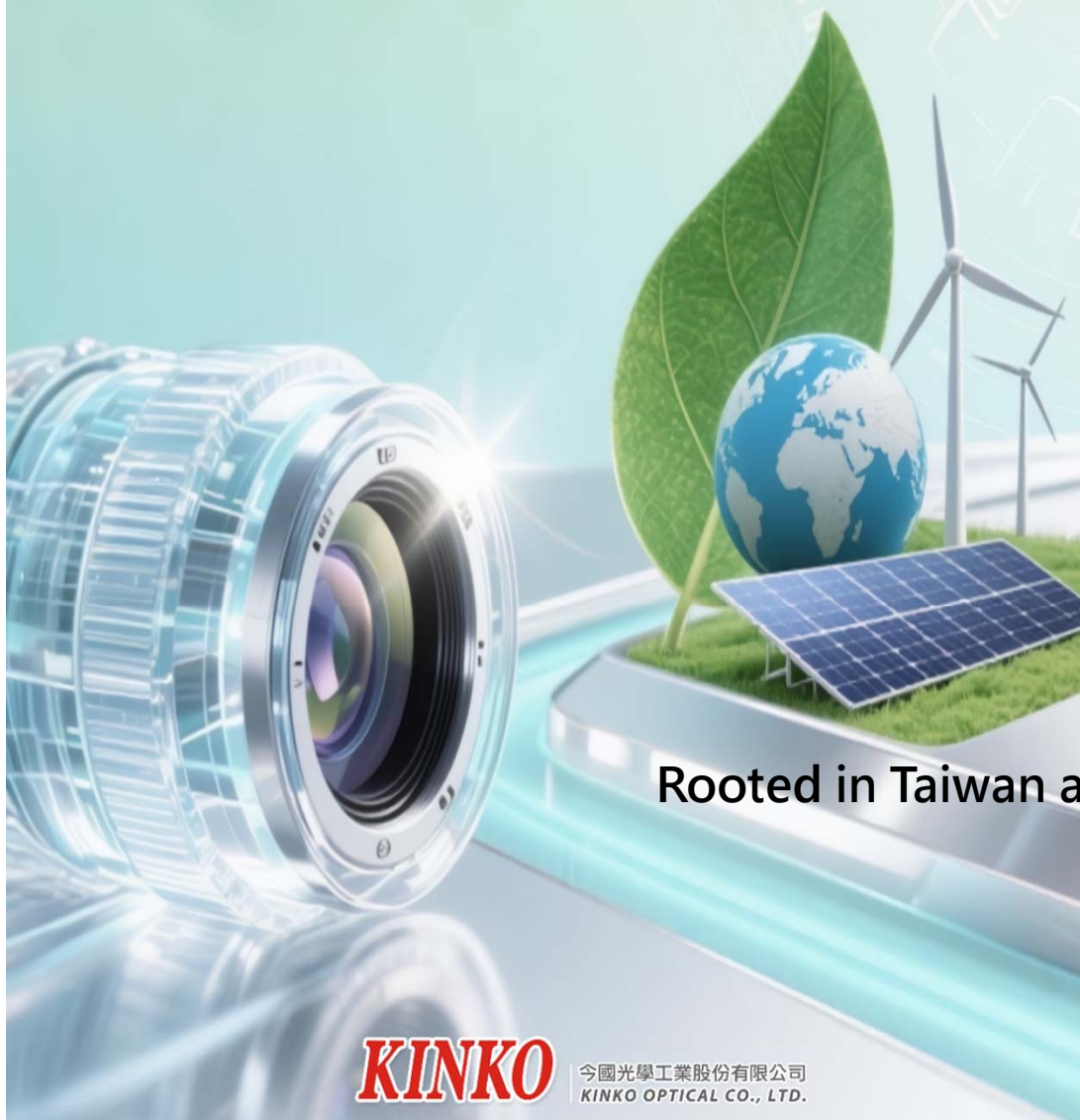


2024 Kinko Optical Sustainability Report



Rooted in Taiwan and looking

KINKO

今國光學工業股份有限公司
KINKO OPTICAL CO., LTD.

Stock code: 6209

Kinko Optical Industry Co., Ltd

2024 Sustainability Report

Release date: August 31, 2025

The address of this report is <http://www.kinko-optical.com>

ESG information reporting information: <http://mops.twse.com.tw>

directory

1. Report information.....	6
1.01 Words from the Operator	6
1.02 About the Company	8
1.03 Report Information	11
1.03.1 Basis for Preparation.....	11
1.03.2 Reporting Coverage Period, Frequency	12
1.03.3 Reporting boundaries and scopes	12
1.03.4 Information Reorganization	12
1.03.5 External assurance/assurance.....	12
1.03.6 Responsible unit for sustainability reporting.....	13
1.04 Miscellaneous	13
2. Sustainable operation.....	18
2.01 Sustainability Strategy	18
2.02 Promote sustainable development mechanisms.....	19
2.02.1 Governance framework to promote sustainable development.....	21
2.02.2 Operational Status.....	22
2.03 Board of Directors and Functional Committees	23
2.03.1 The role and results of the board of directors in sustainable governance	23
2.03.1.1 Roles and supervision of sustainable governance	23
2.03.1.2 Supervise the performance evaluation of sustainability management.....	24
2.03.1.3 Continuing education for sustainable development.....	25
2.03.2 Structure and operation of the board of directors	26
2.03.2.1 Membership and Diversity	26
2.03.2.2 Operational Status.....	28
2.03.2.3 Nomination and Selection.....	29
2.03.2.4 Avoidance of interests.....	30
2.03.2.5 Salary policy	31
2.03.3 Structure and operation of functional committees.....	31
3. Stakeholders and major topics	36
3.01 Stakeholder Agreement.....	36

3.02 Process for determining material topics	39
3.03 List of Material Topics.....	41
3.04 Management of material topics	52
4. Governance	62
4.01 Economic performance	62
4.02 Taxation	65
4.03 Operate with integrity	67
4.03.1 Ethical management philosophy, policies, and code of conduct	68
4.03.2 Anti-corruption mechanism	69
4.03.3 Anti-competitive conduct.....	70
4.04 Communication channels and grievance mechanisms	71
4.05 Risk Management	72
4.05.1 Risk Management Mechanism	73
4.05.2 Regulatory Compliance	75
4.06 Information security and customer privacy protection	76
4.06.1 Information Security Management	76
4.06.2 Customer Privacy Protection	80
4.07 Participate in various club organizations	81
4.08 Product and Service Administration	81
4.08.1 Customer Health and Safety	82
4.08.2 Marketing and Labeling	84
4.09 Supply Chain Management.....	85
4.10 Intellectual Property Risk Management	90
5. Social aspects.....	90
5.01 Human Resource Development	94
5.01.1 Human Rights Policy and Commitments	95
5.01.2 Manpower composition	98
5.01.2.1 Staff Structure	98
5.01.2.2 Non-employee structure.....	99
5.01.3 Diversity, inclusion and equality of employees	101
5.01.4 Employee rights and benefits.....	102
5.01.5 Collective Agreements.....	106
5.01.6 Talent cultivation and development	106
5.02 Occupational safety and health	108

5.02.1 Occupational Safety and Health Policy	108
5.02.2 Occupational Injury	114
5.03 Social Participation	115
5.03.1 Investment in infrastructure and support services	116
5.03.2 Local Communities.....	117
6. Environmental aspects	121
6.01 Climate change	121
6.02 Greenhouse Gas Management	124
6.02.1 Greenhouse gas management strategies, methods, and objectives.	125
6.02.2 Greenhouse Gas Emissions.....	127
6.03 Energy Management	129
6.03.1 Energy Use Policy	129
6.03.2 Energy Usage.....	130
6.04 Water Resources Management.....	131
6.04.1 Water management or reduction targets.....	131
6.04.2 Water Usage	132
6.05 Waste management	134
6.05.1 Waste management or reduction targets	134
6.05.2 Waste generation.....	136
6.06 Waste treatment process and improvement process.....	144

1. Report information

1.01 Words from the Operator

The global industry is facing profound changes, from digital transformation to net-zero carbon emissions, and only by actively innovating and taking responsibility can companies seize opportunities and move towards sustainability in the changing situation.

Since its establishment, Jinguo Optics has always adhered to the core values of "innovation, quality, speed, and customer satisfaction", deeply cultivated the field of optical technology, and won the trust of global partners. We understand that outstanding companies not only pursue technological breakthroughs and market growth but also shoulder long-term commitments to environmental, social, and corporate governance.



For today's companies, sustainable development is not just the future, but the present. We integrate sustainability into our corporate strategy, actively promoting green processes and energy-saving technologies, committing to reducing our carbon footprint, advocating for a circular economy, and working with our supply chain partners to create a low-carbon industrial ecosystem.

In addition to pursuing environmental sustainability, Jinguo attaches great importance to the "value of people". We are committed to creating a safe, inclusive, and growth environment where every employee can grow together with the company. We also continue to strengthen corporate governance, uphold the principles of integrity, improve risk management, and promote the steady development of the company in a transparent and responsible manner.

In this era full of changes and challenges, we are not only walking with trends but also committed to leading trends. Jinguo Company will continue to break through itself, take optical technology as the core driving force, create more efficient and environmentally friendly innovative solutions, and serve the global market. We sincerely invite all stakeholders to work together to create new value for sustainable

development, realize the symbiosis between technology and the environment, promote industrial prosperity, and open up a better future for the next generation.

Chairman

Vice

A handwritten signature in black ink, consisting of stylized Chinese characters, likely '何義平' (He Yiping).

1.02 About the Company

● Company Profile

Founded in June 1980 and headquartered in Wuqi, Taichung, Kinko Optical Co., Ltd. (abbreviated as Kinko Optical Co., Ltd.) has been deeply involved in the field of optics for more than 40 years, committed to providing the design, development and manufacturing of high-precision optical components and optical lenses. With excellent manufacturing capabilities and innovative technologies, today's products are widely used by internationally renowned brands, covering SLR cameras, smartphones, Internet of Things (IoT), automotive lenses, gaming equipment, surveillance systems, VR/AR/MR, projectors, far-infrared thermal imagers, etc.

In terms of quality and management system, Jinkoku has passed ISO 9001, ISO 14001, and ISO45001, IATF 16949, SA8000, and Taiwan Intellectual Property Management Regulations (TIPS), demonstrating a high commitment to excellent quality, environmental management, social responsibility, and intellectual property protection. to respond to rapidly changing technology trends and market demands.

In the future, Jinguo will continue to focus on developing high-quality, high-value-added optical products, actively promote technological upgrades and green manufacturing, and take sustainable development as the core goal to bring more forward-looking solutions to the global optical industry.



■ Main business content

- ✓ Manufacture and sales of optical lenses and lens sets for cameras.
- ✓ Design, manufacture and sales of mobile phones and lenses (13M~48M).

- ✓ Design, manufacture and sales of projector lenses.
- ✓ design, manufacture and sales of lenses for the Internet of Things.
- ✓ design, manufacture and sales of automotive lenses.
- ✓ design, manufacture and sales of far-infrared lenses.
- ✓ Design and manufacture of lenses for VR / AR / MR.
- ✓ Industrial lenses, telescopes, barcode machines... and other lenses.

■ Today's corporate culture

- ✓ Core values: innovation, quality, speed, customer satisfaction.
- ✓ 寶貴價值：誠信、無私、正直。
- ✓ Code of Conduct: Uniform, Greetings, Common Language, Elegance and Beauty, Standardized Adherence.

Organizational vision, mission, values



● Value chain introduction

Since its establishment in Wuqi, Taichung in 1980, Jinkoku has been a pioneer in the manufacturing of professional optical lenses and lenses, covering the complete process from design, development, production, and testing. The company has four main production lines, including glass grinding, plastic injection, molded glass, and precision molds, and has passed multiple quality and responsibility certifications such as ISO 9001, ISO 14001, ISO45001, IATF 16949, and SA8000 social responsibility certification, demonstrating a rigorous commitment to manufacturing processes and management.

In terms of product lines, Guoguang continues to expand its application fields, starting with early IoT lenses (such as smart doorbells and IP CAM) and gradually

entering innovative fields such as high-value automotive lenses, infrared thermal imaging (used in drones, medical, building inspection, etc.), and AR/waveguide optical machines.

一、Upstream and downstream integration and networking of the value chain

1. Upstream parts supply and quality control

Imakoku's self-built glass and plastic lens process reduces dependence on external suppliers, improves cost control and quality stability.

2. R&D and technological innovation

The company has a R&D center, and in recent years, it has launched solutions including IoT lenses, automotive wide-angle lenses, thermal sensing lenses, drone lenses, and AR waveguide modules, and actively collaborates with international customers such as the United States and Japan to develop innovative lens products.

3. Production and manufacturing capabilities

Control the entire production process, continuously improve production utilization and yield, and improve full-band production capacity through the expansion of production at its subsidiary in Foshan, China.

4. Marketing and marketing layout

In addition to continuing to deepen its cultivation of American car manufacturers and drone customers, the company is also actively deploying new markets such as infrared thermal lenses and AR waveguide light guides, and participating in international exhibitions such as optoelectronic exhibitions and auto shows to enhance brand visibility.

5. Logistics and global supply chain synergy

Combining Taiwan and mainland China, it responds to customers in the United States, Japan, Europe, and other countries, and strengthens its logistics layout to ensure stable and cost-effective delivery.

二、Core differentiation and market competitive advantage

1. Diversified product application strategy: The proportion of the three main products of Internet of Things + automotive + infrared thermal sensing has shifted from low profits to high gross profit lenses, increasing revenue and improving profit structure.
2. Advanced Quality Management: Passed multiple international qualifications and SA8000 social responsibility certification, enhancing corporate governance and social credibility.

3. Upstream and downstream independent control: It has the ability to mix glass and plastic processes, reducing the risk of Chinese competition and strengthening supply chain resilience.

三、Future development priorities and thinking directions

1. AR waveguide and optical machine breakthrough: continue to invest and hope to obtain orders from major American customers in the AR field (expected to enter in 2027).
2. Expansion of automotive and autonomous driving applications: Continue to increase the shipment of automotive lenses and the penetration rate of ADAS applications.
3. ESG-based supplier and process enhancement: Embedding ESG into supplier certification and green manufacturing policies through existing management systems (ISO, SA8000).
4. Combine future trends: Recruit technological needs such as AI, self-driving, and smart life to strengthen the competitiveness of differentiated products.

1.03 Report Information

This report is prepared in accordance with the 2021 edition of the Global Sustainability Reporting Association (GRI) Universal Standards, and refers to international standards and initiatives such as the United Nations Sustainable Development Goals (SDGs), the RBA Code of Conduct, the ISO 26000 Social Responsibility Guidelines, the Sustainability Accounting Standards Board (SASB) standard, and the Climate-related Financial Disclosures (TCFD) framework. Comprehensively disclose the sustainable management strategy and performance of Jinguo Optics in economic, environmental, and social aspects to respond to the concerns and expectations of stakeholders on sustainable development issues.

1.03.1 Basis for Preparation

This report refers to the 2021 version of the GRI Sustainability Reporting Standards (GRI Standards) issued by the Global Reporting Initiative (GRI); and adopts the Sustainability Accounting Standards Board (SASB) standards for disclosure. In

addition, this report is also prepared in accordance with the Taiwan Stock Exchange's "Regulations for the Preparation and Filing of Sustainability Reports by Listed Companies" and the "Code of Practice for Sustainable Development of Listed and OTC Listed Companies" to specify the Company's relevant actions and achievements in corporate social responsibility and disclose it to stakeholders. Relevant comparison tables can be found in the appendix.

1.03.2 Reporting Coverage Period, Frequency

After the management department coordinates the compilation of the structure and the adjustment of the disclosure direction, the heads of each responsible unit will review the accuracy of the content. The information covered in the report is from January 1, 2024 to December 31, 2024, and is published annually.

- Previous report issued time: None.
- Issuance time of this report: August 2025 (first issue).

For the sake of completeness and comparability, some sections will cover information before January 1, 2024 and after December 31, 2024, which will be explained in the notes to this section.

1.03.3 Reporting boundaries and scopes

The main responsibility of this report is to confirm the management standards and implementation of ESG issues, regularly review the ESG report every year, evaluate the achievement of the overall strategy, direction, and goals, propose review and improvement measures for non-compliant items, and report the implementation results to the chairman.

The scope of financial information and greenhouse gas emissions disclosure covers the company's domestic and foreign affiliates and subsidiaries, while other reports focus on the head office and branches in China and Hong Kong, excluding overseas operating bases.

1.03.4 Information Reorganization

There is no information recompilation in the 2024 National Sustainability Report.

1.03.5 External assurance/assurance

This report has not been assured by an independent third-party verification body.

- ✓ The company has passed ISO 9001 (afnor), ISO 14001 (TUVNORD), ISO 45001 (BSI) and ISO/TS 16949 (afnor), SA8000 (TUVNORD) , Taiwan Intellectual Property Management Regulations (TIPS) and other third-party certifications.
- ✓ The financial statement data disclosed are derived from the consolidated financial reports audited and attested by Deloitte Zhongxin in accordance with International Financial Reporting Standards (IFRS), which and the CPA's audit report are released in March of each year for the previous year. The current annual report is released in May of each year.
- ✓ The company conducted a greenhouse gas inventory in accordance with the ISO 14064-1:2018 standard and completed the 2024 third-party verification (afnor) in July 2025 to obtain relevant statements.

1.03.6 Responsible unit for sustainability reporting

If you have any questions about the content of this report, you can contact us through the following channels:

Contact unit: Sustainable Development Promotion Team

Contact window: Yang Chaokai

Phone: 04-2659-5985

E-mail: ck.yang@kinko-optical.com

Company ESG Zone website: http://www.kinko-optical.com/tw_esg_list.asp

1.04 Miscellaneous

Located in Wuqi, Taichung, Jinguo Company has been deeply involved in the optical industry for more than 40 years, focusing on the design, development and production of optical components and optical lenses, all processes are completed in-house, and has four major production lines such as glass grinding, plastic injection, molded glass, and precision mold processing.

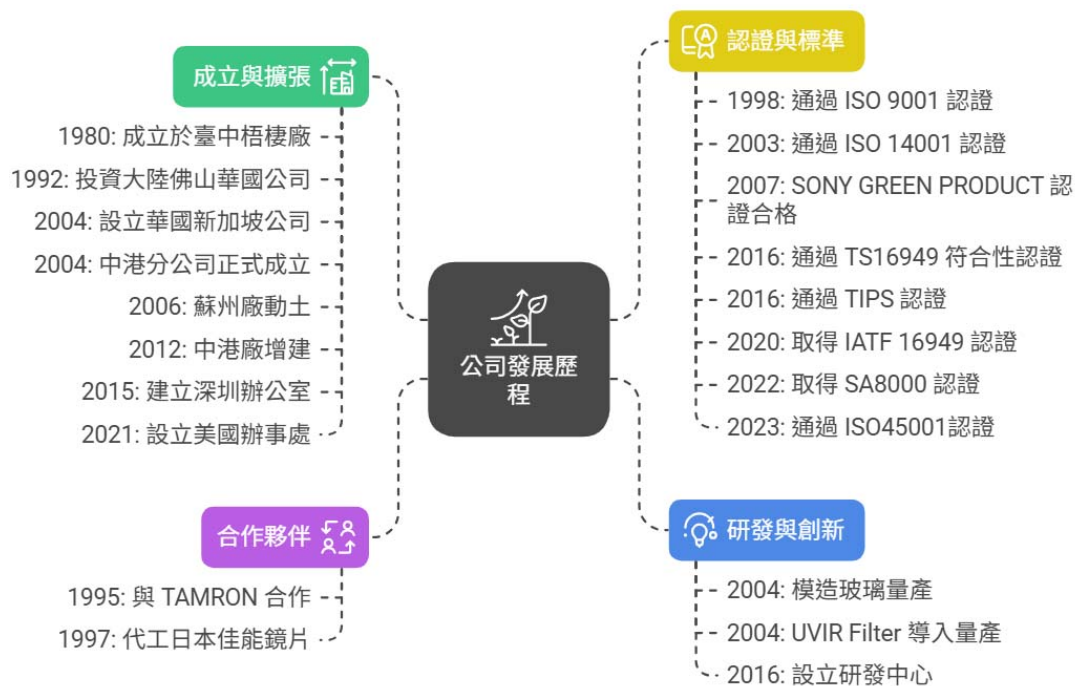
In terms of management systems, it has passed multiple international certifications such as ISO 9001, ISO 14001, ISO45001, IATF 16949, SA8000, and Taiwan Intellectual Property Management Practices (TIPS), demonstrating the company's strong emphasis on quality, environment, social responsibility, and intellectual property management.

With the advancement of technology, the application fields of optical products continue to expand, including SLR cameras, smartphones, Internet of Things, automotive lenses, game consoles, surveillance equipment, VR/AR/MR, projectors, far-infrared thermal imagers and other products. In the future, we will continue to invest in research and development to develop high-quality, high-value-added optical products to drive sustainable growth of the company.

