



# 2024 Sustainability Report

Egis Technology Inc.

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## Message from the Chairman



## Message from the Chairman

Our company embraces corporate sustainability as a core value, committed to balancing economic growth, social responsibility, and environmental protection to generate long-term value for all stakeholders. We actively promote sustainability by optimizing governance structures, enhancing environmental management, advancing employee well-being, and fulfilling our corporate social responsibilities.

### Operational Overview

The semiconductor industry in 2024 presents both challenges and opportunities. In the first half of the year, consumer spending was squeezed by high inflation, elevated interest rates, and geopolitical risks, leading to weakened sales momentum for end-user electronics. Facing client inventory adjustments and geopolitical challenges, Egis adopted a dual-track approach combining internal lean management with external strategic partnerships to ensure stable operational growth.

Starting in the latter half of the year, Egis demonstrated group synergies through strategic consolidation and investments. These included incubating SYNIC for its IPO, partnering with FPC to take over mobile device production lines, investing in Egis Vision to develop IoT AI applications, securing ARM Neoverse V3 architecture licensing, and integrating IP/ASIC platforms. These moves actively positioned the company for growth in AI/HPC, automotive, storage, and foundational component markets. These strategic initiatives drove cumulative revenue to NT\$4.79 billion in 2024, representing a 24.5% year-over-year increase.

### Corporate Governance Results

We strictly adhere to corporate governance standards, establishing transparent and efficient decision-making mechanisms to ensure the Board of Directors operates in accordance with the highest governance standards. Concurrently, we strengthen internal controls and compliance management, implement risk management systems, and actively promote anti-corruption policies to uphold ethical business practices. Furthermore, we monitor geopolitical shifts and adjust operational strategies as needed to ensure regulatory compliance and stable operations.

### Environmental Protection Achievements

We actively address climate change by promoting energy-saving and carbon-reduction measures while striving to establish a green supply chain. Egis has established an ESG Committee and promised this year to complete the compilation of Sustainability Reports, advancing carbon inventory and reduction initiatives to achieve the goal of “Net-Zero Transition by 2050.” Additionally, Egis invests in green product R&D to ensure operational activities comply with environmental standards.



## Employee Care Outcomes

We regard our employees as our most valuable asset. We provide competitive compensation and benefits, and implement diversity and inclusion policies to cultivate a fair and inclusive workplace. Additionally, we prioritize talent development by offering comprehensive training programs and career development plans, helping employees continuously grow and enhancing our overall organizational competitiveness.

## Product Responsibility Outcomes (Customer Health and Safety)

We prioritize product quality and customer safety above all else, establishing a comprehensive quality control system to ensure all products meet international standards. Furthermore, we place great importance on protecting customer privacy, implementing strict data security management protocols to safeguard client rights and trust.

## Community Engagement

Egis actively engages in engagement initiatives to give back to society. Through corporate volunteer programs and social outreach activities, we support diverse areas, including education for disadvantaged groups and environmental protection, thereby demonstrating our commitment to corporate citizenship and core values.

## Future Outlook

Looking ahead to 2025, the global semiconductor industry is projected to maintain steady growth driven by demand for AI and HPC, with the market size expected to expand by over 12.5%. Building upon its core technologies and products, Egis will continue to explore market opportunities, deepen AI and HPC technology development, strengthen its IP/ASIC platform, and expand its global market presence.

Egis will continue to uphold its corporate social responsibility and advance ESG strategies by developing high-performance, low-power products that contribute to energy conservation and carbon reduction. While pursuing strong financial performance, we remain committed to environmental stewardship, social responsibility, and sound corporate governance. Through these efforts, we aim to continuously enhance our competitiveness and create greater value for our shareholders and customers.

Steve Lo, Chairman and CEO of Egis Technology Inc.





## **About This Sustainability Report**

## About This Sustainability Report

Egis publishes its 2024 Sustainability Report (hereinafter referred to as “this Report”) to pursue sustainable corporate development and enhance information transparency. Through this Report, we communicate to stakeholders the measures and performance achieved under our sustainability goals, including building integrity-based governance, implementing environmental and occupational safety measures, and improving employee compensation and benefits. Egis sincerely welcomes the continued support and constructive feedback from all stakeholders, which will help the Company make steady progress on its path toward long-term sustainability.

### ESG Information Disclosure

Exposure category	Coverage
<b>Reporting Period</b>	Throughout 2024, to ensure the completeness of disclosed information, any content pertaining to operating activities spanning multiple fiscal years will be separately explained within the body of this report.
<b>Information Recompilation</b>	This report contains no restated information.
<b>Operational Locations</b>	Taiwan facilities (Taipei headquarters, Hsinchu office)
<b>Financial Statistics</b>	Standalone financial data
<b>Environmental, Health, and Safety Statistics</b>	Taiwan facilities (Taipei headquarters, Hsinchu office)
<b>Employee Statistics</b>	Taiwan facilities (Taipei headquarters, Hsinchu office)
<b>Community Engagement Performance</b>	Taiwan facilities (Taipei headquarters, Hsinchu office)
<b>Reporting Boundary</b>	This report covers only Egis as a standalone entity.



## Basis for Preparation and Method of Information Verification

- This report is structured in accordance with the GRI Standards 2021 published by the Global Reporting Initiative (GRI), and complies with the requirements for Appendix II under the “Regulations Governing the Preparation and Submission of Sustainability Reports by Listed Companies.” the appendix to this report provides a GRI content index and climate-related information for listed companies for stakeholder reference.
- The financial data disclosed in this report has been reviewed and certified by PwC Taiwan in accordance with International Financial Reporting Standards (IFRS) and is presented in thousands of New Taiwan Dollars. Environmental, employee, and occupational safety data were compiled by the responsible departments, verified by department heads, and presented using internationally recognized calculation methods.
- Egis has established operational procedures for the preparation and verification of Sustainability Reports. After this report is completed internally, the relevant departments first conduct a preliminary review of the accuracy of the information contained within. then submitted to the Sustainability Committee for confirmation that all identified material topics are comprehensively covered. The internal control system reviews the disclosed information in the Sustainability Reports to ensure compliance with the “Regulations Governing the Preparation and Filing of Sustainability Reports by Listed and OTC Companies” and the “Guidelines for Establishing Internal Control Systems by Publicly Issued Companies.” Furthermore, plans are in place to submit the ESG report to the Board of Directors for resolution prior to its annual publication in the second half of the year. This report has not undergone external assurance or verification.

## Publication Frequency

This marks Egis' first ESG report, which will be published annually going forward. To enhance the transparency and accessibility of the report's disclosures, the full electronic version is available for download on Egis' official website.

- Release date for this edition : August 2025.
- Release date for the next edition : August 2026.

## Feedback

If you have any comments or suggestions regarding the content of this report, please feel free to contact us.

Administration Supervisor, Egis Technology Inc.

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## **Sustainability Initiatives**



## Sustainability Initiatives

Aspect	2024 Performance
<b>Governance and Economic Aspects</b>	<ul style="list-style-type: none"> <li>Ranked in the 51st to 65th percentile among listed companies in the 11th Corporate Governance Evaluation</li> <li>Independent directors constitute 44.45% of the Board of Directors; annual performance rating: 86 points (Excellent)</li> <li>Average ESG professional development hours per director reached 6 hours; corporate governance officers completed 12 hours; audit personnel completed 12 hours</li> <li>No reports of integrity violations received; no records of violations against corporate governance, commercial accounting, or product safety regulations; no significant deficiencies in internal control operations</li> <li>The company's standalone revenue reached NT\$2,236,214 thousand, representing a 19.22% year-on-year increase. Standalone gross profit margin grew by 53.47% compared to the previous year</li> <li>Customer satisfaction survey scores exceeded 85 points</li> <li>No major cybersecurity incidents causing operational disruptions occurred; no incidents of personal data breaches or customer privacy leaks were reported</li> <li>Third-party cybersecurity risk assessment scored 94 points, outperforming the industry average</li> <li>Continued green product development resulted in a 50% reduction in energy consumption for mature products and a 20% reduction in chip size</li> </ul>
<b>Environmental Aspects</b>	<ul style="list-style-type: none"> <li>Energy intensity: 1.3467 (unit: billion joules / millions in revenue)</li> <li>Scope 1 greenhouse gas emissions: 0 metric tons of CO<sub>2</sub>e; Scope 2 emissions: 364.5845 metric tons of CO<sub>2</sub>e</li> <li>Scope 1 greenhouse gas emissions decreased by 0.956 metric tons CO<sub>2</sub>e compared to the previous year; Scope 2 decreased by 61.7137 metric tons CO<sub>2</sub>e compared to the previous year; combined Scope 1 and Scope 2 greenhouse gas emissions decreased by 62.67 metric tons CO<sub>2</sub>e compared to the previous year</li> <li>Water consumption at the Taipei headquarters was 1.50 million liters; total general industrial waste amounted to 0.0720 metric tons, and total hazardous industrial waste amounted to 0.0810 metric tons</li> <li>All suppliers hold valid ISO environmental management system certifications and comply with RoHS and REACH</li> </ul>

	<p>hazardous substance management regulations, as well as customer requirements for hazardous substance management</p> <ul style="list-style-type: none"> <li>● No complaints related to hazardous substance management occurred; conflict minerals were not procured</li> <li>● Passed customer RBA audits with no significant deficiencies</li> <li>● Completed sustainability assessments for 11 suppliers during the year, achieving 100% overall assessment coverage and 100% ESG audit pass rate</li> <li>● No record of environmental regulation violations</li> <li>● No supply chain disruptions caused by suppliers' major violations of environmental, human rights, or occupational safety regulations related to social responsibility</li> </ul>
<b>Social and Human Rights Aspects</b>	<ul style="list-style-type: none"> <li>● The median salary for non-managerial staff increased by NT\$9,000 compared to the previous year</li> <li>● The average salary for non-managerial staff exceeded the industry average</li> <li>● Female managers accounted for 26.8% of all managers. The retention rate for female employees returning to work after completing maternity leave and remaining employed for one year was 100%</li> <li>● 87.5% of senior management positions are held by local talent</li> <li>● Zero accidents occurred during the year. No fatalities, serious occupational injuries, or recordable occupational incidents resulted from work-related causes. No fatalities or recordable occupational diseases occurred</li> <li>● No violations of labor regulations were recorded.</li> <li>● One labor-management dispute occurred and has been resolved.</li> <li>● No breaches of trade secrets occurred during the year.</li> <li>● No incidents of abnormal workloads or human-induced hazards occurred.</li> <li>● Annual purchase of Thanksgiving gift boxes from social welfare institutions.</li> </ul>

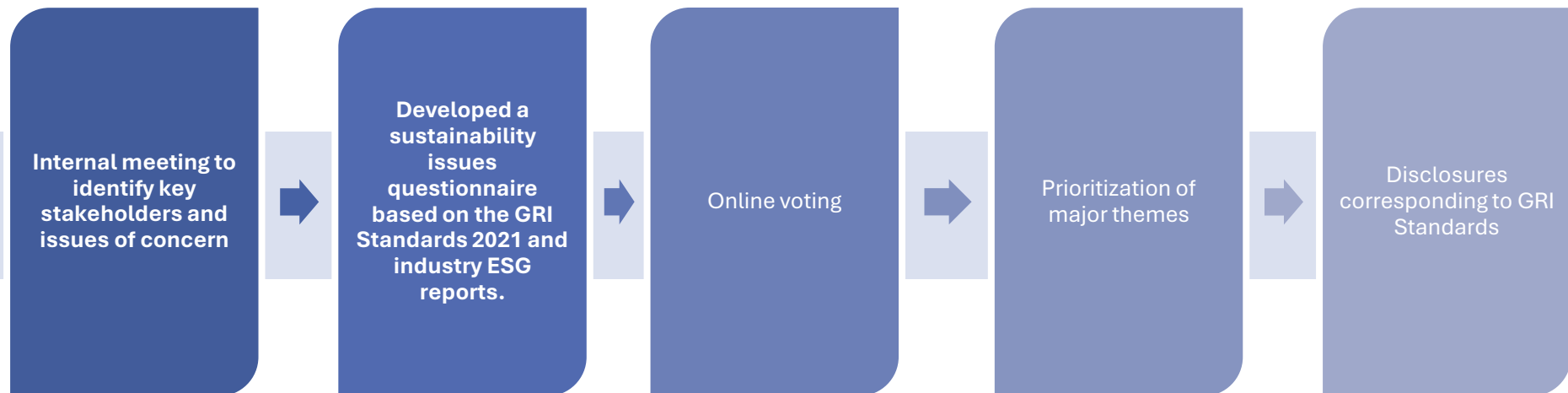


## Stakeholder Engagement



## I. Stakeholder Engagement

### Stakeholder and Material Topic Identification Process



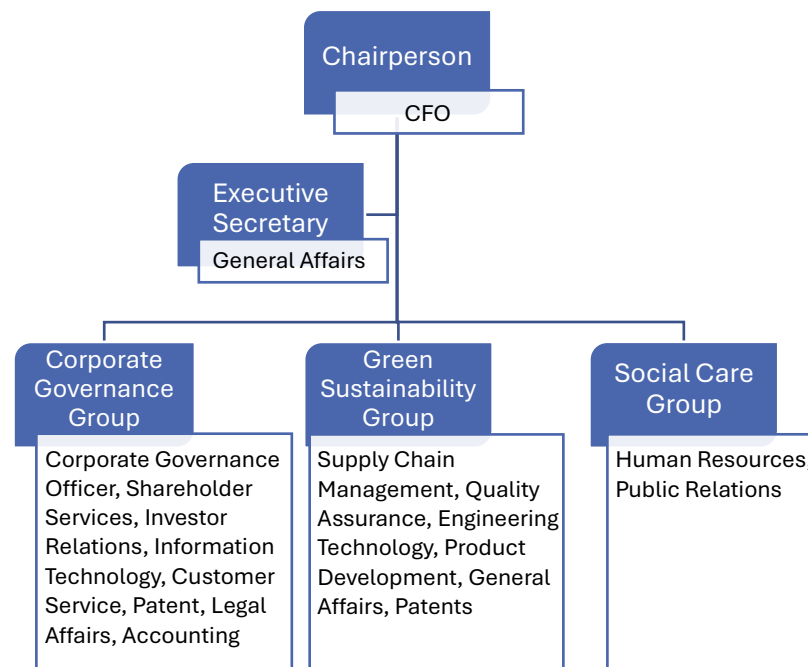
## 1.1 Sustainability Committee

The Board of Directors of Egis has adopted the “Sustainability Practice Guidelines” and the “Procedures for Preparing and Verifying Sustainability Reports.” Authorized by the Board of Directors, a Sustainability Committee (hereinafter referred to as the ESG Committee) has been established. The Chief Financial Officer serves as Chair of the ESG Committee and is responsible for formulating sustainability policies as well as overseeing their implementation and execution within the company. Functional working groups covering Environmental, Social (including human rights), and Governance (hereinafter referred to as ESG) aspects have been established under the Committee. Department heads serve as members of these functional groups. Through irregular meetings, to consolidate stakeholder concerns regarding environmental protection, occupational safety, supply chain management, labor rights, operational performance, and corporate governance. These issues are discussed and resolved during meetings, with final decisions submitted by the Chairperson to the Chairman for review and approval. To respect stakeholder rights, a dedicated stakeholder section has been established on the company website to appropriately address key sustainability issues of interest.

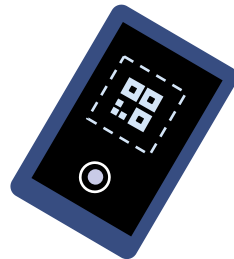
Egis has established the “Procedures for Preparing and Verifying Sustainability Reports,” which are integrated into the internal control system. As needed, the company reports to the Board of Directors on the annual ESG planning and implementation, including identified material topics, subsequent risk responses, material topic targets, and implementation status. Concurrently, arrangements are made to submit the ESG report to the Board of Directors for resolution.

The ESG Committee proposes sustainable development strategies to the Board of Directors. The Board evaluates the feasibility of these strategies, monitors implementation progress, and, when necessary, issues recommendations urging management to make adjustments. This process ensures the Board's substantive involvement in the company's ESG practices. Furthermore, the Board formulates

sustainable development policies, oversees their implementation internally, and progressively integrates sustainable business principles into Egis’ corporate culture.

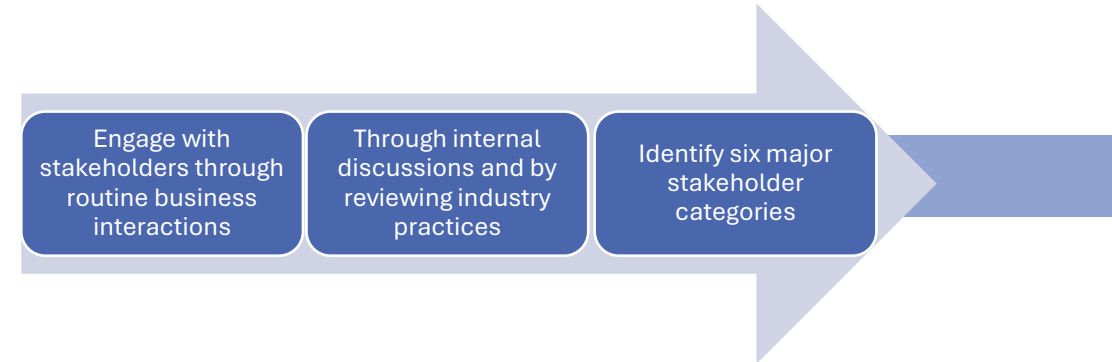


## Sustainable Development Guidelines



## 1.2 Identification of Stakeholders

### Identify the Primary Stakeholders



Stakeholders are groups that influence or are influenced by Egis. Each department conducts an initial screening based on the types of stakeholders encountered through routine business interactions. Subsequently, based on the frequency of interaction, mutual influence, and relative importance between each stakeholder and Egis, internal discussions and industry benchmarking led to the final identification of six key stakeholder categories of significance to Egis: government agencies, shareholders, customers, employees, suppliers, and financial institutions.

### 1.3 Stakeholder Communication Channels and Issues of Concern

Egis' key stakeholders, due to their differing identity categories, exhibit varied concerns regarding the company. Egis departments proactively engage with stakeholders through diverse channels to foster ongoing positive interaction, ensuring those interested in Egis can understand the company's operational overview in a timely manner. Concurrently, Egis identifies stakeholder expectations and requirements, responding promptly. The company reports to the Board of Directors at least annually on the status of two-way communication with key stakeholders.

Egis departments collect key concerns raised by primary stakeholders during routine business interactions. These are consolidated by the ESG Committee, referencing the GRI Sustainability Reporting Standards 2021 and peer ESG reports to identify 19 sustainability topics. These encompass corporate governance, operational performance, and employee welfare, ensuring Egis' sustainability disclosures meet the GRI Standards' requirements for completeness and diversity.

Primary Stakeholders	Importance to the Company	Focus Issues	Communication Channels/Frequency	Annual Communication Records
<b>Government and Competent Authorities</b>	Government agency supervision and audit of companies' compliance with various regulations	Regulatory compliance  Customer protection and communication  Corporate governance  Risk management	Contact information Ms. Hsu, Stock Affairs Department Phone : +886-2-2658-9768 Ext. 621  Participate in policy discussions and seminars organized by regulatory authorities on an ad hoc basis to support their oversight and inspection activities. Conduct visits to regulatory authorities to establish direct communication channels. Establish a dedicated liaison to	Three investor-accessible press conferences on material information will be held at the Taiwan OTC Market in 2024.



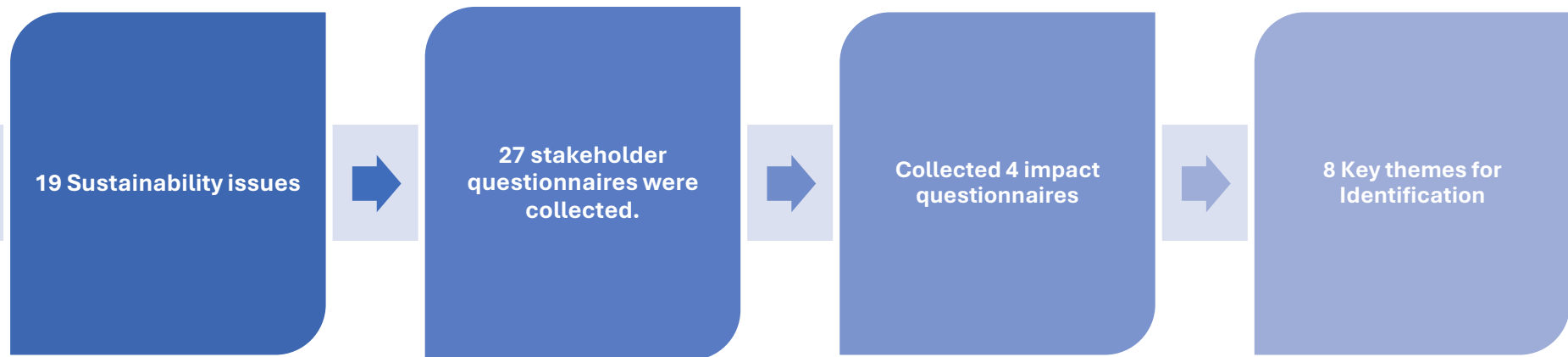
		Communication with the competent authority	maintain positive interactions with regulatory bodies.	
<b>Financial Institutions</b>	Financial institutions provide companies with funding sources, fostering relationships of mutual trust and support. Companies maintain transparent disclosure of relevant financial information, demonstrating operational effectiveness and enhancing investment value.	Corporate governance Risk management Operational performance	<p>Contact information Ms. Hsu, Finance Department Phone : +886-2-2658-9768 Ext. 631</p> <p>Provide key information—such as annual reports, financial statements, and monthly revenue overviews—disclosed on the Public Information. Observation Station for financial institutions.</p> <p>Promptly respond to telephone inquiries and visit requests from financial institutions.</p>	<p>In 2024, established stable business relationships with 10 correspondent banks.</p> <p>Conducted over 50 unscheduled phone calls and in-person visits for communication in 2024.</p> <p>In 2024, established the first joint credit facility involving 7 banks through Cathay United Bank, marking the nation's first joint credit facility for an IC design merger and acquisition.</p>
<b>Shareholders and Investors</b>	Shareholders are the investors of the company. The company shall protect shareholders' rights and interests, treat all shareholders fairly, and ensure that shareholders have full rights to know,	Corporate governance Sustainable development strategy Risk	<p>Contact information Ms. Wang, Investor Relations Department Phone : +886-2-2656-1798 Ext. 8501</p> <p>Promptly announce important information such as corporate governance, significant business</p>	<p>In 2024, 70 major announcements were issued in both Chinese and English.</p> <p>In 2024, 8 press releases were issued.</p> <p>In 2024, 14 institutional investor</p>

	participate in, and decide on major matters concerning the company.	management  Shareholder engagement  Operational performance	developments, and operational performance—key details of interest to shareholders and investors. Hold an annual shareholders' meeting and publish an annual report. Participate in domestic and international institutional investor briefings as needed throughout the year. Establish an Investor Relations Contact Information for two-way communication and accommodate visits from domestic and international institutional analysts as required. Maintain a dedicated email address (ir@egistec.com) managed by designated personnel to facilitate feedback from shareholders and investors.	briefings were held.
<b>Suppliers and Corporate Clients</b>	The company maintains long-term, positive interactions with its supply partners. Our products and services rely on numerous suppliers for the stable provision of raw materials and components. Furthermore, leveraging the company's influence within the industry, we collaborate with supply partners to prevent environmental	Information security  Sustainable development strategy  Corporate image  Information transparency	Contact information Ms. Lo, Procurement Department Phone : +886-2-2656-1798 Ext. 8817  Customer contact information Ms. Chiu, Sales Department Phone : +886-2-2658-9768 Ext. 818  Actively invite suppliers to sign the supplier management commitment Letter.	In 2024, Egis completed sustainability assessment questionnaires/reports for all 11 suppliers with annual procurement values exceeding NT\$20 million. These suppliers fully comply with local operational and environmental regulations, with no documented instances of negative environmental impacts or occupational safety hazards.

	<p>pollution and violations of labor rights.</p> <p>Customers represent the primary source of the company's revenue. We regard product quality, safety, and after-sales service as our highest commitment to customers. Maintaining high customer satisfaction will help the company continue to earn customer recognition.</p>	Supplier management		<p>Satisfaction surveys were distributed to the top ten clients, achieving an average satisfaction score of 87.20 points.</p>
<b>Employee</b>	<p>Employees form the indispensable foundation of our company's operations. We are committed to providing a workplace environment that supports their physical and mental well-being and fosters diverse development, enabling colleagues to work without any worries.</p>	<p>Employee benefits</p> <p>Employee evaluation system</p> <p>Operational performance</p> <p>Labor-management relations</p>	<p>Contact information Ms. Wang, Human Resources Department Phone : +886-2-2658-9768 Ext. 662</p> <p>Internal website or internal email announcements: Periodically announce various employee benefit matters (health checkups, group insurance, etc.), information from the Employee Welfare Committee, important company operational updates, training course information, annual performance management procedures, and other relevant notices.</p>	<p>In 2024, internal training sessions totaled 309 participants, amounting to 309 hours.</p> <p>In 2024, external training sessions totaled 6 participants, amounting to 51 hours.</p>

## 1.4 Identification of Material Topics

### Materiality Identification Process

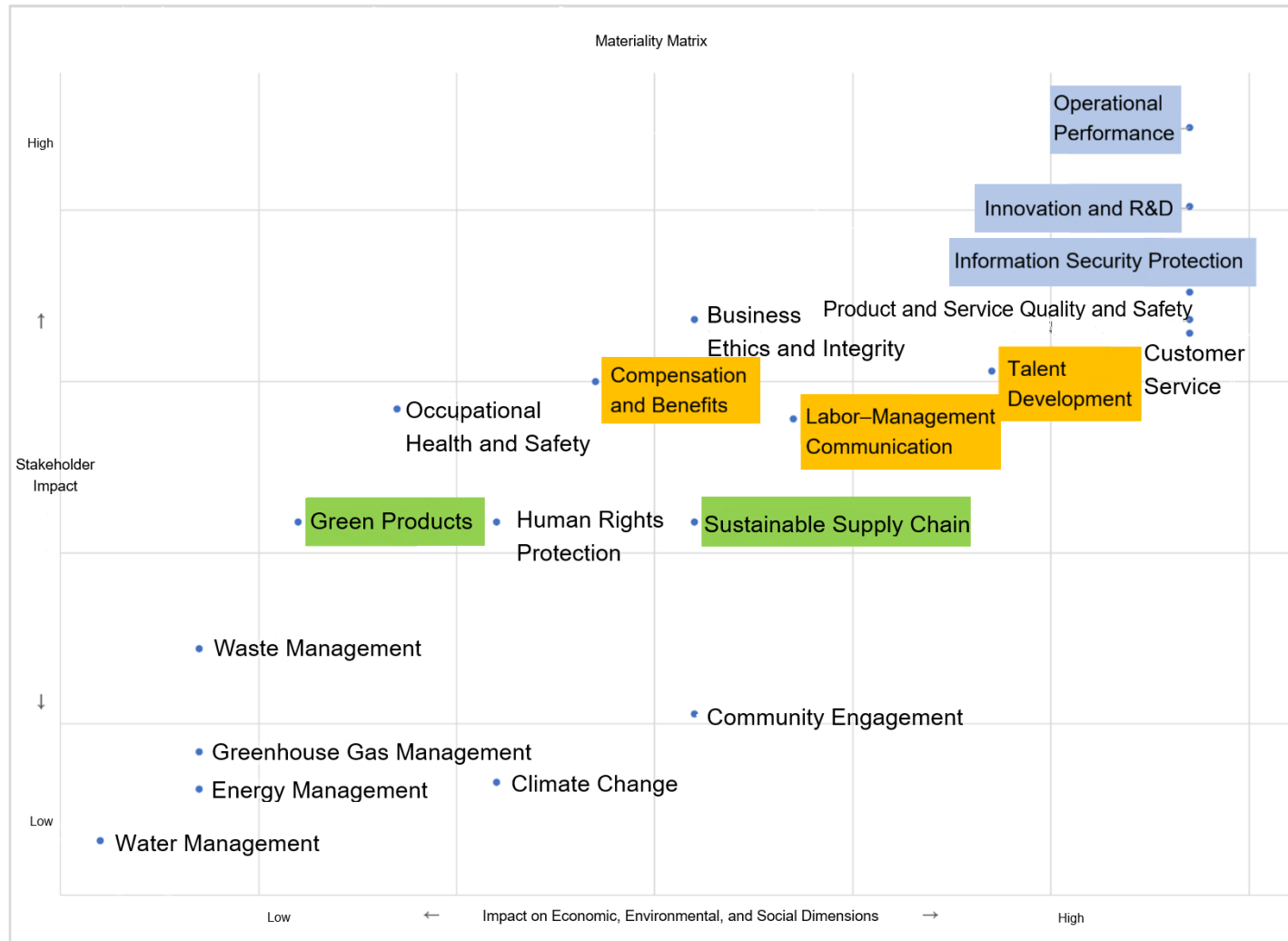


Aspect	Sustainability Issues
<b>Environmental Aspects</b>	Water resource management, energy management, greenhouse gas management, waste management, sustainable supply chain, green products, climate change
<b>Social and Human Rights Aspects</b>	Talent development, labor-management communication, compensation and benefits, occupational safety, human rights protection, participation in public welfare
<b>Economic Aspects</b>	Operational performance, innovation and R&D, information security protection, ethical integrity, product/service safety, customer service

**Note:** Corporate governance, risk management, and ethics and integrity are mandatory disclosure areas under the GRI Sustainability Reporting Standards 2021 (GRI Standards: 2021). Therefore, although not listed as material topics this year, this report will still disclose relevant information.

