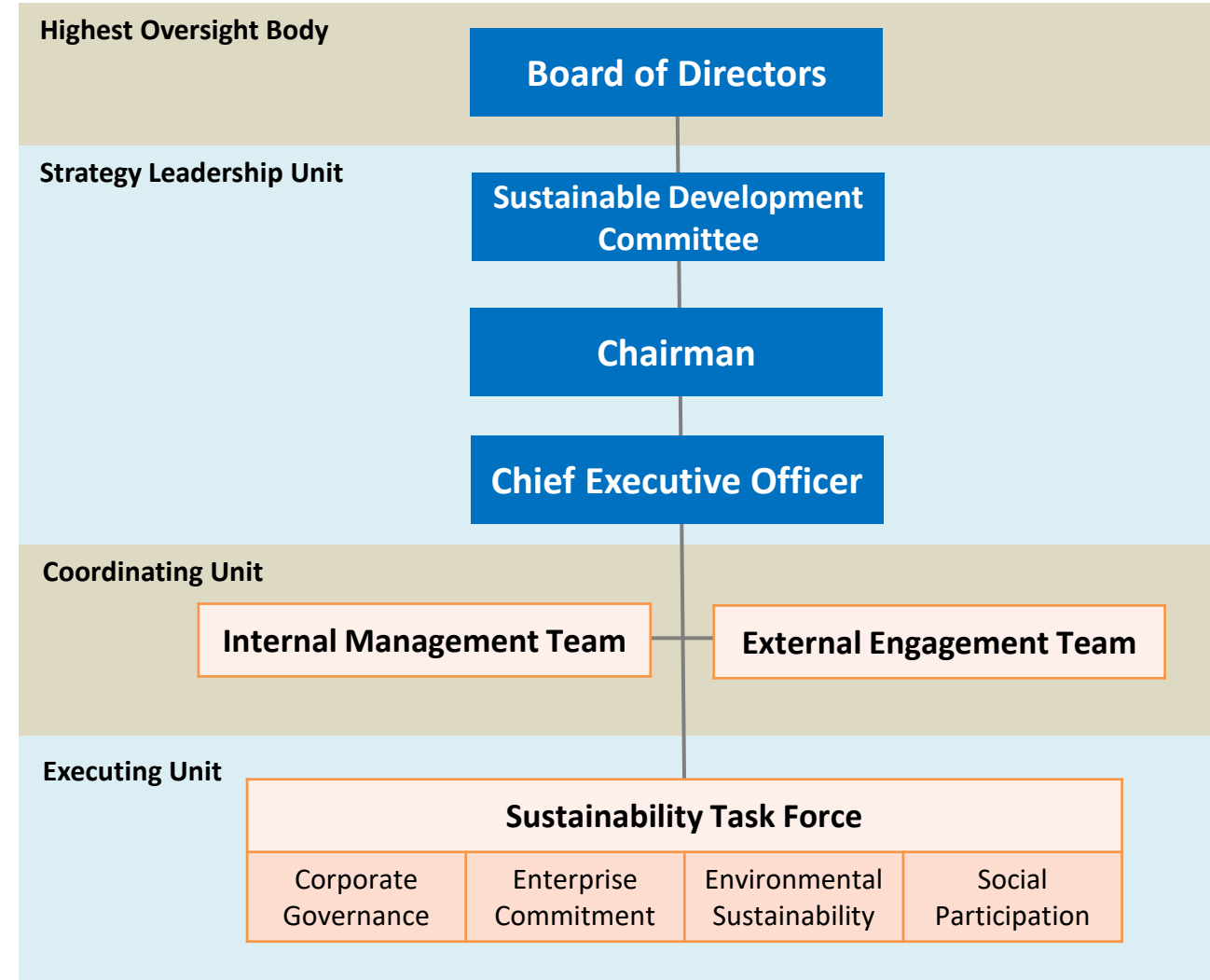
Sustainable Development Task Force

Chenbro drives corporate sustainability through its “Sustainability Task Force,” led by the Chairman and CEO. This task force is divided into “Corporate Governance,” “Enterprise Commitment,” “Environmental Sustainability,” and “Social Participation,” with sub-groups for “Internal Management” and “External Engagement.” Project initiatives are integrated into departmental operations and executed by the responsible departments. These initiatives are led by the respective department heads and are promoted in a purposeful, systematic, and organized manner, aiming for long-term implementation and progress toward corporate sustainability.

Sustainable Development Committee

In 2023, Chenbro formed the Sustainable Development Committee, chaired by the Chairman and CEO. The committee, comprising board committee member, meets annually to review and report on progress to the Board. It addresses key sustainability issues and ensures stakeholder communication through designated personnel. The Chairman and CEO oversee the execution of sustainability initiatives.

Sustainable Development Task Force Structure



2.2 Sustainable Goal

Chenbro is committed to giving back to society through the positive influence —as part of its mission toward sustainable corporate development. Chenbro will continue to reinforce its core business while advancing its sustainability agenda—working hand in hand with all stakeholders to create shared value. The company’s sustainability strategy is structured around four key pillars: Corporate Governance, Enterprise Commitment, Environmental Sustainability, and Social Participation. With these pillars, Chenbro aims to gradually and holistically address all 17 SDGs, striving not only to meet its own sustainability goals, but also to co-create a sustainable future together with its stakeholders. The table below highlights Chenbro’s 2024 performance and its alignment with SDG

Sustainability Pillars	Actual Actions and Performance in 2024	SDGs Alignment
Corporate Governance	<ul style="list-style-type: none"> Strengthened Board functions by holding 5 meetings in 2024 with a 91% attendance rate. Promoting board diversity, with 44% of directors being independent and 44% being women. Corporate governance evaluation score from the Taiwan Stock Exchange improved from 91.73 in 2023 to 98.38 in 2024, elevating the company into the top 6–20% ranking tier. Advanced innovation and intellectual property management, achieving a total of 528 patents till the end of 2024. Awarded the 7th Taiwan Mittelstand Award, Inerbrand Best Taiwan Global Brands – Honorable Mention, and New Taipei City Enterprise Classic Award – Potential Enterprise Award 	<ul style="list-style-type: none"> SDG5.b_Enhance technology capabilities, particularly in information and communication technology (ICT), to empower women. SDG16.6_Establish efficient, accountable, and transparent institutions at all levels. SDG16.b_promote and implement non-discriminatory laws and policies to achieve sustainable development
Enterprise Commitment	<ul style="list-style-type: none"> Friendly workplace environment with 44% female board members, 23% female executives, and 35% female employees. Introduced various family care initiatives, including the “Happy Family” and “Long-Term Care Support” programs. Provided an average of 39.28 training hours per employee in 2024 to support employee career development. Chenbro Chiayi factory received RBA Platinum certification, and Chenbro Technology achieved Silver certification in 2024. Promote and host industry-academia collaboration projects to nurture talent Awarded TCSA Workplace Wellbeing Leadership Award 	<ul style="list-style-type: none"> SDG5.5_Ensure women can fully and effectively participate in political, economic, and public decision-making, and enjoy equal opportunities for leadership at all levels.
Environmental Sustainability	<ul style="list-style-type: none"> Invested resources to optimize green manufacturing and use of recycled packaging materials. Adopted low-carbon steel in specific projects to support the development of green products. Conducted comprehensive carbon inventory to manage the group's carbon emissions and progressively plan for net-zero carbon target. Chen-Feng Precision installed solar panels and began generating electricity to demonstrate renewable energy. 	<ul style="list-style-type: none"> SDG12.5_By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.
Social Participation	<ul style="list-style-type: none"> Continuously collaborating with the AAEON Foundation to organize the rural education improvement project and “educational journeys” program, reducing the urban-rural gap and improve education quality. Sponsored the Sharestart Foundation to Implement the foundation’s educational philosophy in teaching materials. Supported the Contemporary Theater in establishing the Banqiao Broadcasting Station, to help preserve the traditional arts. Sponsored the establishment of the Paul Ching Art Center, with the second exhibition hall — the Chenbro Pavilion — officially opening in March 2025. 	<ul style="list-style-type: none"> SDG17.17_Based on partnership experience and fund-raising strategies, encourage and promote effective public, private, and civil society partnerships.

2.3 Stakeholder Identification and Communication Channels

Stakeholder Identification

Chenbro continuously engages with stakeholders to establish mechanisms for communication and response to sustainability issues. By adhering to the five principles of the AA1000 Stakeholder Engagement Standard (Dependency, Responsibility, Tension, Influence, and Diverse Perspectives), we identify key stakeholders of our company. Chenbro has established mechanisms for identifying key stakeholders and material issues, as well as for communicating with and responding to them. Following the Global Reporting Initiative (GRI) Sustainability Reporting Standards, the committee conducts materiality analysis based on identification, prioritization, and validation. This analysis informs the development of Chenbro's Sustainability Report, establishing transparent and effective communication channels with stakeholders. By addressing stakeholder concerns through the report, we aim to build trust and support for ongoing corporate sustainability efforts. Periodic reports on stakeholder engagement outcomes are presented to the highest governance body.

	Communication channels and practices	Frequency	Purposes	Results	Communication Matters in 2024
Employees	Labor-management meetings	Quarterly	Enhance labor-management relations, foster a friendly workplace	<ul style="list-style-type: none"> 2024 TCSA Workplace Wellbeing Leadership Award Kunshan City Harmonious Labor Relations Enterprise (Chenbro Technology) Happy Enterprise of Kunshan City (Chenbro Technology) 	<ul style="list-style-type: none"> ① Dedicated HR mailbox and Chenbro Voice mailbox are set up to listen to colleagues' opinions. ② In 2024, the Employee Welfare Committee organized monthly stress-relief activities to foster good communication and promote the physical and mental well-being of employees. ③ Contact: hrp@chenbro.com
	Employee Welfare Committee	Irregularly			
	Chenbro Voice (Employee suggestion and complaint box)				
	Internal newsletter for the group to facilitate information dissemination				
	Regular internal training programs and encouragement for employees to apply for external and on-the-job training				
On-site professional nursing staff to listen to employees' physical and mental well-being					
Students and job seeker	Campus Recruitment & Summer Internships	Irregularly	Build corporate image, improve recruitment effectiveness	Chenbro hold 3 industry-academia collaboration projects, attracting over a hundred students.	<ul style="list-style-type: none"> ① Participated in recruitment events co-organized with industry associations in 2024. ② Organized various academic-industry collaboration events in 2024. ③ Contact: hrp@chenbro.com
	Industry-academia collaboration				
Customers	Regular communication and discussion meetings	Irregularly	Enhance customer trust and engagement	In 2024, the group achieved record-high revenue of NT\$14.5 billion, representing a 29% year-over-year increase; Earnings per share (EPS) reached NT\$16.05.	<ul style="list-style-type: none"> ① The Chiayi factory and Chenbro Technology obtained RBA Certification. ② Participate in the annual supplier conference organized by the client ③ Contact: info@chenbro.com
	Instant communication through email				
	Compliance with customer requirements and audits regarding products, environment, responsibility, etc., and collaborating on prevention and continuous improvement				
	Promptly responding to customer-related questionnaires (such as stakeholder sustainability issue questionnaires)				
	Participation in customer-organized supplier conferences				

	Communication channels and practices	Frequency	Purposes	Results	Communication Matters in 2024
Suppliers	Instant communication through email	Irregularly	Ensure supplier evaluations meet a minimum grade of B	In 2024, quarterly supplier evaluations were conducted, with most suppliers receiving an A rating. Only a small number of suppliers were rated B in each quarter.	<ul style="list-style-type: none"> ① Supplier contact mailbox is established. ② Achieved a 100% response rate for the Supplier Code of Conduct Agreement. ③ Conduct supplier evaluation audits quarterly, with over half of the suppliers rated as Grade A. ° ④ Contact: scm@chenbro.com
	Supply chain complaint mailbox				
	Conduct quarterly audits on suppliers and provide education and training for non-compliant suppliers	Quarterly			
	Establish and require suppliers to sign the "Supplier Code of Conduct Agreement"	Irregularly			
Investors	Shareholders' meeting	Annually	Strengthen investor relations and confidence to secure continuous investments	No negative information was received via the shareholder hotline and email	<ul style="list-style-type: none"> ① Dedicated personnel and mailbox for investor relations are in place. ② Regularly update the latest information such as financial information and shareholder meeting materials on the official website under the Investor Relations section, providing up-to-date and transparent information. ③ Contact: ir@chenbro.com
	Conference call	Regularly			
	Shareholders' hotline/email	Irregularly			
	Public Information Observation System				
Banks	Visiting banks for business dealings	Irregularly	Strengthen banking relationships and confidence to secure financial resources		<ul style="list-style-type: none"> ① Finance department conducts irregular visits and business dealings with Bank. ② Participate in sustainability initiative press conferences organized by E.SUN BANK.
Communities and non-profit organizations	Instant communication through email	Irregularly	Enhance corporate image through social responsibility initiatives	<ul style="list-style-type: none"> • 2024 PwC Sustainability Impact Awards – Industry Innovation Special Award • 2024 TCSA Social Inclusion Leadership Award 	<ul style="list-style-type: none"> ① Dedicated personnel for social engagement are in place. ② Sponsor rural education projects in Yunlin every year and organize learning journeys to broaden children's horizons. ③ Focus on vulnerable groups in the community and invite stakeholders to join and achieve the spirit of corporate social responsibility. ④ Contact: csr@chenbro.com
	Internal and external newsletters				
	Participation in community/cultural organizations/rural education projects				
	Promotion and interaction on CSR social media platforms				
Media	Press release	Irregularly	Enhance corporate image and increase positive media coverage.	<ul style="list-style-type: none"> • No negative reports in 2024 • In 2024, a VIP Night event was held, inviting media representatives to experience traditional Peking opera. 	<ul style="list-style-type: none"> ① Dedicated personnel for public relations are in place. ② Press releases on major company events and awards are sent out periodically to share the latest updates through media ③ Contact: ir@chenbro.com
	Press conference				
Government	Official documents	Irregularly	Ensure compliance with government regulations and standards	For detailed information, refer to the disclosure items under GRI 2-27 in the index table.	<ul style="list-style-type: none"> ① Dedicated personnel for legal are in place. ② Company governance supervisor is established to stay updated on the latest regulations and issues. ③ Contact: chenbrolegal@chenbro.com
	Participation in government projects				
	Attending regulatory briefings/seminars				

2.4 Material Disclosure Topic Identity Process

Chenbro upholds transparency and openness, continuously engaging with stakeholders to incorporate their sustainability concerns into our development blueprint. Following GRI standards, market trends, and industry characteristics, we systematically assess and survey stakeholders. The results, discussed by the Sustainable Development Committee and senior management, are integrated into operational impact and risk assessments, identifying key issues for priority action.

	1	2	3	4	5
Steps	Identify stakeholders	Compile and analyze the issues of concern	Identify material issues	Assess the impact of the issues	Issues review
Action	According to the Chenbro’s sustainability blueprint, discussed with senior executives and identified key stakeholders for the year 2024	Chenbro conducted a survey to understand stakeholders’ concerns and analyzed the level of attention given to each issue.	Based on the sustainability issues of stakeholder concern and their impact on Chenbro, the evaluation results of each issue are plotted on a materiality matrix chart as a reference for determining their significance.	Senior management conducts comprehensive impact and risk assessments on sustainability issues to evaluate their significance for business operations and the corresponding operational impact on these issues.	The identified significant issues are reviewed to ensure alignment with sustainability context and integrity requirements.
Performance	Identify 9 categories of stakeholders	Collect 205 valid questionnaires	Identify 10 material issues	Take into account the opinions of senior executives	Ensure that 100% of the issues comply with sustainability and integrity requirements

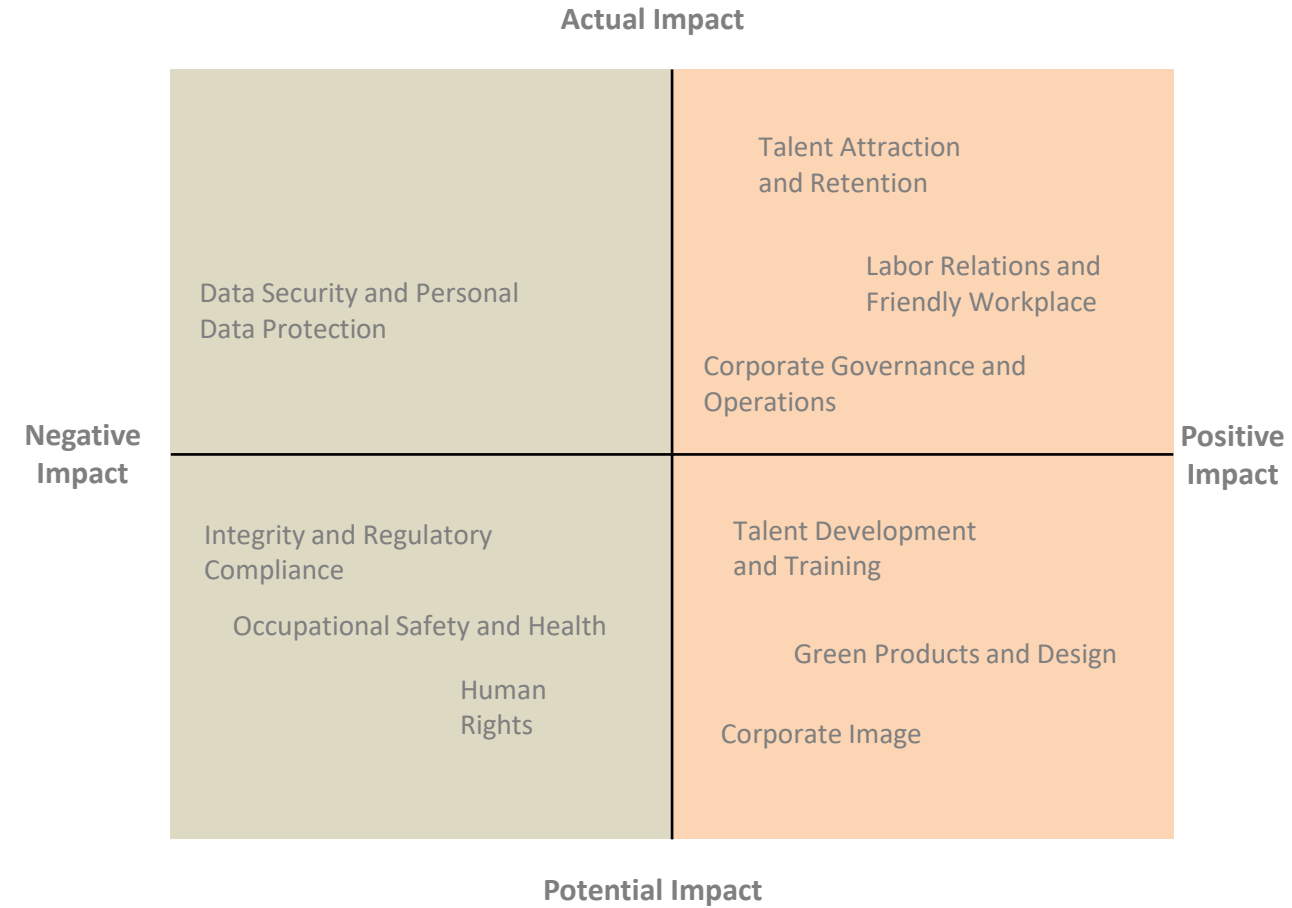
Explanation of Changes in Sustainability Issues Disclosed This Year

Chenbro conducts stakeholder surveys and engages senior management in discussions on sustainability topics. Through the materiality analysis process, considering domestic and international industry trends, the company’s operational priorities and development goals, and external environmental assessments, the company analyzes the impact of each topic. The following explains the adjustments in the level of attention to sustainability issues based on changes in their relevance and impact:

Aspect	Sustainability Issues for 2024	Level of Concern	Compared to the issues in 2023	Material Issue in 2024
Environmental	Green Products and Design	Increased	Increased from low to high level of concern	●
Governance	Corporate Governance and Operations	Increased	Increased from medium to high level of concern	●
Social	Labor Relations and Friendly Workplace	Unchanged	Unchanged from 2023 (High level of concern)	●
Social	Data Security and Personal Data Protection	Unchanged	Unchanged from 2023 (High level of concern)	●
Social	Occupational Safety and Health	Unchanged	Unchanged from 2023 (High level of concern)	●
Social	Talent Development and Training	Unchanged	Unchanged from 2023 (High level of concern)	●
Social	Talent Attraction and Retention	Unchanged	Unchanged from 2023 (High level of concern)	●
Governance	Corporate Image	Unchanged	Unchanged from 2023 (High level of concern)	●
Governance	Integrity and Regulatory Compliance	Unchanged	Unchanged from 2023 (High level of concern)	●
Social	Human Rights	Unchanged	Unchanged from 2023 (High level of concern)	●
Environmental	R&D Innovation and Technological Development	Unchanged	Unchanged from 2023 (Medium level of concern)	
Social	Customer Relationship Management	Unchanged	Unchanged from 2023 (Medium level of concern)	
Social	Social Participation and Social Care	Unchanged	Unchanged from 2023 (Medium level of concern)	
Environmental	Waste Management	Unchanged	Unchanged from 2023 (Low level of concern)	
Environmental	Water Resource Management	Unchanged	Unchanged from 2023 (Low level of concern)	
Social	Supply Chain Management	Decreased	Decreased from high to low level of concern	
Environmental	Raw Material Management	Decreased	Decreased from medium to low level of concern	
Environmental	Greenhouse Gas and Energy Management	Decreased	Decreased from high to low level of concern	

Impact Assessment of Material Issue

Material Issue in 2024					
Aspect	Material Sustainability Issues	GRI Standards	Impact	Likelihood	Corresponding Chapter
Environmental	Green Products and Design	301 Materials	Positive	Actual	Chapter 4 Innovative Development
Social	Data Security and Personal Data Protection	418 Customer Privacy	Negative	Actual	Chapter 5 Enterprise Commitment
Social	Occupational Safety and Health	403 Occupational Safety and Health	Negative	Potential	Chapter 5 Enterprise Commitment
Social	Talent Development and Training	401 Employment	Positive	Potential	Chapter 5 Enterprise Commitment
Social	Talent Attraction and Retention	401 Employment	Positive	Actual	Chapter 5 Enterprise Commitment
		404 Training and Education			
Social	Human Rights	401 Employment 406 Non-discrimination 408 Child Labor	Negative	Potential	Chapter 5 Enterprise Commitment
Social	Labor Relations and Friendly Workplace	401 Employment 405 Diversity and Equal Opportunity	Positive	Actual	Chapter 5 Enterprise Commitment
Governance	Corporate Image	2 General Disclosures	Positive	Potential	Chapter 1 About Chenbro
Governance	Integrity and Regulatory Compliance	205 Anti-corruption	Negative	Potential	Chapter 3 Corporate Governance
		206 Anti-competitive Behavior			
Governance	Corporate Governance and Operations	2-9 Governance	Positive	Actual	Chapter 3 Corporate Governance



2.5 Material Issue Management Approach

Material Issue	Management Tactics
Green Products and Design	As part of the data center supply chain, Chenbro recognizes the challenges of high energy consumption brought about by technological advancements. Each year, Chenbro allocates a proportion of its R&D budget to the development of thermal management technologies and the adoption of low-carbon steel. The company is committed to developing low-carbon products that help reduce environmental impact and ease the burden on the planet.
Data Security and Personal Data Protection	Following relevant information security regulations, Chenbro have established an internal "Information Security Management Policy." This policy focuses on security management, legal compliance, and technological applications to promptly address and mitigate risks. Externally, it builds stakeholder trust, while internally, it reinforces our commitment to security practices. We have an information security organization led by the CIO, audit teams, and senior management to ensure rigorous execution. Chenbro will continually refine the policy, promote cybersecurity awareness, and prevent data breaches to mitigate potential negative impacts on the organization.
Occupational Safety and Health	Chenbro follow regulations with policies like the "Labor Safety and Health Work Code" and "Occupational Safety and Health Risk Management Procedures." We ensure safety through office protections, water quality and air checks, ergonomic furniture, fire safety, and environmental monitoring. We hold regular safety meetings, define occupational injury compensation and insurance, and aim to provide a safe work environment. Chenbro Technology and Chiayi factory implement ISO 45001: 2018 and offer regular training to reduce occupational hazards.
Talent Development and Training	To support employee growth, the company has established a comprehensive talent development program, with bi-annual performance evaluations serving as a key indicator for internal talent advancement. In recent years, Chenbro has collaborated with Sustainability Association to design a series of training courses, inviting senior executives and relevant department staff to participate. These programs aim to strengthen cross-functional integration capabilities. Additionally, employees are encouraged to attend external seminars to broaden their industry knowledge and share insights with colleagues. This ensures that while employees continue to sharpen their professional skills, they also stay connected to industry trends and are well-equipped to navigate an ever-evolving market.
Talent Attraction and Retention	Using the 3H principle of "Hope, Health, and Happiness," Chenbro aims to provide all employees with a high-quality work environment, competitive compensation, a supportive learning atmosphere for development, and safe working conditions. Our talent acquisition policy emphasizes fairness and transparency through open recruitment channels, including participation in the Gap of Learning & Field (GOLF) program, offering internship and training opportunities to nurture exceptional talents. In talent management, we provide new employee training, professional development programs, job guidance, and internal rotations tailored to individual job requirements, performance evaluations, and career aspirations. We actively pursue multiple industry-academia collaboration projects, strengthening partnerships with Taiwan's higher education institutions to enhance the reputation of our company as a desirable employer in campuses.