The historical evolution of the company from 1980 to 2023

year	Event content
1980	Established in Taichung Wuqi Factory
1992	Invested in Foshan Huaguo Company in mainland China
1995	Partnering with TAMRON to enter the field of interchanging lenses
1997	Started manufacturing lenses for Canon in Japan
1998	ISO 9001 certified
2002	In December, the stock was publicly listed on the OTC
2003	ISO 14001 certified
2004	The stock will be listed on the TPEx Established a Huaguo Singapore company The China and Hong Kong Branch was officially established Mass production of molded glass UVIR Filter Import into mass production
2006	Groundbreaking for the Suzhou factory
2007	SONY GREEN PRODUCT Certification qualified
2012	The China-Hong Kong factory was added
2015	Establish a Shenzhen office
2016	Certified TS16949 conformity TIPS certified Established a research and development center
2020	IATF 16949 accredited
2021	Establishment of a U.S. office
2022	SA8000 certified
2023	Certified by ISO45001

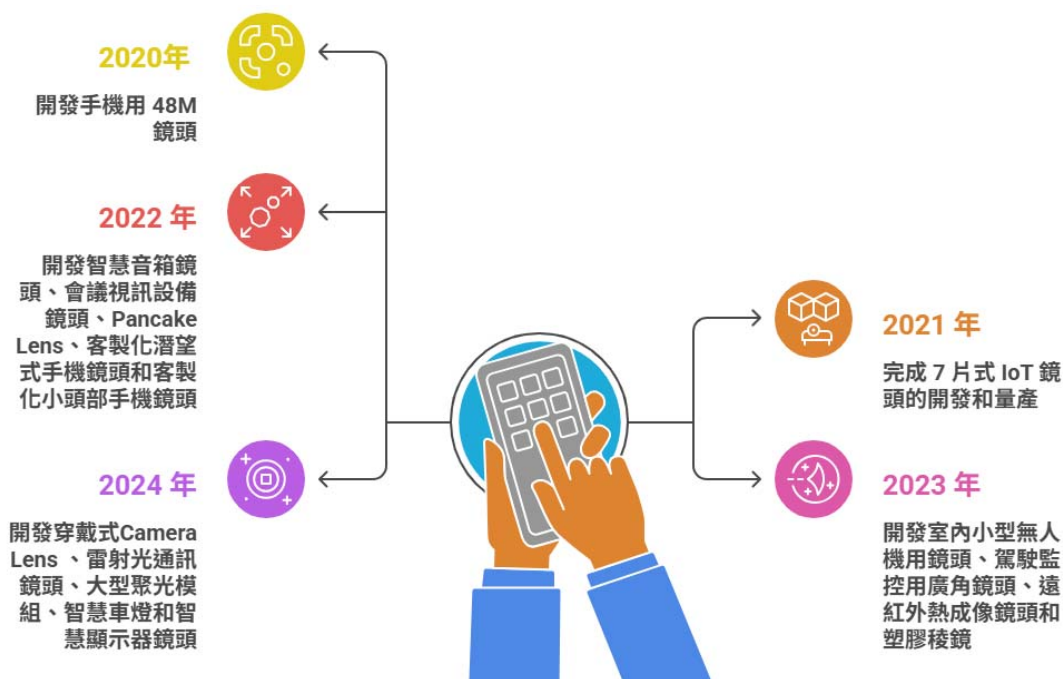
Company history



The company's R&D performance from 2020 to 2024

year	Event content
2020	Developed 48M lenses for mobile phones
2021	Completed the development of a 7-piece IoT lens and introduced it into mass production
2022	Develop smart speaker lenses Develop a conference video equipment lens 開發 Pancake Lens Customized periscope phone lens Customized small head mobile phone lens
2023	Developed lenses for indoor small drones Developed a wide-angle lens for driver monitoring Development of far-infrared thermal imaging lenses Developed plastic prisms
2024	開發穿戴式 Camera Lens Developed laser light communication lenses Developed large-scale concentrating modules for solar energy storage Develop smart lights Developed smart display lenses

R&D performance in the past five years



The company's award records from 2015 to 2024

year	Event content
2015	The greening and beautification of the China-Hong Kong Export Processing Zone has won the top ten excellent manufacturers Lens Assembly Class Hong OO was awarded the 104th Taichung City Model Worker Zhou OO won the 104th Export Processing Zone Model Worker
2016	Obtained the Healthy Workplace Certification Mark issued by the National Health Administration
2017	Quality Standards Division Yang OO was awarded the 106th Export Processing Zone Model Worker Equipment Security Division Liu OO was awarded the 106th Taichung City Model Worker
2018	Won the silver medal of the TTQS Enterprise Organization Edition of the Workforce Development Administration of the Ministry of Labor Won the 107th Year of Excellent Labor Relations Institution Awarded the 107th Taichung City Outstanding Unit for Employing People with Disabilities R&D Lesson 4 Director Li OO was awarded the 107 China-Hong Kong Export Processing Zone Model Worker and the 107 Ministry of Economic Affairs Export Processing Zone Model Worker Class 5 Zhuo OO technician won the 107th Taichung City Model Worker
2019	Technician Wu OO was elected as a model worker in Taichung City for 108 years Deputy Director Lin OO was elected as a model worker in the China-Hong Kong Export Processing Zone

year	Event content
	Selected as an excellent institution for labor relations in the 108 Export Processing Zone
2020	Taichung City 109 Qiu O was elected as a model migrant worker
2020	Won the Silver Medal of TTQS from the Workforce Development Agency of the Ministry of Labor
2022	ESG-Environmental Sustainability (Energy Conservation and Carbon Reduction)
2023	ESG-Environmental Sustainability (Carbon Reduction Benchmark Company)
2024	Won the 2024 Happy Enterprise - Silver Award



2024

幸福企業銀獎 | 榮獲
2024幸福企業-銀
獎。

2018

勞動部 TTQS 銀牌 |
勞動部勞動力發展署
TTQS 企業機構版銀
牌。

2015

中港綠美化 | 中港加
工出口區綠美化前十
大特優廠商。



2. Sustainable operation

2.01 Sustainability Strategy

To this end, the country has set up a sustainable development promotion group to build a cross-departmental collaboration mechanism to integrate sustainability concepts into the business system and daily processes. At the same time, we have implemented an ISO 14001 environmental management system to regularly monitor air, wastewater, and noise indicators and make real-time improvements to ensure that our operations are environmentally sustainable while being professionally manufactured.

一、環境(Environmental)

- **ISO 14001 Environmental Management System**

The company has obtained ISO 14001 certification and established environmental management processes in accordance with the standard system, including RoHS detection of prohibited and restricted substances, monitoring mechanisms such as air, wastewater, and noise in the factory area.

- **Process and product environmental protection optimization**

Promote RoHS-compliant product testing systems while continuously optimizing production technology and raw material use to reduce chemical pollution and resource waste.

2. Social

- **Employee benefits and compensation mechanisms**

Clearly stipulate the "company profit-sharing system" and establish a transparent bonus distribution method to enhance employee cohesion and centripetal force.

- **Workplace diversity and gender equality**

Actively promote gender diversity policies and support for diverse workers, and strive to create a fair, friendly, and inclusive workplace environment.

- **Social Responsibility Policy**

In the ESG zone, social responsibility policies are disclosed, covering aspects such as occupational safety, legal compliance, labor rights, and community feedback, enhancing overall social responsibility awareness.

3. Corporate Governance

- **Diverse board structure**

Since 2021, the composition of the board of directors has been diversified, including increasing the proportion of independent directors, gender balance, and strengthening professional backgrounds to ensure diversity in supervision and decision-making.

- **ESG issues are included in the board of directors' discussions**

Formulate sustainability strategies and material issue management policies, and formally incorporate ESG issues into the board level.

- **Stakeholder communication mechanisms**

We strive to establish a diverse dialogue platform with investors, employees, suppliers, communities, and other stakeholders to respond to major concerns and incorporate them into the sustainability strategy formulation process.

4. Strategic focus and direction of improvement

- **Fully implement green manufacturing**

Continuing the ISO 14001 system, we have strengthened waste and emission management, and introduced energy-saving and resource recovery processes.

- **Strengthen employee care and culture**

Deepen the reward system, implement care plans, and improve the friendly environment in the workplace.

- **Improve the ESG governance system**

Clearly define KPIs, regularly evaluate ESG implementation results, and the board of directors regularly reviews ESG issues and progress towards goals.

- **Deepen stakeholder engagement**

Continuously track external feedback mechanisms and invite suppliers and customers to participate in ESG dialogue and cooperation promotion.

- **Public Disclosure and Transparent Reporting**

Strengthen the readability and traceability of sustainability reports, integrate quantitative indicators and third-party certification and verification to enhance credibility.

2.02 Promote sustainable development mechanisms

In response to global climate change and corporate social responsibility trends, the company actively promotes sustainable development mechanisms, strives to strike a

balance between economic growth, environmental protection, and social inclusion, and establishes specific and sustainable management structures and action plans.

In November 2024, the company officially introduced an electronic invoice system to achieve ESG sustainable management goals and respond to society's expectations for environmental responsibility and governance in the country.

1. Sustainable governance framework

The team holds regular meetings to review the implementation of various sustainability indicators and ensure that the strategies and actions are consistent with the operational goals of the company.

2. Formulate sustainable strategic goals

Based on the core technologies and industry characteristics of the country, we have set short, medium, and long-term sustainable development goals, including energy efficiency improvement, carbon reduction actions, water resource management, waste reduction and recycling, and sustainable supply chain management, and align with the United Nations Sustainable Development Goals (SDGs) to strengthen corporate global responsibility.

3. Carbon management and green processes

Currently, it covers Scope 1 and Scope 2, as well as some significant Scope 3 items, and will continue to expand the scope of inventory Scope 3 in the future, moving towards carbon emission monitoring and management throughout the supply chain, and gradually achieving carbon reduction goals through process optimization, the introduction of high-efficiency equipment, and the promotion of green energy.

4. Stakeholder communication and feedback

Every year, stakeholder identification and concern surveys are conducted, and opinions from employees, customers, suppliers, investors, and the community are collected through questionnaires, interviews, and forums, which are included in the sustainable strategic plan to promote multi-party co-prosperity.

5. Talent development and workplace friendliness

We attach importance to employee well-being and career growth, promote diversity and inclusion policies, employee health promotion programs, vocational training, and gender equality measures to build a safe, healthy, and competitive working environment.

6. Information disclosure and transparency

In order to enhance the transparency of corporate governance, Konkoku has prepared sustainability reports in accordance with international standards (such as GRI standards), continuously disclosed ESG performance and improvement actions, and accepted reviews and suggestions from external stakeholders to demonstrate sustainability commitment and responsibility.

In the future, the company will continue to take sustainable development as its core value, actively participate in international conferences and collaborations, and promote green energy and environmental protection measures to address challenges such as climate change and biodiversity decline. We will continue to improve our products and services through innovation and integration to meet customer needs while reducing negative impacts on the environment. At the same time, we will also be committed to social feedback, supporting community development and disadvantaged groups, and promoting the development of social welfare undertakings. Through these efforts, we hope to become a company that contributes to society and the environment, and work hand in hand with global partners to jointly achieve the goal of sustainable development.

2.02.1 Governance framework to promote sustainable development

In accordance with the relevant laws and regulations of the current country and the principle of corporate integrity, we have established a clear and efficient governance structure to ensure transparent decision-making mechanisms, sound risk control, and strengthen the ability to respond to sustainability issues.

The board of directors is the main decision-making body of the country, composed of the chairman, vice chairman and multiple directors, responsible for setting the company's strategic direction, supervising business performance and risk management measures, and ultimately responsible for sustainable development-related policies.

審計委員會

- 負責監督財務報表之公允性、內部控制制度的有效性及內部稽核之執行成效，確保公司運作之合法與透明。

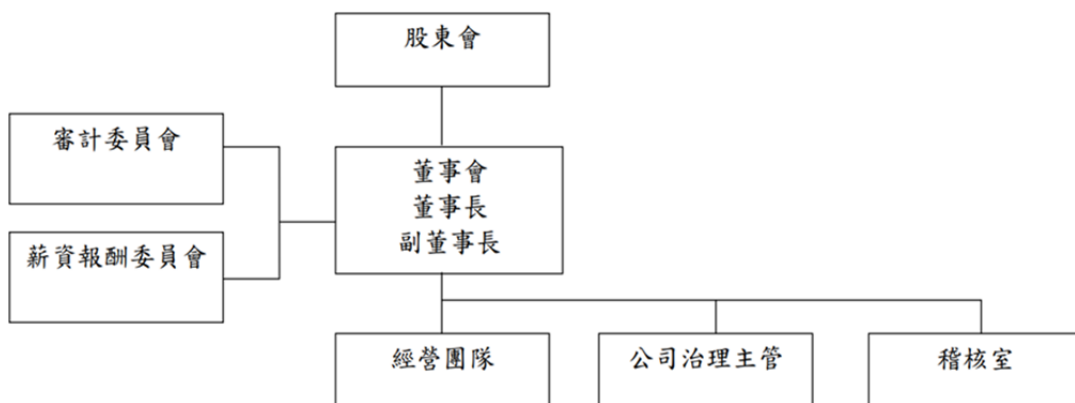
薪資報酬委員會

- 董事及高階經理人之薪資報酬政策提出建議，並確保其制度具備激勵效果且符合法令規範。

The governance supervisor assists the board of directors in promoting information transparency, regulatory compliance, and integration of sustainability issues, making it an important promoter of corporate governance and sustainable development. The audit office operates independently and is directly under the board of directors, regularly auditing the effectiveness and compliance of the company's internal control system to ensure that operational risks can be effectively controlled.

The board of directors is ultimately responsible for the company's overall sustainability strategy and goals, and supervises the management and performance of sustainability issues through the governance mechanism to ensure that the sustainability policy is consistent with the company's long-term operating strategy and practice corporate social responsibility.

Today's governance structure



2.02.2 Operational Status

The company has a clear division of responsibilities and response mechanisms based on different types of impact events, and each responsible unit handles them

appropriately according to the nature of the incident to ensure that the rights and interests of all stakeholders are protected and the company's commitment to sustainable governance is implemented. The responsible units for each type of impact event are as follows.

Types of impact events	Responsible for the handling unit
Shock incidents raised by shareholders, investors, and other external stakeholders.	Spokesperson or acting spokesperson
Impact incidents involving internal colleagues, customers, suppliers, contractors, and other stakeholders.	Chairman's office or audit unit
Incidents related to patent infringement, trade secret leakage, and intellectual property-related issues.	Management Department or Legal Department

2.03 Board of Directors and Functional Committees

By establishing functional committees, the board of directors can effectively integrate corporate governance and sustainability strategies, ensuring that companies pursue economic growth while balancing environmental protection and social responsibility.

2.03.1 The role and results of the board of directors in sustainable governance

The Board of Directors assumes the responsibility of formulating sustainability strategies, monitoring implementation progress, and evaluating results, and by regularly reviewing sustainability-related policies and goals, and assigning senior executives to promote sustainability affairs, the Board ensures that sustainability concepts are integrated into all aspects of corporate operations and fulfills its commitment to stakeholders.

2.03.1.1 Roles and supervision of sustainable governance

The board of directors appoints senior executives to be responsible for promoting sustainability affairs, coordinating cross-departmental resources, integrating environmental, social, and governance (ESG) related issues, implementing them, and

regularly reporting progress and results to the board of directors.

Major sustainability issues (such as climate change risks, supply chain management, information disclosure, etc.) are also included in the discussion agenda of the board of directors or functional committees to ensure high-level participation and forward-looking decision-making.

Data collection and drafting	Summary of reports	Internal audit	External verification
Aggregate and collect data from each team of the Sustainable Development Organization	The chairman's office compiles the information	The board of directors reviews and approves it	It has not yet been processed

2.03.1.2 Supervise the performance evaluation of sustainability management

Board performance evaluation

In order to implement corporate governance and enhance the functions of the Board of Directors, the Company has established the Board of Directors Performance Evaluation Measures. Regular self-evaluation by the Executive Board and functional committees (including the Audit Committee and the Remuneration Committee) and the performance evaluation of individual board members every year, including professional functions, responsibilities awareness, participation in the company's operations, internal control, and continuous education. The self-evaluation results of the overall board of directors and functional committees in 2024 are all "excellent" and are reported to the board of directors.

Board of Directors evaluation indicators and item table

Board performance evaluation	Self-performance evaluation of board members	Functional Committee Performance Evaluation
------------------------------	--	---

Board performance evaluation	Self-performance evaluation of board members	Functional Committee Performance Evaluation
1. degree of participation in the current operation of the country. 2. Improve the quality of board decision-making. 3. Composition and structure of the board of directors. 4. Election and continuing education of directors. 5. Internal controls.	6. The current country's goals and tasks. 7. Awareness of directors' responsibilities. 8. degree of participation in the current operation of the country. 9. Internal relationship management and communication. 10. professional and continuing education of directors. 11. Internal controls.	1. degree of participation in the current operation of the country. 2. Functional committee responsibilities awareness. 3. Improve the quality of decision-making by functional committees. 4. Functional Committee Composition and Membership Election. 5. internal controls or other items.
34 evaluation indicators	20 evaluation indicators	16 evaluation indicators

The results of this evaluation show that the board of directors and its constituent bodies are functioning well, the governance mechanism is robust, in line with corporate governance best practices, and strengthen the overall performance of ESG governance.

Performance evaluation form for the board of directors and functional members

Board performance evaluation	Board self-performance evaluation	Functional Committee Performance Evaluation (Audit/Remuneration)
4.3 points	4.7 points	4.95 points

2.03.1.3 Continuing education for sustainable development

Board of Directors Training

The Company arranges refresher courses for directors every year to enhance their knowledge on corporate governance, economic, environmental and social issues, and enhance the board's ability to manage risks in the face of risks. In 2024, all directors of the board of directors will participate in corporate governance for 33 hours

(excluding other further education), and the status of further education can be found on page 26 of the company's annual report.

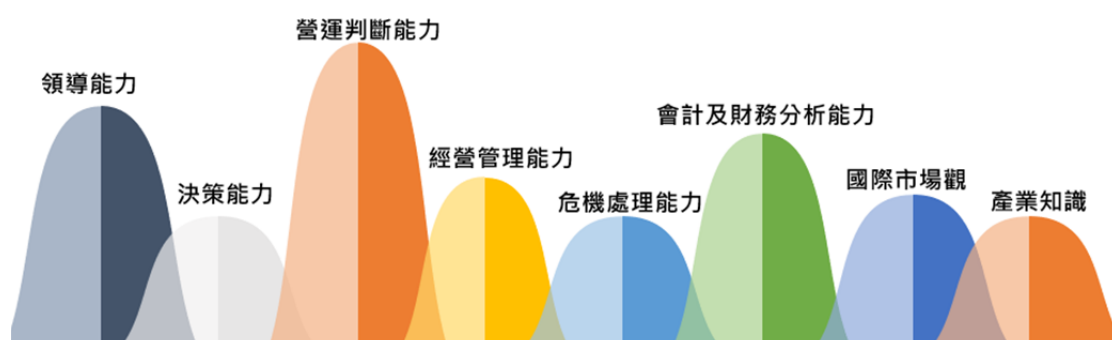
2.03.2 Structure and operation of the board of directors

In accordance with the principles of Article 20, Paragraph 3 of the Code of Corporate Governance Practice, the composition of the board of directors emphasizes gender equality and ensures that directors have the knowledge, skills and literacy necessary to perform their duties to achieve the ideal goals of corporate governance.

2.03.2.1 Membership and Diversity

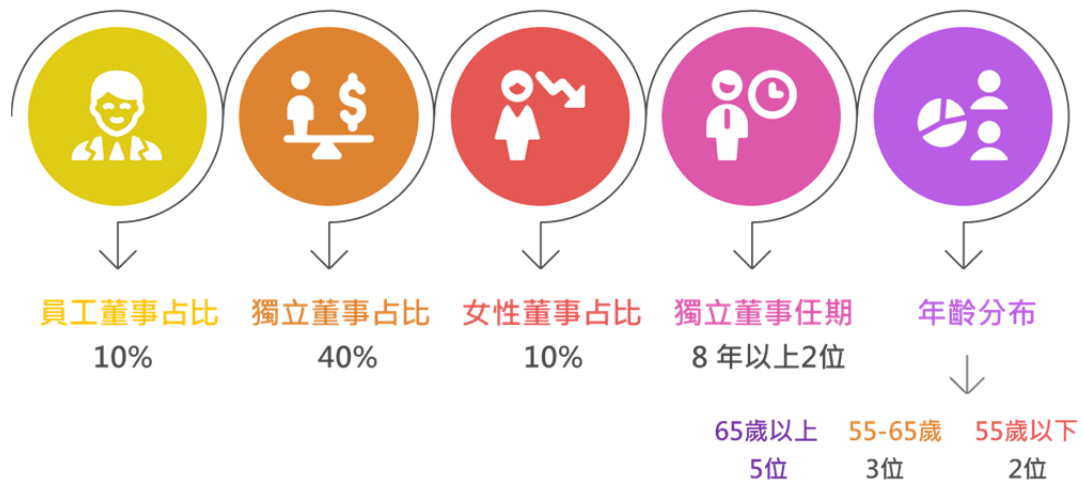
The board of directors is composed

The board members have diverse backgrounds in finance, law, industrial management, and corporate management, and can provide professional advice on corporate strategy, finance, sustainable development, and risk management.



The company attaches great importance to the diversity of the board of directors and plans according to the "Board Member Diversity Policy" to incorporate gender, age, professional background, and industry experience, and is committed to improving the overall decision-making vision and sustainable governance capabilities of the board of directors. The current board of directors consists of 10 directors, including 4 independent directors and 1 female director, all of whom have professional backgrounds in finance, business, and management, have rich industry experience, and demonstrate diverse core competencies.

董事會成員概況

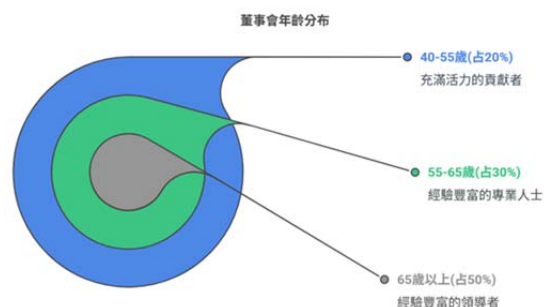


Since the 16th Board of Directors, the Board of Directors has prioritized increasing the number of female board seats, continuously optimizing the composition of board members, and promoting gender balance and diversity, thereby fulfilling its commitment to sustainable development.

We believe that a diverse and inclusive board of directors can bring a more comprehensive perspective to decision-making and strengthen the organization's resilience and innovation. Therefore, in addition to emphasizing gender balance, we also emphasize the combination of board members in various aspects such as professional backgrounds, industry experience, age groups, and international perspectives, hoping to stimulate innovative thinking and strengthen the supervision and strategic guidance functions of the board of directors through the exchange and collaboration of different perspectives.

Age distribution of the 15th board of directors

職稱	姓名	性別	年齡		
			40-55 歲	55-65 歲	>65 歲
董事長	陳慶棋	男			✓
副董事長	陳義方	男	✓		
董事	陳慶福	男			✓
董事	陳錦明	男	✓		
董事	王基楚	男		✓	
董事	張春美	女		✓	
獨立董事	陳文弘	男			✓
獨立董事	尤惠民	男		✓	
獨立董事	陳玉河	男			✓
獨立董事	呂惠民	男			✓



In order to implement the above goals, Jinguo has incorporated the principles of gender and diversity into the director nomination policy and selection mechanism, and formulated specific indicators and action plans to systematically promote the optimization of the composition of the board of directors.

Board of Directors Professional Background Introduction Form

職稱	姓名	初次選任日期	主要學(經)歷	性別	多元化核心專業能力背景項目							
					營運判斷	會計及財務分析	經營管理	危機處理	產業知識	國際市場	領導能力	決策能力
董事長	陳慶祺	90.05.15	台中高工	男	✓	✓	✓	✓	✓	✓	✓	✓
副董事長	陳義方	96.06.15	逢甲大學 碩士 今國光學光學 設計協理	男	✓	✓	✓	✓	✓	✓	✓	✓
董事	陳慶福	90.05.15	逢甲大學 今國光學工業股份有限公司 監察人	男	✓	—	✓	✓	✓	—	—	✓
董事	陳錦明	105.06.13	南亞工專	男	✓	—	✓	✓	✓	—	—	✓
董事	王基楚	105.06.13	大甲高工	男	✓	—	✓	✓	✓	—	—	✓
董事	張春美	99.06.18	強恕高中 今國光學工業股份有限公司 監察人	女	✓	✓	✓	✓	✓	—	—	✓
獨立董事	陳文弘	91.06.21	清水高中 洽發企業股份有限公司 經理	男	✓	✓	✓	✓	✓	✓	✓	✓
獨立董事	尤惠民	105.06.13	義守大學 碩士 聯一光電股份有限公司 監察人	男	✓	✓	✓	✓	✓	✓	✓	✓
獨立董事	陳玉河	111.06.17	大華科技大學 佛山普立華科技有限公司 總經理	男	✓	✓	✓	✓	✓	✓	✓	✓
獨立董事	呂惠民	112.06.16	東吳大學會計研究所 碩士 台灣數位光訊股份有限公司 獨立董事 亞洲光學股份有限公司 獨立董事	男	✓	✓	✓	✓	✓	✓	✓	✓

2024 Director's Remuneration Table

Unit: NT\$ thousand

職稱	姓名	董事酬金								兼任員工領取相關酬金								A、B、C、D、E、F及G等七項總額及占稅後純益之比例						
		報酬(A)		退職退休金(B)		董事酬金(C)		業務執行費用(D)		A、B、C及D等四項總額及占稅後純益之比例		薪資、獎金及特支費等(E)		退職退休金(F)		員工酬勞(G)								
		本公司	財務報告內所有公司	本公司	財務報告內所有公司	本公司	財務報告內所有公司	本公司	財務報告內所有公司	本公司	財務報告內所有公司	本公司	財務報告內所有公司	本公司	財務報告內所有公司	本公司			財務報告內所有公司		本公司	財務報告內所有公司		
																現金金額	股票金額		現金金額	股票金額				
董事長	陳慶祺	240	240	0	0	0	0	60	60	300 (0.23)	300 (0.23)	3,549	3,549	0	0	0	0	0	0	0	0	3,849 (2.96)	3,849 (2.96)	無
董事	陳錦明	240	240	0	0	0	0	72	72	312 (0.24)	312 (0.24)	0	0	0	0	0	0	0	0	0	0	312 (0.24)	312 (0.24)	無
副董事長	陳義方	240	240	0	0	0	0	60	60	300 (0.23)	300 (0.23)	3,007	3,007	0	0	0	0	0	0	0	0	3,307 (2.54)	3,307 (2.54)	無
董事	王基楚	240	240	0	0	0	0	72	72	312 (0.24)	312 (0.24)	0	0	0	0	0	0	0	0	0	0	312 (0.24)	312 (0.24)	無
董事	陳慶福	240	240	0	0	0	0	72	72	312 (0.24)	312 (0.24)	0	0	0	0	0	0	0	0	0	0	312 (0.24)	312 (0.24)	無
董事	張春美	240	240	0	0	0	0	72	72	312 (0.24)	312 (0.24)	0	0	0	0	0	0	0	0	0	0	312 (0.24)	312 (0.24)	無
獨立董事	尤惠民	240	240	0	0	0	0	156	156	396 (0.30)	396 (0.30)	0	0	0	0	0	0	0	0	0	0	396 (0.30)	396 (0.30)	無
獨立董事	陳文弘	240	240	0	0	0	0	156	156	396 (0.30)	396 (0.30)	0	0	0	0	0	0	0	0	0	0	396 (0.30)	396 (0.30)	無
獨立董事	陳玉河	240	240	0	0	0	0	156	156	396 (0.30)	396 (0.30)	0	0	0	0	0	0	0	0	0	0	396 (0.30)	396 (0.30)	無
獨立董事	呂惠民	240	240	0	0	0	0	132	132	372 (0.29)	372 (0.29)	0	0	0	0	0	0	0	0	0	0	372 (0.29)	372 (0.29)	無

1.請敘明獨立董事酬金給付政策、制度、標準與結構，並依所擔負之職責、風險、投入時間等因素敘明與給付酬金數額之關聯性：
經薪酬委員會通過之固定基本報酬及給付業務執行費(車馬費)。

2.除上表揭露外，最近年度公司董事提供服務(如擔任母公司/財務報告內所有公司/轉投資事業非屬員工之顧問等)領取之酬金：無。

3.兼任員工領取相關酬金係比照公司員工薪資標準訂定。

2.03.2.2 Operational Status

The operation of the board of directors

According to Article 3 of the Rules of Procedure for Board Meetings, the board of directors of the company holds a meeting at least once a quarter to review various

proposals and listen to financial and business reports from the heads of important departments to ensure the professionalism and timeliness of decision-making. The 15th Board of Directors in 2024 operated steadily, with an average attendance rate of 98% among board members and 100% when delegated attendance, demonstrating the high level of board participation and governance effectiveness.