The Egis ESG Committee identified 19 sustainability issues and invited key stakeholders to assess them via an online questionnaire to gauge the material impact of each issue on them. This survey yielded 27 valid responses, covering shareholders (5), employees (12), customers (3), suppliers (3), and financial institutions (4). Based on these responses, the level of concern and ratings for each sustainability issue were compiled for each stakeholder category. To comprehensively establish the materiality framework, questionnaires were simultaneously distributed to internal managers to assess the potential impact of each sustainability issue on the company's internal and external operations. Based on the dual materiality principle—the importance of sustainability issues to stakeholders and their substantive impact on the company itself—a materiality matrix was developed. Following discussion and review by the ESG Committee, the top two sustainability issues with the highest scores were selected from each of the three major aspects: “Environment,” “People (including Human Rights),” and “Economy.” Following internal discussions, the top two sustainability issues from each category were selected. A total of eight themes were incorporated as this year's material topics.





Sequence	Major Themes for 2024
1	Operational Performance
2	Innovation and R&D
3	Information Security Protection
4	Talent Development
5	Labor-Management Communication
6	Compensation and Benefits
7	Sustainable Supply Chain
8	Green Products

The aforementioned eight major themes are not only critical issues for the company's sustainable operations but also carry dual characteristics of potential risks and strategic opportunities. In an increasingly competitive and strictly regulated operating environment, Egis will balance operational performance and shareholder returns with social responsibility and environmental sustainability. This includes ensuring employee well-being, implementing regulatory compliance, and strengthening supply chain resilience and green transformation capabilities. Neglecting these issues could not only damage the company's hard-earned reputation but also lead to regulatory risks and operational disruptions in severe cases. Therefore, the company will adopt forward-looking strategies and systematic management to achieve a balance among economic performance, environmental sustainability, and social prosperity. This approach will effectively transform potential risks into competitive advantages, driving continuous growth and realizing the goal of sustainable operations.

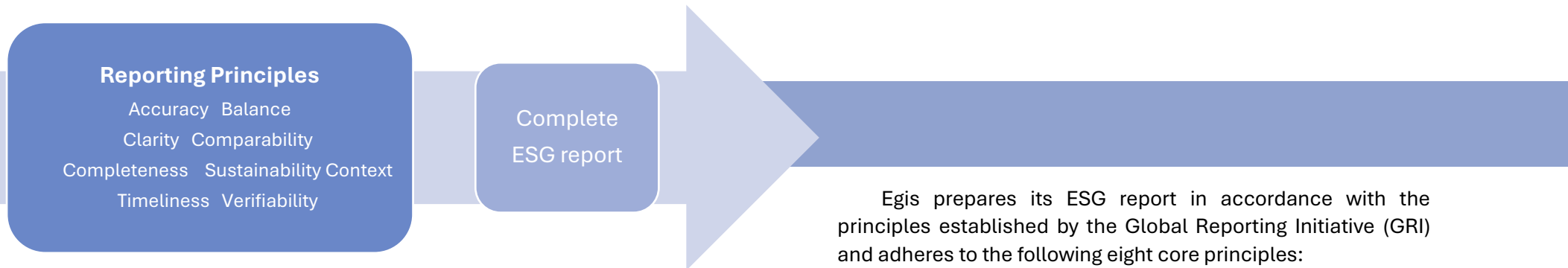
This report will outline management policies and concrete implementation outcomes for the aforementioned key themes. It will also maintain balanced disclosure of information in Sustainability Reports by supplementing the presentation of Egis's achievements in public welfare initiatives.

ESG Aspect	Major Theme (Impact Aspect)
<b>Environmental</b>	Sustainable supply chain (positive), green products (positive)
<b>Social</b>	Talent development (negative), labor-management communication (negative), compensation and benefits (negative)
<b>Governance</b>	Operational performance (negative), Innovation and R&D (positive), information security protection (positive)

Egis identified three key ESG priorities for the year based on eight major themes. In the operational aspect, the company continues to invest in research and development (R&D) capabilities, strengthen innovation and research capacity, enhance operational performance and corporate competitiveness, and implement cybersecurity measures to safeguard business secrets and customer information. Second, in human-centered management, the company will continue to foster a healthy, safe, and fulfilling workplace environment. It will enhance internal communication mechanisms, increase employee compensation, prioritize career development, and build long-term, stable relationships based on trust. Furthermore, in environmental sustainability, the company not only designs energy-efficient products but also collaborates with supply chain partners to practice Energy Efficiency and Carbon Reduction. By implementing environmental management and minimizing operational impacts on the environment, the company fulfills its commitment to sustainable responsibility.



## Principles for Report Preparation



- Sustainability context principle: the Company transparently discloses its actual impacts on the economy, environment, and people (including human rights) in its operational locations and surrounding areas, along with specific actions taken to improve or mitigate negative impacts.
- Principle of completeness: the information disclosed in this report sufficiently reflects the scope of the company's significant impacts across economic, environmental, and social dimensions.
- Accuracy principle: the content presented in this report is comprehensive, precise, and detailed, enabling stakeholders to accurately assess the Company's ESG performance.
- Based on the principle of balance: the report content fairly reflects both the positive and negative aspects of the Company's ESG performance, enabling stakeholders to conduct objective assessments.
- Clarity principle: this report presents relevant information in a clear and understandable manner to facilitate stakeholder comprehension and access.
- Comparability principle: reports adhere to internationally recognized disclosure standards and present historical data side-by-side, enabling stakeholders to analyze the company's long-term performance.
- Timeliness principle: the Company regularly publishes ESG reports to ensure stakeholders can access critical information at the appropriate time to make informed decisions.
- In accordance with the principle of verifiability: report content is reviewed by internal and external personnel to ensure the accuracy and reliability of information.

## Determining Material Topics and Boundaries

Aspect	Material Topics	Importance to Egis Impact Aspect	Internal Boundaries	External Boundaries				In Alignment with GRI Standards	Report Disclosures
			Company	Investors	Suppliers	Customers	Local Communities		
<b>Economic</b>	Operational Performance	Maximizing profits remains our company's enduring objective. This not only strengthens the confidence of investors, employees, suppliers, and customers in us but also fosters mutual benefit and shared prosperity, paving the way toward sustainable operations. (Negative Impact)	●	●	●	●		201 Economic Performance: 2016(201-1 to 201-3)	3.4 Operational Performance 5.2.1 Compensation and Benefits Appendix II: Climate-Related Financial Disclosures
<b>Economic</b>	Innovation and R&D	Egis is committed to product development and technological innovation, with the advancement of new technologies being the company's most valued core competency. Through continuous investment in R&D capabilities, Egis develops diversified product lines and continually expands its application domains, driving revenue growth for the company. (Positive Impact)	●	●		●		Custom Major Theme (Innovation-1)	3.5.1 Innovation and R&D



<b>Economic</b>	Information Security Protection	Our company regards R&D technology and client confidentiality as the lifeblood of our operations. Through information security management mechanisms, we ensure our employees maintain awareness of cybersecurity risks and implement various security controls to safeguard company secrets and client data from unauthorized disclosure.(Positive Impact)	●	●	●			Custom Major Theme (Cybersecurity-1)	3.6 Information Security Protection
<b>Social And Human Rights</b>	Talent Development	To ensure the company's sustained innovation and enhanced competitiveness in a rapidly changing environment, it fosters a positive growth culture through cross-departmental collaboration. This approach encourages knowledge sharing, self-improvement, and cross-disciplinary learning, thereby attracting top talent.(Negative Impact)	●					404 Training and Education: 2016(404-1 to 404-3)	5.2.1 Compensation and Benefits 5.2.2 Talent Development
<b>Social And Human Rights</b>	Labor-Management Communication	Talent is the company's most valuable asset. Through regular communication channels, we listen to employee needs, proactively identify issues, resolve conflicts, foster a sense of value and belonging among staff, support organizational change and restructuring, and achieve mutual success. (Negative Impact)	●					402 Labor/Management Relations: 2016 (402-1)	5.2.3 Labor-Management Communication

<b>Social And Human Rights</b>	Compensation and Benefits	A motivating and equitable compensation structure coupled with an effective rewards system serves as the cornerstone for attracting, motivating, and retaining talent. It fosters employee self-motivation and exceptional performance, while also helping to build a positive competitive culture within the company. (Negative impact)	●					401 Labor-Employer Relations: 2016 (401-1 to 401-3)	5.1.2 Employee Statistics 5.2.1 Compensation and Benefits
<b>Environmental</b>	Sustainable Supply Chain Management	In addition to advancing its own ESG practices, Egis leverages its influence within the supply chain to require partners to comply with local regulations and invites them to join in embracing sustainable operations. The company is making increasing progress in environmental protection and employee care. (Positive Impact)	●		●			308 Supplier Environmental Assessment: 2016 (308-1 to 308-2) 414 Supplier Social Assessment: 2016 (414-1 to 414-2)	4.1 Sustainable Supply Chain
<b>Environmental</b>	Green Products	Not only is it the embodiment of corporate environmental responsibility, but it is also pivotal to future market competitiveness, positive brand value, and sustainable operations. It serves as a powerful tool for establishing differentiation and fostering stable customer relationships in a highly homogeneous market, and stands as a core strategy for sustainable development. (Positive Impact)	●	●		●		302 Energy: 2016 (302-1, 302-3 to 302-5) Custom Major Theme (Green-1)	3.5.3 Green Products 4.2.1 Energy Usage

## About Egis Technology Inc.



## II. About Egis Technology Inc.

### 2.1 Company Profile

Egis Technology Inc. (Egis Technology Inc., abbreviated as “Egis”), established in December 2007, is a globally leading biometric IC design company specializing in the design, R&D, testing, and sales of capacitive and optical fingerprint recognition sensor chips. Egis possesses comprehensive IC design and system integration capabilities, encompassing wafer fabrication and packaging technologies. Its professional team delivers flexible designs tailored to customer specifications, offering high-resolution, compact, and cost-effective product solutions. Upholding a “customer-first” service philosophy, the company has accumulated a strong shipment track record in the mobile phone and personal computer markets. Holding over 100 patents worldwide, Egis is committed to creating innovative, intuitive, and forward-thinking solutions that help customers achieve exceptional value.

#### Business Expansion and Product Diversification

Through its group holding strategy, Egis has transitioned from a single-product focus to a diversified platform approach. Expanding from its original field of biometric sensor ICs, the company now serves applications in information technology, consumer electronics, and the Internet of Things (IoT), encompassing:

- Storage control ICs, memory card and smart card reader ICs, Ethernet hub ICs, input/output control ICs, video signal processing ICs, and wireless audio control chips for use in smart TVs, home entertainment systems, computers and gaming devices, and automotive electronics.
- IP semiconductor intellectual property and ASIC customization service platform, specializing in high-speed interface IP development and semiconductor design services supporting advanced process and packaging mass production, strengthening Egis' competitive edge in advanced process and system-level integration.

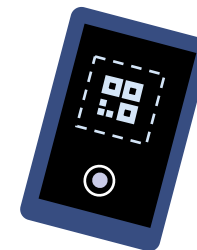
Egis is not merely a fingerprint recognition IC company. Through strategic consolidation within the group and the reinforcement of technological leadership, we have evolved into a technology group spanning sensing technology, edge computing, silicon intellectual property, and system platforms. We will continue to be innovation-driven, integration-focused, and guided by a global perspective, partnering with our customers to advance toward a smarter, safer future.

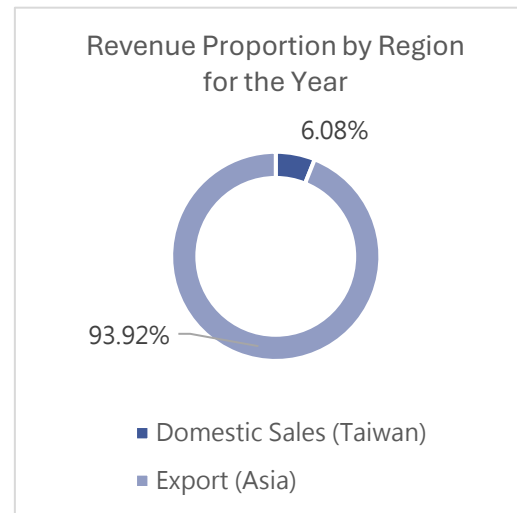
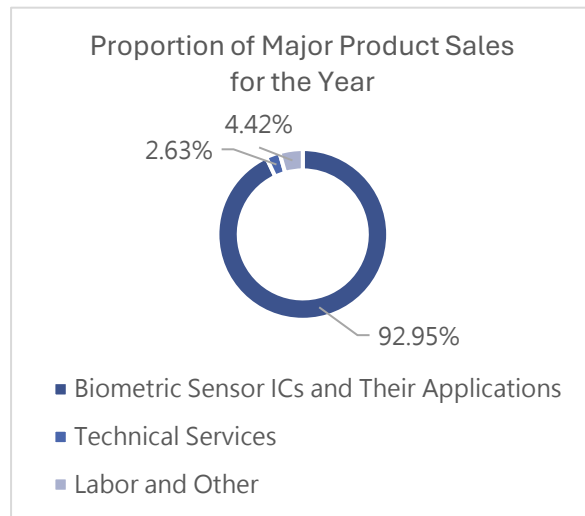
<b>Company Name</b>	Egis Technology Inc.
<b>Industry Category</b>	Semiconductor Industry (OTC-listed)
<b>Headquarters Location</b>	2 F.-1, No. 360, Ruiguang Rd., Neihs Dist., Taipei City 114729, Taiwan (R.O.C.)
<b>Capital Amount</b> (Amounts in thousands of NT dollars)	912,508
<b>Shareholding Structure</b>	Domestic legal entities: 1.77%, Domestic individuals: 87.36%, Foreign institutions and foreign individuals: 10.87%
<b>Current Fiscal Year Individual Revenue</b> (Amounts in thousands of NT dollars)	2,236,214
<b>Number of Employees</b>	Taiwan (R.O.C.): 206 individuals
<b>Operating Locations</b>	Taipei and Hsinchu City, Taiwan
<b>Primary Products/Services</b>	Biometric Sensor ICs and Their Applications
<b>Primary Product Output (Unit: Million Units)</b>	127.8
<b>Primary Product Sales Proportion</b>	Biometric Sensor ICs and Their Applications (92.95%) Technical Service Revenue (2.63%) Labor Service Revenue ( 1.70% ) Other ( 2.72% )
<b>Revenue Proportion by Region</b>	Taiwan ( 6.08% ) Asia ( 93.92% )

Note: Data is current as of the end of 2024.



### Egis Company Products





### Egis Company's Position in the Overall Industry Chain: Upstream, Midstream, and Downstream

The upstream segment of the semiconductor industry chain comprises IP design and IC design industries. The midstream includes IC manufacturing, wafer fabrication, related production process inspection equipment, photomasks, chemicals, and other industries. The downstream encompasses IC packaging and testing, related production process inspection equipment, components (such as substrates and lead frames), IC modules, and IC distribution channels.

Taiwan boasts the world's most comprehensive semiconductor industry cluster and specialized division of labor. After completing product design, IC design companies commission professional foundries or IDMs (integrated device manufacturers, which handle everything from IC design, manufacturing, packaging, and testing to final sales) to produce wafer-level semi-finished products. These undergo front-end testing before being transferred to specialized packaging factories for dicing and packaging. Finally, professional test houses perform back-end testing. The tested finished products are then sold through distribution channels to system manufacturers for assembly into system products.

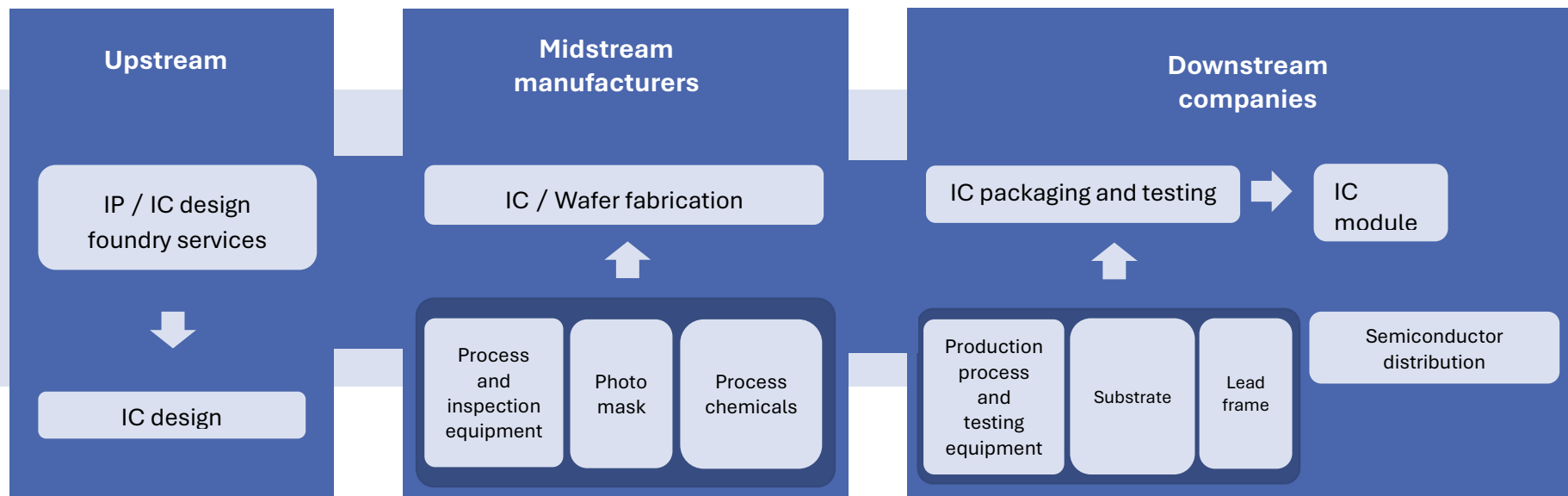
The origin of IC products lies in IC design, where IP represents the intellectual property rights of IC design. The IP development process encompasses IP design and IP verification. In IC design, reusing IP cores can effectively shorten product development cycles and reduce costs. Today's IC designs incorporate significantly more functionality, necessitating the use of existing, verified IP components to meet time-to-market requirements. However, due to varying functional requirements and technological processes, companies must provide an extensive range of IP types. This has led to the emergence of companies specializing in IP design. IC design utilizes CAD and other auxiliary tools to translate the specifications and functions of customer or in-house developed products into circuit designs embodied by the IC. This process encompasses how a chip's functionality is realized



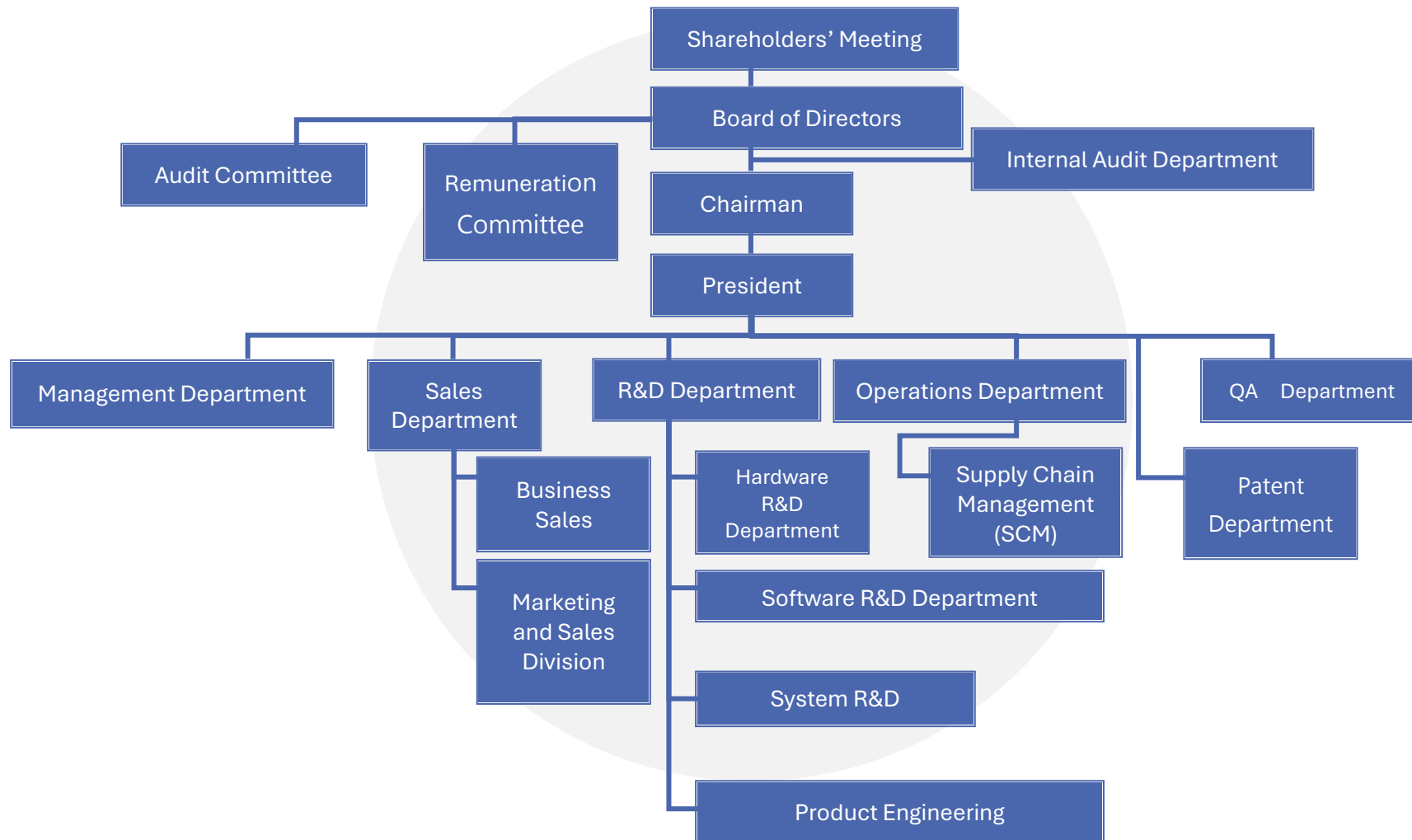
from logic design to wafer design. The global IC design industry has entered an era where the market is divided among the United States, Taiwan, and mainland China.

Egis Group engages in IP design services and is involved in the research, development, design, and sales of biometric sensor ICs, peripheral and control ICs for information and consumer products, and wireless audio control ICs. It operates within the upstream segment of the semiconductor industry, specifically in IP design and IC design. Egis' core business primarily focuses on the design of biometric sensor ICs, positioning it within the upstream IC design sector of the semiconductor industry.

### Semiconductor Industry Chain: Upstream, Midstream, and Downstream Interrelationship Diagram



## Organizational Structure



## Business Operations of Major Departments

Departments	Departmental Functions
Audit Department	Conduct audits and evaluations, develop internal control systems, and provide improvement recommendations to enhance operational efficiency and ensure effective implementation of internal controls.
General Manager's Department	Responsible for the overall operational planning and execution of the company. Development and implementation of the company's medium-to-long-term operational strategies. Establishment and oversight of departmental organizational operations and systems. Reports directly to the Board of Directors.
Management Department	Integrate financial, accounting, information technology, legal, general affairs, and human resources within the organization and provide relevant professional services.
Sales Department	Market development, strategy formulation, customer relationship management, and new product promotion. Track customer feedback and issues to enhance customer satisfaction.
Research and Development Department	Conduct chip planning, design, and verification based on product development and market demand. Algorithm, firmware development, and verification. Customer project development and management.
Operations Department	New technology implementation and process improvement. Enhancing product yield and resolving product-related technical issues. Mass production capacity planning, delivery schedule management, production-sales coordination, material planning, and production cost control. Outsourced production management and warehouse control.
Quality Assurance Department	Product Quality Verification and Assurance. Assisting in reliability testing and failure analysis related to product development. Evaluation of outsourced vendors, quality supervision, and anomaly resolution. Handling customer appeals and providing customer issue analysis reports. Document control. Maintenance and promotion of quality systems/activities.
Patent Department	Responsible for the company's patent applications, patent evaluations, and the handling of patent disputes and litigation.

## 2.2 Management Philosophy

### Vision

Become a world-leading semiconductor group, providing professional design services such as IP and chiplets to global manufacturers.

- Provide customers with one-stop services to meet all fingerprint recognition needs.
- Advance AI and HPC technology development.
- Achieve the sustainable vision of “Net-Zero Carbon Emissions by 2050”.

### Mission

Through technological innovation, strategic partnerships, and sustainable operations, we meet market demands, create value for shareholders and customers, and fulfill our corporate social responsibilities.

- Establish an efficient and transparent corporate governance structure
- Strengthen risk management and regulatory compliance
- Provide products that meet international standards, safeguarding customer health and data security
- Develop green supply chains to support high-performance and low-power product development
- Cultivate and care for employees while investing in talent development

### Value

Integrity, Innovation, Responsibility, Inclusion

- **Integrity in Business Operations:** Promoting anti-corruption policies and compliance systems to ensure clean and effective corporate governance
- **Technological Innovation:** Continuous investment in advanced application fields including AI, automotive, storage, and core components
- **Social Responsibility:** Active participation in public welfare initiatives to give back to society, particularly in education, support for disadvantaged groups, and environmental protection
- **Inclusion and Respect:** Prioritizing a diverse and equitable workplace environment, advancing employee well-being, career development, and gender inclusion

## 2.3 Awards and Management Systems

### Recognized as an Outstanding Supplier by Major Clients Over the Years :

- Awarded the Special Contribution Award for Technological Leadership at the Taiwan Samsung IPC Supplier Conference in 2016 and 2019



- Awarded the Best Delivery Award at the 2019 Wingtech Technology Global Elite Partner Conference.
- Received the Special Contribution Award from Huawei in 2022.



- Ranked 9th globally and 1st in Taiwan on Deloitte's 2017 Technology 500 Asia Pacific list
- Ranked 8th in Common Wealth Magazine's "Fast-Growing 100" list in 2019

Egis is committed to continuously optimizing manufacturing processes and driving product and service innovation. All products comply with non-hazardous substance regulations and are certified by the International Smart Card and Payment Technology Standards Organization. This ensures high security in system unlocking and payment applications for mobile phones and mobile payments, providing customers with the most valuable and competitive integrated solutions.