Material Issue	Management Tactics
Human Rights	<p>Chenbro comply with local regulations at our global operations by establishing policies such as the "Gender Work Balance Act," "Work Rules," "Sexual Harassment Prevention," and "Recruitment and Employment Management." Implementing the RBA management mechanism, we protect employee rights regarding age, working hours, leave, and gender. We support and respect international human rights standards, including the "UN Universal Declaration of Human Rights," the "UN Global Compact," and the ILO's "Declaration on Fundamental Principles and Rights at Work." By joining the "Responsible Business Alliance" (RBA), we enforce human rights protection. Our Chiayi and Kunshan factories have adopted the RBA mechanism, with plans to extend this to suppliers, integrating it into annual supplier audits to ensure corporate responsibility.</p>
Labor Relations and Friendly Workplace	<p>Chenbro is committed to providing an equal and non-discriminatory work environment, ensuring equal opportunities for all employees in hiring, compensation, training, promotion, retirement, and resource allocation. We do not discriminate based on location, race, ethnicity, background, social class, ancestry, ideology, religion, disability, gender, sexual orientation, pregnancy, marital status, union membership, political affiliation, appearance, age, or any other legally protected characteristics. We support employees' well-being with a safe work environment, diverse clubs, comprehensive annual health check-ups, an Employee Welfare Committee, and the "Chenbro Voice" anonymous feedback platform. We also partner with third-party consultants to conduct engagement surveys to understand and address employee concerns.</p>
Corporate Image	<p>Chenbro has established a comprehensive media monitoring and crisis response mechanism. Daily monitoring of media coverage and social media is conducted to promptly identify any negative comments or potential crisis events. This enables the company to respond swiftly and mitigate the risk of reputational damage. Chenbro actively applies for corporate and product design awards, leveraging these recognitions to build and strengthen its positive brand image. Such efforts enhance brand awareness and credibility, ultimately contributing to a stronger corporate reputation.</p>
Integrity and Regulatory Compliance	<p>In accordance with the "Code of Ethics for Listed and OTC Companies," the "Guidelines for Establishing Internal Control Systems for Publicly Issued Companies," and other relevant regulations, Chenbro has established internal policies such as the "Employee Code of Conduct" and "Guidelines for Preventing Insider Trading." Through regular training sessions and briefings, we educate new and existing employees on these guidelines to strengthen a culture of integrity and accountability within the organization.</p>
Corporate Governance and Operations	<p>In accordance with the Company Act, the Securities and Exchange Act, and other relevant regulations, Chenbro has established a series of internal governance guidelines, including the "Corporate Governance Best Practice Principles," "Code of Ethical Conduct," "Ethical Corporate Management Best Practice Principles," and "Sustainable Development Best Practice Principles." These policies serve as the foundation for implementing effective corporate governance. The company is committed to strengthening the structure and functions of the Board of Directors, protecting stakeholder rights, and continuously improving the quality of corporate governance, all in pursuit of sustainable business development.</p>

Management and Execution Results of Material Issues

Aspects	Material Issues	Tactics	2024 Goals	2024 Achievements	2025 Goals
Environmental	Green Products and Design	<ul style="list-style-type: none"> Prioritizes the use of non-toxic and renewable raw materials Low-carbon materials are adopted in selected projects Development follows the principles of Reduce, Reuse, and Recycle 	<ul style="list-style-type: none"> Prioritizes the use of non-toxic and renewable raw materials Low-carbon materials are adopted in selected projects 	<ul style="list-style-type: none"> In 2024, Chenbro used a total of 19,762.63 tons of steel, including recycled steel materials such as SGCC RC20 (4.144 tons) and SGCC RC12 (27.739 tons). The usage of non-recycled steel totaled 19,730.75 tons. Utilized plastic materials containing 75% PCR content, totaling 8,155,760 kg, and plastic materials with 35% PCR content, totaling 13,509,173 kg. All packaging cartons are made from recyclable materials, with a total usage of 7,012 tons. 	<ul style="list-style-type: none"> Prioritizes the use of non-toxic and renewable raw materials Low-carbon materials are adopted in selected projects
Social	Data Security and Personal Data Protection	<ul style="list-style-type: none"> Information security risk management and strengthening measures 	<ul style="list-style-type: none"> Enhance network security, system security, cybersecurity awareness, and improve information security management Establish Security Operations Center Conduct ISO 27001:2022 certification audit 	<ul style="list-style-type: none"> Enhanced network security, system security, cybersecurity awareness, and improve information security management The first phase of the Security Operations Center has been completed, with full implementation expected in the Q3 of 2025. Completed the ISO 27001:2022 certification audit and obtained the certification in the Q2 of 2025 	<ul style="list-style-type: none"> Strengthen encrypted network connection security Enhance overall backup and redundancy architecture Implement hybrid cloud mechanisms to improve system security Completed the establishment of the Security Operations Center
Social	Occupational Safety and Health	<ul style="list-style-type: none"> Establish an occupational safety and health management system Implement environmental and safety monitoring Prevent occupational injuries and diseases 	<ul style="list-style-type: none"> The Frequency-Severity Indicator (FSI) of occupational injuries reduces to 0.5. 	<ul style="list-style-type: none"> The Frequency-Severity Indicator (FSI) of occupational injuries is 0.71. Strengthened SOPs for safety within factory sites Increased inspection frequency and implemented ticket-based management 	<ul style="list-style-type: none"> The Frequency-Severity Indicator (FSI) of occupational injuries reduces to 0.5
Social	Talent Development and Training	<ul style="list-style-type: none"> Employee development and education training Annual performance appraisal system as a basis for salary adjustment and promotion 	<ul style="list-style-type: none"> Job rotation, overseas assignments, and promotions implement the talent development system. Average training hours per person exceed 40 hours per year. 	<ul style="list-style-type: none"> In 2024, approximately 30 employees participated in job rotations, with a promotion rate of 4%. The average annual training hours per employee were approximately 39.28 hours, exceeding the industry average. 	<ul style="list-style-type: none"> Establish a succession talent pipeline and improved the talent development system
Social	Talent Attraction and Retention	<ul style="list-style-type: none"> Employee Compensation and Benefits Policy Industry-Academia Collaboration 	<ul style="list-style-type: none"> International talent deployment, expanding industry-academia collaboration 	<ul style="list-style-type: none"> Optimized the compensation system Participated in 22 recruitment events Expanded the scale of industry-academia collaboration Launched new employee family care programs, such as family care and long-term care projects 	<ul style="list-style-type: none"> 2025 target employee retention rate: 70% Accelerate international talent deployment

Management and Execution Results of Material Issues

Aspects	Material Issues	Tactics	2024 Goals	2024 Achievements	2025 Goals
Social	Human Rights	<ul style="list-style-type: none"> Anti-discrimination and harassment policies No child labor or forced labor practices Ensuring employee rights are protected Creating a gender-friendly work environment 	<ul style="list-style-type: none"> Improve existing audit results Target RBA certification at Platinum level 	<ul style="list-style-type: none"> Established human rights policies, implemented RBA standards, and conducted training programs Achieved RBA Platinum certification for the Chiayi factory and Silver certification for Chenbro Technology Developed grievance and protection policies, providing multiple channels for employees to submit feedback 	<ul style="list-style-type: none"> Continuously improve existing audit results Target RBA certification at Platinum level
Social	Labor Relations and Friendly Workplace	<ul style="list-style-type: none"> Employee care and communication channels Employee health management Providing a DEI working environment 	<ul style="list-style-type: none"> Promote sports culture Achieve an average employee satisfaction survey score of 75 Encourage employee participation in company health checkup 	<ul style="list-style-type: none"> 195 employees participated in major sports competitions, 412 in sports clubs, and 336 in managerial sports sessions 95% of employees completed the company health checkup 	<ul style="list-style-type: none"> Promote sports culture Improve employee satisfaction (survey conducted every two years) Encourage employee participation in company health checkup
Governance	Corporate Image	<ul style="list-style-type: none"> Issue press releases periodically Media interview reports Revenue-related press releases Award applications 	<ul style="list-style-type: none"> Pursue awards to enhance corporate image Arrange external speaking engagements for senior executives 	<ul style="list-style-type: none"> 2024 Program Interviews: 2 TV interviews, 1 influencer channel, 2 digital channel, 5 podcast episodes 2024 Media Coverage: 8 media interviews, 21 press releases 2024 Awards Received: Forbes Asia’s Best 200 SMEs, Best Taiwan Global Brands (first time), Taiwan Corporate Sustainability Awards, New Taipei City Enterprise Classic Award, PwC Sustainability Impact Awards 	<ul style="list-style-type: none"> Issue press releases periodically and accept media interview Pursue awards to enhance corporate image and employer brand recognition Arrange external speaking engagements for senior executives
Governance	Integrity and Regulatory Compliance	<ul style="list-style-type: none"> Implement risk management practices across all organizational levels Establish anti-corruption policies Reduce employee corruption risks through training 	<ul style="list-style-type: none"> Strengthen the internal control system to reduce audit deficiencies Enhance the capabilities of internal audit personnel, integrate audit resources, and improve the quality and content of audit reports 	<ul style="list-style-type: none"> Conducted integrity management training, with a total of 2,062 participants and 2,806 training hours A total of 45 audit items were executed, with no deficiencies identified. 	<ul style="list-style-type: none"> Internal audit personnel pursue ongoing professional development. Enhance the capabilities of internal audit personnel, integrate audit resources, and improve the quality and content of audit reports
Governance	Corporate Governance and Operations	<ul style="list-style-type: none"> Strengthen board operations Risk management mechanisms Corporate governance evaluation 	<ul style="list-style-type: none"> Encourage board members to pursue training Improve the corporate governance evaluation score 	<ul style="list-style-type: none"> Board members completed 82 hours of training courses covering topics such as sustainability, accounting, and enhancing board performance. The corporate governance evaluation score improved by 6.65 points, advancing its ranking tier to the top 6%–20%. 	<ul style="list-style-type: none"> Strengthen the internal control system to reduce audit deficiencies Improve the corporate governance evaluation score



03 Corporate Governance

- 3.1 Governance Structure and Responsibilities
- 3.2 Functions of the Board of Directors
- 3.3 Risk Management
- 3.4 Code of Ethics and Accountability
- 3.5 Internal Control and Auditing

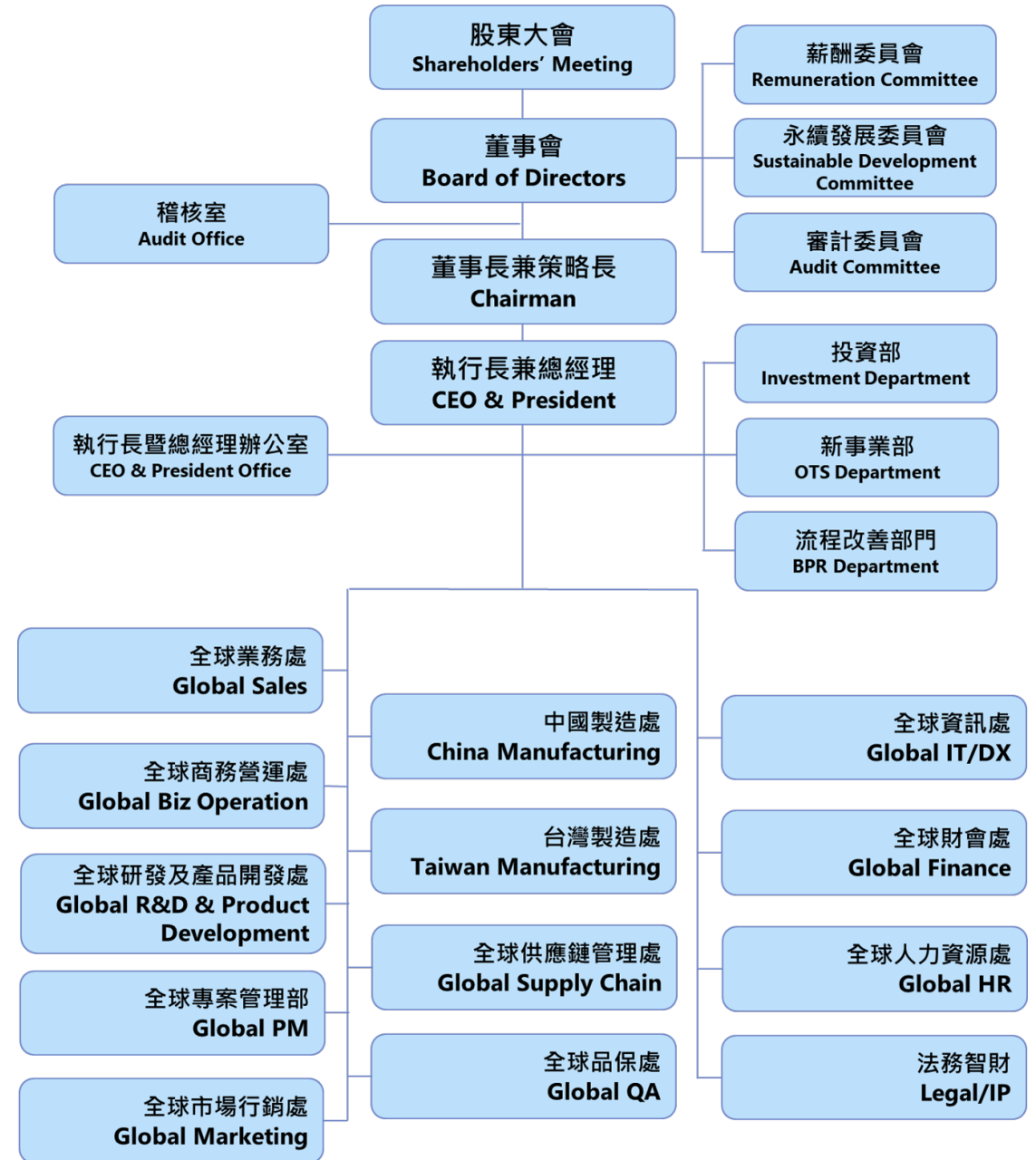
3.1 Governance Structure and Responsibilities

Corporate Governance Code

Chenbro establishes the “Corporate Governance Practical Code,” the “Code of Ethical Conduct,” the “Integrity Management Code,” and the “Sustainable Development Practical Code,” in accordance with the Company Act of the Republic of China (Taiwan), the Securities and Exchange Act, and other relevant regulations. These serve as the basis for implementing corporate governance. We are committed to enhancing the corporate governance framework to strengthen the structure and functions of the board of directors, protect the rights and interests of stakeholders, and continuously improve the quality of corporate governance, aiming for the company's sustainable development. As a listed company, Chenbro discloses its complete corporate governance report in the company's annual report (Chapter Two: Corporate Governance).

Corporate Governance Structure

According to the company's articles of association, the Board of Directors currently consists of nine directors, including four independent directors, with a term of three years, and they can be re-elected. The chairman is elected by the directors. The chairman represents the company externally and manages all major affairs of the company. The company purchases liability insurance for all directors to cover the scope of their business activities. The fifteenth term of the directors is from May 31, 2023, to May 30, 2026. According to Article 14–6 of the Securities Exchange Act, the company's Board of Directors has established a Remuneration Committee and, according to Article 14–4 of the Securities Exchange Act, an Audit Committee. Additionally, in accordance with Article 27 of the company's Corporate Governance Practical Code, a Sustainable Development Committee was established in 2023. Both the Remuneration Committee and the Audit Committee are composed of independent directors, and all directors (including independent directors) are elected by shareholder voting. Chenbro's governance structure was announced in December 2024. Please refer to the image on the right for details.



Responsibilities of the Board of Directors

The main responsibilities of the Board of Directors include supervising business performance, preventing conflicts of interest, ensuring the company's compliance with various laws, maintaining financial transparency, and timely disclosure of important information. To fulfill its supervisory responsibilities, Chenbro has established various organizations and channels, such as the Audit Committee, the Remuneration Committee, the Sustainable Development Committee, and Internal Auditing. The board understands the company's finance, internal audit, operational plans, and the handling procedures of significant financial and business activities regularly. The company's management and the Board of Directors maintain good communication, dedicated to executing the Board's directives and business operations to create the highest benefits for shareholders. The Board members possess professional experience relevant to the industries in which the company operates or is actively developing. They maintain high sensitivity and rapid response capabilities to various risks and impacts. The company's integrity operations are promoted or implemented by the Global HR, Global Finance, and Legal/IP Department. Global Finance is responsible for compiling the implementation status and regularly reporting the integrity management policy and the supervision and implementation of anti-corruption and anti-unethical behavior to the Board of Directors. The company's implementation of corporate integrity management in 2024 was reported on January 14, 2025.

Operation of the Board of Director

Director Election Information

To ensure a sound and effective operation of the Board, we base our practices on legal compliance to maintain corporate governance, ensure the effective operation of the Board, and protect shareholder rights. Chenbro's Board members are elected by shareholders through a voting process at the shareholders' meeting, and they can be re-elected. The nomination system for directors, in accordance with Article 192-1 of the Company Act, is specified in the company's articles of association. Shareholders elect directors (including independent directors) from the list of director candidates at the shareholders' meeting.

Criteria for Director Nomination and Selection

The nomination and selection of the company's Board members follow the provisions of the company's articles of association, adopting a candidate nomination system. In addition to evaluating each candidate's academic and professional qualifications, the opinions of stakeholders (nominations by shareholders holding more than 1% of shares) are also considered. The "Director Election Procedures" and the "Corporate Governance Practical Code" are followed to ensure the diversity and independence of Board members. Currently, the ability to manage sustainability impacts has not yet been included in the selection criteria.



The 15th BOD members

Conflict of Interest

The company has established regulations in the “Employee Code of Conduct,” “Board Meeting Rules,” and “Corporate Governance Best Practice Principles” to prevent conflicts of interest. Employees can report issues through their department supervisors, audit team, HR and legal team, the whistleblower mailbox, the “Chenbro Voice – Employee Feedback Platform,” and other channels. External parties can communicate with the management and legal team through the whistleblower mailbox on the company's external website. The company has a spokesperson, deputy spokesperson, dedicated investor relations personnel, social engagement personnel, media and public relations personnel, and legal professionals. These dedicated personnel engage in real-time communication with stakeholders through various channels (including phone, email, social media, company website, etc.). The company website (www.chenbro.com) complies with the Taiwan Stock Exchange's updated information disclosure requirements by establishing a “Stakeholder Section,” allowing stakeholders to quickly access communication channels for relevant issues and receive appropriate responses. According to the company's Board Meeting Rules and the Audit Committee Charter, directors or committee members with a conflict of interest in a meeting matter must explain the key content of their interest during the meeting. They should recuse themselves from discussion and voting and cannot represent other directors or members in voting. For details on directors' shareholding in Chenbro's invested businesses, please refer to page 95 of the 2023 Annual Report. For directors' shareholding ratios, refer to pages 8–12 of the 2024 Annual Report. For other related party transaction situations, refer to pages 57–58 of the 2024 Annual Report.

Recusals of directors from voting due to conflicts of interests

Date of the BOD	Proposal Content	Reasons for recusal and status of participation in voting
May 9, 2024 15th term, 6th meeting	2023 Remuneration Distribution to Directors and Managers	The proposal was resolved in two parts: 1. 2023 Remuneration for Directors: chairman Maggi Chen recused herself from the discussion and voting due to a conflict of interest. Acting chairman and Independent Director Wen–cheng Liu consulted all attending directors, and the proposal was approved without objection. 2. 2023 Remuneration for Managers: chairman Maggi Chen, CEO Corona Chen, and Global Finance Division Director Jane Yu recused themselves from the discussion and voting due to conflicts of interest. Acting chairman and Independent Director Wen–cheng Liu consulted all attending directors, and the proposal was approved without objection.
August 8, 2024 15th term, 7th meeting	Issuance of Restricted Stock Awards for Employees	Chairman Maggi Chen, Director Tsun–yen Lee (represented by proxy by Chairman Maggi Chen), CEO Corona Chen, Global Finance Division Director Jane Yu, and Audit Office Head Ida Lin recused themselves from the discussion and voting due to conflicts of interest. Acting chairman and Independent Director Wen–cheng Liu consulted all attending directors, and the proposal was approved without objection.
November 7, 2024 15th term, 8th meeting	Change of General Manager	CEO Corona Chen, having a personal interest in the matter, recused herself in accordance with the Board Meeting Rules. Upon inquiry by the Chair, the proposal was approved without objection by all attending directors.
January 14, 2025 15th term, 9th meeting	Distribution of Individual Year–End Performance Bonuses for Managers	chairman Maggi Chen, CEO Corona Chen, and Global Finance Division Director Jane Yu recused themselves due to personal interests in the matter. Acting Chair, Independent Director Wen–Cheng Liu, inquired with all attending directors, and the proposal was approved without objection.
	Adjustment of Managerial Compensation	chairman Maggi Chen, CEO Corona Chen, and Global Finance Division Director Jane Yu recused themselves due to personal interests in the matter. Acting Chair, Independent Director Wen–Cheng Liu, inquired with all attending directors, and the proposal was approved without objection.

Remuneration Committee

Chenbro formally established the Remuneration Committee on July 11, 2011. The Remuneration Committee aims to assist the Board of Directors in evaluating and implementing the company's overall compensation and benefits policies, as well as the remuneration for directors and managers. The remuneration for Chenbro's directors and employee bonuses are based on the company's performance for the year and are allocated according to the company's articles of association and the Remuneration Committee Charter. The distribution method is determined by the BOD members.. Other compensations are based on overall operating performance, market salary surveys of listed companies, and professional consulting company for salary market reports, considering the overall financial and operating environment risks. The Remuneration Committee of Chenbro is composed of three independent directors. According to its charter, the Remuneration Committee holds at least two regular meetings annually. In 2024, the Remuneration Committee held a total of four meetings, with an average attendance rate of 92.

Compensation Policy for the Highest Governance Unit

Employee and director remuneration allocation is decided by the Remuneration Committee and the Board of Directors, and reported to the shareholders' meeting.

(1) Directors

A. Honoraria: It is based on the standard in the industry and paid according to the directors' and supervisors' attendance at board meetings, and the payment is NT\$3,000 per attendance.

B. Remuneration of directors:

In accordance with Article 23 of our company's articles of association, if the company earns a profit for the year, up to three percent shall be allocated as director remuneration, and the distribution of director remuneration shall be reported to the shareholders' meeting. However, if the company has accumulated losses, the amount necessary to offset the losses should be reserved first before allocating director remuneration according to the aforementioned percentage. The allocation of such remuneration shall be determined based on the overall performance of the board of directors, the company's operational performance, future operations, and risks. Individual director remuneration shall be determined based on their basic responsibilities, additional duties, and individual performance, and shall be decided upon by the Remuneration Committee and the Board of Directors. The remuneration shall only be distributed when the company has profits in its financial statements, thus not posing a risk to future operations. Our company conducts regular evaluations of director remuneration according to the "Board Performance Evaluation Method," and the related performance assessments and salary rationality are reviewed by the Remuneration Committee and the Board of Directors.

(2) President and Vice Presidents

The Company's compensation policy is carried out in accordance with Article 23 of our company's articles, which stipulates that if the company earns a profit for the year, 3% to 12% shall be allocated for employee remuneration. Managerial compensation is determined by the Remuneration Committee based on the average salary level for the position within the industry, the scope of responsibilities of the position within the company, and the contribution to the company's operations. The process for setting remuneration not only considers the overall operational performance of the company but also takes into account individual goal achievements and contributions to company performance, providing fair compensation. After review by the Remuneration Committee, the remuneration proposal is submitted to the Board of Directors for approval. The remuneration for our company's executives incorporates the results of performance evaluations, including comprehensive assessments such as achievement of annual revenue, net profit, and EPS targets. The compensation system is subject to periodic review based on actual operational conditions and relevant regulations.

Audit Committee

Chenbro has established an Audit Committee in accordance with the Securities and Exchange Act to replace the role of supervisors. The Committee is responsible for overseeing the proper presentation of the financial statements; the appointment, dismissal, compensation, independence, and competency of the certifying CPA; the effective implementation of the internal control; and compliance with relevant laws and regulations, in order to ensure effective supervision of the operations and risk management. The second term of the Audit Committee spans from May 31, 2023, to May 30, 2026. The Audit Committee is established to assist the Board of Directors in fulfilling its oversight responsibilities regarding accounting, auditing, financial reporting processes, and financial controls to ensure quality and integrity. The Audit Committee consists of four independent directors and convenes at least once per quarter, in accordance with its Charter, with additional meetings held as needed. In 2024, the Audit Committee held a total of five meetings, with an average attendance rate of 90%.

Sustainable Development Committee

Chenbro established the Sustainable Development Committee on January 9, 2023, following the approval of the Board of Directors. The committee serves as the decision-making and supervisory body for sustainable development-related work, managing and supervising through four main areas: corporate governance, enterprise commitment, environmental sustainability, and social participation. This strengthens the company's operating system, commits to environmental conservation, and fulfills social responsibilities, enabling the Board of Directors to perform its duty of protecting the rights and interests of the company, employees, shareholders, and stakeholders. The committee, appointed by the Board of Directors, consists of three members, with more than half (two) being independent directors. The chairman of the board serves as the chairman. The committee meets at least once a year, and the Chief Sustainability Officer reports the sustainable development achievements and future work plans to the Sustainable Development Committee. In 2024, the Sustainable Development Committee held one meeting with an attendance rate of 100%, reporting to the Board of Directors on August 8, 2024.

Board Evaluation

The Board of Directors conducts an annual performance evaluation based on various standards, covering the overall board, individual directors, and functional committees. The evaluation methods include self-assessment by the board of directors or other appropriate methods. The results are regularly reported to the Board of Directors. The performance evaluation report for the board members, the board itself, and the functional committees for the year 2024 was presented to the Board of Directors on January 14, 2025. Currently, the self-assessment items do not include sustainable impact management capabilities.

Scope	Board of Director	Individual Director	Remuneration Committee	Audit Committee	Sustainable Development Committee
Content	<p>The evaluation includes the following five dimensions:</p> <ul style="list-style-type: none"> ① Degree of participation in the Company's operations ② Improvement in the board's decision-making quality ③ Composition and structure of the board ④ Selection and continuing education of the directors ⑤ Internal control 	<p>The evaluation includes the following six dimensions:</p> <ul style="list-style-type: none"> ① Management of the Company's goals and tasks ② Perception of the director's roles and responsibilities ③ Degree of participation in the Company's operation ④ Management and communication of internal relations ⑤ Expertise and continuing education of the directors ⑥ Internal control 	<p>The evaluation includes the following five dimensions:</p> <ul style="list-style-type: none"> ① Degree of participation in the Company's operation ② Perception of the functional Committees' roles and responsibilities ③ Improvement in the functional committees' decision-making quality ④ Composition and selection of functional committees ⑤ Internal control 	<p>The evaluation includes the following five dimensions:</p> <ul style="list-style-type: none"> ① Degree of participation in the Company's operation ② Perception of the functional Committees' roles and responsibilities ③ Improvement in the functional committees' decision-making quality ④ Composition and selection of functional committees ⑤ Internal control 	<p>The evaluation includes the following five dimensions:</p> <ul style="list-style-type: none"> ① Degree of participation in the Company's operation ② Perception of the functional Committees' roles and responsibilities ③ Improvement in the functional committees' decision-making quality ④ Composition and selection of functional committees ⑤ Internal control
Results (Full Score: 5)	4.95	4.84	5.00	5.00	5.00
Explanation	<p>The evaluation score is excellent, indicating that the BOD members have effectively guided and supervised the company's strategies, significant operations, and risk management responsibilities. The overall operation is sound, aligns with corporate governance principles, and effectively enhancing the functions of the board while safeguarding shareholder rights.</p>	<p>The evaluation score is excellent, indicating that the directors of the company have received positive assessments for the efficiency and effectiveness of their performance across various evaluation indicators.</p>	<p>The evaluation score is excellent, with the assessment indicating that all functional committees have diligently fulfilled their responsibilities, with the overall operation being sound and meeting the requirements of corporate governance, effectively enhancing the functions of the board.</p>	<p>The evaluation score is excellent, with the assessment indicating that all functional committees have diligently fulfilled their responsibilities, with the overall operation being sound and meeting the requirements of corporate governance, effectively enhancing the functions of the board.</p>	<p>The evaluation score is excellent, with the assessment indicating that all functional committees have diligently fulfilled their responsibilities, with the overall operation being sound and meeting the requirements of corporate governance, effectively enhancing the functions of the board.</p>

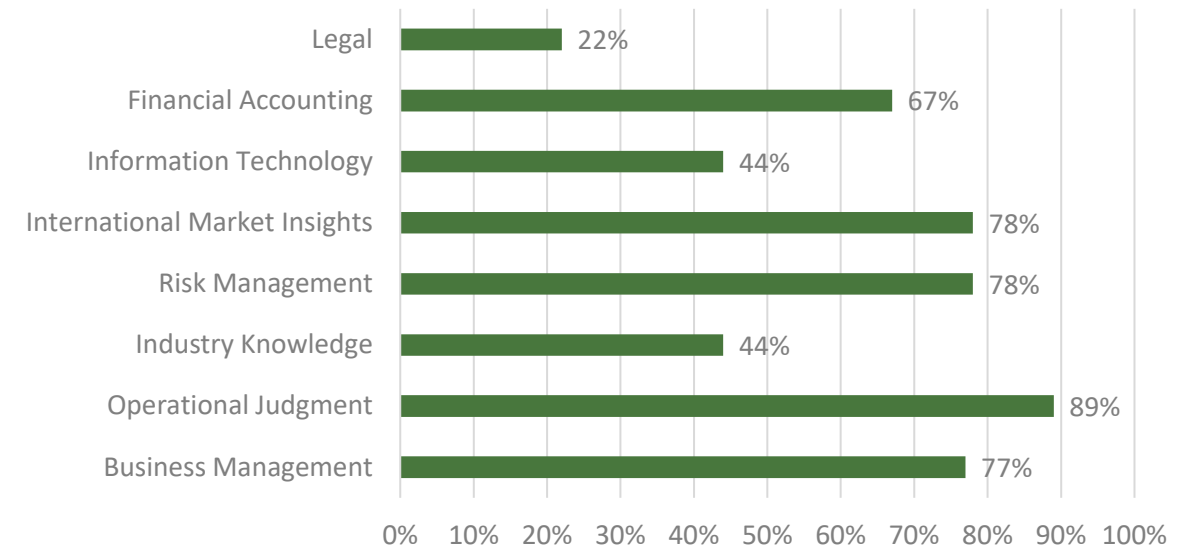
3.2 Functions of the Board of Directors

Diversification of the Board of Directors

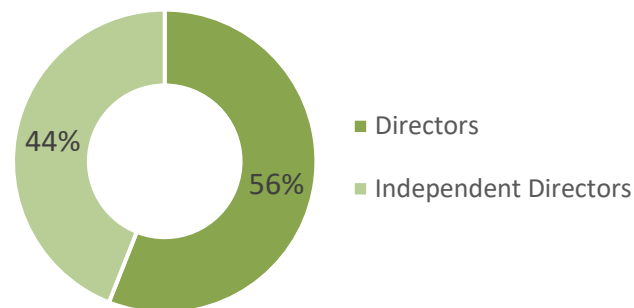
Chenbro's "Corporate Governance Practice Guidelines," Article 20, stipulates that the Board of Directors should guide the company's strategy, oversee management, and be accountable to both the company and shareholders. The operational arrangements of its corporate governance system ensure that the Board exercises its powers in accordance with laws, the company's articles of association, or shareholder resolutions. All members of Chenbro's Board of Directors possess essential operational experience, academic, legal, financial, and management capabilities required for business execution. The company consistently arranges diverse training courses for board members to enhance decision-making quality and fulfill their supervisory responsibilities, thereby strengthening the Board's functions.