In addition, in order to further improve the openness and convenience of corporate governance information, the minutes of the board of directors meeting are proactively published on the official website (<http://www.kinko-optical.com>) of the country for stakeholders to consult. Strengthen information disclosure and implement transparent corporate governance.

2024 Director Attendance Table

Job title	name	Actual attendance	Number of delegated attendances	Actual attendance
Chairman	Chen Qingqi	5	0	100%
Vice Chairman	Chen Yifang	5	0	100%
director	Chen Qingfu	5	0	100%
director	Chen Jinming	5	0	100%
director	Wang Jichu	5	0	100%
director	Zhang Chunmei	5	0	100%
Independent Director	Chen Wenhong	5	0	100%
Independent Director	He was particularly beneficial to the people	5	0	100%
Independent Director	Chen Yuhe	4	1	80%
Independent Director	Lu Huimin	5	0	100%

2.03.2.3 Nomination and Selection

Based on the educational experience of the nominees, the "Director Election Measures" and the "Corporate Governance Code" and other relevant regulations, as well as the diversity, independence, ability to cope with organizational shocks, and

the opinions of stakeholders, the list of candidates will be submitted to the shareholders' meeting for voting after review by the board of directors. In addition, according to the Company Law, shareholders holding more than 1% of the total issued shares of the Company may submit a list of director candidates to the Company in writing.

In response to global governance trends and sustainability initiatives' expectations for board diversity, Jinguo Company has further incorporated gender diversity into the core consideration of director nomination since the 16th board of directors, actively improving female representation, and introducing members of different genders, backgrounds, and professional fields to give the board of directors a more comprehensive perspective and decision-making ability, thereby strengthening the forward-looking and risk-adapting resilience of the governance team.

2.03.2.4 Avoidance of interests

The directors of the company shall exercise their powers in accordance with the Articles of Association, the Rules of Procedure of the Board of Directors and relevant laws and regulations. According to the relevant provisions on interest avoidance in the Rules of Procedure of Board Meetings, when a director, his spouse, blood relatives within the second degree of kinship, or a company with which the director has a controlling subordinate relationship has an interest in the matters of the meeting, the director should take the initiative to explain the important content of the interest at the meeting. If the interest may harm the company's interests, the directors should refrain from relevant discussions and voting, and shall not exercise voting rights on behalf of other directors.

In addition, matters related to the recusal of directors, including their names, descriptions of interests, and the circumstances of recusal, are detailed in the meeting minutes to ensure transparency and compliance. According to the 2024 board records, some of the proposals involved conflicts of interest among board members, and the relevant directors had avoided their interests in accordance with the law and did not participate in the voting. It fully demonstrates the professionalism and fairness of the company in the operation of the board of directors.

Information on cross-shareholding with other stakeholders or controlling shareholders and related parties has been disclosed on the Public Information Observatory, the Company's website or on pages 45 and 46 of the annual report.

2.03.2.5 Salary policy

1. Salary structure and salary determination process

The remuneration system for senior management of the company is recommended to the board of directors by the remuneration committee and approved by the board of directors. In addition to fixed salary and retirement pension, performance bonuses are calculated based on the achievement of various performance indicators, and the retirement system of senior management is the same as that of other employees. The Remuneration Committee meets at least twice a year, and may convene separately if necessary, to review the remuneration policies, systems and implementation of directors and managers, and to make recommendations to the Board of Directors.

- Formulate and regularly review policies, systems, standards, and structures for performance evaluation and remuneration for directors and managers.
- Evaluate and determine the remuneration of directors and managers.

Article 30 of the Company's "Articles of Incorporation" clearly stipulates that if the company makes a profit during the year, it shall provide not less than (including) 10% as employee remuneration and not more than (inclusive) 2.5% as remuneration for directors and supervisors. In 2024, due to an increase in net loss after tax compared to the previous year, the proportion of total remuneration decreased compared to the previous year. For the 2024 Directors' Remuneration, Director's Remuneration Scale and Payment Standards, please refer to pages 15~17 of the Company's 2024 Annual Report; For the salary scale table of senior management, please refer to pages 15~16 of the company's 2024 annual report.

2. Salary ratio

The salary of employees of the company mainly includes the following items: basic salary (including basic salary, meal allowance, and special environmental allowance/special maintenance allowance/special allowance for converter cranes), year-end bonus and production and sales surplus bonus. Salary is based on a job responsibility system, and employee salary standards are set based on salary market conditions, the company's financial situation, and organizational structure, and gender equality is ensured. For example, in R&D positions, the basic salary ratio between female and male employees is 1:1.1 (1:1.2 in 2023).

2.03.3 Structure and operation of functional committees

Functional Committee

To strengthen the effectiveness of corporate governance, an audit committee and a

remuneration committee have been established to assist the board of directors in effectively performing supervisory and decision-making functions, improving information transparency and sustainable business performance.

Each functional committee operates in accordance with the current country's articles of incorporation and relevant laws and regulations, and holds regular meetings to carefully discuss major issues related to corporate governance, risk control, and salary policies to ensure sound systems and reasonable decision-making, and deepen the governance function of the board of directors.

1. Remuneration Committee

The Remuneration Committee consists of three members from June 17, 2022 to June 16, 2025, and is responsible for assisting the Board in formulating policies, systems, standards, and structures for performance evaluation and remuneration for directors and managers. Through this committee, the Company regularly evaluates and reviews the performance appraisal, salary, bonus and remuneration payment methods of employees, managers and directors, compares them with peer standards, and submits recommendations to the Board of Directors for discussion. In 2024, the Remuneration Committee held 2 meetings with a 100% attendance rate. Discuss directors and managers, review annual performance and compensation plans.

In 2024, the Remuneration Committee met twice, and 3 directors were present

Job title	name	113/1/25	113/11/13	Actual attendance
Convenor	Chen Wenhong	V	V	2
commissioner	He was particularly beneficial to the people	V	V	2
commissioner	Chen Yuhe	V	V	2

Compensation Committee function

Duties/Executive Functions	Members/ Members	have a meeting frequency	In 2024		
			Attendance (actual attendance)	Attendance rate (including commissioned attendance).	Some of the topics discussed
◆ Assist the board of directors in implementing and	◆ Chen Wenhong Independe	It is held at	100%	100%	◆ Review the salary and remuneration

Duties/Executive Functions	Members/ Members	have a meeting frequency	In 2024		
			Attendance (actual attendance)	Attendance rate (including commissioned attendance)	Some of the topics discussed
evaluating the company's overall compensation and benefits policies. ◆ Regularly evaluate the remuneration of directors and managers.	nt Director (Convenor) ◆ You Huimin is an independent director ◆ Chen Yuhe is an independent director	least twice a year			of managers. ◆ Review the 112th annual manager's year-end bonus payment. ◆ Applicable managerial scope and salary and remuneration case for remuneration pre-review.

2. Audit Committee

The Audit Committee consists of a total of 4 members from June 17, 2022 to June 16, 2025, and the Audit Committee is composed of all independent directors and meets at least once a quarter. The purpose of the committee is to oversee the true presentation of the company's financial statements, the effective implementation of the company's internal controls, the company's compliance with laws and regulations, the company's control of existing or potential risks, and the appointment or dismissal of certified public accountants, independence and performance. In 2024, the Audit Committee held a total of 5 meetings with a 100% attendance rate (including delegated attendance), and the discussion topics are as follows.



In 2024, the Audit Committee held 5 meetings, and 4 members were present

Job title	name	113 years					Actual attendance
		1/25	3/13	5/10	8/13	11/13	
conven er	He was particularly beneficial to the people	V	V	V	V	V	5
commis sioner	Chen Wenhong	V	V	V	V	V	5
commis sioner	Chen Yuhe	V	V	-	V	V	4
commis sioner	Lu Huimin	V	V	V	V	V	5

Audit Committee Functions

Duties/Executive Functions	Members/ Members	Meeting frequency	In 2024		
			Attendance (actual attendance)	Attendance rate (including commissioned attendance).	Some of the topics discussed
<p>◆ Establish or amend the internal control system in accordance with the Securities and Exchange Act.</p> <p>◆ Formulate or amend procedures for acquiring or disposing of assets, engaging in derivatives transactions, lending funds to others, endorsing or providing guarantees for others.</p> <p>◆ Major matters stipulated in Article 6 of the Articles of Association of the Audit Committee or stipulated by the competent authority.</p>	<p>◆ Especially for the people Independent Director (Convenor)</p> <p>◆ Chen Wenhong Independent Director</p> <p>◆ Chen Yuhe Independent Director</p> <p>◆ Lu Huimin Independent Director</p>	It is held at least once a quarter	95%	100%	<p>◆ Regularly evaluate the independence and suitability of CPAs.</p> <p>◆ Statement of internal control system in each quarterly financial report.</p> <p>◆ Revision of the "Internal Control System".</p>

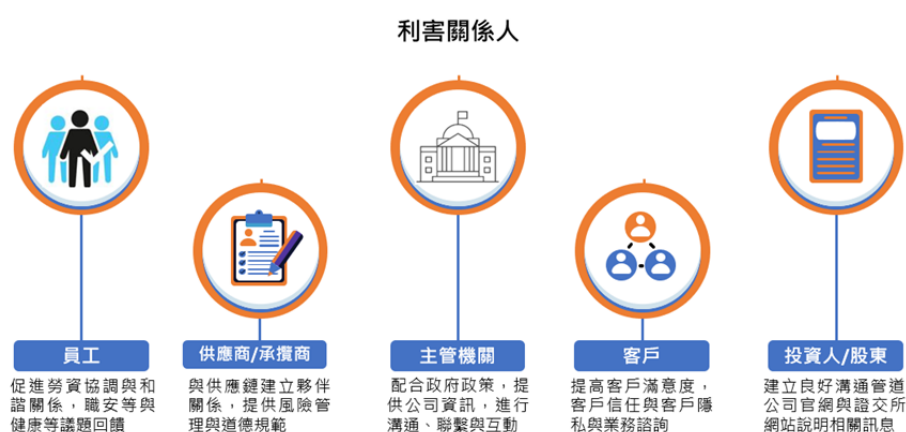
3. Stakeholders and major topics

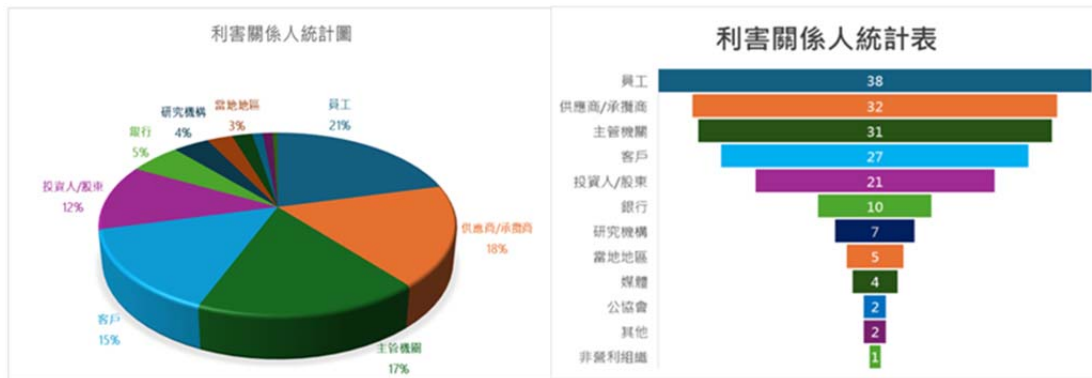
In accordance with the United Nations Sustainable Development Goals (SDGs), relevant regulations in the optical industry, and international mainstream sustainability disclosure standards, including the Global Sustainability Reporting Standards (GRI Standards), the Sustainability Accounting Standards Board (SASB Standards), the Recommendation on Climate-related Financial Disclosures (TCFD), and the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB). Comprehensively consider external trends and internal business strategies, collect and inventory potential issues related to sustainable development.

3.01 Stakeholder Agreement

Identify stakeholders

The company refers to the AA1000 SES Stakeholder Engagement Standard (AA1000 SES 2015) in terms of dependency, responsibility, tension, influence, and diversity Perspectives) to determine the groups or organizations that have an impact on and are influenced by the Company. The vice chairman and general manager, together with a total of 35 people, including senior executives, ESG seed members, and external consultants, jointly identified five types of key stakeholders through a paper questionnaire: employees, suppliers/contractors, regulatory authorities, customers, and investors/shareholders.





In order to understand and respond to the concerns of stakeholders, we provide different communication channels to communicate and discuss with stakeholders, so that stakeholders can express their opinions at any time to understand and respond to sustainability issues that different stakeholders are concerned about.

Stakeholder communication mechanism and summary of issues of concern

Stakeholders	Important issues of concern	Response methods and communication channels	Communication frequency
Employees	Integrity governance, workplace safety and health, employee diversity and equality, labor relations, talent development.	Through the internal service website of the current country, you will be aware of the relevant regulations, regulations and other announcements of the current country. If you have any relevant reactions, please contact the Human Resources Division.	At any time, irregularly
		Regular labor-management meetings and human resources meetings.	Every season
		Contact window: Human Resources Division HR@kinko-optical.com	
Suppliers/contractors	Product safety management, business performance, product innovation and research and development, risk management.	Current Country Website - Environmental Policy.	Updated annually
		Signing of the contractor's environmental regulations and commitments.	It is conducted annually
		Regular external audits of key vendors.	It is carried out once every three years
		Contact window: Wang Zhengmin of the Materials Department zmwang@kinko-optical.com	
competent authority	Integrity Governance, Workplace Safety and Health,	Relevant declarations shall be made in accordance with laws and regulations.	In accordance with regulation

Stakeholders	Important issues of concern	Response methods and communication channels	Communication frequency
	Product Safety Management, Employee Diversity and Equality, Risk Management.		s
		Contact window: Yang Chaokai ck.yang@kinko-optical.com from the Management Department	
client	Integrity governance, customer relations, product safety management, business performance, product innovation and research and development.	Regular customer satisfaction surveys.	The third quarter of each year
		From time to time, we cooperate with customer requirements and inspections for products, environment, responsibilities, etc., and coordinate prevention and continuous improvement.	Irregular
		Contact Window: Lai Yingfang of the Business Department mickey@kinko-optical.com Sales Department Takashi seiryou@kinko-optical.com	
Investors/Shareholders	Integrity governance, customer relations, business performance, labor relations, risk management.	Annual General Meeting.	Once a year
		Corporate briefings are held regularly.	Once a year
		Regularly publish quarterly financial reports and operational information.	Every season
		Instant material information will be released simultaneously on the Stock Exchange's Public Information Observatory and the Ikokuni website.	Instant public
		Set up an email address and contact number on the Kinkoku website to establish a smooth communication channel between investors and Imakoku.	Depending on the actual situation, we will accept telephone inquiries from investors from time to time

Stakeholders	Important issues of concern	Response methods and communication channels	Communication frequency
		Contact Window: Mr Lam Ping-lin (Spokesperson) linpinglin@kinko-optical.com Lai Yingfang (Acting Spokesperson) mickey@kinko-optical.com	

■ Reporting channels

If you find that employees or personnel representing the company have suspicious behavior, or may violate the code of ethical conduct, you are welcome to report it to the company. Whistleblowers can respond through the following units.

- 一、Spokesperson, Acting Spokesperson: Accepts reports from shareholders, investors, and other external personnel.
- 2. Chairman's Office and Audit Unit: Accept reports from general internal colleagues, customers, suppliers, and contractors.

Email 1: linpinglin@kinko-optical.com (Spokesperson)

mickey@kinko-optical.com (Acting Spokesperson)

Email 2 : chi@kinko-optical.com (Chairman's Office)

arthur@kinko-optical.com (Audit Office)

- 3. Patent infringement, trade secret infringement, intellectual property issue consultation, and other related intellectual property complaints.

Dedicated email la@kinko-optical.com

Hotline 04-2659-5985#257

In order to ensure the fairness of the investigation, please provide relevant factual evidence and your real name, and the country will properly protect your personal information and privacy in accordance with the law, and take confidentiality measures. In addition, if it is found to be a malicious report or false statement, the relevant personnel shall bear legal responsibility.

3.02 Process for determining material topics

materiality subject assessment

The Company refers to the four principles of AA1000 Accountability: Materiality,

Inclusiveness, Responsiveness, and Impact, and follows GRI3: Material Themes 2021 to further assess the significance of the impact of material themes on the economy, environment, human rights, etc., and the implementation steps are as follows:

■ **Step 01|Stakeholder identification**

The company attaches great importance to communication and feedback with stakeholders, and conducts evaluations based on the five principles of the AA1000 SES standard (responsibility, influence, tension, multiple perspectives, and dependence), and summarizes ten types of stakeholders, including regulatory authorities, investors/shareholders, banks, suppliers/contractors, customers, employees, local communities, media, research institutions, and others. The main stakeholders who have a significant impact on the company are defined into five categories, namely employees, suppliers/contractors, competent authorities, customers, and investors/shareholders, and through multiple communication mechanisms, they respond to their concerns in real time and work together to promote corporate sustainability.

■ **Step 02|Collect and analyze sustainability issues**

Referring to sustainability disclosure standards such as SDGs, GRI, SASB, and TCFD, we compiled three major aspects of economy, environment, and society, and produced 18 sustainability issues as the basis for evaluation.

The Sustainability Promotion Team evaluates the severity, likelihood, and human rights impact of the issues through a senior management meeting, completes the risk score and material issue matrix, and finally identifies 10 material issues and submits them to the board of directors for deliberation as the disclosure standard for the 2024 Sustainability Report.

■ **Step 03|Attention survey**

A questionnaire was designed based on the AA1000 SES standard to assess the level of stakeholder attention and influence on sustainability issues, and a total of 245 valid questionnaires were collected to obtain diverse stakeholder perspectives.

■ **Step 04|High-level impact issue analysis**

37 senior executives were convened to participate in the discussion, and based on the results of the questionnaire analysis, they evaluated the positive and negative impacts to understand the potential impact of various issues on corporate operations and sustainability risks.

■ Step 05|Decide on a materiality issue

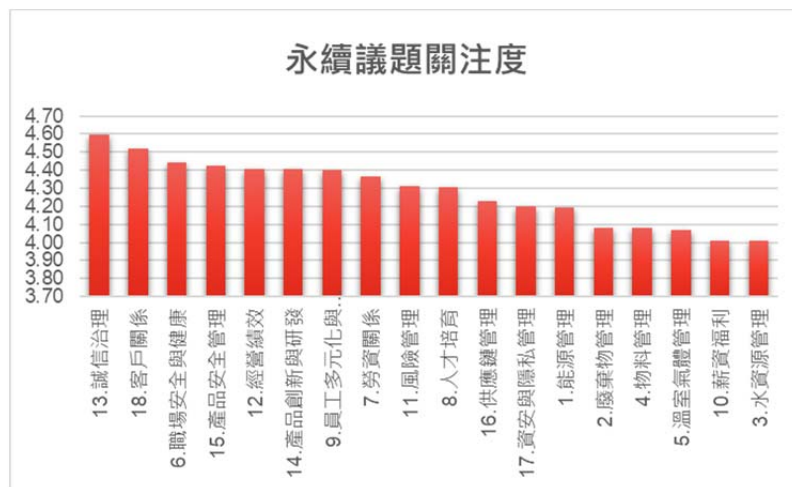
Based on the level of concern of stakeholders and the impact assessment results of senior executives, 10 material issues were finally confirmed through a material issue decision-making meeting and submitted to the board of directors for review and approval as the basis for material issues in the 2024 ESG Sustainability Report of Guoguo Optics.



3.03 List of Material Topics

List of major topics

Referring to international sustainability disclosure standards such as SDGs, GRI Standards, SASB, and TCFD, companies have compiled 18 sustainability issues from three major aspects: economic, environmental, and social, which serve as the basis for materiality assessment. In 2024, a questionnaire was sent to stakeholders, 245 valid questionnaires were collected, and internal and external opinions were statistically integrated to assess the likelihood and degree of positive and negative impacts on each issue, and the average score (Note) was calculated and ranked separately to effectively judge the importance of each issue to the company's operations. Note: Average probability score = total probability score of all valid questionnaires / number of valid questionnaires recalled; Average impact score = total impact score of all valid questionnaires / number of valid questionnaires recovered.