## Company Certificates





Test Result : EL721 Android Biometric Unlock Security

**TEST REPORT**

Telecommunications Technology Association  
Address: 13591, Bundang-ro 47, Seongnam-city, Gyeonggi-do, Republic of Korea

Report No: BIC-24-009

TTA

1. Applicant  
- Company (Organization) Name : Egis Technology  
- Address : 2F, No.360, Rueisung Rd, Neihu District, Taipei 114, Taiwan

2. Purpose of Test Report : Android Biometric Security Test

3. Product Name : EL721 (Integrated with Galaxy A55 5G - SM-A556B/D6)

4. Test Location : ■ Permanent Test Lab On Site Testing  
Address : 13591, Bundang-ro 47, Seongnam-city, Gyeonggi-do, Republic of Korea

5. Test Period : 25-Nov-2024 to 9-Dec-2024

6. Test Standards : Android Biometric Security Test Protocols - Android 15, July 17, 2024

7. Test Environment : Temperature 23 ± 2 °C, Relative Humidity 40 ± 20 %

8. Test Results : CLASS 3(SAR = 2.2 %)

NOTE : 1. The results of this test are exclusive to the test item provided by client and prohibited to use for any other purpose.  
2. This test report is not related with ISO 9100/IEC 17025 and KOLAS recognition.  
3. The authenticity of this report can be verified using the 2D barcode or QR code, or GSI(www.gsi.go.kr) website.

Affirmation  
Written by : Name: Jaewoong Joo (Signature)  
Technical Manager : Name: Jaebom Kim (Signature)

President  
Telecommunications Technology Association (Signature)

DEC 09, 2024

QR Code

Security Evaluation Certificate  
Consumer Device Cardholder  
Verification Method

Please accept this document as confirmation of the EMVCo Software-Based Mobile Payments Security Evaluation Process.

Evaluation Certificate Number: SECN0120  
Date SECN Issued: 09 Oct 2024  
Next security review due: 09 Oct 2025

Company Name: Egis Technology Inc.  
Address: 2F, NO.360, Rueisung Rd  
Neihu Dist., Taipei 11462, Taiwan, R.O.C.  
Taipei, 114 TAIWAN, PROVINCE OF CHINA

Product Name: Fingerprint library for EC617, EC618 & EC619  
Product Version: v12.2.299.616

Underlying Platform Manufacturer: -  
Underlying Platform Name: -  
Underlying Platform SECN: -  
Platform Version: -

Relying App Name: -  
Relying App Version: -

CDCVM Type: Fingerprint TA running on QSEE and TEEGis (v4.2.1 and v5.0.0)

Security Laboratory: Keysight Technologies Racore

Authorized by: Alan Muehling  
Security Evaluation Working Group Chair  
EMVCo, LLC  
Date: 25 Nov 2024

Disclaimer: Although the secure implementation of any security mechanisms and product functionalities may be evaluated, the EMVCo Security Evaluation Process does not validate the cryptographic algorithms, methods and protocols themselves nor the absence of flaws or defects in the specifications used for product development. The SECN number must be mentioned to all other vendors or when shipping the product. The use of the SECN number is limited to the product as detailed below. Please also reference the SECN number in any communication with EMVCo.

The EMVCo SBMP Security Evaluation Process is intended to provide valuable and practical information relating to the general security performance characteristics and the suitability of use for software-based mobile payment related products. The EMVCo SBMP Security Evaluation Process is designed to ensure a robust security foundation for these products at component and solution levels. The EMVCo SBMP Security Evaluation Process is an evolving process in relation to new attack techniques and technology. EMVCo reserves the right to perform new/ongoing security testing throughout the lifetime of the component or solution which may impact Security Evaluation Certificates. The full terms and conditions upon which EMVCo Security Evaluation Certificates are issued by EMVCo are contained in the EMVCo SBMP Security Evaluation Process document and the EMVCo Security Evaluation Contract. The Product Provider, when distributing this EMVCo Security Evaluation Certificate, shall deliver it in its entirety.

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fime

Test report

Report object  
Android Biometric Component Evaluation Report

Report reference  
T24REF00-585\_Egis\_EC618

Vendor name Egis Technology	Product name and version EC618
Report version V1.0	Report issue date 2024/09/27
Testing dates From 2024/09/12 to 2024/9/9	Product configuration Sensor on mobile
Number of pages 23 pages and 7 pages in appendices	Authorized by Guillaume YVON 2024.09.27 10:21:02 +02'00'

The current version supersedes and replaces all previous versions.  
This report shall not be reproduced or communicated except in its full unmodified latest version

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Consumer Device Cardholder  
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## 2.4 Participation in External Organizations

Egis actively participates in various public associations and organizations to collaborate with individuals from diverse backgrounds in protecting the planet, including the following international and domestic associations. By engaging with industry-related associations, we maintain constructive interactions with members and stay informed about the latest industry trends:

Name of External Associations	Participation Role	Participating Committee / Projects Promoted
<b>Fast Identity Online Alliance</b> (FIDO)  	Board of Directors Member President of the Taiwan Chapter	<p>In 2015, joined the international identity standards organization as a Board Member, aiming to replace conventional passwords with password less authentication methods. He also delves into technologies such as distributed ledger technology and post-quantum cryptography, seeking more effective alternatives to existing technological applications.</p> <p>As the President of the Taiwan Chapter, Egis rallies domestic member companies to collectively engage in Energy Efficiency and Carbon Reduction initiatives.</p>
<b>Asia PKI Consortium(APKIC)</b>  	Corporate Member Working Group Chair	<p>Jointly plan diverse information applications across more than ten countries in the Asia-Pacific region, replacing roads with networks and physical meetings with online alternatives. Annually, as the working group chair, provide work plans to facilitate coordinated implementation among participating nations.</p>

<b>Taiwan Association of Information and Communication Standards</b> (TAICS) 	Council Member Working Group Chair	Collaborating with over 200 member enterprises nationwide to jointly develop technical standards, including those for green smart homes.
<b>Taiwan Semiconductor Industry Association</b> 	Member	Collaborate with major domestic and international semiconductor companies to jointly explore various initiatives concerning semiconductor development and carbon emissions.
<b>Universal Chiplet Interconnect Express</b> 	Member	During the development and design of small chip manufacturing processes, explore the feasibility of carbon reduction while promoting more efficient IC design.
<b>Information Service Association of Republic of China</b> (ISAROC)	Member	A coalition of hundreds of domestic information technology companies has come together to jointly explore objectives for advancing information technology, cybersecurity, artificial intelligence, and green energy.
<b>Taipei Computer Association</b> 	Member	Guided by Chairman Peng's and the Ministry of the Environment's carbon reduction philosophy, we look forward to collaborating with all members to achieve the net-zero goal as soon as possible.

<p><b>Cloud Computing &amp; IoT Association in Taiwan (CIAT)</b></p> 	<p>Member</p>	<p>Among major domestic industry alliances, global partners sharing aligned philosophies collaborate to reduce carbon emissions more efficiently through cloud and IoT applications.</p>
<p><b>SEMI</b></p> 	<p>Member</p>	<p>Collaborating with hundreds of global chemical, materials, and semiconductor-related manufacturers—including those in IC design, equipment, optoelectronics, and instrumentation—we not only engage in joint development but also jointly explore carbon emission mitigation strategies.</p>
<p><b>Innovative Optical and Wireless Network Global Forum (IOWN GF)</b></p> 	<p>Member</p>	<p>With fiber optics as the core technology, replacing existing application methods enables data centers to reduce energy consumption and transmit data faster and more efficiently. Collaborating with major global technology companies, we are working together to green the planet.</p>

### Participate in other external initiatives:

- In 2020, CTBC Business School and Egis Technology Inc. signed an industry-academia collaboration agreement. Leveraging the company's expertise, this partnership aims to enhance academic influence and benefit students.
- Joined the New Energy Industry Cybersecurity Alliance initiated by Hon Hai in 2021 to strengthen domestic industrial capabilities through shared priorities such as green energy and cybersecurity.



Source: <https://pr.ctbc.edu.tw/p/404-1011-26630.php?Lang=zh-tw>



Source: <https://www.ithome.com.tw/news/143102>

# Corporate Governance





### III. Corporate Governance

Sound corporate governance encompasses a robust Board of Directors, rigorous internal control systems, and stable financial management. Beyond mitigating operational risks, it enhances corporate competitiveness and builds brand value. Establishing an integrity-driven corporate culture and adhering to all laws and regulations ensures ethical business practices. A well-functioning governance framework safeguards sound operational development and protects the interests of investors and other stakeholders.

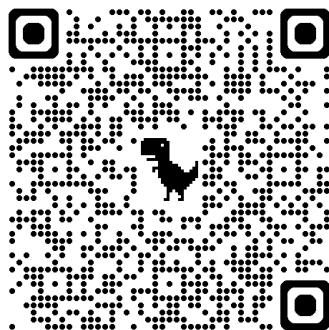
Egis has established the Code of Integrity, Code of Ethical Conduct, Integrity Operations Procedures and Conduct Guidelines, and Corporate Governance Practice Guidelines. These strictly require all company decisions and actions to adhere to legal compliance as a fundamental principle, with disclosures available on the company website. Integrity is our core value and the foundation of our business operations. These standards apply to all directors, managers, employees, and relevant personnel of the company.

In accordance with the Taiwan Securities Exchange Act and related regulations, Egis has established a corporate governance system. To enhance shareholder rights protection, strengthen the Board of Directors' functions, respect stakeholder interests, and improve information transparency, the Board of Directors has adopted the "Corporate Governance Practice Code." This code ensures fair, impartial, and transparent director selection procedures and implements measures such as appointing independent directors to reinforce the Board's management and oversight capabilities. Furthermore, Egis adheres to the principles of accurate, timely, and equitable disclosure. It has established a comprehensive information disclosure system, providing details regarding operations, finances, the Board of Directors, and shareholder meetings on the company website and public information platforms. This ensures shareholders have access to the latest company-related information.

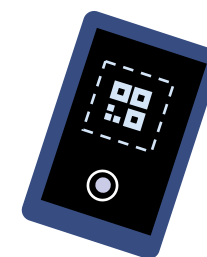
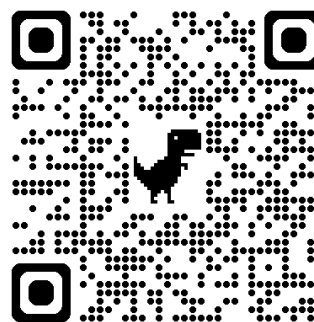
Egis has also established diverse complaint mechanisms. Within the Stakeholder Section of the company's official website, different Contact Information and channels are provided for various stakeholder categories, encouraging both internal and external personnel to report dishonest or improper conduct. Rewards are granted based on the severity of the reported incidents. Internal personnel found to have made false reports or malicious accusations shall be subject to disciplinary action. Serious cases warrant dismissal. The Human Resources Department serves as the dedicated unit responsible for planning and reviewing the whistleblowing system to ensure timely execution. Through two-way communication, the company understands stakeholders' requirements and expectations and strives to meet stakeholder expectations.



**Corporate Governance Code of  
Practice**



**Stakeholder Section**



### 3.1 Governance Practices

#### Corporate Governance Outcomes

- In August 2022, the Head of Accounting was appointed as the Corporate Governance Officer.
- The Board of Directors achieved a performance evaluation score of 86 points / Excellent in 2024.
- Functional Committees received an Excellent performance evaluation rating in 2024.
- Independent directors account for 44.45% of the total.
- No independent director has served for more than three consecutive terms.
- Each director received over 6 hours of training on average.

The Shareholders' Meeting comprises all shareholders, making decisions on major company matters and regularly receiving reports from the Board of Directors. It serves as the company's highest decision-making body. The Board of Directors serves as the highest governing body. All Board members exercise their fiduciary duty of care. The General Manager assists the Chairman in formulating the company's operational policies and sustainable development strategies. The Board reviews financial performance, sustainability strategies, and ensures compliance with all applicable laws and regulations. To enhance corporate governance and strengthen competitiveness, the Board of Directors establishes an Audit Committee and a Compensation Committee to improve its operational effectiveness. An independent Audit Office operates under the Board of Directors, conducting regular audits and reporting findings to both the Audit Committee and the Board of Directors.

The Company prioritizes corporate governance, pursues sustainable growth and integrity in operations, and continuously strengthens its governance framework. It upholds information transparency and implements effective internal control systems to safeguard stakeholder interests. In accordance with the Guidelines for Establishing Internal Control Systems by Publicly Traded Companies, the Company designs and rigorously implements an internal control system tailored to its overall operations. This system undergoes continuous review to adapt to internal and external environmental changes, ensuring its ongoing effectiveness. Through robust management mechanisms, the Company enhances operational performance to achieve sustainable business objectives.

To strengthen support for directors in performing their duties and enhance the effectiveness of the Board of Directors, the Board resolved in August 2022 to appoint the head of the accounting department as the Corporate Governance Officer. This role is responsible for assisting directors in executing their duties, providing necessary information, arranging professional development, handling matters related to Board of Directors and shareholders' meetings in accordance with the law, assisting the company in complying with relevant resolutions of the Board of Directors and shareholders' meetings, and maintaining investor relations. The Corporate Governance Officer completed 12 hours of professional training in corporate governance that year. Moving forward, the company will strive to enhance overall corporate governance effectiveness and strengthen stakeholder trust in Egis. In 2023, the acting spokesperson obtained the ESG International Sustainable Strategy Management Professional certification (AFNOR, France), demonstrating the company's commitment to ESG through concrete actions.

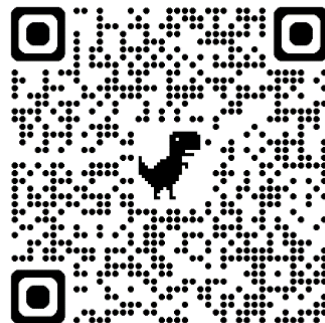
Concurrently, the company's financial statements are regularly audited and certified by accounting firms. All information disclosures mandated by law are completed accurately and promptly. Authorized personnel are responsible for external information disclosure, and a spokesperson system has been established to ensure timely and appropriate disclosure of material information. This enables

shareholders and stakeholders to access relevant financial and operational information.

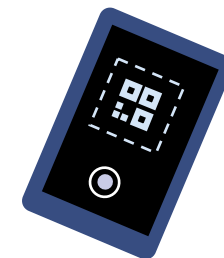
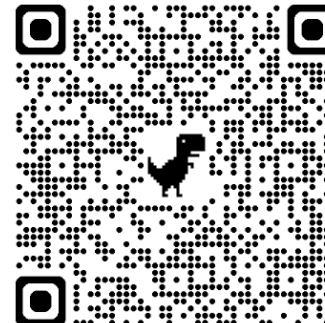
Looking ahead, strengthening the Board of Directors' operations, enhancing information transparency, and progressively integrating sustainability governance strategies into the corporate governance framework remain our ongoing objectives.

### 3.1.1 Board of Directors

#### Board of Directors Rules of Procedure



#### Board of Directors Performance Evaluation Procedures



The Board of Directors regularly participates in ESG outcomes.

- Annually report to the Board of Directors on the implementation results of integrity management for the current year.
- Annually report to the Board of Directors on stakeholder engagement and consultation activities.
- Plan to submit the Sustainability Report to the Board of Directors for resolution in August 2025.

The Board of Directors formulates corporate business strategies and is accountable to shareholders and other stakeholders. Directors faithfully execute business operations and fulfill their fiduciary duty of care, exercising their authority with prudence. Except for matters required by law or the Articles of Incorporation to be resolved by the shareholders' meeting, all decisions regarding the execution of corporate business and the operation and arrangement of governance systems shall be resolved by the Board of Directors.

Egis' Articles of Incorporation stipulate that director elections shall follow the candidate nomination procedures prescribed in Article 192-1 of the Company Act through periodic re-election. In accordance with corporate governance best practices, directors who concurrently serve as company managers should not exceed one-third of the total directorship seats. To strengthen corporate governance and promote the sound development of the Board's composition and structure, Egis also advocates a director diversity policy, believing this approach enhances overall company performance. The selection of Board of Directors

members adheres to the principle of “appointing based solely on merit,” seeking individuals with diverse and complementary capabilities across industries. Each member possesses specialized backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional competencies (law, accounting, risk management), and industry experience.

To strengthen the Board of Directors' functions and achieve ideal corporate governance objectives, Article 20 of Egis' “Corporate Governance Code” stipulates that the Board as a whole should possess capabilities including business judgment, accounting and financial analysis, operational management, crisis management, industry knowledge, international market perspective, leadership, and decision-making ability. Egis directors possess both industry expertise and extensive practical experience, demonstrating a deep understanding of industry trends. The Board of Directors currently comprises eight directors (including four independent directors) serving three-year terms. The Chairman and CEO positions are held by the same individual. To enhance corporate governance, the company added one independent director position on June 21, 2023. The Board of Directors convenes at least quarterly as required by law. During the fiscal year, eight board meetings were held, with an average director attendance rate of 86%.

**Note:** For details regarding the primary academic background, concurrent positions, and list of major shareholders of Egis Company directors, please refer to the company's official website.

Diversity Statistics / Annual			2022		2023		2024	
			Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
Director	Gender	Male	7	100.00%	9	100.00%	8	100.00%
		Female	0	0.00%	0	0.00%	0	0.00%
	Age	Under 50	1	14.29%	2	22.22%	2	25.00%
		50 ~ 60	4	57.14%	3	33.33%	2	25.00%
		Over 60	2	28.57%	4	44.44%	4	50.00%
	Educational Background	graduate schools	6	85.71%	8	88.89%	7	87.50%
		University	1	14.29%	1	11.11%	1	12.50%
		Others	5	71.43%	5	55.56%	5	62.50%

Note: Percentage of female directors = (Number of female directors at year-end / Total number of directors at year-end) × 100%.

To establish a sound Board of Directors operating system, enhance oversight functions, and ensure independent directors maintain impartiality in performing their duties, the Egis Board of Directors adopted the “Board of Directors Rules of Procedure,” clearly defining the scope of responsibilities for independent directors for compliance. Directors also uphold a high degree of self-discipline in implementing conflict of interest avoidance. For Board of Directors proceedings involving interests that may benefit themselves or the legal entities they represent, they must disclose the material details of such interests during the relevant Board meeting. If there is a risk of harming the company's interests, they shall not participate in the discussion or voting, must recuse themselves during the discussion and voting, and shall not exercise voting rights on behalf of other directors.

To enhance the quality of Board decisions, the Board has also adopted the “Board of Directors Performance Evaluation Measures.” Each year, the Board Secretariat shall conduct at least one performance evaluation of the Board, individual directors, and functional committees by the end of the first quarter of the following year. Evaluations shall be based on the annual assessment indicators, with the weighting of these indicators subject to adjustment according to operational needs.

The metrics for self-performance evaluation of board members shall include at least the following six key aspects:

- I. Understanding Corporate Objectives and Missions.
- II. Recognition of Directors' Responsibilities.
- III. Level of Involvement in Company Operations.
- IV. Internal Relationship Management and Communication.
- V. Directors' Professional Competence and Continuing Education.
- VI. Internal Controls.

The performance evaluation metrics for functional committees should encompass at least the following five key aspects:

- I. Level of involvement in company operations.
- II. Understanding of functional committee responsibilities.
- III. Enhancing the quality of functional committee decision-making.
- IV. Composition and selection of functional committee members.
- V. Internal controls.



The company's departments routinely engage with stakeholders through established channels. Should any stakeholder or sustainability issue potentially pose significant adverse impacts to the company, the responsible department will initiate a multi-aspect due diligence investigation. This includes assessing the stakeholder or sustainability issue across financial status, compliance records, environmental protection, and labor rights. Findings will be reported to the Chairman and Chief Financial Officer. Based on the specific findings and an assessment of whether significant harm to company operations is likely, the Chairman will report to the Board of Directors. Following the Board's resolution, the responsible department will execute the necessary actions.

In 2024, no events involving Egis and its stakeholders occurred that could have caused potential significant negative impacts. Consequently, there are no records of such matters being reported to the Board of Directors. This implementation enhances Egis's due diligence toward stakeholders and strengthens the Board of Directors' role in addressing potential material adverse impacts.

To effectively manage risks and increase the willingness of professionals to serve as directors, Egis provides directors with liability insurance. This allows directors to perform their duties without undue concern while mitigating and distributing the risk of significant harm to the company and shareholders arising from errors or omissions.

Considering the various compliance and governance issues directors may encounter in corporate decision-making, Egis actively encourages and arranges professional development courses for directors. In the current fiscal year, all directors collectively completed 57 hours of training. The corporate governance officer will also plan to expand director training to include courses related to sustainable business practices. Egis believes that under the leadership of a Board of Directors characterized by integrity and extensive industry experience, the company's operations will flourish and continue to advance steadily along the path of sustainable development.

### **3.1.2 Functional Committees**

To enhance oversight functions and strengthen management capabilities, the Board of Directors has established functional committees: the Audit Committee and the Compensation Committee. Except for those exercising independent authority as required by law, these committees shall be accountable to the Board of Directors, and any proposals submitted by them shall be submitted to the Board of Directors for resolution.

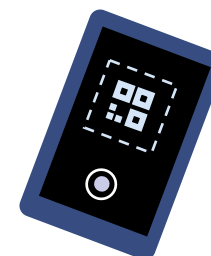
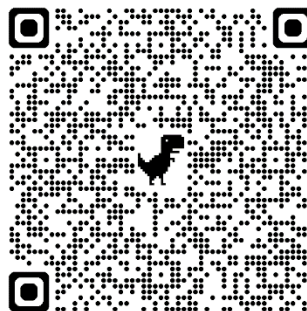
#### **Audit Committee**

The Audit Committee assists the Board of Directors in overseeing the quality of the company's accounting, auditing, financial reporting processes, and financial controls, and submits its assessment results to the Board of Directors for discussion. The Egis Board of Directors adopted the "Audit Committee Organizational Regulations," establishing an Audit Committee within the Board of Directors. Four independent directors serve as audit committee members, one of whom acts as convener. At least one member possesses accounting or financial expertise. The committee convenes at least quarterly, holding nine meetings during the fiscal year with an overall attendance rate of 81%.

The Head of Internal Audit held closed-door meetings with all independent directors at least quarterly to report on the status of internal audit execution. Six such meetings were held this year. Additionally, independent directors met with the auditors three times this year. The auditors reported to the independent directors on the results of their review of the financial statements and also conducted regulatory briefings and exchanged views during the meetings. Overall, communication between the independent directors, the internal audit supervisor, and the accountants is smooth.



### Annual Audit Committee Resolutions of Previous Meetings



### Compensation Committee

To establish a sound compensation system for directors and managers, and to evaluate whether their performance and remuneration are fair and reasonable, Egis adopted the “Remuneration Committee Organizational Regulations” through the Board of Directors. This established a Remuneration Committee within the Board of Directors, with a majority of its members being independent directors. All members elected an independent director to serve as convener and chairperson of the committee meetings. Two meetings were convened during the fiscal year, with 100% attendance by all members.

The Compensation Committee's primary responsibilities include establishing and periodically reviewing the performance evaluation and compensation systems and standards for directors and managers, as well as regularly assessing their remuneration. When conducting such evaluations, the Compensation Committee shall comprehensively consider the following principles: the Company's compensation packages must comply with relevant laws and regulations and be sufficient to attract top talent; The performance evaluation and compensation of directors and managers shall be benchmarked against industry norms, taking into account the individual's time commitment, responsibilities, achievement of

personal objectives, performance in other positions, and compensation levels for comparable roles within the company in recent years. It shall also assess the reasonable correlation between individual performance, company operational outcomes, and future risks based on the achievement of the company's short-term and long-term business objectives and its financial condition; Directors and managers should not be incentivized to engage in activities exceeding the company's risk tolerance solely for the purpose of pursuing compensation. The proportion of short-term performance-based compensation for directors and senior managers, as well as the timing of variable compensation payments, shall be determined based on industry characteristics and the nature of the company's business.

In practice, the Compensation Committee diligently fulfills its fiduciary duty of care by faithfully executing its responsibilities. These include establishing and periodically reviewing policies, systems, standards, and structures for evaluating the performance and compensation of directors and executives; regularly assessing and determining their compensation; and submitting its recommendations to the Board of Directors for discussion.

The Articles of Incorporation stipulate that if profits are generated during the fiscal year, no less than 5% shall be allocated as employee compensation. The Board of Directors shall resolve to distribute this amount in the form of stock or cash, with eligible recipients including employees of subsidiaries meeting specified criteria. The company shall allocate no more than 1% of the aforementioned profit amount as director compensation, subject to Board of Directors resolution. However, if the company has accumulated losses, an amount sufficient to cover such losses shall be reserved in advance, with the remainder allocated according to the aforementioned ratio. Proposals for employee and director compensation distributions shall be adopted by a special resolution of the Board of Directors and submitted to the shareholders' meeting. Additionally, to comply with regulatory requirements, the company plans to amend its articles of incorporation at the 2025 shareholders' meeting to explicitly provide for salary adjustments or compensation distributions for frontline employees.

### **3.1.3 Internal Audit**

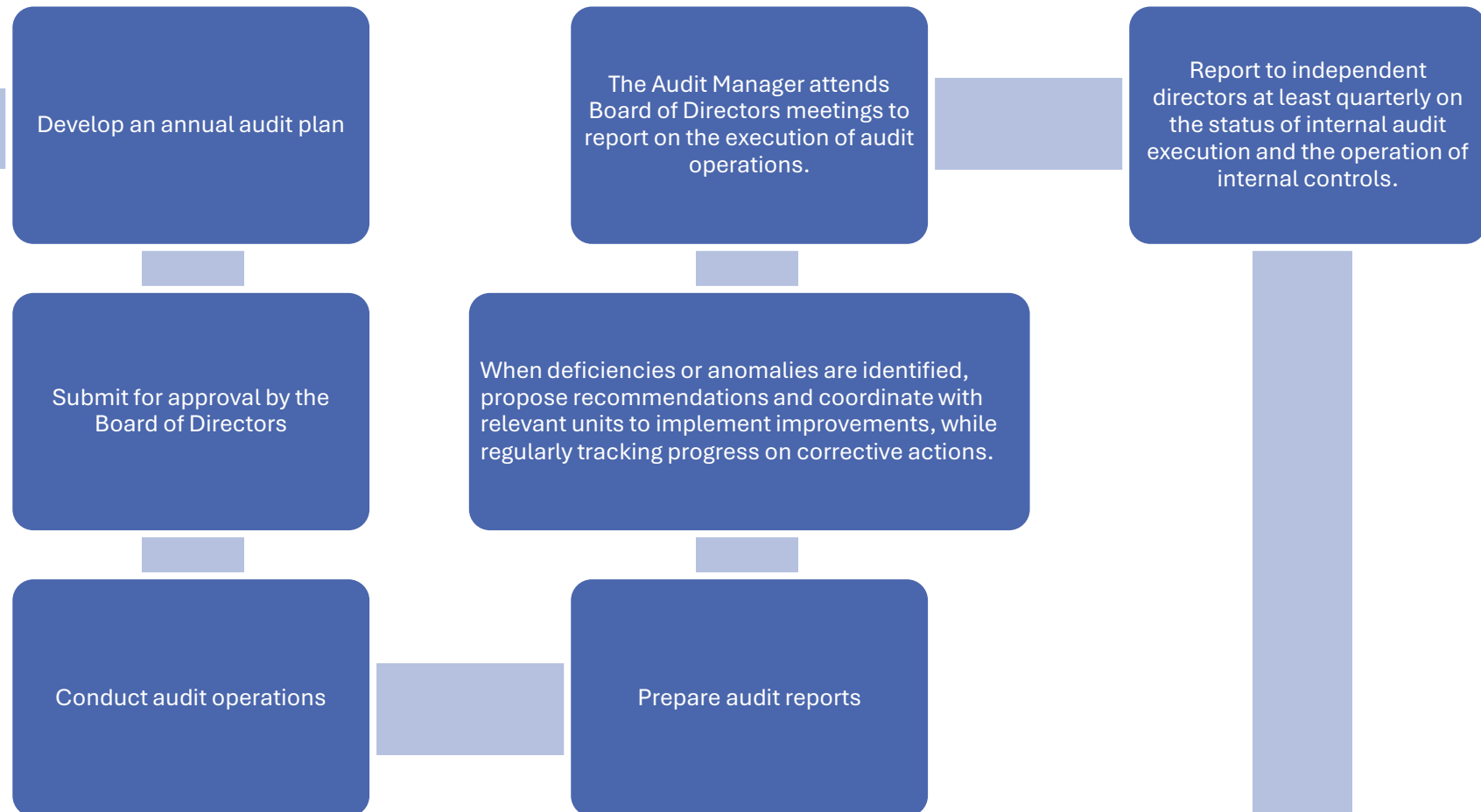
The purpose of internal auditing is to assist the Board of Directors and management in examining and reviewing deficiencies in the internal control system, measuring the effectiveness and efficiency of operations, and providing timely recommendations for improvement. This ensures the internal control system remains effectively implemented and serves as a basis for reviewing and revising the internal control system. To ensure auditors maintain impartiality and objectivity in performing their duties, Egis has established an independent Audit Office under the Board of Directors in accordance with applicable laws. This office is staffed with dedicated audit personnel. The Audit Manager attends Board of Directors meetings as

required to report on audit activities and provides reports to independent directors regarding the execution of internal audits and the operation of internal controls.