In its 15th term, Chenbro's Board comprises 9 members, including 4 independent directors, accounting for 44% of the Board. Reflecting its operational nature and developmental needs, the Board is diverse, with four female members, representing 44% of female directors. Board members bring extensive management qualifications and relevant professional academic backgrounds, essential for their roles. Their expertise aligns with significant themes in this report: data security and personal data protection, integrity and regulatory compliance, and corporate image. The Board engages with stakeholders including employees and investors. Notably, the Chairman and the CEO (who also serves as the President) of the company are separate individuals.

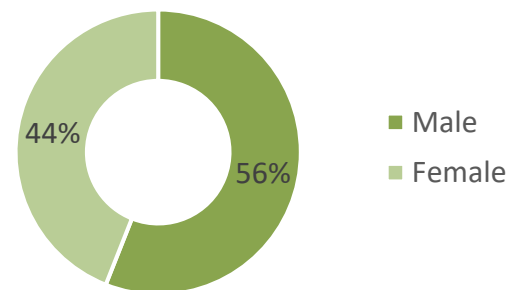
Directors' Professional Background



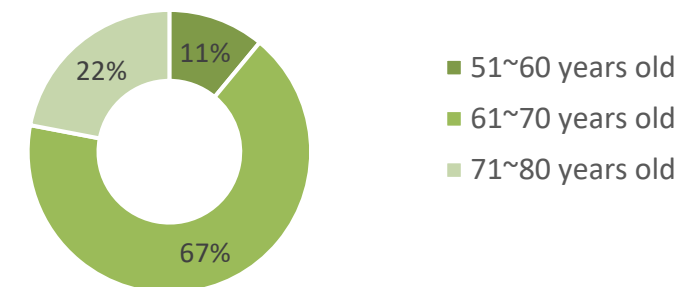
Number of Seats



Gender of Director



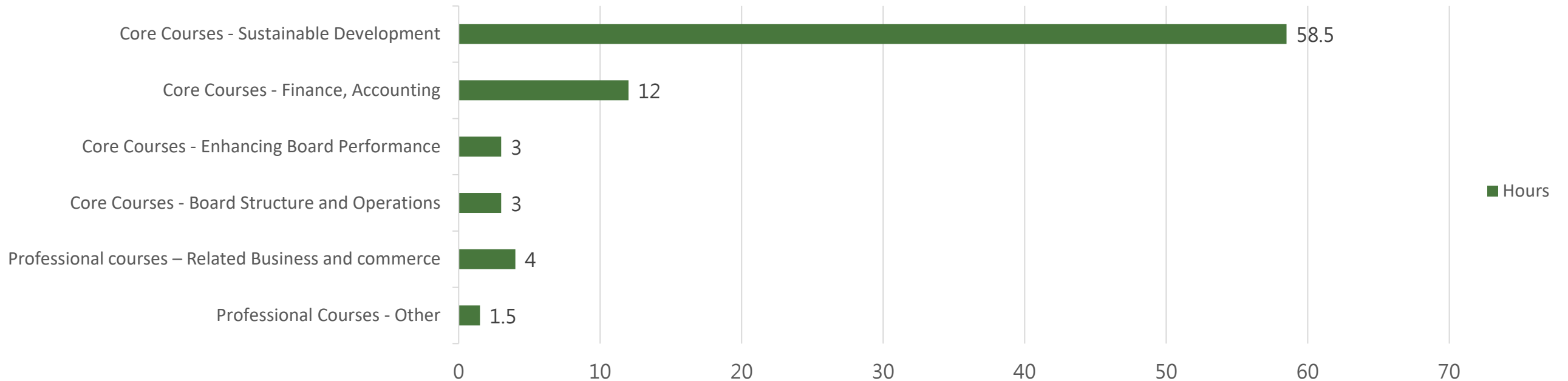
Age of Directors



The Board's Continuing Education

All directors of our company adhere to the “Regulations on Continuing Education for Directors and Supervisors of Listed and Over-the-Counter Companies.” In 2024, each director received an average of 9.11 training hours, surpassing the regulatory recommendation of 6 hours. Annually, the company provides diverse course information through various educational institutions to directors on an as-needed basis, considering their professional backgrounds and requirements. In 2024, the board training courses focused on topics related to sustainable development, board operations, finance and accounting, and business affairs.

Distribution of Directors' Continuing Education Courses in 2024



3.3 Risk Management

Risk Management Policies

Chenbro is committed to establishing a proactive and robust enterprise risk management system to safeguard the interests of the company and its stakeholders. By leveraging professional risk assessment methodologies and enterprise risk management frameworks from both domestic and international sources, the company carries out risk identification, evaluation, monitoring, and control measures to ensure stable operations and achieve sustainable development goals. Risk management policies are submitted to and approved by the Board of Directors, with key operational risks regularly reviewed. Through the “three lines of defense” mechanism—comprising business units, review units, the Board of Directors, and the Audit Office—Chenbro implements comprehensive risk management to enhance corporate resilience and competitiveness.

Organizational Structure of Risk Management

The Board of Directors serves as the highest authority in risk management and authorizes risk management decision-making to the CEO and President. The responsibilities of each unit are as follows:

1. Business Units: Department heads are responsible for managing risks within their respective units. They are tasked with analyzing and monitoring relevant risks and ensuring that risk control mechanisms and procedures are effectively implemented.
2. Review Units: Department heads, the CEO and President, and the chairman jointly participate in risk review. The CEO and President, authorized by the Board of Directors, lead risk management decision-making.
3. Board of Directors and Audit Office: The Board of Directors is the highest authority for risk management. Based on the company's overall business strategy and operating environment, the Board is responsible for understanding operational risks, ensuring legal compliance, promoting and implementing company-wide risk management, and regularly reviewing the effectiveness of risk controls. The Board holds ultimate responsibility for risk management. The Audit Office, an independent department reporting directly to the Board, conducts periodic audits in accordance with internal control and audit plans, submits audit reports to the Board, and follows up on corrective actions.

Important Risk Assessment Items	Immediate Unit of Risk Control (Business Units)	Risk Review and Control	The Board of Directors and the Audit Office
	1st-line mechanism	2nd-line mechanism	3rd-line mechanism
<ul style="list-style-type: none"> Interest rates, exchange rates, and financial risks High-risk and high-leverage investments, lending of funds to others, derivatives trading, financial and wealth management Investments, investment in investees, and M&A benefits 	Global Finance	Financial investment review unit Members: Global Finance, CEO and President, chairman	<p>Board of Directors: Decision-making and final control of risk assessment and control</p> <p>Audit Office: Risk inspection, evaluation, supervision, improvement, tracking, and reporting</p>
<ul style="list-style-type: none"> R&D plans 	Global R&D & Product Development, Innovation Center	R&D review unit Members: Global R&D & Product Development, Innovation Center, CEO and President, chairman	
<ul style="list-style-type: none"> Changes in policies and laws Litigation and non-litigation matters Contract formulation and review Examination of patents, trademarks, and other intellectual property rights 	Legal/IP	Legal affairs review unit Members: CEO and President, chairman	
<ul style="list-style-type: none"> Analysis of technological and industrial changes Changes in products and corporate image 	Global R&D & Product Development, Innovation Center, Global Marketing	Marketing review unit Members: Global Marketing, CEO and President, chairman	
<ul style="list-style-type: none"> Production and sales coordination Expansion of plants or production Centralized purchase or sales 	Factory Manufacturing Team, Biz Operation, Global Supply	Production and sales unit Members: Global Supply Chain, China Manufacturing, Taiwan Manufacturing, Global Sales, CEO and President, chairman	
<ul style="list-style-type: none"> Changes in the equity of directors, supervisors, and major shareholders Changes in operating rights 	Global Finance – Corporate Governance Group	Operation review unit Members: Global Finance, CEO and President, chairman	
<ul style="list-style-type: none"> Information security risks 	Global IT/DX	Information security review unit Members: Global IT/DX, CEO and President, chairman	

3.4 Code of Ethics and Accountability

Chenbro has remained committed since its founding to fostering a corporate culture of integrity and accountability. The company is dedicated to establishing a sound corporate governance system, upholding business ethics, and complying with all applicable laws in the regions where it operates. Centered on Anti-Corruption, Fraud Prevention, and Strict Discipline, Chenbro has implemented grievance mechanisms and formulated regulations such as the Corporate Governance Code and the Integrity Management Code. These efforts are supported by training programs, signed declarations of commitment, and accessible reporting channels. All relevant governance documents are publicly disclosed in the "Company Regulations" section on the official website.

Strict Discipline

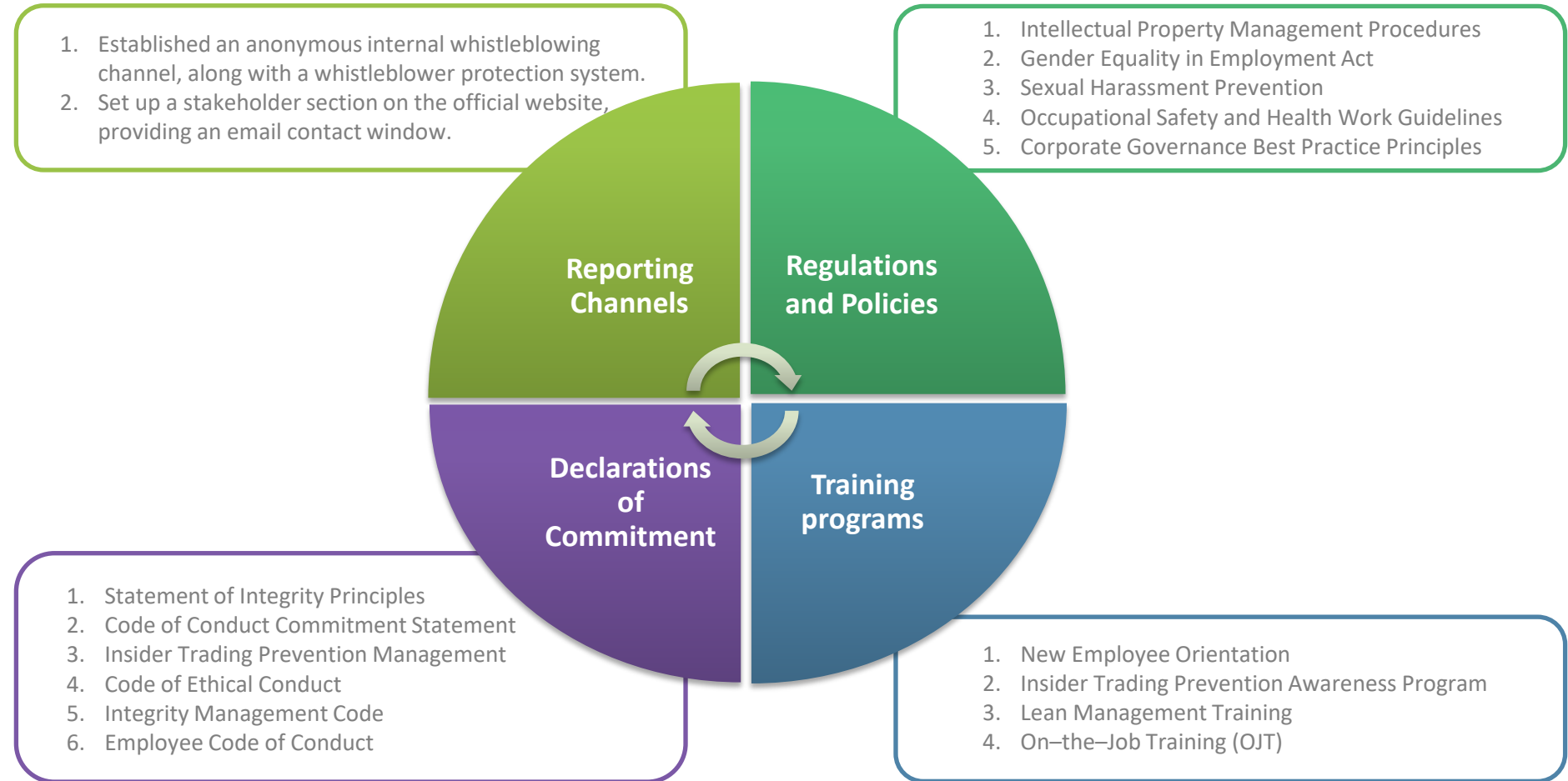
Established employee reward and disciplinary regulations. Employees are expected to comply with all work-related rules and regulations. Disciplinary actions are taken accordingly for any violations of these rules or policies.

Anti-Corruption

Prohibit the direct or indirect acceptance of any form of improper benefits.

Fraud Prevention

Established an approval authority matrix to ensure hierarchical approvals and proper segregation of duties, preventing employees from holding incompatible positions and reducing the risk of errors and fraudulent activities.



Implementing Enterprise – Wide Risk Management

Chenbro's approach to enterprise risk management is founded on the principle of protecting the value of shareholders and stakeholders. The company thoroughly assesses potential uncertainties that may arise in operations and establishes appropriate control mechanisms to address both risks and opportunities, thereby enhancing its value creation capabilities. The company's internal control system includes the "Management of Insider Trading Prevention," and regular awareness training is provided to relevant personnel. Through internal control self-assessment procedures, Chenbro conducts annual risk assessments related to ethical business practices across eight sites, including headquarters, manufacturing bases, and overseas offices. These assessments are conducted using self-evaluation questionnaires, covering potential misconduct, fraud, or corruption. As of the 2024 assessment, no such improper behavior has been identified.

Anti – Corruption Practices

To prevent corruption and related misconduct, Chenbro has established its "Code of Conduct – Chenbro," in accordance with legal and regulatory requirements. This Code outlines standards for ethical business conduct, including guidelines for gift-giving and hospitality, political contributions, political engagement, and charitable donations. It also addresses conflict of interest prevention, non-compete practices, fair competition, and the prohibition of insider trading, thus forming a comprehensive behavioral and ethical framework. The company mitigates employee corruption risks through education and training, requiring all Chenbro employees to comply with anti-corruption policies. Every new employee completes relevant training and signs a declaration on their first day of work. All employees are also required to re-sign the declaration annually, during which the HR department and department heads reinforce the company's integrity-related policies. In 2024, Chenbro conducted courses such as "Integrity Management and Human Rights Training" and "Labor Ethics and Company Policy Training," with a total of 2,062 participants and 2,806 training hours. In addition to employees, board members are also required to sign an Integrity Statement and continue participating in relevant trainings, such as seminars organized by the Financial Supervisory Commission and courses by the Taiwan Corporate Governance Association. Chenbro's anti-corruption commitment extends to external stakeholders. Before establishing business relationships, the company conducts credit evaluations of potential suppliers to ensure their adherence to integrity standards and anti-corruption policies. Suppliers are required to sign procurement contracts and related agreements, and Chenbro conducts annual audits to ensure full compliance with company regulations.

Implementation Status

The audit office includes regulatory compliance audits in the annual audit plan, focusing on company policies such as the "Integrity Management Code," "Code of Ethical Conduct," and the "Whistleblower Policy and Protection Procedure." These audits are conducted across various sites. In 2024, audits conducted by the Audit Office, as well as reviews by the Legal/IP Department and relevant grievance channels, did not identify any incidents of corruption.

2024 Integrity Management Training and Awareness Programs			
	Taiwan	China	Europe and US
Required participants	344	1,677	41
Attendees	342	1,677	38
Completion rate	99.42%	100%	92.68%

* including dispatched staff

3.5 Internal Control and Auditing

Chenbro has established an Audit Committee under the Board of Directors to oversee the management of existing and potential risks. An independent Internal Audit Office is also in place to supervise internal controls and implement the annual audit plan. The audit results are reported to the Board of Directors, with audit and deficiency follow-up reports sent to all independent directors via email on a monthly basis for review and tracking of improvement progress. In response to the requests and suggestions made by independent directors and the Audit Committee regarding internal audits, follow-up actions are continuously monitored and completed within the designated deadlines, with reports submitted accordingly. Each year, the company completes self-assessments and reviews, along with improvements to identified internal control deficiencies or anomalies. These serve as a key basis for the Board of Directors and the CEO and President to evaluate the overall effectiveness of the internal control system and to issue the "Statement on Internal Control."

In 2024, Chenbro's Internal Audit Office formulated the annual audit plan based on the results of a risk assessment, which was subsequently approved by the Board of Directors. The audit scope covered 45 items, including sales and collections, procurement and payments, production, R&D, acquisition or disposal of assets, supervision and management of subsidiaries, and audits of subsidiaries. The audits aimed to evaluate the effectiveness and efficiency of operations, the reliability, timeliness, and transparency of reporting, as well as compliance with relevant laws and regulations. No significant internal control deficiencies were identified in 2024.

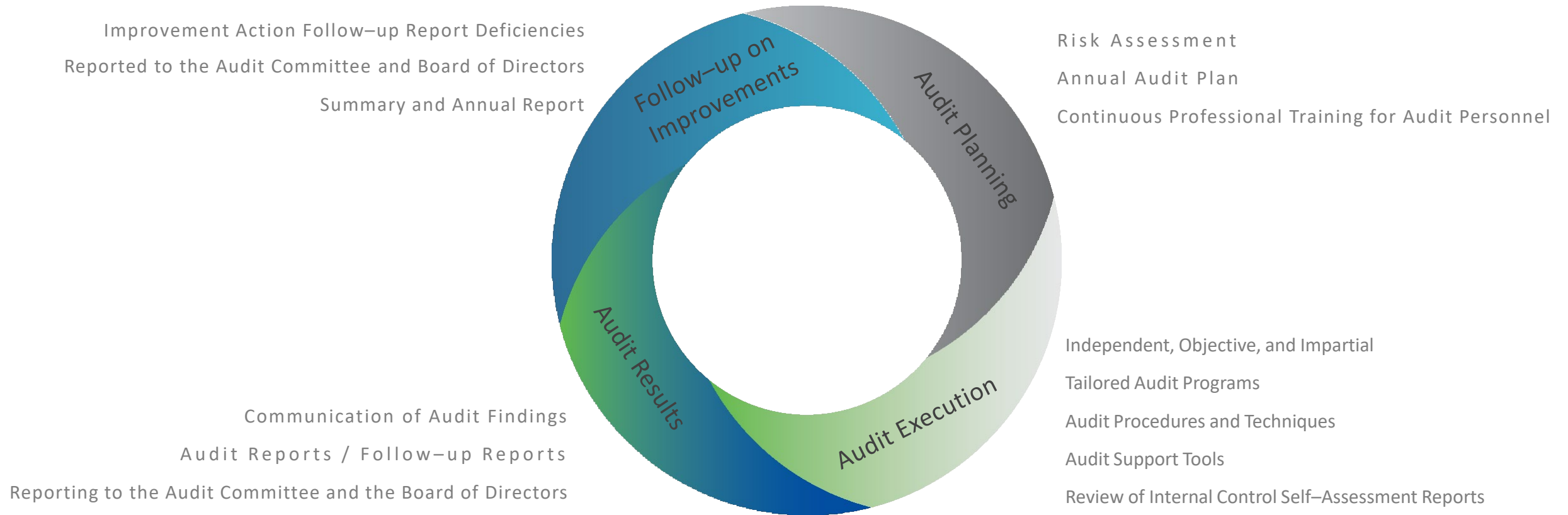
	2021	2022	2023	2024
Audit Plan	47	46	46	45
Findings	1	1	1	0
Findings Resolved	1	1	1	0
Completion Rate of Improvements	100%	100%	100%	—

The Audit Office conducts annual reviews of the internal control self-assessment reports from the Company and its subsidiaries. These are considered alongside the identified internal control deficiencies and the status of corrective actions as a basis for the Board of Directors and the President to evaluate the overall effectiveness of the internal control system and issue the Statement on Internal Control. Aligned with the Group's development and operational direction, the qualifications of internal audit personnel comply with the requirements set by regulatory authorities. Audit staff also attending audit-related training programs organized by competent authorities or recognized institutions to enhance audit quality and capabilities. The Audit Office is committed to continuously improving the professionalism and capabilities of audit personnel, integrating audit resources, enhancing the content and quality of audit reports, and increasing the value and effectiveness of internal auditing.

In 2024, audit personnel participated in seminars and external training courses related to sustainable development, including:

- “Policy Interpretation on Sustainability Information Disclosure” and Key Internal Control and Audit Seminars
- Industry updates (AI, ESG, cybersecurity, etc.) and their implications for internal auditing
- Corporate integrity and greenwashing risk management
- The role of internal audit in internal control for “Sustainability Information Management”

Implementing risk management across all levels of the organization



04 Innovative Development

4.1 Innovative Research Development

4.2 Intellectual Property Rights

4.3 Green Processes Optimization and Green Products Design

4.4 Green Design Process

4.5 Customer Relationship Management



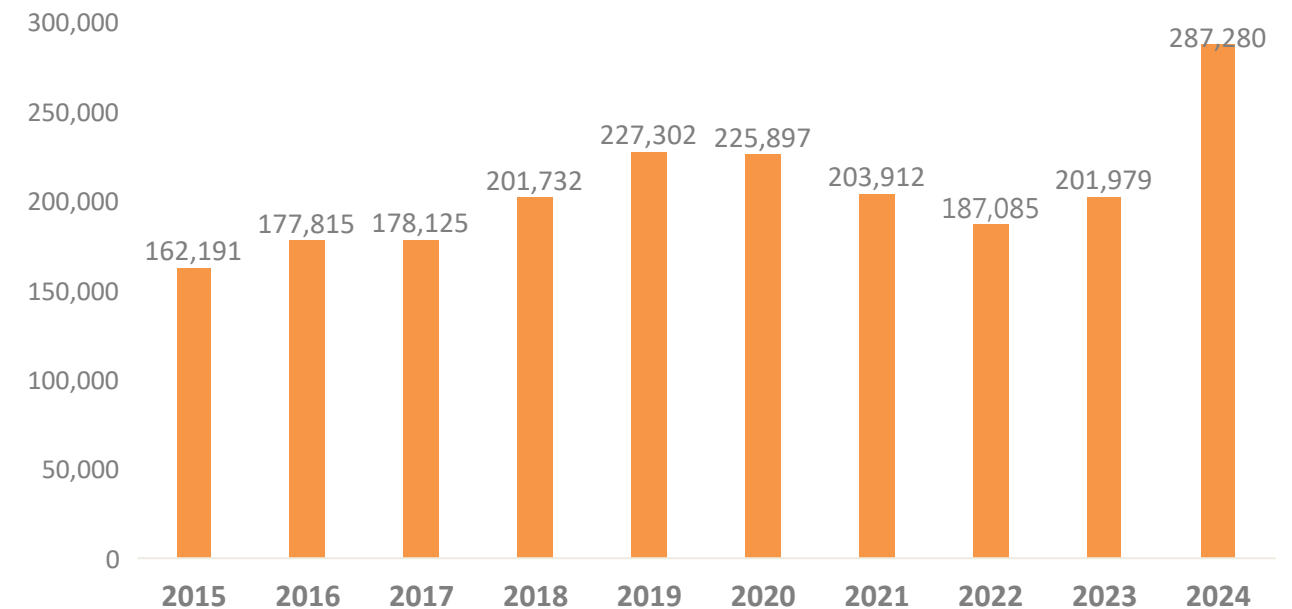
4.1 Innovative Research Development

Chenbro has consistently invested in research, design, and professional manufacturing over the years, accumulating extensive experience. Chenbro adopts the Six Sigma methodology to explore technological breakthroughs while continuously expanding market intelligence. In parallel, forward-looking research is advanced through industry-academia collaboration. In terms of new materials, the company focuses on high-strength lightweight structures, simplified component counts, eco-friendly and recyclable materials, and rapid prototyping for both steel and plastics. These efforts aim to increase internal component density, reduce the load on large data centers, and move toward low-carbon and green product designs. Chenbro closely follows the evolving server system demands driven by AI, cloud computing, and 5G developments, and remains at the forefront of the industry by developing high-performance system architectures, innovative mechanical designs, and modular solutions. The company also implements a sustainable product development strategy for next-generation solutions, adhering to the principles of simplifying development (Reduce), expanding versatility (Reuse), and performance-based environmental protection (Recycle).

Chenbro continuously develops new products to offer customers a wider range of options, while consistently investing in R&D to integrate innovative technologies into its product offerings. By actively listening to customer feedback and strategically planning its patent portfolio, the company enhances the value of its products. In addition to launching various R&D initiatives and encouraging employees to foster innovative thinking, Chenbro promotes the application of concept engineering to identify commercially viable innovations. The company has also established an internal knowledge-sharing platform to facilitate collaboration and idea exchange among R&D engineers.

Chenbro continuously drives innovation in server chassis design through advancements in structure, materials, and manufacturing processes to keep pace with customer R&D developments. In response to sustainability strategies and environmental trends, Chenbro continues to establish environmentally friendly product design guidelines. This includes proactive management of hazardous substances, use of eco-friendly materials, and expanding our product lineup with modular systems. These modules are designed to be lightweight, highly compatible, tool-free, and easy to disassemble, offering customers non-toxic, low-pollution, recyclable, and energy-efficient products throughout their lifecycle. This approach aligns with Chenbro's sustainable development strategy and plans for next-generation products.

R&D Expenditures (Unit: NTD / Thousand)



4.2 Intellectual Property Rights

Embracing an innovative spirit, intellectual property is a crucial focus for Chenbro. To strengthen our industry leadership, Chenbro actively promotes innovation through independent R&D. We align our IP management strategy with operational goals, integrating upstream and downstream resources in R&D to effectively acquire, maintain, and utilize various forms of intellectual property, including patents, trademarks, and trade secrets. This strategic approach helps us continuously accumulate intellectual property assets, consolidating our hard-earned market competitiveness and safeguarding the interests of Chenbro and its stakeholders.

Chenbro encourages employees to engage in R&D and innovation by implementing a "Patent Application and Incentive Policy" and dedicating substantial resources to support their innovative efforts. We seek to leverage the creative R&D capabilities of our team to enhance our competitive advantage in the market. The company regularly organizes patent education and training, hosts patent seminars, and manages R&D logs to enhance employees' expertise in intellectual property, fostering a culture of innovation and R&D.

In recent years, we have focused on R&D activities to meet forward-looking market demands and ensure key business opportunities are linked to research and development. We also protect and manage intellectual property within the company, as well as with suppliers and customers, using IP management systems and tools to ensure that R&D results are accurately, completely, and efficiently protected by law.

As of 2024, Chenbro has secured 528 patents globally. Intellectual property is a vital outcome of our R&D efforts and a key component of innovation management. Excellent IP management is essential to maintaining our leading position in innovation. In 2024 alone, we filed 23 new patents covering advancements in server two-phase immersion cooling system designs, automated storage module structures, side extraction card designs, cooling module structures, server devices and motherboard modules, rack-mount chassis structures, and modular system applications. These patents represent breakthroughs in new manufacturing processes, modular system planning, structural support strength, energy-saving technologies, cooling technologies, and assembly simplification.

