



2024

Environmental Social Governance

Sustainability Report

Contents

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1 About the Report

1.1 Message from Chairman and CEO

As the challenges posed by extreme climate events intensify and global decarbonization pressures continue to rise, Z-COM serves as a key driver of digital infrastructure and actively embraces its responsibility to address climate risks and support the transition to net-zero emissions.

In response to the global expectations for a low-carbon economy, we are committed to the development of high-efficiency, energy-saving technologies. We promote modularized equipment design, low-power consumption solutions, and the use of recyclable materials to realize sustainable product lifecycle management. At the same time, we actively pursue technological upgrades and organizational transformation to enhance corporate resilience, achieving a triple win across economic, environmental, and social dimensions—delivering outstanding sustainability performance while generating long-term value and positive social impact.

As the ESG movement reshapes the global business landscape, sustainability has evolved from a voluntary initiative into a core business imperative. We will continue to strengthen our climate governance, information security, and supply chain resilience, working hand in hand with stakeholders to build a low-carbon, secure, and inclusive digital future.

As we celebrate our 30th anniversary, Z-COM remains steadfast in our mission: “One Connected World, One Wireless Dream.” We will continue to drive innovation in global communications technology and shape a sustainable blueprint for a smarter world.



Z-COM Chairman
John Shieh



Z-COM CEO
Catherine Wu

1.2 Annual ESG Performance

| Aspect | Sustainability Performance and Achievements |
|-----------------------------|--|
| Corporate Governance | The SP250-S5 product won First Prize in the Best Product Category at the 21st National Brand Yushan Awards in 2024. |
| | Obtained ISO 27001 Information Security Management System certification in 2024. |
| | Achieved a score of 98 out of 100 in the cybersecurity protection standards assessment by Industrial Development Administration, Ministry of Economic Affairs. |
| | In 2024, Z-COM filed five invention patent applications. |
| | In 2024, there were no incidents of corruption or legal cases involving anti-competitive behavior, antitrust, or monopolistic practices. |
| | No major violations or negative incidents were reported in 2024. |
| Social | In 2024, women held 44% of all managerial positions. |
| | The average customer satisfaction score in 2024 was 90. |
| | Supported a total of 7 social welfare organizations in 2024. |
| | Invested NT\$100,000 in support of domestic cultural development in 2024. |
| | Collaborated with the Guardian Angel Association of Cancer Care (GAACC) in 2024 to establish an Employee Assistance Program (EAP) – Medical Support System. |
| | All products complied with hazardous substance regulations in 2024 with no violations of product health and safety standards. |
| | No major occupational accidents or work-related illnesses were reported in 2024. |
| Environmental | No human rights violations or labor disputes occurred in 2024. |
| | Water consumption in 2024 decreased by 3.4% compared to 2023. |
| | In 2024, a new 213.78 kW solar photovoltaic (PV) system at the Jiujiang plant was installed and began power generation. |
| | Z-COM products comply with EU RoHS and REACH regulations. |
| | In 2024, promoted digital transformation and actively implemented paperless operations, including reducing paper usage through electronic approvals and converting payslips to digital format. |
| | No violations of environmental regulations occurred in 2024. |
| | Implemented a reuse program for discarded equipment casings and a donation program for second-hand office chairs to promote resource recycling in 2024. |

Spotlight I

Z-COM Honored with the First Prize in the Best Product Category at the 21st National Brand Yushan Award 2024

Z-COM was awarded the First Prize in the Best Product Category at the 21st National Brand Yushan Award in 2024. On February 10, 2025, Marketing and Sales Manager Ms. Fu-Chi Yeh represented the company at the Office of the President of the Republic of China (Taiwan) to receive the honor and was personally received by Vice President Hsiao Bi-khim. During the reception, Vice President Hsiao extended her heartfelt congratulations to all award recipients and encouraged them to view this recognition as a new starting point toward a more resilient future. She expressed her gratitude to the awarded enterprises and stated: "Thank you to all the awardees for your contributions to Taiwan's industries. We hope that through your achievements and the visibility of these awards, industries across Taiwan will unite as 'Team Taiwan' and continue to move forward. The government will serve as your strong supporter, helping Taiwan remain a global leader." She further emphasized that Taiwan's strength is not limited to the semiconductor sector, but also lies in the outstanding performance of enterprises across various fields on the global stage. She encouraged all award-winning companies to serve as role models in addressing global challenges and to lead their industries toward sustainable growth.

SP250-S5 : A Breakthrough Innovation Beyond Tradition

The award-winning product, SP250-S5, is a high-performance outdoor wireless access point developed by Z-COM. It is specifically designed for remote areas and smart city applications, addressing the critical "last mile" connectivity challenge. The product plays a significant role in promoting digital inclusion and advancing smart city infrastructure. With its innovative design, exceptional long-range transmission capabilities, and robust durability, the SP250-S5 stands out as a key enabler in enhancing network quality in remote regions and supporting the sustainable development of urban digital ecosystems.

Z-COM Demonstrates Technological Innovation and Social Responsibility

Ms. Fu-Chi Yeh stated: "Z-COM has long been committed to core technology research and integration, keeping pace with the rapid evolution of wireless communications and the dynamic needs of vertical industries. We actively promote product innovation and technological upgrades. It is an immense honor to receive this prestigious award, which not only recognizes our efforts in technological innovation but also affirms our dedication to advancing digital equity and smart city development. Looking ahead, Z-COM will remain steadfast in its commitment to innovation and continue delivering efficient and reliable wireless solutions to customers worldwide."



Spotlight II**[MOTC TDP] 5G Private Network Applications in Smart Transportation: Integration Benefits for the Danhai LRT**

In 2024, Z-COM collaborated with New Taipei Metro Co., Ltd. and the Information and Communications Research Laboratories of ITRI to participate in the Ministry of Transportation and Communications (MOTC) Technology Development Program (TDP) titled “5G Private Network Applications in Smart Transportation: Integration Benefits for the Danhai LRT.” This project successfully integrated 5G private network and AIoT technologies into the public transportation system, enhancing operational efficiency and demonstrating outstanding results in intelligent monitoring, safety reinforcement, and cybersecurity. It has become a benchmark for smart city development and sustainable mobility.

Leveraging the high-speed connectivity and low latency of 5G private networks, the Danhai LRT Operation Control Center can collect real-time, accurate driving data to optimize dispatching and system management, thereby improving operational performance. At the same time, the implementation of robust information security mechanisms ensures the protection of data across servers and operating systems, strengthening the defense of critical infrastructure and minimizing risks related to cyberattacks and data breaches—ultimately safeguarding passenger privacy and business continuity. In addition, Z-COM applied advanced AIoT technology to deploy intelligent foreign object detection systems on the tracks, effectively preventing transportation safety incidents caused by track intrusions and reducing potential threats to train operations.

Through intelligent monitoring and real-time alerts, operators are better equipped to respond promptly to emergencies, ensuring passenger safety. The application of 5G technology also enhances communication stability and data transmission quality for the light rail system, improving the passenger experience and making smart transportation services more responsive to public needs. The implementation of this project contributes to improving the efficiency of the public transportation system through data-driven smart scheduling, further advancing the development of intelligent mobility. Moreover, the high performance and low power consumption of 5G private networks help reduce overall system energy use, aligning with the vision of achieving both intelligent transportation and environmental sustainability.



New Taipei Metro POS- Pantograph Model Identification Results

Spotlight III**[MOEA TDP] Pre-6G Heterogeneous Network Application Integration Project — Secure and Time-Synchronized Edge Computing Network**

In recent years, with the widespread adoption of digital transformation and intelligent applications, the development of communication technology has become a crucial driver for industrial upgrading and social progress. From 2022 to 2024, Z-COM participated in the Ministry of Economic Affairs Industrial Development Administration's "Industry Upgrade Innovation Platform Guidance Program," promoting the "Pre-6G Heterogeneous Network Application Integration Project — Secure and Time-Synchronized Edge Computing Network." This project leverages the zMEC wireless heterogeneous network integration platform (WiFi6 + 5G NR) to enhance edge computing security and time synchronization capabilities, laying a foundation for future intelligent applications.

The project integrates 5G functional modules such as middleboxes into the control and management of wired and wireless networks to optimize high-definition video traffic scheduling for both 5G (3GPP) base station gNB users and Wi-Fi base station users. By developing analytical models and algorithms, it improves system application and management efficiency. Moreover, it employs a container-based Kubernetes system on both centralized management control devices and distributed edge computing nodes to support diverse applications, reducing the distance between data and computation processing, thus increasing traffic handling efficiency for latency-sensitive applications. The 5G-WiFi6 private network adopts a user-centric, innovative, and open converged architecture to meet the diversified demands of the market, promote the development of mobile broadband and vertical industry applications, and further explore innovative applications and market opportunities of 5G.

The project collaborates with top academic institutions such as National Yang Ming Chiao Tung University and the Industrial Technology Research Institute, introducing advanced research talents to bridge academia and industry while nurturing domestic technical expertise. The project also supports the company's transformation by driving the development of its own brand, accelerating systematization and commercialization of services to meet high-performance communication needs and enhance brand influence. Looking ahead, Z-COM will continue investing in forward-looking technologies, promoting green communications, expanding advanced applications, striving to reduce the digital divide, and facilitating balanced development of technological resources.

**Kamalan Bus POC****Slope Monitoring - Shenmu Elementary School POC**

Spotlight VI**Smart City Infrastructure — India Court**

Z-COM, in collaboration with its Indian distributor, is supporting the Supreme Court of India in establishing a modern and high-performance courtroom environment by expanding wireless network coverage and enhancing smart city infrastructure. Wireless access devices have been installed in the Chief Justice's Court and Courts No. 2 to 5, covering key areas such as court corridors, plazas, waiting areas in front of the cafeteria, and media lounges, ensuring visitors enjoy fast and stable complimentary internet service.

Z-COM specializes in the research and application of wireless connectivity solutions, committed to bridging the digital divide between urban and rural areas. Partnering with global distributors, Z-COM promotes widespread Wi-Fi adoption to enable easy and affordable internet access worldwide, thereby strengthening national digital infrastructure and competitiveness. This wireless network deployment provides convenient digital services for lawyers, litigants, media, and other stakeholders. Visitors can access the network via "SCI WiFi," while lawyers can instantly upload legal documents and reference materials, ensuring higher data reliability, lower latency, and superior video and communication quality, thereby enhancing mobile connectivity convenience and judicial process efficiency. This also supports the Indian courts' initiative to promote paperless operations, reducing reliance on traditional paper documents and minimizing resource waste.

Wireless internet services not only serve as a critical medium for information access but also enhance integration of existing system signals and resources, reducing the need for additional network infrastructure. Looking ahead, under the proactive leadership of India's Chief Justice Dr. DY Chandrachud, the Supreme Court of India plans to further upgrade its network infrastructure to ensure seamless digital services, making judicial services more accessible, efficient, and inclusive.



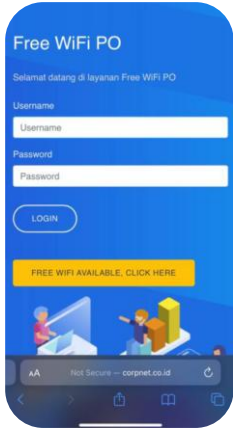
Spotlight V

Smart City Infrastructure —Rural Areas of Indonesia

In the digital era, internet access has become an essential part of modern life. However, many rural areas continue to face a significant digital divide due to underdeveloped network infrastructure. To address this issue, ACABLE Technology through its Indonesian subsidiary, launched a Smart Village initiative in the PO1BDG area of Cipendeuy Village, Bandung Regency, West Java Province. The project aims to enhance internet accessibility for local residents by providing free Wi-Fi services, fostering information exchange, and opening new opportunities for regional development.

The project adopted Z-COM’s outdoor wireless access points (APs) and wireless LAN controller (WLC) to deploy free Wi-Fi hotspots in two key areas of the village, ensuring stable and reliable network coverage. Two outdoor APs were mounted on 7-meter-high poles, utilizing Power over Ethernet (PoE) technology to reduce cabling complexity and streamline installation. The Wi-Fi access points are directly connected to the modem’s ONU GPON interface and enhanced with VLAN technology to improve network management efficiency. Moreover, the enterprise-grade WS7G2 WLC enables centralized control of all access points, ensuring high bandwidth and low latency to support multiple concurrent users.

The successful implementation of Wi-Fi infrastructure under this project has significantly improved internet accessibility for local residents and laid the groundwork for applications such as remote education, e-commerce, and digital financial services. In addition, the project team actively educated villagers on how to use the Wi-Fi service to ensure inclusive benefits for all. This effort has contributed to enhancing local digital literacy, narrowing the urban–rural digital divide, and enabling rural communities to enjoy internet speeds comparable to those in urban areas.



Free Wi-Fi Login Page



Rural Life in Cipendeuy



Installation of Wireless Access Points

Spotlight VI**Smart City Infrastructure —Hsinchu Biomedical Science Park**

With the rapid development of the biotechnology industry, traffic and security management demands in the Hsinchu Biomedical Science Park have significantly increased. To enhance surveillance efficiency, the Hsinchu Science Park Bureau implemented a smart transportation solution, utilizing video monitoring and license plate recognition systems to monitor real-time activity within the park, thereby strengthening traffic order and safety management. However, due to geographic and infrastructure constraints, certain key intersections could not support wired network deployment, necessitating a high-performance and stable wireless communication solution. Z-COM leveraged Wi-Fi 6 technology to deploy point-to-point (PtP) outdoor wireless access points at the main entrances of the biomedical park, successfully overcoming the challenges of fiber optic deployment. This solution ensures the real-time transmission of high-definition video back to the integrated monitoring platform, supporting four major applications: real-time surveillance, incident assessment, violation tracking, and emergency response—greatly enhancing the operational efficiency of park management.

This project not only enhanced traffic surveillance capabilities but also delivered significant environmental benefits. By replacing traditional wired infrastructure with wireless technology, it substantially reduced the need for fiber and cable installation, lowering carbon emissions and resource consumption during construction. Additionally, it avoided extensive trenching and wiring, thereby preserving road surfaces and green areas and maintaining the park's original ecological environment. Moreover, the use of IP67-rated waterproof and dustproof enclosures, CE-compliant lightning protection, and breathable valve cooling technology has significantly enhanced the durability of the equipment. This reduces the frequency of maintenance and replacements, thereby minimizing the generation of electronic waste. Z-COM's wireless solution not only supports the development of a safe and efficient smart transportation system within the biomedical park, but also promotes sustainable smart city development. This approach advances both digital transformation and low-carbon mobility goals in an environmentally responsible manner.



1.3 Report Overview

Reporting Framework

This report is prepared with reference to the Global Reporting Initiative (GRI) Standards, and in accordance with the “Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies” issued by the Taiwan Stock Exchange. A detailed GRI Content Index is provided in the appendix.

Reporting Period and Frequency

The reporting period covered in this report is consistent with the Company's consolidated financial statements, spanning from January 1, 2024, to December 31, 2024.

The company issues an annual sustainability report and discloses it on its official website.

This report was published in August 2025.

Reporting Boundary and Scope

The scope of information disclosed in this report is aligned with the consolidated entities covered in the Company's consolidated financial statements.

| Basis of Statistical Data Calculation in the Report | |
|---|--|
| Financial Data | The economic value distribution table is based on the consolidated financial statements audited by certified public accountants. Unless otherwise specified, all financial figures are presented in New Taiwan Dollars (NTD). |
| Environmental Data | <ul style="list-style-type: none">Greenhouse gas emissions are calculated in accordance with the 2024 version of the “Guidelines for Greenhouse Gas Inventory Operations” published by the Ministry of Economic Affairs (MOEA).Water resource and waste data are based on reports submitted by the Company's operating sites to the respective local competent authorities. |
| Other Data | Other figures are compiled and calculated by the Company internally. |

Restatement of Information

This report is the first officially published Sustainability Report of Z-COM; therefore, no restatement of information from previous reports is applicable.

External Assurance

This report has undergone limited assurance conducted by Ernst & Young (EY) Certified Public Accountants, an independent third-party assurance provider, in accordance with Statement of Assurance Standard No. 3000, “Assurance Engagements Other than Audits or Reviews of Historical Financial Information,” issued by the Accounting Research and Development Foundation. For details, please refer to [Appendix 6.3 Third-Party Assurance Statement](#).

Responsible Unit for the Sustainability Report

If you have any questions regarding the content of this report, please contact:

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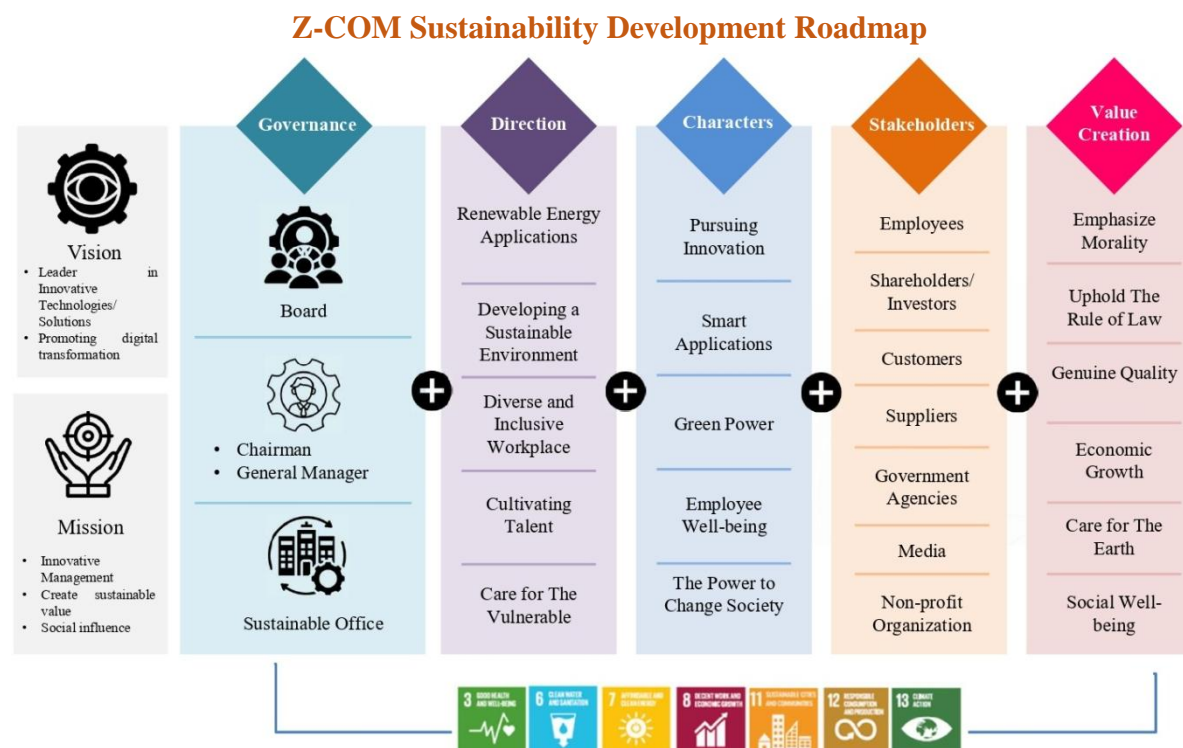
Company Website: <https://www.zcom.com.tw/tw/>

Company Address: 5 F, No. 8, Hsin-Ann Rd, Hsinchu Science Park, Hsinchu City 300092, Taiwan (R.O.C.)