Egis has established internal control systems and detailed implementation rules for internal audits in accordance with the “Regulations Governing the Establishment of Internal Control Systems by Publicly Traded Companies.” The company has deepened its internal control framework based on the five key elements of COSO. Implementation involves departmental self-inspections and risk management. Annual reviews are conducted on the internal control systems of all company units and subsidiaries. Findings regarding internal control systems and the status of corrective actions for identified anomalies are provided to the Board of Directors and management as a basis for evaluating the overall effectiveness of the internal control system. Additionally, the company adheres to the “Regulations Governing the Establishment of Internal Control Systems by Publicly Traded Companies” and the “Operational Procedures for the Preparation and Filing of Sustainability Reports by OTC Companies” to formulate the “Operational Procedures for the Preparation and Verification of Sustainability Reports,” thereby reviewing sustainability information through its internal control system.

To enhance the professional capabilities of its audit personnel, the company arranged for auditors to undergo continuous training and participate in internal audit seminars organized by institutions designated by the competent authorities. This initiative aimed to improve and maintain audit quality and effectiveness. During the fiscal year, one auditor received a total of 12 hours of training. Through continuous monitoring of the company's implementation of various operational systems, the audit team established sound governance practices and risk control mechanisms, thereby fostering a sustainable business environment. During the fiscal year, the Audit Department conducted 39 audit operations, achieving a compliance rate of 97.44%. All non-compliant items were rectified and closed within the stipulated timeframe.

## Audit Flowchart



### 3.1.4 Ethical Integrity

#### Tangible outcomes

- Integrity and Ethics Agreement: Completed by all employees upon their first day of employment.
- Integrity and Ethics Training Program: 32 new hires participated in the program during the year, with a total training duration of 16 hours.
- No records of ethics or integrity violations were received during the year.

Egis builds its core corporate values upon compliance and integrity. Guided by integrity and adherence to the law, the company conducts its business with the utmost sincerity. To ensure this principle of ethical operation is thoroughly implemented internally, the company places significant emphasis on the character of its employees. During the onboarding process for new hires, the Human Resources Center educates them on the company's integrity policies and requires them to sign a "Worker Commitment Letter" that includes requirements and standards for integrity and honesty, thereby cultivating a culture of ethical awareness among staff. Simultaneously, management is required to lead by example and strictly adhere to integrity principles.

Internally, Egis designates its Human Resources department as the dedicated unit responsible for implementing integrity management policies. It formulates internal regulations such as the "Integrity Management Code," "Integrity Management Procedures and Conduct Guidelines," and "Code of Ethical Conduct," which are approved by the Board of Directors. These integrity regulations are disclosed on the

company's official website for stakeholder access. A dedicated Contact Information is established for stakeholders to and the "Code of Ethical Conduct," all approved by the Board of Directors. These internal regulations are disclosed on the company's official website for stakeholder review, with designated Contact Information established for stakeholder feedback. Employees with questions regarding the company's integrity policies may consult the website directly or reach out to the HR department via email, phone, or other channels.

Egis has established multiple reporting channels. Stakeholders may submit reports through the Stakeholder Section on the company's official website, the Shareholder and Investor Mailbox, or the Human Rights and Ethics Integrity Reporting Mailbox. Dedicated personnel will initiate investigations. Reporters are generally required to submit reports under their real names and provide relevant details of the reported incident, including but not limited to the name of the reported individual, the time and location of the incident, the circumstances involved, and supporting evidence. However, if an anonymous reporter has attached relevant concrete evidence, the designated personnel may also conduct follow-up investigations. Should dedicated personnel have a conflict of interest with the whistleblower or the subject of the report, or if any relationship exists that may affect case handling, they shall proactively disclose this and recuse themselves, allowing other personnel to conduct the investigation. The investigation process shall be handled impartially and with strict confidentiality; the identity of the whistleblower shall not be disclosed. The Company pledges to protect whistleblowers from any adverse treatment arising from their reports. If the subject of the report is a director or senior executive, the matter will

be escalated to the independent directors. During the current fiscal year, the Company has not received any reports or complaints.

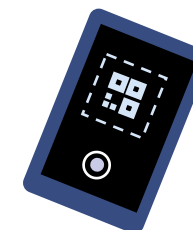
In business interactions, in addition to disclosing integrity practices in internal regulations, annual reports, company websites, or other promotional materials, Egis shall avoid engaging in commercial transactions with agents, suppliers, customers, or other business partners implicated in dishonest conduct. Before establishing business relationships with others, Egis personnel shall first assess the legitimacy, integrity policies, and records of dishonest conduct of agents, suppliers, clients, or other business partners. This ensures their business practices are fair, transparent, and free from demanding, offering, or accepting bribes. Cooperation agreements shall explicitly state: Should either party engage in dishonest conduct that harms the other party's interests, the affected party may terminate or rescind the agreement at any time without condition.

When conducting business, no employee shall directly or indirectly offer, promise, request, or accept any form of improper benefit from clients, agents, contractors, suppliers, public officials, or other stakeholders. Multiple reporting channels are provided to encourage internal and external personnel to report dishonest or improper conduct. Where reported incidents are verified as true, the relevant company units shall be tasked with reviewing related internal control systems and operational procedures, proposing improvement measures to prevent recurrence, and reporting the incident details, handling methods, and subsequent review/improvement measures to the Board of Directors.

#### Code of Ethical Conduct for Directors and Managers



#### Company Code of Conduct for Integrity in Business Operations and Operational Procedures



## Internal Material Information and Insider Trading Prevention Management Procedures

Integrity Course Title	Integrity Training Hours	Number of participants for this session
Integrity Policy Orientation Course for New Hires	0.5	32

Multiple Reporting Channels	Number of cases handled that year	Processed	Case closed
Company Website	0	0	0
HR Mailbox	0	0	0

## 3.2 Risk Management

The Egis Sustainability Committee identifies material environmental, human rights, and governance economic aspects relevant to company operations through an online questionnaire based on ESG materiality principles. It formulates response strategies for potential negative impacts these material themes may pose to the company. The company's risk management framework centers on functional departments to execute subsequent risk control operations. This enables the corporate governance unit to further oversee the effectiveness of internal control systems and monitor the management of actual or potential risks.

### Egis Risk Management Framework

Risk Items	Responsible Department	Risk-related Business Matters
<b>Environmental Sustainability</b>	Excessive energy consumption during product use and low recycling rate (Material Topics: Green Products)	<ul style="list-style-type: none"> <li>Continuously provide low-energy green product designs, optimize manufacturing processes to reduce carbon emissions, and lower end-user energy consumption.</li> </ul>
<b>Employee</b>	Mediation Incident Involving Employees Dismissed for Cause Demanding Year-End Bonuses. (Material Topics: Labor-Management Communication)	<ul style="list-style-type: none"> <li>When conducting employee layoffs, ensure that hiring managers and HR departments fully understand labor laws.</li> <li>Review employee employment agreements to clarify the salary terms and structure for each individual. Ensure that salary, bonus, and severance pay</li> </ul>



		<p>calculations comply with legal requirements in accordance with their contracts.</p> <ul style="list-style-type: none"> <li>● Submit official notifications in accordance with regulatory timelines.</li> <li>● Ensure employees fully understand the lawful grounds for termination and the calculation method for severance pay, while thoroughly explaining their relevant rights and benefits. This ensures equal access to information for both parties, enabling prompt responses to any issues that arise.</li> </ul>
	<p>Annual promotion not processed due to lack of profit (Material Topics: Compensation and Benefits)</p>	<ul style="list-style-type: none"> <li>● Annual promotion proposals are made based on operational performance, departmental results, individual contributions, and market benchmarks.</li> <li>● By 2025, in accordance with regulatory requirements, amend the company bylaws to stipulate that “a fixed percentage of annual profits shall be allocated for adjusting salaries or distributing bonuses to frontline employees.”</li> <li>● Review organizational status against company operational objectives, allocate promotion quotas, and provide opportunities for high-performing and promising colleagues to demonstrate their capabilities.</li> <li>● Strengthen communication and transparency by regularly sharing financial status and strategies: Explain current challenges and future improvement plans to employees.</li> </ul>
	<p>Key talent personnel leaving (Material Topics : Talent Development)</p>	<ul style="list-style-type: none"> <li>● Strengthen internal communication and care by conducting regular interviews with key personnel and establishing feedback mechanisms to understand their needs and enable them to voice opinions. Provide clear career development plans and promotion opportunities, allowing employees to feel valued for their long-term growth within the company and increasing their incentive to stay.</li> <li>● Strengthen incentive measures by offering competitive compensation packages and performance bonuses to key talent development programs.</li> <li>● Proactively provide external training or project leadership opportunities</li> </ul>

		<ul style="list-style-type: none"> <li>● Establish an internal job rotation system to provide employees with more diverse learning and growth opportunities, cultivate cross-functional teams, and reduce reliance on individual talents.</li> <li>● Prioritize exit management and knowledge transfer by arranging handover and knowledge succession before talent departure to ensure critical skills and information are retained.</li> </ul>
<b>Corporate Governance</b> /  <b>Operational Performance</b>	Revenue decline (Material Topics : Operational Performance)	<ul style="list-style-type: none"> <li>● Declining Product Competitiveness: To meet customers' quality requirements, the company established local subsidiaries with on-site teams to provide immediate support, assisting in R&amp;D, sales, and other back-office operations. This enables real-time resolution of customer issues locally and addresses specifications for new technologies, positioning the company as a key global partner for clients.</li> <li>● Insufficient R&amp;D Capabilities: Beyond investing in existing software licenses, the company continuously enters into intangible asset licensing agreements and strategic joint development agreements with advanced industry players to acquire cutting-edge technologies and established capabilities, thereby mitigating the risk of potential R&amp;D capacity shortfalls.</li> <li>● Unstable customer relationships: The company ranks among the top five vendors in the technology sector, offering services and products at competitive prices. To strengthen customer relationships, it has established subsidiaries and local teams in key client locations to provide immediate logistical support.</li> </ul>
	Innovation capabilities lag behind competitors, and energy consumption in manufacturing processes and end-use applications cannot be reduced. (Material Topics : Innovation and R&D)	<ul style="list-style-type: none"> <li>● Maintain close engagement with actual application markets to ensure access to firsthand market intelligence. Enable real-time planning and flexible adjustments based on market direction, achieving significant time advantages and optimizing resource utilization. Lead market trends through earlier intervention.</li> </ul>

		<ul style="list-style-type: none"> <li>● Establish forward-looking energy-saving product targets aligned with customer application needs, enabling early development and market launch.</li> </ul>
	<p>Insufficient supply chain resilience, such as suppliers experiencing unstable product quality, suppliers being penalized by local authorities for violations and forced to suspend operations, or raw materials being overly concentrated among a limited number of specific suppliers.(Material Topics : Sustainable Supply Chain)</p>	<ul style="list-style-type: none"> <li>● All top ten suppliers procured by the company are 100% compliant with local environmental regulations in their respective operating regions, with no evidence of related negative environmental impacts. Therefore, the risk of penalties from regulatory authorities due to violations is assessed to be extremely low.</li> <li>● For critical materials such as wafers, we can source from secondary and tertiary suppliers to mitigate the risk of supply disruptions.</li> </ul>
	<p>Product/service security issues cannot be resolved through customer-specified security testing.</p>	<ul style="list-style-type: none"> <li>● Product reliability is implemented in accordance with international standards JESD78A, JESD22, MIL-STD-883D, J-STD-033, J-STD-020 (or customer-specific requirements) to ensure products meet customer specifications.</li> <li>● • Delivered products comply with RoHS/REACH/specific hazardous substance requirements.</li> </ul>
	<p>Personnel Corruption Risk</p>	<ul style="list-style-type: none"> <li>● Publicly disclose the following relevant procedures and reporting channels on the official website.</li> <li>● Code of Integrity: Clearly outlines various forms of benefits and reiterates the prohibition of dishonest conduct.</li> <li>● Ethical Conduct Guidelines: Strengthen the promotion of ethical awareness among senior management and stakeholders, ensuring confidentiality obligations are upheld and fair transactions are conducted. When potential risks arise, proactively disclose them to prevent conflicts of interest and avoid improper gain.</li> <li>● Whistleblower Reporting Mailbox: To prevent employee corruption and ensure ethical integrity, Egis outlines procedures for addressing unethical conduct in its Integrity Management Procedures and Code of Conduct. The company provides a dedicated reporting mailbox</li> </ul>

		<p>(Ethics@egistec.com) on its website. Both internal and external parties may use this channel to report integrity violations, and anonymous reports are accepted.</p>
	<p>Frequent occurrences of information security incidents / Information security incident causing operational disruption(Material Topics : Information security protection)</p>	<ul style="list-style-type: none"> <li>● Information Security Management Framework: Egis is overseen by the Information Technology Department, which coordinates the promotion of information security management initiatives. This department is responsible for establishing information security policies, developing information security management plans, and planning and executing information security operations. It reports monthly to management on the effectiveness of information security policy implementation.</li> <li>● Information Security Management Strategy: The company conducts regular information security risk assessments covering both internal and external threats.</li> <li>● Employee Information Security Education and Awareness Enhancement: Conduct annual security assessments, cybersecurity health checks, social security training, and information security incident drills.</li> <li>● Enhance employees' awareness of information security risks and strengthen the incident response capabilities of information security personnel to enable proactive prevention, timely detection, and immediate containment of threats.</li> <li>● Compliance and External Certifications: The company conducts annual internal audits, accountant information reviews, and ISO information audits to strengthen information security management.</li> <li>● No significant deficiencies were identified in the 2024 information security audit. No major information security incidents occurred, including violations of information security protocols, customer data breaches, or associated fines. The third-party information security risk assessment scored 94 points, outperforming the industry average.</li> </ul>

### 3.3 Regulatory Compliance

Policy/Commitment		<ul style="list-style-type: none"> <li>Compliance with regulations is the foundation for sustainable corporate development.</li> </ul>
Objective	Short-term	<ul style="list-style-type: none"> <li>Monitoring laws, regulations, and rules that may impact the company's finances, business, and/or operations.</li> </ul>
	Medium-to-long term	<ul style="list-style-type: none"> <li>Maintain a record of no major violations each year °</li> </ul>
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none"> <li>The Legal Department and Audit Office shall serve as the designated receiving departments, utilizing internal audit reports or the whistleblower hotline as the complaint mechanism.</li> </ul>
Resources allocated for the year		<ul style="list-style-type: none"> <li>Periodic updates on new regulations.</li> </ul>
Evaluation System / Outcomes		<ul style="list-style-type: none"> <li>No significant violations of laws or regulations occurred during the year that resulted in penalties imposed by the competent authority.</li> </ul> <p><b>Note: A major violation refers to a single penalty exceeding NT\$240,000.</b></p>

Compliance is fundamental to corporate operations. Egis not only educates new employees on integrity policies during onboarding but also ensures ongoing compliance through departmental initiatives. Given the vast array of regulations, each department proactively monitors regulatory updates through interactions with government agencies or media reports. Departments then conduct internal and external training for their staff to guarantee the company's operations align with all applicable laws and regulations.

First, regarding corporate governance, Egis has established functional committees to oversee the company's financial operations and internal control systems. Through the “Corporate Governance Practice Code” and the “Board of Directors Performance Evaluation Measures,” the Board of Directors is encouraged to actively participate in decision-making on important company matters. Additionally, a corporate governance officer has been appointed to assist the Board of Directors in its operations and provide professional advice, thereby strengthening the Board's functions. Moving forward, Egis will continue adhering to corporate governance evaluations and best practices to enhance employees' compliance awareness.

Second, in personnel management, the company has established integrity-focused internal regulations and regularly promotes integrity and honesty as core values. Through developing relevant policies, rigorous implementation, self-audits, accessible reporting channels, and whistleblower protections, Egis builds a robust compliance firewall. Management leads by example, requiring every employee to ensure their business conduct complies with laws, company policies, and internal regulations. Annual internal control self-assessments review compliance, supplemented by internal audits. Guidelines for business conduct are established, mandating all employees across the Group—regardless of position, rank, or location—to adhere to the “Code of Integrity,” “Code of Ethics,” “Integrity Operations Procedures and Conduct Guidelines.” These documents cover workplace standards, equal opportunity, confidentiality clauses, conflict of interest avoidance, gift-giving/receiving and business etiquette, employee/customer respect, whistleblowing, protection, and immunity. This fosters public trust, enhances corporate image, ensures sustainable operations and development, and reduces legal risks. Participate in industry competition with integrity and fairness, foster a corporate culture of regulatory compliance, and build a reputation worthy of trust and respect.

Finally, regarding Environmental, Health, and Safety (EHS) aspects, Egis ensures compliance with environmental and occupational safety regulations throughout the product lifecycle. Suppliers and partners must strictly adhere to relevant human rights protections, labor laws, and other statutory requirements. The use of child labor, or coercion through violence, coercion, confinement, or other unlawful means of forced labor. Suppliers must sign a Social Responsibility Commitment Letter to ensure compliance with relevant standards. Through a management cycle approach, potential issues are identified, and timely control measures are implemented to prevent harm to the company.

Regarding Egis' overall compliance practices, there have been no significant violations in recent years involving corporate governance, securities trading, environmental protection, labor rights, occupational safety, disclosure of client privacy, marketing labeling, or product liability.

### 3.4 Operational Performance

Policy/Commitment		<ul style="list-style-type: none"> <li>● Maintain robust product margins and deepen market share for existing products.</li> <li>● Develop cutting-edge, high-performance AI products to expand into high-value-added markets.</li> <li>● Group resource integration to maximize value.</li> </ul>
Objective	Short-term	<ul style="list-style-type: none"> <li>● Develop high-performance AI chips to enhance existing software and hardware computing capabilities.</li> <li>● Maintain strong collaborative relationships with wafer fabs, packaging facilities, and test houses. Work closely with these partners to leverage big data analytics, machine learning, and artificial intelligence technologies to identify key process parameter optimizations. This approach aims to achieve objectives such as improving yield rates, enhancing process efficiency, enabling error detection, reducing costs, and shortening R&amp;D cycles. It also prevents raw material shortages and effectively controls production costs.</li> <li>● Stay abreast of product trends and customer needs to mitigate risks in new product development.</li> <li>● Deepen collaboration with existing clients, expand cooperation across product lines, and develop new applications for existing products to broaden the customer base.</li> <li>● Quickly and promptly resolve customer production line issues.</li> <li>● Expand industrial footprint to increase market share in biometric sensor ICs, peripheral and control ICs for information and consumer products, wireless audio control ICs, NRE design services, ASIC wafer sales, and IP licensing.</li> </ul>
	Medium-to-long term	<ul style="list-style-type: none"> <li>● Actively and continuously invest in innovation and development within the artificial intelligence sector, launching competitive new products while optimizing the existing product portfolio. This will enhance product competitiveness and added value, ensuring products maintain their leading position.</li> <li>● Establish a more robust internal management system to enhance operational efficiency and external communication effectiveness. Collaborate on developing relevant technology application platforms and partner with affiliated companies to provide customers with diversified solutions, creating synergies and deepening product cooperation with these affiliates.</li> <li>● High-end chip design services focused on advanced process technologies.</li> <li>● Integrate product lines across subsidiaries and affiliated companies. Utilize a multi-channel sales approach to penetrate brand-name clients and enhance influence over both brand clients and the market. Expand market reach and marketing channels to increase market share.</li> </ul>

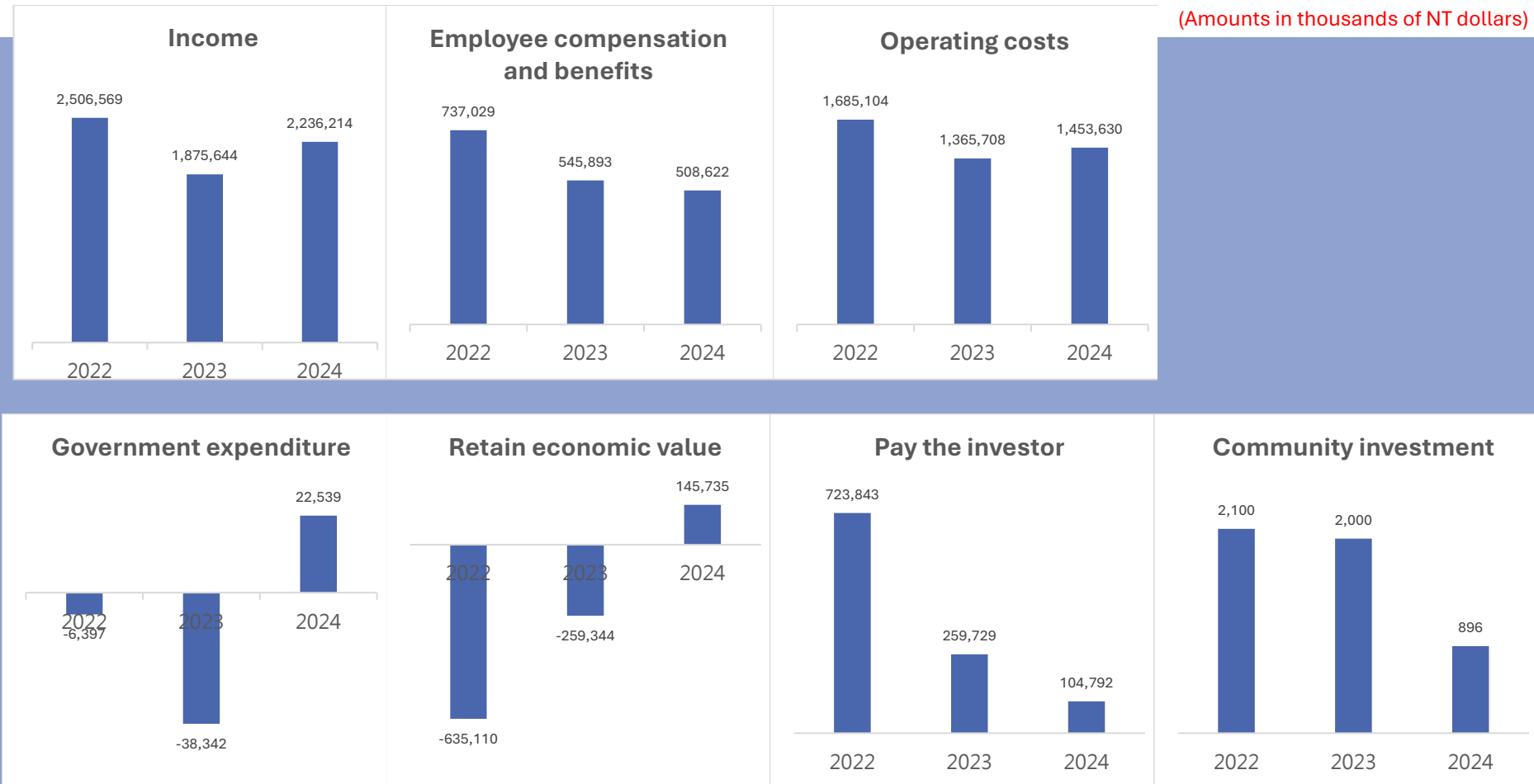


Responsible Department / Complaint Mechanism	<ul style="list-style-type: none"> <li>● Contact Information Domestic Sales: Ms. Chiang (Ext. 525) / International Sales: Ms. Chiu (Ext. 818) Phone: +886-2-2658-9768</li> </ul>
Resources allocated for the year	<ul style="list-style-type: none"> <li>● Enhance product competitiveness, consolidate industry assets, and leverage cross-technology licensing to proactively counter the challenge from low-cost IC products in China. Secure contracts with major international manufacturers and become one of the world's top five core suppliers.</li> <li>● Continuously develop new products, certified by major international manufacturers, to expand into high-margin product lines.</li> <li>● Continuously expand investment in new product domains, integrate resources, and build an end-to-end service alliance spanning IP, IC design services, and advanced packaging design and production.</li> </ul>
Evaluation System / Outcomes	<ul style="list-style-type: none"> <li>● Optimized the competitive positioning of existing mobile fingerprint recognition products by signing an exclusive cooperation agreement with FPC, the world's largest biometric sensor manufacturer. This agreement involves taking over FPC's mobile device production lines and technology, with plans to complete relevant technical validation and customer relationship transition by early 2025.</li> <li>● Developed new P Sensor and dToF (direct time-of-flight) technology chips, validated by major international manufacturers.</li> <li>● Through the acquisition of InPsytech, Inc. the Group has expanded its IP product line.</li> <li>● Individual revenue grew by 19.22% compared to the previous year.</li> <li>● Individual gross profit increased by 53.47% compared to the previous year.</li> <li>● Maintains a position among the top five in global market share for under-display fingerprint recognition products.</li> </ul>

Egis, headquartered in Taiwan, consolidated industry assets in 2024 and leveraged cross-technology licensing to directly confront the challenge of low-cost IC products from China. It secured major international OEM clients, becoming one of the top five global core suppliers for in-display fingerprint recognition products in smartphones. By establishing support teams in key markets, Egis built an international technical support service system. Coupled with a comprehensive end-to-end platform R&D portfolio, this strategy fully leverages its technological strengths while providing localized customer support. To further boost revenue and gross margins, Egis will expand its product and service portfolio through strategic investments and acquisitions. The objective is to build an end-to-end service alliance spanning IP, IC design services, and advanced packaging design and production, fulfilling clients' one-stop technical integration needs.



(Amounts in thousands of NT dollars)



Note:

1. Revenue is defined as net sales plus income from financial investments and asset sales.
2. Operating costs are defined as cash expenditures made to organizations outside the entity for the purchase of raw materials, product components, facilities, and services.
3. Employee compensation and benefits are defined as total wages (including employee salaries and amounts paid to governments on behalf of employees) plus total benefits.  
(Excludes costs for training, protective equipment, or other items directly related to employees' job duties).
4. Payments to contributors are defined as dividends paid to all shareholders plus interest paid to lenders.
5. Payments to governments are defined as all taxes and penalties paid by the organization in accordance with international, national, and local standards. Taxes may include sales tax, income tax, and property tax.
6. Total community investments refer to funds actually disbursed during the reporting period.
7. Retained economic value equals revenue minus (operating costs + employee compensation and benefits + payments to investors + payments to governments + community investments).

### 3.5 Products and Services

Egis maintains smooth communication channels with clients, fostering stable and positive cooperative relationships. Feedback from clients is promptly relayed by our business and operations management teams to R&D and quality assurance departments for subsequent improvements, earning client trust through superior service.