	2020年	2021年	2022年	2023年	2024年
Patents Granted	51	64	16	47	23

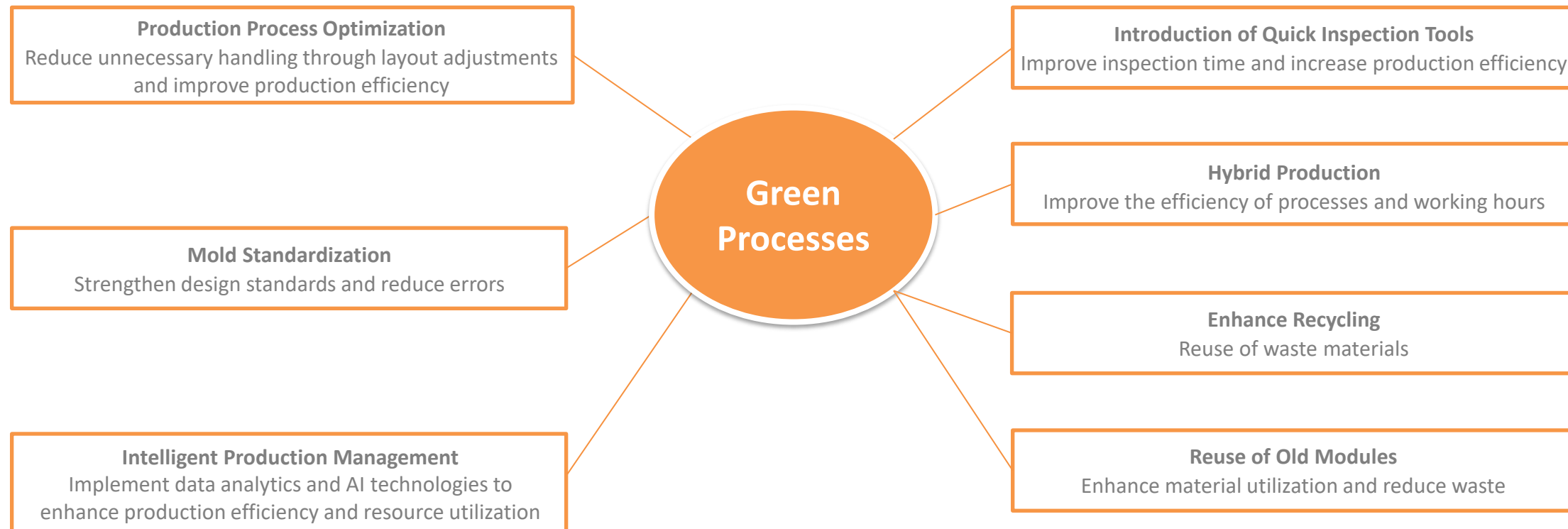
4.3 Green Processes Optimization and Green Products Design

Green Processes Optimization

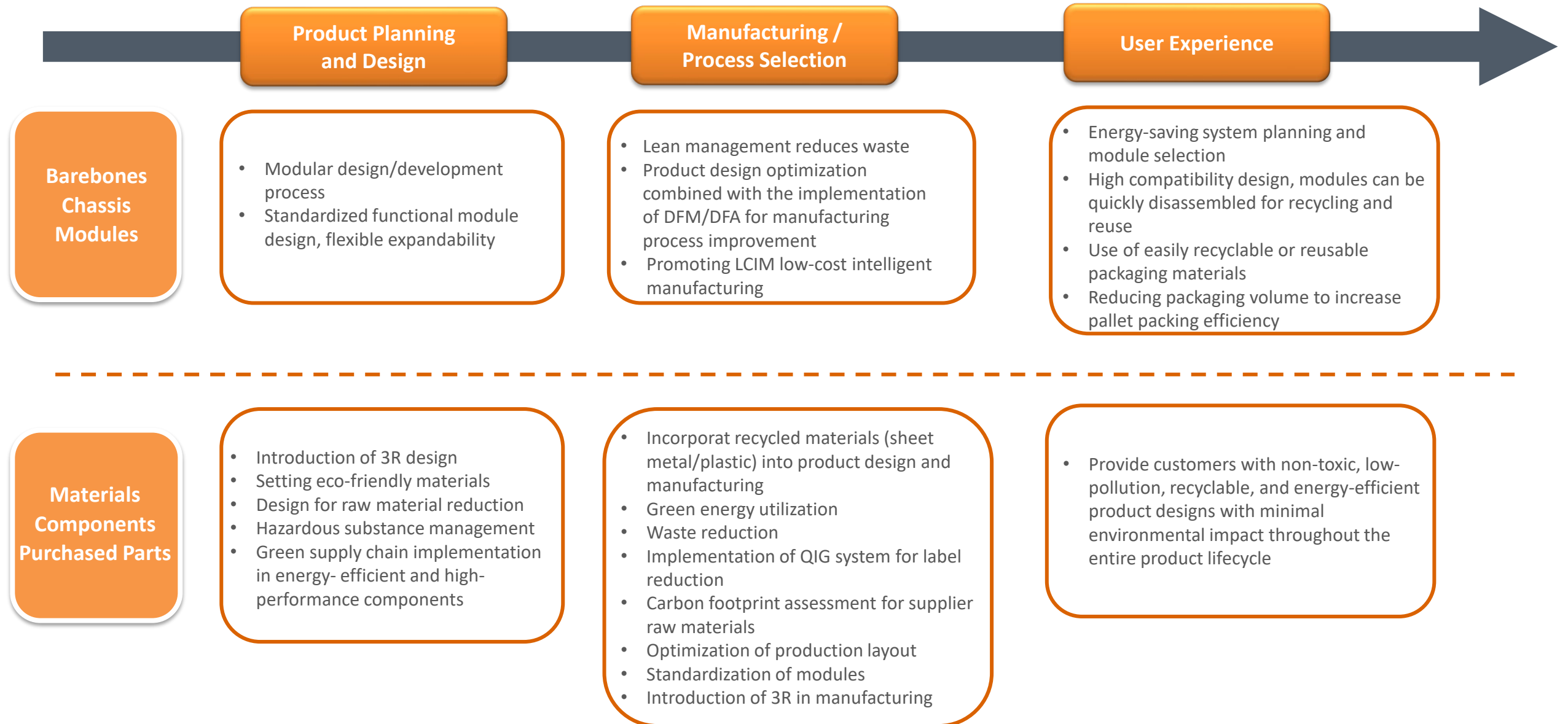
Chenbro's green process optimization integrates lean production systems and is progressively implemented across all manufacturing facilities. This initiative spans raw materials, product design, manufacturing, and environmental management, striving to minimize process waste and reduce environmental impact while delivering eco-friendly products. On another front, energy efficiency is improved through internal energy-saving initiatives. Furthermore, Chenbro continues to minimize environmental impact through proactive supply chain management and enhanced green product design.

Green Product Design

Chenbro focuses on maximizing the marginal benefits of component sharing, which not only reduces customer development costs but also minimizes raw material usage during manufacturing. Sustainability principles are integrated into our design manuals to address key environmental considerations, including reducing toxic substances, minimizing material use, and ensuring ease of assembly, disassembly, and recycling. By systematically incorporating green design into our R&D process and partnering with suppliers, Chenbro aims to become the ideal partner for customers seeking low-carbon, environmentally friendly, and sustainable value chains. We are committed to fulfilling our green product commitments.

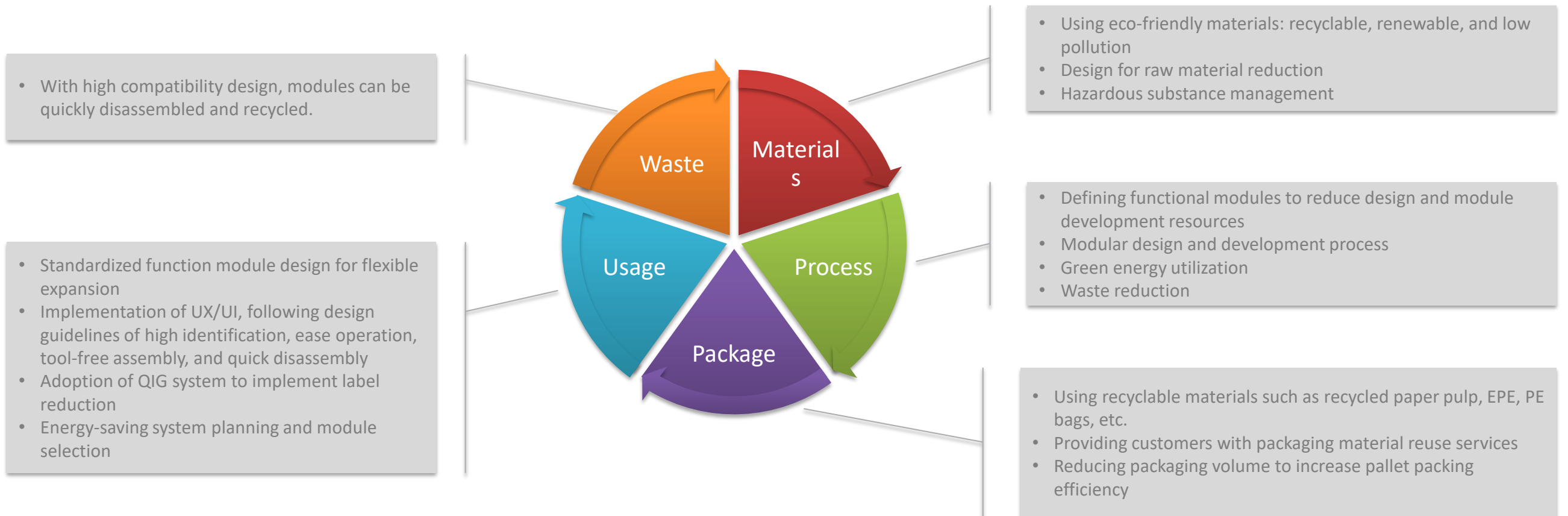


4.4 Green Design Process



Eco-Friendly Manufacturing Process

- Products not only comply with international regulations, safety standards, and environmental norms (such as RoHS), but also actively strive to meet customer environmental standards, fulfilling our responsibilities for green product management.
- In our R&D and design processes, we utilize environmentally friendly, recyclable materials. In addition to implementing the 3R principles (Reduce, Reuse, Recycle), we are advancing toward Cradle to Cradle (C2C) certification for circular economy products.
- Our modular product designs adhere to principles of high recognition, ease of use, tool-free operation, and quick disassembly. These modules offer high compatibility and flexible expansion capabilities, simplifying manufacturing processes and enhancing module reusability.
- To minimize the environmental impact of manufacturing, we have established an Environmental Production Management System. This system defines comprehensive environmental management procedures to control waste and resource usage throughout the manufacturing process.



Green Product Design and Development Achievements



- Compliance with EU Chemical Regulations (REACH) and the EU Restriction of Hazardous Substances Directive (RoHS)
- Halogen-Free Materials: We select halogen-free materials based on customer requirements.
- Restricted Substances Management: We have established guidelines for managing restricted substances and strictly monitor suppliers to ensure compliance with these standards.
- Full Material Disclosure: In accordance with customer requirements, we provide full material disclosure for our products and align this with our restricted substances management guidelines. This transparency enhances the completeness of material information and supports customer goals for environmentally friendly products by providing reliable material data.

- All packaging materials are now made from renewable materials, with an estimated reduction of 8% in annual carbon emissions.
- Over 70% of product components comply with WEEE-derived standards.
- For specific product projects, we have initiated an "Eco-Friendly Recycled Materials Integration Plan": The original sheet metal components used standard SGCC material (containing 6–10% recycled steel in the steelmaking process), which has been replaced with SGCC RC12 (containing 12% recycled steel).
- Circular Economy Practices: We implement practices such as edge scrap recycling, waste repurposing, and the use of post-consumer recycled (PCR) plastics, with some products incorporating up to 30% PCR material.

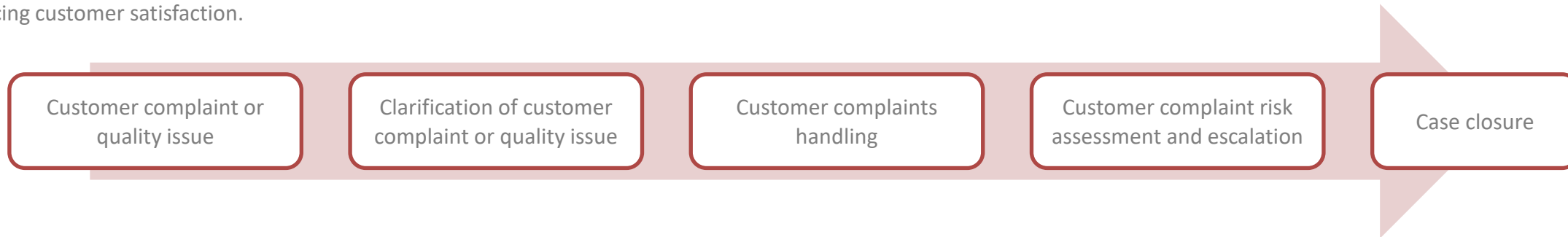


4.5 Customer Relationship Management

Chenbro attaches great importance to establishing positive partnerships with customers through innovation and R&D capabilities, helping customers obtain high-quality and competitive products. We are committed to becoming a trusted business partner that grows alongside our customers. Chenbro has a professional global technical support team that provides customers with technical assistance, along with business teams in key locations worldwide. In addition to regular customer visits to establish real-time communication channels, we incorporate customer feedback into our operations as an important reference for future improvements. Our website features a "Services and Support" section, which provides information and FAQ lists for each product line to help customers resolve issues, as well as a website response form to consolidate and respond to customer inquiries promptly.

Customer Complaint Handling Process

Chenbro's quality policy centers on "Customer Satisfaction and Continuous Improvement." To fully understand and promptly respond to customer feedback, Chenbro has established the "Customer Complaint Handling Procedure" to address customer complaints or requests for quality-related improvements. Responses are provided in a timely manner based on the severity of the issue, with the aim of enhancing customer satisfaction.



Customer Satisfaction Survey

Chenbro conducts customer satisfaction surveys annually for key customers. Through the distribution of questionnaires or gathering feedback from Quarterly Business Review (QBR) and Quality Performance Assessment (QPA) audits, relevant information is analyzed to evaluate customer satisfaction. The survey results indicate a high customer satisfaction rate of 70%, with the highest score reaching 92%. Chenbro will continue its efforts to provide reliable products that meet and exceed customer expectations.

Creating Win-Win Partnering Opportunities

Customer patents and intellectual property are highly important confidential assets for us, and "Strict adherence to customer contract agreements and confidentiality commitments" has been Chenbro's long-term commitment to customers. Currently, we have implemented strict confidentiality policies and internal control mechanisms to safeguard the relevant information provided by customers; we also sign confidentiality agreements with customers and suppliers to ensure the security of their proprietary information. Moving forward, we will continuously optimize the company's information security policies to ensure comprehensive and effective control of customer data security, and better enhance customer relationship management and satisfaction. Additionally, Chenbro applies the sales tool "Selling Logics" to systematically identify business opportunities. By analyzing industry trends and understanding customer sales patterns, we systematically identify customer demands and enhance collaboration with customers, achieving mutually beneficial outcomes.

Engage in Sustainability Supplier Conference

Chenbro actively participates in sustainability supplier conferences organized by customers to align with their sustainability goals and strategies. Through these engagements, we gain insights into customers' sustainability initiatives, which are then shared across our internal teams to foster a spirit of collaboration and mutual growth, jointly advancing corporate sustainability. In 2024, Chenbro participated in a total of eight such events and was honored with the Best Supplier Partnership Award.





05 Enterprise Commitment

- 5.1 Supplier Sustainability Management
- 5.2 Information Security Management
- 5.3 Manpower Structure
- 5.4 Talent Recruitment and Retention
- 5.5 Employee Development and Training
- 5.6 Workplace Quality and Safety

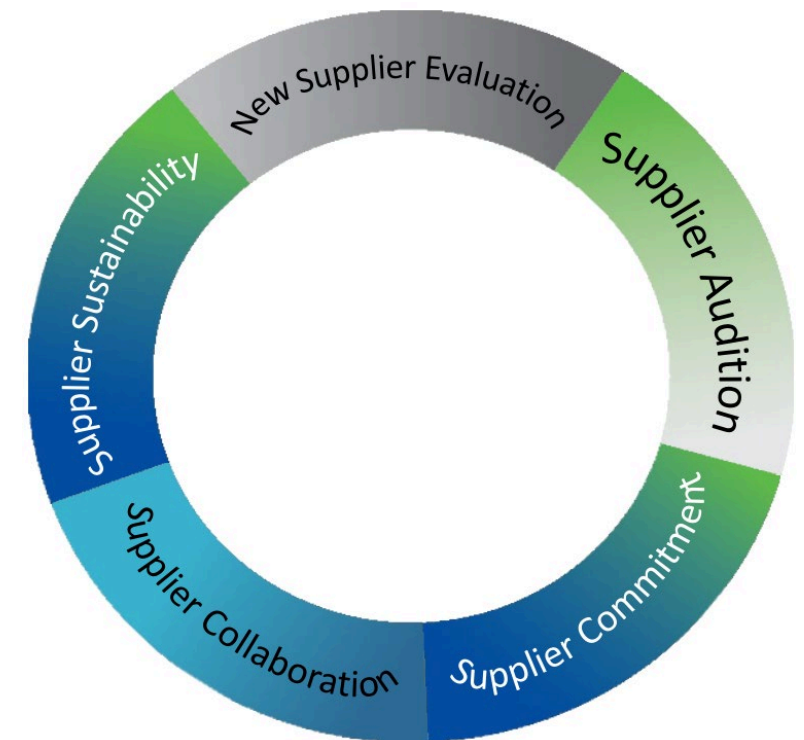
5.1 Supplier Sustainability Management

Purpose

Chenbro considers suppliers as crucial partners for sustainable growth and strictly adheres to relevant legal obligations in supplier management, focusing on labor rights, environmental protection, safety, and health. Chenbro has joined the Responsible Business Alliance (RBA) and established a social responsibility management system framework in alignment with the RBA Code of Conduct. This system aims to ensure that our supply chain provides a safe working environment, safeguards employee rights, upholds health and safety, complies with applicable laws and regulations, and fulfills corporate social responsibility. Chenbro has also developed the “RBA Social Responsibility Management Manual” and adheres to the Corporate Social Responsibility Code of Practice. These standards serve as the code of conduct for all employees and are implemented under the leadership of top management as the designated management representative to ensure the fulfillment of corporate responsibility.

Implementation and Management Strategies

1. Suppliers are required to sign the “Supplier Code of Conduct and Social Responsibility Commitment” pledging compliance with legal regulations, providing labor management standards, reducing environmental pollution, and minimizing potential hazards.
2. We enforce the supply chain management guidelines, including “Vendor Assessment Form” for new suppliers, regular supplier evaluations for all suppliers, and improvement requirements for unsatisfactory evaluations.
3. We strengthen conflict-free minerals management by ensuring that restricted substances are not used in our products and by strictly complying with the European Union’s REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals) regulation and the Substances of Very High Concern (SVHC) requirements.
4. We prioritize local procurement to promote local economic growth and reduce carbon emissions during transportation. Currently, the headquarters' local procurement rate is reaching 85%.



Supplier Sustainability Management Process

For supplier management, Chenbro incorporates corporate social responsibility (CSR) clauses into subcontracting agreements. We implement supplier due diligence through the signing of the “Supplier Code of Conduct and Social Responsibility Commitment” and actively communicate with and guide suppliers to complete the signing process, with a goal of achieving a 100% signing rate. Suppliers are also required to sign the “Responsible Minerals Procurement Statement” and “Restricted Substances Compliance Statement.” These agreements outline expectations beyond compliance with local laws and regulations, addressing responsible business practices in areas such as labor rights, health and safety, environmental protection, business ethics, and management systems. Two-way communication is facilitated through SQE channels, enabling effective grievance handling and supporting sustainable procurement.

At the supplier qualification stage, Chenbro requires new suppliers to sign a “Purchase Contract” to ensure delivery, quality, and warranty compliance. In the event of delays due to force majeure, suppliers are obligated to notify Chenbro immediately. For commonly used electronic components, we establish second-source management mechanisms, and for key materials, we maintain strategic inventory to mitigate risks related to shortages or quality issues. Materials are categorized by class, and dedicated procurement personnel are assigned to analyze market trends. Regular reviews of market conditions are conducted through weekly and monthly meetings. We adopt a centralized procurement strategy and maintain a Preferred Vendor List (PVL) to enhance operational efficiency and ensure the procurement of high-quality materials with stable lead times. As of now, Chenbro works with a total of 116 suppliers, including 98 general suppliers and 18 strategic suppliers.

Supplier Sustainability Responsibility Agreement Signing

- Responsible business alliance code of conduct
- Supplier code of conduct and social responsibility commitment
- Responsible minerals procurement statement
- Restricted substances compliance statement

New Supplier Selection System

- Supplier search and screening
- Ensuring delivery, quality, and warranty with purchase contracts
- Alternate part management for electronic components
- New supplier evaluation: screening and on-site audits

Existing Supplier Auditing and Assistance

- Irregular supplier auditing
- Seasonal supplier evaluation
- Annual supplier evaluation
- Green product management: environmental criteria assessment with 20 indicators



Achievement Rate: 95%
Signing of the Supplier Code of Conduct and Social Responsibility Commitment



100% Responsible Minerals Procurement
Strengthened Conflict-Free Minerals Management



Green Supply Chain

- Control of restricted substances in materials and Identification of REACH SVHC usage
- Selection of low-carbon steel, recycled metal, and plastic materials
- Use of recycled packaging materials



85% Local Procurement in Taiwan

- Shortened supply chain lead times
- Enhanced supply chain flexibility

Supplier Evaluation

Chenbro conducts quarterly supplier evaluations using standardized evaluation forms, assessing suppliers across procurement, quality management, and technical capabilities to ensure sustainable procurement practices. For suppliers with poor performance, improvement actions and follow-up guidance are required. New suppliers are required to sign the “Supplier Code of Conduct and Social Responsibility Commitment,” which includes compliance with labor policies, health and safety, environmental standards, ethics, and anti-terrorism systems. Through the “Supplier Evaluation Form,” Chenbro conducts a comprehensive assessment, including basic supplier profile, system management, quality system, quality and production control, green product compliance, engineering and order management, and technical capabilities such as organizational structure, design and manufacturing ability, product development, design control, technical document management, production planning, and special expertise. This holistic approach supports the establishment of a sustainable supply chain.

For green product management, Chenbro adopts environmental criteria to evaluate new suppliers, covering 20 indicators such as Green Partner (GP) management systems, hazardous substance control, and green material management. To maintain the quality of supplier deliveries, all active suppliers (excluding affiliates, customer-designated, and sample suppliers) are evaluated quarterly. Suppliers are graded as follows: Grade A: 95–100 points; Grade B: 85–94 points; Grade C: 75–84 points; Grade D: below 74 points. Suppliers receiving a Grade C will undergo abnormal case review with our Supplier Quality Engineering (SQE) team, who will guide the supplier in implementing corrective actions. SQE will track the implementation status and conduct random on-site inspections to verify process improvements. This ensures that suppliers can improve their grading in subsequent evaluations and achieve sustainable supplier management.

2024 Supplier Evaluation Results									
2024 Quarter	Number of evaluated suppliers	Number of evaluation levels				Percentage of evaluation levels			
		A	B	C	D	A	B	C	D
Q1	58	58	0	0	0	100%	0%	0%	0%
Q2	57	52	5	0	0	91%	9%	0%	0%
Q3	64	59	5	0	0	92%	8%	0%	0%
Q4	57	54	3	0	0	95%	5%	0%	0%

Localized Supply Chain

The production sites of Chenbro located in Taiwan and China. One of our key supply chain strategies is prioritizing local procurement, aiming to promote local economic development, enhance production efficiency, and reduce carbon emissions generated during transportation. In recent years, the proportion of local supplier and the proportion of local procurement amount in both Taiwan and China have remained at a stable and consistent level.

	2021	2022	2023	2024
Proportion of Local Suppliers in Taiwan	89%	90%	90%	85%
Proportion of Local Suppliers in China	80.5%	81.5%	83%	92%
Proportion of Local Procurement Amount in Taiwan	99.2%	98.80%	98%	93%
Proportion of Local Procurement Amount in China	82%	83.5%	84%	79.45%
Local Supplier Proportion= Number of local transactional suppliers / Total number of transactional suppliers in the year Local Procurement Amount = Local procurement amount / Total procurement amount in the year				

Procurement of Conflict-free Minerals

Since 2013, Chenbro has conducted due diligence on the sources of product materials to ensure they do not contain conflict minerals, in response to the “Conflict-Free Smelter (CFS) Project” jointly launched by the Electronic Industry Citizenship Coalition (EICC) and the Global e-Sustainability Initiative (GeSI). We publicly disclose whether any conflict minerals originate from or contribute to funding illegal armed groups in the Democratic Republic of Congo and its neighboring countries, aiming to uphold human rights and prevent environmental destruction. In addition, Chenbro promotes responsible sourcing by collaborating with suppliers through signed declarations to implement the "Conflict-Free Minerals Procurement Policy" and comply with the Restriction of Hazardous Substances (RoHS) directive for green products.

Supplier Sustainable Management Goals

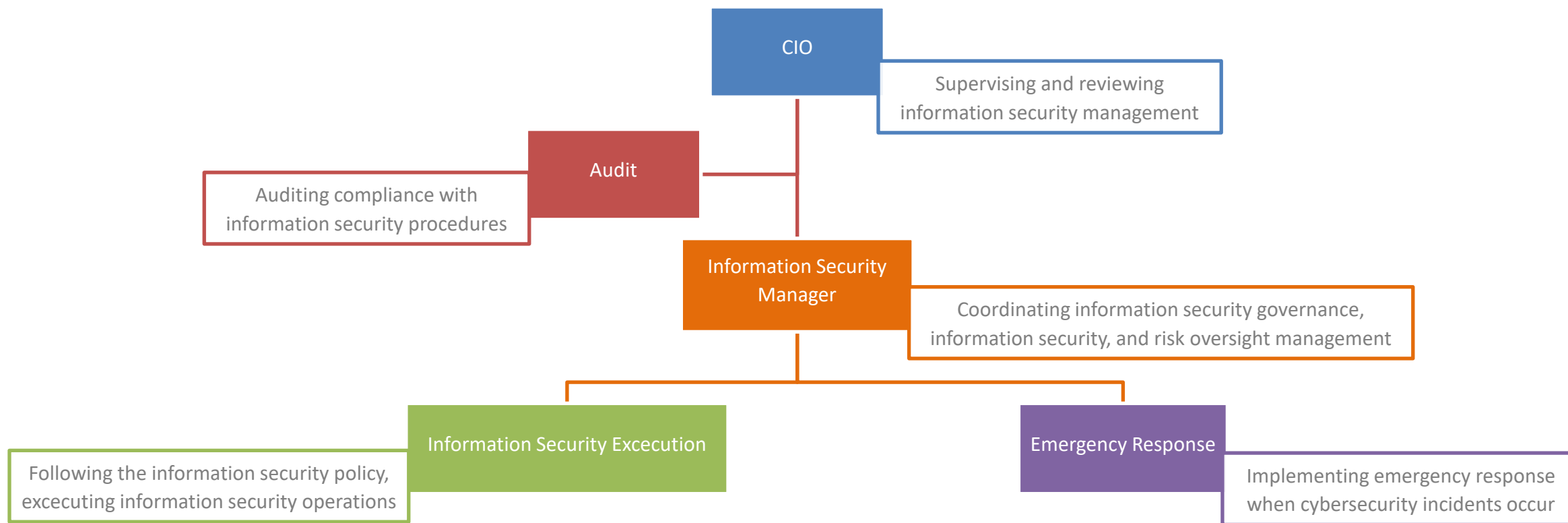
Chenbro regards suppliers as key partners for sustainable growth and regularly conducts supplier profile reviews. We actively communicate with and guide suppliers to build a supply chain focused on sustainable development. Compliance with relevant legal obligations forms the foundation of our supplier management practices, with labor rights, environmental protection, and health and safety identified as key risk control areas. Based on our supply chain sustainability management strategy, Chenbro promotes supply chain objectives and strategic actions, and has progressively conducted multiple QBR meetings with suppliers to achieve sustainable management.

	2022	2023	2024
Recovery rate of Supplier Commitment to Code of Conduct and Social Responsibility	70%	95%	95%

5.2 Information Security Management

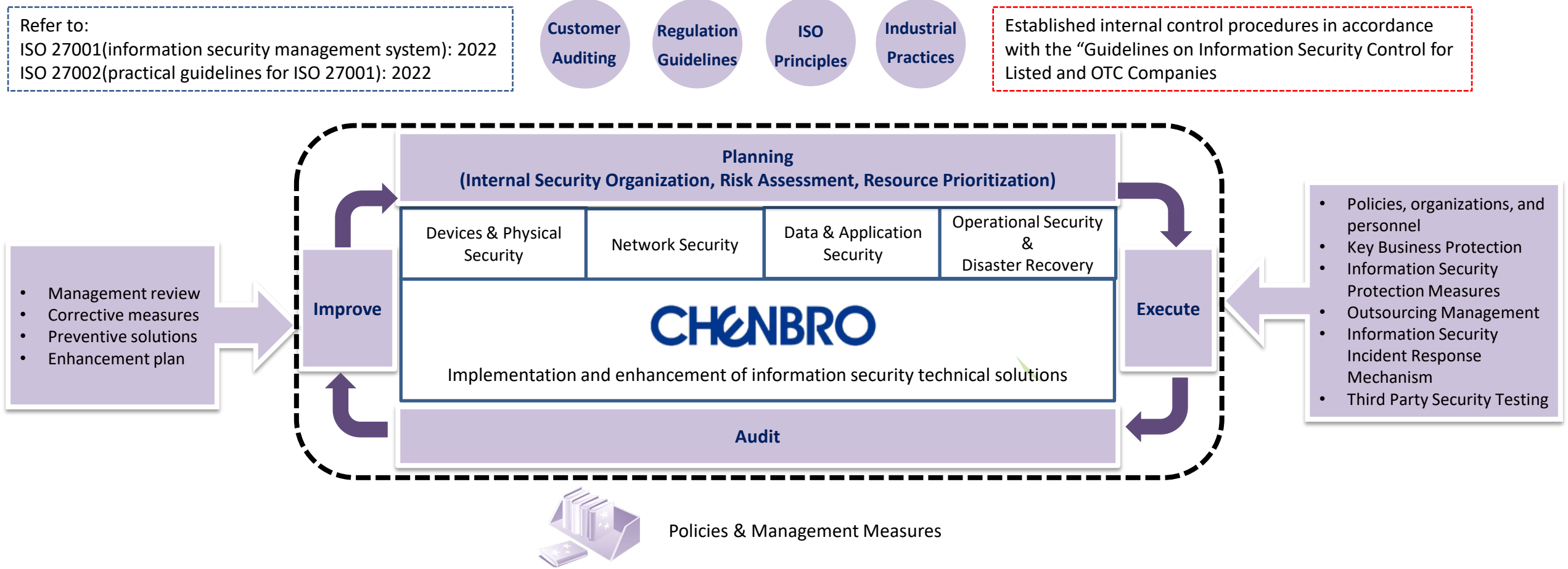
Chenbro prioritizes information security and has established policies and procedures to prevent the situations that could disrupt operations or cause significant customer losses. To conduct information security risk management, Chenbro has established an Information Security Department dedicated to managing and controlling information security risks.