永續議題	關注度
13.誠信治理	4.60
18.客戶關係	4.52
6.職場安全與健康	4.44
15.產品安全管理	4.42
12.經營績效	4.40
14.產品創新與研發	4.40
9.員工多元化與平等	4.40
7.勞資關係	4.37
11.風險管理	4.31
8.人才培育	4.31
16.供應鏈管理	4.23
17.資安與隱私管理	4.20
1.能源管理	4.19
2.廢棄物管理	4.08
4.物料管理	4.08
5.溫室氣體管理	4.07
10.薪資福利	4.01
3.水資源管理	4.01
平均	4.28

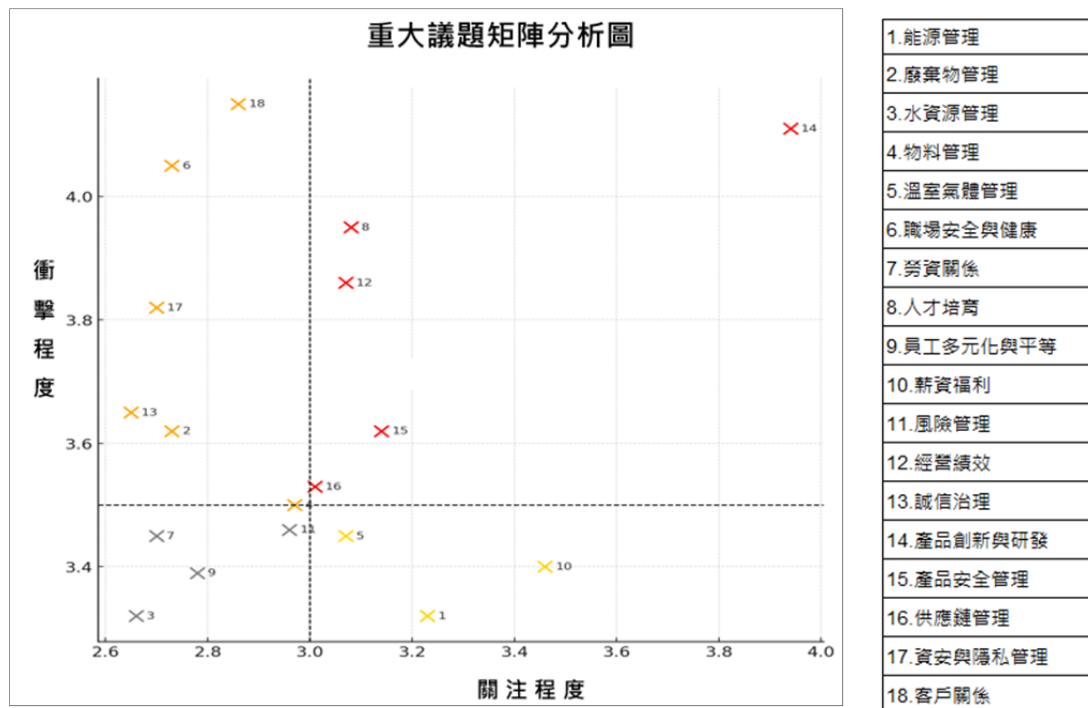
In order to further focus on issues that have a substantial impact on corporate operations and stakeholders, the company adopts a four-stage materiality analysis process based on GRI 3-1 "Identification and Management of Material Topics": identification, prioritization, confirmation, and review. Subsequently, paper and electronic questionnaires were used to survey five categories of stakeholders to assess their level of concern about each issue, and the internal team reviewed the impact on operations. After quantitative analysis, an average score of 4.28 was used as the screening benchmark to finally identify 10 material sustainability issues.

永續議題正面衝擊	發生可能性	衝擊程度	平均分數	永續議題負面衝擊	發生可能性	衝擊程度	平均分數
18.客戶關係	4.10	4.20	4.15	14.產品創新與研發	3.90	3.98	3.94
14.產品創新與研發	4.10	4.11	4.11	10.薪資福利	3.32	3.59	3.46
6.職場安全與健康	4.00	4.10	4.05	1.能源管理	3.05	3.41	3.23
8.人才培育	3.90	3.99	3.95	15.產品安全管理	2.86	3.41	3.14
12.經營績效	3.80	3.92	3.86	8.人才培育	2.95	3.22	3.08
17.資安與隱私管理	3.72	3.91	3.82	5.溫室氣體管理	2.92	3.22	3.07
13.誠信治理	3.57	3.73	3.65	12.經營績效	2.70	3.43	3.07
2.廢棄物管理	3.73	3.51	3.62	16.供應鏈管理	2.86	3.16	3.01
15.產品安全管理	3.51	3.73	3.62	4.物料管理	2.78	3.16	2.97
16.供應鏈管理	3.49	3.57	3.53	11.風險管理	2.65	3.27	2.96
4.物料管理	3.51	3.49	3.50	18.客戶關係	2.51	3.22	2.86
11.風險管理	3.43	3.49	3.46	9.員工多元化與平等	2.59	2.97	2.78
5.溫室氣體管理	3.43	3.46	3.45	2.廢棄物管理	2.49	2.97	2.73
7.勞資關係	3.46	3.43	3.45	6.職場安全與健康	2.41	3.05	2.73
10.薪資福利	3.30	3.49	3.40	7.勞資關係	2.38	3.03	2.70
9.員工多元化與平等	3.43	3.35	3.39	17.資安與隱私管理	2.43	2.97	2.70
1.能源管理	3.46	3.19	3.32	3.水資源管理	2.38	2.95	2.66
3.水資源管理	3.43	3.22	3.32	13.誠信治理	2.30	3.00	2.65
平均			3.59	平均			2.99

今國將「永續議題之正負面衝擊平均值達 4（含）以上」作為重大議題判定標準，並依此標示如下：□ 重大議題（平均值 ≥ 4）。

編號	議題名稱	正面衝擊平均值	負面衝擊平均值	是否為重大議題
6	職場安全與健康	4.05	2.73	☑ 正面衝擊
14	產品創新與研發	4.11	3.94	☑ 正面衝擊
18	客戶關係	4.15	2.86	☑ 正面衝擊

Based on the results of the "Sustainability Impact Issue Assessment Questionnaire" completed by senior executives, three material sustainability issues were identified: "Workplace Safety and Health," "Product Innovation and R&D," and "Customer Relations." These three issues are also highly consistent with the results of the "Sustainability Issue Concern Questionnaire", indicating that internal management and stakeholders have a high degree of consensus on sustainability priorities, so this report is integrated and described.



- X High Concern and High Impact (Top Right Quadrant): Red → actual risk or opportunity
- X Low Concern and High Impact (Top Left Quadrant): Orange → potential risk
- X Low Concern and Low Impact (Bottom Left Quadrant): Gray → potential risks or secondary issues
- X High Focus/Low Impact (Lower Right Quadrant): Golden yellow→ Future Opportunities




Based on a comprehensive analysis of the results of the "Sustainability Issue Concern Questionnaire" and the "Sustainability Impact Issue Assessment Questionnaire", the top ten material sustainability issues that are highly relevant to corporate operations and stakeholders are identified, as follows.


- Integrity governance
- Customer Relationships
- Workplace safety and health
- Product safety management
- Operating performance
- Product innovation and research and development
- Employee diversity and equality
- Labor relations
- Risk management
- Talent cultivation



After being reviewed by the Sustainability Promotion Team, the above issues will be submitted to senior executives for discussion and confirmation, and submitted to the




board of directors for review and approval as the core basis for sustainability information disclosure and the key direction of sustainability management in 2024.


Analysis of material themes, shocks and stakeholder relationships


Major issues	The impact of the issue on the current country	Sustainability Guidelines and Themes	Impact borders				
			m e m b e r w o r k	c l i e n t	c o m p e t e n t a u t h o r i t y	S u p p l y o r c o n t r a c t o r	i n v e s t o r s o r s h a r e h o l d e r s
Integrity 	Establish a transparent governance framework to help improve operational efficiency and stakeholder trust.	102: General disclosure	V	V	V		V
	Implement the principle of integrity and strengthen partnerships.	205: Anti-corruption		V	V	V	
Customer 	Ensure product safety without doubt and protect customer rights.	416: Customer health and safety	V	V	V	V	
	Transparent labeling helps comply with regulations and improves customer satisfaction.	417: Marketing and labeling	V	V	V		
Workplace safety and health 	Reduce the occurrence of occupational accidents and ensure the safety and health of all employees.	403: Occupational Safety and Health	V		V		V


Major issues	The impact of the issue on the current country	Sustainability Guidelines and Themes	Impact borders				
			member work	client	competent authority	Supplier or contractor	investors or shareholders
Product safety management 	Ensuring accurate product information labeling helps enhance customer trust and prevent misuse or legal liability due to incomplete information.	417-1: Product Information and Labeling		V	V		V
	Improve product quality and comply with relevant regulatory requirements to avoid potential legal and reputational risks.	416-1: Health and safety of the product		V	V		V
Operating performance	Comprehensive disclosure of Kinkoku's business activities, value chains, and business partnerships can help identify risks and opportunities, enhancing supply chain transparency and efficiency.	2-6: Activities, value chains, and other business relationships			V	V	V

Major issues	The impact of the issue on the current country	Sustainability Guidelines and Themes	Impact borders				
			member work	client	competent authority	Supplier or contractor	investors or shareholders
nance  	Establish a clear governance structure, including the composition of the board of directors and management, to ensure transparency and effectiveness in decision-making processes and enhance stakeholder confidence.	2-9: Governance structure and composition	V	V	V	V	V
	Ensure the effective implementation of risk management strategies and promote the sustainable development of the enterprise.	2-12: The role of the highest governance unit in supervising impact management, etc	V	V	V	V	V
	The creation and distribution of economic value demonstrate the country's financial stability and long-term value creation capabilities, enhancing the trust of investors and the market.	201: Economic performance	V			V	V

Major issues	The impact of the issue on the current country	Sustainability Guidelines and Themes	Impact borders				
			member work	client	competent authority	Supplier or contractor	investors or shareholders
Product innovation and development 	Support enterprise innovation and competitiveness through patent strategies.	103: Management methods disclosure	V	V			V
	Create maximum value for shareholders and employees, and improve the operational performance of the current country.	201: Economic performance	V		V		V
Employee diversity and equality  	Governance of the efforts and achievements of the organization and staff in promoting diversity and equality in the workforce by gender, age group.	405-1: Diversity of governance and staff	V		V		V
	The ratio of basic salary and compensation for male and female employees across different employee categories demonstrates employee transparency and equality.	405-2: Ratio of basic wages and compensation for men and women	V		V		V
	Policies and measures to	406: Non-	V		V		V

Major issues	The impact of the issue on the current country	Sustainability Guidelines and Themes	Impact borders				
			m e m b e r w o r k	c l i e n t	c o m p e t e n t a u t h o r i t y	S u p p l y o r c o n t r a c t o r	i n v e s t o r s o r s h a r e h o l d e r s
	prevent discrimination and strengthen the sustainable development of the enterprise.	discrimination					
	Report on employee diversity and inclusion policies to strengthen the image of social responsibility.	TC-HW-330a.1: Employee Diversity and Inclusion	V		V		V
Labor relations 	Establishing a good labor-employment relationship helps attract and retain talent, enhancing employee satisfaction and productivity.	401: Labor and employment relations	V	V			V
	Actively promoting labor relations cooperation, reducing conflicts, and ensuring a harmonious working environment are crucial for operational efficiency.	402: Labor relations	V			V	V
	High turnover rates may	401-1: New and	V	V			V

Major issues	The impact of the issue on the current country	Sustainability Guidelines and Themes	Impact borders				
			member work	client	competent authority	Supplier or contractor	investors or shareholders
	indicate employee dissatisfaction or management issues, affecting the accumulation of knowledge and experience in Konkoku.	departing employees					
	Provide competitive benefits, attract talent, promote employee loyalty, reduce turnover rates, and enhance corporate image.	401-2: Benefits provided to full-time employees	V		V		V
	Support parental leave policies to help employees balance family and work, improve job satisfaction, and attract diverse talents.	401-3: Parental leave	V		V		V
Risk 	Strong oversight by the highest governance unit can help reduce potential losses and enhance corporate resilience.	2-12: The role of the highest governance unit in overseeing impact management	V			V	V
	Identifying these risks and	201-2: Financial	V		V	V	V

Major issues	The impact of the issue on the current country	Sustainability Guidelines and Themes	Impact borders				
			member work	client	competent authority	Supplier or contractor	investors or shareholders
	opportunities that can bring about physical risks (such as extreme weather affecting supply chains) and transition risks (such as increased costs due to policy changes) can help adapt to market changes and maintain competitiveness.	impacts of climate change and other risks and opportunities					
	Clearly defining and managing conflicts of interest is crucial for the country's governance structure and internal controls.	2-15: Conflicts of interest	V			V	V
Talent cultivation 	Focusing on continuous employee learning and development helps improve employee skills, enhance job satisfaction, and promote organizational performance.	404: Training and Education	V			V	V
	Regular training	404-1: The	V			V	V

Major issues	The impact of the issue on the current country	Sustainability Guidelines and Themes	Impact borders				
			m e m b e r w o r k	c l i e n t	c o m p e t e n t a u t h o r i t y	S u p p l y o r c o n t r a c t o r	i n v e s t o r s o r s h a r e h o l d e r s
	investments reflect Konguni's emphasis on employee development, helping to close the skills gap and improve work efficiency.	average number of hours each employee receives training per year					
	Provide functional enhancement and career transition support to help employees adapt to career changes, enhancing organizational resilience and employee loyalty.	404-2: Employee Functional Enhancement and Transition Assistance Program	V		V	V	V

3.04 Management of material topics

The company adheres to the concept of sustainable management and adopts a double materiality analysis in accordance with international standards such as GRI Standards, systematically assessing the importance of sustainability issues from both the financial impact and social and environmental impacts. Issue identification combines stakeholder opinions, industry trends, and operational risks to ensure broad coverage and forward-looking approach. For each material topic, clear management goals, action strategies, and tracking indicators are established, and corresponding sustainability standards and potential impact targets are explained. The company will continue to optimize the issue management process, strengthen governance, social

responsibility, and environmental performance, and achieve corporate growth and social value co-creation.

Overview of material issue management policies and performance goals

Major issues	Management Policy	2024 Performance	Short-term goal (within 3 years)
Integrity governance	Upholding the principle of integrity, Jinkoku continues to strengthen internal governance mechanisms and regulatory compliance to ensure openness and transparency in the operation process and implement the social responsibilities that companies should fulfill.	<p>✓ Obtained SA8000:2014 certification: Jinkoku successfully passed the SA8000:2014 social responsibility management system certification, demonstrating its commitment and practice in labor rights and working environment.</p>	<p>✓ Strengthen governance structure: Improve internal control and risk management to enhance decision-making transparency and efficiency.</p> <p>✓ Regulatory Compliance: Establish compliance mechanisms to ensure operations comply with regulations and reduce risks.</p> <p>✓ Information Transparency: Enhance real-time and complete information disclosure to enhance external trust.</p> <p>✓ Social Responsibility: Actively participate in public welfare activities to strengthen corporate image and reputation.</p> <p>✓ Conflict of Interest Management Machine:</p>

Major issues	Management Policy	2024 Performance	Short-term goal (within 3 years)
			Establish clear policies to ensure fair and objective decision-making.
Customer Relationships	We are committed to listening to customer needs, providing high-quality services, and establishing long-term mutual trust and cooperative relationships.	<ul style="list-style-type: none"> ✓ Implement satisfaction surveys. ✓ Customer satisfaction survey up to standard. 	<ul style="list-style-type: none"> ✓ Regular satisfaction surveys. ✓ Strictly abide by the principles of customer confidentiality and integrity.
Workplace safety and health	Build a safe and healthy workplace environment, implement risk prevention and control, and employee health management to ensure work peace of mind and well-being.	<ul style="list-style-type: none"> ✓ ISO 45001 Certification Maintenance: Passes annual audits to ensure the effective operation of the occupational safety management system. ✓ Emergency Response Drills: Regular drills to strengthen employee response capabilities and personnel safety. 	<ul style="list-style-type: none"> ✓ Reduce the rate of work-related accidents: Strengthen safety training and risk assessment, with a target reduction of 20% within three years. ✓ Promote health promotion: Continuously implement health check-ups and psychological support to improve employee health. ✓ Strengthen safety awareness: Regularly conduct safety training and publicity to establish a prevention-

Major issues	Management Policy	2024 Performance	Short-term goal (within 3 years)
			oriented culture.
Product safety management	Passed ISO 9001 quality management certification, quality assurance procedures and operating standards.	<ul style="list-style-type: none"> ✓ ISO 9001 Certification Maintenance: Continuously pass ISO 9001 to ensure the effective operation of the quality system. ✓ Improve product yield: Optimize processes and technologies to enhance yield and market competitiveness. 	<ul style="list-style-type: none"> ✓ Expand market segmentation: Expand applications such as automotive lenses and smart home to increase market share. ✓ Strengthen supply chain management: Establish a rigorous evaluation mechanism to ensure the quality of raw materials and products. ✓ Green Manufacturing: Introducing environmentally friendly materials and energy-saving equipment to reduce environmental impact.
Operating performance	Keep an eye on the economic situation, adjust capital expenditures in a timely manner, expand your customer base, and control costs effectively.	<ul style="list-style-type: none"> ✓ Revenue performance: Revenue in October 2024 was 2.07 billion yuan, an increase of 13.36% month-on-month and 0.2% year-on-year; cumulative revenue decreased by 	<ul style="list-style-type: none"> ✓ Increase revenue scale: target monthly revenue of more than 500 million yuan to expand market share. ✓ Strengthen high-margin products: Increase the proportion of high-margin

Major issues	Management Policy	2024 Performance	Short-term goal (within 3 years)
		<p>15.57% year-on-year.</p> <p>✓ Product Portfolio Optimization: Focus on IoT, automotive and infrared lenses to increase revenue and gross margin.</p>	<p>products in automotive lenses to improve profitability.</p> <p>✓ Expand into emerging markets: Develop IoT, in-vehicle, and thermal imaging applications to generate new revenue.</p>
Product innovation and research and development	Promote product innovation and research and development, strengthen technological advantages, meet market demand, and enhance corporate competitiveness.	<p>✓ Diversified product development: Layout of high pixels, large aperture, and periscope lenses to meet high-resolution needs.</p> <p>✓ Expanding Application Fields: Product applications extend to automotive applications, such as reversing, surround view, and ADAS systems.</p> <p>✓ Strengthening R&D Capabilities: Expanding R&D investments, enhancing optical technologies, and enhancing international cooperation.</p>	<p>✓ Technological Innovation: Develop high-resolution and special-purpose lenses to meet diverse market needs.</p> <p>✓ Market Expansion: Focus on emerging application fields such as automotive, medical, and security.</p> <p>✓ Capacity Enhancement: Optimize processes to improve efficiency and quality in response to market growth.</p>

Major issues	Management Policy	2024 Performance	Short-term goal (within 3 years)
Employee diversity and equality	Towards a society of gender equality and respect for diversity, we provide fair employment and equal opportunities for wages regardless of gender, religion, race, nationality, etc.	<ul style="list-style-type: none"> ✓ Diverse recruitment: Adopt equal recruitment standards, implement the principle of non-discrimination, and enhance employee diversity. ✓ Pay Equality: Establish a fair compensation system and regularly review the salary structure to ensure transparency and no disparities. ✓ Multicultural Training: Regularly conduct equality and inclusion training to promote cross-departmental communication and workplace harmony. 	<ul style="list-style-type: none"> ✓ Diverse Training Programs: Provide diverse courses such as professional, management, and language to enhance employee functions. ✓ Optimize Management Mechanisms: Regularly review recruitment, compensation, and development processes to ensure fairness. ✓ Promote cross-cultural cooperation: Create cross-departmental and cross-border collaboration platforms to promote cultural integration and innovation.
Labor relations	Provide an industry-competitive overall compensation strategy and a statutory retirement system to unite employees.	<ul style="list-style-type: none"> ✓ Overall compensation strategy: Provide market-competitive compensation, including year-end bonuses, dividends, three-section bonuses, etc. ✓ Pension system: 6% of salary is 	<ul style="list-style-type: none"> ✓ Optimize salary structure: Regularly adjust the salary system to maintain market competitiveness and attract and retain talent. ✓ Enhanced Retirement Planning: Provide

Major issues	Management Policy	2024 Performance	Short-term goal (within 3 years)
		<p>allocated according to the new labor retirement system to ensure retirement life.</p> <p>✓ Employee benefits: Provide travel, dinners, birthday gifts, and wedding and funeral subsidies to enhance centripetal force.</p> <p>✓ Happy Enterprise Recognition: Won the "2024 Happy Enterprise Silver Award" from 1111 Human Resources Bank, demonstrating the effectiveness of employee care.</p>	<p>retirement consulting services to assist employees in making long-term financial arrangements.</p> <p>✓ Improve employee welfare: Improve the welfare system, pay attention to the physical and mental health of employees, and strengthen the sense of belonging.</p>
Risk management	In the face of global operational risks, establish a comprehensive management mechanism to improve response efficiency, prevent potential impacts, reduce losses, and continuously protect the rights and interests of stakeholders.	<p>✓ Financial risk control: Adopt a conservative financial strategy to strictly control the risk of capital loans and guarantees.</p> <p>✓ Market Risk Management: Establish monitoring mechanisms for exchange rates, interest rates, and price fluctuations to reduce potential</p>	<p>✓ Risk Identification and Assessment: Establish a comprehensive process covering operations, finance, regulations, and information security, using quantitative and qualitative assessments.</p> <p>✓ Improve response capabilities: Formulate and practice</p>

Major issues	Management Policy	2024 Performance	Short-term goal (within 3 years)
		<p>losses.</p> <p>✓ Internal Control Mechanism: Strengthen internal control and internal audit to ensure business compliance and effective risk management.</p>	<p>contingency plans to enhance emergency response efficiency.</p> <p>✓ Promote risk management culture: Organize training and advocacy to enhance employee risk awareness and participation.</p> <p>✓ Regular Review and Improvement: Review policies and implementation annually, and adjust management strategies according to the situation.</p>
Talent cultivation	Through diversified training, we strengthen employees' professional capabilities and assist them in planning a clear career development direction.	<p>✓ Diverse Training Programs: Provide diverse courses such as professional, management, and language to enhance employee functions.</p> <p>✓ Career Planning and Development: Assist employees in planning their career paths through</p>	<p>✓ Deepening the Training System: Establish a complete training framework that covers newcomers, in-service, and leadership development.</p> <p>✓ Introduce external resources: Join hands with colleges and universities to improve training</p>

Major issues	Management Policy	2024 Performance	Short-term goal (within 3 years)
		performance evaluation and consultation. ✓ Internal Lecturer System: Employees are encouraged to serve as lecturers to promote knowledge transmission and learning culture.	quality. ✓ Build Digital Platforms: Develop online learning tools that enhance flexibility and efficiency. ✓ Talent Echelon Construction: Formulate reserve plans, cultivate high-potential employees, and strengthen talent endurance.

Treatment process for remediating negative impacts:

For significant negative impacts that have occurred or may occur during operations, the Company has established a remediation mechanism to ensure timely response and mitigation of the impact. The remediation process is as follows:

1. Identification and Reporting: Through internal audits, stakeholder grievance mechanisms, media monitoring, and other channels, timely grasp incidents that may have adverse impacts on the environment or society.
2. Impact Assessment: The Sustainability Promotion Team or relevant units conduct a preliminary impact assessment to determine the scope, affected targets, and severity of the impact.
3. Initiate Remedial Actions: Formulate and initiate remediation plans for confirmed negative impacts, including immediate measures (such as stopping operations, correcting policies) and medium- and long-term improvement plans.
4. Stakeholder Communication: Proactively engage in dialogue with affected stakeholders to explain the handling status and compensation measures to enhance transparency and trust.

5. Tracking and Improvement: Continuously monitor the effectiveness of remediation and incorporate the results into risk management and internal control systems as a basis for future improvement of prevention mechanisms.

The company is committed to respecting human rights, protecting the environment, and valuing social responsibility, and continues to strengthen remediation processes to ensure timely and effective responses to negative impacts and prevent recurrence.

4. Governance

In the face of global economic changes and sustainability challenges, Jinkoku continues to strengthen operational resilience and governance, implement financial stability, accountability integration, and information transparency, and ensure that operations and sustainability goals complement each other and move forward steadily.

4.01 Economic performance

Imaguni continues to focus on the optical components and lens market, strengthening its financial position through operational improvements and cost optimization. In order to demonstrate its commitment to stakeholders and social responsibility, the company has set the following short, medium, and long-term financial sustainability goals:

- Short-term goal (2025): Convergence of losses and turning losses into profits; Ensure that there are no major violations of environmental, social, and economic regulations.
- Medium-term goal (2028): Achieve stable earnings per share growth; Continue to comply with regulations and sustainability standards, maintaining a zero record of compliance violations.
- Long-term goal (2035): Generate stable profits, increase long-term investment returns for shareholders, and return economic value to stakeholders to achieve sustainable business operations.