#### 3.5.1 Innovation and R&D

<b>Policy/Commitment</b>		<ul style="list-style-type: none"> <li>Driven by innovation, we integrate technical talent and products to establish robust partnerships with world-class manufacturers. Through our internal culture, we encourage employees to innovate while actively engaging externally—participating in international technical forums and associations—enabling Egis to achieve technological leadership across diverse fields.</li> </ul>
<b>Objective</b>	<b>Short-term</b>	<ul style="list-style-type: none"> <li>Ultrasonic technology applied to fingerprint recognition products on mobile phones.</li> </ul>
	<b>Medium-to-long term</b>	<ul style="list-style-type: none"> <li>Ultrasonic fingerprint technology evolution delivers rapid biometric authentication capabilities.</li> <li>Provides high-precision physiological signal recognition capabilities.</li> <li>Widely used in laptops, IoT applications, and medical devices.</li> </ul>
<b>Responsible Department / Complaint Mechanism</b>		<ul style="list-style-type: none"> <li>Responsible Department: R&amp;D Department</li> <li>Complaint Mechanism: eservice@egistec.com. Customers may submit requests through the Sales Department.</li> </ul>
<b>Resources allocated for the year</b>		<ul style="list-style-type: none"> <li>R&amp;D personnel account for 68.93% of the company's total workforce, with 66.2% holding master's degrees or higher.</li> <li>Develop the first-generation prototype IC by 2024 for subsequent application development.</li> </ul>
<b>Evaluation System / Outcomes</b>		<ul style="list-style-type: none"> <li>The IC functions normally and is ready for subsequent application development.</li> </ul>

Egis has consistently dedicated itself to advancing cutting-edge technologies, with ultrasonic in-display fingerprint recognition emerging as one of its standout innovations in recent years. As smartphone display technology evolves toward thinner, lighter screens with higher resolutions, ultrasonic in-display fingerprint technology has become the mainstream solution for future applications, steadily gaining prominence in the market. Ultrasonic in-display fingerprint technology utilizes ultrasonic sensing principles. Through a sensor module beneath the display, it identifies the user's 3D biometric features. This enhances overall security, including sensitivity and accuracy, while preserving the display's integrity. Compared to traditional fingerprint sensors, it occupies less device space, effectively aiding terminal products in downsizing. In manufacturing, it significantly reduces material consumption and shortens product transportation energy consumption.

In the short term, ultrasonic under-display fingerprint technology will empower the mobile industry to deliver seamless, secure smart living experiences. Long-term, Egis will expand beyond the mobile market. This product's inherent characteristics—slim profile, compact size, low power consumption, and high reliability—make it particularly suitable for IoT and medical device applications. Egis will foster cross-industry collaborations to jointly develop more innovative applications.

### **Cutting-Edge Technology and Market Exchange**

The advancement of ultrasonic in-display fingerprint technology is primarily reflected in its enhanced performance. Technologically, beyond participating in technical standards organization seminars and collaborating with commercial partners, Egis continues to invest resources internally to optimize ultrasonic sensing technology. This ensures precise fingerprint recognition across various medium conditions. This technology not only enhances user security but also improves product usability. With the further advancement of 5G and AI technologies, the application scenarios for ultrasonic in-display fingerprint recognition will become more extensive. In the future, it is expected to be adopted in a wider range of smart devices, including wearables, smart home appliances, and medical applications.

### **Objective and Resources**

Egis' innovation strategy focuses on mass-producing multiple 5G products tailored for diverse customer segments, including AI-enabled solutions. The company regards the integration of technology and talent as its core competitive advantage, investing NT\$930 million in R&D in 2024 to enhance product energy efficiency and maintain its leading position in technological innovation.

## Products/Technologies Successfully Developed Over 3 Years

Year	Brief Description
<b>2022</b>	<ul style="list-style-type: none"> <li>Side-mounted capacitive fingerprint sensor redesign, supporting 2.1mm packaging.</li> <li>Large-area under-display TFT fingerprint sensor solution.</li> <li>The optical fingerprint AI matching algorithm has been upgraded to enhance performance and support more use cases.</li> <li>Development of Optical 2.5D Anti-Counterfeiting Algorithm °</li> <li>The capacitive fingerprint AI matching algorithm has been updated to support 2.1mm packaging.</li> <li>Development of capacitive 2.5D anti-counterfeiting algorithms.</li> <li>Development of 1x1 and 4x4 versions of the Time-of-Flight distance sensing chip.</li> <li>Development of ambient light and proximity sensor chips.</li> </ul>
<b>2023</b>	<ul style="list-style-type: none"> <li>Optimized 1x1 Time-of-Flight Distance Sensing Chip Module.</li> <li>Development of 8x8 Time-of-Flight Distance Measurement Sensor Chip.</li> <li>Optimized MCU module with built-in fingerprint accelerator.</li> </ul>

	<ul style="list-style-type: none"> <li>Optimized ambient light and proximity sensor chips.</li> <li>Development of High-Sensitivity Ambient Light and Flicker Detection Chip.</li> <li>Low-Penetration Screen Application Development for FPS.</li> <li>Sensor Design and Development for Enhanced FPS Sensitivity.</li> <li>Mass production of sensors with smaller sensing areas for FPS.</li> </ul>
<b>2024</b>	<ul style="list-style-type: none"> <li>Development of Gen2 Time-of-Flight 8x8 chips and modules.</li> <li>Development of Gen3 Time-of-Flight Chip Platform °</li> <li>Fingerprint module supports adaptive IO 1.2V/1.8V design.</li> <li>Optical Fingerprint Pixel Binning Application Development.</li> <li>FPS Chip Encryption Application Development.</li> <li>MCU+CIS+2P lens fingerprint reader application development.</li> <li>FPS Ultra-Fast Application Development.</li> <li>Low-Spot Scene Application Development for FPS.</li> <li>SPAD Fingerprint Architecture Development.</li> <li>Capacitive Brush Registration Application Development.</li> </ul>

### 2024 Annual R&D Investment Resources

Annual	2024
R&D Expenses	930,580
R&D/Revenue Ratio	41.07%
R&D Personnel	120
Research Institute Academic Qualifications / R&D Personnel Ratio	87.57%

### 2024 Annual Patent Count and Cumulative Patent Count

Statistics / Annual	2024
Number of Patents Granted	24
Cumulative Valid Patent Count	223

### 3.5.2 Product Safety

Policy/Commitment	<ul style="list-style-type: none"> <li>Product reliability is implemented in accordance with international standards JESD78A, JESD22, MIL-STD-883D, J-STD-033, J-STD-020 (or customer-specific requirements) to ensure products meet customer specifications.</li> <li>Delivered products comply with RoHS/REACH/specific hazardous substance requirements.</li> <li>To meet international standards, our products have obtained relevant domestic chip certifications and third-party validations from organizations such as FIME (France) and TTA (South Korea), ensuring compliance with global safety standards.</li> </ul>
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Objective	<ul style="list-style-type: none"> <li>Suppliers required to provide direct materials must be certified under the ISO 14001 environmental management system to ensure that environmental control-related regulations are systematically implemented.</li> <li>Suppliers must comply with the following restrictions:</li> <li>European Union Restriction of Hazardous Substances Directive for Electrical and Electronic Equipment (including extended directives) RoHS II (2002/95/EC).</li> <li>REACH - European Union Regulation on the Registration, Evaluation, Authorization, and Restriction of Chemicals.</li> <li>EU Packaging and Packaging Waste Directive (including extended directives).</li> <li>Montreal Protocol on Substances that Deplete the Ozone Layer (including extension directives).</li> <li>Norwegian Directive on Hazardous Substances in Consumer Products (PoHS).</li> <li>Conflict Minerals Regulation.</li> <li>U.S. Toxic Substances Control Act (TSCA).</li> <li>Regular review of material testing reports and require suppliers to update them annually.</li> <li>Implement supplier green product management audits.</li> </ul>
Responsible Department / Complaint Mechanism	<ul style="list-style-type: none"> <li>Responsible Department: Product Reliability Assurance Department</li> <li>Complaint Mechanism: Ms. Chiu Phone: +886-2-2658-9768 Ext. 200</li> </ul>
Resources allocated for the year	<ul style="list-style-type: none"> <li>Third-party reliability verification and SGS hazardous substance analysis.</li> <li>Product liability insurance coverage of US\$10 million per year.</li> </ul>
Evaluation System / Outcomes	<ul style="list-style-type: none"> <li>All raw materials used by the company comply with hazardous substance control requirements and do not utilize conflict minerals.</li> <li>Product samples are sent to professional institutions for testing to ensure compliance with regulations and the company's own requirements.</li> <li>No incidents of non-compliance with green product regulations or customer agreements occurred for 2024 products. No product liability issues resulting in product removal or recall have been reported in previous years.</li> </ul>

All Egis products (services) comply with the laws and regulations stipulated by the competent authorities in the regions where they operate, as well as the EU RoHS and REACH directives. Our products contain no hazardous substances. To ensure service quality for our clients, our official website features a dedicated stakeholder communication section and customer service hotline. We conduct annual customer satisfaction surveys, and for areas receiving lower ratings, we initiate internal discussions and propose solutions. We actively strive for client recognition and strengthen our relationships with customers.

To mitigate product liability risks, reduce property losses, and enhance product safety, the company has secured product liability insurance coverage of US\$10 million.

### 3.5.3 Green Products

Policy/Commitment		<ul style="list-style-type: none"> <li>Egis is committed to green product development, continuously advancing toward lower power consumption and process optimization in its mature products.</li> </ul>
Objective	Short-term	<ul style="list-style-type: none"> <li>Continue implementing green design principles and enhance product energy efficiency (increasing battery life by 12.5%).</li> </ul>
	Medium-to-long term	<ul style="list-style-type: none"> <li>Actively participate in technical specification development associations.</li> <li>Establish a green product design roadmap.</li> <li>Achieve the objective of continuously reducing product energy consumption.</li> </ul>
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none"> <li>Responsible Department: R&amp;D Department</li> <li>Complaint Mechanism: eservice@egistec.com; Customers may convey their requests through the Sales Department.</li> </ul>
Resources allocated for the year		<ul style="list-style-type: none"> <li>Develop high-performance, low-power optical under-display fingerprint recognition systems.</li> <li>Product power consumption reduced by 50%; chip size reduced by 20%.</li> </ul>
Evaluation System / Outcomes		<ul style="list-style-type: none"> <li>Product power consumption shall decrease in accordance with the objectives set forth in the roadmap.</li> </ul>

## **Sustainable Development and Environmental Protection**

In the realm of green technology, optical under-display fingerprint technology also demonstrates Egis' commitment to sustainable development. By reducing chip size and optimizing energy efficiency, this technology not only enhances product performance but also contributes to environmental protection. Egis has successfully reduced the energy consumption of its products by 50%, significantly lowering the carbon footprint while enabling users to enjoy high-performance products and contribute to environmental conservation.

Simultaneously, the reduced IC area per chip means increased IC yield per wafer. Compared to the previous generation, this yields a 60% increase in IC output per wafer, equating to a 60% reduction in process energy consumption. This includes water usage and related consumables required during manufacturing.

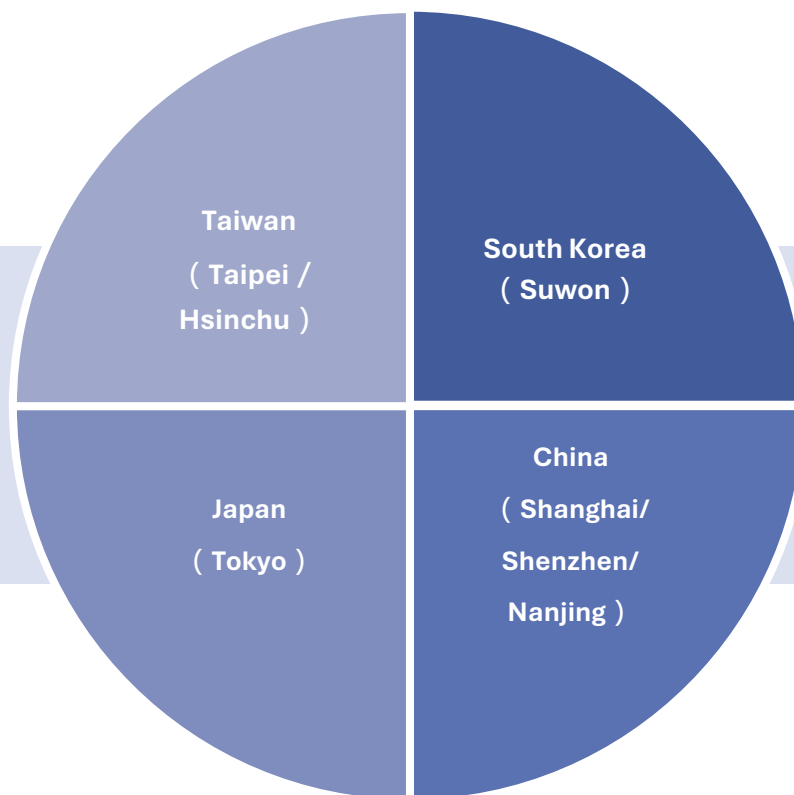
Furthermore, the smaller IC size reduces the waste footprint per unit of scrap material. This waste footprint encompasses back-end packaging components such as gold wires, flexible leads, lenses, and IR filters. As IC dimensions decrease, the consumption of these related module products also declines.

## **Green Innovation**

While advancing optical under-display fingerprint technology, Egis remains committed to green innovation. The company not only focuses on enhancing technical performance but also integrates environmental sustainability into every aspect of design and manufacturing. From the earliest stages of product development, Egis actively implements energy-efficient design, reducing chip size by 20% to minimize material waste. By optimizing production processes, product energy consumption is improved by 50%, effectively lowering carbon emissions.

Furthermore, Egis' optical under-display fingerprint modules incorporate an efficient energy management system. This enhances battery life by 12.5% without compromising performance, promoting energy savings in end products and achieving lower overall energy consumption. These green innovation practices not only help the company fulfill its environmental responsibilities but also empower consumers to contribute to global green protection while enjoying the convenience of advanced technology.

### 3.5.4 Customer Relations Products and Services



**Service Locations (Image)**

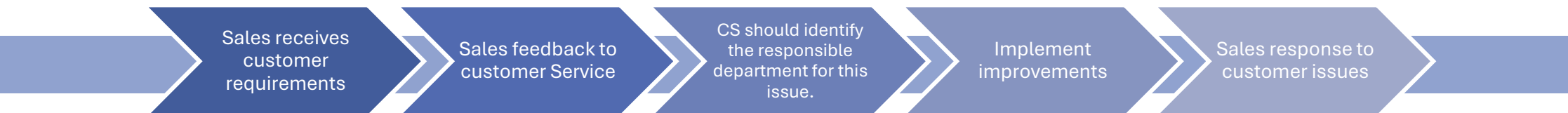
## Customer Relationship

<b>Policy/Commitment</b>		<ul style="list-style-type: none"> <li>● Policy: Utilize customer satisfaction surveys to gauge client recognition of various aspects of the company.</li> <li>● Commitment: We will continuously improve areas of dissatisfaction identified in customer satisfaction surveys to enhance overall satisfaction.</li> </ul>
<b>Objective</b>	<b>Short-term</b>	<ul style="list-style-type: none"> <li>● Implement improvements and adjustments based on the results of each satisfaction survey.</li> </ul>
	<b>Medium-to-long term</b>	<ul style="list-style-type: none"> <li>● Based on the results of each satisfaction survey, compare data from the past three years to identify trends in key indicators and formulate improvement and optimization measures.</li> </ul>
<b>Responsible Department / Complaint Mechanism</b>		<ul style="list-style-type: none"> <li>● Sales Operations Department / The complaint handling process involves customers reporting issues to sales representatives, who then relay feedback to the Sales Operations Department. The responsible department then implements improvements.</li> </ul>
<b>Resources allocated for the year</b>		<ul style="list-style-type: none"> <li>● Conduct regular customer satisfaction surveys, with customer ratings reaching 85 points or above. Subsequently, develop improvement plans for areas where customer survey scores are lower.</li> </ul>
<b>Evaluation System / Outcomes</b>		<ul style="list-style-type: none"> <li>● The average customer satisfaction survey score over the past three years has been 87.1%.</li> <li>● No customer privacy breaches occurred in 2024.</li> <li>● Customer complaints decreased by 40% in 2024 compared to the previous year.</li> <li>● Awarded the Special Contribution Award for Technological Leadership at the Taiwan Samsung IPC Supplier Conference in both 2016 and 2019.</li> <li>● In 2019, we were honored to receive the Best Delivery Award at the Wingtech Technology Co., Ltd. Global Elite Partner Conference. °</li> <li>● In 2022, the company was honored with the Special Contribution Award by Huawei.</li> </ul>

Online platform	Customer Service Hotline
<ul style="list-style-type: none"> <li>•<a href="https://www.egistec.com">https://www.egistec.com</a></li> <li>•CS should identify the responsible department for this issue.</li> </ul>	<ul style="list-style-type: none"> <li>•Ms. Chiu, Sales Department</li> <li>Phone : +886-2-2658-9768 Ext. 818</li> </ul>

Responsible Department, Service Channels, and Operational Process Description

### Customer Service Process



## Customer Service Stories

During the COVID-19 pandemic, global supply chains faced severe strain. Adhering to our customer-first philosophy, we proactively stockpiled over a year's worth of materials in advance. Combined with daily monitoring of production capacity and rigorous delivery tracking, our seamless coordination with suppliers enabled us to perfectly meet each client's immediate needs. During this challenging period, Egis not only avoided supply shortages but proactively ensured and significantly exceeded customer expectations through rigorous production and sales strategies. By providing maximum support, we created a win-win situation for all parties.

## Customer Satisfaction Survey

In accordance with ISO standards, annual customer satisfaction surveys must be conducted. Findings from these surveys serve as the basis for improving service and quality, as well as adjusting competitive strategies.

The Operations Management Unit conducts annual customer satisfaction surveys in accordance with Egis SA-2-91-001 Customer Satisfaction Management Procedure. The surveys primarily target the top ten clients. Analysis must be completed by the end of June each year and compiled into the "Customer Satisfaction Survey Summary Report."

Year	Score	Source (Customer)	Improvement Explanation
2022	86.30	Dreamtech · Mcnex · Partron · Eureka · Coretek · Regal	For the latest fingerprint solution, we anticipate more generous and even more proactive pricing.
2023	87.80	Dreamtech · Mcnex · Partron · Crucialtec · PNC · Coretek · QTech · A-Kerr · Regal	Accelerate the time-to-market for new products and enhance price competitiveness.
2024	87.20	Dreamtech · Mcnex · Partron · Crucialtec · PNC · TRBB · Ultra Source · QTech	Throughout the entire R&D and quality domain, we can engage in more proactive and effective collaboration, provide rapid cross-functional guidance, and deliver swift responses when issues arise.



## Improvement Stories

Through persistent negotiations between the Egis procurement team and suppliers, our Korean team secured highly competitive pricing for clients by the end of 2023. This enabled us to win numerous projects and capture the majority of demand share. Additionally, Egis provides on-site support to Korean clients weekly, offering expert technical analysis and assistance to enhance production yield rates and achieve quality levels exceeding standards. Whenever issues arise, we dispatch local support teams to deliver rapid assistance. We resolve problems efficiently and promptly, providing timely responses and guidance to our clients.



### 3.6 Information Security Protection

Egis commits to treating information security as a core component of risk management, dedicated to safeguarding the data security and privacy of all stakeholders.

Policy/Commitment		We continuously refine our information security policies through compliance and innovation to support sustainable business development and meet international regulations and standards such as ISO 27001.
Objective	Short-term	<ul style="list-style-type: none"> <li>Strengthen basic protective capabilities                             <ul style="list-style-type: none"> <li>Complete the update of internal information security policies and ensure compliance with the latest regulations and industry standards.</li> <li>Deploy fundamental protective measures such as multi-factor authentication (MFA), data encryption, and network traffic monitoring.</li> <li>Conduct a comprehensive cybersecurity risk assessment to identify current vulnerabilities and optimize security configurations.</li> </ul> </li> <li>Enhance employee safety awareness                             <ul style="list-style-type: none"> <li>Conduct company-wide information security awareness training covering preventive measures against common cyber threats such as ransomware and phishing attacks.</li> <li>Promote a culture of security by integrating information security into daily work processes.</li> </ul> </li> </ul>
	Medium-to-long term	<ul style="list-style-type: none"> <li>Achieve full compliance and certification</li> <li>Obtain or maintain international information security standard certifications (e.g., ISO 27001, NIST CSF).</li> <li>Enhance protective technology capabilities                             <ul style="list-style-type: none"> <li>Optimize advanced threat detection and response systems (such as EDR and XDR) to enhance capabilities for detecting internal and external threats.</li> <li>Increase investment in artificial intelligence (AI) and machine learning for threat behavior analysis and incident early warning.</li> </ul> </li> <li>Strengthen business continuity                             <ul style="list-style-type: none"> <li>Develop and test comprehensive Disaster Recovery Plans (DRP) and Business Continuity Plans (BCP).</li> <li>Conduct disaster recovery drills at least once a year to ensure rapid restoration of data and systems.</li> </ul> </li> </ul>

<b>Responsible Department / Complaint Mechanism</b>	<ul style="list-style-type: none"> <li>● Responsible Department: Information Technology Department</li> <li>● Complaint Mechanism: Mr. Ling +886-2-2656-1798 Ext. 8806</li> </ul>
<b>Resources allocated for the year</b>	<p>Egis actively invested resources throughout the year, including funding, personnel, and the execution of multiple information security projects, to comprehensively enhance the effectiveness of information security management.</p> <p>The following are the specific implementation details and outcomes:</p> <ul style="list-style-type: none"> <li>● Organization and Governance: The IT department consists of six personnel who convene quarterly information security meetings with an information security consulting firm. During these meetings, information security risk assessments and management are conducted.</li> <li>● Information security control measures :                         <ul style="list-style-type: none"> <li>■ Infrastructure Security: Comprehensive enhancements to server rooms, operational computers, mobile devices, access control systems, and network governance; daily off-site backups of system data.</li> <li>■ Data Security: Antivirus software receives real-time updates and is integrated with EDR and SOC for coordinated defense; regular vulnerability scans are conducted to patch system vulnerabilities; backup and restore drills are performed to ensure backup reliability.</li> <li>■ Account Permission Management: Conduct regular audits of inactive and privileged accounts to ensure system permissions are appropriately assigned and secure.</li> <li>■ Employee Education and Awareness: Periodically publish information security awareness materials on the internal network; conduct quarterly social engineering drills to enhance employees' information security awareness.</li> </ul> </li> <li>● Information Security Audit: Conduct annual information security audits to verify system compliance and security, and propose improvement measures based on audit findings.</li> </ul> <p>Through these efforts, Egis has effectively strengthened its information security management, reduced potential risks, and further safeguarded customer data and operational security.</p>

<b>Evaluation System / Outcomes</b>	<ul style="list-style-type: none"> <li>● Conduct quarterly social engineering phishing email drills throughout 2024, simulating approximately 4-6 email types per session. Over 1,000 simulated recipients were targeted, with an employee breach rate of approximately 2.78%. The system automatically provides online training to employees who were breached during testing to enhance security awareness.</li> <li>● Conduct three backup and restore drills in 2024 to ensure disaster recovery capability.</li> <li>● No complaints were received from internal or external stakeholders during the year.</li> <li>● No major information security incidents occurred during the year, and no operational disruptions resulted from information security incidents.</li> <li>● Neither internal audit, nor auditor review, nor client audit identified any material deficiencies.</li> <li>● Third-party information security risk assessment results scored 94 points, outperforming the industry average.</li> </ul>
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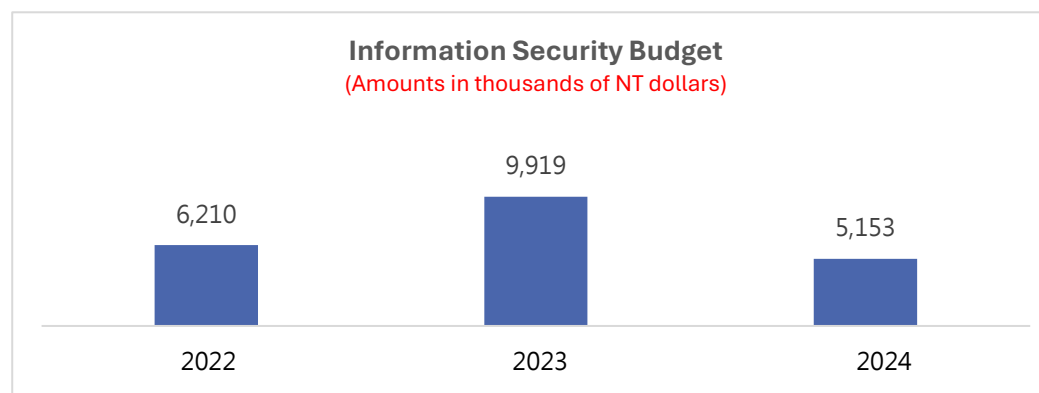
Egis prioritizes information security and has established comprehensive information security protection and data protection mechanisms to prevent risks such as confidential information leaks or data corruption. Internally, we have established relevant information security control mechanisms, applied technologies, and data security standards. For critical company systems, we have implemented data backup mechanisms and conduct periodic restoration tests annually to ensure information systems can recover normally. This reduces the risk of system interruptions caused by unforeseen natural disasters or human error, ensuring compliance with the company's defined system recovery objectives.

Egis' current information security protection approach involves holding quarterly information security control meetings with an external information security specialist firm. Company IT personnel participate in these meetings, which review and analyze SOC anomaly events. At each session, the information security consultant shares major domestic and international information security incidents. Through this experience sharing, we enhance employees' information security awareness and reflect on deficiencies in the company's information security architecture. The company regularly reviews and updates its information security policies to enhance protective capabilities. This safeguards the confidentiality, integrity, and availability of corporate information, preventing improper use, leakage, tampering, destruction, or loss of company assets due to human error, malicious acts, or natural disasters. Such incidents could otherwise disrupt operations or harm corporate interests. No information security incidents occurred during the current fiscal year.

Information Security Course Name	Information Security Training Hours	Number of participants for this session
Information Security Officer External Training Program	49	3
Information Security Exercise Name	Frequency of information security exercises	Number of participants
Internal Employee Social Engineering Exercise	4	2,794

(Amounts in thousands of NT dollars)

Total / Year	2022	2023	2024
Information Security Budget	6,210	9,919	5,153



# **Environmental Sustainability**



## IV. Environmental Sustainability

To achieve balanced development and sustainable operations, Egis develops environmentally friendly, energy-efficient products that enhance social quality of life through green design. “Environmental sustainability” and “healthy workplaces” serve as the cornerstones of the company’s sustainable operations.

By 2024, Egis will actively promote sustainable supply chain management, requiring partner suppliers to obtain and maintain effective operation of the ISO 14001 Environmental Management System. This ensures the environmental management standards within the supply chain align with the company’s objectives. Simultaneously, all developed and delivered products must comply with international regulations including RoHS (Restriction of Hazardous Substances), REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals), and conflict minerals restrictions. The company strictly prohibits the use of conflict minerals to minimize negative environmental and social impacts.

The company also clearly defines and monitors environmental objectives. Through the PDCA (Plan, Do, Check, Act) management cycle mechanism, it continuously enhances the effectiveness of its environmental, health, and safety management system, embodying the core spirit of sustainable corporate operations: compliance with regulations and continuous improvement.

### Environmental, Health, and Safety Policy

- Diligently fulfill responsibilities for energy conservation, waste reduction, and environmental protection.
- Comply with environmental regulations published by international organizations.
- Egis operates in the office sector, not manufacturing. Industrial waste is handled by licensed public and private waste disposal agencies. General domestic water usage and household waste are sorted and processed within the building complex, posing no significant environmental impact or pollution concerns.