Comprehensive Information Security Organization for Supervising Company Operations



Information Security Management Model

Chenbro has established a series of response measures to effectively manage operational risks that may arise during company operations. These measures aim to safeguard information security, enhance external customer trust in outsourced information services, and ensure internal execution of information security management policies. By implementing these strategies, Chenbro upholds the principles of information security and business continuity, providing safer and more efficient services.



Policies & Management Measures

Results of Information Security

In 2024, the Company further strengthened its group-wide disaster recovery strategy and implemented routine simulation exercises to ensure the robustness and responsiveness of its systems. To address rising cybersecurity threats such as ransomware, Chenbro reinforced its information infrastructure with advanced threat detection and automated response mechanisms. In parallel, the Company enhanced internal cybersecurity awareness through regular employee training programs and social engineering simulations, fostering a culture of security across the organization. These efforts reflect Chenbro’s ongoing commitment to operational continuity, data protection, and responsible governance in line with ESG principles.

Network Protection

- Firewall Protection
 - ✓ Blocked 230 thousand attacks and threat probes, averaging 19,000 times per month
- Traffic Attack
 - ✓ Blocked 4.32 million attacks on various email traffic, with an average of 360 thousand attacks per month
- Email Protection
 - ✓ Intercepted approximately 31 thousand virus threat emails, with an average of 2.6 thousand emails per month

Social Engineering Drill

- Social engineering drills: Sent out nearly 3,000 phishing emails, including:
 - Open emails:
 - ✓ 2023 : 16.6%
 - ✓ 2024 : 11.8%
 - Click links:
 - ✓ 2023 : 9.3%
 - ✓ 2024 : 1.9%
 - Open attached:
 - ✓ 2023 : 1.8%
 - ✓ 2024 : 5.5%
- Enhance employees’ Information security education & Training

Device & System Protection

- Device protection
 - ✓ Discovered and blocked nearly 2.4 thousand viruses, spyware and hacker attacks in advance
- Deprecated 99.0% of old systems
 - ✓ All systems have been upgraded except for the old systems that cannot be deprecated due to the application program
- Patched 99.0% of bugs
 - ✓ All systems have been patched except for the old systems which are not connected to the Internet
- Recovery Drills
 - ✓ Conducted 2 recovery drills on systems and met the objectives

Information Security Assessment

- The average result of the Security Scorecard information security examination is 90 points.
- Customer information security assessment
 - ✓ Assessed and passed 3 Customer information security assessments
 - ✓ Continuously provide customers with a safe information security environment

Education & Training

- Raise awareness of information security
 - ✓ Conducted 10 internal information security promotion events within the Group
- External information security seminars
 - ✓ Information security staffs participated in 6 external seminars, raising awareness and introducing new technologies.

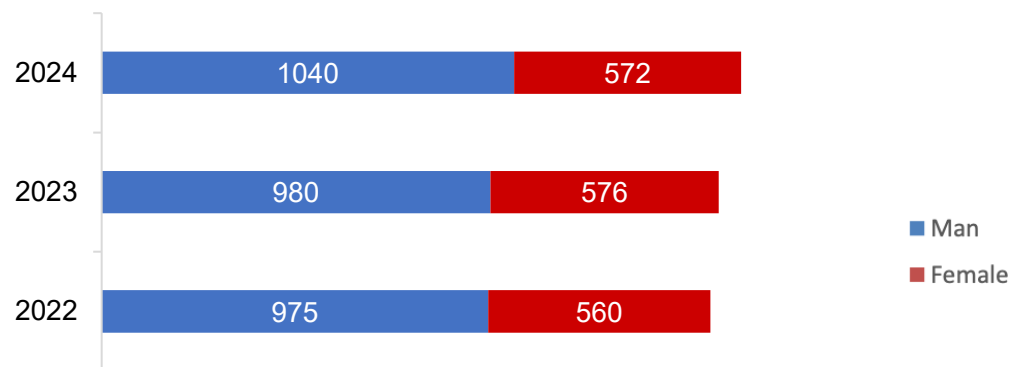
- This year, we strengthened awareness campaigns on information security risks associated with AI applications to enhance employees’ cybersecurity awareness. The goal is to ensure that while leveraging AI tools, employees also avoid the risk of exposing sensitive data.
- During the year, Chenbro did not have any major deficiencies in information security audits, nor did it have any major information security incidents that caused losses or affected operations or goodwill. There were also no complaints of violation of customer privacy or loss of customer information.

5.3 Manpower Structure

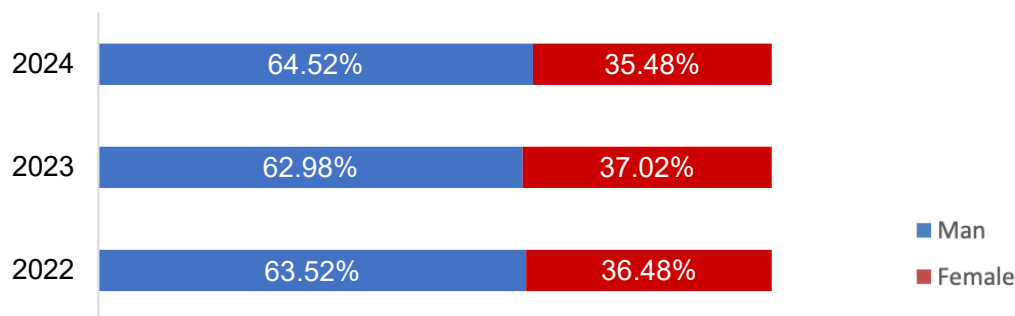
Workplace Diversity

Chenbro upholds a “people-first” philosophy and adheres to international human rights standards. By joining the Responsible Business Alliance (RBA), Chenbro is committed to safeguarding human rights across all business locations. To ensure regulatory compliance and protect employee rights, Chenbro continuously monitors domestic and international policies that may impact operations. Internally, we have established comprehensive systems for employment and hiring conditions, compensation and benefits, and talent development, creating a diverse, equal, and inclusive workplace environment. As of the end of 2024, the total number of employees across the Chenbro Group reached 1,612, including staff at our Xin Zhuang headquarters, China, U.S. and German offices, and manufacturing site- Chiayi Factory, Procace Electronic, Chenbro Technology, and Chen-Feng Factory. Female employees account for 35.48% (572 people), while male employees account for 64.52% (1,040 people).

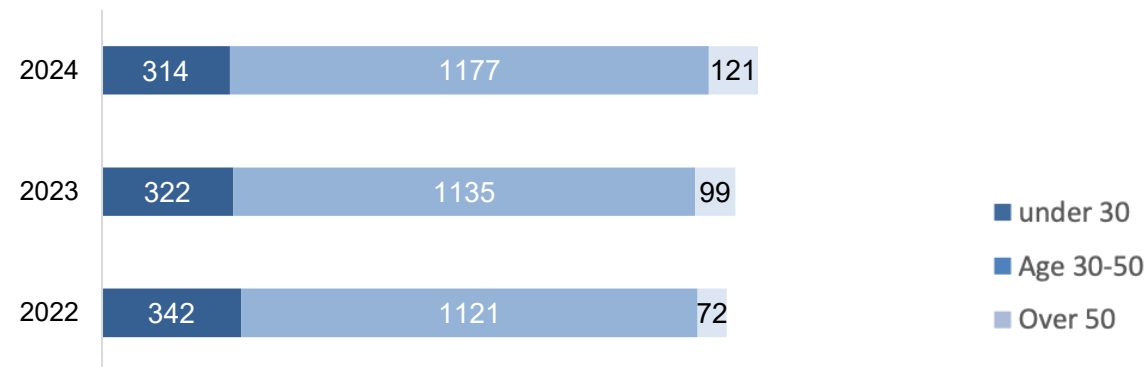
Employee Count by Gender



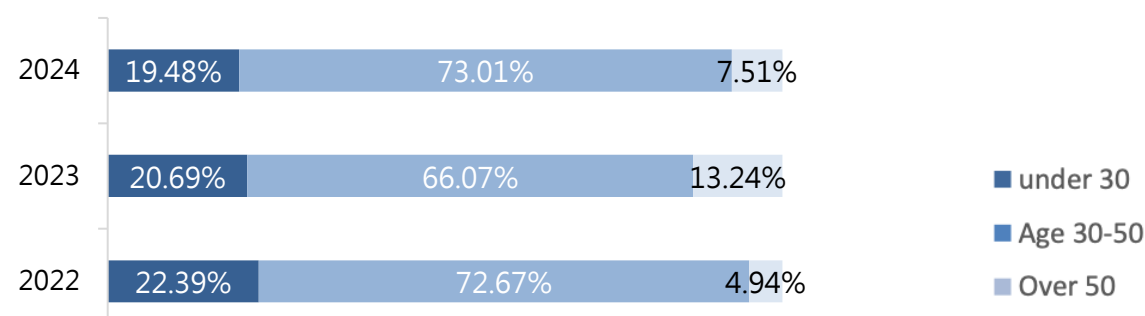
Employee Count Ratio by Gender



Employee Count by Age



Employee Count Ratio by Age Group



Manpower Structure

Regular employees are defined as those who have signed indefinite-term contracts, while non-regular employees include temporary staff, part-time employees, and zero-hour contract workers. In 2024, the Chenbro Group employed 1,604 regular employees, 8 non-regular employees, and 798 dispatched employees. Due to the nature of the industry and cultural context, a higher number of dispatched employees are hired at our manufacturing sites in China and Taiwan to meet production line demands. Chenbro is committed to fostering a diverse and inclusive workplace and places great importance on providing job opportunities for individuals with disabilities. In 2024, a total of 6 employees with disabilities were hired in Taiwan, fully meeting the legal requirements.

Personnel Gender and Employment Type by Region						
Region/Gender	Taiwan		China		Europe and US	
	Male	Female	Male	Female	Male	Female
Temporary employees	1	3	0	0	0	0
Part-time employees	1	1	0	0	0	2
Zero-hour contract employees	0	0	0	0	0	0
Full-time employees	319	188	692	366	27	12
Total	321	192	692	366	27	14
Total number of employees by region	513		1058		41	

Employee Distribution					
Employee Distribution		Male		Female	
		Headnote	Percentage	Headnote	Percentage
Management/ Non-management	Management Position	104	77.0%	31	23.0%
	Non-management Position	936	63.4%	541	36.6%
Job categories	Non-manufacturing Staff	237	56.6%	182	43.4%
	Manufacturing Staff	803	67.3%	390	32.7%
Employment types	Direct Employee	626	68.6%	287	31.4%
	Indirect Employee	414	59.2%	285	40.8%

2024 Non-employee staff headcount						
Category	Headquarter	Chenbro Technology (Kushan)	Procace Electronic (Dongguan)	Chiayi Factory (Chiayi)	Chen-Feng Factory (Wugu)	US Office
Contractor	2 (Cleaning)	18 (Canteen) 、 7 (Guard) 、 6 (Cleaning)	10 (Guard) 、 4 (Cleaning) 、 14 (Canteen)	3 (Group Meals) 、 6 (Guard) 、 4 (Cleaning) 、 1 (Gardening)	1 (Cleaning)	2 (Cleaning)
Dispatched Staff	7	415	206	165	5	0

*There are no non-employee staff at the Germany and China offices.

Equal Opportunity

Chenbro firmly believes that the growth and innovative competitiveness of a company are based on the growth and contribution of its employees, and is committed to providing employees with a safe, healthy and high-quality working environment, ensuring workforce diversity and protecting human rights. We ensure that female colleagues have equal opportunities and rights as men in all aspects. In 2024, females comprised 36.63% of the general workforce and 22.96% of supervisors.

Gender Proportion of Each Job Level in the Past Three Years						
	2022		2023		2024	
	Male	Female	Male	Female	Male	Female
Regular positions	59.19%	40.81%	61.64%	38.36%	63.37%	36.63%
Management Position	76.84%	23.16%	76.22%	23.78%	77.04%	22.96%

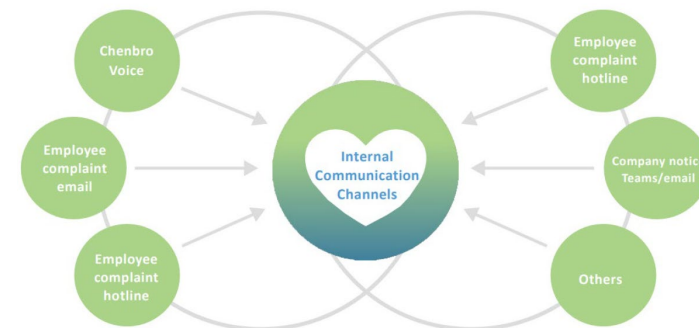
DEI-based Friendly Workplace Environment

Chenbro's efforts in promoting a diverse, inclusive, and equal workplace have been recognized with the 2024 TCSA Workplace Wellbeing Leadership Award. This honor highlights Chenbro's achievement in fostering a friendly and inclusive work environment, demonstrating the impact of DEI and reinforcing our commitment to workplace well-being and equality.

Employee Care and Communication Channels

Chenbro respects individual liberties and human rights and has established a Whistleblower Protection System in accordance with the Code of Business Ethics and Corporate Governance Guidelines. All reports are handled confidentially through dedicated reporting channels (such as email and hotline). To foster transparent communication across global offices and factories, multiple employee communication platforms are in place, including the "Chenbro Voice - Employee Feedback Platform," grievance hotlines and email addresses, company e-newsletters, digital platforms, and electronic bulletins. These mechanisms ensure that employees can freely and safely express suggestions, concerns, or issues without fear of retaliation, enabling open two-way communication.

In our factories in mainland China, communication channels include the General Director's feedback email box, physical suggestion boxes, and a wechat group for general service requests, allowing all employees to share opinions or suggestions and fostering harmonious labor relations. Additionally, an Employee Representative Congress is held quarterly to establish a smooth two-way communication platform. Employee representatives participate in the formulation and review of key policies and major matters that affect employee interests, such as reward and disciplinary rules, year-end bonus schemes, and welfare fund usage. The Congress collects input from employees and regularly conveys and discusses it during meetings to enhance labor-management harmony. and safeguard workers' rights.



Chenbro Voice – Employee Feedback Platform

Employees can provide suggestions to the company through the “Chenbro Voice – Employee Feedback Platform,” either anonymously or with their names. The Head of Human Resources is responsible for reviewing and addressing these suggestions promptly and confidentially, aiming to foster an open and transparent communication environment among supervisors, colleagues, and peers. In 2024, the group received and resolved a total of 41 employee suggestions, confirming the effectiveness of the communication channels. No complaints related to discrimination based on race, religion, color, nationality, or gender were reported.

Chenbro Voice – Process



The feedback categories through the “Chenbro Voice” platform

Workplace Environment
Suggestions and feedback regarding office environment, hardware, and software equipment.

Employee behavior
Improper professional ethics include bribery/corruption, sexual harassment, insider trading, and unauthorized disclosure of confidential information.

Job Content
Work processes, job adaptation, job suggestions, and job responsibilities and requirement.

Policy benefits
Suggestions for management system, organizational strategy, and employee benefits.

Teamwork
Workplace interpersonal relationships, colleague communication, supervisor management, and team collaboration.

Human Rights Governance

To address human rights issues across our global factories and operational processes, Chenbro conducts risk assessments at each site and reports findings to the Office of the CEO and General Manager through regular meetings with senior management. Human rights topics related to employees and operations are managed by the Human Resources department, utilizing the RBA (Responsible Business Alliance) management mechanism for risk control. We ensure compliance with regulations on freedom of employment, humane treatment, non-discrimination, and prevention of harassment. Chenbro has also established diverse and effective communication channels, safeguarded grievance mechanisms, and implemented sound compensation and benefits systems to protect employee rights and fulfill our social responsibilities. Chenbro values human rights training and provides a comprehensive range of educational programs, including new hire signing of a Human Rights Declaration, training on worker and management responsibilities and risk assessment, RBA Code of Conduct training, whistleblowing and information protection policies, labor ethics and company policy courses, workplace misconduct education, sexual harassment prevention seminars, and regular e-learning refreshers. These programs promote employee understanding of human rights governance and strengthen internal communication channels. For community- and environment-related human rights issues, Chenbro conducts environmental monitoring and gathers community feedback at operational sites to identify potential human rights risks.

At the supplier level, our Supply Chain Management team conducts sustainability risk assessments to identify and address human rights-related risks. Since 2018, Chenbro has been a member of the RBA-Online platform, proactively reviewing internal systems annually to ensure alignment with the latest RBA standards. We use the RBA Self-Assessment Questionnaire (SAQ) tool to evaluate facility risks and prevent potential issues. External audit reports are also made available to customers via the RBA-Online platform for transparency and reference.

The Results of Human Rights Education and Training in 2024				
Human rights education and training	Number of participants	Participation percentage	Total training duration (hour)	Average training hour
	2,370	98.34%	10,997	4.56
**Including dispatched employees				

5.4 Talent Recruitment and Retention

Talent Recruitment

Chenbro adopts an open, fair, and flexible recruitment mechanism through multiple channels to attract competent or high-potential talents. External consultants are invited to provide training on human resource algorithms to enhance the accuracy and efficiency of talent recruitment across the group. We strive to build a diverse, inclusive, and friendly workplace while complying with labor laws in each operating location and international human rights conventions. We ensure equal treatment regardless of gender, race, socio-economic status, age, marital status, or family situation.

In 2024, the group recruited a total of 611 new employees. Chenbro utilizes various recruitment channels, including job platforms, participation in the talent sustainability initiatives, social media, campus recruitment events, industry-academia collaboration and internships, internal employee referrals, and recruitment agencies. We also actively participate in job fairs and recruitment events organized by labor departments or county governments. All hiring decisions are based on professional skills and relevant experience. In 2024, we participated in a total of 22 recruitment events.

Number of New Employees in 2024			
Category		New Hires	Proportion
Gender	Male	391	63.99%
	Female	220	36.01%
Age	Under 30	220	36.01%
	Age 30-50	367	60.07%
	Over 50	24	3.93%
Region	Taiwan	289	47.30%
	China	316	51.72%
	Europe	1	0.16%
	America	5	0.82%



Welfare Policy

Chenbro provides welfare benefits that comply with local regulations and further designs a diverse and comprehensive benefits system to foster a healthy and vibrant work environment. The company encourages work-life balance and supports employees’ holistic development. These benefits are not only designed for employees but are also extended to their families, contributing to a fulfilling and happy family life. Chenbro also organizes large-scale internal events from time to time to promote connection and interaction among employees, strengthen team spirit, and build a warm and resilient team culture. In 2024, Chenbro was honored with the TCSA Workplace Wellbeing Leadership Award, and Chenbro Technology was recognized as a Happy Enterprise of Kunshan City.

Employee Activities

Chenbro upholds a people-oriented belief, treating employees like family and striving to create a cheerful and fulfilling work environment. The company promotes a 3H friendly workplace — Hope, Health, and Happiness — to foster a dynamic, joyful, and warm team culture. To encourage stronger connections and self-expression among employees, Chenbro regularly organizes a wide variety of employee activities, including sports clubs and competitions, visits to benchmark companies, festive gift-sharing parties, annual creative contests, and summer family days. These events provide opportunities for employees to showcase aspects of themselves that may not be seen in daily work, allowing colleagues to connect beyond the professional setting, understand each other from new perspectives, and strengthen team bonds.

Chenbro headquarters joined forces with like-minded companies to form the Family-Friendly Workplace Enterprise Alliance. In 2024, the alliance hosted a Holiday School event, inviting employees from partner companies and their families to enjoy a board game experience together. Through this edutainment approach, participants learned about environmental sustainability while also fostering companies interactions and mutual learning. The event provided a joyful opportunity for employees and their families to bond and create lasting memories.

Welfare Benefits	
Insurance plans	Life insurance, accident insurance, hospitalization insurance, medical insurance, cancer insurance, and occupational accident insurance.
Marriage, funeral, and celebration allowances	Holiday bonuses, wedding bonuses, maternity bonuses, birthday bonuses, funeral consolation money.
Annual health check-up	Annual employee health check-up package and upgraded health check-up plan for managerial staff.
Award employees based on their years of service	Long-term service awards for employees who have served for 5 years, 10 years, 15 years, and so on.
Employee activities	The company allocates funds for welfare activities to encourage employees to cultivate a healthy lifestyle and diverse interests, fostering a sense of camaraderie among employees.



Chenbro loves Sport

Chenbro’s HQ has established employee sports clubs, including a badminton and a yoga club. These regular activities encourage employees to stay active and enjoy time for physical and mental relaxation. In addition, weekly Monday lunchtime fitness classes are organized, with managers encouraged to join and lead by example, fostering a strong culture of wellness at Chenbro.

At the Chiayi factory, facilities such as a gym, yoga room, and game room are provided. The factory also hosts creative and energetic competitions like indoor basketball shootouts and indoor triathlons, which blend fun and challenge to boost employee vitality and strengthen team cohesion.

The group exercise sessions of Chenbro Technology are scheduled weekly, inviting employees to gather in the courtyard for physical activity. In 2024, a badminton tournament was held, drawing enthusiastic participation. Through friendly competition and interaction, the event helped foster a passion for sports and reinforce team spirit among employees.



Family Day

Chenbro’s global sites organize Family Day events, inviting employees to bring their families to the company for a joyful time together or enjoy outdoor excursions. These relaxed and engaging activities help strengthen the emotional bonds between employees and their loved ones.

Since 2022, Chenbro Technology has launched a Summer Program, setting up a dedicated space within the facility that ensures both safety and learning for employees’ children. Designed with fun and educational activities, the program allows employees to bring their children to the workplace during summer break. This not only gives children a better understanding of their parents' work environment but also provides opportunities to learn new skills and make meaningful use of their time.



Compensation and Bonus

Chenbro’s compensation policy, determined by the Compensation Committee, offers competitive pay above market standards based on each role’s responsibilities and contributions to the company.

Employee and Director Remuneration

The Board decides remuneration distribution in the form of stocks or cash for eligible employees, including subsidiaries. The allocation of remuneration to employees and directors is reported to the shareholders' meeting. If the company is profitable, it allocates 3% to 12% as employee remuneration and up to 3% as director remuneration.

Rewards		Assessment
Year-end bonus		Managers: Year-end bonuses/employee compensation (dividends) are awarded based on operational profitability achievements. Regular employees: Conducted twice a year, performance evaluations are used to determine year-end bonuses/employee compensation (dividends) based on individual work performance, considering overall annual operational conditions and departmental factors.
Employee compensation (dividends)		
Employee stock trust		Rewarding employee based on individual performance. Almost 90% of Taiwan-based employees took part in the program.
Restricted stock units for middle to senior managers		Achieve vested conditions, receive shares without charge, motivate employees, and retain outstanding high-end talents
Patent bonus		Rewarding engaging in creative inventions, proposing patents, or filing related intellectual property applications to strengthen the company’s technical capabilities.
Employee referral bonus		Encouraging employees to refer outstanding talents. If the referral is successful, they receive a bonus based on the candidate's position level
Other bonuses		Irregular incentives such as project bonuses, competition awards, etc.
Retirement system	New	Chenbro complies with the Labor Standards Act regarding retirement, allowing formally employed personnel to retire at the age of 65 or opt for voluntary early retirement. Retirement pension contributions are made in accordance with legal requirements. For details on contribution rates and amounts, please refer to the retirement system section.
	Old	

Support Retiring or Terminating Employment Program

For employees who have terminated their employment relationship, the government provides workers with unemployment benefits when they encounter involuntary unemployment, and provides re-employment subsidies to those who proactively start early. In addition, for unemployed workers receiving vocational training, protection such as vocational training living allowance and health insurance subsidy for unemployed insured persons will be provided. When employees are laid off, the company proactively informs them of government unemployment benefits regulations and claim methods, and pays severance pay in accordance with the law to protect employees' personal rights and interests.

Employee Retention and Turnover Management

Chenbro is committed to providing a positive work environment and comprehensive employee care mechanisms to ensure workforce stability. When an employee leaves the company, HR conducts an exit interview to gain insight into the reasons for departure, identify potential issues, and implement timely improvements. The interview results are incorporated into human resource management analyses and improvement plans to optimize overall talent development strategies. We will continue to strengthen relevant mechanisms to create a stable and competitive workplace that attracts and retains top talent.

Category		Number of Resignations	Turnover Rate
Gender	Male	313	60.54%
	Female	204	39.46%
Age	Under 30	135	26.11%
	Age 30-50	349	67.50%
	Over 50	33	6.38%
Region	Taiwan	149	28.82%
	China	361	69.83%
	Europe	0	0.00%
	America	7	1.35%

The Implementation of Parental Leave for Children

Chenbro complies with Taiwan’s Gender Equality in Employment Act, which allows employees to apply for unpaid parental leave before their child reaches the age of three. Each employee may take up to two periods of leave, with each lasting from 30 days to 6 months. Chenbro supports employees by assisting with the application process and providing an 80% salary subsidy (including allowances) during the leave period, helping parents balance work and family life while offering financial support. In 2024, a total of 46 employees in Taiwan were eligible for parental leave, with 12 actually taking the leave. Among them, 2 female and 1 male employee returned to work after their leave.

	2024 Number of employees eligible for parental leave	2024 Number of employees who took parental leave	2024 Rejoining Employees Count	2024 Rejoined Employees Count	Reemployment rate	2023 Returnees	2023 reemployment 1-year retention	Retention rate
Male	27	2	1	1	100%	0	0	-
Female	19	10	5	2	40%	2	1	50%
Total	46	12	6	3	50%	2	1	50%

5.5 Employee Development and Training

Employee Education and Training

Talent development is the cornerstone of sustainable growth at Chenbro. Based on individual job requirements, performance evaluations, and career development plans, Chenbro offer a wide range of learning resources and development pathways, including onboarding training, professional development programs, job coaching, and internal job rotations. These initiatives help employees build expertise and accumulate experience, enhancing their global competitiveness.

For employees across different levels and functions, Chenbro also provides diverse training programs to strengthen knowledge and skills. These programs cover domain-specific expertise, emerging technologies, and industry trends, ensuring that learning is closely aligned with work and offering timely and targeted development opportunities to support employee growth.

Training types	Training Content
Management training	Entry-level, mid-level, and senior-level management skills training
Strategic functional training	Developing systematic knowledge and skills for key talents in alignment with annual strategy
Professional functional training	Annual education and training plan for each department, continuously nurturing professional competencies
General training	Soft skills, general skills training, quality improvement, and safety and health education training
New hire education and training	Newcomer seminars, S-OJT, departmental OJT, and one-on-one coaching
Self-directed learning resources	Tech Forums, Seminars, E-Learning, Industry News Subscriptions, and Chenbro Library

2024 Training Effectiveness

Overall Global Employee Training Hours		
	Female	Male
Total training hours	23295	39709
Average training hours	40.72	38.18
<ul style="list-style-type: none"> Average training hours=Total training hours/Total number of female employees Average training hours=Total training hours/Total number of male employees 		

Training Hours by Job Category (Management/Non-management)		
	Total training hours for management staff	Total training hours for non-management staff
Total training hours	14812	48191
Average training hours	109.72	32.63
<ul style="list-style-type: none"> Training hours/Total number of management staff Training hours/Total number of non-management staff 		

Training Hours by Job Category (Manufacturing/Non-manufacturing)		
	Manufacturing staff	Non-manufacturing staff
Total training hours	45818	17186
Average training hours	38.41	41.02
<ul style="list-style-type: none"> Training hours/Total headcount in each department 		

Note: Since 2021, Chenbro has been promoting sustainable system tools and digital transformation, primarily involving department heads and logistics units in the training. Trained personnel take the lead in related projects, which is why the average training hours for management and non-production manufacturing employees are higher.