2 、 Sustainable Development

2.1 Sustainability Strategy

In today's rapidly evolving global landscape, Z-COM's vision is to become a leader in innovative technologies and solutions, actively driving digital transformation to meet the challenges of the future. Our mission is to create sustainable value and social impact through innovative management by expanding our roles and exploring diverse development paths. We are committed to ensuring that while the company pursues economic growth, it also generates positive contributions to society and the environment. Through a well-defined sustainability strategy, we continuously strengthen our competitiveness and generate long-term value for stakeholders and society.



2.2 Sustainability Governance Mechanism

Sustainability Governance Structure

To realize its ESG vision and mission, Z-COM Inc. designates the Board of Directors as the company's highest internal governance body for sustainability. The Board is primarily responsible for overseeing the management, decision-making, and supervision of major ESG-related strategies, the effectiveness of policy implementation, and the achievement of relevant goals. In 2012, the company established the "Z-COM Sustainability Development Principles," which were approved by the Board of Directors. To effectively promote sustainability efforts, Z-COM established the Sustainability Development Promotion Office in July 2023. This office is responsible for coordinating and implementing all sustainability-related initiatives and reports its progress to the Board of Directors on an annual basis.

Chaired by the Chairman of the Board, the Sustainability Development Promotion Office is responsible for overall planning and execution. Four functional task forces have been established under the office based on their respective responsibilities: the Corporate Governance Task Team, Corporate Social Responsibility Team, Ethical Business Practices Team, and Information Security Management Team. These groups identify material ESG issues related to the company's operations, formulate corresponding management strategies and objectives, consolidate information and data, and prepare the Sustainability Report, which is submitted annually to the Board of Directors for review and approval prior to publication.



Material Sustainability Communication Matters


In 2024, the Sustainability Development Promotion Office reported two material matters to the Board of Directors, namely the “Establishment of the Sustainability Information Management Guidelines” and the “Establishment of Internal Control Mechanisms for Sustainability Information Management.” Both proposals were approved unanimously by the attending directors without objection.


| Material Sustainability Communication Matters | | |
|---|---|--|
| Meeting Date | Matters Communicated | Resolution |
| October 30, 2024 | 1. Proposal to establish the “Sustainability Information Management Guidelines.” 2. Proposal to establish the “Internal Control System for Sustainability Information Management.” | Approved unanimously by the attending directors. |


2.3 Stakeholder Engagement


The Company follows the five core principles of the Stakeholder Engagement Standard, AA1000 SES (2015)—Dependency, Responsibility, Tension, Influence, and Diverse Perspectives—to identify groups or organizations that have an impact on, or are impacted by, the Company. Based on this assessment, the Company has identified seven key stakeholder groups with direct relevance: employees, shareholders/investors, customers, suppliers, non-profit organizations, government agencies, and the media.


To better understand and respond to stakeholder concerns, the Company offers various communication channels to engage with stakeholders, enabling them to provide feedback at any time. This approach ensures that the Company remains informed about the sustainability issues that matter to its stakeholders and is able to address them appropriately.


|  Employees | Substantive theme <ul style="list-style-type: none"> ▪ Labor-management relations ▪ Salaries and benefits ▪ Career development and training employees ▪ Labor dispute resolution mechanism ▪ Occupational health and safety ▪ Regulatory compliance |
|---|---|
| Communication channel/frequency | 2024 Communication Achievements |
| <ul style="list-style-type: none"> ▪ Quarterly labor-management meeting (Quarterly) ▪ Employee benefits committee (Quarterly) ▪ Free health consultation (Monthly) ▪ Function-based training and development (As needed). ▪ Communication meeting (As needed) ▪ Harassment complaint hotline and inbox (Daily). | <ul style="list-style-type: none"> ▪ Convene 4 labor-management meetings to facilitate communication between employers and employees. ▪ Held 6 meetings of the Welfare Committee to address employee welfare issues. ▪ Arrange 14 sessions of workplace health consultations for employees. ▪ Arrange a total of 14 employee training sessions. |

|  Shareholders/ Investors | Substantive theme <ul style="list-style-type: none"> ▪ Financial information disclosure ▪ Economic performance ▪ Shareholder engagement ▪ Corporate governance ▪ Risk management ▪ Ethics and integrity |
|---|--|
| Communication channel/frequency | 2024 Communication Achievements |
| <ul style="list-style-type: none"> ▪ Financial statements (Quarterly) ▪ Revenue report (Monthly) ▪ Shareholder meeting (Annual) ▪ Corporate Information Meeting (Annual) ▪ Company website (Irregular) ▪ Spokesperson's phone and email (Daily) | <ul style="list-style-type: none"> ▪ Regular public financial statements. ▪ Regularly release operational performance reports. ▪ Shareholders' meeting held in May 2024. ▪ An online corporate briefing was held in December 2024. ▪ Regularly updating official website information to enhance transparency. |

| | |
|---|--|
|  <p>Customers</p> | <p>Substantive theme</p> <ul style="list-style-type: none"> Product quality and safety Product feedback and improvements Customer relationship management Customer rights Marketing communication |
| <p>Communication channel/frequency</p> | <p>2024 Communication Achievements</p> |
| <ul style="list-style-type: none"> Supply plan update information (Irregular) Customer satisfaction survey (Annual) Official website email/social network message- LinkedIn/Twitter/FB (Daily) | <ul style="list-style-type: none"> Regularly updating supply plans to customers. Completed 10 customer satisfaction surveys in 2024, with an average score of 90. Monitoring and responding to visitor messages on the website's guestbook. |

| | |
|---|---|
|  <p>Suppliers</p> | <p>Substantive theme</p> <ul style="list-style-type: none"> Market image Economic performance Supplier relationship management |
| <p>Communication channel/frequency</p> | <p>2024 Communication Achievements</p> |
| <ul style="list-style-type: none"> Sign an environmental commitment agreement (As needed) Annual audit review of suppliers and contractors (Annually) Declaration and RoHS REACH directive survey form (As needed) | <ul style="list-style-type: none"> In 2024, 38 REACH compliance surveys were completed; 31 compliance surveys were completed; and 1 compliance survey was completed for 241 directives. A total of 70 REACH & RoHS 2.0 declarations were completed in 2024. |

| | | |
|--|---|---|
|  NPO | Substantive theme | |
| | <ul style="list-style-type: none"> Environmental Protection and Sustainable Development Social prosperity | |
| Communication channel/frequency | | 2024 Communication Achievements |
| <ul style="list-style-type: none"> Charitable donations to support social organizations (As needed) Official website and contact email (Irregular) | | <ul style="list-style-type: none"> A total of 7 social welfare organizations were supported in 2024. |

| | | |
|---|---|---|
|  Government Agencies | Substantive theme | |
| | <ul style="list-style-type: none"> Regulatory compliance Information transparency Ethical corporate management | |
| Communication channel/frequency | | 2024 Communication Achievements |
| <ul style="list-style-type: none"> Participate in seminars organized by regulatory bodies (As needed) Collaborate with regulatory bodies for supervision (As needed) Regularly update and modify procedures and processes as required by regulatory bodies (As needed) Through designated dedicated contact points, maintain effective communication with regulatory bodies (As needed) | | <ul style="list-style-type: none"> In 2024, directors underwent a total of 14 sessions of 42 hours of training. Accounting supervisor training and professional agent training each total 12 hours The corporate governance supervisor has completed a total of 6 hours of training. |

|  <p>Media</p> | <p>Substantive theme</p> <ul style="list-style-type: none"> ▪ Job opportunities ▪ Community care program ▪ Academic promotion |
|---|---|
| Communication channel/frequency | 2024 Communication Achievements |
| <ul style="list-style-type: none"> ▪ Through online platforms, gather public opinions, concerns, and feedback (Monthly) ▪ Using social media to share posts and updates (Irregular) ▪ Release Chinese and English press releases (Irregular) ▪ Official website posts media-related information (Irregular) | <ul style="list-style-type: none"> ▪ Monthly news updates. ▪ Press conference, media interview press release, investigation response. |

2.4 Material Topics Identification and Management

Material Topic Identification Process

The Company refers to the four accountability principles of the AA1000 framework—Materiality, Inclusivity, Responsiveness, and Impact—and follows the GRI 3: Material Topics 2021 standard to further assess the significance of impacts related to economic, environmental, and human rights aspects. The implementation steps are as follows:

1. Understanding the Organizational Context

Through data collection and research, the Company established its sustainability context and referenced GRI Standards 2021, SASB guidelines, and the Taiwan Stock Exchange's sustainability disclosure indicators. This process resulted in the identification of 20 sustainability topics, comprising 4 governance aspects, 6 environmental aspects, and 10 social aspects.

2. Identifying Impacts and Assessing Significance

Based on the list of sustainability topics identified in the previous step, the Company evaluated both actual and potential positive and negative impacts of each topic:

- Actual or potential positive impacts may arise when the Company has implemented appropriate management policies for the topic and achieved favorable or significant performance, resulting in positive effects on economic, environmental, and social sustainability.
- Actual or potential negative impacts may occur when the Company lacks or inadequately implements relevant management practices, thereby causing adverse effects on the external economy, environment, or society through its operations.

3. Prioritizing Impacts

The Company applied document analysis and the double materiality principle to assess the internal and external impacts of each sustainability topic on the economy, environment, society (including people and human rights), based on internal risk management reports. Overall impact scores were calculated by multiplying the internal and external impact ratings (each scored from 1 to 5). Topics with a total score above 12 were considered to have significant impacts.

4. Determining Material Topics

Following the above methodology, the Company consolidated the significance of sustainability impacts with stakeholder concerns to identify six material topics. For each material topic, the Company will formulate corresponding policies and objectives and develop actionable strategies for implementation.

Materiality Matrix of Z-COM in 2024



Material Topic Management

Z-COM develops corresponding policies and management actions based on the nature of impact for each material topic. Designated departments are responsible for tracking the effectiveness of policy and strategy implementation. The following sections outline the management measures for each material topic.

| Economic Performance | Policy Commitment | | Corresponding Section |
|--|--|---|--|
| | Z-COM enhances competitiveness and business growth through financial management and technological innovation, while strengthening risk management to ensure sustainable development. | | 3.3 Economic Performance |
| Impact Description | | Evaluation Mechanism | 2024 Actions and Achievements |
| Stable revenue and profitability are fundamental to the Company's sustainable development. Failure to effectively respond to market changes and industry challenges may impact operational stability and growth. | | Potential factors affecting financial performance are identified and controlled through internal review and risk assessment mechanisms. | <ul style="list-style-type: none"> In 2024, the SP250-S5 product received the First Prize for Best Product at the 21st National Brand Yushan Award. |

| Information Security Management | Policy Commitment | | Corresponding Section |
|---|--|---|---|
| | Z-COM is committed to protecting trade secrets and complying with the Personal Data Protection Act (PDPA), continuously enhancing its information security governance and defense capabilities. All information operations adhere to international information security standards and comply with applicable domestic and international regulations. | | 3.6 Information Security Management |
| Impact Description | | Evaluation Mechanism | 2024 Actions and Achievements |
| Robust information security management not only safeguards customer data and trade secrets but also reduces the risk of financial loss and data breaches. It further strengthens corporate reputation and enhances competitiveness. | | The Information Security Management Task Force is responsible for formulating and implementing security policies, regularly assessing risks, and reporting the implementation status to the Board of Directors. | <ul style="list-style-type: none"> Obtained ISO 27001 Information Security Management System certification in 2024. Received a score of 98 out of 100 on the cybersecurity protection standard assessment by the Department of Industrial Technology, Ministry of Economic Affairs. |

| Labor-Management Relations & Talent Cultivation | Policy Commitment | | Corresponding Section |
|--|--|--|--|
| | Talent is the most valuable asset of a company. Z-COM places great importance on workplace harmony, gender equality, and employee rights. In alignment with labor-related regulations, the company has established policies to prevent workplace harassment and is committed to providing a safe and sustainable career environment for employees. | | 4.2 Inclusive and Friendly Workplace 4.3 Talent Cultivation and Development |
| Impact Description | | Evaluation Mechanism | 2024 Actions and Achievements |
| Talent development and labor relations are key corporate assets. Proper management helps foster a positive organizational culture. Neglecting these aspects could result in talent attrition, labor disputes, and other negative consequences. | | Regular labor-management meetings are held quarterly, where representatives from both sides collaborate on labor-related matters to safeguard workers' rights. | <ul style="list-style-type: none"> No human rights violations or labor disputes occurred in 2024. The 2024 training program implementation rate reached 93%. |

| Occupational Health and Safety | Policy Commitment | | Corresponding Section |
|---|--|---|---|
| | The Company is committed to complying with occupational safety and health regulations, continuously optimizing the work environment, and proactively preventing occupational hazards through the implementation of safety management systems, regular risk assessments, and employee training, to ensure the health and safety of employees. | | 4.5 Occupational Health and Safety |
| Impact Description | | Evaluation Mechanism | 2024 Actions and Achievements |
| Implementing occupational safety and health management reduces accidents and health risks, fosters a safe working environment, encourages employee engagement, and enhances overall operational efficiency. | | The Occupational Safety and Health Committee holds quarterly meetings to review safety and health policies, revise occupational injury prevention plans, and propose recommendations with the goal of achieving zero accidents. | <ul style="list-style-type: none"> A total of 215 hours of occupational safety and emergency response training were conducted in 2024. Established an Employee Assistance Program (EAP) – Medical Support Service System in 2024. |

| Product Health and Safety | Policy Commitment | Corresponding Section |
|---|--|--|
| | The Company is committed to minimizing the environmental impact of its products by establishing restrictions on hazardous substances and requiring supplier compliance to ensure that all products meet environmental protection and safety regulations. | 5.6 Product Health and Safety |
| Impact Description | Evaluation Mechanism | 2024 Actions and Achievements |
| Failure to meet product health and safety standards may lead to product recalls or increased customer complaints. Therefore, the Company actively promotes product health and safety management to ensure compliance with regulatory standards and customer requirements. | The ISO 9001 management system has been implemented, and internal audit mechanisms are used to regularly identify and control potential risks. | <ul style="list-style-type: none"> ▪ All products in 2024 complied with hazardous substance regulations, with no violations of product health and safety laws. ▪ Z-COM's products complied with EU RoHS and REACH regulatory requirements. |

3 、 Corporate Governance

3.1 About Z-COM

Company Profile

Z-COM, established in 1995, is dedicated to the research, development, and manufacturing of wireless communication systems. With core expertise in radio frequency (RF) and wireless broadband network integration technologies, Z-COM collaborates with international telecommunications providers to drive the development of smart cities and Wi-Fi offload applications. In response to the rise of 5G and AIoT, the company has integrated Software Defined Networking (SDN) and edge computing into its solutions, expanding its presence in new energy, intelligent surveillance, and private network systems. Z-COM's wireless networking products currently serve a population of over 500 million worldwide. The company has obtained ISO 9001, ISO 14001, and ISO 27001 certifications, and continues to enhance its capabilities in 5G and Wi-Fi 6 technologies. By supporting smart grid development and power service integration, Z-COM has become a key partner to global system integrators and telecommunications operators.

| Company Profile | |
|-------------------------------|--|
| Company Name | Z-COM Co., Ltd. |
| Company Type | Publicly Listed Company (Stock Code: 8176) |
| Date of Establishment | March 10, 1995 |
| Listing Date on OTC Market | June 25, 2013 |
| Industry Category | Telecommunications and Networking Industry |
| Major Products and Services | Wireless Controllers, Wireless Access Points, Serial Device Networking Servers, Industrial Cellular Gateways, Mobile Communication Gateways, Wi-Fi Modules |
| Paid-in Capital | NT\$717,010 thousand |
| Number of Employees | 53 employees |
| Chairman | John Shieh |
| Chief Executive Officer (CEO) | Catherine Wu |
| Headquarters Location | 5F., No. 8, Hsin-An Rd., Hsinchu Science Park, Hsinchu City 30078, Taiwan |
| Website | https://www.zcom.com.tw/tw/ |

Value Chain Overview

Z-COM enhances its market competitiveness through value chain optimization. The company’s primary value activities include supply chain management, smart manufacturing, digital marketing, and after-sales services, ensuring operational efficiency and customer satisfaction. Support activities such as R&D, talent cultivation, corporate infrastructure, and green procurement further drive innovation and sustainable development. The company focuses on technologies such as 5G, IoT, AI, and big data to deliver customized ICT solutions, while enhancing operational efficiency through digital transformation. These strategies enable Z-COM to maintain its leadership in the market and generate long-term value.

Participation in Industry Associations

Z-COM actively engages in external associations and industry alliances, collaborating closely with partners to facilitate knowledge exchange, enhance industry chain resilience, and ensure compliance with international standards and market expectations. The company jointly promotes smart connectivity, green technology, and digital transformation to strengthen competitiveness and advance industry-wide sustainability. In 2024, Z-COM participated in six industry associations and seven major trade exhibitions.