## Egis Company Specific Measures

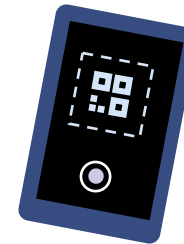
<b>Energy Efficiency and Carbon Reduction</b>	<ul style="list-style-type: none"> <li>● Through annual energy conservation initiatives, we maximize energy efficiency and reduce carbon emissions, with the objective of progressively lowering our carbon footprint year after year, thereby fulfilling our corporate citizenship responsibilities.</li> <li>● Improving the existing product structure and incorporating green design principles into new product development objectives not only effectively reduces dual energy consumption in production and transportation but also enables consumers to achieve greater energy savings and power efficiency during use.</li> </ul>
<b>Industrial Waste Removal</b>	<ul style="list-style-type: none"> <li>● Industrial waste is managed in accordance with legal regulations, classified and stored based on the chemical properties of each waste type, and then entrusted to contractors approved by the competent authority for disposal.</li> </ul>
<b>Waste Reduction – Household Waste Sorting</b>	<ul style="list-style-type: none"> <li>● Promote waste sorting and establish recycling bins to achieve waste reduction.</li> <li>● Promote a policy encouraging employees to bring their own utensils to reduce household waste.</li> </ul>
<b>Green Procurement</b>	<ul style="list-style-type: none"> <li>● The products we commit to provide comply with the Substances of Very High Concern (SVHC) as announced under REACH.</li> <li>● Adhere to the EU RoHS green environmental regulations, implement green procurement management, and require suppliers to ensure that the raw materials and manufacturing processes they provide contain no hazardous substances.</li> <li>● Suppliers required to provide direct materials must be certified under the ISO 14001 environmental management system to ensure that environmental control-related regulations are systematically implemented.</li> </ul>
<b>Green Products</b>	<ul style="list-style-type: none"> <li>● Egis has established a comprehensive environmental controlled substances management process, implemented as follows:                             <ul style="list-style-type: none"> <li>■ Manufacturers must comply with RoHS and REACH international environmental regulations and meet customer requirements for halogen-free products.</li> <li>■ Require suppliers to provide material composition test reports and conduct periodic reviews, updating them at least once annually.</li> <li>■ No incidents of non-compliance with green product regulations or customer agreements occurred for the 2024 product line.</li> </ul> </li> </ul>

## Emergency Response

- The company has established an emergency response plan, set up an emergency response command center, and formed emergency response teams. In the event of an emergency, these teams will execute emergency response and handling procedures. New employees participate in biannual emergency response training and fire drills held at the office building. Through practical simulations conducted by drill teams, staff develop emergency response and self-safety management capabilities. This enables them to take appropriate actions before disasters escalate, thereby minimizing the impact and harm caused by crises.

## 4.1 Sustainable Supply Chain

### Review of official website materials



## Policy/Commitment

- In the IC design industry, supply chain management is central to ensuring product quality, cost control, and market competitiveness. A sustainable supply chain represents not only a commitment to environmental and social responsibility but also a key pillar of a company's long-term development strategy. By collaborating with suppliers to promote green procurement, reduce carbon footprints, and enhance resource efficiency, companies can maintain competitive advantages in rapidly changing markets while meeting customer and investor expectations for sustainable development.



Objective	Short-term	<ul style="list-style-type: none"> <li>Conduct sustainability assessments (including ESG questionnaires/reports) for major suppliers with annual transactions exceeding NT\$20 million to verify the effectiveness of supply chain management. <i>Note: Large suppliers are defined as companies listed on stock exchanges in various countries.</i></li> <li>80% of small and medium-sized suppliers must complete the “Sustainability Assessment Questionnaire” starting in 2025. <i>Note: Small and medium-sized suppliers are defined as all suppliers that do not fall under the category of large suppliers.</i></li> </ul>
	Medium-to-long term	<ul style="list-style-type: none"> <li>Small and medium-sized suppliers proactively provide supporting documentation. The company will conduct random checks on Transparency International and local labor bureau websites to verify whether they have any recorded penalty cases for violations of local environmental and labor rights.</li> </ul>
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none"> <li>Responsible Department: Procurement Department</li> <li>Complaint Mechanism: Ms. Lo +886-2-2656-1798 Ext. 8817</li> </ul>
Resources allocated for the year		<ul style="list-style-type: none"> <li>For the year 2024, sustainability assessments (including ESG questionnaires/reports) were conducted for key suppliers with annual procurement values exceeding NT\$20 million (11 suppliers in total). The response rate was 100%, with all suppliers complying with local environmental and occupational safety regulations. No major violations or negative records were identified.</li> <li>The sustainability assessment questionnaire/report has been 100% completed, and it complies with local operational and environmental regulations. There are no facts indicating related negative environmental impacts or occupational safety hazards.</li> </ul>
Evaluation Mechanism		<ul style="list-style-type: none"> <li>Sustainability Assessment Questionnaire/Report.</li> </ul>

Egis is committed to building a resilient and responsible sustainable supply chain system, with suppliers serving as core partners in implementing ESG strategies. Beyond requiring them to provide competitive products and services, we also encourage and guide them to jointly participate in environmental protection and fulfill social responsibilities, collectively driving the enhancement of overall supply chain sustainability value. Specific approaches are outlined below.

## Supplier Selection Mechanism

Existing Supplier Evaluation	<p>As a publicly listed company, Egis fully recognizes the critical importance of a resilient and sustainability-conscious supply chain to long-term corporate value. Suppliers are not only the cornerstone of operational stability but also key partners driving the company's continuous growth and the achievement of its sustainability objectives.</p> <ul style="list-style-type: none"> <li>● The company conducts annual comprehensive evaluations of key suppliers with total annual transaction amounts of NT\$20 million or more. Evaluation criteria include: quality, on-time delivery capability, technical expertise and cooperation, and price reasonableness. The evaluation process is led by the procurement department, with participation from quality assurance, engineering, R&amp;D, and other relevant departments, and is carried out using the “Annual Supplier Evaluation Form.”</li> <li>● The company conducts triennial sustainability assessments for key suppliers with annual transaction amounts of NT\$20 million or more. Evaluation criteria encompass environmental sustainability, social responsibility, and compliance with corporate governance and regulatory requirements. These assessments are led by the Procurement and Quality Assurance departments and executed according to the “Sustainability Assessment Questionnaire/Report.”</li> <li>● In 2024, annual sustainability assessments (via evaluation questionnaires or Sustainability Reports) were conducted for 11 suppliers, achieving a 100% overall assessment rate with a 100% compliance rate. All evaluated suppliers comply with our company's sustainability policies and relevant standards. No significant or potential environmental and social impact risks were identified during the assessment process, indicating stable overall supply chain operations and a solid foundation for sustainable development.</li> </ul>
New Supplier Screening	<ul style="list-style-type: none"> <li>● The company prioritizes the environmental and social impact of its supply chain. It first screens suppliers using the “New Supplier Selection Evaluation Form,” selecting qualified suppliers based on criteria such as quality, delivery time, service, and support capabilities, and establishing their basic information.</li> </ul>

## Supplier Due Diligence

Aspect	Due Diligence Scope
<b>Financial Aspects</b>	When dealing with potential suppliers, investigate the company's financial status and operational overview prior to entering into a transaction.
<b>Environmental Aspects</b>	Suppliers must hold valid ISO environmental management system certification, and products must comply with RoHS/HF and REACH regulations.
<b>Human Rights Aspect</b>	Suppliers are required to commit to adhering to any one of the following standards: ISO 45001, SA8000, ISO 26000, or the Responsible Business Alliance (RBA).

### 1. Economic Due Diligence

When dealing with potential suppliers, the company conducts pre-transaction investigations into the financial status and operational overview of the counterpart company.

### 2. Environmental Sustainability Management

- All suppliers providing critical raw materials must commit that their products comply with ISO 14001 Environmental Management System certification throughout design, manufacturing, and inspection processes. This ensures the implementation of environmental policies, objectives, and management mechanisms. Suppliers will undergo sustainability assessments via questionnaires to verify their operations align with the company's supplier management policies.
- The following mechanisms are fully implemented across the supply chain. Suppliers must strictly comply with the following environmental and chemical management regulations to minimize environmental risks:
  - Restriction of Hazardous Substances Directive (including extended directives) RoHS II (2002/95/EC)
  - REACH - EU Regulation on the Registration, Evaluation, Authorization, and Restriction of Chemicals
  - EU Packaging and Packaging Waste Directive (including extended directives)
  - Montreal Protocol on Substances that Deplete the Ozone Layer (including extension directives)
  - Norwegian Directive on Hazardous Substances in Consumer Products (PoHS)
  - Conflict Minerals Regulation

- U.S. Toxic Substances Control Act (TSCA)

### 3. Social Responsibility

- Require suppliers to commit to establishing a corporate social responsibility management system that meets or exceeds the standards of ISO 45001, SA8000, ISO 26000, or the Responsible Business Alliance (RBA), and to strictly adhere to it in order to fulfill their corporate social responsibilities.
- Suppliers shall comply with international conventions and the labor and human rights regulations established by the governments where they conduct business activities, and commit to:
  - Provide employees with a safe, sanitary, and healthy work environment, equipment, and systems.
  - Ensure that working hours and wages are reasonable and compliant.
  - Strictly prohibit child labor; eliminate forced labor through violence, coercion, confinement, or other unlawful means; and absolutely prohibit any form of discrimination based on race, nationality, religion, gender, physical condition, political affiliation, or similar factors.
  - Disclosure management mechanism for suppliers' compliance records, integrity, human rights, and occupational safety practices. Should any party conceal material transaction-related information, resulting in significant violations, the right to terminate or rescind the contract shall be incorporated into the bilateral agreement.

### 4. Quality and Product Liability

- Product reliability must be implemented in accordance with international standards (such as JESD78A, JESD22, MIL-STD-883D, J-STD-033, J-STD-020) and specific customer requirements to ensure consistent quality and safety of products throughout the supply chain.
- All products must undergo domestic chip certification and third-party verification (such as French FIME, Korean TTA, etc.), comply with international quality and safety standards, and reduce product liability risks.

If an existing supplier fails the evaluation, the company will reduce order quantities as appropriate and set a deadline for improvement. Should the supplier fail to implement corrective and preventive actions, a “Cancellation of Approved Supplier Status Form” will be submitted. After co-signing by relevant departments and approval by the General Manager, business relations will cease and the supplier's qualified status will be revoked.

## Supplier Management Evaluation Criteria

Egis will commence sustainability assessments (evaluation questionnaires or Sustainability Reports) starting in 2024.

Supplier Evaluation	2024
Number of suppliers	11
Number of Suppliers Evaluated	11
Supplier Compliance Rate %	100%

Note :

1. The company defines suppliers as those with “annual procurement amounts exceeding NT\$20 million.”
2. There are 3 new suppliers for the 2024 fiscal year (included within the 11 suppliers), and all have completed the sustainability assessment questionnaire.

## Procurement Policy

To address the ongoing expansion of global operations and diverse customer demands, Egis actively advances its global supply chain deployment strategy, enhancing regional supply flexibility and overall operational resilience. Centering on improving customer service quality and delivery efficiency, we optimize procurement models by flexibly integrating local and international resource supplies. This ensures the supply chain maintains high responsiveness and stability when facing market fluctuations.

Under this strategic framework, Egis' procurement policy emphasizes flexible diversification and regional collaboration, optimizing resource allocation based on product characteristics, customer requirements, development timelines, and risk management. In 2024, our local procurement expenditure in Taiwan accounted for 69.27% of the total. While this proportion has been slightly adjusted to align with our global strategy, we continue to maintain partnerships with key local Taiwanese suppliers to ensure technical support and timely delivery.

Furthermore, Egis integrates green and sustainable development into the core of procurement and supply chain management. Through supplier selection and audit mechanisms, we incorporate labor rights, Environmental Sustainability management, and social responsibility as standards for supplier selection and management. We continuously assess and collaborate with key and high-risk suppliers on improvements, jointly promoting green manufacturing and low-carbon transportation to reduce overall supply chain carbon emissions and effectively implement ESG principles.

Egis will continue to enhance its responsiveness to customers and product competitiveness through a global supply chain layout and flexible procurement strategy. Simultaneously, we will uphold social and environmental responsibilities, collaborating with supply partners to co-create sustainable growth value.

### Local Procurement Status Over the Past Three Years

In recent years, as we have prioritized the development of local supply chains, the company has progressively increased the proportion of local procurement in its spending. This initiative not only strengthens partnerships with local suppliers but also reduces logistics distances and carbon emissions, thereby stimulating economic growth. It demonstrates our commitment to sustainable operations and social responsibility.

Project/Year	2022	2023	2024
Local Procurement Ratio ( % )	48.91%	60.92%	69.27%

**Note :**

1. The local area refers to the operational base.
2. Only raw material suppliers and processing manufacturers in the Taiwan region are included in the calculation.
3. Excludes services such as banking or photocopier maintenance.
4. Purchasing overseas raw materials through a Taiwanese agent does not count as local procurement.
5. Local procurement ratio = Taiwan-sourced transaction amount / Taiwan supplier transaction amount × 100%.

## Supplier Engagement

Egis is committed to building a transparent, mutually trusting, and resilient supply chain system. This requires establishing long-term, stable partnerships with suppliers. Through institutionalized, diversified communication channels and collaborative mechanisms, we enhance the effectiveness of our cooperation to jointly advance sustainable development objectives.

- **Exclusive Rewards and Complaint Mechanism**  
To ensure prompt communication and issue resolution, Egis has established a dedicated feedback channel for suppliers on its official website, providing a formal avenue for complaints and communication. For relevant processing procedures, please refer to the “Contact and Complaint Channels” section.
- **Regular/irregular exchanges and technical dialogues**  
Through regular supplier meetings and occasional technical exchange forums, we foster consensus and deepen collaboration on product development, quality improvement, and production capacity coordination.
- **Collaborative Projects and Continuous Improvement**  
Collaborate on joint initiatives to enhance mutual efficiency, integrating delivery timelines, quality, cost, and sustainability performance. Jointly establish improvement objectives and implementation plans to build a forward-thinking and sustainable partnership ecosystem, achieving long-term mutual prosperity and co-creating the future.

## Performance Evaluation and Risk Management

By regularly reviewing and providing real-time feedback on supplier performance, we collaboratively identify potential risks. For high-risk or underperforming suppliers, we initiate improvement plans to ensure overall supply chain stability and efficiency.

## 4.2 Energy Efficiency and Carbon Reduction

### 4.2.1 Energy Usage

Facing the challenges of rising energy demand and limited resources, the company places high importance on energy management, striving to enhance energy efficiency, reduce waste, and advance toward sustainable operations. Through prudent future energy planning, we propose more efficient energy utilization methods while reducing dependence on energy. Future adoption of energy-saving technologies, establishment of energy monitoring systems, and implementation of energy management policies will enable better control over energy usage, thereby achieving sustainable development objectives.

Egis primarily operates in office administration, with energy consumption comprising electricity and gasoline, while water constitutes the main resource. Although our overall energy usage remains limited, we rigorously implement daily management practices. This includes promoting the adoption of energy-saving technologies, establishing energy monitoring and management systems, ensuring efficient resource utilization, and minimizing unnecessary consumption.

### Energy Usage

Egis' overall energy consumption structure primarily consists of two categories. The largest share is electricity required for company operations, while the second-largest share is fuel consumption for company vehicles. This shift was primarily driven by geopolitical challenges, prompting the company to reassess its product development strategy and optimize office space utilization and workforce allocation, resulting in a slight decrease in overall electricity demand. As operational strategies stabilize, product direction, workforce size, and office space allocation are progressively finalized. Electricity consumption is projected to rebound to a more representative baseline by 2025. This baseline will serve as a more accurate foundation for auditing energy usage, enabling the implementation of concrete and actionable energy conservation management and policies.



## Total Energy Consumption for 2022–2024

Data Entry	Year	2022		2023		2024	
Purchased electricity	<b>Operational Locations</b>	kWh	1 GJ	kWh	1 GJ	kWh	1 GJ
	Taipei	393,459.00	1,416.45	355,053.50	1,278.19	271,552.38	977.59
	Hsinchu	512,115.27	1,843.61	506,636.19	2,023.00	494,862.33	2,024.00
Purchased electricity (Official Vehicle - Electric Car)	Taipei	kWh	1 GJ	kWh	1 GJ	kWh	1 GJ
		606.88	2.18	1,262.03	4.54	2,750.87	9.90
Gasoline (Official Vehicle - Gasoline-Powered)	Taipei	L	1 GJ	L	1 GJ	L	1 GJ
		1,917.85	62.63	417.14	13.62	0.00	0.00
Total internal energy consumption	Taipei + Hsinchu	1 GJ		1 GJ		1 GJ	
		3,324.88		3,319.36		3,011.49	
Energy intensity	Taipei + Hsinchu	1.3265		1.7697		1.3467	

### Note :

1. Indirect electricity and indirect diesel consumption both represent external energy expenditures incurred through the purchase of electricity and diesel commodities.
2. Each kilowatt-hour is equivalent to 3.6 megajoules, and 1 gigajoule equals one billion joules; The calorific value of gasoline is 7,800 kcal/L, and 1 kcal equals 4,186 joules.
3. Energy intensity = Total energy consumption (GJ) / Company revenue in millions of dollars per fiscal year.

## 4.2.2 Greenhouse Gas Emissions

Extreme weather events triggered by greenhouse gases have become a major environmental challenge facing the entire world. Although Egis is not an energy-intensive industry, as responsible global citizens, we recognize our unavoidable responsibility to reduce greenhouse gas emissions. To this end, the company will continue conducting greenhouse gas inventories. Through systematic self-assessment, we will monitor current emission levels and trends, enabling early planning of relevant countermeasures. Moving forward, we will persistently calculate greenhouse gas emissions resulting from energy usage. This data will serve as a crucial foundation for advancing Energy Efficiency and Carbon Reduction initiatives, as well as for measuring sustainability performance, thereby fulfilling our corporate citizenship responsibilities.

### Direct greenhouse gas emissions (Scope 1)

Egis owns or controls emission sources, with the primary direct source being official vehicles—primarily gasoline consumption.

### Indirect energy (Scope 2) and other indirect greenhouse gas emissions (Scope 3)

Egis' indirect emissions primarily consist of greenhouse gas emissions generated from purchased electricity. This includes electricity used for laboratory instruments, offices, and company vehicles (trams).

Other indirect emissions (Scope 3) Regarding other indirect emissions generated from the company's other activities, as planned under the “Sustainable Development Roadmap for Listed Companies” issued by the Financial Supervisory Commission, Egis has not yet been required by the competent authority to mandatorily disclose Scope 3 data. Therefore, no relevant data is available. The company will continue to monitor the latest developments in carbon reduction from both government and industry sectors, and will incorporate relevant data when required by laws and regulations.

## Egis Company - Emissions Statistics by Source Type Analysis

Data Entry	Year	2022		2023		2024	
Scope 1	Gasoline (Official vehicles - gasoline-powered vehicles)	L	metric tons of CO <sub>2</sub> <sup>e</sup>	L	metric tons of CO <sub>2</sub> <sup>e</sup>	L	metric tons of CO <sub>2</sub> <sup>e</sup>
		1,917.85	4.412	417.14	0.956	0	0
Scope 2	Purchased electricity	kWh	metric tons of CO <sub>2</sub> <sup>e</sup>	kWh	metric tons of CO <sub>2</sub> <sup>e</sup>	kWh	metric tons of CO <sub>2</sub> <sup>e</sup>
		906,181.1499	448.5597	862,951.7242	426.2982	769,165.5825	364.5845
Scope 1 + 2: Total Carbon Emissions		metric tons of CO <sub>2</sub> <sup>e</sup>		metric tons of CO <sub>2</sub> <sup>e</sup>		metric tons of CO <sub>2</sub> <sup>e</sup>	
		452.97		427.25		364.58	
Carbon intensity		0.1807		0.2278		0.1630	

### Note :

- Carbon emissions data from 2022 to 2024 are self-reported figures, with data assurance expected to be completed by July 2028.
- The types of greenhouse gases included in the inventory are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>), and nitrogen trifluoride (NF<sub>3</sub>).
- The statistical method employs the “emission factor approach” for calculation. The emission factors for purchased electricity follow the power generation carbon emission coefficients announced by the Bureau of Energy, Ministry of Economic Affairs. The 2022 coefficients are 0.495 (kgCO<sub>2</sub>e/kWh), 0.494 (kgCO<sub>2</sub>e/kWh) for 2023, and 0.474 (kgCO<sub>2</sub>e/kWh) for 2024. The greenhouse gas emission factors required for calculating carbon dioxide equivalent emissions primarily reference the Global Warming Potential (GWP) values for various GHGs as outlined in the IPCC AR6 (2021) report.
- Density is measured by the total annual sales value of products (in millions of New Taiwan Dollars) as the metric for both usage density and emission intensity.

## 4.3 Water Resources and Waste Management

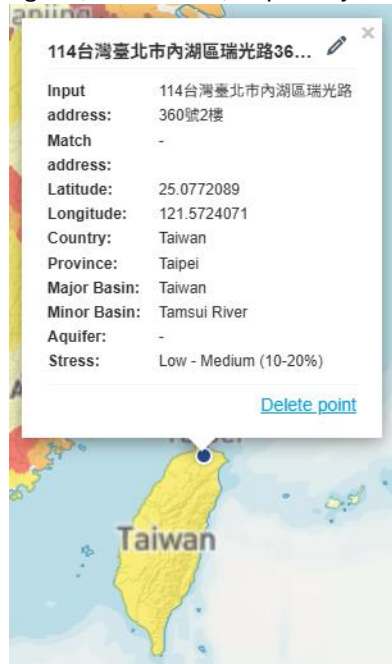
### 4.3.1 Water Resource Utilization

Egis is an enterprise focused on IC design and does not engage in product manufacturing or processing operations. Consequently, it has no process water requirements, and all water usage is for daily employee needs. Its operational sites are located in Taipei and the Hsinchu Science Park, areas not classified as water-stressed regions. After careful assessment, the company's operations are not expected to cause significant impacts or noticeable environmental effects on local water resources or the ecological environment of water sources.

Additionally, results from risk identification using the water risk assessment tool developed by the World Resources Institute (WRI) indicate that all Egis operational sites in 2024 are classified as being in areas experiencing low to moderate water stress.

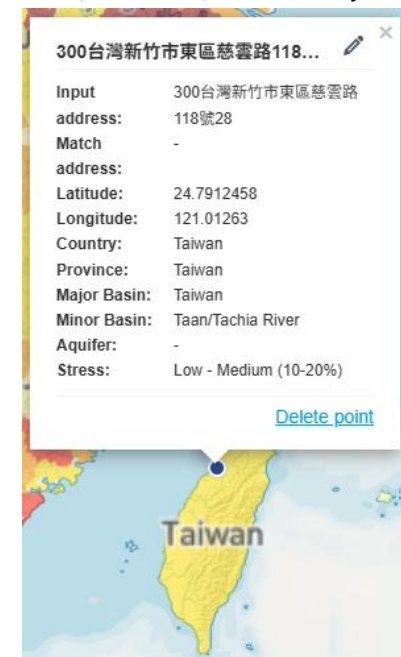
## Taipei Office

2 F., No. 360, Ruiguang Rd., Neihsu Dist., Taipei City 114729, Taiwan (R.O.C.)



## Hsinchu Office

28 F., No. 118, Ciyun Rd., East Dist., Hsinchu City 300196, Taiwan (R.O.C.)



## Water intake and drainage

The company's water sources are exclusively tap water supplied by Taiwan Water Corporation (third-party water, freshwater with  $\leq 1,000$  mg/L total dissolved solids), with no sourcing from seawater, groundwater, or other alternative sources. This water is primarily used for general office staff domestic water needs and certain air conditioning equipment, such as restrooms and cooling towers. The company's locations in the Greater Taipei area and Hsinchu Science Park are classified as non-water-stressed zones, resulting in relatively low operational risks related to water resources. Nevertheless, Egis fully implements water resource management. For office staff domestic water use, the focus is on infrastructure maintenance and improvement. The company continuously promotes water conservation through environmental education campaigns, actively practicing water-saving measures to minimize impacts on water resources and the environment.

## Egis Taiwan Operational Sites Water Resources Statistics Table

(Unit: million liters)

Year	Factory Name	Water Collection Category	Water Consumption by Different Plant Sites	Total Water Withdrawal
2022	Taipei Office	Third-party water (Tap water)	1.37	1.37
2023			1.25	1.25
2024			1.50	1.50

Note : Only data for the Taipei office is disclosed here. Due to incomplete information, data for the Hsinchu office will be disclosed in subsequent annual reports.

### Water Resource Management Measures

1. Promote water conservation measures, recycling, and enhance the efficiency of water-using equipment.
2. Water dispensers require regular filter replacement and water quality testing to ensure safe drinking water.
3. Perform regular maintenance and upkeep of equipment, disinfect and clean water towers to enhance the operational efficiency of water-using facilities.
4. Periodically post notices on bulletin boards or distribute email announcements regarding water and electricity conservation and resource stewardship. Conduct training sessions for new hires and existing staff to educate them on proper water and electricity usage practices.

### 4.3.2 Waste Statistics

Egis, though part of the semiconductor industry, is actually an IC design company operating at the upstream stage. It does not maintain manufacturing facilities or production processes, with its operational model more closely resembling that of an office-based business. Its energy and resource consumption primarily consists of standard residential electricity, water usage, and domestic waste. It generates only minimal specialized R&D-related waste, resulting in negligible overall environmental impact with no concerns regarding pollution or hazards. For R&D waste disposal, the company engages TECH WASTE MANAGEMENT CORP., a government-approved contractor (all off-site and recycled processing), ensuring compliance with international environmental management system certifications such as ISO 14001 to implement lawful and responsible disposal practices. Regarding product manufacturing, the company outsources production to TSMC. Industrial waste generated during TSMC's manufacturing processes (including photomasks) is also handled by TSMC in compliance with relevant environmental regulations, ensuring no risk of environmental harm.

#### Waste Generation Statistics Table for 2022–2024

(Unit: metric tons)

Year	Item	Waste Categories	2022	2023	2024
IC scrap	Scrap Lenses	General industrial waste	0	0.0000	0.0720
	Scrap Wafer	Hazardous industrial waste	0.116	0.0000	0.0100
	Scrap Blue Tape	Hazardous industrial waste	0	0.0000	0.0130
	Scrap PCBs	Hazardous industrial waste	0.061	0.0000	0.0580

## Hazardous Waste Treatment Process





## Social Responsibility



## V. Social Responsibility

Egis values employees' labor rights and actively fosters a happy and safe workplace environment. We provide colleagues with equal and inclusive job opportunities, implement gender equality policies, cultivate an atmosphere of mutual respect, and offer competitive market-based compensation to enhance employee loyalty. Beyond comprehensive onboarding training for new hires, the company regularly organizes various training programs to enrich professional skills and boost workplace competitiveness. Transparent promotion pathways enable employees to anticipate future career development opportunities. Through constructive labor-management interactions, employees can voice opinions during labor-management meetings, and the company responds in good faith to achieve mutual understanding. Finally, we believe in giving back to society. Egis consistently engages in public welfare activities, such as purchasing holiday gift boxes from underprivileged groups each Thanksgiving and sharing them with employees. Through concrete actions, we actively fulfill our social responsibilities.

### 5.1 Employee Overview

Egis treats all employees equally. Through various affirmative action measures, we eliminate any potential workplace disparities in labor conditions and safeguard our colleagues' labor rights.

#### 5.1.1 Human Rights Protection

Egis upholds respect for human rights as a core value, supporting and voluntarily adhering to internationally recognized human rights standards. This includes frameworks and principles such as the *Universal Declaration of Human Rights*, the *United Nations Global Compact*, the *United Nations Guiding Principles on Business and Human Rights*, and the *International Labour Organization Convention*. We resolutely refrain from any actions that disregard or infringe upon human rights. Guided by relevant standards, we conduct internal human rights due diligence and assessments, actively enhancing awareness and commitment to human rights issues among all employees and stakeholders. Following approval by the Chairman of the Board, the *Human Rights Policy* is formally issued, clearly committing to safeguarding internationally recognized fundamental human rights. This includes prohibiting child labor, eliminating all forms of forced labor, eradicating employment and job discrimination, upholding gender equality, ensuring fair treatment of employees, and rejecting any human rights violations.

In corporate governance practices, the company actively implements diverse hiring, equitable compensation, and promotion opportunities to ensure all employees are free from discrimination, harassment, or unfair treatment based on race, gender, religious beliefs, age, political stance, or other identifying characteristics. Concurrently, the company regularly communicates key elements of its human rights policy to both new hires and existing staff. Should any employee be involved in incidents of human rights violations, the company provides clear reporting channels. A dedicated unit handles these reports and conducts independent due diligence investigations. We commit to maintaining the confidentiality of whistleblowers' personal information and guarantee no adverse actions will be taken against them. In 2024, the company identified no records of human rights violations and continues to adhere to and promote relevant policies.