Strategic Training Program

In 2024, Chenbro continued its collaboration with the Taiwan Sustainable Development Business Association to host the annual strategic training program. The program focused on strategic planning, lean management, process improvement, and talent development. After each course, middle and senior managers acted as mentors, guiding teams in implementing optimization projects. Management system tools and methodologies were introduced to establish a foundation for sustainable operations. External consultants were regularly invited to provide on-site guidance, and a year-end presentation competition was held to share and exchange project outcomes. Continuous learning and application of knowledge were encouraged to enhance practical results in future work.

Lean Training Center SOJT/ QCC Competition

Chiayi Factory has established a Lean Training Center to deliver effective training through three stages: learning, hands-on experience, and practical application. The program covers product knowledge, equipment use, safety, processes, standards, and key operating points to help employees quickly become familiar with the work environment. By integrating Structured On-the-Job Training (S-OJT) with quality improvement competitions, employees are encouraged to submit improvement proposals across various departments and areas. This approach fosters a robust training system, enhances product quality, strengthens employee engagement and sense of belonging, and promotes a dedicated and collaborative workplace—ultimately achieving a win-win outcome for both the company and its employees.

Skill Assessment & Competition

Factories in Mainland China organize annual skills competitions to evaluate employees' skill development and recognize outstanding performers. Prior to the competitions, internal instructors offer intensive training sessions to help employees refine their techniques. The competition categories include riveting, Mylar application, pull-rivet installation, and screw fastening, with scoring based on both speed and quality. In 2024, a total of 136 employees from both factories participated, accounting for 242 entries, with 62 employees competing in more than two categories—demonstrating Chenbro employees' proactive learning spirit and the effectiveness of multi-skilled worker training.



Succession Talent Development Program

In 2024, Chenbro officially launched the “Nine Planets” Mid-Level Talent Development Program as a long-term strategy to align core values with talent development. The program focuses on five key areas—business, R&D, manufacturing, operations, and supply chain—and aims to cultivate mid-to-senior level successors with decision-making capabilities, leadership, and strategic execution through cross-functional collaboration, methodology learning, and innovative thinking.

2024 Leadership Camp

Centered on the theme of “Shaping the Future Blueprint,” the camp brought together managers to explore the company’s ten-year development plan, with a focus on innovation, execution, and effective communication. Participants actively contributed future development directions for their departments, laying a solid foundation for the company’s long-term growth.



Five Strategic Initiatives

Key leaders presented the five strategic themes for 2025 during the strategy meeting, with professional consultants invited for on-site guidance. The CEO encouraged the succession team with the theme “Beyond & Be Young, Resilience,” inspiring them to embrace challenges and demonstrate resilient leadership.

Executive Essentials Program

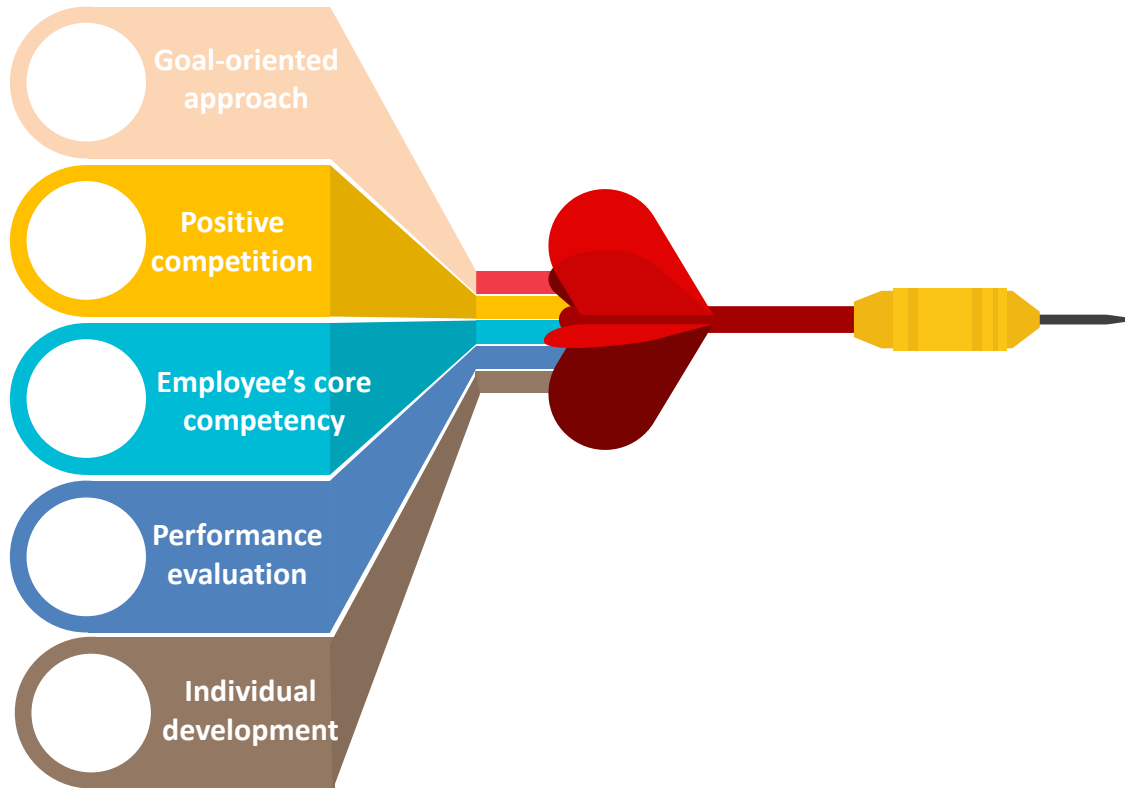
Taught by sustainability consultants, the program centers on methodology and guides the succession team to think and make decisions from a business leader’s perspective, strengthening cross-functional management capabilities and forward-looking strategic thinking.



Talent Development System

Chenbro’s talent development system is performance-based, integrating rotations and promotions as a comprehensive approach. The company cascades strategic goals into departmental objectives and plans, setting individual performance targets according to each employee’s role and responsibilities. Annual reviews assess work performance and development plan progress, providing corresponding performance evaluations. Rotations and promotions are conducted based on these performance assessments. Through the rotation system, professional knowledge and skills are transferred across units, passing on Chenbro’s accumulated global experience and strengths, enabling talents to internalize Chenbro’s DNA.

In 2024, 30 employees participated in role rotations within the group. Chenbro offers a transparent promotion platform and system, aiming to cultivate reserve talents who can succeed in management positions within five to ten years. The group’s promotion rate in 2024 was 4%. We will continue to use diverse and flexible approaches to pass on corporate values, nurturing talents aligned with sustainable development goals, improving organizational atmosphere, enhancing employee cohesion, and fostering a positive, harmonious, and continuously improving work environment.



2024 Performance Evaluation Coverage							
Item		Taiwan		China		Europe and US	
		Male	Female	Male	Female	Male	Female
Management/ Non-management	Management positions	88%	100%	100%	100%	100%	100%
	Non-management positions	94%	93%	89%	94%	100%	94%
	Total	93%	94%	91%	95%	100%	95%
Job categories	Management	100%	98%	100%	100%	100%	100%
	Sales	100%	98%	100%	100%	100%	93%
	Manufacturing	95%	93%	90%	94%	100%	100%
	R&D	96%	98%	100%	100%	100%	100%
	Total	93%	94%	91%	95%	100%	95%

Note: Excluding part-time employees and interns, the assessment rate is less than 100% due to their exemption from evaluation.

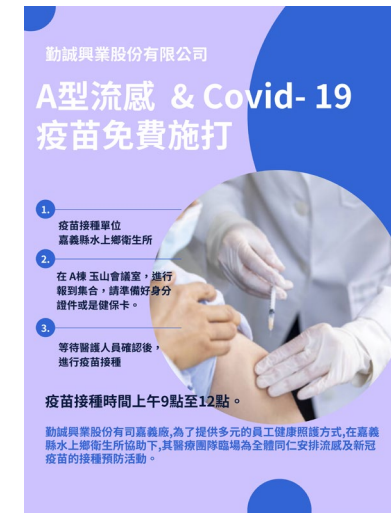
5.6 Workplace Quality and Safety

Employee Health Management

Chenbro regularly invites occupational physicians and nurses to provide on-site consultations, including medical information, individual health check-up report consultations, and improvement recommendations. At the Chiayi Factory, dedicated occupational health nurses are employed to handle health services and provide illness and health consultations. In 2024, in collaboration with the local health center, the Chiayi Factory offered free influenza A and COVID-19 vaccinations, with 86 employees receiving the vaccine—resulting in a vaccination rate of 20.3%. Chenbro aims to increase this rate annually through ongoing partnerships with local health centers. Additionally, Chenbro has signed a contract with a regional-level medical institution in Chiayi, to conduct physical check-ups for new hires and annual health screenings for current employees. In accordance with the company’s “Health Protection Management Procedure,” health data for new hires and non-employee workers (e.g., dispatched staff) is managed systematically. Under data privacy protection, occupational health nurses follow up and provide health promotion counseling and support. Notably, no Category 4 occupational health issues were reported in 2024.

Chenbro conducts annual health check-ups for all employees. In addition to statutory items, the company offers free additional screenings that exceed regulatory requirements. These include high-resolution color Doppler ultrasounds, specialized blood tests, hepatitis B and C screenings, and common cancer screenings for both men and women. While the U.S. office does not offer collective check-ups, health check-up insurance is provided, encouraging employees to undergo examinations that exceed legal requirements. To promote a culture of healthy eating, Chenbro initiated a weekly healthy vegetarian meal day. During winter, the Chiayi Factory provides daily hot ginger tea for all employees, and meals are reviewed by a nutritionist. Nutritional analyses are shared using meal photos to help employees better understand calorie content and nutrient breakdown.

Health Management Information in Each Factory					
	Headquarters	Chenbro Technology (Kushan)	Procase Electronic (Dongguan)	Chiayi Factory (Chiayi)	Chen-Feng Factory (Wugu)
Health check completion rate	95%	100%	99.6%	96.55%	83%
Health promotion activities	4	8	3	4	1



Environmental and Safety Monitoring

Chenbro is committed to reducing workplace risks and protecting the health and lives of employees by implementing comprehensive monitoring plans as part of its management policy. These efforts aim to drive continuous improvement and reduce the occurrence of occupational hazards. Routine monitoring at factory sites includes assessments of physical hazards (e.g., noise) and chemical hazards (e.g., dust and harmful gases), testing the water quality and pH level of drinking dispensers, hazardous waste monitoring, and the wastewater discharge quality monitoring system for both domestic sewage and rainwater. Chenbro emphasizes systematic and source-level management, following the PDCA cycle. Regular audits, EHS committee meetings, and training sessions are conducted for both employees and non-employee workers. These include general safety training and occupational disaster prevention education. The company has also established internal and external communication channels to safeguard the rights of employees and suppliers, ensuring real-time reviews, improvements, and tracking. Currently, Chenbro Technology in China and the Chiayi factory in Taiwan have obtained ISO 45001:2018 certification. In 2024, both factories successfully completed their annual follow-up external audits and maintained their certifications. Each site conducts independent monitoring of occupational exposure risks annually to strengthen workplace safety. Certification will gradually be expanded to cover additional manufacturing facilities in other regions.

Chenbro complies with the Occupational Safety and Health Act and assigns occupational safety and health officers at each factory site. Under this management system, the total number of employees and non-employee workers covered by internal audits is 2,364, representing 100% coverage. Chenbro also implements an occupational health and safety management system in accordance with ISO 45001:2018, with verification conducted by SGS and CQC agencies. The current scope includes the Chiayi factory in Taiwan and the Chenbro Technology in China. Other offices are non-manufacturing sites and therefore are not included in certification. Among those covered by the management system, 690 are employees (accounting for 39.7%) and 625 are contractors (accounting for 74.1%). Due to site constraints at the Procace Electronic and the Chen-Feng Factory not meeting the legal headcount threshold, ISO 45001 certification has not been pursued at those sites. However, they still follow the ISO 45001:2018 framework, applying the PDCA cycle to implement various occupational health and safety operations.

Occupational Safety and Health Management Information at Each Factory

Category	Headquarters	Chenbro Technology (Kunshan)	Procace Electronic (Dongguan)	Chiayi Factory (Chiayi)	Chen-Feng Factory (Wugu)	US Office
Total number of employees	183	435	775	255	57	34
Number of males	97	274	503	154	43	23
Number of females	79	161	272	101	9	11
External accommodation : internal accommodation (percentage %)	0%	65.32% : 34.68%	40.66% : 59.34%	-	0%	0%
Employee ethnicity distribution	Han Chinese	Han Chinese, Yi, Tibetan ethnic group	Han Chinese, Hui, Zhuang, Yi, Miao, and Bouyei ethnic group	Han Chinese	Han Chinese	American, Han Chinese, Korean
Dispatched employees	7	344	150	119	5	0

Hazard Identification and Risk Management

Chenbro strictly complies with legal requirements and has obtained certification for its Occupational Safety and Health Management System. Through the internally established “Occupational Safety and Health Risk and Opportunity Identification Management Procedure,” each factory’s designated safety representative conducts annual risk reassessments to identify potential hazards associated with various operations. These include routine and non-routine activities, all individuals entering the workplace, processes, installations, machinery/equipment, and areas outside the immediate workplace. Following the definitions in the management procedure, high-risk operations are identified and reviewed each year. In 2024, hazard identification and risk assessments were re-conducted across all factories, resulting in 13 high-risk items. For each of these, management review meetings under the occupational safety and health system are held to define goals and management plans. Progress is regularly tracked to ensure risks are mitigated or eliminated. In alignment with the PDCA cycle, each factory’s management representative reviews and updates the applicability and content of hazard identification and risk assessment procedures to continuously improve workplace safety.

If there is an imminent danger in the workplace, the site supervisor must immediately stop operations and ensure that all employees and non-employees evacuate to a safe location. Likewise, if any employee or non-employee detects such danger while performing their duties, they are permitted to cease work and evacuate to safety and must report the situation to their direct supervisor immediately. In compliance with legal requirements, the company guarantees that no personnel will be dismissed, reassigned, denied wages during the work stoppage, or subject to any other adverse actions as a result of exercising this right.



Number of High-Risk Occupational Health and Safety Cases in Each Factory in 2024

HQ	Chenbro Technology	Procace Electronic	Chiayi Factory	Chen-Feng Factory
0	6	3	4	0

Annual Improvement Plan Contracts for Each Factory

NO.	Headquarters	Chenbro Technology	Procace Electronic	Chiayi Factory	Chen-Feng Factory
1	On-site service contract	Waste disposal contract	Waste disposal contract	Business waste removal contract	Health checkup contract
2	Health checkup contract	Solid waste disposal contract	Solid waste disposal contract	Health checkup contract	Workplace Environment Monitoring Services
3	Safety and health consultant contract	Intermittent wastewater transfer	Intermittent wastewater transfer	On-Site Occupational Medicine Specialist Contract	
4	Operational environment monitoring service	Three wastes testing	Three wastes testing	Workplace Environment Monitoring Services	
5		Workplace occupational disease testing	Workplace occupational disease testing	Air Compressor Maintenance	
6		Hazardous substance worker health check	Hazardous substance worker health check	High-Voltage Substation Maintenance	
7		Domestic Water Testing	Workshop Noise Reduction Project		
8		Environmental Ozone Testing	Environmental Stewardship Service Contract		
9		Rainwater Testing	Environmental Online Monitoring Service Contract		

Handling and Improvement of Work-related Injuries

Chenbro has established a “Work-Related Injury Handling Procedure” to ensure proper response and reporting when incidents occur within the factory. All employees and non-employee staff are required to submit an incident report and two witness statements within one day of the incident. Follow-up handling is carried out within three days by the Administration Department and the Occupational Safety and Health Committee. First aid kits with adequate medical supplies and equipment are placed on every floor of the workplace, and an appropriate number of trained first-aid personnel are assigned in compliance with regulations. In the event of a workplace injury first-aid responders will immediately conduct triage and provide preliminary care. If the injury exceeds their handling capacity, the occupational safety officer will be notified to escort the injured individual to a designated hospital; nighttime injuries are handled directly by the department head. Beyond regulatory compliance, Chenbro actively enforces its occupational safety and health management system to minimize injuries. In addition to annual improvement projects targeting high-risk operations, review meetings are held after each incident to identify root causes and implement corrective actions. Simultaneous audits are conducted to ensure that similar operations remain risk-free. A full safety inspection was carried out on all rotary tools (e.g., cutting and grinding equipment) across factory sites, and a short-, mid-, and long-term action plan was initiated to promptly address any safety deficiencies.

In 2024, the Chiayi Factory reported one serious work-related injury. The injured employee was immediately taken to the hospital, where they received full support throughout recovery. After 15 days of rest, the employee successfully returned to work. The hazard that caused the injury has since been eliminated through engineering improvements. A total of 19 work-related injury cases were recorded in 2024.

Workplace Safety Incidents in 2024 Across Factories

	Headquarter		Chenbro Technology		Procase Electronic		Chiayi Factory		Chen-Feng Factory		Chen-Feng Factory	
	employee	non-employee	employee	non-employee	employee	non-employee	employee	non-employee	employee	non-employee	employee	non-employee
Fatalities	0	0	0	0	0	0	0	0	0	0	0	0
Serious injuries	0	0	0	0	0	0	1	0	0	0	0	0
Recordable injuries	0	0	3	0	3	2	3	9	0	0	0	0
Incidence Rate	0	0	0.85	0	0.39	0.57	1.55	6.19	0	0	0	0
Total Work Hour (hr)	349,720	18,000	703,592	811,090	1,500,400	701,670	512,904	290,608	100,400	12000	70,720	4,000

Note 1: Total Work Hours include employees and non-employees (such as contract workers, janitorial staff, security personnel, landscaping, and catering services). The rate is calculated based on 200,000 work hours.

Note 2: The rate is calculated as follows: Number of incidents / Total work hours * 200,000


Occupational Safety and Health Management Commit

Chenbro has established environmental and occupational safety and health management organizations at each factory site. The highest-ranking manager at each site serves as the committee chair, and management representatives implement and maintain the occupational safety and environmental management systems in accordance with ISO 45001:2018 certification requirements. The occupational safety and health committee holds regular meetings every three months and conducts year-end reviews to plan the company’s safety, health, and training initiatives for the following year. It also schedules annual inspections of fire protection equipment and oversees the management of hazardous chemicals and public dangerous goods, while reviewing corrective measures for workplace injuries. In addition to department heads serving as ex officio committee members, employee representatives from each department are elected to serve two-year terms, ensuring that employees can actively participate in the meetings. These representatives are encouraged to raise safety- and health-related topics to help safeguard workplace safety for all.

Chenbro Technology High-Tech Industrial Development Zone General Union

Chenbro Technology (Kunshan) established the Chenbro Technology Union in 2022. The union holds at least one general assembly of member representatives each year, and its committee members are elected for a term of three or five years. Employees may voluntarily choose whether or not to join the union. Currently, only a union membership agreement has been signed, and no collective bargaining agreement has been established.

Benefits of Establishing a Labor Union




Cost reduction



Labor relation harmony



Regulation & policies reinforcement



Team cohesion & turnover reduction

Top 10 Green and Safe Enterprises

Chenbro Technology (Kunshan) was honored as one of the “Top 10 Green and Safe Enterprises” in 2024. The evaluation criteria included factors such as allocation of production safety funds, upgrades to safety facilities, implementation of safety regulations and responsibilities, absence of major workplace accidents, occupational diseases, and administrative penalties within the year. To receive this recognition, companies must also hold a Level 2 or higher Safety Production Standardization Certificate and pass a comprehensive assessment. This achievement enhances the company’s social reputation and grants inclusion in the government’s Safety Production White List, resulting in reduced or exempted safety inspections by regulatory authorities, as well as priority support in government project bidding, financing, and safety training.



Occupational Health and Safety Training

Chenbro emphasizes on workplace safety and provides monthly training on safety, environmental, and occupational health topics for all employees, including fire drills, safety production, hazardous substance management, environmental guidelines, and environmental policies. Additional targeted training is conducted following specific needs or work-related injury incidents, including enhanced safety education during department meetings, specialized instruction for operators of specific equipment, and on-site personnel training on hazard awareness and general solid waste classification. At the Chiayi Factory, every new employee is required to attend a 4-hour occupational safety and health orientation on their first day. In addition to legally mandated content, dedicated nursing staff also introduce the services of the health center, measures for preventing workplace harassment, complaint procedures, CPR and AED basics, and common disease prevention. A hands-on fire safety drill is conducted in a secure outdoor setting using live fire pans to ensure every newcomer can properly operate a fire extinguisher and respond swiftly in early fire situations to minimize damage. Chenbro also conducts annual occupational health and safety refresher training for all current employees. In 2024, the training completion rate reached 100%. Through diverse course topics, the company reinforces its commitment to safety, builds a strong safety culture, enhances employee awareness, and fosters a secure working environment.

Occupational Injuries and Disease Prevention

To prevent occupational diseases and workplace accidents, Chenbro has established an EHS task force at its manufacturing sites, integrating internal and external audits to ensure compliance. Each department is equipped with first-aid staff and emergency kits to provide timely support when needed. The company is committed to building a safety-first culture through active employee participation. Occupational hazard areas are clearly marked, and appropriate protective equipment is provided in accordance with internal PPE guidelines. No cases of occupational disease were reported in 2024.

Occupational Safety Measures

- New employees receive pre-employment disease education.
- Provide proper labor protection equipment, investing for approximately 300 thousand Yuan.
- Regular medical check-ups for hazardous job roles.
- Pre-employment and post-employment medical check-ups for at-risk employees.
- Enhance employees' occupational health and protection skills.
- Improve accommodation and meals for employees.



06 Environmental Sustainability

6.1 TCFD

6.2 Energy Management

6.3 Water Management

6.4 Greenhouse Gas Management

6.5 Waste Management



Environmental Sustainability Strategy Report

As a responsible global citizen, Chenbro is committed to fostering a low-carbon corporate culture. Beyond routine energy conservation and carbon reduction efforts, the Group places a strategic focus on complying with green building standards and accelerating the deployment of renewable energy to support long-term environmental sustainability. Through the development of cost-effective smart manufacturing facilities and the integration of IoT systems, the Group continues to enhance energy efficiency across its production lines. In 2024, the Chiayi Factory, Chenbro Technology (Kunshan) and Procace Electronic (Dongguan) fully complied with regulatory requirements for reporting total plant-wide emissions of volatile organic compounds (VOCs). The reported emission levels were exceptionally low and did not meet the threshold for regulatory emission fee assessments.

Item	Energy-saving and Carbon Reduction Actions	Green Building & Environmental Sustainability Initiatives	Renewable Energy : Renewable Energy	The Group Completed a Carbon Audit
Education	<ul style="list-style-type: none"> Utilizing Teams, newsletters, and office-wide broadcast TV for energy-saving and carbon reduction education 	<p>Green Building</p> <ul style="list-style-type: none"> ■ Bronze Certification-Chiayi Factory ■ Planned to Apply for Silver Certification-Malaysia Factory <p>Environmental Sustainability Initiatives</p> <ul style="list-style-type: none"> ■ Rainwater recycling system ■ Waste recycling center 	<p>Completed</p> <ul style="list-style-type: none"> ■ Chiayi Factory ■ Chen-Feng Precision (Wugu) ■ Chenbro Technology (Kunshan) ■ US Office <p>Under Construction</p> <ul style="list-style-type: none"> ■ Malaysia Factory 	<p>Greenhouse Gas Emissions Verification under ISO 14064-1:2018</p> <ul style="list-style-type: none"> ■ HQ Office ■ Chiayi Factory ■ Chen-Feng Precision ■ Chenbro Technology ■ Procace Electronic
Office Equipment	<ul style="list-style-type: none"> Reducing the number of water dispensers on the same floor to minimize operating time Enabling sleep mode for office machines to reduce operational energy consumption 			
Air Conditioner	<ul style="list-style-type: none"> Setting the schedule time (on/off time) and adjust it to not turn on for unoccupied or public areas Controlling daily temperature and turn off unnecessary fans Adjusting meeting room windows and curtains during summer/winter Activating the heat exchanger before turning on the air conditioning regularly Replacing the heat-insulating window films to effectively reduce indoor temperature in headquarter 			
Lighting Equipment	<ul style="list-style-type: none"> Setting office/phone booth sensors and timers for automatic switching Setting sensors for hallways and public areas to reduce operational time Turning off aisle lights and power supply when not in use 			
Elevator	<ul style="list-style-type: none"> Encouraging employees to use stairs inside the company During peak hours, automatically setting the elevator to standby on the 1st floor 			
Information Equipment	<ul style="list-style-type: none"> Setting office and meeting room automated environmental control systems Setting switch on/off times for broadcast TV and the LED display in the lobby 			

6.1 TCFD

Climate Action

Chenbro continuously monitors domestic and international trends in climate change response, integrating the potential impacts of climate change into overall operational considerations. The company proactively assesses risks and formulates concrete sustainability policies to mitigate the effects of climate-related risks on operations. Chenbro Technology (Kunshan) led the way with ISO 14064-1:2018 certification in 2019, followed by Headquarters and Chiayi factory in 2023. By 2025, the Group-wide carbon inventory will be completed, with the HQ Office, Chiayi Factory, Chenbro Technology, Procase Electronic, and Chen-Feng Precision obtaining ISO 14064-1:2018 verification. To align with international standards, Chenbro submitted the Carbon Disclosure Project (CDP) questionnaire start at 2023 and will continue participation. In response to the EU’s Carbon Border Adjustment Mechanism (CBAM) requirements, data reporting has been conducted, and suppliers have been engaged in the process to support comprehensive carbon accounting .Our climate efforts are detailed in company’s annual report, adhering to Taiwan Stock Exchange guidelines for sustainability reporting.