Operating performance

In the past three years, the company's operations have been affected by changes in the overall economy, industrial cycle, and demand, and its revenue has shown a downward trend year by year, from NT\$3.58 billion in 2022 to NT\$2.42 billion in 2024, and net profit after tax and earnings per share have also turned into losses since 2023, indicating that operations are facing challenges, and overall profitability indicators such as return on equity and return on assets have turned negative at the same time, reflecting short-term profit pressure. At present, a number of operational improvement and strategic adjustment measures have been initiated, including cost structure optimization, new product development, and market layout adjustment, in order to strengthen the operational structure and enhance future competitiveness and financial performance.

Consolidated operating results

item	In 2022	In 2023	In 2024
Operating income (thousand NTD)	3,581,478	2,696,985	2,424,479
Net profit after tax (loss)	64,944	(49,788)	(130,218)
Earnings per share (loss) (NTD)	0.37	(0.29)	(0.75)
Return on Equity (Loss) (%)	2.02	(1.59)	(4.38)
Net Profit Margin (Loss) (%)	1.81	(1.85)	(5.37)
Return on assets (loss) (%)	1.54	(0.99)	(3.11)

Key performance indicators of industry specificity

Financial		Non-financial aspects	
Debt-to-asset ratio	25.61%	Market share	2%
Current ratio	227.01%	R&D expenses as a percentage of revenue	4%
Net profit ratio	(5.37)%	Employee output value (NTD/per person/month)	129,271

Proportion of product revenue

The changes in the product structure demonstrate Jinkoku's strategy of focusing on core technologies and enhancing product added value, which helps strengthen long-term operational resilience and the foundation for sustainable development.

From 2022 to 2024, Jinguo continued to optimize its product portfolio and technology research and development direction to meet market demand and enhance corporate sustainability competitiveness, with the proportion of optical lens revenue increasing from 57% in 2022 to 65% in 2024, reflecting the continuous increase in competitiveness in the field of high-end imaging and sensing applications, with the proportion of optical lenses decreasing from 42% to 34%, while other product categories maintained a stable proportion, with the proportion of revenue from major products as follows.

Consolidated proportion of revenue from major products

By product	In 2022	In 2023	In 2024
Optical lenses	42%	36%	34%

Optical lens	57%	63%	65%
others	1%	1%	1%

Proportion of regional revenue

In the face of global market changes and sustainability challenges, Jinguo continues to adjust its operational strategies and strengthen its global layout and supply chain resilience. Over the past three years, our revenue share has shown a flexible and strategic allocation, demonstrating a long-term commitment to environmental, social, and governance (ESG) goals.

- **China (including Hong Kong):** Continued to be the main market, rebounding to 57.13% in 2024 despite fluctuations in proportions, showing stable regional roots.
- **Vietnam:** Revenue accounted for 25.23% in 2023, indicating that companies are actively exploring Southeast Asia. In 2024, it fell back to 11.54%, showing a dynamic of layout adjustment and supply strategy rebalancing.
- **Taiwan:** The market share has steadily increased, indicating that localization strategies and technology integration have gradually shown results.
- **Germany:** The share of revenue in 2024 increased significantly to 10.64%, a significant increase compared to the previous two years, demonstrating the results of strategic promotion in the European market.
- **Singapore:** Impressive growth, from 0.27% to 2.57%, underscores its importance in smart manufacturing and sustainable innovation.

Looking ahead, we will continue to optimize the layout based on regional sustainable policies and market demand, focusing on:

- ✓ Strengthen smart manufacturing and green innovation in high-potential markets.
- ✓ Implement the operating philosophy of "Cultivating Local × Global Connections".

國家別	2022年	2023年	2024年
臺灣	14.38%	12.52%	14.97%
中國(含香港)	60.90%	49.68%	57.13%
越南	18.15%	25.23%	11.54%
泰國	3.67%	5.52%	1.43%
德國	1.78%	5.48%	10.64%
日本	0.53%	0.20%	0.13%
法國	0.21%	0.00%	0.00%
韓國	0.16%	0.88%	0.74%
馬來西亞	0.04%	0.00%	0.07%
墨西哥	0.03%	0.00%	0.00%
美國	0.02%	0.11%	0.47%
新加坡	0.00%	0.27%	2.57%
土耳其	0.00%	0.00%	0.00%
以色列	0.00%	0.10%	0.00%
斯洛伐克	0.00%	0.00%	0.26%
其他	0.13%	0.01%	0.01%
合計	100%	100%	100%

various government subsidies

From 2022 to 2024, the government actively applied for and received various government subsidies to support sustainable development-related work such as energy conservation and carbon reduction, R&D and innovation, employment promotion, and business management, and to assist in the continuous promotion of diversified sustainability measures, with the total subsidy amount as follows.

various government financial subsidies

Unit: NT\$thousand

subsidy items	In 2022	In 2023	In 2024
investment deduction	2,554	1,791	Not yet
Subsidies for energy-saving equipment	1,606	3,500	750
Employment subsidies	7,811	7	0
Business subsidies	3,275	0	304
R&D subsidies	751	0	0
Other subsidies	0	7	2
all told	15,997	5,305	1,056

4.02 Taxation

Tax policy

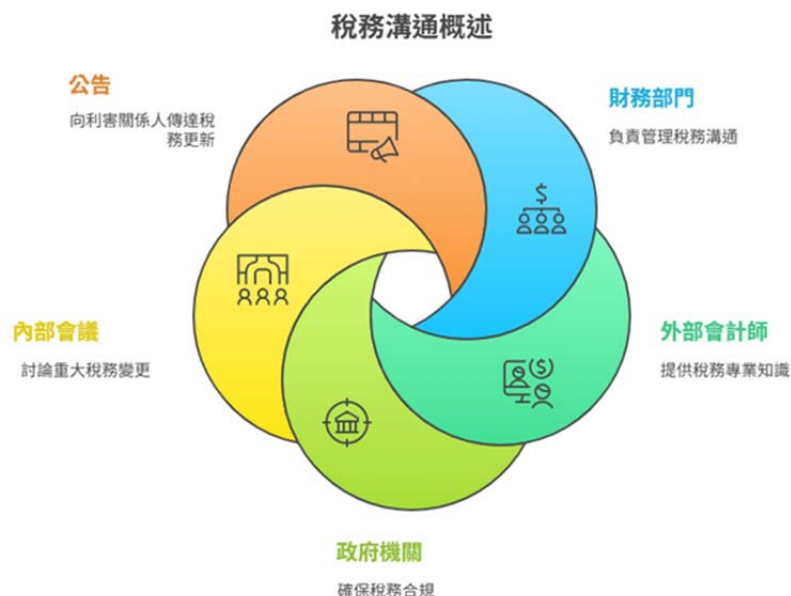
The company complies not to use tax havens and low-tax zones to avoid tax burdens, refuses to transfer profits through special structures or unconventional transactions, and the company handles all tax affairs in accordance with legal regulations and legislative spirit, and the relevant tax management is implemented in accordance with the tax compliance principles shown in the figure below.



Tax governance system

The company has a sound tax governance system, with the board of directors serving as the highest management unit for tax affairs, reviewing the tax compliance status and tax law updates of each operating base at home and abroad every six months to fully grasp risks and global tax trends, and formulating "tax governance policies" in response to international trends to manage tax policies and related affairs.

- The current income tax is calculated in accordance with the laws and regulations of each jurisdiction, including undistributed earnings tax and previous adjustments.
- Deferred income tax is recognized based on the temporary difference between the book and the tax basis.
- Up to now, there is no record of tax disputes in China, and no major penalties have been imposed on tax matters.



Since this report focuses on the main operating locations and tax jurisdictions, the following tax information is disclosed during the reporting period of 113/1/1 ~ 113/12/31.

1. Operating income (thousand NTD):2,424,479
2. Gross profit (loss) (thousand NTD): 194,668
3. OPERATING PROFIT (LOSS) (THOUSAND DOLLARs):(169,732)
4. Net profit before tax (net loss) (thousand NTDs):(100,441)
5. Net profit (loss) for the period (thousand NTD):(130,218)
6. NET PROFIT (LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY (THOUSAND DOLLARS) :(130,218)
7. BASIC EARNINGS PER SHARE (LOSS) (YUAN):(0.75)
8. Income tax gain (expense) (thousand NTD) :(29,777)
9. Income tax paid (cash outflow) (thousand NTD) :(4,887)
10. Equity attributable to owners of the parent company at the end of the period (thousand NTD): 2,902,735

4.03 Operate with integrity

In order to implement integrity governance, the company has established a transparent, fair and responsible corporate culture through the concept of integrity, anti-corruption policies and anti-competitive behavior management mechanisms, and

continues to strengthen the trust and connection with stakeholders

4.03.1 Ethical management philosophy, policies, and code of conduct

Integrity management

The Company has formulated policies and regulations on ethical management with reference to the "Reference Example for Listed and OTC Listed Companies to Establish Ethical Conduct Standards", formulated relevant preventive measures and post-remediation systems for specific risks, and established an independent supervisory unit to follow up on the follow-up handling of incidents to ensure that the Company can meet the requirements and goals of ethical management standards. The Ethical Management Code formulated by the Company is implemented after being approved by the Board of Directors, and in order to implement ethical governance, a culture of integrity and compliance is built through mechanisms in parallel from the perspective of system and implementation.

item	content
Core Values and Commitments	With "innovation, quality, speed, and customer satisfaction" as its core values, we adhere to honest management, strengthen trust with stakeholders, and implement high ethical standards and regulatory compliance.
System construction	Formulate internal norms such as the "Code of Ethical Management and Operating Procedures and Conduct Guidelines", "Code of Ethical Conduct", and "Measures for Handling Reporting Illegal, Improper or Unethical Behavior".
Employee management	All new employees are required to sign the "Employee Affidavit", committing to abide by integrity and confidentiality regulations and enhance their awareness of ethical management.
Supply chain management	Suppliers are required to sign the "Supplier CSR Code Consent Form" to jointly maintain integrity and compliant business practices.

Independent communication channels

The company has independent communication channels, including dedicated telephones, dedicated mailboxes (ck.yang@kinko-optical.com), and physical suggestion boxes, where employees, suppliers, or other stakeholders can anonymously report suspected violations of ethical management through the above

channels. or if you have any doubts about the company's ethical management standards, you can also ask questions through the above channels. After accepting the issue, the dedicated unit must follow the standard process and regularly report the status to the complainant or questioner. If it is a reported incident, the content of the report and relevant evidence should be investigated, and if the reported matter involves directors or managers, it should be reported to the independent directors.

Integrity management reporting and appeal channels

CATEGORY	CONTACT METHOD	PIPE
APPEAL PHONE	04-2659-5985 #252	Anytime
PHYSICAL MAILBOX	Location: Staff cafeteria	Anytime
APPEAL FAX	04-2659-5969	Anytime
EMAIL APPEALS		
SPOKESMAN	linpinglin@kinko-optical.com	Email
ACTING SPOKESPERSON	mickey@kinko-optical.com	Email
CHAIRMAN'S OFFICE	chi@kinko-optical.com	Email
AUDIT ROOM	arthur@kinko-optical.com	Email
HUMAN RESOURCES DEPARTMENT	HR@kinko-optical.com	Email

Note: The company is committed to protecting the privacy of whistleblowers, and all complaints will be handled in accordance with the principles of fairness, impartiality and confidentiality.

4.03.2 Anti-corruption mechanism

Corruption risk assessment

Jinguo Company is committed to promoting integrity governance and integrity management, implementing anti-corruption management and strengthening the foundation of corporate trust through policy construction and diversified reporting mechanisms.

ITEM	STREAMLINE CONTENT
ANTI-CORRUPTION POLICY	Follow international standards, establish an anti-corruption system, strengthen internal control and regulatory compliance, and create a culture of integrity.
APPEAL AND REPORTING MECHANISM	Establish multiple reporting channels (such as email, phone, website, stock exchange) to protect the rights and interests of whistleblowers and information security. Official website area: Stakeholders can file complaints or reports through the "Stakeholder Area" on the company's official website (http://www.kinko-optical.com/tw_interested.asp).
2024 RESULTS:	No complaints were received this year, indicating that the integrity policy has been effectively implemented and has gained external trust.

4.03.3 Anti-competitive conduct

Anti-competitive conduct, antitrust and monopolistic conduct

The company is committed to maintaining a fair and competitive market environment and strictly complying with relevant anti-competitive laws and policies. The Company is not involved in any form of anti-competitive, antitrust, and monopolistic conduct. Any form of anti-competitive behavior such as monopoly, price manipulation and restricted transactions is prohibited, and all business activities are conducted in accordance with the principle of fair trade. In FY2024, we did not receive any complaints related to anti-competitive behavior, indicating that the integrity governance mechanism is functioning well and that all employees have a high degree of self-discipline in compliance and professional ethics.



4.04 Communication channels and grievance mechanisms

Appeal and recommendation channels and procedures

In order to establish a corporate culture of integrity and transparency and promote sound management, the company has formulated the "Handling Measures for Reporting Cases of Illegal, Immoral or Dishonest Behavior" ", the scope of application includes subsidiaries. Employees and related parties are encouraged to report illegal or inappropriate behavior, whether for internal or external employees, through reporting emails or other channels. To ensure the fairness and transparency of the investigation process, the company has established an independent investigation unit and published relevant information on the company's website so that external personnel can report relevant matters. In 2024, the company accepted a total of 0 reported cases.

Stakeholders	Important issues of concern	Communication channels and response methods
shareholders/ investors	Market image business performance financial and business related information	Lam Ping-lin (spokesperson); Email: linpinglin@kinko-optical.com Lai Yingfang (Acting Spokesperson); Email: mickey@kinko-optical.com
client	No discrimination Environmental compliance Social compliance The health and safety of our customers Product and service labels Customer privacy Product liability compliance	Business Department Lai Yingfang; Email: mickey@kinko-optical.com Business Department Gao Zhengliang; Email: seiryou@kinko-optical.com
suppliers	Environmental compliance is non- discriminatory	Materials Department Wang Zhengmin; Email: zmwang@kinko-optical.com

	Anti-corruption Social compliance	
Employees	Labor relations No discrimination No forced labor Diversity and Equal Opportunity Social compliance	HR Department ;Email: HR@kinko-optical.com

4.05 Risk Management

In order to build a solid operational foundation, the company has established a complete risk management system, comprehensively preventing and responding to potential operational risks through internal regulations such as information system management, emergency response, occupational safety, intellectual property, and information security.

The company also holds regular management review meetings through systematic internal audits and corrective prevention mechanisms, with management personally participating in reviewing risk effectiveness, strengthening compliance awareness and operational performance, implementing a corporate culture that complies with laws and regulations, reducing overall operational risks, and enhancing the transparency and resilience of corporate governance.

Establish multiple management procedures (such as information security, occupational safety, intellectual property, infectious disease prevention, crisis management, etc.) to provide standard operating standards for responding to different risk types.

Risk management system specification table

Categorized categories	Applicable standards/systems	Management mechanism	Management Project Summary (Risk Topic)
Supply chain risk	ISO 9001 / IATF 16949	risk assessment procedures, information systems, and emergency response	Information security, parts/consumables shortages, labor shortages, equipment failures, natural disasters, etc.

Categorized categories	Applicable standards/systems	Management mechanism	Management Project Summary (Risk Topic)
		management.	
Occupational safety	ISO 45001	hazard identification and emergency response management.	workers' physical and mental health, chemical/physical risks, food safety, epidemics, etc.
environmental risks	ISO 14001	Wastewater treatment contingency plan.	水質異常、設備異常、不可抗力天災。
Intellectual Property	TIPS	Intellectual property crisis management.	Technology and intellectual property protection risks.
Human Rights/Labor	SA8000	Social responsibility risk assessment.	Working conditions, salary system, living conditions e-mail.
General management	internal system	firefighting, information security, infectious disease response, crisis management.	Comprehensive emergency response.

4.05.1 Risk Management Mechanism

Through a comprehensive internal audit and management review system, we regularly track, review, and continuously improve potential risks that may be faced in operations, strengthen internal control mechanisms, ensure transparency in corporate governance, and fully comply with regulations and relevant legal requirements.

External risk impact and countermeasures

Types of risk	effect	Workarounds
Fire risk	In 2023, a fire at a golf foundry caused a fire crisis in the factory, resulting in an increase in the frequency of fire safety inspections.	<ul style="list-style-type: none"> ✓ SA8000 and ISO45001 control, and the factory conducts fire drills at least twice a year. ✓ In September 2024, it jointly conducted a complex disaster response and regional joint defense drill with the Industrial Park Administration of the Ministry of Economic Affairs, covering items such as notification, evacuation, division of labor, and casualty care. ✓ It also conducts a comprehensive inventory of support for the rapid integration of water, electricity, and fire resources.
resource risk	Energy and resource risks: In response to extreme weather and policy changes, rising electricity prices and unstable supply may affect operations.	<ul style="list-style-type: none"> ✓ The production equipment is equipped with an uninterruptible power supply system (UPS) and is equipped with generators from the original equipment, allowing for rapid and continuous production after a disaster. ✓ Continue to introduce energy-saving equipment to save on electricity bills.
Emerging risks	At present, emerging risks that will have a significant impact on the country's operations have not been identified, but potential issues such as generative AI, changes in global supply chains, and carbon border adjustment mechanisms have been continuously monitored.	<ul style="list-style-type: none"> ✓ Establish a list of emerging risks, which are regularly reviewed and updated by senior management on a rolling basis, and are included in the risk management process and internal education and training in a timely manner.

Legal risk impact and response measures

Types of risk	Risk statement	Workarounds
Legal risks	In 2023 and 2024, there have been no major violations in China (such as work stoppages, business closures, or losses of more than one million yuan in a single month).	Formulate and implement compliance policies, standardize employee and supply chain behavior, and control compliance risks through multiple systems, including internal control audits, self-assessment systems, and education and training, to reduce potential losses.

4.05.2 Regulatory Compliance

In accordance with various international management systems (such as ISO 9001, IATF 16949, ISO 45001, ISO 14001, TIPS, SA8000, etc.), the company has established a comprehensive risk management and emergency response mechanism, and formulated corresponding management procedures for different aspects such as supply chain, occupational safety, environment, human rights and intellectual property. In order to reduce the potential impact of emergencies on the current country's operations. The Company had a total of 2 violations of laws and regulations in 2024, 2 of which were monetary sanctions.

Serial number	Occurrence base	Violation of regulations Articles	Reason for violation explain	nature of the sanction	Sanctions	Improvement measures
1	Main factory	Article 24, Paragraph 2 of the Air Pollution Control Act, and Article 24, Paragraph 4 of the Air Pollution Control Act	There are violations in the actual process of operation	Monetary penalty	A fine of \$100,000	Improvements have been made before 2024-08-30
2	Main factory	Article 15, Paragraph 2, Article 42 of the Fire Service Act	Added storage of public dangerous goods that have not been	Monetary penalty	A fine of \$30,000	The network system notification has been carried out in the following month, and it

			reported			is currently reported every six months according to regulations
--	--	--	----------	--	--	---

category	Number of payments made this year (Unit: piece)	Amount paid this year (Unit: yuan)
Fines that occurred during the year	2	130,000
Fines that occurred in the previous year	1	50,789

The Company has taken strict improvement measures to ensure that similar incidents do not occur again, and continues to strengthen internal management and compliance monitoring to improve the company's compliance level.

4.06 Information security and customer privacy protection

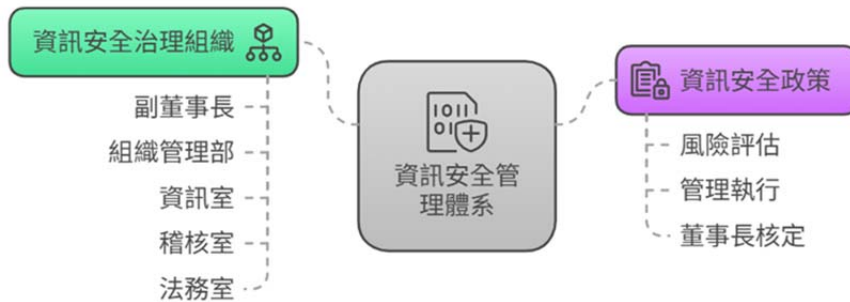
In response to cyber security risks and strengthening operational resilience, the company has established an information security management system in accordance with the regulations of the competent authorities, covering information protection, regulatory compliance, and employee information security awareness.

4.06.1 Information Security Management

Information security governance framework

The Company's information security governance is coordinated by the Vice Chairman, and an information security governance organization spanning the Organizational Management Department, Information Office, Audit Office, and Legal Office is established to be responsible for information risk assessment, management, and implementation.

資訊安全管理體系與治理組織



Information Security Policy

- **Information asset risk assessment and adjustment**

Regularly conduct information asset risk assessments to review system architecture, network security, resource management, software and hardware authorization compliance and high availability, propose adjustment plans for risk matters, and incorporate them into information security improvement plans.

- **Data confidentiality and access management**

- ✓ Establishment: Confidentiality policies and data protection mechanisms to implement file and record management.
- ✓ Implementation: Mobile device management and permission control to prevent unauthorized access to information assets.
- ✓ Audit and legal units regularly review the implementation of information security policies to ensure compliance and reduce the risk of information leakage.

- **Information security awareness training**

- ✓ Continuously promote information security education and training for employees, raise information security awareness, and integrate them into their daily work.
- ✓ Through regular drills and information security reporting mechanisms, we ensure that employees can respond promptly to information security incidents.

- **Real-time response to information security incidents and vulnerability management**

- ✓ Maintain close cooperation with professional information security companies to monitor global information security incidents and security vulnerabilities.
- ✓ Establish real-time reporting and response mechanisms to ensure that potential risks can be remediated in a timely manner and reduce security threats.

Information security protection measures

Multi-layered defense architecture

● **Cybersecurity management**

- ✓ Strengthen cross-factory and cross-model network control, block viruses and attacks through firewall equipment, and prevent the spread of information security risks across regions.
- ✓ Build a multi-layered email security defense system, including Attachment Defense, real-time URL detection, BEC fraud protection, anti-phishing attacks, and ransomware prevention, to ensure email security.

● **Endpoint security**

- ✓ Install multi-layer protection software for enterprise devices, use next-generation endpoint APT protection technology, monitor abnormal operations through behavior detection mechanisms, block and remove malicious programs in a timely manner, and reduce the risk of lateral infection.
- ✓ Implement an intrusion prevention system (IPS) to provide real-time alerts and response mechanisms to prevent large-scale network intrusions.
- ✓ Implement endpoint device controls to strictly limit the use of portable storage and wireless devices to prevent unauthorized data access.
- ✓ Browsing behavior control and isolation mechanisms distinguish between the paperwork environment and the web browsing environment, reduce the risk of accidentally touching malicious websites, and block external network penetration.

Data security and access management

● **Data protection and encryption management**

- ✓ Introduce a file encryption system to ensure access rights control, record file operation behavior, and prevent data leakage risks.

- ✓ Strengthen the management of copying and scanning equipment to prevent unauthorized operation from occurring, and set up a printing record keeping mechanism to ensure that all output behaviors are traceable.
 - ✓ Implement outbound mail management and internal transmission monitoring to ensure compliance with information flow.
 - ✓ Cloud access restrictions regulate the scope of enterprise data access and prevent unauthorized access.
- **Data backup and recovery mechanism**
 - ✓ Establish data backup and off-site storage strategies to ensure that critical information can be recovered and reduce the impact of information security incidents.
 - ✓ Offline backup management to prevent ransomware attacks and data corruption risks.
- **Software licensing and compliance**
 - ✓ All software of the company must be legally authorized, and the installation of unauthorized software is strictly prohibited.
 - ✓ Employees are not allowed to install company software on personal devices to avoid the risk of infringement.