Z-COM’s Participation in Industry Associations in 2024

| Industry Associations | Membership Status |
|---|-------------------|
| Wifi Alliance | Regular Member |
| DIGITIMES | Regular Member |
| Science Park Industrial Association | Regular Member |
| Taiwan Renewable Development Association | Regular Member |
| Intelligent Transportation Society Taiwan | Regular Member |
| Taiwan Electrical and Electronic Manufacturers’ Association | Regular Member |

Z-COM's Exhibition Participation in 2024

1. Smart City Summit & Expo

On March 19, 2024, the Smart City Summit & Expo (SCSE) opened grandly at the Nangang Exhibition Center, attracting numerous industry leaders. Z-COM stood out with its cutting-edge 5G intelligent transportation solutions. At the event, Z-COM's technical experts engaged with specialists from ITRI to share the latest research outcomes and practical applications from the "5G-Driven Smart Transportation Technology and Service Innovation Program," jointly exploring future trends in smart mobility.



2. Embedded World 2024 (Nuremberg, Germany)

Z-COM showcased its cutting-edge wireless communication technologies at Embedded World 2024 in Nuremberg, participating in the Taiwan Excellence Pavilion to highlight Taiwan's technological strength. Key products included the award-winning SP230-S5, the 5G industrial gateway AG260 for railway applications, and the upcoming indoor Wi-Fi 7 access point. Through this exhibition, Z-COM demonstrated its innovations and engaged global partners in envisioning the future of wireless connectivity.



3. SmartRail

At the SmartRail Taipei Exhibition, Z-COM Chairman John Shieh delivered a keynote speech focusing on smart stations and ESG topics. He discussed enhancing microgrid resilience through heterogeneous 5G IoT networks and Energy Management Systems (EMS), as well as efficient operations enabled by 5G NR and Wi-Fi 6. Z-COM's zMEC platform also supports Taipower's Dreams EMS to optimize smart rail operations. The company exchanged insights with industry experts, demonstrating its innovation capacity in smart rail solutions.



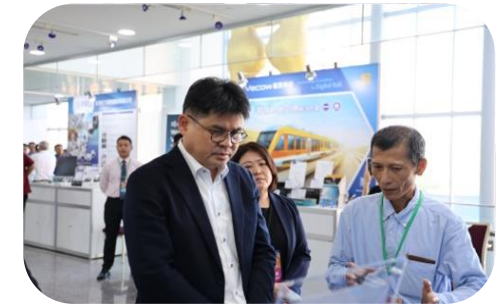
4. Taiwan Expo India 2024

Taiwan Expo India, now in its seventh year, highlights Smart Cities, Smart Manufacturing, Healthy Living, Green Sustainability, and Smart Lifestyles. At the event, Z-COM showcased its advanced wireless communication solutions, including the SP230-S5/SP250 outdoor access points, AG260 5G industrial gateway, zMEC edge computing platform, and WLC enterprise-grade wireless controller. Through this platform, Z-COM demonstrated its innovation in wireless communication and smart applications, while cultivating future business opportunities with partners in the Indian market.



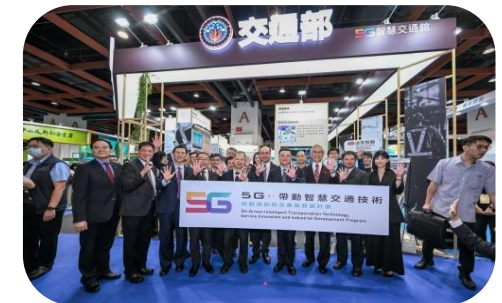
5. Smart Railway Symposium

At the 2024 Smart Railway Symposium, Z-COM presented its latest technological applications, focusing on how Generative AI (GenAI) and 5G Wi-Fi heterogeneous networks enhance light rail driver-assist systems in terms of performance and safety. The company also shared results from its 5G Intelligent Transportation Project. The presentation received high acclaim from attendees. Z-COM remains committed to driving smart rail innovation through 5G and AI technologies, aiming to improve operational efficiency, safety monitoring, and passenger experience, supporting the smart and sustainable development of rail systems.



6. IT Month x Taiwan EdTech Expo

During IT Month, Z-COM showcased the latest achievements of its "5G Intelligent Transportation Project," supporting the Ministry of Transportation and Communications in applying 5G technology to traffic management. Key applications include pantograph wear and spark detection, object detection at intersections, and train acceleration recommendations—improving both safety and efficiency. These solutions have been successfully implemented in the Danhai light rail and other urban transport systems, laying a solid foundation for smart city transportation.



| | | | | | | | | | | | | | | | | | | |
|--|---|---|---|---|---|--|---|---|---|---|---|---|---|---|---|---|---|---|
| Representative of Winifred International Corp.: Wu, Tzy-Hsin | F | | | ✓ | | | | ✓ | ✓ | ✓ | ✓ | ✓ | | | | ✓ | | ✓ |
| Chen, Yu-An | M | | | ✓ | | | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ |
| Catherine Wu | F | ✓ | ✓ | | | | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | | | |
| Chou, I-Heng | M | | | | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | | ✓ | ✓ | | ✓ |
| Huang, Tai-Sheng | M | | | | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | | ✓ | ✓ |
| Su, Yuan-Liang | M | | | | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | | ✓ | ✓ |

Board Diversity

The current term of the Board of Directors is from May 26, 2022 to May 25, 2025. The Board consists of seven directors, including three independent directors, all of whom possess the required knowledge, skills, professional conduct, and extensive academic and industry experience. Z-COM also emphasizes gender diversity, with female directors accounting for 29% of the Board.

Conflict of Interest Avoidance

Z-COM has established a conflict-of-interest avoidance mechanism within its Board of Directors to ensure fairness and transparency in decision-making. Directors must recuse themselves from discussions and voting on relevant matters. Independent directors and the Audit Committee are responsible for monitoring and reviewing such cases, and any violations are subject to penalties. The Company complies with the Company Act, Securities and Exchange Act, and international governance standards, ensuring all related-party transactions are disclosed transparently through annual and sustainability reports to enhance shareholder trust and strengthen ESG governance.

Board Performance Evaluation

Z-COM conducts annual performance evaluations in accordance with the "Board Performance Evaluation Policy." Assessments cover the overall Board, individual directors, and functional committees. Evaluation results are used as reference for director nomination and individual compensation decisions. In 2024, the performance scores for the overall Board, Board members, and functional committees ranged between 5 ("Strongly Agree") and 4 ("Agree"), indicating the Board operated effectively and fulfilled its governance responsibilities in alignment with corporate governance principles.

Board Continuing Education

To enhance the professional capabilities of Board members, Z-COM regularly arranges continuing education programs for directors. In 2024, the total training hours for directors reached 42 hours, and all directors met 100% of the mandatory training requirements.

Board of Directors training record in 2024

| Title | Name | Organizer(s) | Courses | Training hours |
|--|------------------|---|---|----------------|
| Independent Director | Huang, Tai-Sheng | Chinese National Association of Industry and Commerce | Nvidia's Three Trillion Miracle: New Thinking on the Semiconductor Industry Revolution Behind AI | 3 |
| | | Taiwan Corporate Governance Association | Global Trends and Risk Management of Digital Innovation Technologies and AI Development | 3 |
| Independent Director | Su, Yuan-Liang | Taiwan Corporate Governance Association | Innovative Thinking for Corporate Growth in the AI Era | 3 |
| | | Taiwan Corporate Governance Association | Analysis of the Renewable Energy Certificate System and Green Power Trading | 3 |
| Independent Director | Chou, Yih-Heng | Taiwan Corporate Governance Association | How the Board of Directors Formulates ESG Sustainable Governance Strategies | 3 |
| | | Taipei Foundation Of Finance | Corporate Governance - AI Supervision | 3 |
| Legal representative of the board of directors | Wu, Tzy-Hsin | Institute of Taiwan Project Management | Corporate Sustainable Development and ESG, SDGs Action Plans and Strategy Formulation | 3 |
| | | Taipei Foundation Of Finance | Trends in Generative AI Industry Development | 3 |
| Legal representative of the board of directors | John Shieh | Taiwan Corporate Governance Association | Trends in Sustainable Finance and Corporate Responses in the Context of Net Zero Carbon Emissions | 3 |
| | | Taipei Foundation Of Finance | Innovative Thinking for Corporate Growth in the AI Era | 3 |
| Director | Chen, Yu-An | Taiwan Securities Association | Trends in Domestic and International Net Zero Transformation and Corporate Response Strategies | 3 |
| | | Taiwan Securities Association | Application of Big Data in Credit Risk Management | 3 |
| Director | Catherine Wu | Taiwan Corporate Governance Association | Data Center Evolution: Development Trends of Silicon Photonics and AI Servers | 3 |

| | | | | |
|--|--|----------------------------------|---|---|
| | | Securities and Futures Institute | Global and Taiwan Economic Outlook for 2024 | 3 |
|--|--|----------------------------------|---|---|

Structure and Operations of Functional Committees

Remuneration Committee

Z-COM's Remuneration Committee is composed of three independent directors and is responsible for enhancing corporate governance and establishing a sound remuneration system for directors and managers. The committee evaluates remuneration policies and systems for directors, supervisors, and managers based on professionalism and objectivity. Meetings are held at least twice a year or as needed, and recommendations are submitted to the Board for decision-making. In 2024, the committee convened two meetings with a 100% attendance rate.

In 2024, the ratio of total annual compensation of the highest-paid individual to the median total compensation of all employees (excluding the highest-paid individual) was 4.87. The ratio of the percentage increase in total annual compensation of the highest-paid individual to the median percentage increase of all employees (excluding the highest-paid individual) was 2.40.

To advance the achievement of ESG (Environmental, Social, and Governance) objectives and ensure that the decisions and actions of directors and managers align with the company's ESG goals, Z-COM has linked ESG performance evaluations to the compensation of directors and managers. ESG indicators are used as performance evaluation criteria, and the implementation of this policy is supervised by the Board of Directors. This approach incentivizes active participation in promoting corporate sustainability, achieving ESG objectives, enhancing corporate reputation and competitiveness, and attracting sustainability-oriented partners and investors.

Linkage Between ESG Performance Evaluation and the Remuneration of Directors and Managers

| Indicator | Description | Weight Ratio |
|--------------------------------------|--|--------------|
| Financial Performance | Company's financial performance and benchmarking against industry peers. | 50% |
| Strategy and Business Management | Execution of strategic plans, business planning capabilities, and decision-making effectiveness. | 30% |
| Corporate Sustainability Development | Sustainability commitment, risk management, and implementation of key ESG initiatives. | 20% |

Audit Committee

The Audit Committee of the Company is composed of three independent directors. Its purpose is to assist the Board of Directors in overseeing the quality and integrity of the Company's accounting, auditing, financial reporting processes, and internal financial controls. In 2024, the Audit Committee convened four meetings with an actual attendance rate of 100%.

3.3 Economic Performance

As the impact of the COVID-19 pandemic gradually subsides, the global economy has begun to recover. However, the prolonged impact of the Russia-Ukraine war has led to weakened market demand. Coupled with disruptions to Red Sea shipping caused by the Israel-Hamas conflict and the possibility of the new U.S. administration adopting more protectionist economic policies, new challenges have emerged for global supply chains and markets. In response to the uncertainty of global supply chains, Z-COM adopts a dual-track strategy of technological innovation and market expansion, strengthening its core technology deployment to maintain a competitive edge in a rapidly changing industrial environment. In 2024, the Company successfully completed the Ministry of Economic Affairs' pre-6G Technology Development Program and the Ministry of Transportation and Communications' 5G Smart Rail Application Program, and implemented a train driver assistance system at the Danhai Light Rail PoS on the New Taipei Metro to enhance driving safety and speed. The project integrated the zMEC platform to strengthen cybersecurity capabilities and utilized GenAI to develop various application models, thereby expanding zMEC applications in smart rail and energy-related IoT fields. In addition, the Company's outdoor product, SP250-S5, won the First Prize for Best Product at the 2024 National Brand Yushan Award and obtained ISO 27001 international certification, demonstrating its technological strength and market competitiveness.

Furthermore, in response to the global green transition trend, the Company actively promotes the application of IoT technology in the renewable energy market, covering energy generation, storage, consumption monitoring, and energy-saving management. Through smart energy solutions, Z-COM seeks to capture new opportunities in the low-carbon economy. By incorporating ESG strategies, the Company enhances product energy efficiency through innovative technologies, driving energy conservation, carbon reduction, and circular economy development to support smart city advancement and create sustainable value and social impact.

Backed by solid technological and market strategies, Z-COM achieved standalone revenue of NT\$556 million in 2024, representing a 44% increase compared to the previous year, indicating significant growth in overall operational performance. Going forward, the Company will continue to promote the application of Critical Networks in areas such as slope monitoring, smart construction sites, metro stations, rail crossings, and logistics hubs, while enhancing zMEC performance and expanding its deployment across diverse fields to explore new business opportunities. In addition, by deepening the OEM customer base, strengthening brand positioning and vertical application use cases, and expanding strategic cooperation with domestic and international system integrators, Z-COM aims to further promote private network vertical applications in Southeast Asia and India, accelerating global digital transformation and green energy development.

Z-COM Financial Performance 2023–2024 (Unit: NT\$1,000)

| Item | 2024 | 2023 |
|---|-----------|-----------|
| Operating Revenue | 556,434 | 386,693 |
| Operating Costs | (451,000) | (295,051) |
| Gross Profit | 105,434 | 91,642 |
| Operating Loss | (9,846) | (14,620) |
| Non-operating Income and Expenses | 48,248 | 22,827 |
| Total Comprehensive Income for the Period | 40,230 | 533 |
| Income Tax Expense | (7,596) | (2,444) |
| Employee Compensation and Benefits | 60,256 | 63,291 |
| Community Investment | 158 | 68 |

3.4 Ethics and Integrity

Integrity Management Policy

Z-COM conducts its business activities based on the principles of fairness, honesty, integrity, and transparency. Corruption and improper benefits are strictly prohibited. To implement the policy of ethical corporate management and actively prevent dishonest behavior, the Company has formulated the “Z-COM Ethical Corporate Management Best Practice Procedures and Code of Conduct” in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies” and relevant laws and regulations of the jurisdictions where Z-COM and its affiliates operate. The Code provides specific guidelines for employees to follow during business operations. Prior to establishing business relationships, Z-COM evaluates the legality, ethical policies, and history of dishonest behavior of agents, suppliers, customers, and other business partners to ensure fair practices and information transparency. The Company has established whistleblowing and oversight mechanisms, enforced conflict of interest avoidance and data protection, and regularly trains employees to promote a culture of integrity and ensure sustainable corporate development.

Ethical Business Practices Implementation

Z-COM has established a Corporate Ethical Management Team under the Office of Sustainable Development to promote ethical corporate management, anti-corruption, anti-bribery, and legal compliance, and reports its implementation status to the Board of Directors at least once a year. We uphold “integrity and honesty” as the operational code and personal conduct principle of every Z-COM employee. Through new employee training, employee awareness, and management’s role modeling, ethical and integrity values are embedded into Z-COM’s corporate DNA. By implementing and internalizing legal compliance, anti-corruption, and anti-money laundering systems, Z-COM aims to build a clean and honest enterprise. The execution of ethical corporate management was reported to the 11th Board Meeting of the 10th term on October 30, 2024.

Prevention of Fraud and Misappropriation

The designated unit of Z-COM shall hold an internal advocacy event annually, during which the Chairperson, General Manager, or senior executives convey the importance of integrity to directors, employees, and appointees. Ethical business practices are incorporated into employee performance evaluations and human resource policies. A clear and effective reward, punishment, and grievance mechanism has been established. In 2024, the Company conducted 14 internal and external training sessions on integrity-related topics, totaling 292 hours of training.

Establishment of a Whistleblowing Mechanism

In 2012, Z-COM formulated the “Ethical Corporate Management Best Practice Procedures and Code of Conduct,” establishing a whistleblowing mechanism. The Board of Directors, Audit Committee, and Audit Office are responsible for handling internal reports, while external reports are received through a designated whistleblower mailbox. To ensure sustainable development and encourage reporting of illegal acts, Z-COM established the “Procedures for Handling Reports of Illegal, Unethical, or Dishonest Behavior.” The procedure strengthens internal and external reporting channels, clarifies the handling system, and protects the legal rights of whistleblowers and related personnel, ensuring confidentiality and protection from unfair treatment or retaliation. To align employee conduct with ethical standards and enhance stakeholder understanding of corporate ethics, Z-COM formulated the “Code of Ethical Conduct” in 2015. This code requires employees to comply with relevant laws and ethical principles, avoid conflicts of interest, refrain from bribery, and not seek personal gain, thereby strengthening corporate governance and instilling integrity into the corporate culture. In 2024, there were no reports related to breaches of ethical corporate management, and no major violations^{note} occurred.

Note: A major violation refers to a single incident resulting in a fine of NT\$1 million or more.

3.5 Risk Management

Risk Management Mechanism

In response to uncertainties that may threaten business operations, Z-COM established the “Risk Management Policy” in 2020, approved by the Board of Directors, as the company’s highest guiding principle for risk management. This aims to implement a comprehensive risk management system and mechanism, and to enhance the effectiveness of risk management responsibilities. The risk management policies of the Company and its subsidiaries are defined in accordance with the overall business strategy to identify various types of risk, mitigate potential losses within an acceptable range, enhance shareholder value, and achieve optimal resource allocation.