Policy
Promoting the Realization of Climate Change Solutions



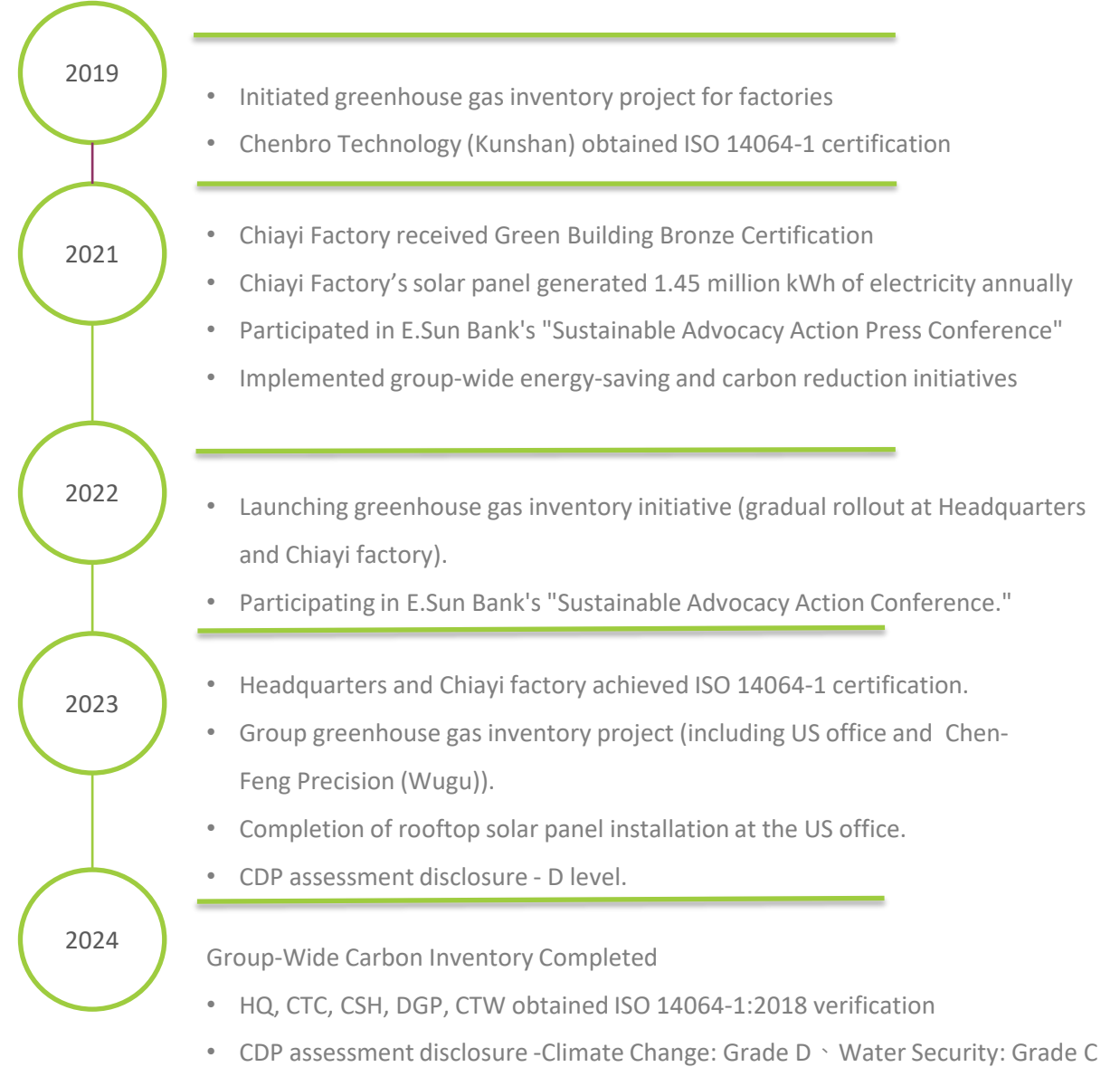
Commitment

- Reduce greenhouse gas emissions and improve energy efficiency
- Align with international standards by continuously responding to the CDP questionnaire and conducting organizational reporting for CBAM



Governance Mechanism

- Third-party verification in accordance with ISO 14064-1:2018
- Oversight and reporting to the Board of Directors



Practical Approaches to Address Climate Change

Aspect	Tactics	Chapter
Governance	Chenbro drives sustainability through a dedicated "Sustainability Task Force," jointly led by the Chairman and Chief Sustainability Officer. This task force is structured into teams focusing on "Corporate Governance," "Environmental Sustainability," "Corporate Commitment," and "Social Engagement," comprising relevant business units. Department heads share responsibilities to systematically promote long-term sustainable development efforts in an organized manner.	Chapter 2 Chapter 3
Strategy	<p>In response to climate change, Chenbro has taken the first step by launching a group-wide organizational greenhouse gas inventory. The company has successfully completed the 2024 carbon accounting for the entire group, with key sites obtaining ISO 14064-1:2018 verification. Each facility is set to implement an environmental management system and enforce strict control over product carbon footprints to effectively manage internal emissions.</p> <ul style="list-style-type: none"> • Short-term goals : Gradually complete organizational carbon audits and product carbon footprint assessments to gain comprehensive control over the Group’s greenhouse gas emissions. In parallel, the Group is also advancing its solar energy deployment strategy . Implement low-cost smart manufacturing at core factories with automated equipment and assembly lines to reduce carbon emissions during production processes and optimize procedures. ° • Medium-term goals: Collaborate with suppliers on low-carbon management programs to establish a green supply chain. Evaluate initiatives such as purchasing green energy. • Long-term goals: Foster a culture of low-carbon practices, encouraging employees to adopt energy-saving measures in daily life. In product development, focus on circular economy principles, implement environmental strategies, and develop high-performance, energy-efficient products as ongoing priorities for Chenbro. 	Chapter 2 Chapter 6
Risk Management	<p>In 2024, Chenbro identified climate-related risks and opportunities, and formulated corresponding response measures and strategies based on the duration and magnitude of their potential impacts. The analysis of climate change risks and opportunities will be disclosed in this chapter.</p> <ul style="list-style-type: none"> • Risk Identification – Climate-related risks and opportunities are identified annually based on business characteristics and reported to the Board. • Risk Assessment – The potential impact and severity of each risk are evaluated in accordance with the nature of the business, taking into consideration factors such as impact duration, affected segments of the value chain, and financial implications. • Risk Monitoring – Environmental and social risks across the value chain are incorporated into the risk rating system. Climate risk indicators are regularly monitored to manage potential value loss arising from climate-related risks. • Risk Reporting – The Group’s sustainability initiatives, including environmental sustainability and social contribution, are periodically reported to the Board of Directors. 	Chapter 2
Indicator and Purpose	<p>The Company has designated 2024 as the Group’s carbon reduction baseline year. Following the completion of a comprehensive carbon inventory, this baseline will serve as the foundation for tracking annual carbon reduction progress.</p> <ol style="list-style-type: none"> 1. <u>Low-Carbon Recycled Materials in Targeted Projects:</u> “Recycled Environmental Material Implementation Program” has been launched for specific product projects. For metal components, SGCC RC12 and RC20 hot-dip galvanized steel coils were adopted, resulting in a carbon reduction of 4.2554 tons. For plastic components, Post-Consumer Recycled (PCR) Plastic was utilized during the product development phase. The implementation of these materials is expected to reduce the extraction of virgin resources, minimize waste disposal, and lower greenhouse gas emissions throughout the product life cycle—contributing to the realization of a circular economy. 2. <u>Renewable Energy Usage</u> In 2024, the group generated 972,031 kWh of solar power for self-use, reducing carbon emissions by 554.35 tCO2e through green energy utilization. 3. <u>Energy-Efficient Green Buildings</u> The Chiayi factory has achieved Bronze-level Green Building certification, while the new Malaysia plant is under construction in line with Silver-level standards, with completion and certification anticipated in 2026. 	Chapter 2 Chapter 6

Climate Change Risks and Opportunities

Alongside global net-zero goals and carbon pricing policies, government regulations have become issues companies must proactively manage. Chenbro’s functional teams conduct annual reviews of climate-related issues, referencing internal and external factors, peer practices, and industry benchmarks. Topics are assessed across short-term (1–3 years), mid-term (3–5 years), and long-term (over 5 years) timeframes. The company evaluates the financial impacts of climate risks and opportunities by analyzing relevant regulations—such as the “Climate Change Response Act” and “Renewable Energy Development Act”—and global industry trends. The table below summarizes strategies based on impact duration and severity, outlining our analysis of climate risks and opportunities:

	Item	Risk Level	Period	Impact/Potential Financial Impacts	Response / Measures in the Year 2024
Risk	Net Zero Carbon Emissions	High	Short to Medium Term	Increased operating costs, R&D expenses, and direct costs	Chenbro is actively advancing the Group’s renewable energy strategy. The Chiayi Factory has taken the lead by implementing an energy management system to strictly monitor and manage energy consumption, demonstrating the company’s commitment to achieving net-zero carbon emissions by 2050.
	Product Development	High	Short Term	Increased R&D expenses and operating costs	To address the energy-intensive challenges driven by rapid technological change, Chenbro consistently invests a portion of its annual R&D budget in the development of thermal management and related technologies.
	Carbon Pricing	High	Short to Medium Term	Increased operating costs	Chenbro actively monitors environmental regulations worldwide, ensuring internal control of the Group’s carbon emissions and externally addressing supply chain environmental responsibilities. In response to the EU Carbon Border Adjustment Mechanism (CBAM), the company collaborates with suppliers through guidance programs to monitor and manage process-related emissions of specific products.
	Uncertainty of new regulations Lack of Statutory Suitability	Low	Short Term	Increased operating costs	The Group continuously monitors the development of local laws and regulations at its operating sites and adjusts its response strategies in a timely manner.
Opportunity	Low Carbon Product Development	High	Short Term	Enhance corporate image and build a green supply chain	<ul style="list-style-type: none"> SGCC RC12 reduced CO₂ emissions by 1.029 tons, and SGCC RC20 reduced CO₂ emissions by 0.944 tons. PCR75 recycled plastic reduced CO₂ emissions by 18,758.248 tons, while PCR35 recycled plastic reduced CO₂ emissions by approximately 5,403.669 tons.
	Recycled Material Application	Medium	Short Term		
	Process Improvement	High	Medium to Long Term	Reduced direct and operating costs	By introducing automated equipment, the company reduces manual errors that may result in rework, enhances process yield, and mitigates waste generation at the source.
	Energy Efficiency Improvement	Low	Medium to Long Term	Reduced operating costs	<ul style="list-style-type: none"> All sites actively promote energy-saving and carbon-reduction practices through regular equipment inspections and maintenance, ensuring optimal efficiency and reducing energy consumption. Chiayi Factory has effectively implemented energy-saving and carbon reduction measures to lower energy consumption. In 2024, the plant achieved a total electricity savings of 100,558.76 kWh.
	Green Building	Low	Short to Medium Term	Reduced direct and operating costs	Chiayi Factory is certified as a Bronze-level green building. The Malaysia Factory, currently under construction, is being built to Silver-level green building standards and is expected to be completed and certified by 2026.

6.2 Energy Management

The corporation's energy management covers its headquarters, Chiayi factory, Chenbro Technology (Kunshan), Procace Electronic (Dongguan), Chen-Feng Precision(Wugu), USA office, China office and Germany office. The group's energy intensity is measured by dividing total energy use by annual revenue. In 2024, the energy intensity was 5.26, showing a year-on-year decline in both total energy use and intensity. Chenbro is committed to creating an eco-friendly office space. Our annual plan includes replacing high-energy-consuming equipment and implementing automation processes in the factories to improve efficiency and reduce energy consumption. In the office, temperature and time control for air-conditioning, energy-saving measures, such as turning off lights during lunch breaks, are implemented to advance business performance in a climate-friendly and cost-effective manner. We procure environmentally certified LED lighting and light sensors, energy-saving variable-frequency air conditioners, and solar power generation. Chiayi factory has a 9-meter-high ceiling and low radiation glass to reduce the use of air conditioning. An energy-saving air conditioning system is established, utilizing cold storage during off-peak hours to store cooling energy and using it during peak load periods to reduce waste and lower machine instantaneous high loads during peak hours, extending the mechanical lifespan, reducing total contracted capacity, and saving electricity expenses.

Type of energy used		2022	2023	2024	Energy Information in 2024							
					HQ Office	Chiayi Factory	Chenbro Technology	Procace Electronic	Chen-Feng Precision	USA office	China office	Germany office
Fuel Consumption	Gasoline(GJ)	488	516	525	86.59	56.24	163.59	165.03	-	-	-	53.88
	Diesel(GJ)	764	607	802	-	14.77	787.62	-	-	-	-	-
	Natural gas(GJ)	5,705	5,659	5,123	-	30.29	-	5,066.06	-	-	-	26.67
Electricity Consumption	Purchased Electricity(GJ)	50,729	53,500	66,270	1,765.40	14,773.92	19,292.52	27,891.28	2,022.78	294.36	123.89	43.07
	Renewable Energy(GJ)	3,267	3,468	3,639	-	-	3,536.58	-	-	102.70	-	-
Non-Renewable Energy Consumption(GJ)		57,686	60,282	72,658	1,891.87	9,429.00	14,970.17	32,195.04	1,492.55	303.26	123.89	123.62
Renewable Energy Consumption(GJ)		3,267	3,468	3,639	-	-	3,371.57	-	-	96.64	-	-
Total Energy Consumption(GJ)		60,953	63,750	76,296	1,891.87	9,429.00	18,341.74	32,195.04	1,492.55	399.90	123.89	123.62
Energy Intensity(GJ/ M TWD)		5.77	5.67	5.26	-	-	-	-	-	-	-	-

▶ Note 1: Energy calorific values are referenced as follows

◇ Taiwan : gasoline · 0.03185736 GJ/L ; diesel fuel · 0.03618233 GJ/L · source : Greenhouse Gas Emission Factor Management Table, Version 6.0.4, Ministry of Environment ; Calorific Values of Motor Gasoline and Diesel for 2024, Ministry of Environment, Taiwan

◇ Taiwan: natural gas · 0.03694014GJ/m³ · Taiwan Shin-Chia LPG announcement

◇ China : gasoline · 0.03223522 GJ/kg ; diesel · 0.03516912 GJ/kg ; ; Source: China GBT2589-2020 Comprehensive Energy Consumption Calculation General Rules.

◇ China : Natural gas · 0.03897900 GJ/m³ · China GBT2589-2020 Comprehensive Energy Consumption Calculation General Rules.

▶ Note 2 : 1 MWh = 3.6 GJ

▶ Note 3 : Energy Intensity = Total Energy Usage / Annual Revenue. Annual Revenue unit is in millions of New Taiwan Dollars (M TWD).

6.3 Water Management

Chenbro’s water resource management covers the headquarters, Chiayi factory, Chenbro Technology (Kunshan), Procace Electronic (Dongguan), Chen-Feng Precision(Wugu) , USA office, China office and Germany office. All sites are in developed industrial zones, using third-party water sources without groundwater extraction. Water for headquarters and Chen-Feng Precision is primarily sourced from Banxin Water Treatment Plant, supplied by Shimen Reservoir. The headquarters is an office building using only domestic water, with no process water needs. Chen-Feng Precision, located in Wugu Industrial Zone, connects its wastewater to a sewage system. The Chiayi factory's water is supplied by the Yizhu Service Office, sourced mainly from Zengwen Reservoir, with wastewater connected to a sewage system in the Machouhou Industrial Park.

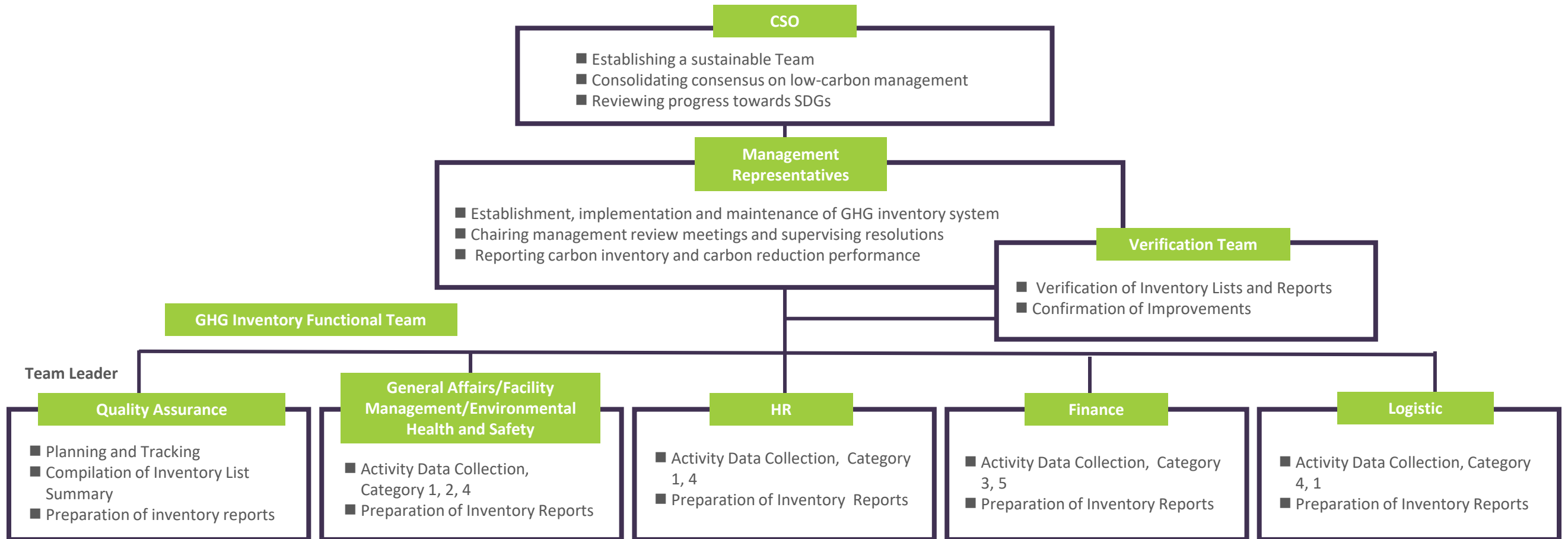
In 2024, Chenbro total water withdrawal was 147.35 million liters, with a water intensity of 0.010, calculated by dividing total water use by annual revenue. In line with the group's eco-friendly strategy, water-saving fixtures, optimized water pressure, and recycling systems were implemented. Despite expanding the audit scope to include Chen-Feng Precision and U.S. office, water intensity showed a decline. Chiayi factory has an ecological detention pond and waterway (capacity: 111.36 m³) to enhance land moisture retention and temporarily store rainwater. The building is equipped with a rainwater harvesting system (capacity: 1,060 m³), which collects rooftop rainwater for irrigation after treatment. Rain sensors are used to optimize water usage, reducing the plant’s water consumption and strengthening water resource management.

Water Management	2022	2023	2024	Energy Information in 2024							
				HQ Office	Chiayi Factory	Chenbro Technology	Procace Electronic	Chen-Feng Precision	USA office	China office	Germany office
Water Stress				Low to Medium Risk	Low to Medium Risk	High Risk	Medium to High Risk	Low to Medium Risk	High Risk	High Risk	Low to Medium Risk
Water Source - Third-Party Water	-	-	-	Taiwan Water Corporation	Taiwan Water Corporation	Kunshan Water Corporation	Dongguan Water Corporation	Taiwan Water Corporation	Ontario Municipal Utilities Company	Shanghai Water Minhang Corporation	Wilichy Municipal Utilities
Total Water Withdrawal (ML)	153.75	141.96	147.35	0.765	17.094	43.938	80.665	1.920	2.756	0.211	0.765
Water Intensity(ML / M TWD)	0.014	0.012	0.010	-	-	-	-	-	-	-	-

- ▶ Note 1: All total water withdrawal amounts are from third-party sources.
- ▶ Note 2: ML stands for million liters.
- ▶ Note 3: Water withdrawal intensity = Total water withdrawal / Annual revenue, with annual revenue measured in millions of New Taiwan Dollars (M TWD).
- ▶ Note 4: Water resource stress is based on the World Resources Institute (WRI) water risk assessment tool — Aqueduct Water Risk Atlas.

6.4 Greenhouse Gas Management

In 2022, Taiwan’s Financial Supervisory Commission released the “Sustainable Development Roadmap for Listed Companies,” setting timelines for greenhouse gas inventory disclosures. Proactively aligning with these goals, Chenbro completed its organizational carbon inventory ahead of schedule, with third-party verification. As a responsible global citizen, Chenbro recognizes the impact of greenhouse gas emissions on climate change. To accelerate and streamline internal greenhouse gas inventory efforts, the company established a dedicated GHG Inventory Task Force and launched an organizational-level GHG inventory program. By 2024, the carbon inventory across the entire group was completed. In 2024, the inventory scope was expanded to include the China and Germany offices. The verification scope covered our Headquarters, Chiayi Factory, Chen-Feng Precision, Chenbro Technology and Procace Electronic, with third-party verification by DNV.



The following 2024 Carbon Emissions data covers its headquarters, Chiayi factory, Chenbro Technology (Kunshan), Procasa Electronic (Dongguan), Chen-Feng Precision(Wugu) , USA office ,Germany office and China office. The inventory scope covers Scope 1 (direct GHG emissions) and Scope 2 (indirect GHG emissions from energy consumption). The GHGs inventoried are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O),hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃), measured in tones of carbon dioxide equivalent (tCO₂e); Scope 3 inventory is currently not conducted due to the difficulty in obtaining relevant information.

In 2024, the Group experienced a slight increase in total greenhouse gas emissions due to the expansion of production scale. However, through effective carbon management strategies, emission intensity was reduced to 0.78 tCO₂e per NT\$1 million in revenue, reflecting strong carbon efficiency performance . The increase in Scope 1 emissions was primarily attributed to the addition of new machinery and equipment at the Chiayi factory, while the rise in Scope 2 emissions resulted from higher energy consumption driven by increased production output. With the addition of new sites in 2024, we reset the baseline year to 2024, targeting a 24% reduction in emission intensity by 2030. Each site conducts annual organizational greenhouse gas inventories, with historical emissions data as follows:

GHG Emissions	2022	2023	2024
Scope 1 (tCO ₂ e)	1,995.39	837.560	1305.358
Scope 2(tCO ₂ e)	10,591.7	8,192.928	9,973.508
Total GHG Emissions (tCO ₂ e)	12,587.09	9,030.487	11,278.866
Emission Intensity (tCO ₂ e/ M TWD)	1.19	0.80	0.78

2024 Carbon Emissions								
Facility	HQ Office	Chiayi Factory	Chenbro Technology	Procasa Electronic	Chen-Feng Precision	USA office	China office	Germany office
Scope1 (tCO ₂ e)	30.628	356.353	283.747	605.300	16.908	7.139	0.047	5.237
Scope 2 (tCO ₂ e)	232.444	1,945.232	3,056.256	4,418.442	266.333	30.629	19.626	4.545
Total GHG Emissions (tCO ₂ e)	263.072	2,301.585	3,340.003	5,023.742	283.241	37.768	19.673	9.782

- Note 1 : Electricity emission factors for 2023 are referenced as follows:
 - ◊ Electricity emission factors for 2023 are referenced as follows: 0.000474 tCO₂e/kWh (Source: 2024 Taiwan Energy Bureau Electricity Carbon Emission Factor)
 - ◊ Chenbro Technology and procasa Electronic::0.0005703 tCO₂e/kWh (Source: China Ministry of Ecology and Environment’s Notice on Greenhouse Gas Emission Reporting and Verification for Key Industries 2023-2025)
 - ◊U.S Office · 0.00037459 tCO₂e/kWh (Source: Carbon Database Initiative-2024 Grid Electricity Emissions Factors <https://www.carbondi.com/#electricity-factors/>)
 - ◊ Germany Office · 0.00037995 tCO₂e/kWh (Source: Carbon Database Initiative-2024 Grid Electricity Emissions Factors <https://www.carbondi.com/#electricity-factors/>)
- ▶ Note 2 : Other emission factors refer to 2006 IPCC Guidelines for National Greenhouse Gas Inventories.
- ▶ Note 3: Global Warming Potential (GWP) refer to the Y2021 IPCC AR6
- ▶ Note 4 : Emission Intensity = Total GHG Emissions / Annual Revenue, (unit: M TWD)

6.5 Waste Management

To achieve sustainable resource reutilization, Chenbro is committed to transitioning from a linear economy model—characterized by manufacturing, production, and disposal—to a circular economy approach. This starts with source reduction, followed by engaging certified partners for waste recycling and disposal, ensuring effective resource utilization. All of Chenbro's facilities comply with local government regulations, entrusting waste management to legally certified disposal agencies. Additionally, we conduct regular inspections and on-site assessments to ensure these agencies meet our disposal standards. Internally, routine inspections of waste storage and temporary storage areas are conducted through inspection checklists, with mandatory rectification of non-compliance within set deadlines. Chenbro's headquarters operates within a commercial office building where household waste is managed by the building administration and is not weighed individually. The office in US, China, and Germany primarily generate domestic waste, and therefore, no specific calculations are made. All of Chenbro's waste is disposed of off-site and handled by legally certified contractors in accordance with applicable regulations. Annual reviews are conducted with these contractors, and appropriate actions, such as guidance or replacement, are taken if any breach of contract or violation of governmental regulations is identified. In 2024, Chenbro reported no major breaches or legal violations by its waste management contractors.

In 2024, Chenbro conducted waste management and inspections at its Chiayi factory, Chenbro Technology, Procasa Electronic, Chen-Feng Precision. Waste was categorized into general industrial waste and hazardous waste. General industrial waste, including household and industrial waste, was incinerated, while recyclable materials such as scrap plastics, offcuts, and packaging materials were processed for recycling. Hazardous waste, including paint residue, ink sludge, empty containers, waste sludge, and used rags, was also processed for recycling. Chenbro actively promotes source management measures like raw material reduction to decrease waste generation. We are committed to enhancing waste resource recovery, such as reusing packaging materials through recycling, to achieve resource circulation and reduce energy consumption and costs associated with waste disposal. Moving forward, Chenbro aims to continuously improve production efficiency, reduce electronic waste and offcuts, and further advance industrial waste reduction efforts. By the end of 2024, the Chin Fong Precision was relocated from Wugu District to Shulin District in New Taipei City. During the construction of the new Shulin facility, a total of 37.76 metric tons of recyclable corbels (supporting beams) were dismantled and recovered. These corbels can be repurposed into remelted metal products, backfill materials, or other recycled products.

Waste Categories	Disposal Methods	2022	2023	2024	Waste Management in 2024							
					HQ Office	Chiayi Factory	Chenbro Technology	Procasa Electronic	Chen-Feng Precision	USA office	China office	Germany office
General Industrial Waste	Transfer - Incineration with Energy Recovery (t)	233.55	197.09	306.43	-	92.06	85.60	123.79	4.98	-	-	-
	Transfer – Recycling (t)	2,673.33	2,373.77	3,511.13	-	727.36	1,495.52	1,178.34	109.91	-	-	-
Hazardous Waste	Transfer – Recycling (t)	12.35	13.70	13.86	-	-	4.53	9.33	-	-	-	-
Total(t)		2,919.43	2,584.56	3,831.42	-	819.42	1,585.65	1,311.46	114.89	-	-	-

- ▶ Note 1: General industrial waste at the headquarters is mostly managed and disposed of by the building management, hence there is no statistical information on incineration disposal.
- ▶ Note 2: In 2024, there was no generation of hazardous waste at the headquarters, Chiayi Factory, and Chen-feng Precision



07 Social Participation

- 7.1 Educational Innovation
- 7.2 Industry-Academia Corporation
- 7.3 Promotion of Arts and Culture
- 7.4 Social Care

Together, Stronger

Chenbro embraces the spirit of “Together, Stronger” by uniting non-profit organizations, employee volunteers, and corporate partners to amplify its positive impact on society. With a long-term focus on educational innovation, promotion of arts and culture, and social care, Chenbro collaborates with the AAEON Foundation to launch rural education programs and encourages employees to participate in volunteer and community initiatives through a “paid volunteer day” policy that promotes autonomy and engagement. In line with its commitment to cultural preservation, Chenbro and its partners actively supported contemporary performance groups in securing the management rights of the Banqiao Broadcasting Station. This venue now serves as a platform for performances and the continuation of Taiwan's traditional Peking opera—bringing culture closer to the community. Chenbro also places strong emphasis on social care, offering long-term sponsorship to organizations such as Green Transformation and the Taiwan Motor Neuron Disease Association. In 2024, Chenbro contributed NTD 15,333,650 to arts and cultural initiatives. A summary of its ongoing social engagement projects and cumulative investment is detailed in the table below.

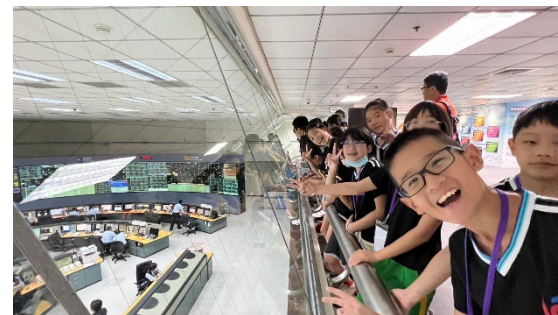
Category	Program	Starting Year	Content	Cumulative Investment (NTD)
Educational Innovation	Rural education	2013	Promote education projects on art, technology, music, environment, and more in Yunlin County's elementary schools and hold a three-day study tour in the norther Taiwan after completing their learning.	21,185,500
		2013	Sponsor The Alliance Cultural Foundation — Junyi Education Program	23,400,000
	Flipped education	2021	Sponsor Sharestart Educational Foundation to promote new thinking in education	4,033,800
	Industry–Academia Cooperation	2022–2024	Organize the Smart Robotic Camp and sponsor the renovation of the auditorium at National Chung Cheng University to promote academic exchange and diverse campus activities	8,473,978
Social Care	External Environmental conservation	2023	Sponsor INRAA's initiative to reduce air pollution in central and southern Taiwan by promoting an end to rice straw burning. Chenbro supported 90 hectares of farmland with microbial decomposers, reducing an estimated 810 metric tons of CO ₂ emissions.	225,000
	Taiwan Motor Neuron Disease Association	2019	Donate books related to Motor Neuron Disease	1,413,800
	Green Transformation	2018	Chenbro continues to purchase friendly agricultural products. The initiative aims to encourage broader support for transitioning from conventional farming to eco-friendly cultivation, promoting fair pricing for agricultural goods, protecting farmers' rights, and advancing sustainable agricultural practices.	
Promotion of Arts and Culture	Contemporary Legend Theatre	2016	Sponsor Contemporary Legend Theatre's establishment and operation at Banqiao Broadcasting Station	22,767,455
	Paul Chiang Art Center	2020	Sponsor the construction of the Paul Chiang Art Center to foster artistic development in Taitung.	33,000,000

7.1 Educational Innovation

Since 2013, Chenbro has partnered with Chintron and the AAEON Foundation to enhance children's education in Yunlin County by bringing arts resources to rural communities. The initiative has expanded to include technology, music, and environmental education. Through three core education programs, tailored curriculum materials, and “Learning Journey” field trips, the initiative aims to broaden the horizons of rural students. In recent years, the Sharestart philosophy has also been integrated to shift away from rote learning toward a more student-centered approach. As of the end of 2024, the program has reached 219 schools, involved 644 volunteers, contributed 5,152 volunteer hours, and invested a total of approximately 21,185,500 NTD. (The “2024 Environment Taiwan – Environmental Education Learning Journey” is expected to be completed in 2025.)