Information security focus

INFORMATION SECURITY MANAGEMENT FOCUS	SUMMARY OF IMPLEMENTATION CONTENT
INFORMATION ASSET CONTROL	Regular risk identification, permission and equipment management to prevent data leakage.
EMPLOYEE INFORMATION SECURITY TRAINING	All employees have information security training and drills to enhance their awareness of daily protection.
INCIDENT REPORTING AND VULNERABILITY MANAGEMENT	Establish real-time reporting and monitoring mechanisms to respond to domestic and foreign information security threats.
MULTI-LAYERED SAFEGUARDS	Introduced APT, IPS, firewall, and email protection systems.
BACKUP AND COMPLIANCE	Backup and post-disaster recovery strategies, strictly manage authorization and communication compliance.

Information security education and training

The company has listed information security education and training as a compulsory

course for employees, promoting the company's information security policies and regulations from the new employee registration stage, and holding courses such as supply chain information security risk management, OT information security control and protection for colleagues related to information security and production lines.

4.06.2 Customer Privacy Protection

The Company attaches great importance to the protection of personal information and confidential information of its customers and partners, and has established the following control measures in accordance with the Personal Information Protection Act and related laws and regulations.

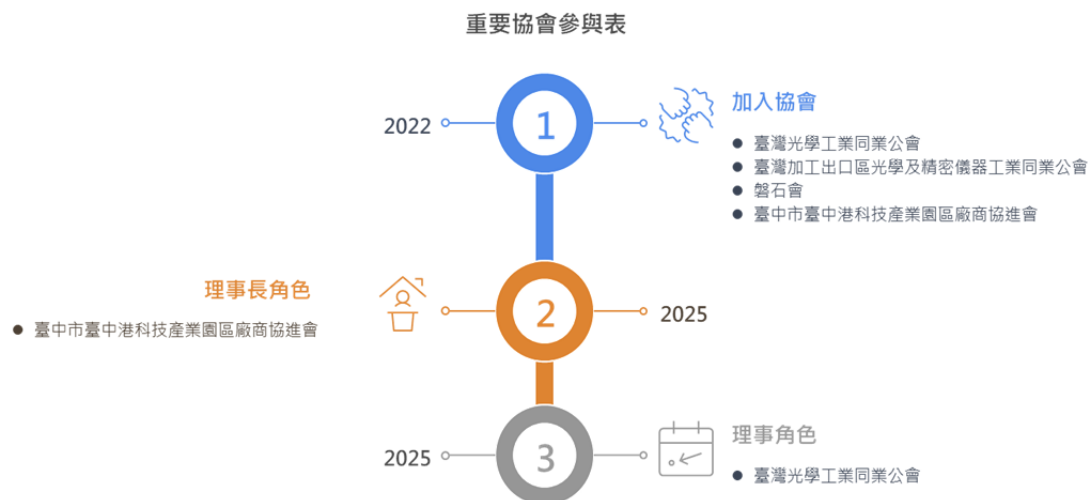
- Privacy Policy and System Establishment: The company regularly formulates and updates its privacy policy, clearly limits the scope of personal data collection, use, and retention, and strictly regulates external disclosure conditions and legal requirements to be followed.
- Data processing control mechanism
 - ✓ Only necessary personnel are granted data processing permissions, and permission grading and adjustment processes are implemented.
 - ✓ File and data retention are controlled by the file management system, and access records are kept in the log mechanism of the information system for auditing.
 - ✓ Controls mobile devices and external access to prevent unauthorized data exfiltration.
- Audit and Compliance Monitoring: The legal and audit departments conduct internal audits from time to time to assess data access, compliance with privacy terms, etc., and compile and improve abnormal situations.
- Employee Education and Advocacy: Combined with information security education and training courses, regular promotion of data protection and customer privacy spirit is conducted to strengthen the sensitivity and sense of responsibility of all employees.
- Continuous Improvement Mechanism: In the face of changes in regulations or adjustments to privacy requirements, the company will proactively update the system and implementation methods, maintaining transparent communication with stakeholders.
- Results and Future Goals: To date, the Company has not had any major customer privacy breaches or data breaches. In the future, based on risk

assessment and governance maturity, we will consider introducing an ISO 27701 privacy information management system to further enhance personal information protection capabilities and market trust.

4.07 Participate in various club organizations

Public associations participate

Jinguo actively participates in various industry associations and associations, not only deepening cooperative relationships with industry partners, promoting technology and information exchange, but also keeping abreast of market trends and industry dynamics in real time, providing forward-looking strategic references for enterprise development. Through these platforms, we actively participate in policy initiatives and industry standard formulation, enhance industry competitiveness, fulfill corporate social responsibility, promote sustainable operations, and promote the long-term development of the optical and precision instrument industry. In 2024, the Company joined four public association organizations, and the participating external organizations are listed in the figure below.



4.08 Product and Service Administration

The company focuses on the design, development, and manufacturing of optical components and optical lenses, and is committed to providing high-quality, real-time delivery, and competitive price products, adhering to the quality policy of "pursuing quality excellence, improving process technology, ensuring product value, and meeting customer needs", with "innovation, quality, speed, and customer

satisfaction" as the core value, establishing a rigorous quality management system to ensure that products meet international standards and customer needs.



4.08.1 Customer Health and Safety

In order to implement the quality policy, Jinguo is committed to: (1) Innovation: continue to develop new products and technologies to enhance product competitiveness; (2) Quality: Ensure the correctness of decision-making and strictly implement quality standards and inspection procedures; (3) Speed: Accelerate production efficiency to ensure that components can be completed within five days from processing to assembly; (4) Customer satisfaction: Adhering to the service concept of "customer-oriented", we strive to challenge 100% customer satisfaction.

Quality management system

The company adheres to international standards such as ISO 9001 and IATF 16949 (automotive products) and has passed annual external audits to ensure continuous compliance with international standards. Environmental Regulatory Compliance Commitment: Comply with EU RoHS (Restriction of Hazardous Substances Directive) and REACH (Chemical Substances Management Regulation) to ensure that products comply with global environmental regulations.



Product quality is integrated with ESG elements

ESG	Responsibility management
Environmental aspect (E).	<ul style="list-style-type: none"> ✓ Product Lifecycle Management: Incorporate environmental considerations to ensure that products comply with environmental regulations and standards at all stages, from design and manufacturing to end-of-life. ✓ Green Design: Reduces the use of raw materials, reduces the composition of hazardous substances, and ensures compliance with RoHS, REACH, and other standards. ✓ Low-carbon manufacturing: Set carbon emission and energy quality goals, such as reducing process energy consumption by 5% or increasing the use of recycled materials by 10%. ✓ Supply Chain Green Management: Promote green procurement and require suppliers to provide raw materials that meet environmental standards.
Environmental Aspect: Introduce green design and low-carbon processes, and implement life cycle management and supply chain environmental protection requirements.	
Social aspect (S).	<ul style="list-style-type: none"> ✓ Product Safety and Health Assessment: Ensure that products comply with international safety standards such as ISO 45001, reducing potential risks to users. ✓ Improve customer satisfaction: Conduct regular customer satisfaction surveys, continuously optimize products and services based on feedback, and strengthen customer relationship management. ✓ Employee Professional Training: Regularly arrange courses related to quality management, product safety, and sustainable development to enhance employees' professional capabilities and ESG awareness.
Social Aspects: Ensuring product safety, improving customer satisfaction, and enhancing employee ESG competency training.	
Governance	<ul style="list-style-type: none"> ✓ Transparent Governance Mechanism: Establish a quality

ESG	Responsibility management
surface (G).	<p>management mechanism and regularly report to the Board of Directors on the achievement of quality goals.</p> <p>✓ Quality Management and ESG Integration: Incorporate quality performance into ESG assessments, ensuring alignment with the country's sustainable development vision.</p> <p>✓ Sustainable Manufacturing Strategy: Optimize management processes, implement energy consumption reduction, waste reduction, and carbon emission control to improve process efficiency.</p>
Governance: Establish a quality governance system, incorporate ESG indicators into the management process, and strengthen sustainable operations.	

4.08.2 Marketing and Labeling

Product and service logo

The company has always taken "providing high-quality products and services" as its core goal, strictly complies with relevant domestic and foreign regulations and standards, and is committed to safeguarding consumer rights and enhancing brand image. In 2024, we did not have any violations in the areas of product information, labeling, and marketing communications, demonstrating our high level of compliance and operational health.

From product design, production processes, supply chain management, to customer communication, all aspects are closely integrated with sustainable values, implementing the following measures:

- Regulatory Audit and Standard Compliance: Conduct regulatory reviews during the product design stage to ensure that labeling information such as materials, usage warnings, and environmental labels comply with international and local laws and regulations.
- Quality Assurance System Integration: Set labeling guidelines based on ISO 9001/IATF 16949 quality requirements to strengthen production and quality control processes.
- Marketing Communication Principles and Self-Discipline: All promotional materials are jointly reviewed by marketing and legal affairs to ensure that the content is true, clear, and not misleading.
- Education and Audits: Conduct regular internal training, reviews, and reporting processes to ensure that marketers and relevant units have a consistent and clear understanding of labeling regulations and ethical standards.

This comprehensive mechanism not only ensures that the company does not violate any product labeling or marketing regulations in 2024 but also promotes continuous improvement of the organization's internal culture and builds consumer trust and brand competitiveness through the "Design → Implementation → Education → Audit" process.

Main goods (services) sales (provision) area

Unit:

NT\$ thousand

YEAR	IN 2024		IN 2023	
SALES REGION	Sales amount	Ratio (%)	Sales amount	Ratio (%)
EXPORT	2,061,420	85	2,359,239	87
DOMESTIC SALES	363,059	15	337,746	13
SUM	2,424,479	100	2,696,985	100

Market share

unit: NT\$ thousand

OPERATING INCOME COMPANY NAME	IN 2024	APPROXIMATE SHARE (%)	IN 2023	APPROXIMATE SHARE (%)
KONKOKU OPTICS	2,424,479	2	2,696,985	3
LARGAN OPTOELECTRONICS	59,457,553	55	48,842,247	54
YUJING OPTOELECTRONICS	23,186,728	22	21,674,701	24
ASIA OPTICS	23,047,473	21	17,830,192	19
ALL TOLD	108,116,233	100	91,044,125	100

4.09 Supply Chain Management

The country now requires all suppliers to fill out the "Supplier Basic Information Form", in which raw material suppliers must undergo on-site audits and reviews and are confirmed to meet the standards before they can be listed as qualified suppliers. For major raw material suppliers, a corporate social responsibility questionnaire survey will also be conducted to assess their compliance with labor, occupational safety, environment, and business ethics to ensure that suppliers implement corporate social responsibility.

Supply chain management and local sourcing

In order to ensure the stability and sustainability of the supply chain, the company has formulated clear supplier management policies, covering supplier selection and review, environmental management, social responsibility and compliance, etc., and conducting regular evaluation and communication through institutionalized mechanisms to strengthen the overall supply chain resilience and performance.

In response to local development and reduce the impact of the transportation process on the environment, we actively promote local procurement strategies, giving priority to local suppliers with environmental treatment capabilities, environmental management systems (such as ISO 14001) or environmental labels. This policy not only helps promote the regional economy but also further supports the implementation of environmental and social responsibilities.

- Domestic suppliers: 53, accounting for 79% of the total; the purchase amount accounted for 47%.
- Foreign suppliers: 14, accounting for 21% of the total; the purchase amount accounted for 53%.

As of the end of 2024, there were a total of 67 major suppliers cooperating, including 53 domestic suppliers, accounting for 79%; Its procurement amount accounts for 47% of the total, indicating that the country attaches great importance to local economic development and green procurement policies, and will continue to deepen cooperation with domestic suppliers in the future, gradually increasing the proportion of local procurement amounts to create a more resilient and sustainable responsible supply chain.

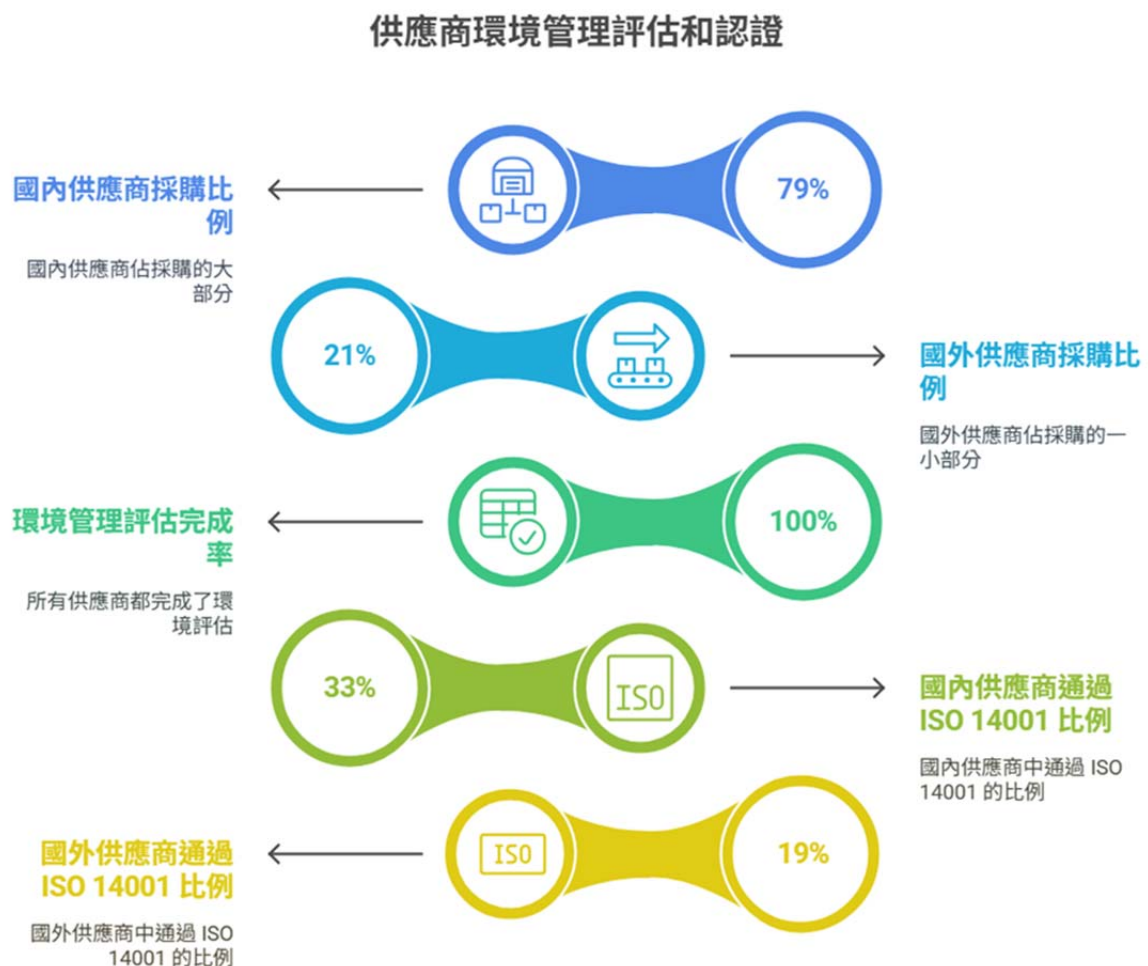
Sustainable supply chain management

In order to strengthen the environmental management of the supply chain, the company conducts "environmental management" assessments for all suppliers, covering environmental policies, regulatory compliance, pollution prevention, resource use efficiency, and internal management systems, with a completion rate of 100%.

The company requires suppliers to fill out the "Supplier Environmental Management Questionnaire" and establishes a mechanism for reconfirmation every three years to

ensure the timeliness and accuracy of environmental management information. According to the 2024 ratings, 75% of suppliers were rated as "Excellent", 25% as "Acceptable", and no suppliers were rated as "Poor". If the score is close to the low standard, individual discussions and improvement suggestions will be put forward during the environmental management review.

In terms of procurement strategy, the company prioritizes suppliers with legal exhaust gas, wastewater, and waste treatment capabilities, or those that have implemented environmental management systems (such as ISO 14001) as an important basis for green procurement, and by the end of 2024, 52% of suppliers have obtained ISO 14001 certification, indicating that the overall environmental awareness of the supply chain continues to increase. The details are as follows.



In addition, Jinguo Company holds sustainable procurement courses from time to time, including compulsory courses for new procurement colleagues, and in 2024, the completion rate of procurement colleagues will reach 100%. In the future,

Jinkoku will continue to strengthen the environmental management capabilities of suppliers through institutionalized management and partnerships, and work together to achieve green transformation and sustainable development goals.

Social responsibility and human rights protection

Today's country attaches great importance to supply chain social responsibility and human rights protection, incorporates relevant requirements into the sustainable procurement process, and clearly informs and proactively updates the company's environmental and social policies when evaluating suppliers. Chemical suppliers are required to provide Safety Data Sheets (SDS) for internal inspection. Contractors entering the factory must comply with safety, health and environmental protection regulations. Equipment suppliers need to provide safety information and operation training before delivery to ensure the safety of the machine.

At the same time, the company evaluates whether suppliers meet fair labor conditions, occupational safety and health, and human rights protection, and strictly prohibits forced or child labor. In 2024, 100% of the new suppliers have completed the social screening, and there are no major negative events or termination of cooperation records.

Continuous improvement and future outlook

The Company continues to strengthen supply chain management and plans to promote the following measures:

- Regularly update supplier management policies to ensure compliance with the latest environmental and social responsibility standards.
- Expand the scope of supplier evaluation, include more environmental and social responsibility indicators, and improve supply chain sustainability.

Strengthen communication and cooperation with suppliers, enhance their awareness of environmental and social responsibility through training and guidance, and jointly promote sustainability goals.

Through the above measures, we hope to establish long-term and stable cooperative relationships with suppliers and create sustainable development. The actual promotion methods and results are detailed in the table below, demonstrating the company's specific actions and commitments in supply chain management and partnerships.

Manage themes	Management Policies and Practices	Implementation status/results
Supply chain overview	Establish a supplier management system for raw materials, components, and contractors, covering environmental, social, and compliance aspects.	Regular supplier evaluations and communication are conducted to ensure supply chain stability and compliance.
Local sourcing	Encourage local procurement, and give priority to suppliers with legal environmental protection treatment capabilities and environmental labels.	Reduce transportation carbon emissions and promote local economic development.
Environmental assessment survey	Suppliers are required to fill out the "Supplier Environmental Management Questionnaire".	Assess its potential impact on the environment and establish a basic environmental management database.
Environmental Assessment System	The "Supplier Environmental Management Assessment Form" is used for scoring, and those with poor grades need to be discussed in the environmental review.	Those who fail are included in the improvement tracking process.
Regularly update information	Reconfirm supplier environmental management data every three years.	Ensure the accuracy and timeliness of supplier information.
Green procurement conditions	Priority will be given to purchasing manufacturers with wastewater, exhaust gas, and waste treatment capabilities, or the introduction of environmental management systems.	Establish a supplier sustainable procurement list and introduce environmentally labeled products.
Environmental Policy Communication	When evaluating suppliers, proactively inform the current country's environmental policies and updated content.	Enhance suppliers' environmental awareness and cooperation.
Chemical management	Require suppliers to provide SDS (Safety Data Sheets) for use by internal units.	Ensure transparency and safe use of chemical information.
Contractor management	Contractors must comply with safety, health and environmental regulations.	Reduce the risk of in-plant operations and ensure operational compliance.
Equipment purchase	Equipment manufacturers are required to provide safety and	Strengthen equipment operation safety and

Manage themes	Management Policies and Practices	Implementation status/results
management	health information and education and training.	personnel training.
Future Prospects	Strengthen supplier policy updates, expand evaluation items, and provide training and guidance.	The goal is to improve the overall supply chain environmental and social responsibility performance.

4.10 Intellectual Property Risk Management

In accordance with the TIPS (Intellectual Property Management System), the Company has introduced intellectual property risk identification and response management processes to strengthen the intellectual property management mechanism from three aspects: institutional, educational, and performance, thereby reducing operational risks such as technology leakage, patent infringement, and trade secret leakage. In terms of education and training, "basic education and training" is provided for new recruits, and "advanced professional education and training" is provided for in-service personnel.

■ Analysis of R&D expenses in the past two years

In order to strengthen the company's technological innovation and product competitiveness, the company continues to increase R&D investment, and the R&D expenses in the past two years are as follows, and it is expected to invest another NT\$150,000 thousand in R&D expenses in 2025.

- R&D expenses in 2024 were NT\$97,112 thousand, accounting for 4.01% of net operating income.
- R&D expenses in 2023 were NT\$91,257 thousand, accounting for 3.38% of net operating income.

Overall, the Company's R&D expenses in 2024 increased significantly compared to 2023, and the proportion of R&D expenses to revenue also increased, demonstrating the Company's great emphasis on R&D investment and its determination to continue to improve. In the future, the company will continue to strengthen the allocation of R&D resources, promote sustainable innovation, and lay a solid foundation for the long-term development of the company.

■ Institutional and strategic aspects

Formulate "Intellectual Property Management Policies and Goals", covering four major directions: intelligent knowledge improvement, intellectual property utilization, resource accumulation, and operational risk reduction, and implement them according to annual goals.

- Promote intellectual property training systems (including new personnel and on-the-job education and training).
- Formulate intellectual property inventory and application strategies.
- Establish a performance management mechanism for patent achievements.

Intellectual property management policy and management objectives

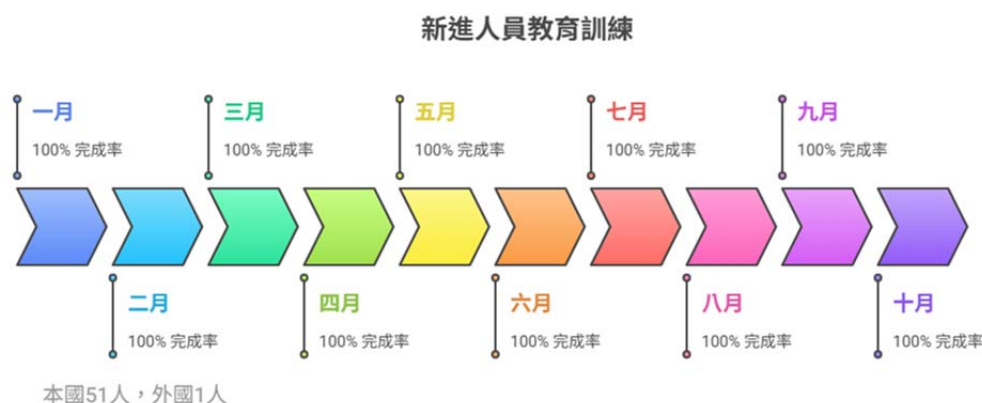
Management Policy	Management Goals	Goal setting
Intellectual property knowledge improvement	<ul style="list-style-type: none"> ● Intellectual Property and Compliance Basic Course (New Recruits). ● Professional & Advanced Courses. ● Intellectual property/legal related issues advocacy. 	<ul style="list-style-type: none"> ✓ Basic training for each employee (domestic + foreign). ✓ At least one professional training and one advanced training each year. ✓ Regular patent submissions/quarterly.
Intellectual property utilization	<ul style="list-style-type: none"> ● Market trend survey. ● Competitive patent situation tracking. 	<ul style="list-style-type: none"> ✓ Product Intelligence Trend Survey & Weekly Report/Quarterly. ✓ Competitors publicly announce patent compilation/monthly. ✓ Public version of the competition*5.
Intellectual Asset Accumulation	<ul style="list-style-type: none"> ● Patent portfolio inventory and reinforcement. 	<ul style="list-style-type: none"> ✓ An evaluation report is required before applying for a patent. ✓ Evaluate the value of each patent issued and received.
Reduced operational risk	<ul style="list-style-type: none"> ● Implement corporate governance and intellectual property management indicators. ● Optimize intellectual property-related contracts. ● Patent risk correspondence. ● Implement exit interviews for key employees. 	<ul style="list-style-type: none"> ✓ Obtained the annual corporate governance evaluation intellectual property management index score. ✓ Suppliers and third parties sign at least three copies of the Responsibility Code Agreement. ✓ The implementation rate of important employee recruitment interviews is 100%. ✓ Product risk response assessment.