Risk Management Organizational Structure and Responsibilities

| Risk Management Responsible Unit | Roles and Responsibilities |
|----------------------------------|--|
| Board of Directors | The Board of Directors is the highest unit responsible for risk management. It ensures legal compliance, promotes and implements overall risk management, gains a clear understanding of operational risks, ensures the effectiveness of risk management, and assumes ultimate responsibility. |
| Operations Management Meeting | Chaired by the Chairman or General Manager, this meeting of senior executives is responsible for reviewing and assessing the risks of various plans and projects initiated at the control level. |
| Finance Department | An independent unit from business departments, responsible for fund allocation, financial operations of each business unit, and preparation of investment evaluation reports. |
| Audit Unit | An independent unit under the Board of Directors, responsible for internal control and audits to strengthen control functions, promote sound corporate operations, provide timely improvement suggestions, and ensure the effective implementation and revision of internal control systems. |
| Business Units | Heads of business units bear first-line responsibility for risk management, analyzing and monitoring risks within their units, implementing comprehensive risk control at all levels, and ensuring the effective execution of risk control mechanisms and procedures. |

3.6 Information Security Management

Information Security Management Policy

Z-COM has established an "Information Security Management Policy" to implement a systematic management mechanism aimed at effectively reducing information security risks. The company aims to "ensure the protection of trade secrets and personal data under the Personal Data Protection Act, continuously improve information security governance and enhance protection capabilities, and ensure all information operations comply not only with international information security standards but also with domestic and foreign regulations." Through regular risk assessments and management measures, Z-COM ensures the confidentiality, integrity, and availability of business information, safeguards operational stability and compliance, and maintains the trust and security of customers and partners. In 2024, Z-COM had no incidents of data breaches, customer privacy violations, or loss of customer data.

Information Security Management Structure

Under the Office of Sustainability, Z-COM has established an Information Security Management Task Force responsible for formulating and promoting information security policies, regularly assessing information security risks, and reporting implementation results to the Board of Directors. The 2024 information security governance report and outcomes were presented at the 11th meeting of the 10th Board of Directors on October 30, 2024.

Information Security Management Measures

To effectively implement information security management, Z-COM actively adopts multiple cybersecurity protection measures to ensure its operations and information security comply with international standards and regulatory requirements. In accordance with the "Information Security Guidelines for TWSE/TPEX Listed Companies" issued by the stock exchange, the company has joined the Taiwan Computer Emergency Response Team (TWCERT) and the Taiwan Information Security Officers Alliance, regularly receiving threat intelligence and promptly patching discovered security vulnerabilities to reduce risks. In addition, Z-COM actively cooperates with the Hsinchu Science Park Bureau to ensure that all enterprises in the park can promptly identify potential security threats and incidents. Through the SP-ISAC platform, the company achieves security intelligence sharing, enhancing incident reporting and response capabilities, and strengthening overall protection.

In terms of information security performance, Z-COM received a score of 98 out of 100 from the Industrial Development Administration of the Ministry of Economic Affairs in 2024, demonstrating the company's excellence in information security protection. The company also continuously enhances its information security capabilities and obtained the latest ISO 27001 certification by the end of 2024. Regular security awareness campaigns, computer inventory audits, and software compliance checks are conducted to ensure all information systems meet legal and security requirements.

Personal Data Protection

The company attaches great importance to the privacy of customers' and employees' personal data and has established the "Personal Data Masking Policy" to effectively protect personal data and reduce leakage risks. This document outlines a series of protective measures and operational procedures targeting risks that may arise during the processing of personal data, ensuring proper protection during collection, storage, usage, and transmission. The company strictly manages all personal data according to this principle and regularly conducts risk assessments and internal audits to prevent data breaches and ensure prompt and effective responses to incidents.

3.7 Supply Chain Management

Z-COM supports suppliers in strengthening competitiveness, securing orders from brand clients, improving management capabilities, reducing additional costs, and building a reliable supply chain to achieve sustainable operations. In addition to jointly complying with the Responsible Business Alliance (RBA) Code of Conduct, Z-COM works with suppliers to assess the environmental and social impacts of procurement activities on source communities, establish partnerships, and reduce the environmental impact of operations, thereby fulfilling corporate social responsibility. The relevant requirements are as follows:

- During supplier evaluation, suppliers are required to comply with local government regulations on air pollution prevention, water pollution control, and waste management.
- Suppliers shall comply with local safety, health, and fire protection laws, and adopt occupational safety and health (OSH) standards recognized by safety and health management systems.
- Z-COM promotes "green procurement" and requires suppliers to provide declarations guaranteeing that products do not contain internationally banned hazardous substances and comply with regulations such as EU RoHS/REACH.
- Suppliers must establish management procedures, conduct training, and implement engineering improvements to reduce workers' exposure to potential safety hazards (such as electrical and other energy sources, fire, transportation equipment, and fall risks).
- Suppliers shall evaluate and control physical, chemical, and biological hazards in the workplace, and implement management measures or engineering improvements.

Evaluations are conducted on suppliers' service, quality, delivery, safety, and hygiene. Key suppliers are subject to regular audits. Suppliers failing to meet standards must propose improvements and submit review reports. On-site re-audits will be conducted if necessary to ensure effective improvement.

4 、 Friendly Workplace and Social Inclusion

4.1 Human Rights

In order to promote labor and ethical integrity policies, the Company has adopted the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines and spirit, formulated and implemented relevant human rights policies, and established "Work Rules" in accordance with the Labor Standards Act and other relevant laws to regulate the rights and obligations related to human rights between the Company and employees. To protect the fundamental human rights and related interests of employees, the Company is committed to ensuring that every employee is treated fairly, humanely, and with respect. The Company has established the "Sexual Harassment Prevention Measures and Punishment Guidelines" and provided grievance channels to safeguard the rights of female employees. The Company has also formulated its Labor Human Rights Policy to guide the entire organization in fulfilling its social responsibility related to labor human rights and in establishing proper labor conditions.

In 2024, Z-COM did not experience any incidents of discrimination, employment of child or underage labor, forced or compulsory labor, violations of freedom of association, infringement of indigenous rights, or any human rights-related penalties. The specific contents of the Company's human rights policy are as follows:

| Key Human Rights Policy Items | Specific Contents |
|--|--|
| Compliance with Local Government Regulations and International Standards | The Company upholds high moral standards. In addition to complying with local government regulations and international standards, it provides the highest level of protection to employees during business operations. |
| Legitimate Employment Relationship | All procedures for the employment and termination of employees comply with the relevant local laws or guidelines. Forced labor, exploitation, or the employment of involuntary prison labor is strictly prohibited. Employment contracts must not be arbitrarily terminated. |
| Prohibition of Excessive Working Hours | The Company's standard working hours comply with local laws and industry standards, adopting favorable conditions for employees. Regular excessive working hours are not permitted. If employees work overtime voluntarily, equivalent compensation must be provided. |
| Child Labor | The Company strictly prohibits the illegal employment of child labor. Children are absolutely forbidden from working between 8 PM and 6 AM or engaging in heavy or hazardous work, in accordance with ILO Convention No. 138 and the UN Convention on the Rights of the Child. |
| Non-Discrimination | The Company implements equal policies for all employees in accordance with local laws, and prohibits any discrimination in hiring, compensation, training, promotion, reemployment decisions based on race, social status, nationality, religion, age, disability, gender, marital status, sexual orientation, union affiliation, or political party membership. |

| | |
|--|--|
| Prohibition of Inhumane Treatment | The Company prohibits physical harm, improper corporal punishment, threats of physical, sexual, or other forms of harassment, verbal abuse, or any other form of intimidation. |
| Respect for Freedom of Association and Collective Bargaining | The Company respects employees' freedom of association and has established complete communication channels to facilitate harmonious labor-management dialogue. |

4.2 Diverse and Inclusive Workplace

Employee Structure

As of the end of 2024, the Company had a total of 55 employees. Male employees accounted for 51%; female employees accounted for 49%, and female supervisors accounted for 44% of all managerial positions.

Z-COM Employee Structure

| Employee Category | Male | Female | Total |
|---------------------|------|--------|-------|
| Full-time Employees | 27 | 26 | 53 |
| Part-time Employees | 1 | 1 | 2 |
| Total | 28 | 27 | 55 |
| Percentage | 51% | 49% | - |

Notes:

1. Full-time employees: Employees whose weekly working hours meet the local legal definition of full-time work.
2. Part-time employees: Employees whose weekly working hours do not meet the local legal definition of full-time work.
3. All full-time employees of the Company are regular employees (with indefinite employment contracts).
4. The job types of the Company's part-time employees include student workers and consultants.
5. The Company does not employ temporary workers or zero-hour contract workers.
6. In 2024, the total number of non-employee workers at the Company was one, a female cleaning staff member.
7. The above data are based on the headcount as of December 31, 2024, without any assumptions.

Talent Attraction and Retention

Z-COM is committed to establishing a fair, transparent, and competitive compensation and benefits system, without differences based on gender, age, race, or other factors, to ensure that every employee receives fair treatment and motivation. Salaries are determined based on market trends, company operations, and organizational structure, and are adjusted in a timely manner to reflect market dynamics, economic and industrial changes, and regulatory requirements, ensuring attractive compensation and promoting joint growth of employees and the company.

Employee salaries and compensation are evaluated based on job category, academic background, professional knowledge and skills, seniority, and individual performance to ensure fairness. To maintain reasonable compensation for management, the Company has established a Compensation Committee to review salary policies and individual remuneration mechanisms, and ensures that corporate performance is appropriately shared with employees through a transparent and equitable compensation policy. For information regarding the “average and median salaries of full-time employees not in managerial positions and their year-on-year changes,” please refer to the Market Observation Post System(MOPS).

Pay Equity Indicators

| Pay Equity Indicators | Female | Male |
|--|--------|------|
| Gender Pay Gap in Average Fixed Salary | 1 | 1.16 |
| Gender Pay Gap in Median Fixed Salary | 1 | 1.17 |
| Gender Pay Gap in Average Variable Bonus | 1 | 1.12 |
| Gender Pay Gap in Median Variable Bonus | 1 | 1.06 |

Note:

1. The statistics are based on the compensation of Z-COM employees who were employed at any time during 2024.
2. Gender Pay Gap in Fixed Salary: Male full-month salary / Female full-month salary.
3. Gender Pay Gap in Variable Bonus: Total annual variable bonuses received by males / Total annual variable bonuses received by females.

Total Number and Proportion of New Hires by Age Group and Gender

| New Hires | Male | | Female | | Total | |
|-----------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| | Number of Employees | Hiring Rate | Number of Employees | Hiring Rate | Number of Employees | Hiring Rate |
| <30 years old | 3 | 5.45% | 3 | 5.45% | 6 | 10.91% |
| 30~40 years old | 2 | 3.64% | 2 | 3.64% | 4 | 7.27% |
| 40~50 years old | 0 | 0% | 1 | 1.82% | 1 | 1.82% |
| >50 years old | 1 | 1.82% | 0 | 0% | 1 | 1.82% |
| Total | 6 | 10.91% | 6 | 10.91% | 12 | 21.82% |

Notes:

1. Hiring rate is calculated as “total number of new hires in the category during the year” / “total number of employees in the category as of December 31 of the year.”
2. The above data is based on the number of employees as of December 31, 2024, with no assumptions made.

Total Number and Proportion of Employee Turnover by Age Group and Gender

| Employee Turnover | Male | | Female | | Total | |
|-------------------|---------------------|---------------|---------------------|---------------|---------------------|---------------|
| | Number of Employees | Turnover Rate | Number of Employees | Turnover Rate | Number of Employees | Turnover Rate |
| <30 years old | 2 | 3.64% | 2 | 3.64% | 4 | 7.27% |
| 30~40 years old | 2 | 3.64% | 1 | 1.82% | 3 | 5.45% |
| 40~50 years old | 1 | 1.82% | 2 | 3.64% | 3 | 5.45% |
| >50 years old | 3 | 5.45% | 0 | 0% | 3 | 5.45% |
| Total | 8 | 14.55% | 5 | 9.09% | 13 | 23.64% |

Notes:

1. Turnover rate is calculated as “total number of resignations in the category during the year” / “total number of employees in the category as of December 31 of the year.”

2. The above data is based on the number of employees as of December 31, 2024, with no assumptions made.

Creating a Diverse and Inclusive Corporate Culture

Z-COM sincerely welcomes outstanding professionals from diverse backgrounds with a variety of experiences and perspectives. We respect individual differences and are committed to creating an inclusive and diverse working environment. Not only do we provide employment conditions exceeding legal standards, but we also leverage corporate leadership to attract and foster interaction with professionals from global and multicultural backgrounds.

The company insists on creating a dignified and safe working environment for employees and fully implements a diversified employment policy to ensure fairness in compensation and promotion opportunities. We are committed to eliminating all forms of discrimination, harassment, or unfair treatment. Regardless of race, gender, religion, age, political orientation, or other legally protected characteristics, we ensure employees grow and thrive in an atmosphere of fairness and respect.

Employee Ethnic Composition

| Category | Number of Employees | Percentage of Total Employees (%) | Percentage of Management Positions (%) |
|---------------------|---------------------|-----------------------------------|--|
| ROC Nationality | 53 | 96.36% | 100% |
| Foreign Nationality | 2 | 3.64% | 0.00% |
| Total | 55 | 100% | - |

Note: The above data is based on the number of employees as of December 31, 2024, with no assumptions made.

Age Diversity Indicators

| Category | Male | Female | Number of Employees | Percentage of Total Employees (%) |
|------------------------|------|--------|---------------------|-----------------------------------|
| Age Group: <30 years | 5 | 5 | 10 | 18.18% |
| Age Group: 30–40 years | 7 | 6 | 13 | 23.64% |
| Age Group: 40–50 years | 8 | 13 | 21 | 38.18% |
| Age Group: >50 years | 7 | 4 | 11 | 20.00% |
| Total | 27 | 28 | 55 | 100.00% |

Note: The above data is based on the number of employees as of December 31, 2024, with no assumptions made.

Labor-Management Agreements and Minimum Notice Periods

The Company has established a comprehensive labor-management communication mechanism and holds regular labor-management meetings in accordance with the internal “Labor-Management Meeting Implementation Guidelines.” The labor-management meetings consist of three employer representatives and four employee representatives, with the employee representatives directly elected by all employees. The Company holds labor-management meetings every three months to ensure sufficient consultation and cooperation between both parties, in order to safeguard mutual rights and continuously improve the working environment and labor conditions. In addition, the Company holds quarterly all-hands meetings to communicate company policies, management regulations, and other important matters related to employee rights and interests. In the event of significant operational changes or dismissals due to changes in employment conditions, the Company complies with the minimum notice period provisions stipulated in Articles 16 and 17 of the Labor Standards Act, notifies the affected employees, provides job-seeking leave, and pays severance in accordance with the law. A total of four labor-management meetings were held in 2024, and no labor disputes occurred during the period.

4.3 Talent Cultivation and Development

Performance Evaluation

Performance evaluation is not only an important basis for management to adjust employee salaries but also a key tool to promote the company's development of an excellent career environment and support employees in achieving their personal goals. The Company has established the “Performance Evaluation System” to continuously enhance employee and organizational productivity and efficiency. For employees with outstanding performance, the Company offers promotion opportunities, encouraging them to fully demonstrate their talents and inspiring them to exercise leadership to improve team performance and create greater impact.

According to the Company's internal performance evaluation system, performance evaluations are categorized into: new employee evaluations, periodic performance evaluations, and annual performance evaluations. The performance evaluation of new employees serves as the basis for determining whether to continue employment after a specified evaluation period. Periodic performance evaluations are conducted by department supervisors based on management needs. Annual performance evaluations are conducted in June each year for individual employees. Employees whose annual performance ratings fall in the bottom two grades will participate in an interview with their supervisor and submit a performance improvement plan. Specific behavior examples will be used to review and improve employee behavior to ensure alignment with the Company's vision. In 2024, the performance evaluation coverage rate reached 100%.

Education and Training

Z-COM firmly believes that talent is the key to sustainable corporate development. Therefore, the Company has established the “Education and Training Procedures” as a basis for planning, implementation, supervision, and effectiveness evaluation of training. The PDDRO (Plan, Design, Do, Review, Output) model is adopted to build a comprehensive training system and ensure that learning outcomes progress in tandem with corporate development. To foster a culture of continuous learning and shared growth, the Company offers full subsidies for internal training and full subsidies for professional external training to employees who have been with the Company for over one year. In addition, 1% of the total annual payroll is allocated as the education and training budget to enhance employee professional capabilities and cultivate core competencies that align with the Company’s vision and market demands. In 2024, the total employee training hours reached 351 hours, with 65 training participants, and the training program execution rate was 93%.

Training Course Categories

| Category | Description |
|----------------------------------|---|
| New Employee Training | Refers to orientation and pre-job training provided when new employees join the Company. |
| General Training | Refers to general foundational courses, including those required by government regulations and external organizations, such as industrial safety and health training courses, and courses on the control of environmentally regulated substances. |
| Professional Functional Training | <ul style="list-style-type: none"> Technical and professional training required by each functional unit. Other training hours or certification programs (including licenses) required by government laws and regulations. |
| Managerial Functional Training | Refers to training activities related to managerial functions and responsibilities for supervisors or reserve cadres. |

4.4 Employee Rights and Benefits

Z-COM Retirement System

In accordance with the law, the Company has established a "Labor Retirement Reserve Supervisory Committee". For officially employed personnel who joined before July 1, 2005, retirement funds are allocated at 2% of the total monthly salary in accordance with Article 2 of the Ministry of the Interior's Labor Retirement Reserve Allocation and Management Regulations. The funds are deposited into a dedicated account at the Bank of Taiwan under the name of the Supervisory Committee. A qualified actuary is engaged to perform actuarial evaluations of the retirement reserves in accordance with retirement accounting standards. The Company has established a retirement policy for officially employed staff. According to the policy, for the first 15 years of service, employees are granted two base units for each full year of service, and one base unit for each full year from the 16th year onward. The maximum number of base units that can be received is 45. Retirement payments are calculated based on years of service and the average salary of the last six months prior to retirement. As of December 2015, the Company has reached agreements with employees to settle the seniority under the old pension system and has completed the application

and disbursement process in accordance with the law.

Since July 1, 2005, the Company has adopted a defined contribution retirement plan in accordance with the "Labor Pension Act", applicable to employees holding ROC nationality. Under the Labor Pension Act, the Company contributes 6% of employees' monthly salaries to their individual pension accounts at the Bureau of Labor Insurance. Pension payments are made monthly or as a lump sum based on the balance and accumulated returns in the individual accounts.