Yunlin Tech Wonderland

The “Yunlin Tech Wonderland” project, launched in 2018, aims to bridge the urban-rural digital divide through a theme park concept. It brings technology education resources to schools through the “Life Technology School Exhibition Tour,” showcasing practical applications in food, clothing, housing, transportation, and the future. Modular digital teaching materials enhance DIY activities and exhibitions. The project also includes “Foundation Science Experience DIY Activities” and the “Taipei Science and Technology Exploration and Learning Tour” to promote science education. The “Science and Technology New Paradise Learning Tour” allows students to visit many technology-related attractions in Taipei and learn knowledge and experience.



Environmental Education

Chenbro partnered with the “Chi Po-lin Foundation” to promote “Environmental Taiwan” together, in response to human-induced environment degradation. We conducted the “Campus Environmental Education Tour” in 2021, integrating five environmental issues with photography works. In 2022, the “Environmental Education Exploration Learning Journey” took children from Yunlin to Keelung, fostering natural conservation awareness. In 2024, Chenbro organized the Environmental Education Theme Poster Team Competition, encouraging students to transform their learnings from environmental education into visual blueprints for a greener future.



Sharestart Education Promotion Program

Since 2023, Chenbro has collaborated with the Sharestart Education Foundation and the AAEON Foundation on its sixth educational initiative. The program has reached 11 elementary schools in Yunlin County, promoting teacher training focused on Sharestart pedagogy. The foundation's teaching team developed three versions of teaching materials for lower grade levels, provided certified trainers, and initially introduced Sharestart methods to Mandarin language classes and Satir-based dialogue sessions across all grades. In 2024, the program expanded to include character education for upper grade students.

Sponsoring the Flipped Learning Program by Sharestart Educational Foundation

Since 2021, Chenbro has sponsored NT\$1 million annually and supported the distribution of the book of the Sharestart Education Foundation to an elementary school. Through the promotion of Sharestart teaching methods, Chenbro aims to help teachers guide students in developing a learning cycle of “self-learning, thinking, discussion, expression, and synthesis” in the classroom.

Being a Partner of the Alliance Cultural Foundation

To empower the young generation of the indigenous peoples in East Taiwan to run a business sustainably in their hometown, Chenbro has donated NT\$2 million every year to the Alliance Cultural Foundation since 2013. In response to Stanley Yen's Junyi Academy, Chenbro worked with the Alliance Cultural Foundation to promote the "Employment and Entrepreneurship Plans for Talents Returning to Hometowns" and the "Rural Talent Training Program" based on four action plans (i.e., tourism, industrial counseling, art and culture, and education), hoping to create a solid learning environment that can result in brightening prospects.



7.2 Industry–Academia Corporation

Since the Chiayi factory officially operated in 2022, Chenbro has initiated a number of industry–academia cooperation projects with Southern Taiwan's universities and colleges. These projects include: "Chenbro Lectures" in collaboration with National Chung Cheng University, "Smart Robotic Camp" with Syntec Technology and four universities in southern Taiwan, and the "Joint Laboratory for Mold Development and R&D," established with National Kaoshiung University of Science and Technology.

Chenbro Lectures

Co-organized by Chenbro and National Chung Cheng University, the “Chenbro Lectures” invite distinguished leaders from industry and society to share their career journeys. These sessions help students understand and develop expertise across various fields and the competencies. Since its launch in 2022, the project has covered topics such as leadership, operations management, LEAN practices, innovation and entrepreneurship, human resources, theatrical creation and arts administration, strategic decision–making, and marketing management. Through direct insights and interactive discussions with industry leaders, students gain a deeper understanding of business leadership and management practices.



NKUST Joint Laboratory for Mold Development and R&D

Talent is the cornerstone of sustainability. This cooperation with NKUST set up a joint laboratory as well as promoted long–term industry–academia cooperation programs, which will help cultivate professional talents in mold R&D and manufacturing in the server industry, and accelerate the innovation of mold technology and digital transformation.



Smart Robotic Camp

Chenbro and Syntec Technology have collaborated since 2022 to nurture Taiwan's automation talent and bridge the gap between academia and industry. To help students gain early exposure to real-world practices, accumulate hands-on experience, and apply the latest engineering trends, they co-organized the "Smart Robotic Camp," combining theory and practice. The program features three weeks of theoretical training in smart manufacturing at partner universities, followed by three weeks of hands-on operation at the Chenbro Chiayi Factory. Syntec Technology and its subsidiary provided advanced machinery, with instructors guiding students through real-world applications.

The 2024 camp, now in its third year, incorporated AI applications with an advanced challenge focused on low-cost unmanned modular system integration. In addition to returning teams from National Chung Cheng University, National Chiayi University, National Yunlin University of Science and Technology, and National Formosa University, this year welcomed Feng Chia University as a new participant. Through this partnership, Chenbro continues to strengthen students' practical capabilities and cultivate skilled mid-level talent as a solid foundation for future industrial development.



7.3 Promotion of Arts and Culture

Chenbro supports traditional puppetry, Peking opera, and local artists, helping art cross over into technology and break free from its traditional echo chambers. By leveraging its corporate strengths, Chenbro helps artists navigate market challenges while enriching employees' cultural literacy. Since 2016, Chenbro has sponsored the founding of the “Hsing Legend Theatre,” standing by the troupe through the pandemic, public-private partnership transitions, and critical turning points. Over the past decade, Chenbro has continued to rally other companies to join in sustaining cultural heritage and nurturing artistic legacy.

Supporting the Contemporary Legend Theatre in operating at the Banqiao Broadcasting Station and bringing their performance Caesar's Maze to the world

With Chenbro's dedicated support and fundraising, the Contemporary Legend Theatre successfully moved into the Banqiao Broadcasting Station through an OT model in August 2023. Chenbro continues to promote the theatre by organizing corporate bookings and family-friendly events, inspiring wider participation. To date, more than 800 visitors have been invited to experience the venue. In June 2024, Chenbro hosted a Family Day at the Broadcasting Station, and in July co-organized and sponsored the inaugural arts festival, featuring a diverse lineup of performing arts including Peking opera, Taiwanese opera, crosstalk, flamenco, and vocal performances. At the same time, Chenbro also sponsored and invited Spanish artist Salvador Marco to present an international-level sculpture and photography exhibition. The exhibition opening was graced by Mr. Eduardo Euba Aldape, Director of the Spanish Economic and Commercial Office. In the same year, Chenbro offered its first-ever title sponsorship to support Master Wu Hsing-Kuo's latest creation, Caesar's Maze. The production premiered as the opening performance of the 52nd Hong Kong Arts Festival in February, was invited to the Shanghai Jing'an Modern Drama Valley in April, and held a three-day run in Taipei in June that attracted 4,000 audience members, earning both critical acclaim and box office success. As a key work marking the Contemporary Legend Theatre's return to the international stage, it is already confirmed to appear at the International Shakespeare Festival in Italy in the summer of 2026.



Sponsoring the Establishment of Paul Chiang Art Center

To fulfill painter Paul Chiang's dream of leaving his lifelong works and studio in Taitung, permanently open to the world, the Paul Chiang Art Center Foundation was established with support from Stanley Yen, the president of The Alliance Cultural Foundation. Chenbro also sponsors the creation of the Paul Chiang Art Center in Taitung, featuring five buildings, including two exhibition halls inaugurated in September 2022. The center aims to be completed by 2025, inviting artists and writers worldwide to reside and draw inspiration from Taitung's natural beauty, creating more heartwarming wonders for the world.

As longstanding partners of Chenbro, The Alliance Cultural Foundation and AAEON Foundation play crucial roles. Chairman Maggi Chen was invited to serve as a member of the Paul Chiang Art Center Foundation, contributing to the completion of the artistic community in Eastern Taiwan and significantly impacting local culture and tourism. With Chenbro's 33 million NTD contribution (an additional 11 million NTD was invested in 2024), the old studio was transformed into a second exhibition hall. Chairman Maggi Chen emphasizes the importance of collective effort, stating that while Chenbro's influence may be modest, we are committed to making a meaningful difference in society.



7.4 Social Care

Supporting Farmers in Protecting the Land

The collaboration between Chenbro and Green Farmer's Home began in 2018 with a campaign to save surplus onions. Beyond long-term support through regular purchases, Chenbro helped Green Farmer's Home in 2023 by pre-purchasing organic mangoes to fund the development of a new orchard. The company continues to support Green Farmer's organic produce and pasture-raised eggs. In 2024, upon learning that Chenbro was hosting a Family Day, Mr. Hung, founder of Green Farmer's Home, sent boxes of organic avocados as a token of gratitude for the company's sustained support. This three-way partnership among enterprise, farmers, and the land reflects Chenbro's belief that nurturing this relationship is a vital step toward addressing climate challenges and promoting sustainable living.



Stop Burning Rice Straw Movement

Chenbro sponsored INRAA's "2024 Taiwan Good Air & Fields" campaign to stop rice straw burning by donating organic fertilizer enriched with rice straw decomposing bacteria to farmers as a sustainable alternative to open-field burning. Since 2023, Chenbro has cumulatively sponsored 90 hectares of farmland in Changhua and Hualien Counties, with an estimated reduction of 810 metric tons of CO2e emissions. This initiative aims to help farmers reduce their carbon footprint and to support Taiwan in becoming the first country in Asia to achieve zero rice straw burning. (Note: According to WTO data, burning one hectare of rice straw produces approximately 9 metric tons of CO2.)



"Warm Hearts, Warm Meals" Program

Chenbro actively cares for vulnerable groups and gives back to society through concrete actions by supporting the "Warm Hearts, Warm Meals" program in Chiayi County. This service assists individuals such as elderly living alone, people with disabilities, economically disadvantaged groups, and at-risk children and youth. In 2024, Chenbro donated 84,000 NTD, benefiting 1,200 people by providing warmth and hope to those in need.



Appendix 1: GRI Standard Index

Statement of Use	Chenbro has reported the information for the period from January 1, 2024 to December 31, 2024 with reference to the GRI Standards.
GRI 1 Used	GGRI 1: Foundation 2021
Applicable GRI Sector Standards	Sector Standards corresponding to the company’s industry have not yet been published.

GRI Standards	DISCLOSURE	Corresponding Chapter	Page
Organization	2-1	Organizational details	1.1 Company Profile 6
	2-2	Entities included in the organization’s sustainability reporting	About This Report (Chenbro is listed company, completely information on the annual report) 1
	2-3	Reporting period, frequency and contact point	About This Report 1
	2-4	Restatement of information	No Change
	2-5	External assurance	Appendix
	2-6	Activities, value chain and other business relationships	1.1 Company Profile 5.1 Supplier Sustainability Management 6 46
	2-7	Employees	5.3 Manpower Structure 53
	2-8	Workers who are not employees	5.3 Manpower Structure 53
Governance	2-9	Governance structure and composition	3.1 Governance Structure and Responsibilities 22
	2-10	Nomination and selection of the highest governance body	3.1 Governance Structure and Responsibilities 22
	2-11	Chair of the highest governance body	3.1 Governance Structure and Responsibilities 22
	2-12	Role of the highest governance body in overseeing the management of impacts	2.1 Sustainable Development Task Force Structure 10
			3.3 Risk Management 30
	2-13	Delegation of responsibility fo managing impacts	2.1 Sustainable Development Task Force Structure 10
	2-14	Role of the highest governance body in sustainability reporting	2.1 Sustainable Development Task Force Structure 10
			2.4 Material Disclosure Topic Identity Process 14
	2-15	Conflicts of interest	3.1 Governance Structure and Responsibilities 22
	2-16	Communication of critical concerns	No communication of critical concerns with the highest governance body in 2024
	2-17	Collective knowledge of the highest governance body	3.2 Functions of the Board of Directors 28
	2-18	Evaluation of the performance of the highest governance body	2.1 Sustainable Development Task Force Structure 10
	2-19	Remuneration policies	3.1 Governance Structure and Responsibilities 22
2-20	Process to determine remuneration	3.1 Governance Structure and Responsibilities 22	
2-21	Annual total compensation ratio	Salary information is considered confidential and will not be disclosed. 58	

GRI Standards	DISCLOSURE	Corresponding Chapter	Page	
Strategy, Policies and Practices	2-22	Statement on sustainable development strategy	2.1 Sustainable Development Task Force Structure 2.5 Material Issue Management Approach 10 19	
		2-23	Policy commitments	3.1 Governance Structure and Responsibilities (Chenbro is listed company, completely information on the annual report) 22
	2-24	Embedding policy commitments	3.4 Code of Ethics and Accountability 32	
	2-25	Processes to remediate negative impacts	5.3 Manpower Structure 53	
	2-26	Mechanisms for seeking advice and raising concerns	About This Report 01	
	2-27	Compliance with laws and regulations	A total of 4 cases in 2024, with a total fine of NT\$224,640. In recent years, the company has not been involved in any non-monetary penalties related to legal violations. The company defines a material violation as one involving an amount exceeding NT\$1 million, and no material regulatory violations occurred in 2024.	
			2-28	Membership association
	Stakeholder engagement	2-29	Approach to stakeholder engagement	2.3 Stakeholder Identification and Communication Channels 12
2-30		Collective bargaining agreements	A labor union is established, but no collective agreement has been signed.	
Material Topic	3-1	Pocess to determine materials topics	2.4 Material Disclosure Topic Identity Process 14	
	3-2	List of materials topic	2.4 Material Disclosure Topic Identity Process 15	
	3-3	Management of material topics	2.5 Material Disclosure Topic Identity Process 17	

Appendix 1: GRI Standard Index

GRI Standards	DISCLOSURE	Corresponding Chapter / In 2024 Sustainability Report	Page
201 Economic Performance 2016			
201-3	Defined benefit plan obligations and other retirement plans	5.4 Talent Recruitment and Retention	58
203 Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	7.1 Educational Innovation	84
		7.2 Industry-Academia Corporation	86
		7.3 Promotion of Arts and Culture	88
		7.4 Social Care	90
204 Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	5.1 Supplier Sustainability Management	46
205 Anti-corruption 2016 (*Material Topic of 2024)			
205-1	Operations assessed for risks related to corruption	3.4 Code of Ethics and Accountability	32
205-2	Communication and training about anti-corruption policies and procedures	3.4 Code of Ethics and Accountability	32
205-3	Confirmed incidents of corruption and actions taken	3.4 Code of Ethics and Accountability	32
206 Anti-competitive Behavior 2016 (*Material Topic of 2024)			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No anticompetitive behavior lawsuits.	

Appendix 1: GRI Standard Index

GRI Standards	DISCLOSURE	Corresponding Chapter / In 2024 Sustainability Report	Page
301 Materials (*Material Topic of 2024)			
301-2	Recycled input materials used	2.5 Material Issue Management Approach	17
302 Energy 2016			
302-1	Energy consumption within the organization	6.2 Energy Management	77
302-3	Energy intensity	6.2 Energy Management	77
303 Water and Effluents 2018			
303-3	Water withdrawal	6.3 Water Management	78
305 Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	6.4 Greenhouse Gas Management	79
305-2	Energy indirect (Scope 2) GHG emissions	6.4 Greenhouse Gas Management	79
306 Waste 2020			
306-3	Waste generated	6.5 Waste Management	81
306-4	Waste diverted from disposal	6.5 Waste Management	81
306-5	Waste directed to disposal	6.5 Waste Management	81
308 Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	5.1 Supplier Sustainability Management	46
308-2	Negative environmental impacts in the supply chain and actions taken	5.1 Supplier Sustainability Management	46

Appendix 1: GRI Standard Index

GRI Standards	DISCLOSURE	Corresponding Chapter / In 2024 Sustainability Report	Page
401 Employment 2016 (*Material Topic of 2024)			
401-2	New employee hires and employee turnover	5.4 Talent Recruitment and Retention	58
401-3	Parental leave	5.4 Talent Recruitment and Retention	58
403 Occupational Health and Safety 2018 (*Material Topic of 2024)			
403-1	Occupational health and safety management system	5.6 Workplace Quality and Safety	66
403-2	Hazard identification, risk assessment, and incident investigation	5.6 Workplace Quality and Safety	66
403-3	Occupational health services	5.6 Workplace Quality and Safety	66
403-4	Worker participation, consultation, and communication on occupational health and safety	5.6 Workplace Quality and Safety	66
403-5	Worker training on occupational health and safety	5.6 Workplace Quality and Safety	66
403-6	Promotion of worker health	5.6 Workplace Quality and Safety	66
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.6 Workplace Quality and Safety	66
403-8	Workers covered by an occupational health and safety management system	5.6 Workplace Quality and Safety	66
403-9	Work-related injuries	5.6 Workplace Quality and Safety	66
403-10	Work-related ill health	5.6 Workplace Quality and Safety	66
404 Training and Education 2016 (*Material Topic of 2024)			
404-1	Average hours of training per year per employee	5.5 Employee Development and Training	62
404-2	Programs of upgrading employee skills and transition assistance programs	5.5 Employee Development and Training	62
404-3	Percentage of employees receiving regular performance and career development reviews	5.5 Employee Development and Training	62
405 Diversity and Equal Opportunity 2016 (*Material Topic of 2024)			
405-1	Diversity of governance bodies and employees	3.2 Functions of the Board of Directors 5.3 Manpower Structure	28 53
406 Non-discrimination 2016 (*Material Topic of 2024)			
406-1	Incidents of discrimination and corrective actions taken	No discrimination incidents and harassment complaints	
408 Child Labor 2016 (*Material Topic of 2024)			
408-1	Operations and suppliers at significant risk for incidents of child labor	No child labor	
414 Supplier Social Assessment 2016			
414-2	Negative social impacts in the supply chain and actions taken	5.1 Supplier Sustainability Management	46
415 Public Policy 2016			
415-1	Political contributions	No political contributions	
418 Customer Privacy 2016 (*Material Topic of 2024)			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No incidents of customer privacy violation or loss of customer data.	

Appendix 2: SASB Disclosure Indicator

SASB Disclosure Indicator		
Number	Indicator	Description
TC-ES-000.A	Manufacturing site	4
TC-ES-000.B	Area of manufacturing site	201,610m ²
TC-ES-000.C	Total Employee	1,612

Number	Indicator	Corresponding Chapter	Responses in 2024
Water Management			
TC-ES-140a.1	Total water withdraw	06 Environmental Sustainability	Total water consumption in 2024 was 147.35 million liters.
Waste Management			
TC-ES-150a.1	Amount of hazardous waste from manufacturing, percentage recycled	06 Environmental Sustainability	In 2024, the total amount of general industry waste was 3,817.56 tons, with a remarkable 99% being recyclable. The total quantity of hazardous industry waste was 13.8 tons, all of which is also recyclable.
Labor Practices			
TC-ES-310a.1	<ol style="list-style-type: none"> Number of work stoppages Total days idle 	N/A	None
Labor Conditions			
TC-ES-320a.1	<ol style="list-style-type: none"> Total recordable incident rate (TRIR) Near miss frequency ate (NMFR) for (a) direct employees and (b) contract employee 	5.6 Workplace Quality and Safety	<ol style="list-style-type: none"> Total recordable incident rate(TRIR) No false alarm incidents occurred
TC-ES-320a.2	<ol style="list-style-type: none"> Chenbro Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP), by (a) all facilities and (b) high-risk facilities 	N/A	Chenbro adheres to RBA guidelines and implements them within the organization. The Chiayi factory has received Platinum certification, while Chenbro Technology has received Silver certification. Additionally, we are progressively integrating the RBA mechanism into annual supplier audits.
TC-ES-320a.3	<ol style="list-style-type: none"> Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent Associated corrective action ratenote3 for (A) priority nonconformances and (B) other non-conformances, broken down for (a) Chenbro and (b) the entity's Tier 1 supplier Facilities 		
Product Lifecycle Management			
TC-ES-410a.1	Weight of end-of-life products and e-waste recovered, percentage recycled	N/A	Chenbro is not involved in the post-consumer disposal process and therefore is not applicable.
Material Sourcing			
TC-ES-440a.1	Description of the management of risks associated with the use of critical materials	5.1 Supplier Sustainability Management	Chenbro has established limited substance management standards to effectively control critical materials such as conflict minerals and hazardous substances, rigorously overseeing the raw materials.

Appendix 3: BSI Independent Assurance Opinion Statement



INDEPENDENT ASSURANCE OPINION STATEMENT

2024 Chenbro Sustainability Report

The British Standards Institution is independent to Chenbro Moom Co., Ltd. (hereafter referred to as Chenbro in this statement) and has no financial interest in the operation of Chenbro other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of Chenbro only for the purpose of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by Chenbro. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to Chenbro only.

Scope

The scope of engagement agreed upon with Chenbro includes the followings:

1. The assurance scope is consistent with the description of 2024 Chenbro Sustainability Report.
2. The evaluation of the nature and extent of the Chenbro's adherence to AA1000 AccountAbility Principles (2018) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the 2024 Chenbro Sustainability Report provides a fair view of the Chenbro sustainability programmes and performances during 2024. The sustainability report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the Chenbro and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate Chenbro's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that Chenbro's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a review of issues raised by external parties that could be relevant to Chenbro's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 12 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000AP (2018).

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018) and GRI Standards is set out below:

Inclusivity

This report has reflected a fact that Chenbro has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the Chenbro's inclusivity issues.

Materiality

Chenbro publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of Chenbro and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the Chenbro's management and performance. In our professional opinion the report covers the Chenbro's material issues.

Responsiveness

Chenbro has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for Chenbro is developed and continually provides the opportunity to further enhance Chenbro's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the Chenbro's responsiveness issues.

Impact

Chenbro has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. Chenbro has established processes to monitor, measure, evaluate, and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the Chenbro's impact issues.

GRI Sustainability Reporting Standards (GRI Standards)

Chenbro provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the Chenbro's sustainability topics.

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

Responsibility

The sustainability report is the responsibility of the Chenbro's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064, and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan



Statement No: SRA-TW-789733
2025-07-01

Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.

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Appendix 4: GHG Statement



Independent Verification Opinion

Verification Opinion No.: C764530-2024-AG-TWN-DNV | Issued Place and Date: Taipei, 09 May, 2025 | Page 1 of 2

This is to verify initiate reporting of Greenhouse Gas Inventory Management Report (2024) of

CHENBRO MICOM CO., LTD.

Scope of Verification

DNV Business Assurance (DNV) has been commissioned by CHENBRO MICOM CO., LTD. (hereafter "the Organization") to perform a verification of the greenhouse gas statements of Greenhouse Gas Inventory Management Report (2024) (hereafter the "Inventory Report") in Taiwan, R.O.C., with respect to the sites listed in Appendix A.

The Reporting Boundary for the verification including direct GHG emissions and removals, indirect GHG emissions from imported energy, indirect GHG emissions from transportation, indirect GHG emissions from products used by the Organization and indirect GHG emissions associated with the use of products from the Organization. The further descriptions for the Reporting Boundary listed in Appendix B.

Verification Criteria and GHG Programme

The verification was performed on the basis of Financial Supervisory Commission Sustainable Development Roadmap Scheme and ISO 14064-1:2018, CNS 14064-1:2021 as well as criteria given to provide for consistent GHG emission identification, calculation, monitoring and reporting. The verification was conducted in accordance with ISO 14066:2023, ISO 14065:2020, ISO14064-3:2019.

Verification Opinion

It is DNV's opinion that the Inventory Report (2024), which was published on May 02, 2025 (Version 1.3), is free from material discrepancies in accordance with the verification criteria identified as stated above. The opinion is decided based on the following approaches,

- For the Direct (Category 1) GHG emissions and Indirect GHG emissions from imported energy (Category 2), the reliability of the information within the Inventory Report (2024) was verified with reasonable level of assurance.
- For the other indirect GHG emissions, the involved information was verified with limited level of assurance.

GHG Verifier:
Wen Hsuan Scott, Zheng

Scott Zheng

For the issuing office:
DNV Business Assurance Co., Ltd.

[Signature]

Management Representative

The Appendix forms an integral part of this Certificate, which shall be invalid when used without the Appendix. Lack of fulfillment of conditions as set out in the Verification Agreement may render this Verification invalid. This Verification Opinion is based on the information made available to us and the engagement conditions detailed above. Hence, DNV cannot guarantee the accuracy or correctness of the information. DNV cannot be held liable by any party relying or acting upon this Verification Opinion.
The issuing office: 29F, No. 293, Sec. 2, Wenhua Rd., Songshan District, New Taipei City 220, Taiwan Tel.: +886-2-82537800. <https://www.dnv.com/tw/>
DNV ZNATW-OP-F50, Rev.14, 2025-03



Verification Opinion No.: C764530-2024-AG-TWN-DNV | Issued Place and Date: Taipei, 09 May, 2025 | Page 2 of 2

Supplement to Verification Opinion

Process and Methodology

The reviews of the Inventory Report and relevant documents, and the subsequent follow-up interviews have provided DNV with sufficient evidence to determine the fulfilment of stated criteria.

Quantification of Greenhouse Gas Emission

The Inventory Report covering the period 1st January, 2024 to 31st December, 2024, it is DNV's opinion that GHG emissions and removals identified within the Reporting Boundary has been included in the Inventory Report as claimed in accordance with the verification criteria identified as stated above, and results in quantification of GHG emissions that are real, transparent and measurable.

Organizational Boundary of Verification

Financial Management Control; Operational Management Control; Equity Share

GHGs Verified

CO₂ CH₄ N₂O HFCs PFCs SF₆ NF₃

Quantification of Emissions (in tonnes CO₂e)

The Global Warming Potential (GWP) defined in IPCC AR6(2021) has been chosen and correctly referred by the Organization.

Category	CHENBRO MICOM CO., LTD.	Total
1: Direct emissions		1,292.9346
2: Imported energy indirect emissions*		9,918.7075
3: Indirect GHG emissions from transportation		90.6907
4: Indirect GHG emissions from products used by organization		71,782.7562
5: Indirect GHG emissions associated with the use of products from the organization		Not Significant Emissions
6: Other Emission Sources		Not Significant Emissions

(*In Taiwan, indirect emissions from imported energy were calculated based on the 2024 electricity emission factor of 0.474 kg CO₂e/kwh published by the Bureau of Energy of the Ministry of Economic Affairs.)

(**In China, indirect emissions from imported energy are calculated based on the national grid average emission factor of 0.5703 kg CO₂e/kwh for the year 2022 based on the "Notice on Doing a Good Job in Reporting and Management of GHG Emissions from Power Generation Enterprises in the Years 2023-2025" by the Ministry of Ecology and Environment of the People's Republic of China.)

Type of Opinion

unmodified modified adverse

The Appendix forms an integral part of this Certificate, which shall be invalid when used without the Appendix. Lack of fulfillment of conditions as set out in the Verification Agreement may render this Verification invalid. This Verification Opinion is based on the information made available to us and the engagement conditions detailed above. Hence, DNV cannot guarantee the accuracy or correctness of the information. DNV cannot be held liable by any party relying or acting upon this Verification Opinion.
The issuing office: 29F, No. 293, Sec. 2, Wenhua Rd., Songshan District, New Taipei City 220, Taiwan Tel.: +886-2-82537800. <https://www.dnv.com/tw/>
DNV ZNATW-OP-F50, Rev.14, 2025-03

Appendix 5: Responsible Business Alliance (RBA)



Responsible Business Alliance
Advancing Sustainability Globally

Recognition that

CHENBRO MICOM CO., LTD.

No. 2, Park 1st Road, Lucao Township, Chiayi County, Chiayi, Taiwan, 61143
Chinese Taipei

Completed the RBA Validated Assessment Program, achieving PLATINUM Status closing all Priority, Major and minor findings, earning a score of 200.0

Validated Audit Report: VAR-20240503-TW-01B02-1
Audit date: May 3, 2024
Certificate issue date: May 17, 2024
Expiration date: February 14, 2025



Robert F. Lederer
CEO, RBA



Responsible Business Alliance
Advancing Sustainability Globally

Recognition that

Chenbro Technology (Kunshan) Co., LTD

中国江苏省苏州市昆山市玉山镇勤昆路88号, 昆山市, 江苏省, 215316
China

Completed the RBA Validated Assessment Program, achieving SILVER Status without any priority findings, earning a score of 174.1

Validated Audit Report: VAR-20240326-CN-04B03-1
Audit date: March 26, 2024
Certificate issue date: April 12, 2024
Expiration date: September 28, 2024



Robert F. Lederer
CEO, RBA

CHENBRO