■ Education and training strengthen cognition

In order to strengthen the understanding and compliance of new employees on intellectual property protection, the company continues to promote the "Intellectual Property - New Employee Education and Training" course to ensure that all new employees complete 100% of the basic training and understand intellectual property-related laws and regulations and the company's internal systems. In 2024, a total of 52 new employees completed this basic education and training, enhancing their basic understanding of intellectual property protection and compliance awareness.

At the same time, in order to enhance the intellectual property professional knowledge and application capabilities of in-service colleagues (including R&D, sales, and management), the company offers advanced courses every year to deepen the intellectual property risk identification ability and innovation confidentiality awareness of all employees. In 2024, two professional training courses will be offered:

- The course "From Corporate Governance, R&D Process to Intellectual Property Management" trained a total of 42 people to strengthen employees' understanding of the role of intellectual property in corporate operations.
- The "Innovative Invention and Patent Practice" course trained a total of 25 people to assist the trainees in effectively applying the patent system in practice and enhancing their innovation competitiveness.

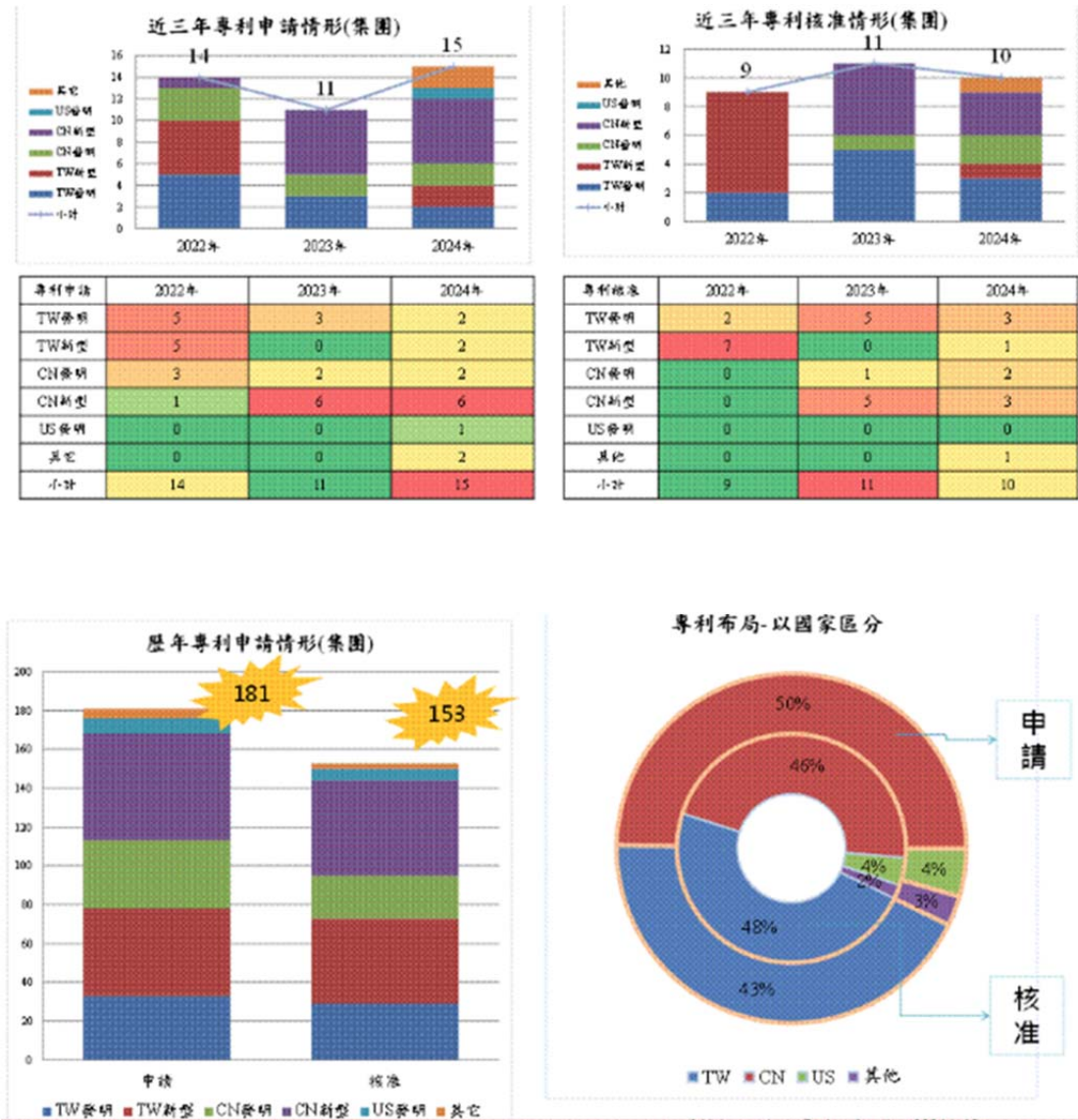


Through systematic and hierarchical education and training, the company is committed to creating a corporate culture where all employees value intellectual property and implementing the sustainable business goals of innovation-driven and operational risk management.

■ Patent Achievement Management and Performance

Through continuous research and development and a systematic patent application system, the number of patent applications has grown steadily over the past three years, with a total of 181 patent applications and 153 approvals by the end of 2024, covering Taiwan, China, the United States, and other regions. Among them, Taiwan and China account for the highest proportion of patents, and the United States also accounts for a certain proportion, which helps effectively protect the company's product and process innovations.

Intellectual Asset Accumulation – Patent Results



5. Social aspects

Jinguo Company is committed to creating an inclusive, safe, and developmental working environment, attaching importance to human rights protection, employee well-being, and career development.

5.01 Human Resource Development

The Company regards human capital as the core of sustainable management, and establishes a talent system that is both developmental and inclusive through institutionalized recruitment, training, welfare, evaluation, and equality mechanisms to practice corporate social responsibility.

In accordance with the Labor Standards Act and the Labor Pension Regulations, the relevant obligations of the retirement protection system for employees to improve planning and implement the fixed benefit system, as of the end of the reporting period, all retirement reserve contributions and benefits were implemented in accordance with regulations, and there were no arrears or violations. In addition, the company regularly reviews the capital allocation and conducts actuarial assessments to ensure that employees' retirement rights are fully protected.

- Defined Benefit System: Applicable to employees who joined the company before June 30, 2005 and choose the old system, the retirement reserve fund is allocated according to the length of service and salary, deposited in a special account in a bank trust, and actuarial calculations are carried out in accordance with the law.
- Definite contribution system: Applicable to new employees or those who choose a new system, the company contributes 6% of the salary to the workers' personal pension account on a monthly basis.



The company has built a sustainable development strategy from six aspects: "corporate governance", "partnership", "value innovation", "happy workplace", "green sustainability" and "social care" as the core basis for promoting social responsibility. Through the above specific actions and long-term planning, we continue to improve social performance and achieve common growth and value creation between the company and stakeholders.

In order to concretely implement the above commitments, the company has set clear social responsibility goals and promoted related actions with six sustainable development strategies, including the following measures.

- Conduct occupational safety, anti-discrimination, and anti-workplace violence publicity once a quarter.
- Continue to maintain SA8000 certification.
- Quarterly meeting of the dormitory for foreign employees.
- Continuously declare and audit the SA8000 standard to vendors.

5.01.1 Human Rights Policy and Commitments

Human rights commitments

Jinguo Company firmly believes that "respect for human rights" is the core value of corporate sustainable development. To ensure that our employees, suppliers, customers, partners, and community members, including local Indigenous peoples, are treated with respect and fairness, we strictly comply with relevant laws and regulations where we operate and are committed to supporting the following international human rights conventions and guiding principles:

- United Nations Universal Declaration of Human Rights.
- two conventions (International Covenant on Civil and Political Rights and International Covenant on Economic, Social and Cultural Rights).
- ILO Declaration on the Fundamental Right to Work.
- United Nations Guiding Principles on Business and Human Rights (UNGPs).
- OECD "Multinational Enterprise Guidelines".
- Ten principles of the United Nations Global Compact.

We have established a comprehensive human rights protection mechanism based on the UNGP's three-pillar framework of "Protect-Respect-Remedy". Prohibit any violations and violations of human rights and ensure that all parties involved are treated fairly and with dignity.

Today's company social responsibility policy	Website: http://www.kinko-optical.com/tw_esg_view.asp?Nwid=20231208010
--	--

In accordance with international human rights standards and domestic regulations, the company ensures that employees are not discriminated against on the basis of gender, race, age, religion, or political party background in workplace behaviors such as hiring, promotion, compensation, and education and training. During the interview, only the applicant's ability and job suitability are considered as the only basis.

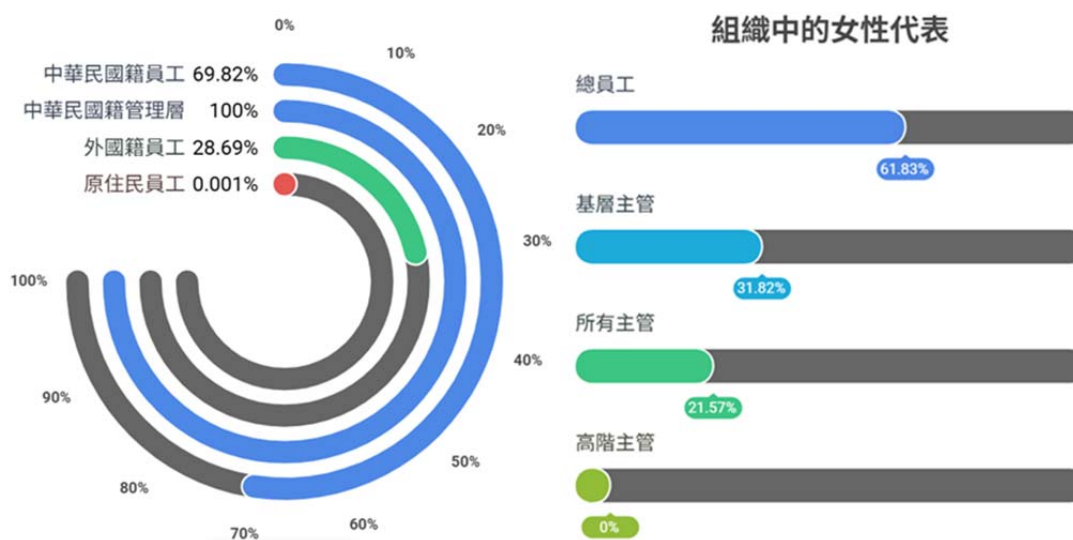
In 2024, the average monthly salary for women in R&D positions has narrowed to 1:1.1 for men (1:1.2 in 2023), indicating that gender pay equity continues to improve. We conduct gender and age statistics for each category as a basis for evaluating and adjusting equality policies.

Employee salary ratio

Occupation	In 2023		In 2024	
	Female: Male monthly salary ratio	Female: Male annual salary ratio	Female: Male monthly salary ratio	Female: Male annual salary ratio
Production position	1:1.2	1:1.2	1:1 .2	1:1.2
managerial position	1:1.3	1:1.3	1:1.3	1:1.3
Research and	1:1.2	1:1.1	1:1.1	1:1.2

development position				
----------------------	--	--	--	--

Nationality distribution of employees and management



Scope of application

Our human rights commitments extend to all employees of the Company and its subsidiaries and, to the extent reasonably practicable, to customers, suppliers, contractors and the local communities in which we operate. The company regularly identifies and pays attention to high-risk operations sites that may infringe on the rights of indigenous peoples, mainly in manufacturing sites and upstream raw material supply chains, especially in countries with relatively weak labor law enforcement. Through irregular inspections, the company strictly eliminates forced labor and child labor at its manufacturing sites and upstream manufacturers, and continues to care for indigenous employees, proactively understands issues that may infringe on their rights, and takes necessary actions to protect the rights of indigenous peoples, demonstrating its firm commitment to human rights.

In 2024, there were no forced labor, child labor, or violations of indigenous rights at the Company's manufacturing sites and upstream supply chain.

Education and training

In order to enhance the awareness of all employees on human rights protection, Jinguo Company provides education and training related to human rights protection every year, and expands it to all business partners to reduce the frequency of human rights incidents. In addition, the company has also incorporated human rights policies

into supplier management to ensure policy implementation.

Communication platform

In order to ensure the full implementation of human rights commitments, Jinguo Company has also formulated the "Guidelines for Employee Complaints and Handling", "Measures for the Management of Reporting of Unlawful Infringements", and "Measures for Complaints and Disciplinary Measures for Gender Equality Incidents". Clearly define the grievance process and handling procedures, and propose corresponding mitigation and compensation measures for human rights incidents that employees may face. There were no human rights violations in 2024.

5.1.2 Manpower composition

Jinguo Company adheres to the core values of diversity, equality, and inclusion, and is committed to creating a friendly and inclusive workplace environment. Through institutionalized management and continuous data analysis, the company actively promotes fair recruitment, employee retention, and multicultural integration, hoping to achieve corporate social responsibility and sustainable development of human capital while operating steadily.

5.01.2.1 Staff Structure

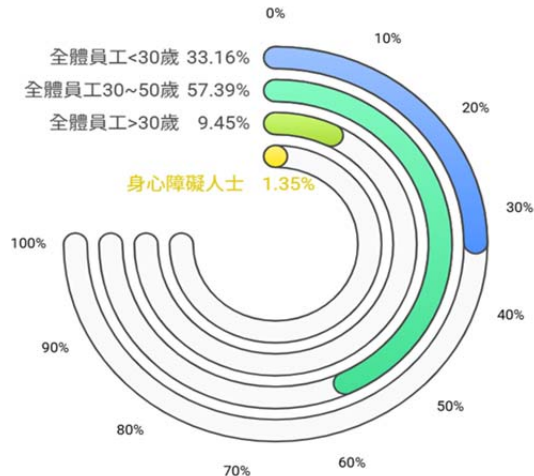
As of the end of 2024, the total number of employees in Taiwan was 778, including 776 regular employees and 2 non-regular employees. A total of 53 new Taiwanese employees were hired that year, with 30.19% being women; The total number of employees who left the company was 89, with 35.96% of them being women.

For foreign employees, the number of employees leaving the company was 39 throughout the year, with employees under the age of 30 leaving the company at 69.23%. This trend shows that companies still need to continue to pay attention to and strengthen support measures for the retention and adaptation of young foreign employees.

The company is committed to building a fair and transparent recruitment and management system, creating a diverse and inclusive workplace culture, and promoting the long-term stability and sustainable development of human resources strategies through institutional planning and data analysis.

Employee age distribution chart and employee structure

員工結構分布圖



非員工結構



非員工 2 人

管理靈活性



其餘皆為正式員工

組織穩定性

Statistical table of new and departing colleagues

項目		2024 年新進						2024 年離職					
		女	%	男	%	小計	%	女	%	男	%	小計	%
台 籍	30 歲以下	8	27.59%	21	72.41%	29	54.72%	10	27.03%	27	72.97%	37	41.57%
	31-50 歲	8	36.36%	14	63.64%	22	41.51%	21	41.18%	30	58.82%	51	57.30%
	51 歲以上	0	0.00%	2	100.00%	2	3.77%	1	100.00%	0	0.00%	1	1.12%
	小計	16	30.19%	37	69.81%	53	100.00%	32	35.96%	57	64.04%	89	69.53%
外 籍	30 歲以下	0	0%	0	0%	0	0%	24	88.89%	3	11.11%	27	69.23%
	31-50 歲	0	0%	0	0%	0	0%	12	100.00%	0	0.00%	12	30.77%
	51 歲以上	0	0%	0	0%	0	0%	0	0.00%	0	0.00%	0	0.00%
	小計	0	0%	0	0%	0	0%	36	92.31%	3	7.69%	39	30.47%
合 計	30 歲以下	8	27.59%	21	72.41%	29	54.72%	34	53.13%	30	46.88%	64	50.00%
	31-50 歲	8	36.36%	14	63.64%	22	41.51%	33	52.38%	30	47.62%	63	49.22%
	51 歲以上	0	0.00%	2	100.00%	2	3.77%	1	100.00%	0	0.00%	1	0.78%
	小計	16	30.19%	37	69.81%	53	100.00%	68	53.13%	60	46.88%	128	100.00%

5.01.2.2 Non-employee structure

Today, there are only two non-employees in the company, indicating that the company's employment is mainly regular employees, and it attaches great importance to job stability and the protection of employees' rights and interests. Through the full-time establishment, the company can provide more complete training and development opportunities, labor conditions, and welfare systems, further enhancing employees' sense of belonging and willingness to stay. This manpower strategy also

helps in the continuation of organizational knowledge and the accumulation of internal experience, which has positive benefits for improving overall operational efficiency and reducing personnel turnover risks.

Distribution of non-employee workers

category		Cooperative personnel			Dispatch personnel		
annual		2024	2023	2022	2024	2023	2022
Total number of non-employees		0	0	0	2	2	2
sex	man	0	0	0	1	1	1
	woman	0	0	0	1	2	1
contractual relationship with the company		not			Part-time staff		
Type of work undertaken		not			Drivers, cleaning staff		

5.01.3 Diversity, inclusion and equality of employees

Today's companies respect minorities and differentiated needs, and in 2024, people with disabilities will account for 1% of all employees35% ; In terms of personnel recruitment, we focus on diversity and cater to the aging trend, encourage second-time employed women and retirees to join, and provide professional and technical training and flexible working hours.

To achieve the vision of gender equality, the company has developed an attractive compensation and benefits system and continuously examined gender pay gaps in line with the United Nations Sustainable Development Goals (SDG 5) and GRI 405 indicators. In 2024, the average monthly salary of women in R&D positions was 90.5% (about 1:1.1) of men, an improvement from the previous year. The company is committed to continuously promoting pay equity and creating a diverse and equal workplace environment. In 2023, the monthly basic salary in Taiwan will be NT\$26,400, which will be raised to NT\$27,470 in 2024.

Female-to-male employee compensation ratio

職務類別	2023年				2024年			
	女平均月薪	男平均月薪	平均月薪	薪資比	女平均月薪	男平均月薪	平均月薪	薪資比
生產職	34,959	41,261	38,110	1:1.2	35,405	42,705	39,055	1:1.2
管理職	38,629	50,329	44,479	1:1.3	38,669	50,098	44,384	1:1.3
研發職	45,512	52,391	48,952	1:1.2	47,817	54,207	51,012	1:1.1

In order to ensure that the company's compensation and benefits policies comply with relevant laws and regulations and fully protect the rights and interests of employees, the company provides competitive compensation and benefits programs at all major operating sites. At the same time, the company provides bonuses and allowances based on peer treatment and market conditions to ensure that employees

can maintain a stable economic situation and focus on their own development and excellence.

The company works with all employees to create a friendly and inclusive working environment, and is committed to eliminating any form of discrimination and unequal treatment. We have established comprehensive reporting channels and established an investigation team composed of dedicated teams to ensure that relevant incidents can be promptly accepted and properly handled. All cases are included in the project management of the supervisory meeting to implement accountability and supervision mechanisms.

In 2024, the Company did not receive any discrimination complaints, reflecting the effectiveness of our long-standing workplace equality policies and culture, as well as the Company's shared commitment at the institutional and practical levels.

5.01.4 Employee rights and benefits

Jinguo Company believes that employees are the core key to the sustainable operation of the enterprise, and implements the principle of "innovation, quality, speed, and customer satisfaction" committed to building a safe and contented working environment, excellent talents, diversity and inclusiveness, safe and healthy work. Provide market-competitive remuneration and benefits, comprehensive training and career development plans, fair and transparent assessment and promotion mechanisms, and smooth labor-management communication channels.

With the goal of a happy employment environment and 100% employee satisfaction, the company allocates welfare funds in accordance with the provisions of the "Employee Welfare Fund Act", handles a number of employee welfare affairs, and provides various insurance benefits in accordance with relevant laws and regulations. Through clear human rights regulations, strict occupational safety protection measures, and diverse employee activity arrangements, we ensure that employees can achieve work-life balance in their careers, achieving dual satisfaction in their professional growth and personal life.

1. Bonus and incentive system

- Provide year-end bonuses and employee dividend systems (issued based on the current country's operational performance and personal performance).
- Three bonuses (Dragon Boat Festival, Mid-Autumn Festival, Labor Day) and birthday gifts will be distributed.

- There is a system of seniority bonuses and retention bonuses to encourage long-term service.
- Provide patent and innovation proposal bonuses to encourage employees' creativity and R&D contributions.

2. Education and training and career development

Jinguo Company firmly believes that talent is the core of sustainable growth, and will continue to invest in employee learning and career development, accompanying partners towards a more outstanding future.

- Complete planning of pre-employment training, on-the-job training, and internal and external continuing education courses, and establish a comprehensive learning map.
- Provide clear and smooth promotion channels to encourage employees to develop professional abilities and career planning.
- Based on operational results and market salary surveys, salary adjustments are made regularly or as needed, taking into account talent retention strategies and employee incentive mechanisms.

3. Employee welfare and life care

- There is a staff cafeteria, meal subsidies are provided, and meals are provided free of charge during overtime.
- Rental allowances and transportation allowances are provided to reduce the burden of commuting and living.
- Handle employee travel and provide weddings, funerals, and maternity subsidies.
- Year-end dinners and lottery activities are held every year to enhance the centripetal force of employees.
- Cooperate with a number of special stores to provide exclusive discounts.
- Distribute employee uniforms to show the corporate image and tidiness.
- Provide dedicated parking spaces for supervisors, facilitating commuting management.

4. Balanced care for employees, body, and soul

- Beverage, snack vending machines and coffee machines are set up for employees to relieve stress.
- Resident nurses and regular visiting physicians provide immediate health consultation and care.

- Conduct regular health check-ups every year to pay attention to the health status of employees.
- There is a nursing room and a special childcare center to assist childcare staff to work with peace of mind.

Childcare security

The company encourages employees to raise children, responds to the national maternity policy, has no limit on seniority, and applies to all full-time employees with a parental leave without pay. In 2024, a total of 23 people qualified for parental leave applications, and the actual number of applicants was 17, with the application rate increasing to 74%, indicating that the acceptance and actual demand for the system among colleagues continue to increase. The reinstatement rate for the current year was 50%, indicating that some employees may still delay their return to work due to family factors, but the retention rate of employees who returned to work in the previous year reached 90%, indicating that most employees who returned from parental leave were able to continue their service stably. This system fully demonstrates the company's emphasis on and support for employees' family care needs, and is committed to creating a friendly workplace environment for parenting, helping employees balance work and family, and enhancing overall workplace satisfaction and loyalty.