To strengthen human rights protection mechanisms, the company has published its Human Rights Policy on its official website and established a complaint and whistleblowing email address (Ethics@egistec.com) as a channel for employees to voice concerns and report issues. Additionally, human rights education has been incorporated into new employee training programs. The company ensures 100% completion of courses related to the Gender Equality in Employment Act by all managerial and staff personnel. Through continuous advocacy and education, Egis implements a corporate culture of diversity, equality, and inclusion, demonstrating its unwavering commitment to respecting and protecting human rights.

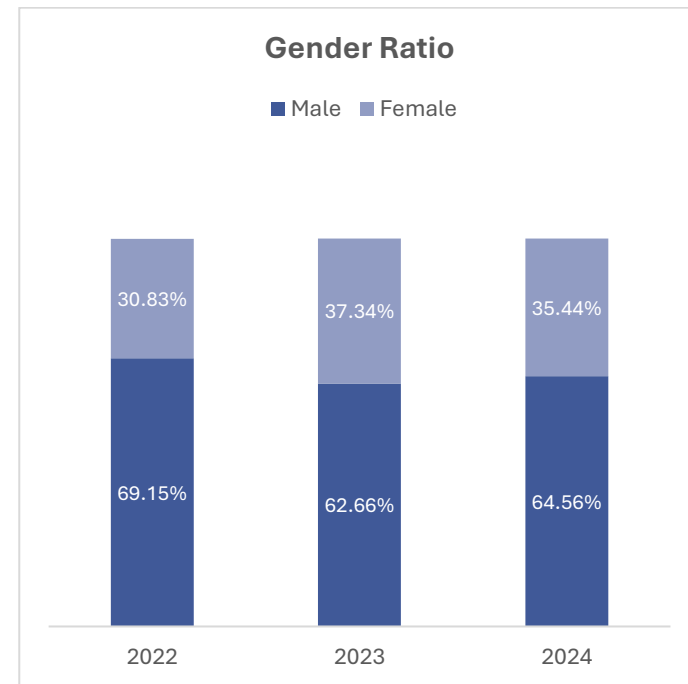
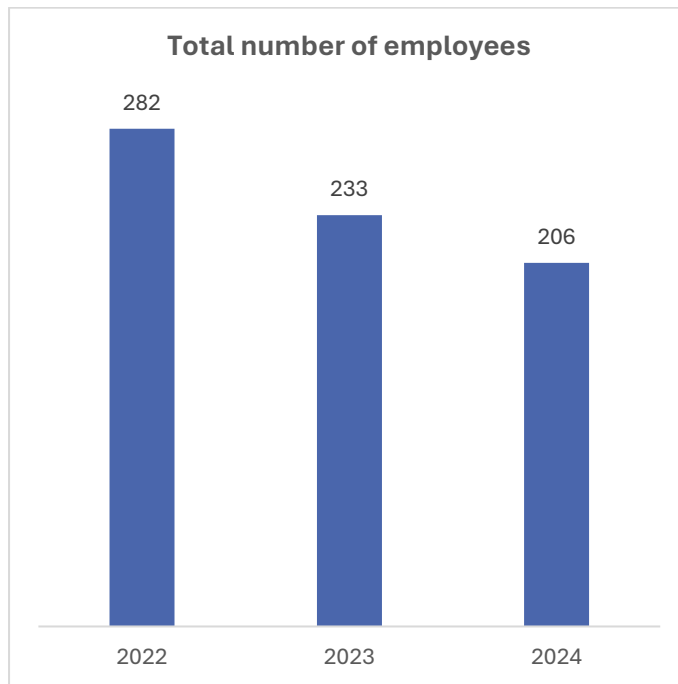
Human Rights Course Name	Number of participants	Total Training Hours	Participation Rate
<b>Human Rights Orientation Training for New Employees</b>	32	16	100.00%
<b>Key Amendments to the Gender Equality in Employment Act and Case Studies (For Supervisors)</b>	40	40	100.00%

### 5.1.2 Employee Statistics

Egis's business philosophy is to become a world-leading semiconductor group, providing professional design services such as IP and Chiplet to global manufacturers. In recent years, in response to operational transformation and product portfolio adjustments, the company has optimized its organizational structure and conducted a comprehensive review and restructuring of its human resources, resulting in a reduction in headcount.

The company ensures non-discriminatory hiring practices across genders. Employees are primarily categorized as indefinite-term or fixed-term contract personnel. In 2024, the proportion of female employees increased by approximately 4.6% compared to two years prior. Among managerial positions, women account for about 26.8%. This figure surpasses the industry average of 18% female managers in typical technology companies, demonstrating our commitment to embracing diverse talent, building a female-friendly workplace, and actively advancing gender equality. Regarding age distribution, employees under 50 years old collectively accounted for approximately 85% of the workforce that year. This indicates that the company currently relies primarily on mid-career and senior employees, with experienced managers leading younger teams, resulting in a stable workforce structure.

At Egis's Taiwan operations, 87.5% of senior management positions are filled by local talent. This demonstrates the company's commitment to identifying and attracting local talent for nearby employment, which helps foster community recognition and further boosts the local economy.



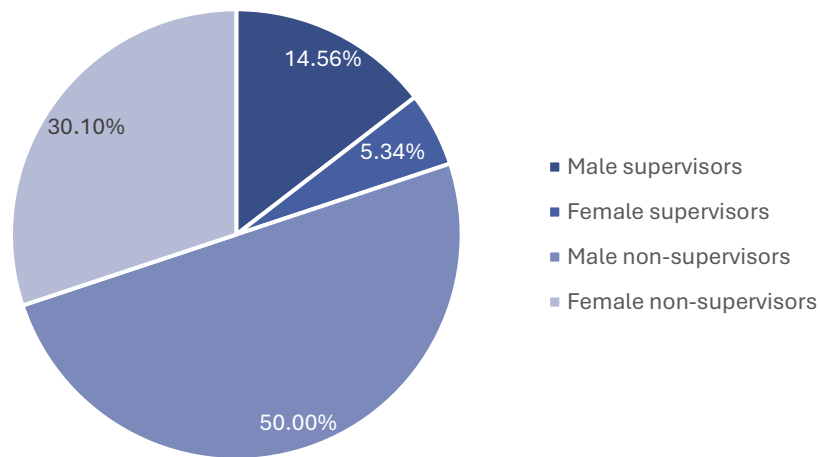
**Note :**

1. Data statistics are based on the end of the year.
2. Total number of employees includes both permanent employees (full-time) and fixed-term employees (short-term, seasonal, or project-based). This also includes situations where the company hires temporary replacements for employees on maternity leave or childcare leave until the original employees return to their positions.

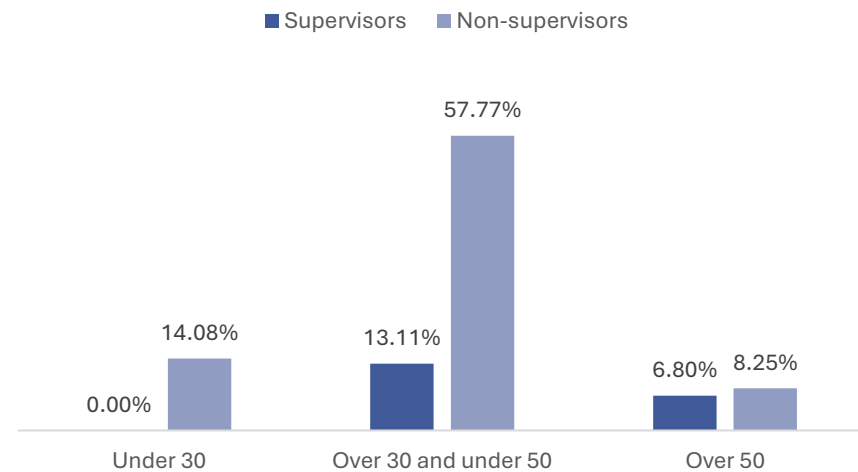
Diversity Statistics / Annual				2022		2023		2024	
				Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
Employee	Supervisor	Gender	Male	41	14.54%	33	14.16%	30	14.56%
			Female	10	3.55%	11	4.72%	11	5.34%
		Age	Under 30	0	0.00%	0	0.00%	0	0.00%
			Over 30 and under 50	36	12.77%	31	13.30%	27	13.11%
			Over 50	15	5.32%	13	5.58%	14	6.80%
		Education	Doctoral Degree	3	1.06%	3	1.29%	4	1.94%
			Master's Degree	32	11.35%	25	10.73%	22	10.68%
			University	16	5.67%	16	6.87%	15	7.28%
			Other	0	0.00%	0	0.00%	0	0.00%
	Non-supervisory	Gender	Male	154	54.61%	113	48.50%	103	50.00%
			Female	77	27.30%	76	32.62%	62	30.10%
		Age	Under 30	48	17.02%	30	12.88%	29	14.08%
			Over 30 and under 50	167	59.22%	144	61.80%	119	57.77%
			Over 50	16	5.67%	15	6.44%	17	8.25%
		Education	Doctoral Degree	7	2.48%	4	1.72%	3	1.46%
			Master's Degree	118	41.84%	87	37.34%	81	39.32%

			University	102	36.17%	97	41.63%	80	38.83%
			Other	4	1.42%	1	0.43%	1	0.49%

**Gender Ratio for Managerial and Non-Managerial Positions in the Current Year**



**Age Distribution of Supervisors and Non-Supervisors for the Year**



New Employee Statistics / Annual		2022		2023		2024	
		Number of people	Percentage ( Note2 )	Number of people	Percentage ( Note2 )	Number of people	Percentage ( Note2 )
<b>Total number of employees for the year</b> ( Note1 )		282		233		206	
<b>Age</b>	Under 30	21	7.45%	11	4.72%	17	8.25%
	Over 30 and under 50	42	14.89%	23	9.87%	18	8.74%
	Over 50	6	2.13%	2	0.86%	6	2.91%
<b>Gender</b>	Male	42	14.89%	22	9.44%	22	10.68%
	Female	27	9.57%	14	6.01%	19	9.22%
<b>Education</b>	Doctoral Degree	2	0.71%	2	0.86%	1	0.49%
	Master's Degree	38	13.48%	13	5.58%	21	10.19%
	University and Other	29	10.28%	21	9.01%	19	9.22%

Note :

1. Total number of employees as of the end of the year (December 31).
2. New Hire Rate = (Total number of new hires in that specific category during the current year / Total number of employees at year-end) \* 100%.  
Female New Employee Rate = (Total Female New Employees in the Current Year / Total Employees at Year-End) \* 100%.



Statistics on Departing Employees / Annual		2022		2023		2024	
		Number of people	Percentage ( Note2 )	Number of people	Percentage ( Note2 )	Number of people	Percentage ( Note2 )
<b>Total number of employees for the year</b> ( Note1 )		282		233		206	
<b>Age</b>	Under 30	20	7.09%	19	8.15%	12	5.83%
	Over 30 and under 50	65	23.05%	56	24.03%	48	23.30%
	Over 50	12	4.26%	6	2.58%	10	4.85%
<b>Gender</b>	Male	70	24.82%	65	27.90%	36	17.48%
	Female	27	9.57%	16	6.87%	34	16.50%
<b>Education</b>	Doctoral Degree	9	3.19%	5	2.15%	1	0.49%
	Master's Degree	58	20.57%	48	20.60%	30	14.56%
	University and Other	30	10.64%	28	12.02%	39	18.93%

Note :

1. Total number of employees as of the end of the year (December 31).
2. Turnover Rate = (Total number of employees who left in that specific category during the year / Total number of employees at the end of the year) \* 100%.  
Employee turnover rate for those under 30 = (Total number of employees under 30 who left during the year / Total number of employees at year-end) \* 100%.

## Non-employee workers

Statistics / Annual		2022		2023		2024	
Total number of workers		21		15		7	
Contract Type		Dispatch	Consultant	Dispatch	Consultant	Dispatch	Consultant
Gender	Male	3	6	1	5	1	3
	Female	11	1	8	1	3	0
Nature of Work		Tester	Professional Consultant	Tester	Professional Consultant	Tester	Professional Consultant
Gender	Male	3	6	1	5	1	3
	Female	11	1	8	1	3	0

Note : Total number of employees as of the end of the year (December 31).

## 5.2 Talent Management

A robust and flexible human resources system serves as the cornerstone for the company's sustainable development. To attract and retain top talent, Egis offers a competitive compensation and benefits package. Through regular incentive programs, we recognize employees' performance achievements and long-term contributions, thereby driving and enhancing the organization's overall momentum.

To ensure talent is placed appropriately, the company implements a transparent and objective performance management system. Through regular evaluations and two-way feedback mechanisms, employees review their objective achievement and continuously strengthen their competencies. Opportunities for transfers and rotations are also provided. The company is committed to linking organizational development with individual career objectives, enhancing employee belonging and engagement.

Regarding career development, the company upholds principles of fairness, impartiality, and transparency, offering clear promotion pathways. This enables high-performing employees to receive tangible recognition and advancement opportunities, fostering a positive learning culture. The company continuously cultivates key talent to strengthen organizational competitiveness. Additionally, the company offers opportunities for employees to apply for transfers and rotations. Based on their professional background and future development plans, employees can apply for internal positions to broaden their career paths. This allows them to build more diverse capabilities upon their existing expertise, delivering more proactive work outcomes.

### 5.2.1 Compensation and Benefits

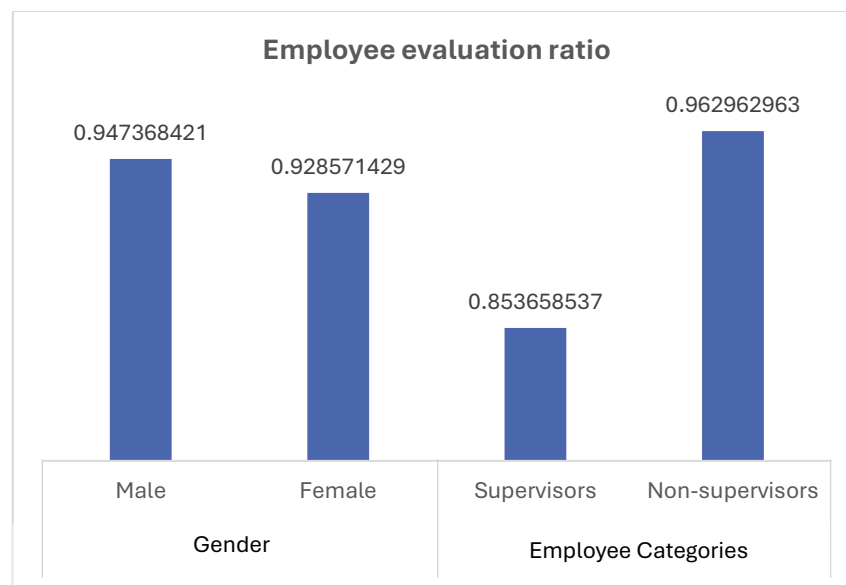
Policy		Offer a competitive, equitable, and motivating compensation system to retain key members and attract top external talent, creating a win-win outcome for both labor and management. Convene personnel evaluation meetings as needed, where senior supervisors conduct joint assessments and provide recommendations.
Commitment		Provide internally and externally equitable compensation, eliminate pay gaps, and ensure no unfair pay differences based on gender, race, or other factors.
Objective	Short-term	<ol style="list-style-type: none"> <li>Employees receive annual bonuses based on the company's operational performance, sharing in the company's success.</li> <li>Performance bonuses are awarded annually based on employee performance to recognize and encourage their contributions.</li> </ol>

	Medium-to-long term	1. Flexibility is structurally adjusted according to market conditions to promote external fairness. 2. Conduct regular internal structural adjustments based on performance and development potential to achieve internal fairness.
Responsible Department / Complaint Mechanism		Human Resources Department Dedicated Mailbox hr@egistec.com
1. Current year 2. Allocate resources		1. Offer competitive market-based salaries and provide year-end and performance bonuses based on results. 2. For key projects, project bonuses are provided to recognize and encourage achievement based on fulfillment of specified conditions.
Evaluation Mechanism / Outcomes		The median salary for non-supervisory employees increased by NT\$9,000 compared to the previous year. The average salary for non-supervisory employees exceeds the industry average.

Egis offers compensation packages that exceed local legal requirements and remain competitive in the market. To ensure employee performance is appropriately reflected in individual compensation, staff undergo regular performance evaluations. These results serve as the basis for assessing year-end bonuses, performance-based incentives, and career advancement opportunities. The company is committed to rewarding employees with professional skills through their own efforts. It regularly identifies outstanding talent and supports employees in developing into professionals in their respective fields. For employees demonstrating management capabilities and leadership potential, the company provides opportunities for advancement into management roles, creating diverse and flexible career development pathways.

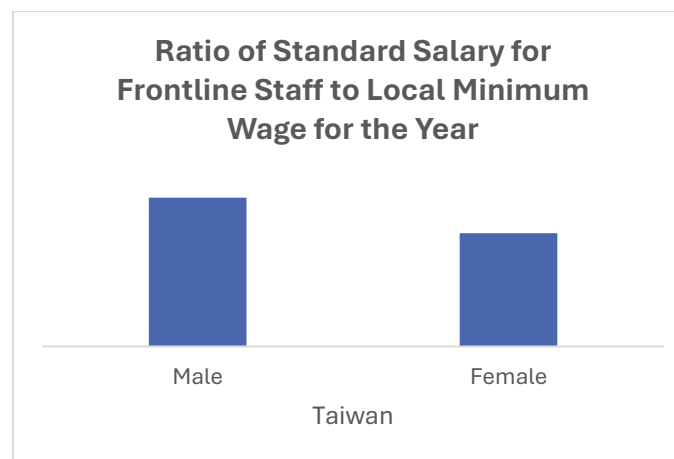
2024 Performance Evaluation Statistics		Actual number of examinees	Number of employees in this category	Percentage
Gender	Male	126	133	94.74%
	Female	65	70	92.86%
Employee Categories	Supervisor	35	41	85.37%
	Non-supervisory	156	162	96.30%

Note : Vice President level and above, as well as new hires joining after September 30, are exempt from performance evaluations.



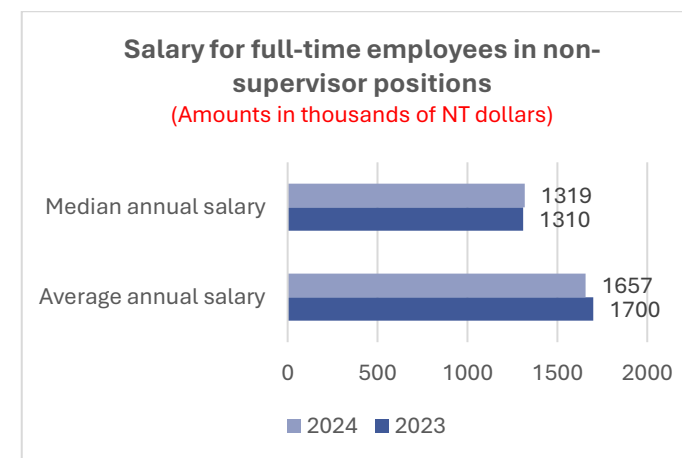
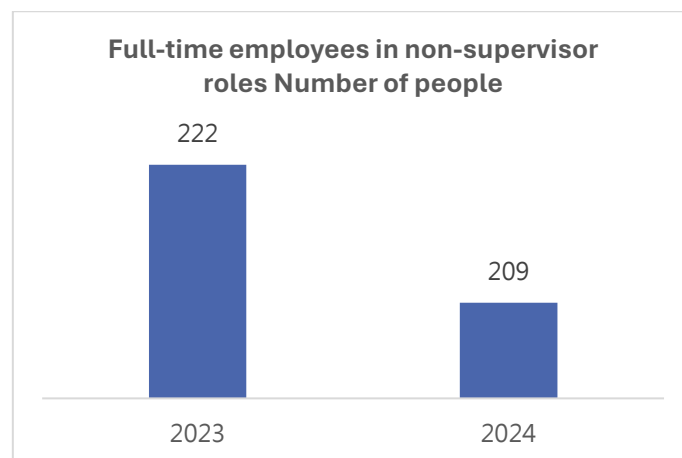
Overall, the Company bases compensation evaluations primarily on employees' professional capabilities, educational background, and job responsibilities, with no differentiation based on gender. Performance-based rewards and recognition are granted according to employees' overall work performance and actual contributions to the Company. The Company aims to ensure employees can achieve professional fulfillment while also supporting their personal financial well-being, thereby enhancing their loyalty and sense of belonging to the Company.

Furthermore, employees are categorized into supervisory and non-supervisory roles based on gender. While differences in base salary and overall compensation exist between male and female employees, these primarily stem from variations in job nature and departmental affiliation. For instance, support departments generally have lower overall salary levels compared to R&D units, and since support staff predominantly consists of females, this results in a reasonable salary differential. Nevertheless, the company remains committed to implementing workplace diversity and equality principles, continuously optimizing its salary structure. In recent years, the overall compensation gap between genders has gradually narrowed. Notably, the company sets entry-level salaries above the local minimum wage standard for all employees, regardless of gender, demonstrating its commitment to protecting employees' fundamental rights.



**Note :**

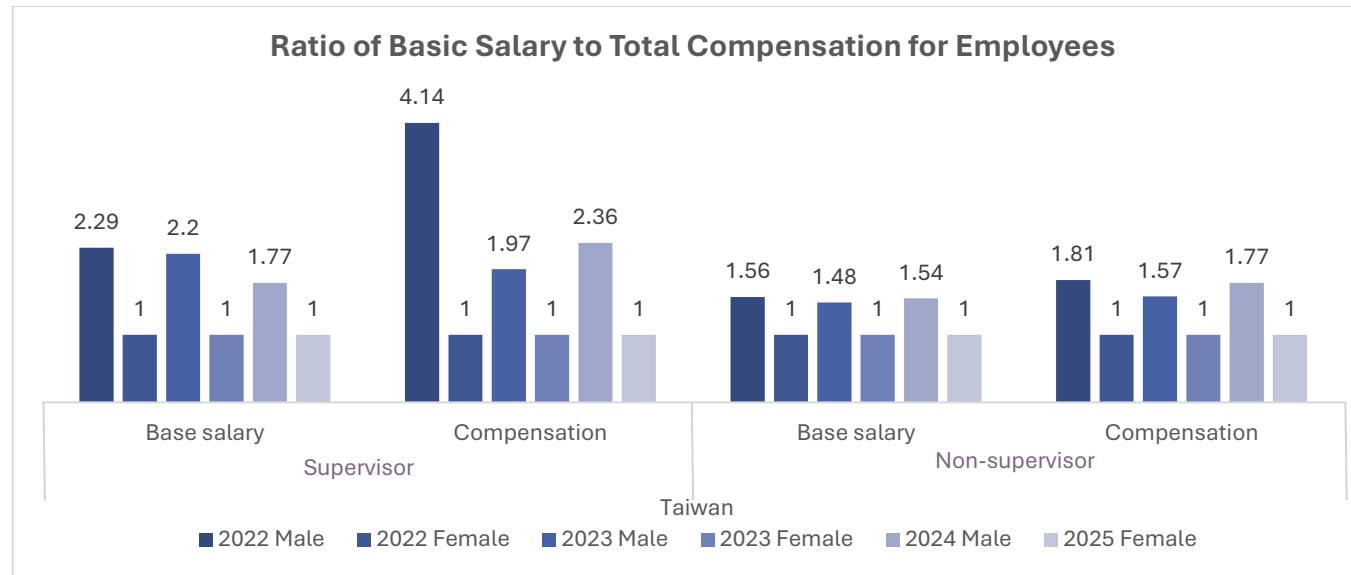
1. Entry-level employees are classified as Grade 4 or below; such employees are limited to full-time staff and do not include interns or dispatch personnel.
2. Standard salary refers to the regular salary under the Labor Standards Act..



Ratio of Base Salary to Total Compensation			2022		2023		2024	
Key Operational Locations	Employee Categories	Project	Male	Female	Male	Female	Male	Female
Taiwan	Supervisor	Base salary ( Note1 )	2.29	1	2.20	1	1.77	1
		Compensation ( Note2 )	4.14	1	1.97	1	2.36	1
	Non-supervisor	Base salary	1.56	1	1.48	1	1.54	1
		Compensation	1.81	1	1.57	1	1.77	1

Note :

1. Basic salary refers to the minimum fixed amount paid to employees for performing their duties, excluding any additional compensation such as overtime pay, bonuses, or various allowances.
2. Compensation refers to base salary plus additional amounts paid to employees; “additional amounts paid to employees” include signing bonuses, bonuses (including cash and equity), benefits, overtime pay, compensatory time off, and any other subsidies (such as transportation subsidies, living expense subsidies, and childcare subsidies).



Employee Benefits Program	Taiwan
Group Accident Insurance	V
Marriage/Funeral Allowance	V
Three-Festival Gift Money	V
Performance Bonus	V
Year-end bonus	V
Employee Stock Purchase Plan / Profit Sharing Plan	V
Annual health checkup	V



<b>Birthday Celebration Dinner</b>	V			
<b>Nursing Room</b>	V			
<b>Year-End Party</b>	V			
Employee Parental Leave Statistics / Annual	Gender	Statistics		
		2022 年	2023 年	2024 年
<b>Number of employees eligible for childcare leave ( Note1 )</b>	Male	3	7	8
	Female	5	2	1
<b>Number of employees applying for childcare leave</b>	Male	0	2	0
	Female	3	2	1
<b>Number of employees who should return to work upon completion of their childcare leave period</b>	Male	1	1	1
	Female	2	5	2
<b>Number of employees who actually returned to work after the end of their childcare leave period ( Note2 )</b>	Male	1	0	1
	Female	1	4	1
<b>Return-to-work rate ( Note3 )</b>	Male	100.00%	0.00%	100.00%
	Female	50.00%	80.00%	50.00%
<b>Number of employees who completed their childcare leave period the previous year and remained employed twelve months after returning to work</b>	Male	( Note5 )	1	0
	Female	( Note5 )	1	4
<b>Retention rate ( Note4 )</b>	Male	0.00%	100.00%	0.00%
	Female	0.00%	100.00%	100.00%

**Note :**

1. Number of employees eligible for childcare leave Based on the number of male and female employees who have applied for maternity or paternity leave in the past three years.
2. The actual number of employees returning to work after the expiration of their childcare leave includes those who returned early.
3. Reemployment Rate = (Total Number of Employees Actually Reemployed in the Current Year / Total Number of Employees Eligible for Reemployment in the Current Year) \* 100%.
4. Retention Rate = (Total number of employees still employed twelve months after returning to work in the previous year / Actual number of employees who returned to work in the previous year) \* 100%.
5. Employees who returned to work after completing their maternity leave in 2021 (2 left mid-term, 2 extended their leave period).

Finally, to safeguard employees' retirement financial planning, the Egis pension system comprises a defined benefit plan (old pension scheme) and a defined contribution plan (new pension scheme).

#### Defined Benefit Plan (Legacy Pension)

- The company's retirement system fully complies with the Labor Standards Act. Employees with 15 or more years of service and aged 55 or above, or those with 25 or more years of service, may voluntarily retire. Retirement benefits are calculated according to the Labor Standards Act based on years of service: two base units per year of service; one base unit per year for service exceeding 15 years, with a maximum total of 45 base units.
- The company has established a supervisory committee and designated a special account for fund allocation. As of the end of 2024, the special account balance stands at NT\$29,000.

#### Defined Contribution Plan (New Pension System)

- Since its establishment, the company has consistently complied with the Labor Pension Act by contributing monthly pension funds equivalent to no less than 6% of each employee's monthly wages, deposited into dedicated labor pension accounts.