Parental Leave

The Company is committed to creating a friendly workplace environment and supporting employees in achieving work-life balance. We provide comprehensive parental leave and related benefits, allowing employees to continue their career development with peace of mind while welcoming new life. Our related measures include:

- **Comprehensive leave policy:** Includes maternity leave, parental leave, and paternity leave for male employees to accompany prenatal checkups and childbirth.
- **Thoughtful workplace facilities:** A lactation room is available within the Company to provide a private and comfortable environment, ensuring that employees in the nursing period can breastfeed with peace of mind.

Parental Leave Applications in the Past Five Years

| Year | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------------------|----------------|----------------|----------------|----------------|------------------|
| Number of Employees | 2 | 1 | 1 | 2 | 1 |
| Employment Status | Still Employed | Still Employed | Still Employed | Still Employed | Returned to Work |

Parental Leave Statistics for the Year 2024

| Item | Number of employees eligible to apply for parental leave in the year (A) | Number of employees who applied for parental leave in the year (B) | Number of employees originally scheduled to return from parental leave in the year (C) | Number of employees who were scheduled and did return from parental leave in the year (D) | Return to Work Rate (D/C) x100 | Number of employees who returned to work after parental leave in the previous year (E) | Number of employees still employed 12 months after returning from parental leave (F) | Retention Rate (F/E) x100 |
|--------|--|--|--|---|--------------------------------|--|--|---------------------------|
| Female | 1 | 1 | 1 | 1 | 100% | 2 | 2 | 100% |
| Male | 0 | - | - | - | - | - | - | - |
| Total | 1 | 1 | 1 | 1 | 100% | 2 | 2 | 100% |

Note:

1. Return to Work Rate = (Total number of employees who actually returned to work after parental leave / Total number of employees scheduled to return after parental leave) x100.

2. Retention Rate = (Total number of employees who remained employed 12 months after returning from parental leave, or who were still employed at year-end if not yet 12 months / Total number of employees who returned from parental leave in the previous reporting period) x100.

Other Benefits System

In addition to complying with the Labor Standards Act and relevant government regulations, the Company has established an "Employee Welfare Committee," which allocates funds monthly to organize various welfare activities, enhancing employee well-being and team cohesion. In addition to providing subsidies for marriage, funerals, and childbirth, as well as hospitalization condolence payments for employees and their family members, the committee also organizes year-end parties, health checkups, group insurance, birthday and holiday vouchers, and health and leisure activities to promote physical and mental well-being and strengthen employee interaction.

Company Benefit System

- **Competitive Salary Levels:** Offering market-attractive salary packages with an overall salary adjustment range of 3–4% to ensure fair and reasonable compensation for employees.
- **Flexible Working Hours:** Providing flexible working schedules to enhance work-life balance.
- **Comprehensive Insurance Coverage:** Includes health insurance, labor insurance, and group insurance, covering life, accident, accidental medical, hospitalization, and cancer insurance for employees.
- **Free Health Checkups:** Regular health checkups for employees to support their physical and mental health.
- **Comprehensive Leave System:** Includes maternity leave, parental leave, 7-day paternity leave for male employees, and unpaid leave, fully supporting work-family balance and creating a friendly workplace.
- **Internal and External Training Subsidies:** Full subsidies for internal training; employees with over one year of service may apply for full subsidies for

external professional training. 1% of total annual salary is allocated for training.

- Diverse Employee Activities: Organizing various employee engagement events such as quarterly meetings, movie days, family days, and sports clubs to foster team spirit.
- Innovation and Performance Awards: Proposal bonuses up to NT\$10,000, patent bonuses up to NT\$25,000, and regular recognition for outstanding employees to encourage innovation and excellence.

Employee Welfare Committee

- Birthday Gifts: Each birthday celebrant receives a gift voucher and present.
- Holiday Gift Distribution: Vouchers or selected gifts are given on major holidays such as Labor Day, Dragon Boat Festival, Mid-Autumn Festival, and Lunar New Year.
- Condolence and Support Subsidies: Providing appropriate monetary gifts for weddings, funerals, childbirth, or hospitalization to support employees during life events.
- Club Activity Subsidies: Supporting employee health and interests, including aerobics and Pilates; groups of 10 or more can apply, with up to two subsidies per year.
- Annual Travel Subsidy: Up to NT\$13,000 per person per year to encourage employees to relax and enjoy quality vacations, enhancing work-life balance.

Free Use of Facilities

- Employee Gym and Showers: Equipped with various fitness equipment and showers for stress relief and physical activity.
- Pantry: Equipped with a coffee machine, unlimited coffee beans, and instant brew packets.
- Dining and Rest Area: Comfortable space with LCD TV for employees to relax during breaks.
- Cozy Nursing Room: Provides a private and comfortable environment with necessary facilities to support nursing employees in balancing work and family.

Z-COM 2024 Activity Photos

➤ Quarterly Meeting Activities



➤ Year-End Banquet

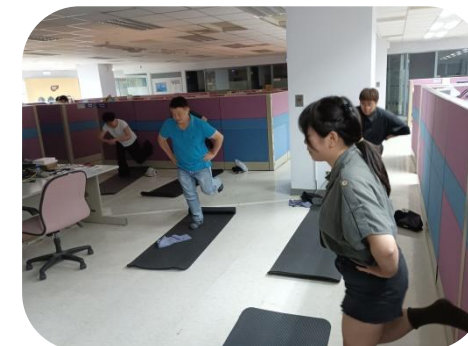
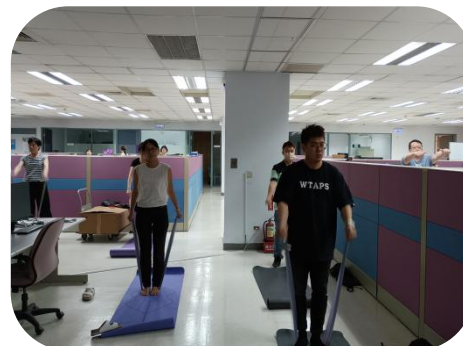


Z-COM 2024 Activity Photos

➤ Employee Gatherings



➤ Z-sports i-Fitness Activities



Column Christmas “Treasure Exchange” Activity

In today’s consumer-driven society, Christmas gift exchanges often become superficial and overly focused on material satisfaction. To address this, we launched the “Treasure Exchange” activity this Christmas, aiming to break away from the traditional gift-buying model and convey the concept of sustainability through action, giving deeper meaning to the holiday. This activity encouraged employees to bring items in good condition that were no longer in use at home for exchange, giving these items a new life and continued value in the hands of new owners. The event not only effectively reduced the environmental burden caused by waste but also promoted resource circulation, demonstrating the company's commitment to environmental sustainability.

The “Treasure Exchange” was not just about exchanging items, but also about emotional connection. Participants shared stories behind the items, spreading love and care, and together created a warm and festive atmosphere. This activity went beyond material pursuits, encouraging employees to reflect on the value and meaning of belongings, and to extend this care toward harmony between people and the environment. The event received enthusiastic support from employees, who actively donated various items such as old books, household goods, and toys. Each item was revitalized in the hands of a new owner, achieving effective allocation of resources.

We hope that through the “Treasure Exchange” activity, employees will become more aware of sustainable development and environmental protection, integrating the concept of resource circulation into daily life. Every item exchanged is a reflection and improvement on resource waste, as well as a commitment and action toward environmental responsibility. In the future, we will continue to promote such meaningful activities, encouraging more employees to participate and jointly practice the goal of sustainable development. Let us enjoy the holiday season while spreading love through real actions, enabling sustainable efforts to continue making a positive impact in everyday life.



4.5 Occupational Health and Safety

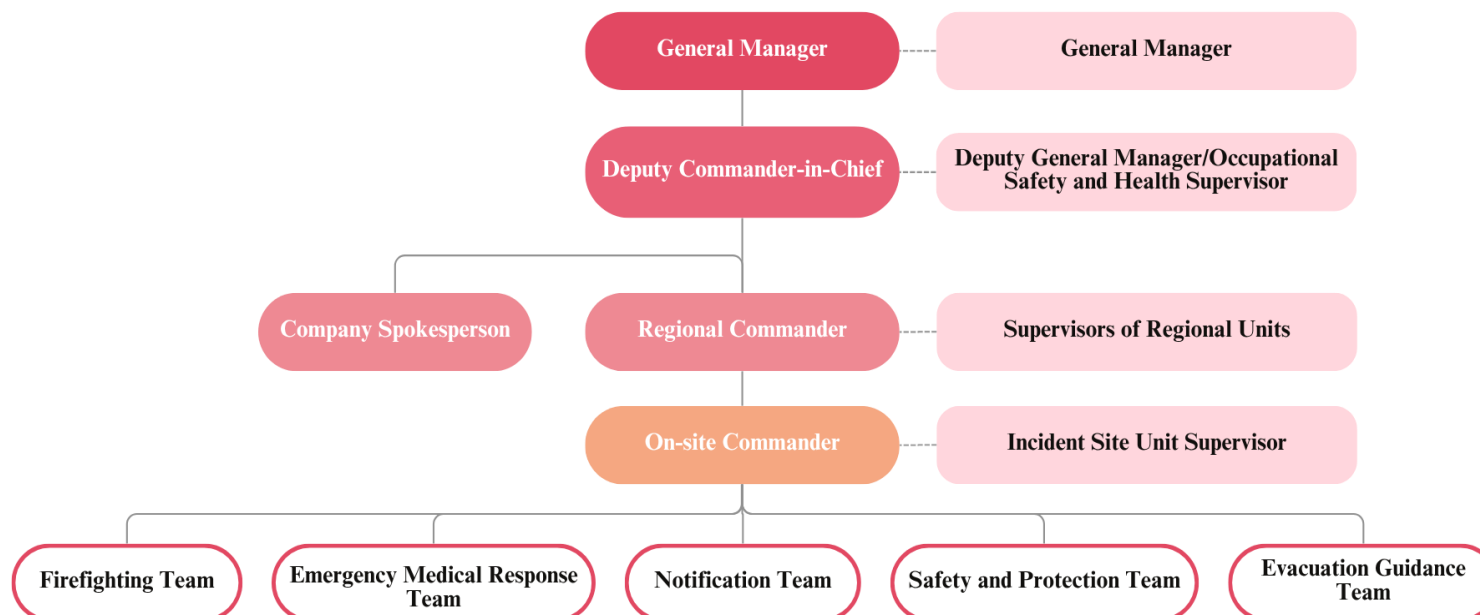
Z-COM has established the "Occupational Safety and Health Work Code" in accordance with Article 25 of the Occupational Safety and Health Act to prevent occupational hazards within the company's premises and to ensure the safety and health of employees and all workers. In 2024, there were no major occupational accidents or occupational disease cases.

Hazard Identification, Risk Assessment and Incident Investigation

Hazard Identification, Risk Assessment, and Control

In accordance with Paragraph 1, Article 23 of the Occupational Safety and Health Act, the Company identifies, evaluates, and controls work environment or operational hazards. A "Labor Safety and Health Committee" is established to promote company-wide occupational safety and health matters. Department heads are responsible for implementing and supervising general hazard communication training, while responsible persons at applicable sites are in charge of the following tasks: (1) preparing and organizing hazardous substances lists, (2) managing safety data sheets and providing timely updates and explanations, (3) assisting with hazard communication training, and (4) assisting in the promotion of various hazard communication activities.

Emergency Response Organizational Structure



Equipment and Instrument Auto-Inspection

When employees face different work environments, processes, and operations, they may be injured due to unsafe work practices, equipment, or management factors. To address this, the Company actively promotes an auto-inspection system to proactively identify potential hazard factors and continuously improve the work environment, thereby effectively controlling risks. The scope of auto-inspection includes laboratory instruments, jigs, air conditioning systems, fire safety equipment, etc. All inspections are carried out by assigned personnel based on the inspection schedule (daily/weekly/monthly) to ensure a safe working environment.

Incident Investigation

In the event of a major occupational accident, the Company will initiate a strict investigation and handling process in accordance with regulations and standard operating procedures (SOP). Unless authorized by judicial authorities or inspection agencies, no one may move or damage the accident scene to ensure the integrity of evidence for further investigation and regulatory compliance. The Company will promptly notify the relevant authorities and fully cooperate with government investigations to ensure compliance with occupational safety management standards.

After the investigation is completed, the Occupational Safety Office will review deficiencies in the emergency response plan based on the investigation results, analyze the impact of equipment or human factors on the accident, and assess potential risks in the current operational processes. To address the root causes of the accident, the Company will formulate specific improvement measures, including enhancing employee safety awareness training, optimizing standard operating procedures, upgrading protective equipment, or adding monitoring mechanisms to prevent recurrence of similar accidents and further improve workplace safety.

Occupational Health Services

Z-COM upholds the philosophy of "people-oriented and health first" and is committed to creating a safe and healthy workplace environment. We strictly comply with Article 22 of the Occupational Safety and Health Act to ensure employees' physical and mental well-being. The company commissions qualified physicians and nurses to provide regular on-site health services, including one on-site physician service annually and one on-site nurse service monthly. Nurses conduct monthly health classification management based on health examination results, identify high-risk groups, and provide regular follow-up and care. When necessary, they arrange individual consultations with professional physicians to ensure employees receive timely and appropriate healthcare.

Health Examination

To strengthen employee health management, Z-COM provides a free on-the-job health examination every three years to help employees understand their health status and prevent potential risks early. In 2024, a total of 52 employees participated in the health examination. On-site medical consultations were arranged for employees classified in health levels 3 and 4. In the future, we will continue to optimize the occupational health management system through health promotion programs, work environment optimization, and health risk monitoring to create a safer and healthier work environment.

Four Major Labor Health Protection Programs

Based on the Ministry of Labor's "Guidelines for Labor Health Service Plans," Z-COM has established four major labor health protection programs: the Ergonomic Hazard Prevention Program, Maternity Health Protection Program, Prevention Program for Unlawful Infringement during Duty, and Prevention Program for Diseases Triggered by Abnormal Workload. On-site medical personnel regularly follow up and care for employees with health risks. Through a systematic health management mechanism, we aim to enhance employees' health and well-being and ensure a safe working environment.

- **Ergonomic Hazard Prevention Program:** Based on existing health data, attendance records, and musculoskeletal symptom surveys, we proactively conduct symptom surveys among all employees to prevent musculoskeletal injuries and diseases caused by prolonged exposure to poorly designed work environments, repetitive tasks, or improper working postures.
- **Maternity Health Protection Program:** Measures are taken for female workers (from the start of pregnancy to one year after childbirth) engaged in potentially hazardous work. These include hazard assessment and control, physician consultations, risk classification management, appropriate work assignments, and other related measures.
- **Prevention Program for Unlawful Infringement during Duty:** To protect employees from violence, threats, or other unlawful acts, a comprehensive reporting and complaint mechanism has been established to ensure employees can receive immediate safety assistance when facing such incidents.
- **Prevention Program for Diseases Triggered by Abnormal Workload:** To prevent employees from developing diseases due to abnormal workloads such as shift work, night shifts, or long working hours, we conduct regular "Abnormal Workload Surveys" to prevent overwork-related brain, cardiovascular, and other illnesses, ensuring employees' physical and mental health.

Health Promotion Activities

Z-COM actively promotes health promotion activities to enhance employees' physical and mental well-being and quality of life. We regularly hold health seminars and wellness activities and provide fitness subsidies to encourage healthy habits. In 2024, the company officially introduced a free Employee Assistance Program (EAP) – a medical support service system that provides cancer-related resources to employees and their families. In the future, we will continue to expand our health promotion initiatives and create a safe, healthy, and friendly workplace environment.

2024 Health Promotion Activities

| Activity Item | Activity Description | Frequency | Hours | Participants |
|-------------------------------|--|-------------------|-------|---------------|
| General Health Examination | Includes: general physical examination, urinalysis, blood test, liver and biliary function, kidney function, diabetes, blood lipids, cancer screening, and other test items. | Every three years | - | 52 |
| Health Consultation | Employee health consultation and on-site medical consultation services. | Monthly | 26 | 34 |
| Health Education Promotion | Health promotion conducted occasionally through email, quarterly meetings, and other channels. | Irregular | - | All employees |
| Influenza Vaccination Program | GSK Fluarix Tetra "egg-based" quadrivalent influenza vaccine inoculation event. | Irregular | - | 13 |
| Health Education Seminar | Seminar topic: Understanding cancer and exploring new trends in minimally invasive cancer treatment. | Irregular | 4 | 21 |
| Z-sports i-Fitness | Office fat-burning and strength training course (in-person + online). | Irregular | 10 | All employees |

Column I Creating a Comfortable Working Environment – Equipment

To enhance employees' office comfort and health, Z-COM actively improves the work environment and has specially purchased brand-new ergonomic office chairs for all employees. These chairs enable every employee to maintain proper sitting posture with ergonomic support, reducing the physical burden caused by prolonged office work. Prolonged sitting can lead to increased pressure on the lumbar and cervical spine, affecting concentration and work efficiency. The new ergonomic office chairs feature adjustable backrests and seat height to provide personalized support, helping maintain the natural curvature of the spine and reducing fatigue and discomfort. At the same time, comfortable seating enhances concentration and work efficiency, enabling employees to strike the best balance between health and performance. Z-COM fully understands that employee health and well-being are key foundations of corporate development. Therefore, the company will continue to invest resources to improve the office environment—from hardware equipment to workplace ambiance—to create a healthier and more comfortable workplace culture.



Column II Employee EAP Program – Cancer Care and Medical Assistance Services

Z-COM cares about employee health and is committed to creating a friendly workplace environment. In 2024, the company partnered with the Guardian Angel Association of Cancer Care (hereinafter referred to as GAACC) to launch a free Employee Assistance Program (EAP) – Medical Assistance Service System, providing employees and their families with medical consultation and resource support related to cancer. When employees or their family members face the challenge of cancer, they can use this service to directly contact professionals from GAACC to receive appropriate and timely medical information and assistance, easing the stress and difficulties caused by illness.

To enhance employees' awareness of cancer prevention and health knowledge, ZCOM held a "Cancer Health Education Seminar and One-on-One Health Consultation Activity" on December 6, 2024, inviting Dr. Chuan-Ching Yang, a lecturer from the Guardian Angels Association, to introduce the characteristics of cancer cells, prevention principles, and modern treatment methods. The seminar emphasized that regular exercise, good daily routines, and positive emotions can effectively improve immunity and help reduce the risk of cancer. It also introduced emerging technologies such as minimally invasive treatment to help employees understand diverse and innovative medical technologies and patient rights. A total of 21 colleagues participated in the activity. Employees actively asked questions onsite, including the health impacts of environmental factors such as smoking, air pollution, and electromagnetic waves. Five colleagues applied for one-on-one cancer and other disease care consultations. The overall satisfaction rate of the event reached 86%, indicating that the health seminar provided high practical value and helped enhance employees' health awareness.

In the future, Z-COM will continue to promote health enhancement and disease prevention, deepen cooperation with medical professional institutions, and provide more diverse health management resources and support programs. In addition, we will plan more health seminars, preventive medicine courses, and psychological support services to help employees raise health awareness and strengthen the company's internal health management mechanisms, jointly creating a safer, healthier, and more sustainable work environment.



Occupational Safety and Health Committee

Z-COM is committed to establishing a safe and healthy work environment, ensuring all employees can effectively prevent occupational accidents in the workplace, while enhancing overall safety awareness and emergency response capabilities. The company has established an Occupational Safety and Health Committee in accordance with relevant regulations and holds regular meetings to review and supervise the effectiveness of various safety and health management measures. To achieve the goal of zero accidents, the company formulates an annual occupational accident prevention plan at the end of each year. Based on the plan, a detailed implementation plan is established and executed by the occupational safety unit according to the schedule and content. Through the audit system, implementation deficiencies are identified and reviewed or corrected in quarterly Safety and Health Committee or Labor-Management meetings to achieve the ultimate goal of zero accidents.

Organizational Structure

1. Chairperson: Held by the personnel from the Occupational Safety and Health Office, responsible for drafting, planning, and supervising safety and health management matters.
2. Executive Secretary: Held by personnel from the Administration and Management Department, responsible for promoting safety and health management tasks and guiding related departments in implementation.
3. Members: Representatives from various departments, responsible for proposing suggestions on safety and health policies drafted by the employer, as well as reviewing, coordinating, and advising on safety and health-related matters. More than one-third of the members shall be representatives elected by the employees.

Organizational Structure of the Occupational Safety and Health Committee



Job Responsibilities

| Item No. | Key Responsibilities |
|----------|---|
| 1 | Formulate occupational injury prevention plans and provide guidance to relevant departments for implementation. |
| 2 | Plan and supervise occupational safety and health management of all departments. |
| 3 | Plan and supervise inspection and checking of safety and health facilities. |
| 4 | Instruct and supervise responsible personnel at applicable sites to conduct patrols, regular inspections, key inspections, and work environment measurements. |
| 5 | Plan and implement occupational safety and health education and training. |
| 6 | Plan occupational health examinations and implement health management. |
| 7 | Supervise investigation and handling of occupational injuries, and compile occupational injury statistics. |
| 8 | Provide the General Manager with information and recommendations regarding occupational safety and health management. |
| 9 | Other matters related to occupational safety and health management. |
| 10 | Handle protection team affairs (emergency response, fire safety). |

Occupational Safety Training and Emergency Response Drills

Z-COM values the health and safety of its employees and has specifically established an occupational safety and health education training plan, regularly conducting fire safety education training for all employees to ensure they possess basic fire prevention and disaster response capabilities. In addition, the company requires personnel in specific positions to undergo regular retraining to ensure they possess the latest first aid skills. In 2024, Z-COM's total training hours related to occupational safety and emergency response reached 215 hours, with a total of 43 participants. Through these trainings, not only is employees' awareness and responsiveness to workplace safety enhanced, but the efficiency of handling emergencies is also strengthened, ensuring workplace safety and improving the overall emergency response mechanism.

2024 Occupational Safety Training and Emergency Response Drills

| Course Title | Training Date | Total Training Hours | Number of Participants |
|---|-----------------------|----------------------|------------------------|
| Joint Fire Drill and Occupational Safety and Health Course for the First Half of 2024 | 2024/05/31 | 40 | 10 |
| Basic First Aid Personnel Training Course | 2024/11/05~2024/11/07 | 16 | 1 |
| Initial Training for Fire Prevention Manager | 2024/12/05~2024/12/06 | 12 | 1 |
| Fire Prevention Manager Training – Refresher Course (Session 1) | 2024/05/21 | 6 | 1 |
| Type-A Occupational Safety and Health Supervisor Course | 2024/09/25~2024/10/09 | 42 | 1 |
| 2024 New Employee Fire Safety and Occupational Safety and Health Course | 2024/11/08 | 48 | 12 |
| 3-Hour Occupational Safety and Health Training Every 3 Years for On-the-Job Employees in 2024 | 2024/12/19 | 51 | 17 |



Contractor Management

Before entering the Company for work, contractors must carefully read and strictly comply with Articles 16 to 19 of the Occupational Safety and Health Act, Articles 31 to 33 of the Enforcement Rules of the Occupational Safety and Health Act, and the Company's "Occupational Safety and Health Work Guidelines" and other relevant regulations. If the contracted work environment involves hazardous substances, personnel from the Occupational Safety and Health team will explain relevant hazard prevention measures to the contractor before the work begins. The contractor must inform the workers and provide appropriate occupational safety and health protection recommendations. In addition, the contract will clearly specify potential hazards in the workplace and include clauses requiring the contractor to take full responsibility for safety issues, ensuring a safe work environment and the health of operational personnel.

4.6 Social Engagement

Since its establishment, Z-COM has upheld the spirit of "people-oriented" values. While pursuing sustainable corporate development and operational performance, the Company has also actively transformed its profits into social contributions, thereby fulfilling the corporate philosophy and culture of "taking from society and giving back to society."

To deepen the implementation of social responsibility, the Company has established the "Corporate Social Responsibility Implementation Task Force" under the Office of Sustainability Promotion. This team evaluates public welfare matters and social care activities based on the actual needs of social welfare organizations and the nature of the activities. The Company continues to care for disadvantaged groups such as children and people with disabilities, supports and actively participates in various social welfare activities, and combines corporate resources with employee compassion. Through diversified means such as manpower support, financial donations, and material sponsorships, the Company provides tangible assistance, strengthens community relations and employee support, brings positive impacts to society, and transforms the lives of disadvantaged groups.

Z-COM 2024 Social Contribution

| Target Group | Main Content | Number of Participants Involved | Social Contribution |
|---|---|---------------------------------|---------------------|
| Kamalan Cultural Foundation | Cultivate outstanding local talents in Yilan, promote Kavalan culture, develop Yilan's tourism industry, and assist in advancing the county's cultural and creative industries | Z-COM | NT\$100,000 |
| Guardian Angel Association of Cancer Care (GAACC) | Through co-organizing health seminars to enhance employee health knowledge, providing health consultation and medical referral services, establishing a comprehensive medical assistance system. At the same time, support the association in promoting cancer patient care services to demonstrate the company's social impact on cancer and medical issues. | Z-COM | NT\$50,000 |
| Children Are Us Foundation | Continue purchasing cakes and cookies from the Children Are Us Bakery to encourage the self-care ability of persons with physical and mental disabilities. | All employees | NT\$7,613 |
| ANDREW Charity Association | The "Small Change Brings Hope" program targets disadvantaged children and youth, providing timely and suitable resources based on individual needs to support their healthy physical and mental development. | Z-COM | NT\$6,030 |

| | | | |
|--|---|---------------|---|
| Step30 International Ministries | Collecting unused old shoes and clothes from employees and their family members, and delivering the supplies to third-world countries through the association to help local children improve their basic living conditions. | All employees | Material Donation : -Clothes: 404 items -Shoes: 46 pairs - Backpack: 1 item -Donation Amount: NT\$1,020 |
| Hsinchu Xianshui Community Development Association | Implementing the "Used Office Chair Donation Program" to donate office chairs in good condition after company replacement to social welfare institutions and local organizations in need, promoting resource circulation and utilization. | All employees | Donated 10 used office chairs |
| Hsinchu Incorporated Association for the Welfare of Persons with Intellectual Disabilities | | All employees | Donated 6 used office chairs |

Column I Supporting Public Interest in Arts and Culture — HCPAP Community Service and Pottery Exhibition

Hsinchu Incorporated Association for the Welfare of Persons with Intellectual Disabilities (hereinafter referred to as HCPAP) launched the “Caring Pottery Course Service Program” in 2024 and held a pottery exhibition in November, allowing persons with intellectual disabilities to express themselves through pottery creation and enhance their quality of life. Pottery creation provides a non-verbal means of expression, conveying inner emotions and thoughts through shapes, colors, and textures, thereby enhancing self-awareness and expressive ability. As pottery-making requires concentration and patience, the course also serves as a valuable training opportunity, helping participants improve attention span and learn how to patiently complete a task. In addition, through fine motor activities such as kneading, pulling, and carving, participants enhance hand-eye coordination and gain a sense of achievement through the creative process. This pottery exhibition publicly showcased the artworks, allowing participants to witness their own progress and enhance their self-confidence and sense of self-worth. Z-COM has long been dedicated to social welfare and maintains a strong relationship with HCPAP. The company attended the event in person to acknowledge the students’ efforts and creativity, hoping that children with intellectual disabilities continue to develop passion and creativity in the arts and find their own brilliance through artistic expression.



Column II "2024 Old Shoes Save Lives: Grateful for You" Public Welfare Campaign

In Sub-Saharan Africa, tens of thousands of children walk to school every day without even basic shoes to protect their feet. These children face threats from diseases like "jiggers," which hinder their education and prevent healthy development. However, a pair of our old shoes can make a difference for them, helping them walk farther and get closer to their dreams. To help these children, Z-COM collaborated with the "Step30 International Ministries" and organized the "2024 Old Shoes Save Lives: Grateful for You" campaign from October 25 to November 28, 2024. A total of 38 colleagues actively participated, collecting 404 clothing items, 46 pairs of shoes, 1 backpack, and donating NT\$1,020 to the association to further deliver loving supplies to underprivileged children in Africa.

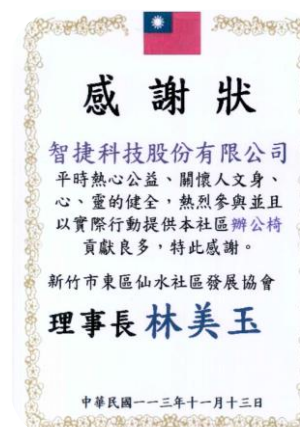
This campaign not only aimed to help African children but also conveyed a broader concept of public welfare to employees. The company selected fair trade hand creams as thank-you gifts for participating employees, and part of the proceeds was donated to the L'Occitane Foundation to support its "Vision Care Initiatives and Biodiversity Protection," while also empowering women in Burkina Faso to contribute to local social development. In addition, in line with the Thanksgiving spirit, employees were encouraged to write gratitude cards to express appreciation for people or things that have supported or inspired them. These cards were displayed on the company bulletin board to strengthen emotional bonds and team cohesion.

Through this activity, mutual care and support among employees were enhanced, and the concept of social impact was delivered to every participant. Each donation and small act of kindness from our colleagues brought hope to children living in hardship and helped change their future. Z-COM will continue to uphold the core value of "people-oriented," remain committed to public welfare, and encourage more colleagues to participate actively, bringing more positive impact and warm strength to society.



Column III Second-Hand Office Chair Donation Program – Hsinchu Xianshui Community Development Association

Z-COM adheres to the philosophy of "taking from society and giving back to society," actively engaging in social welfare and caring for the local community. In the second half of 2024, during the company's office chair replacement program, we discovered that these fully functional and well-maintained chairs still have value. Extending their lifecycle not only reduces resource waste but also contributes to helping others. Therefore, we proactively contacted local social welfare organizations to find the most suitable recipients, hoping these resources could be utilized to their fullest. After multiple communications and evaluations, the company donated second-hand office chairs to the Hsinchu Xianshui Community Development Association and the Hsinchu Incorporated Association for the Welfare of Persons with Intellectual Disabilities. The Hsinchu Xianshui Community Development Association has long been dedicated to community development and elder care, offering diverse activities and services to improve the quality of life for local residents. Through this second-hand office chair donation program, we hope to provide a more comfortable environment for the community centers, not only practicing the concept of environmental sustainability but also strengthening the connection between the enterprise and the local community. We firmly believe that enterprises are not only drivers of economic development but also bearers of social responsibility. In the future, we will continue to actively pay attention to and respond to social needs, work together with partners from all sectors through diversified public welfare actions, and strive to build a better society.



Column IV

Second-Hand Office Chair Donation Program and Public Welfare Exchange Activity – Hsinchu Incorporated Association for the Welfare of Persons with Intellectual Disabilities

In the second half of 2024, Z-COM launched the second-hand office chair donation program, practicing the spirit of “resource sharing and giving back to society” by bringing greater social value to reused materials. The Hsinchu Incorporated Association for the Welfare of Persons with Intellectual Disabilities was one of the recipients of the program. On the day of the donation event, Z-COM employees personally delivered the office chairs to the recipient organization and engaged in a heartwarming exchange with the members of HCPAP. The members enthusiastically shared their daily lives and learning experiences, and actively showcased their talents, dances, and handicrafts, allowing us to deeply feel their dedication and vitality. Within just 30 minutes of interaction, we gained a deeper understanding of the members’ needs and challenges, while the members also felt the care and support from the enterprise. Through this second-hand office chair donation program and public welfare exchange activity, Z-COM not only practiced the environmental sustainability concept of resource reuse but also further strengthened the connection between the enterprise and society. This loving and caring interaction highlighted the two-way influence of public welfare actions.



5 、 Environmental Protection

5.1 Climate Change Adaptation

Z-COM 2024 TCFD Management Overview

| Core Elements of TCFD | Z-COM Management Description | | | |
|---|--|---|---|---|
| Governance of Climate-related Risks and Opportunities | <p>Z-COM has designated the Board of Directors as the internal governance unit for sustainable development, responsible for the management, decision-making, and supervision of corporate social responsibility and sustainability strategies, ensuring the effective implementation of policies and the achievement of goals. To strengthen the mechanism for promoting sustainability, Z-COM established the “Sustainability Development Promotion Office” in 2023 to plan and implement various sustainability initiatives and regularly identify climate-related risks and opportunities to formulate corresponding strategies and action plans.</p> <p>The company holds monthly business management meetings chaired by the Chairman, with the Sustainability Development Promotion Office reporting on energy-saving and carbon reduction measures, progress, and results on an ad hoc basis. Additionally, the unit reports execution outcomes to the Board annually to enhance governance transparency and ensure the effective implementation of sustainability goals.</p> | | | |
| Climate Strategy | 1. Z-COM's Short-, Medium-, and Long-term Climate-related Risks and Opportunities: | | | |
| | Category of Risk/Opportunity | Short-term (2025~2030) | Medium-term (2031~2040) | Long-term (2041~2050) |
| | Transition Risks | <p>Policy and Regulation</p> <ul style="list-style-type: none"> Compliance with reporting requirements Government energy policy Carbon fees (taxes) <p>Technology</p> <ul style="list-style-type: none"> Demand for low-carbon products and technology transformation <p>Market</p> <ul style="list-style-type: none"> Increase in raw material costs <p>Reputation</p> <ul style="list-style-type: none"> Growing stakeholder attention and increasing negative feedback | <p>Technology</p> <ul style="list-style-type: none"> Demand for low-carbon products and technology transformation <p>Reputation</p> <ul style="list-style-type: none"> Growing stakeholder attention and increasing negative feedback | <p>Technology</p> <ul style="list-style-type: none"> Demand for low-carbon products and technology transformation |

| | | | | |
|--|----------------|---|---|---|
| | Physical Risks | Long-term <ul style="list-style-type: none"> ▪ Extreme climate events | Long-term <ul style="list-style-type: none"> ▪ Extreme climate events | Long-term <ul style="list-style-type: none"> ▪ Extreme climate events |
| | Opportunities | Energy <ul style="list-style-type: none"> ▪ Optimization of energy efficiency Market <ul style="list-style-type: none"> ▪ Entry into emerging markets Products and Services <ul style="list-style-type: none"> ▪ Research and innovation for the development of new products and services | Market <ul style="list-style-type: none"> ▪ Sustainable financing resources Products and Services <ul style="list-style-type: none"> ▪ Construction of climate-resilient communication networks ▪ Research and innovation for the development of new products and services | Products and Services <ul style="list-style-type: none"> ▪ Construction of climate-resilient communication networks ▪ Research and innovation for the development of new products and services |

2. Potential Financial Impacts of Climate Risks and Opportunities:

(1) Regulatory risks such as the imposition of carbon fees (taxes) will increase tax, management, and investment costs for the company's operations. On the opportunity side, in terms of products and services, the R&D and innovation of energy-saving, low-carbon, and energy management products will meet customers' demands for energy-efficient solutions, thereby increasing revenue.

(2) Extreme weather events such as typhoons, heavy rains, floods, and heatwaves may financially impact the company by damaging facilities/equipment/transported goods, or in severe cases, causing business shutdowns. The imposition of carbon fees (taxes) would also increase operating costs, affecting financial profitability. To mitigate such financial impacts, the company is committed to integrating climate change into risk decision-making.

3. In response to major climate-related risks and opportunities, the Sustainability Development Office has proposed the following strategies and action plans:

(1) **Information Transparency (Digital Transformation):** In response to the government's expanding disclosure and mandatory reporting requirements on climate risks, the company has proactively adopted a carbon management platform. Through digital system integration, it effectively monitors Scope 1 and 2 carbon emissions and electricity usage data, strengthening the GHG inventory and management capabilities, and laying a solid foundation for future carbon footprint assessments, carbon reduction target setting, and sustainability disclosures.

(2) **Renewable Energy Application:** To seize the climate opportunity brought by low-carbon energy transition, a Z-COM subsidiary has installed a solar photovoltaic system with a capacity of 563.78 kW. Using solar conversion technology, the system provides electricity for operations under a "self-generation and self-use" model, effectively reducing reliance on traditional high-carbon electricity.