Company Lobby



Gender-Neutral Restroom



Afternoon Tea



Employee Health Checkup



Employee Health Checkup



Year-End Party



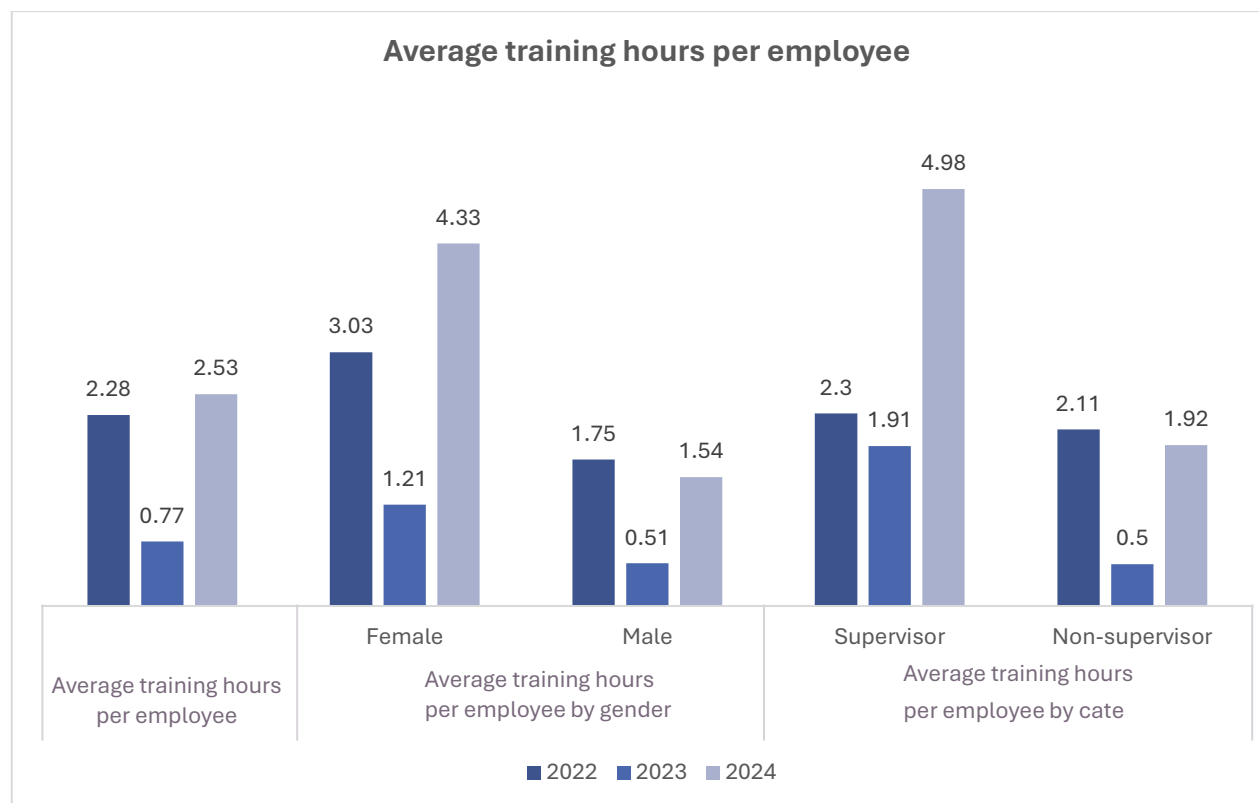
## 5.2.2 Talent Development

<b>Policy/Commitment</b>		The company establishes dedicated organizations and units to provide tailored training and learning resources for employees at various levels and in different roles, as well as for supervisors, thereby supporting their professional development and career advancement.
<b>Objective</b>	<b>Short-term</b>	<ol style="list-style-type: none"> <li>1. The training participation rate for new employee orientation reached 100%.</li> <li>2. Conduct education and training that complies with regulations.</li> </ol>
	<b>Medium-to-long term</b>	Increase the average annual training hours for employees in each category.
<b>Responsible Department / Complaint Mechanism</b>		Human Resources Department Dedicated Mailbox hr@egistec.com
<b>Historical Resource Allocations</b>		<ol style="list-style-type: none"> <li>1. Trade secrets are a crucial factor in business development. In 2022, we invited attorneys from a law firm to educate departmental R&amp;D/engineering supervisors on their importance, achieving a 92% attendance rate.</li> <li>2. The Legal Supervisor arranged a course on the disclosure and confidentiality obligations of confidential information for the Business Supervisor in 2023, achieving a 100% attendance rate.</li> <li>3. The net-zero transition has become an objective and trend for Taiwan and the entire world. In 2023, the company's Vice President participated in the AFNOR International Certification Leadership Program for ESG Sustainability Strategy Managers in France and obtained the completion certificate.</li> <li>4. Awareness of properly handling confidential or sensitive information is an essential skill for all successful professionals. In 2024, the Patent Department Supervisor conducted a training session for all company employees on correctly managing and transmitting sensitive information, achieving a 92% attendance rate.</li> </ol>
<b>Evaluation System / Outcomes</b>		No incidents of trade secret violations occurred during the year.

Course Name	Participants	Number of people	Total Training Hours
<b>New Employee Orientation</b>	New Hires	32	32
<b>Supervisor Specialized Training</b>	Supervisor at the ministerial level or above	42	42

Upon employee onboarding, the company arranges dedicated personnel to conduct orientation training covering all internal regulations and policies. This includes promoting awareness of information security and occupational safety protocols to enhance employees' understanding of corporate culture and job requirements. For ongoing professional development, employees receive continuous training tailored to business and functional needs. Training programs fall into two categories: internal and external. Internal training is planned by the company based on operational requirements and regulatory compliance, delivered by in-house instructors. External training is requested by departments for business development purposes. Upon approval, employees attend courses conducted by external professional institutions to enhance professional capabilities and workplace competitiveness.

In 2023, constrained by budget planning, the average training hours per employee were slightly lower. Within the gender classification, female employees averaged higher training hours than males. This is primarily because accounting supervisors and occupational safety and health managers, predominantly female, must regularly attend refresher courses on relevant legal regulations. Additionally, in preparation for the new Gender Equality in Employment Act taking effect in March 2024, the company specifically launched sexual harassment prevention awareness training for supervisor-level employees. Consequently, the average training hours for supervisors also exceeded those of non-supervisory staff.



**Note :**

1. Average training hours per employee = (Total training hours for all employees during the year / Total number of employees at year-end).
2. Average training hours per female employee = (Total training hours for female employees during the year ÷ Total number of female employees at year-end)
3. Average training hours per employee category: (Total training hours for employees in that category during the year / Total number of employees in that category at year-end).

### 5.2.3 Labor-Management Communication

<b>Policy/Commitment</b>		<ol style="list-style-type: none"> <li>1. Comply with local labor laws.</li> <li>2. Safeguard employees' legally guaranteed rights.</li> </ol>
<b>Objective</b>	<b>Short-term</b>	Convene labor-management meetings on a regular basis.
	<b>Medium-to-long term</b>	<ol style="list-style-type: none"> <li>1. Less than two labor-management disputes occur annually.</li> <li>2. The company responds to employee feedback within 14 days.</li> </ol>
<b>Responsible Department / Complaint Mechanism</b>		Human Resources Department Dedicated Mailbox hr@egistec.com
<b>Resources allocated for the year</b>		<ol style="list-style-type: none"> <li>1. At each quarterly labor-management meeting, a senior supervisor represents the employer. The company responds in good faith to suggestions and opinions raised by labor representatives and strives to gain their approval.</li> <li>2. Provide quarterly meal allowances for each department to strengthen emotional bonds among employees, facilitate communication across all levels, and enhance organizational cohesion.</li> <li>3. Establish a dedicated HR mailbox as a channel for employees to express opinions or file grievances, ensuring open communication.</li> <li>4. Employees are encouraged to rationally express suggestions regarding company operations. The company pledges that employees will not suffer any form of adverse treatment for voicing their personal opinions.</li> </ol>
<b>Evaluation System / Outcomes</b>		<ol style="list-style-type: none"> <li>1. Department dinner utilization rate: 88%</li> <li>2. One labor-management dispute occurred during the year and has been resolved.</li> </ol>

Egis values labor-management communication, viewing it as a crucial foundation for promoting organizational stability and building mutual trust and cooperation. To this end, the company is committed to establishing diverse and open communication channels to enhance mutual understanding and interaction between labor and management. All personnel and administrative operations strictly adhere to relevant labor regulations.

In accordance with relevant regulations, the company regularly convenes labor-management meetings. Senior Vice Presidents and Legal Supervisors represent management, engaging with labor representatives to discuss and negotiate matters such as working conditions and the work environment. This institutionalized dialogue mechanism actively fosters the positive development of labor-management relations. Beyond formal meetings, the company has established cross-level departmental communication platforms. These include in-person departmental meetings, internal communications, and team-building activities to enhance organizational transparency and employee engagement. A dedicated HR mailbox serves as a channel for employees to express suggestions and concerns, with responses handled promptly and appropriately.

Furthermore, the company adopts a flat organizational structure, encouraging direct communication between employees at all levels and senior supervisors to foster an open and equitable communication culture. Through diverse channels and an open environment, the company continuously listens to employee voices, strengthens internal cohesion, and demonstrates its core values of respect and care through concrete actions.

Overall, the company maintains stable labor-management relations and positive interactions. In 2024, only one labor dispute occurred, involving a former employee's claim for year-end bonus payment. This case was successfully resolved through settlement in March 2025. In recent years, the company has not implemented large-scale adjustments to employee positions or work locations, nor has it engaged in mass layoffs. Should operational changes affect employee work locations or job roles, advance notice will be provided in accordance with regulations.

Statistics	2022	2023	2024
<b>Number of labor disputes</b>	0	0	1
<b>Number of cases closed</b>	0	0	1



### 5.3 Occupational Safety and Health

Egis prioritizes employee health and safety, striving to provide a secure and healthy work environment to prevent illness and minimize risks incurred while performing duties at the workplace. The company adheres to the “Occupational Safety and Health Management Procedures.”

#### **Consultation and Communication**

Egis has established an autonomous safety and health management system to effectively control hazards, implement safety and health management, and enhance workplace safety and health culture. To prevent occupational accidents and ensure a safe and healthy work environment for employees, the company encourages staff to report near-miss incidents for early risk recognition and hazard prevention, provide suggestions on occupational safety and health policies, or file complaints regarding workplace conditions, health concerns, or safety hazards. Such reports are submitted via email to relevant departments. In 2024, no Occupational Safety and Health-related complaints were received.

#### **Occupational Safety and Health Training**

Egis complies with local regulatory requirements and actively enhances worker safety and health. New employees receive general occupational safety and health training, while specialized equipment operation requires pre-training programs. All training and consultations are provided free of charge to ensure employees follow standard operating procedures, thereby reducing workplace injury incidents. When industry-related occupational accident news occurs in society, we analyze causes and conduct safety awareness campaigns for similar risks. As an office-based operation, the company faces potential external risks from building safety incidents. Therefore, personnel participate in semi-annual building emergency response drills to proactively minimize workplace accidents.

### Statistics on the Number of Workers Covered by Occupational Safety and Health Management

Management System / Regulations	Inspection Type	Number of people	proportion
Occupational Safety and Health Act	Internal Audit	206	100%
	Labor Inspection	206	100%

### Hazard Identification, Risk Assessment, and Incident Investigation

Egis implements Occupational Safety and Health risk management in accordance with the Ministry of Labor's published "Risk Assessment Technical Guidelines." Through cross-departmental collaboration, responsible personnel from relevant units identify and review potential occupational safety and health hazards arising from company activities, facilities, and services (including those of suppliers and contractors).

Hazard identification is conducted periodically as needed for each operational process. This involves analyzing risk factors such as energy and raw material usage, machinery operation, unsafe behaviors, and environmental conditions. Simultaneously, potential threats to worker health and safety from nearby areas or external activities are assessed. By clarifying hazard identification and risk assessment procedures, effective risk control is ensured.

In practical operations, given the company's primarily office-based work environment, overwork represents the primary occupational disease risk. To mitigate health hazards stemming from excessive workloads, prolonged working hours, or accumulated stress, overwork risk management mechanisms and related preventive measures are integrated into the overall management plan. Relevant practices are detailed below, with implementation outcomes regularly tracked and reviewed by the Sustainability Management Committee to ensure improvement effectiveness. Statistics indicate no employee overwork incidents occurred in 2024.

- Health Risk Identification and Monitoring: Conduct regular employee health examinations and identify overwork through relevant indicator data, such as working hours, overtime frequency, and workload questionnaires.
- Abnormal Workload Early Warning System: Implement a work hour and attendance monitoring system that automatically notifies unit supervisors to provide care and adjustments when employees work excessively long hours consecutively or engage in abnormal overtime.

- **Work-Life Balance Initiatives:** Promoting flexible working hours, implementing remote work policies for employees with illnesses or injuries, and providing psychological counseling services to enhance employees' physical and mental well-being.
- **Health Promotion and Education Training:** Conduct periodic promotional campaigns to advance health and disease prevention, enhancing employees' self-care and preventive awareness.
- **Risk Feedback and Continuous Improvement:** Annually review indicators and cases related to overwork risk management, with the Sustainability Management Committee and Occupational Safety and Health Team conducting reviews and formulating improvement plans.

In accident management, when an occupational injury incident occurs, an emergency investigation committee is formed by relevant units to conduct thorough investigation and management of the incident. Based on facts, the committee shall promptly report the incident, initiate investigations, analyze root causes, propose corrective measures, establish follow-up plans and timelines, designate responsible units for implementation, provide accident investigation reports, review improvement outcomes during meetings, and disclose findings on the company intranet. This promotes employee safety awareness while enhancing organizational learning and risk prevention capabilities.

### Occupational Injury Statistics Analysis

Based on Egis's statistics and analysis of employee occupational injuries and occupational diseases, as shown in the table below, no fatal occupational injuries or occupational diseases (including recordable occupational diseases) occurred among all employees from 2022 to 2024, achieving the zero occupational accident objective.

Statistical Year		2022	2023	2024
Total man-hours		69,936	56,153	51,294
Occupational injury fatalities	Number of people	0	0	0
	Ratio	0%	0%	0%
Severe occupational injury	Number of people	0	0	0
	Ratio	0%	0%	0%
Recordable occupational injuries	Number of people	0	0	0
	Ratio	0%	0%	0%

Occupational disease	Number of people	0	0	0
	Ratio	0%	0%	0%
Occupational diseases that can be recorded	Number of people	0	0	0
	Ratio	0%	0%	0%

**Note :**

1. Total Man-Hours: The cumulative working hours of all employees during the fiscal year (calculated as the number of scheduled workdays on the Egis office calendar multiplied by the year-end headcount). The company applies a rate based on 200,000 working hours.
2. Severe occupational injuries: Injuries resulting in death, or causing workers to be unable to return to their pre-injury health status within six months, or making such recovery difficult. However, death counts should be excluded from statistical data.
3. Recordable occupational injuries or occupational diseases: Occupational injuries or occupational diseases resulting from any of the following circumstances, such as death, job separation, work restriction or job transfer, medical treatment beyond first aid, or loss of consciousness, or major injuries or illnesses diagnosed by a physician or other licensed healthcare professional (even if they do not result in death, job separation, work restriction or job transfer, medical care beyond first aid, or loss of consciousness), but statistical data shall include fatalities; specify whether minor injuries (work-related injuries resolved with on-site first aid) are excluded or included.
4. Occupational injury statistics only include injuries resulting from accidents involving company vehicles, excluding injuries from personal traffic accidents involving non-company vehicles.

## Emergency Response

Egis operates in the office sector, where potential risks include safety incidents in office buildings. Therefore, in accordance with the emergency response plan established by the building's management, we follow the directives of the building's emergency response center. During emergencies, we execute emergency response and handling procedures to ensure all teams can fulfill their duties in firefighting, first aid, evacuation guidance, and emergency evacuation.

New employees undergo foundational building evacuation training upon joining, covering earthquake and fire scenarios. They are also scheduled to participate in the building's biannual emergency response drills (fire drills). This cultivates employees' emergency response and self-safety management capabilities, enabling them to take immediate action before situations escalate, thereby minimizing the impact and damage caused by crises.

## Safety and Health Activities - Emergency Response and Fire Drill Compilation



### Health Promotion

Regarding maternal health protection, abnormal workloads, and human factors hazards, the company has implemented questionnaire surveys, statistical analysis, and ongoing tracking management. No incidents of abnormal workloads or human factors hazards occurred in 2024.

The company encourages and subsidizes pre-employment physical examinations for new hires. For current employees, annual occupational health examinations are conducted, providing personalized health guidance and strengthening health management measures such as disease-related health education campaigns and follow-up re-examinations. The company maintains ongoing employee health management and hosts health seminars. In 2024, a total of 234 employees underwent either on-the-job health examinations or physical check-ups. No employees failed to meet the legally mandated examination frequency, and no occupational diseases or suspected occupational diseases were identified.

## Promoting Healthy Workplaces, Building a Brighter Future

In today's workplace, employee health is not only crucial for individual well-being but also a vital foundation for corporate sustainability. Egis is committed to fostering a healthy workplace culture, inviting every colleague to participate in building a positive, caring, and vibrant work environment as we move toward a brighter future.

### Our Objective

#### 1. **Enhancing Employee Health Literacy**

Through regular health checkups and ongoing monitoring, we implement proactive tiered management based on employees' health status. This helps colleagues build robust physical health and maintain a positive mindset, preventing illness and enhancing quality of life.

#### 2. **Promoting Work-Life Balance**

Encourage the formation of sports clubs to promote after-work exercise and stress-relief activities, helping employees balance rest and physical and mental well-being while maintaining high work efficiency.

#### 3. **Creating a happy and resilient workplace environment**

We provide complimentary weekly afternoon tea sessions, implement flexible working hours and remote work support mechanisms, and offer psychological counseling services. This fosters an inclusive workplace culture, enhancing employees' sense of belonging and well-being.

### Our Actions

#### 1. **Health Seminars and Life Skills Training**

We periodically host various health-themed seminars to promote sound health concepts and lifestyles, helping employees cultivate beneficial habits.

#### 2. **Diverse Sports Clubs and Activities**

Actively support and establish sports teams such as basketball and badminton clubs. Through fitness activities, employees can release stress, build physical strength, and foster camaraderie among colleagues.

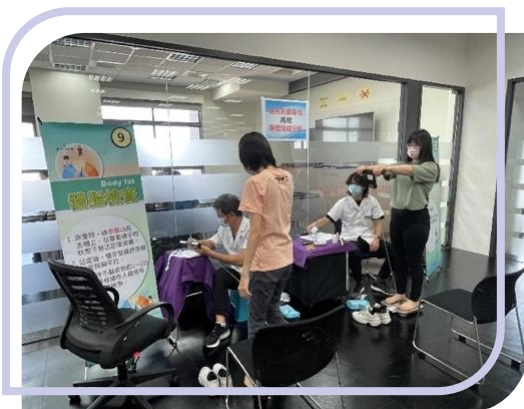
#### 3. **Professional Nursing and Health Management Services**

Leveraging occupational health expertise, we conduct regular comprehensive workplace health assessments, analyze environmental and operational conditions, and implement phased occupational health promotion programs tailored to the company's workplace characteristics in compliance with occupational safety regulations. Based on employee health examination results, we provide health consultations and medical follow-up recommendations to ensure ongoing attention and support for employee well-being.

## Club Activities



## Health Checkup





## 5.4 Community Engagement

Egis embraces the philosophy of “taking from society and giving back to society,” actively participating in various public welfare initiatives to contribute to the community. Through supporting diverse programs in education promotion, care for the underprivileged, environmental protection, and community development, we encourage employees to engage deeply with local communities through volunteer services, material donations, and professional assistance, fulfilling our corporate citizenship responsibilities. To date, the company has organized and participated in the following charitable activities, directly or indirectly benefiting hundreds of individuals and demonstrating our commitment to sustainable social development.

Moving forward, we will continue to expand the depth and breadth of our philanthropic engagement. We will deepen collaborations with local communities, non-profit organizations, and academic institutions to foster an inclusive and mutually beneficial social environment. Furthermore, we will integrate philanthropic outcomes into our corporate sustainability metrics as a key component of our ESG strategy.

**Since 2020, the Chairman has annually donated meal allowances (nutritional funds) to the basketball teams of Taipei First Girls High School, Song-Shan Senior High School, and the Minzu Experimental High School.**

**Egis List of Grant Donors and Amounts ( New Taiwan Dollar )**

Donating Organization	2022	2023	2024	Total Amount
TFG Education Fund	1,000,000	1,000,000	500,000	2,500,000
SSSH Parent Committee	1,100,000	1,000,000	0	2,100,000
Minzu Experimental High School basketball team	0	0	396,000	396,000
<b>Total</b>	<b>2,100,000</b>	<b>2,000,000</b>	<b>896,000</b>	<b>4,996,000</b>





## Purchase Thanksgiving gift boxes from social welfare organizations

### Egis' Employee Welfare Association Thanksgiving Gift Box Purchase Details

Annual	Purchased Units	Product Name	Quantity (Boxes)	Total Amount (New Taiwan Dollars)
2022	Down Syndrome Foundation R.O.C.	Maji Meow Moonlight Party Royal Afternoon Tea Gift Set	290	109,620
2023	Yu-Cheng Social Welfare Foundation	Taiwan Tea No. 1 Popularity Gold-Embossed Popcorn Gift Box	240	108,000
2024	Simply ICR, Xiao Lingding, Changhua County Incorporated Association	Singing Through the Galaxy (24-Piece Chocolate Almond Roll) Medium Gift Box	225	90,000





# Appendix

## Appendix I: GRI Content Index

★ Indicates a material topic					
Statement of Use	Egis Technology Inc. has reported the information for the period from January 1 to December 31, 2024, in accordance with the GRI Standards.				
GRI 1 Applied	GRI 1: Fundamentals 2021				
Applicable GRI Sector Standards	Not applicable				
Topic	Disclosure	Description	Section	Page(s)	Omission(s) / Explanation(s)
GRI 2: General Disclosure 2021					
Organization and Reporting Practices	2-1	Organization Details	2.1 Company Profile	31	
	2-2	Entities Included in the Sustainability Report	About This Report / ESG Information Disclosure	7	
	2-3	Reporting Period, Frequency, and Contact Person	About This Report / ESG Information Disclosure, Publication Frequency, Feedback	9	
	2-4	Information Restatement	About This Report / ESG Information Disclosure	9	
	2-5	External assurance/certainty	About This Report / Basis for Preparation and Method of Information Verification	8	

<b>Activities and Workers</b>	2-6	Activities, Value Chain, and Other Business Relationships	2.1 Company Profile	31	
	2-7	Employees	5.1.2 Employee Statistics	114	
	2-8	Non-Employee Workers	5.1.2 Employee Statistics	120	
<b>Governance</b>	2-9	Governance Structure and Composition	3.1 Governance Practices	50	
	2-10	Nomination and Selection of the Highest Governance Body	3.1.1 Board of Directors	51	
	2-11	Chair of the Highest Governance Body	3.1.1 Board of Directors	52	
	2-12	Role of the Highest Governance Body in Overseeing Impact Management	1.1 Sustainability Committee 3.1.1 Board of Directors	15 52	
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	2-15	Conflict of Interest	3.1.1 Board of Directors	54	
	2-16	Communication of Key Significant Events	3.1.1 Board of Directors	55	
	2-17	Collective Knowledge of the Highest Governance Body	3.1.1 Board of Directors	53	
	2-18	Performance Evaluation of the Highest Governance Unit	3.1.1 Board of Directors	55	
	2-19	Compensation Policy	3.1.2 Functional Committee / Compensation Committee	58	

	2-20	Compensation Determination Process	3.1.2 Functional Committee / Compensation Committee	58	
	2-21	Annual Total Compensation Ratio	-	-	Confidentiality Policy / Compensation is subject to the Company's confidentiality provisions.
<b>Strategy, Policy, and Practice</b>	2-22	Statement on Sustainable Development Strategy	A Message from the CEO	4	
	2-23	Policy Commitments	4.1 Sustainable Supply Chain 5.1.1 Human Rights Protection	94 112	
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	2-27	Regulatory Compliance	3.3 Regulatory Compliance	68	
	2-28	Membership in Professional Associations	2.4 Participation in External Organizations	43	
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	2-30	Collective Bargaining Agreement	-	-	Not applicable / The Company has not established a labor union nor signed a collective bargaining agreement with employees. Instead, it maintains two-way communication with employees through quarterly labor-management meetings. Labor-management relations remained harmonious during the reporting period.
<b>GRI 3: Material Topics 2021</b>					
<b>Material Topics</b>	3-1	The Process for Determining Material Topics	1.4 Identification of Material Topics	21	
	3-2	Material Topics list	1.4 Identification of Material Topics	24	
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<b>★Economic Performance</b>					
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	201-2	Financial impacts of climate change and other risks and opportunities	Appendix II	155	
	201-3	Defined benefit obligations and other retirement plans	5.2.1 Compensation and Benefits	128	

Market Position					
GRI 202: Market Position 2016	202-1	Ratio of Standard Salaries for Frontline Workers of Different Genders to the Local Minimum Wage	5.2.1 Compensation and Benefits	124	
	202-2	The proportion of local residents employed in senior management positions	5.1.2 Employee Statistics	114	
Procurement Practices					
GRI 204: Procurement Practices 2016	204-1	Percentage of procurement expenditures from local suppliers	4.1 Sustainable Supply Chain	100	
★Innovative R&D					
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★Information Security Protection					
GRI 3: Material Topics 2021	3-3	Material Topics Management	3.6 Information Security Protection Homepage	87	
Custom Material Topic	Information Security -1	Annual investment in Information Security	3.6 Information Security Protection	90	
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★Energy (including green products)					

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<b>GRI 302: Energy 2016</b>	302-1	Internal Energy Consumption	4.2.1 Energy Usage	103	
	302-3	Energy Intensity	4.2.1 Energy Usage	103	
	302-4	Reducing Energy Consumption	3.5.3 Green Products	80	
	302-5	Lowering Energy Requirements for Products and Services	3.5.3 Green Products	81	
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<b>Water and Effluent</b>					
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<b>GRI 303: Water and Effluent 2018</b>	303-3	Water withdrawal volume	4.3.1 Water Resource Utilization	108	
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	305-4	Greenhouse gas emissions intensity	4.2.2 Greenhouse Gas Emissions	105	
<b>Waste</b>					
<b>GRI 306: Waste 2020</b>	306-3	Generation of Waste	4.3.2 Waste Statistics	109	
	306-4	Disposal and Transfer of Waste	4.3.2 Waste Statistics	110	
	306-5	Direct Disposal of Waste	4.3.2 Waste Statistics	109	
<b>★Supplier Environmental Assessment</b>					
<b>GRI 3: Material Topics 2021</b>	3-3	Material Topics Management	4.1 Sustainable Supply Chain Homepage	94	
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<b>GRI 401: Labor-Management Relations 2016</b>	401-1	New hires and departing employees	5.1.2 Employee Statistics	118/ 119	
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	401-3	Parental leave	5.2.1 Compensation and Benefits	127	
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	404-3	Percentage of employees who undergo regular performance and career development reviews	5.2.1Compensation and Benefits	122	
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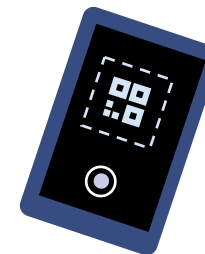
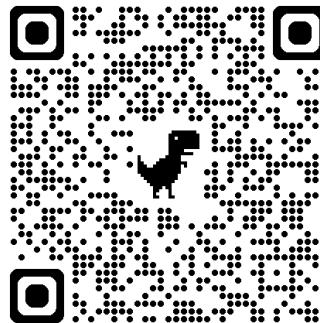
<b>GRI 405: Workforce Diversity and Equal Opportunity 2016</b>	405-1	Diversity in Governance Units and Employees	3.1.1 Board of Directors 5.1.2 Employee Statistics	53 114	
	405-2	The ratio of women's base salary to men's base salary plus compensation	5.2.1 Compensation and Benefits	123	
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## Appendix II: Climate-Related Financial Disclosures

### Climate-Related Information for Listed Companies

For information on the risks and opportunities posed by climate change to the company and the relevant measures taken by the company, please refer to pages 42 to 46 of the annual report.

#### Related Materials Download





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