(3) **Promoting Green Innovation:** To meet the demand for low-carbon products and technological transition, the company promotes green design to help customers reduce costs and improve efficiency. Life cycle thinking and the 3R principles (Reduce, Reuse, Recycle) are applied in product development, aiming for non-toxic, easy-to-assemble/disassemble, and low-energy-consumption features, creating environmentally friendly products that strengthen market competitiveness in the low-carbon transition.

| | <p>(4) Implementing Resource Management: In response to increasingly frequent extreme weather and temperature anomalies caused by climate change, the company continuously promotes energy-saving and carbon-reduction as a long-term mitigation strategy to reduce the potential impact on operational costs and business stability. Specific measures include procuring low-energy-consuming equipment, strengthening routine environmental inspections and equipment maintenance, and promoting paperless operations. These actions aim to improve resource efficiency and operational management, enhancing climate risk adaptation and overall resilience.</p> <p>(5) Building Climate-Resilient Communication Networks: To effectively address disaster risks such as extreme climate, earthquakes, and landslides, the company actively develops vertical application products related to Critical Networks, enhancing slope monitoring, disaster early warning, and emergency response capabilities. By constructing a highly reliable and available communication network architecture, the overall emergency response effectiveness is improved, thereby creating a climate-resilient critical communication environment.</p> | | |
|---|---|--|--|
| Risk Identification, Assessment, and Management | <p>The Company follows the framework of the Task Force on Climate-related Financial Disclosures (TCFD) issued by the Financial Stability Board to disclose information on climate governance, strategies, risk management, and metrics. The Sustainability Development Office regularly conducts business reviews and risk identification on climate change issues. According to the climate-related risks and opportunities categorized by the TCFD, the Company analyzes the potential impact of specific scenarios and risk topics on its business, strategy, and financial planning across different time frames (short-, medium-, and long-term). In addition, climate change has been incorporated into the Company's risk management policy and relevant procedures, covering the identification, analysis, assessment, mitigation measures, management, and continuous monitoring of risks to strengthen organizational resilience and responsiveness to climate challenges.</p> | | |
| Climate Metrics and Targets | Management Perspective | Short-term Goals (2025~2030) | Medium- and Long-term Goals (2031~2050) |
| | Greenhouse Gas Management | <ul style="list-style-type: none"> ▪ Data Management: Introduce a carbon management platform to effectively monitor the Company's carbon emissions and electricity usage data. ▪ Transparency in Disclosure: Complete the carbon disclosure project questionnaire to ensure transparency of carbon information. ▪ Inventory Process: Complete carbon inventory for the standalone company by 2026 and for consolidated subsidiaries by 2027. ▪ Verification and Assurance: Obtain third-party assurance for the standalone company in 2028, and for consolidated subsidiaries in 2029. | <ul style="list-style-type: none"> ▪ Establish a carbon management platform for the supply chain. ▪ Disclose carbon information according to international standards. ▪ Continue promoting environmental-related standard certifications. |
| | Energy and Resource Management | <ul style="list-style-type: none"> ▪ Introduce ISO 50001 Energy Management System. ▪ Optimize resource usage efficiency and reduce overall energy consumption. | <ul style="list-style-type: none"> ▪ Continue developing renewable energy and procuring green electricity. |

- Promote smart energy management.

- Continue replacing old high-energy-consuming equipment.

Note: For the 2024 GHG inventory results, please refer to Section [5.2 GHG Management](#).

5.2 GHG Management

The severe challenges brought by climate change have become the focus of global concern. Therefore, mitigating greenhouse gas emissions to reduce the greenhouse effect has become a shared mission of the international community. The Company upholds its commitment to environmental sustainability and, in accordance with the Ministry of Economic Affairs' "Guidelines for Greenhouse Gas Emissions Inventory (2024 Edition)," officially launched its greenhouse gas inventory in 2024 and plans to obtain third-party verification in 2028. Consolidated subsidiaries are scheduled to carry out greenhouse gas inventory in 2027 and complete third-party verification in 2029. This is to ensure comprehensive carbon reduction management and actively advance toward low-carbon transformation.

Greenhouse Gas Emissions

According to the Company's 2024 greenhouse gas inventory results, Scope 1 (direct greenhouse gas emissions) was 9.889 tCO₂e, primarily from exhaust emissions from gasoline used in company vehicles, chillers, company vehicles, refrigerant leakage from equipment such as water dispensers and refrigerators, and methane emissions from septic tanks. Scope 2 (indirect greenhouse gas emissions) was 89.799 tCO₂e, mainly from indirect carbon emissions generated by purchased electricity consumption. Greenhouse gas emissions intensity was 0.179 tCO₂e per NT\$1 million in revenue, representing a 20.8% decrease compared to the previous year. The Company will continue to strengthen its carbon management strategy by improving energy efficiency and adopting carbon reduction technologies to gradually achieve low-carbon operations.

Z-COM 2023–2024 Greenhouse Gas Emissions Analysis Table

| Greenhouse Gas Emissions | 2024 | 2023 |
|--|--------|--------|
| Scope 1 (tCO ₂ e) | 9.889 | 7.659 |
| Scope 2 (tCO ₂ e) | 89.799 | 89.753 |
| Total Emissions (tCO ₂ e) | 99.688 | 97.412 |
| Emission Intensity (tCO ₂ e per NT\$ million revenue) | 0.179 | 0.226 |

Note:

1. Scope 1 and Scope 2 data coverage: Z-COM's business operations in Taiwan.

2. The operational control approach was adopted to compile greenhouse gas emissions.
3. The greenhouse gases included in the calculation are carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride.
4. The electricity emission factor is based on the latest announcement by the Ministry of Environment of the Executive Yuan: 0.494 kg/kWh; the GWP values are adopted from the IPCC Fifth Assessment Report.
5. The emission intensity calculation includes greenhouse gas emissions from both Scope 1 and Scope 2.

5.3 Energy Management

Energy Usage Overview

In accordance with the “Guidelines for Greenhouse Gas Inventory (2024 Edition)” issued by the Ministry of Economic Affairs, the Company identified electricity and gasoline as the main energy consumption categories. The total annual energy consumption was 714.99 GJ. Of the total energy consumption, purchased electricity accounted for 90.8%, while gasoline consumption accounted for 9.2%. Regarding energy intensity, the Company's energy intensity in 2024 was 1.29 GJ per NT\$ million in revenue, representing an 18.4% reduction compared to the previous year, indicating a significant improvement in energy use efficiency.

Z-COM 2023–2024 Energy Consumption

| Energy Consumption Items | 2024 | 2023 |
|--|---------|---------|
| Gasoline (liters) | 1,930 | 1,199 |
| Electricity (kWh) | 181,200 | 178,440 |
| Total Energy Consumption (GJ) | 714.99 | 681.20 |
| Energy Intensity (GJ per NT\$ million revenue) | 1.29 | 1.58 |

Note : The calorific values are based on the latest unit calorific value table for energy products published by the Bureau of Energy, Ministry of Economic Affairs. Energy consumption is calculated by multiplying the quantity of energy used by the corresponding unit calorific value and converting it to gigajoules (GJ).

Energy Conservation and Carbon Reduction Measures

Z-COM is committed to environmental sustainability and actively promotes energy conservation and carbon reduction strategies to improve energy efficiency and reduce the environmental impact of its operations. To this end, the Company has implemented various energy-saving measures and actively introduced renewable energy. A subsidiary has installed a solar photovoltaic system with a total installed capacity of 563.78 kW, effectively reducing carbon emissions and lowering dependence on traditional energy through a self-use model. Moving forward, Z-COM will continue to enhance its energy conservation and carbon reduction programs to fulfill its commitment to green and sustainable development through concrete actions.

Energy Saving Action Plan




- Replace traditional lighting with high-efficiency energy-saving lighting.
- Conduct daily inspections of the plant area to turn off unnecessary lighting and air conditioning; set air conditioning temperature to 24°C~26°C.
- Post friendly power-saving reminders at each power switch.
- Turn off lights during lunch break.
- Turn off power to unnecessary public facilities, such as water dispensers and refrigerators, during holidays.
- Adjust central air conditioning startup and shutdown times based on weather conditions. If conditions allow, use natural ventilation by opening windows instead of turning on the air conditioning to meet annual targets.

Environmental Policy Outcomes in the Past Five Years

| Year\Item | Water Saving (Unit: m ³) | Energy Saving (Unit: kWh) | Carbon Reduction (Unit: kg) |
|-----------------------|--------------------------------------|---------------------------|-----------------------------|
| 2020 | 1,968 | 221,280 | 115,992 |
| 2021 | 1,820 | 234,240 | 119,255 |
| 2022 | 1,220 | 189,480 | 97,971 |
| 2023 | 1,141 | 178,440 | 89,753 |
| 2024 | 1,103 | 181,200 | 89,799 |
| Year-over-Year Change | ↓38 m ³ | ↑2,760 kWh | ↑46 kg |

Note: The water-saving , energy-saving and carbon reduction data in this table are presented based on the actual annual consumption and reflect the effectiveness of energy-saving management.

Note: The values in the “Carbon Reduction” column are calculated using the operational control approach for compiling greenhouse gas emissions. The inventory scope covers carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃). The electricity emission factor is based on the latest announcement by the Ministry of Environment of the Executive Yuan (0.494 kg/kWh), and the GWP values are adopted from the IPCC Fifth Assessment Report (AR5).

| Column | Promoting Green Energy Transition – Installation of Solar Power Equipment at the Jiujiang Plant |
|---|---|
| <p>The Company is committed to promoting green energy transition, actively responding to national renewable energy policies, and has installed solar power equipment at the Jiujiang Plant to effectively reduce carbon emissions and improve energy efficiency. In 2024, we successfully completed the construction and grid connection of two solar power facilities at the Jiujiang Plant. Among them, the first plant has an installed capacity of 190kW and was officially connected to the grid on February 7, 2024. An additional 23.78kW was installed at the security room and officially commenced operation on November 23, 2024, operating jointly with the existing 350kW system. The total annual solar power generation reached 503,190 kWh, of which 376,110 kWh was used internally at the plant, effectively increasing energy self-sufficiency and reducing reliance on the traditional power grid; the remaining 127,080 kWh was sold to the grid, generating additional revenue for the Company.</p> <p>This project brought significant economic benefits, with an annual generation of 503,190 kWh, saving approximately RMB 360,000 in electricity costs and creating approximately RMB 410,000 in economic benefits for the Company. Through the application of the solar power system, the Company has not only effectively reduced greenhouse gas emissions but also further fulfilled its commitment to sustainable operations, fully demonstrating its proactive efforts in environmental protection and energy conservation. In the future, the Company will continue to expand its deployment of renewable energy, optimize energy management efficiency, contribute more to achieving low-carbon operation goals, and promote the co-prosperity of business and the environment.</p> <div data-bbox="248 887 680 1217">  </div> <div data-bbox="898 887 1341 1217">  </div> <div data-bbox="1541 887 1984 1217">  </div> | |

5.4 Water Resources Management

Z-COM's water usage comes from tap water supplied by the Taiwan Water Corporation and is mainly used for employees' domestic water consumption. The company has no plant-related industrial wastewater discharge. All domestic water passes through the wastewater treatment system and complies with local environmental regulations to ensure that the discharge process does not significantly impact local water sources. To better assess water-related risks, the Company uses the Water Risk Assessment Tool provided by the World Resources Institute (WRI) to analyze Taiwan's water resource status, and the results indicate a low-risk level. In 2024, Z-COM's total water withdrawal amounted to 1,103 m³, with a water intensity of 1.98 m³ per NT\$1 million in revenue, representing a 17.8% decrease compared to the previous year, indicating continuous optimization of water management and improved water use efficiency.

Z-COM Water Withdrawal in 2023–2024

| Category | 2024 | 2023 |
|---|-------|-------|
| Water Withdrawal (m ³) | 1,103 | 1,041 |
| Water Intensity (m ³ /NT\$1 million revenue) | 1.98 | 2.41 |

Note: Since the Company's water use is entirely for employee domestic needs, water withdrawal is equivalent to water discharge, with no water consumption involved.

Water Conservation Action Plan and Goal Achievement Status

- Conduct daily inspections of toilets, water towers, faucets, or other pipe joints in the plant area for abnormal water outflow; check for any water leakage from walls or underground pipelines.
- Properly adjust water flow to reduce unnecessary waste.
- Place PET bottles in toilet water tanks to reduce flushing volume.

5.5 Waste Management

Z-COM has established waste management procedures in accordance with ISO 14001, clearly defining the classification, treatment process, recycling and reuse, and final disposal methods for various types of waste to ensure compliance with environmental regulations and to reduce environmental impact. The company commissions qualified third-party contractors for incineration, recycling, or other legal methods of waste disposal. To ensure that third-party contractors manage waste properly in accordance with contractual and legal obligations, the company strictly reviews their environmental compliance records, treatment equipment, and certifications (e.g., waste treatment licenses, business registration items) to ensure full regulatory and corporate compliance. Clear contracts are signed with contractors specifying standards, schedules, and responsibilities for waste collection, transportation, and treatment. In addition, the company uses

GPS to monitor waste transportation, including tracking and reporting vehicle routes, destinations, and weights to ensure transparency and compliance in the waste disposal process.

Z-COM 2024 Waste Disposal Status

| Reporting Date | Name of Transporter | Name of Processor | Intermediate Treatment Method | Final Disposal Method |
|----------------|---------------------|--|-------------------------------|-----------------------|
| 2024/03/04 | Shun-Chu Company | Hsinchu Refuse Resource Recovery Plant | Incineration Treatment | Landfill Treatment |
| 2024/06/05 | Shun-Chu Company | Hsinchu Refuse Resource Recovery Plant | Incineration Treatment | Landfill Treatment |
| 2024/12/16 | JYD Group | JYD Group | Physical Treatment | Landfill Treatment |


Waste Generation Status

The total waste generated by the company in 2024 was 574 kilograms, of which hazardous industrial waste accounted for 55.92%, approximately 321 kilograms, and was disposed of via landfill; non-hazardous industrial waste accounted for 44.08%, approximately 253 kilograms, and was incinerated. The company has implemented appropriate waste disposal measures to ensure compliance with environmental regulations and proper handling of various types of waste. All waste is ultimately disposed of through legal landfill methods, ensuring no adverse environmental impact during the process. The company will continue to focus on waste management and seek more effective reduction and recycling strategies, striving to promote more sustainable and environmentally conscious waste management solutions.

Z-COM 2023-2024 Waste Generation Status

| Waste Category | | 2024 | 2023 |
|---------------------|--|------|------|
| Non-Hazardous Waste | Mixed Plastic Waste (kg) | 11 | 12 |
| | General Business Waste (kg) | 202 | 240 |
| | Waste Wood (kg) | 40 | 30 |
| Hazardous Waste | Waste Electronic Components, Defective and Scrap Products (kg) | 321 | 29 |
| Total | | 574 | 311 |

Note: The source of inventory data is based on the information reported in waste disposal manifests.

| Column | Innovative Practice: New Thinking on Resource Circulation – Transforming Discarded Casings |
|--------|---|
| | <p>In today's corporate operations, achieving resource circulation has become an increasing focus for many companies. Z-COM actively promotes sustainable development and, with an innovative mindset, has ingeniously transformed discarded casings generated during production and sample creation into planting containers, successfully achieving resource recycling. These originally discarded casings have been creatively redesigned into uniquely styled planting containers, adorning reception areas and office spaces, adding a touch of greenery to the environment. This not only enhances the aesthetics of the office area but also creates a fresher and more comfortable atmosphere for employees and visiting clients. Through this innovative practice, Z-COM has not only improved resource utilization efficiency but also demonstrated its commitment to environmental protection and sustainable development. The transformation from waste to greenery reflects the essence of resource circulation, fostering a more innovative spirit and positive influence within the company, and injecting greater vitality and inspiration into the workplace atmosphere.</p>  |

5.6 Product Health and Safety

Environmental, Health and Safety Policy

Z-COM implements environmental protection activities fulfilling corporate social responsibility during the design, development, manufacturing, and sales of wireless communication system equipment. Therefore, to continuously improve environmental performance, the company has established an environmental management system and commits to the following directions as part of its sustainable development goals.

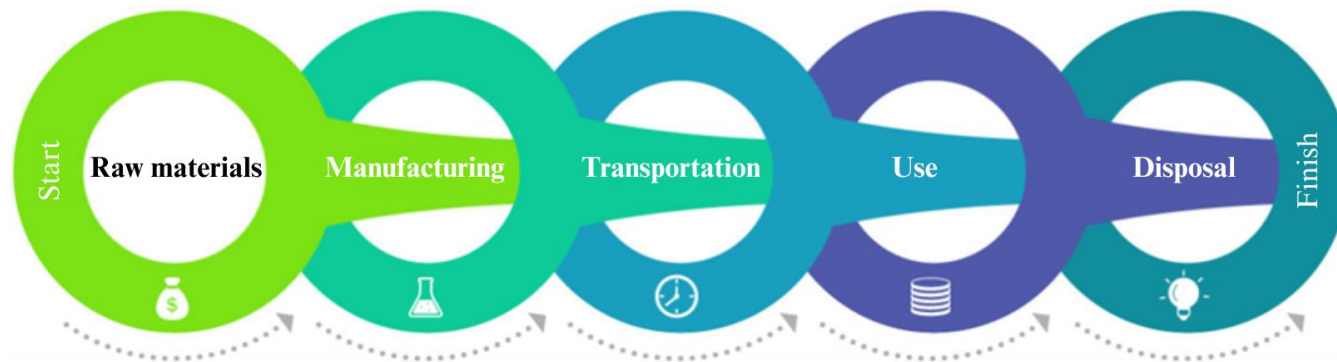
- Business activities comply with environmental laws and regulations, as well as green environmental requirements of advanced countries.
- Product development and packaging use are based on green environmental concepts, with product safety as the design premise.
- Continuously improve processes, working environment, and equipment to reduce pollutant emissions, resource and energy consumption, and health and safety risks.
- Identify potential risks and reduce them.
- Strengthen operational management and personnel training to eliminate accidents, prevent pollution, and avoid occupational injuries and illnesses.
- Achieve 100% compliance with customer requirements for green environmental product quality.
- Strictly require suppliers to ensure raw materials meet the most advanced green environmental requirements.
- Promote and communicate environmental-related information to employees, customers, suppliers, and visitors.

Product Health and Safety Management

Z-COM follows RoHS compliance principles to ensure that products do not contain six hazardous substances including lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyls, and polybrominated diphenyl ethers. The company actively promotes green production and procurement, implements this in its processes, and provides products compliant with hazardous substance-free requirements proposed by major customers.

The company requires suppliers to guarantee that parts supplied from the date of delivery comply with the concentration limits of restricted/prohibited substances listed in the "Environmental Prohibited/Restricted Substance Control List," sign a declaration, submit third-party test reports, and commission qualified vendors for waste recycling and reuse. These measures aim to reduce waste and enhance the safe substitution of hazardous substances, reflecting a commitment to green environmental values.

The company follows the Responsible Business Alliance (RBA) Code of Conduct and conducts self-assessments on labor, health & safety, environmental, ethics, and management systems. It actively pursues international certifications to build trust among customers, employees, and suppliers, and to fulfill corporate responsibility for the environment, economy, and society. In 2024, the company reported no violations of health and safety regulations related to its products and services.



Product Information and Labeling Requirements

Waste Electrical and Electronic Equipment Directive, WEEE

Z-COM considers customer needs, waste reduction, and resource reuse during the design stage, applies environmentally friendly materials and low-pollution alternative materials, and adopts design models that reduce the use of natural resources and increase recycling.

Registration, Evaluation, and Authorization of Chemicals, REACH

REACH is a European Community safety regulation involving the registration, evaluation, authorization, and restriction of chemicals. Since June 1, 2007, for any Substance of Very High Concern (SVHC) that exceeds 0.1% in content and has an annual import volume of over 1 ton, EU manufacturers or importers must notify the European Chemicals Agency (ECHA). Z-COM encourages suppliers to reduce and eliminate the use of such chemical substances as early as possible.

Restriction of Hazardous Substances Directive, RoHS

In 2015, the EU issued Directive (EU) 2015/863 in the Official Journal, officially including four phthalates (DEHP, BBP, DBP, DiBP) as restricted substances. In view of the increasing environmental harm caused by waste electronic and electrical products, all Z-COM products are 100% compliant with the RoHS limit values, and there have been no returns due to RoHS violations.

The restricted substances shall not exceed the concentration limits shown in the table below:

| Restricted Substances | Concentration Limits |
|---------------------------------------|----------------------|
| Lead (Pb) | < 1000ppm |
| Cadmium (Cd) | < 100ppm |
| Mercury (Hg) | < 1000ppm |
| Hexavalent Chromium (Cr+6) | < 1000ppm |
| Polybrominated Biphenyl (PBBs) | < 1000ppm |
| Polybrominated Diphenyl ether (PBDEs) | < 1000ppm |
| Di(2-ethylhexyl)phthalate (DEHP) | < 1000ppm |
| Benzyl butyl phthalate (BBP) | < 1000ppm |
| Dibutyl phthalate (DBP) | < 1000ppm |
| Di-iso-butyl Phthalate (DIBP) | < 1000ppm |

6 、 Appendix

6.1 GRI Content Index

GRI Content Index Description

| | |
|------------------|---|
| Statement of use | Z-COM has reported the information for the period from January 1, 2024 to December 31, 2024 in accordance with the GRI Standards. |
| GRI 1 used | GRI 1: Foundation 2021 |

GRI Content Index

| Disclosure Number | Disclosure Title | Report Contents or Explanation | Page Number | Remarks/ Omission Explanation |
|--|---|--|--------------------|-------------------------------------|
| General Disclosures | | | | |
| GRI 2: General Disclosures 2021 | | | | |
| 2-1 | Organizational Details | 3.1 About Z-COM | 25 | |
| 2-2 | Entities included in the organization's sustainability reporting | 1.3Report Overview | 12 | |
| 2-3 | Reporting period, frequency and contact point | 1.3Report Overview | 12 | |
| 2-4 | Restatements of information | 1.3Report Overview | 12 | No restatement of information |
| 2-5 | External assurance | 1.3Report Overview | 12 | |
| 2-6 | Activities, value chain and other business relationships | 3.1 About Z-COM | 25 | |
| 2-7 | Employees | 4.2 Diverse and Inclusive Workplace | 40 | |
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| 2-10 | Nomination and selection of the highest governance body | 3.2 Board of Directors and Functional Committees | 29 | |
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| 2-22 | Statement on sustainable development strategy | 1.1 Message from Top Management 2.1 Sustainability Strategy | 04 14 | |
| 2-23 | Policy commitments | 2.4 Material Topics Identification and Management | 20 | |
| 2-24 | Embedding policy commitments | 2.4 Material Topics Identification and Management | 20 | |
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| 3-2 | List of material topics | 2.4 Material Topics Identification and Management | 20 | |

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| 3-3 | Management of material topics | 2.4 Material Topics Identification and Management | 20 | |
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| 201-1 | Direct economic value generated and distributed | 3.3 Economic Performance | 34 | |
| 201-2 | Financial implications and other risks and opportunities due to climate change | 3.3 Economic Performance | 34 | |
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| Material Topic : Information Security Management | | | | |
| GRI 418 : Customer Privacy 2016 | | | | |
| 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | 3.6 Information Security Management | 36 | |
| Material Topic : Labor-Management Relations | | | | |
| GRI 401 : Employment 2016 | | | | |
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| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | 4.4 Employee Rights and Benefits | 45 | |
| 401-3 | Parental leave | 4.4 Employee Rights and Benefits | 45 | |
| GRI 402 : Labor-Management Relations 2016 | | | | |
| 402-1 | Minimum notice periods regarding operational changes | 4.2 Diverse and Inclusive Workplace | 40 | |
| Material Topic : Talent Cultivation | | | | |
| GRI 404 : Training and Education 2016 | | | | |
| 404-1 | Average hours of training per year per employee | 4.3 Talent Cultivation and Development | 44 | |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | 4.3 Talent Cultivation and Development | 44 | |
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| Material Topic : Occupational Health and Safety | | | | |

| GRI 403 : Occupational Health and Safety 2018 | | | | |
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| 403-2 | Hazard identification, risk assessment, and incident investigation | 4.5 Occupational Health and Safety | 52 | |
| 403-3 | Occupational health services | 4.5 Occupational Health and Safety | 52 | |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | 4.5 Occupational Health and Safety | 52 | |
| 403-5 | Worker training on occupational health and safety | 4.5 Occupational Health and Safety | 52 | |
| 403-6 | Promotion of worker health | 4.5 Occupational Health and Safety | 52 | |
| 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 4.5 Occupational Health and Safety | 52 | |
| 403-8 | Workers covered by an occupational health and safety management system | 4.5 Occupational Health and Safety | 52 | |
| 403-9 | Work-related injuries | 4.5 Occupational Health and Safety | 52 | |
| 403-10 | Work-related ill health | 4.5 Occupational Health and Safety | 52 | |
| Material Topic : Product Health and Safety | | | | |
| GRI 416 : Customer Health and Safety 2016 | | | | |
| 416-1 | Assessment of the health and safety impacts of product and service categories | 5.6 Product Health and Safety | 74 | |
| 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | 5.6 Product Health and Safety | 74 | |

6.2 Climate-related Disclosures

| Item | Content | Response |
|------|--|---|
| 1 | Disclose the board's and management's oversight and governance of climate-related risks and opportunities. | The Board of Directors is responsible for oversight and decision-making. The Sustainable Development Promotion Office is the designated unit of the Company and regularly reports the planning and results of climate change promotion, and regularly reports to the Board of Directors. Monthly management meetings are chaired by the Chairman. The promoting unit reports on energy- |

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| | | saving and carbon-reduction efforts, planning, and results as needed. |
| 2 | Disclose how identified climate risks and opportunities impact the organization's businesses, strategy, and financial planning (short, medium, and long term). | <p>The Company follows the categories of climate-related risks and opportunities defined by TCFD to discuss the impact of specific risk issues and scenarios on operations, identify and prioritize climate-related risks and opportunities according to their impact level, and identify potential crises and opportunities arising from climate change.</p> <p>The risks and opportunities affecting the Company's business, strategy, and financial planning in the short, medium, and long term are identified. For example, in climate risks, policies and regulations such as carbon fees (taxes) may increase tax, management, and investment costs. In climate opportunities, product and service innovation in energy-saving, low-carbon, and energy management meets customer demand and increases revenue.</p> |
| 3 | Disclose the financial impact of extreme weather events and transition activities. | <p>Extreme climate events such as typhoons, heavy rains, floods, and heat disasters may impact the Company's finances, including damage to plants/equipment/transported goods or even production shutdowns. Carbon fee (tax) implementation may also raise operating costs, thereby affecting financial profitability. To mitigate financial impact, the Company incorporates climate change into risk decision-making.</p> <p>The Company has relevant products and technologies to effectively assist in monitoring and warning of extreme climate, earthquakes, and landslide risks, enhancing disaster preparedness.</p> <p>The Sustainable Development Promotion Office develops response strategies and action plans to reduce the operational impact of climate change, seize transformation opportunities, and enhance corporate resilience and sustainability.</p> |
| 4 | Disclose how the processes for identifying, assessing, and managing climate risks are integrated into the organization's overall risk management. | <p>The Company follows the Task Force on Climate-related Financial Disclosures (TCFD) framework issued by the Financial Stability Board, disclosing information on governance, strategy, risk management, and metrics related to climate change. This information is disclosed in the sustainability report and annual financial report.</p> <p>The Company's risk management policy and procedures have included climate change as a risk category and clearly define processes for identifying, analyzing, assessing, responding to, managing, and monitoring relevant risks.</p> |
| 5 | If scenario analysis is used to assess the resilience of the organization's strategy to climate change risks, disclose the scenarios used, parameters, assumptions, analytical factors, and major financial impacts. | The Company has not yet conducted TCFD scenario analysis to assess the resilience to climate change risks. |
| 6 | If there is a transition plan to manage climate-related risks, please describe the plan and the metrics and targets used to identify and | The Company currently does not have a transition plan for managing climate-related risks, but has released vertical application products related to the Critical Network. |

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| | manage physical and transition risks. | | | | | |
| 7 | If internal carbon pricing is used as a planning tool, please explain the basis for setting the price. | The Company currently does not use carbon pricing as a planning tool. | | | | |
| 8 | If climate-related targets are set, please specify the covered activities, GHG emission scopes, planning timeline, and annual progress. If carbon offsets or Renewable Energy Certificates (RECs) are used to meet targets, indicate the source and amount of offsets or the number of RECs. | The Company is committed to environmental protection through a green operation model of "maximizing production efficiency and minimizing environmental impact" to achieve a win-win outcome for economy and environment. Since 2022, the Company has promoted a three-stage green action plan focused on source reduction and efficiency improvement, enhancing ecological benefits in energy saving, water and electricity conservation, waste reduction, and GHG reduction to contribute to environmental sustainability. The Company does not currently adopt the purchase of Renewable Energy Certificates (RECs) as a carbon reduction measure, and gives priority to self-generation and self-consumption of renewable energy. | | | | |
| 9-1-1 | Greenhouse gas inventory information in recent two years. | Year | Scope1 (tCO _{2e}) | Scope2 (tCO _{2e}) | Total Emissions (tCO _{2e}) | Emission Intensity (tCO _{2e} per NT\$ million revenue) |
| | | 2023 | 7.659 | 89.753 | 97.412 | 0.226 |
| | | 2024 | 9.889 | 89.799 | 99.688 | 0.179 |
| 9-1-2 | Greenhouse gas assurance information in recent two years. | The Company's paid-in capital does not exceed NT\$5 billion. In accordance with Financial Supervisory Commission Order No. 11103849344, the parent entity shall disclose inventory information starting from 2026, and disclose assurance information starting from 2028. | | | | |
| 9-2 | Greenhouse gas reduction targets, strategies, and specific action plans. | (1) The Company plans to implement a digital carbon management platform in 2025 and introduce the ISO 50001 Energy Management System in 2026. It will continue to optimize energy management and develop renewable energy, and will subsequently establish greenhouse gas reduction targets, strategies, and specific action plans in line with the implementation timeline. (2) The Company will carry out greenhouse gas inventory and assurance operations according to the disclosure timeline announced by the competent authority for listed companies, and will set the Group's greenhouse gas reduction targets, strategies, and specific action plans accordingly. | | | | |

6.3 Third-Party Assurance Statement



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會計師有限確信報告

智捷科技股份有限公司 公鑒

本會計師接受智捷科技股份有限公司(以下簡稱「智捷科技」)之委任,對2024年度永續報告書中所選定之水環境績效資訊(以下稱「標的資訊」),執行財團法人中華民國會計研究發展基金會所發布之確信準則所定義之「有限確信案件」並出具報告。

標的資訊及其適用基準

有關智捷科技之標的資訊及其適用基準詳列於附件。

管理階層之責任

智捷科技管理階層之責任係依據財團法人中華民國證券櫃檯買賣中心「上櫃公司編製與申報永續報告書作業辦法」之規定,以及參考適當之基準編製標的資訊,包括參考全球永續性報告協會(Global Reporting Initiatives, GRI)所發布之2021年GRI準則(GRI Standards),智捷科技管理階層應選擇所適用之基準,並對標的資訊在所有重大方面是否依據該適用基準報導負責,此責任包括建立及維持與標的資訊編製有關之內部控制,維持適當之記錄並作成相關之估計,以確保標的資訊未存有導因於舞弊或錯誤之重大不實表達。

本會計師之責任

本會計師之責任係依據所取得之證據對標的資訊作成結論。

本會計師係依照財團法人中華民國會計研究發展基金會所發布之確信準則3000號「非屬歷史性財務資訊查核或核閱之確信案件」之要求規劃並執行有限確信工作,以對標的資訊是否存在重大不實表達出具有限確信報告,本會計師依據專業判斷,包括對導因於舞弊或錯誤之重大不實表達風險之評估,以決定確信程序之性質、時間及範圍。

本會計師相信已取得足夠及適切之證據,以作為表示有限確信結論之基礎。

會計師之獨立性與品質管理

本會計師及所隸屬組織遵循會計師職業道德規範中有關獨立性及其他道德規範之規定,該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密及專業行為。

本事務所遵循品質管理準則1號「會計師事務所之品質管理」,該品質管理準則規定組織設計、付諸實行及執行品質管理制度,包含與遵循職業道德規範、專業準則及適用之法令規範相關之政策及程序。



所執行程序之說明

有限確信案件中執行程序之性質及時間與適用於合理確信案件不同,其範圍亦較小,因此,有限確信案件中取得之確信程度明顯低於合理確信案件中取得者。本會計師所設計之程序係為取得有限確信並據此作成結論,並不提供合理確信必要之所有證據。

儘管本會計師於決定確信程序之性質及範圍時曾考量智捷科技內部控制之有效性,惟本確信案件並非對智捷科技內部控制之有效性表示意見。本會計師所執行之程序不包括測試控制或執行與檢查資訊科技(IT)系統內資料之彙總或計算相關之程序。

有限確信案件包括進行查詢,主要係對負責編製標的資訊及相關資訊之人員進行查詢,並應用分析及其他適當程序。

本會計師所執行之程序包括:

- 取得智捷科技2024年度報告書,並閱讀其內容;
- 與參與編製標的資訊之相關人員進行訪談,以瞭解編製前述確信標的資訊之流程,以及相關之內部控制;
- 基於對上述事項之瞭解,就確信標的資訊執行分析性程序,或於必要時檢視核對相關文件,已取得有限確信之證據。

先天限制

因永續報告中所包含之非財務資訊受到衡量不確定性之影響,選擇不同的衡量方式,可能導致績效衡量上之重大差異,且由於確信工作係採抽樣方式進行,任何內部控制均受有先天限制,故未必能查出所有業已存在之重大不實表達,無論是導因於舞弊或錯誤。

結論

依據所執行之程序及所取得之證據,本會計師未發現標的資訊有未依照適用基準編製而須作重大修正之情事。



附件:

| 編號 | 對應章節 | 標的資訊 | 適用基準 |
|----|--------|---|---|
| 1 | 能源管理 | 本公司依據經濟部《溫室氣體排放量盤查作業指引(113年版)》規範,鑑別出主要能源消耗類別為電力及汽油,年度總能源消耗量為714.99十億焦耳(GJ),其中,外購電力消耗量占總能源消耗量的90.8%,汽油消耗量則占9.2%。 | 「上櫃公司編製與申報永續報告書作業辦法」第四條第三項之水環境揭露指標(附表一之八至附表一之十四編號一)之消耗能源總量、外購電力百分比及再生能源使用率。 |
| 2 | 水資源管理 | 2024年智捷科技取水水量為1,103立方公尺。 註:因本公司水資源用途均為員工生活用水,故取水水量等同於排水量,無耗水量情形發生。 | 「上櫃公司編製與申報永續報告書作業辦法」第四條第三項之水環境揭露指標(附表一之八至附表一之十四編號二)之總取水水量及總耗水量。 |
| 3 | 廢棄物管理 | 本公司於2024年所產生的廢棄物總量為574公斤,其中有害事業廢棄物占比55.92%,約為321公斤。 | 「上櫃公司編製與申報永續報告書作業辦法」第四條第三項之水環境揭露指標(附表一之八至附表一之十四編號三)之所產生有害廢棄物之重量及回收百分比。 |
| 4 | 年度永續亮點 | 2024年無相關貪污事件及涉及反競爭行為、反托拉斯和壟斷行為之法律事件與訴訟。 | 「上櫃公司編製與申報永續報告書作業辦法」第四條第三項之水環境揭露指標(附表一之八至附表一之十四編號七)之因與反競爭行為條例相關的法律訴訟而造成的金錢損失總額。 |

安永聯合會計師事務所

會計師:劉榮進

民國一四四年八月十四日