Parental leave reinstatement and retention

category items	In 2022			In 2023			In 2024		
	woman	man	all told	woman	man	sum	woman	man	sum
Number of people eligible for parental leave (A)	12	19	21	8	7	15	14	9	23
Actual number of applicants for parental leave (B)	9	3	12	4	1	5	12	5	17
Application Rate (B/A) (%)	75	33	57	50	14	33	86	56	74
Number of people who should be reinstated from parental leave (C)	5	1	6	4	1	5	3	1	4
Number of people who should have been reinstated	5	1	6	4	1	5	2	0	2

category items	In 2022			In 2023			In 2024		
	woman	man	all told	woman	man	sum	woman	man	sum
on parental leave (D)									
Return rate of parental leave (D/C) (%)	100	100	100	100	100	100	66	0	50
前一年育嬰留停復職人數(E)	1	0	1	7	2	9	7	2	9
Number of people who have been reinstated from parental leave and have been on the job for one year (F)	1	0	1	7	2	9	6	2	8
Parental Leave Stay Rate (F/E) (%)	100	100	100	100	100	100	86	100	90

The average salary difference ratio of male and female employees at each rank is calculated by gender

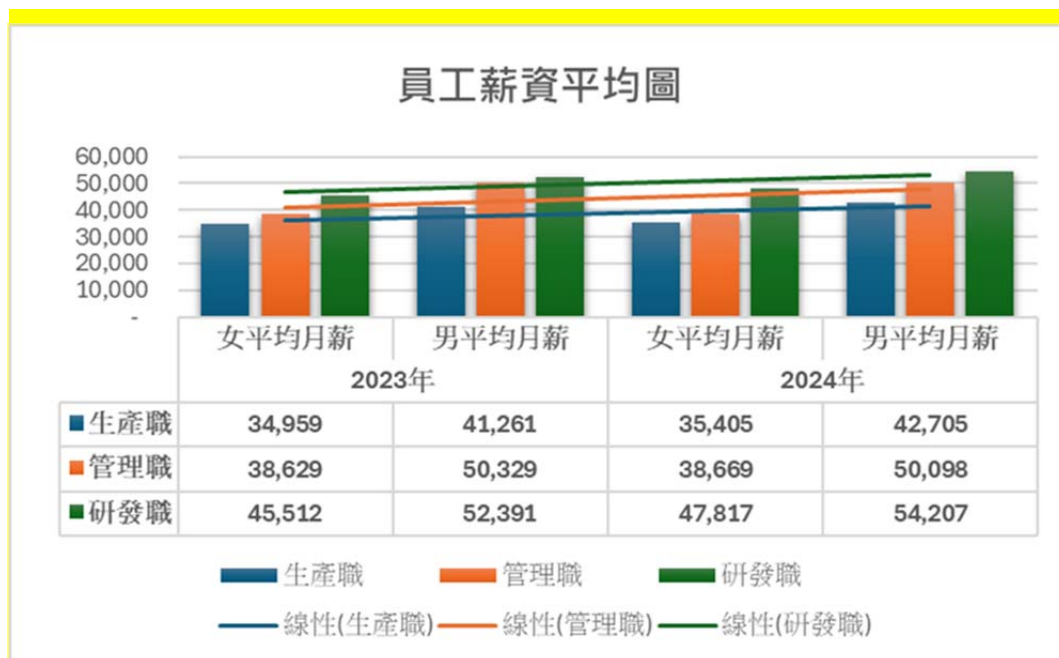
The company is committed to implementing labor equality and gender pay equity. Despite some differences in pay across different levels, as of 2024, the salary level of female non-supervisory employees has been approaching that of men year by year, indicating that the company has seen tangible results in promoting pay equality.

Since production line workers are predominantly male and some positions come with additional pay, overall, the average salary of male supervisors and employees is still slightly higher than that of female peers. In response to this situation, the company will continue to promote the functional strengthening and career development of female supervisors and employees, gradually narrow the gender pay gap, and implement a diverse and inclusive workplace culture.

To strengthen the fairness and transparency of the salary system, the company has taken the following measures:

- Conduct regular salary fairness reviews and incorporate an early warning mechanism for human resources risks to ensure that there are no unreasonable disparities based on gender or job category.
- Allocate employee compensation based on operating profits, implement performance-oriented and take into account the contribution recognition of all employees.

- Continue to optimize the salary structure, increase the salary ratio of female employees and key job categories, and promote the balanced development of the overall salary distribution.



5.01.5 Collective Agreements

The company respects the freedom of labor union assembly and association, and established the Employee Welfare Committee in 1994, which is composed of members elected by employees and holds regular meetings to discuss and review various welfare policies, reimbursement methods, and implementation results. The company allocates and allocates employee welfare funds in accordance with the law, and the Welfare Committee is responsible for reasonably allocating and supervising its use, promoting and managing various employee welfare measures, including annual bonuses, gifts, subsidies, year-end and dividend plans, etc.

In 2024, labor representatives of the company held collective agreement meetings to evaluate and discuss the expansion and optimization of paid family care leave, with the goal of creating a friendly and diverse and inclusive workplace environment.

5.01.6 Talent cultivation and development

In order to enhance the functions and competitiveness of employees, the company has developed an annual training plan covering various aspects such as new training, general education courses, professional technology, management development, and language proficiency. In 2024, the average number of training hours for all

employees reached 11 hours, an increase of 93% compared to 2023, demonstrating the company's strong emphasis on employee learning and engagement.

In terms of supervisory positions, male supervisors received an average of 12.3 hours of training in 2024, while female supervisors received 13.2 hours, reflecting the company's attitude towards continuous improvement of management talents and the implementation of gender balance. The company hopes to create a work culture that encourages learning and self-improvement through supervisory leadership and institutional support, thereby enhancing organizational competitiveness and long-term talent development. The company's executive positions prioritize hiring local talent, demonstrating a strong emphasis on local development and community connections.

Average Employee Education and Training Hours (Hours)

item	In 2023				In 2024			
	sex	Total hours	People	Average hours	sex	Total hours	People	Average hours
Indirect units	man	487	88	5.5	man	746.6	94	7.9
	woman	739.5	129	5.7	woman	881.0	93	9.5
Direct units	man	532.5	71	7.5	man	157.5	21	7.5
	woman	252	42	6.0	woman	7.5	1	7.5
Supervisory position	man	225	62	3.6	man	3130.5	255	12.3
	woman	71	13	5.5	woman	1162.5	88	13.2
Annual Subtotal		2307	405	5.7	subtotal	6085.6	552	11.0
Average hours		5.7 hours			11 hours			

Note 1: Indirect unit: A support department that does not directly produce products or provide services, but works internally and is responsible for maintaining the efficiency of organizational operations. Examples: Personnel, finance, administration, information, legal, logistics, etc.

Note 2: Direct unit: Directly involved in core business processes and value creation, specifically affecting the output of products or services. For example: design, R&D, production, sales and other departments. Invest time and resources directly in providing customer value.

Performance appraisal

Performance appraisal is not only an important basis for management to adjust employee salaries but also an important tool for the company to create an excellent career development environment and support employees in achieving their personal goals. The system aims to promote consensus between employees and supervisors on

work goals and strengthen the core function of "employee development as the main focus and performance evaluation as a supplement".

According to the company's internal "Appraisal Management Measures", the company conducts a performance evaluation every quarter. These assessments are available to both new and existing employees at the end of the probationary period. In each evaluation, the company will have in-depth discussions with employees on the implementation of goals, and use specific behavior cases to review and improve employee behavior to ensure that it meets the expectations of the company's vision, thereby enhancing the overall competitiveness and organizational effectiveness of the company. In 2024, all employees completed annual performance appraisals, with a coverage rate of 100%.

New employee appraisal form

annual	New employees in 2022: 245				New employees in 2023: 159				New employees in 2024: 53			
assess Job category	Number of people assessed		Percentage (%)		Number of people assessed		Percentage (%)		Number of people assessed		Percentage (%)	
	ma n	wom an	man	wom an	ma n	wom an	man	wom an	ma n	wom an	man	wom an
Technical position	27	6	11.02	2.45	9	6	5.66	3.77	24	5	45.28	9.43
Administrative position	19	21	7.76	8.57	11	19	6.92	11.95	11	1	20.75	1.89
On-site position	66	34	26.9	13.88	27	11	16.98	6.92	2	10	3.77	18.87
sum	112	61	45.71	24.90	47	36	29.56	22.64	37	16	69.81	30.19

5.02 Occupational safety and health

Jinguo Company attaches great importance to occupational safety and health risk management, and is committed to providing a safe, healthy, and safe working environment for all workers, enhancing employee safety awareness and health and well-being through a systematic management system and professional medical resources, ensuring the stability and sustainable development of organizational operations.

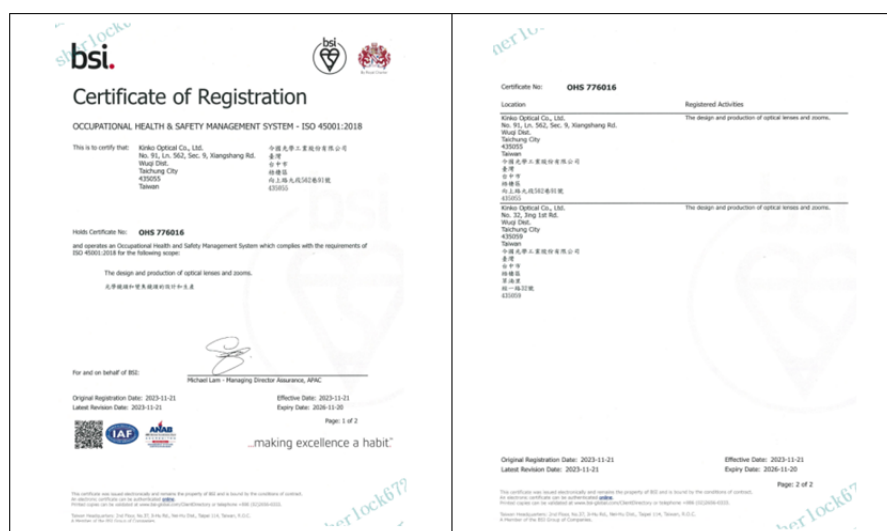
5.02.1 Occupational Safety and Health Policy

In 2023, the company officially obtained the ISO 45001 occupational safety and

health management system certification, achieving group-based verification and ensuring comprehensive assessment and management of occupational safety and health risks.

At the same time, the company follows the SA8000 social responsibility standard, implements employee human rights protection and working condition management, and regards occupational safety and health management as one of the company's differentiated competitive advantages, which is internalized in the organizational operation management system.

The company has an occupational safety and health committee, chaired by the vice chairman and general manager, with a proportion of 34% labor representatives, and holds regular quarterly meetings to review and track safety and health-related matters, continuously promote risk prevention and improvement, and ensure operational safety and regulatory compliance.



Occupational safety and health management system

In order to ensure the safety of employees, Imakoku Company manages in accordance with the international standard of ISO 45001. According to the 2024 production site data, the management system covers employees at all operating sites, with a coverage rate of 100%.

Before conducting external audits every year, each production site will first conduct internal audits to self-examine the effectiveness of environmental safety and health implementation, implement various work plans through the management cycle, and achieve the goal of continuous improvement and reduction of occupational accidents.

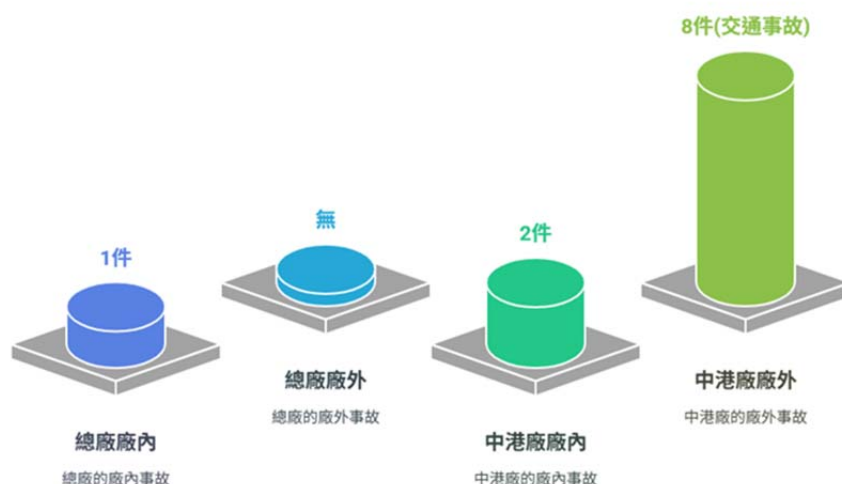
Currently, the production site of the main plant has obtained ISO 45001 certification. Occupational safety and health management has become an important part of the company's corporate value system, embodying the business philosophy of "innovation, quality, speed, and customer satisfaction". The company will continue to pay attention to the needs of stakeholders and strive to establish a safe, healthy, and comfortable working environment by promoting environmental safety and health management.

hazard identification, risk assessment and accident investigation

Jinguo Company attaches great importance to the safety and health of workers, and adheres to the principles of preemptive prevention, zero accidents and zero accidents. In addition to the company's internal operations, it also includes other personnel (such as outsourcers and visitors) who operate at the company's premises. The management representative of each operating site is responsible for reviewing and approving hazard identification and risk assessment operations, which are carried out by the safety and health unit and the head of each unit.

Hazard identification and risk assessment were conducted through institutional forms, and there were no "unacceptable risk" level records in FY2024. Regular monitoring of the operating environment is carried out every six months, covering dust, noise, organic solvents, and other items, and improvement measures are initiated when abnormalities are found. Incident handling is handled in accordance with internal occupational safety procedures, including immediate reporting and follow-up investigations. The accident statistics in 2024 are as follows: 1 in-plant accident occurred at the main plant, and 2 in-plant accidents and 8 off-site traffic accidents occurred at the China and Hong Kong factories.

2024年兩廠事故統計圖



Health promotion program

In order to ensure the health and safety of employees, the company provides pre-employment health check-ups when hiring new employees and regularly arranges health check-ups for current employees. In response to emergencies, the company has assigned dedicated personnel to each operating site to ensure that necessary first aid measures can be provided in a timely manner.

The company employs on-site health service physicians to conduct job suitability assessments for employees' different statuses (such as new employees, pregnant employees, physically and mentally disabled people, and high-risk groups) to confirm whether they can withstand workplace risks and provide corresponding health improvement suggestions.

During regular health checkups every year, doctors and nurses provide personalized health advice and health education information through physiological indicators to help employees improve their health awareness and self-care capabilities.

Labor health service nurses also share and promote health information on topics such as epidemic disease prevention, physical health, and occupational injury prevention every month, actively creating a safe and healthy workplace environment.

Health promotion program	head office	China-Hong Kong Factory	Note
Frequency of on-site service by doctors	Once a month, Each time for three hours	Once a month, Each time for three hours	If there is a demand, the number of on-site

			appearances and time will be increased
Emergency medical care	1 occupational caregiver, 6 first responders	1 occupational caregiver, 17 first aid personnel	
First aid kit	4	12 pieces	

The workplace is equipped with AEDs, emergency shower equipment, eyewash cups and other rescue supplies



In addition, a number of themed projects such as maternal protection, hearing protection, and human-caused hazard prevention are implemented. Employees can participate in occupational safety committees, code reviews, and meetings to implement democratic communication on safety and health.

A comfortable nursing space for motherhood after pregnancy



Occupational safety and health education and training

In terms of education and training, the company plans courses in accordance with the occupational safety and health education and training rules, and conducts necessary training and license management for high-risk positions and special equipment operators. For fire safety, regular fire drills are held to help employees improve their necessary fire awareness and response capabilities.

For other workers who are not employed workers, hazard notification and safety and health education and training are conducted before entering the work site, and the concept of safety and health is strengthened through work safety analysis and safety tips. In addition, during the operation, the company passes on safety and health knowledge and concepts from time to time through safety supervision, creating a cultural environment that pays more attention to safety and health.

Occupational safety and health education and training planning courses

In order to ensure the safety of employees and comply with regulatory requirements, the company plans comprehensive occupational safety and health education and training courses according to different positions and operational natures. The training targets include new employees, special operators, and occupational safety and health-related management and operation personnel, including the following items.

- New Personnel: Implement general safety and health education and hazard general education courses to strengthen basic occupational safety concepts.
- Special operators: Plan professional training courses for high-risk operations, such as organic solvent operation supervisors, specific chemical substance operation supervisors, dust operation supervisors, and high-pressure gas supply and consumption operation supervisors, and arrange training in accordance with legal qualification requirements.
- Occupational safety and health-related personnel: Occupational safety and health managers, business supervisors, labor health service personnel, and first aid personnel are required to receive occupational safety-related training to ensure effective performance of their duties.
- Operators of hazardous equipment and special piped equipment: For example, those who operate high-pressure gas specific equipment, forklifts with a load of more than one metric ton, and those engaged in lifting operations of cranes must complete professional operation training and obtain qualified certificates.

The company will continue to regularly review and update training content in accordance with regulations and operational requirements to ensure employee safety, enhance professionalism, and strengthen the overall occupational safety culture.

5.2.2 Occupational injuries

In terms of health management, the company continues to implement special health examinations and health risk tracking management for high-risk workers to ensure that employees' physical and mental health is properly monitored and cared for. At the same time, according to the "Human Hazard Prevention Plan", work posture and workload are optimized and adjusted to prevent the occurrence of musculoskeletal system-related injuries and occupational diseases, and comprehensively protect the workplace health and well-being of employees.

occupational injuries and occupational conditions

According to regular statistics on occupational accident data from all factories, there were no occupational injuries leading to death in 2024, and only 3 occupational injury accidents occurred, mainly due to employee cutting injuries and contact with objects. There are no records of major penalties for occupational safety incidents caused by machinery and equipment. The status of occupational accident declaration is as follows.

1. The number of occupational accident declarations is three, including 1 at the main factory and 2 at the China and Hong Kong factories.
2. The ratio of the number of occupational accidents to the total number of employees is as follows.

- Head Office: The number of occupational accidents was 1, accounting for 193 people, with an incidence rate of 0.52%.
- China-Hong Kong Factory: 2 occupational accidents, accounting for 542 total people, with an incidence rate of 0.37%.

3. The improvement measures taken for various disasters are as follows.

factory	Types of disasters	Improvement measures
Main factory	Cutting wounds	<ul style="list-style-type: none"> ● On May 10, 2024, the machine modification was completed, and the one-handed start button was removed and the two-handed start

factory	Types of disasters	Improvement measures
		<p>button was changed to improve operational safety.</p> <ul style="list-style-type: none"> ● Promote safe operation procedures after modification, and implement job visits and labor health services.
China-Hong Kong Factory	Contact with chemical hazards	<ul style="list-style-type: none"> ● On 2024/9/26, education and training on alcohol hazard identification and the use of protective equipment will be conducted.
China-Hong Kong Factory	High and low temperature contact	<ul style="list-style-type: none"> ● On January 19, 2024, education and training on occupational hazards and the use of protective equipment will be conducted. ● A pre-operation temperature measurement process has been added to confirm that the work object has been cooled to a safe operating range.

4. There are no fire records in the country in 2024, and there are no related deaths and injuries, so there is no need to implement fire improvement measures.

The company has set annual targets to reduce the incidence of occupational accidents, and continuously reviews and improves the occupational safety management system through regular meetings of the Occupational Safety and Health Committee.

5.03 Social Participation

The company adheres to the concept of "taking from society and using it for society", actively participates in local community activities, cares for disadvantaged groups, and is committed to promoting cultural inheritance and environmental sustainability, demonstrating the company's responsibility and commitment to society.

公司社會責任活動



5.03.1 Investment in infrastructure and support services

Social integration and common good

Today's company actively responds to the "United Nations Sustainable Development Goals" (SDGs) and the "Taiwan Sustainable Development Goals" formulated by the National Council for Sustainable Development of the Executive Yuan with specific goals and actions. By identifying, ranking, selecting suitable goals, and taking action, we have identified the two most relevant indicators for its business, "SDG 8 Employment and Economic Growth" and "SDG 11 Sustainable Urban and Rural Areas", from multiple levels such as corporate strategy and business operations, to support the country's sustainable development and actively practice corporate social responsibility.

SDGs	Core concept	The implementation of the current country
SDG 8	Economic growth and decent employment	Cooperation in construction and education, SA8000 certification, employee well-being and a friendly workplace.
SDG 11	Urban inclusion and community sustainability	cultural public welfare activities, care for the disadvantaged, community interaction and low-carbon initiatives.

Social Responsibility Policies and Goals

Upholding the spirit of corporate citizenship, Jinguo has established clear social responsibility policies and goals, covering important issues such as workplace diversity, gender equality, and employee well-being, and has obtained the

internationally recognized SA8000 social responsibility certification, demonstrating Jinguo's firm commitment to protecting labor rights and fulfilling social responsibilities.

In order to actively give back to the local community and cultivate future talents, we continue to collaborate with various colleges and universities to promote educational cooperation and internship programs, accepting a total of 40 internship students, which not only provides students with practical learning opportunities but also promotes close connections between industry and academia, injecting new momentum into the sustainability of the industry.

5.03.2 Local Communities

Participate in community cultural activities

Actively participate in local community culture and public welfare activities, and practice corporate social responsibility through irregular or emergency relief, used clothes recycling, public welfare donations, and other actions, strengthening connections and mutual trust with the community.

● **Resource sharing and public welfare donations**

- ✓ Zhongyuan Festival Pudu Activity: Unified procurement of offerings of about NT\$30,000, combined with donations from colleagues, transferred by the village head to local disadvantaged groups, combining traditional culture and public welfare actions to convey corporate care and positive influence.
- ✓ Actively respond to public welfare activities, including blood donation and road running activities, as follows.
 - Blood Donation Event: Provide lottery gift sponsorship (worth NT\$6,000).
 - Ocean Road Run Event: Sponsor lottery gift NT\$6,000.
 - Road running activities: Provide lottery gifts and drinks worth NT\$6,000 to support healthy living and promote local sports culture.

● **Cultural event participation**

- ✓ April 29, 2024, December 11, 2023: Participate in the [Wuqi Chaoyuan Palace & Yamuliao Yongtiangong Palace] joint blessing activity to deepen cultural ties with the community.



- **Engage in sustainable initiatives**

- ✓ December 1, 2023: Participated in the ESG Environmental Sustainability Forum and was selected as one of the benchmark companies for carbon reduction, continuing to invest in low-carbon transformation and environmental sustainability, demonstrating the company's determination to actively address climate change.



By continuously participating in various community and public welfare activities, Jinguo not only deepens local relationships but also reflects the company's sustainability responsibilities in three major aspects: economy, society, and environment.

- **Care and donation for disadvantaged groups**

- September 9, 2024: During the Zhongyuan Pudu period, donate relevant offerings to local disadvantaged groups to care for the socially disadvantaged.
- 22 October 2023: Donated Zhongyuan Pudu-related offerings to local disadvantaged groups to continue to promote social care.



Employee community interaction activities

- December 11, 2023: Held a low-carbon and energy-saving road run to promote environmental protection and healthy lifestyles, and promote communication between employees and community residents.



- July 11, 2023: Organized an employee travel event - a three-day trip to Taipei and Yilan to enhance the camaraderie among employees and encourage employees to participate in community activities.



- September 25, 2024: Regional Joint Defense Drill - Emergency Response to Complex Disasters and Incidents, implementing joint defense mechanism response support and safety protection capabilities, demonstrating joint defense and mutual assistance and cooperation among manufacturers.



6. Environmental aspects

In the face of operational challenges and transformation opportunities brought about by climate change, after obtaining third-party verification of ISO 14064-1:2018 greenhouse gas inventory, the company can ensure the credibility and comparability of carbon management data as the basis for strategy formulation and performance evaluation.

6.01 Climate change

In response to global climate change and net-zero emission trends, the Company refers to the climate scenario framework recommended by the TCFD (Proposal for Climate-related Financial Disclosures) (e.g., global warming is controlled at 1.5°C, 2°C, or high emissions of 4°C) to conduct preliminary risk identification and impact assessment. Although there is currently no sufficient basis to accurately quantify the impact of each climate scenario on the company's finances and operations, based on the information currently available, the potential climate-related risks are as follows.

一、Types of climate risks and potential impacts

type	Risk statement	Potential impact
Physical risk	Extreme weather events (e.g., heavy rains, typhoons, droughts) cause damage to factory facilities or supply chain disruptions.	Production disruptions, rising operating costs, and increased insurance costs.
Transformation risk	In response to the tightening of climate policies, such as carbon fees, carbon taxes, energy restrictions, and other regulations.	Production costs have increased, and investment in low-carbon equipment and green processes needs to be increased.
reputational risk	Stakeholders' expectations for corporate sustainability are increasing, and inadequate response may affect brand trust and market evaluation.	Investor confidence declines, customers are lost, and corporate image is affected.
Goal and performance management	Planning and inventory operations have been initiated.	It is planned to continue to disclose specific medium- and long-term carbon reduction targets and implementation status in the future.

二、 Climate change risks and opportunities

category	Risk items	Potential opportunities	Workarounds
Physical risk	Extreme weather events (typhoons, floods, etc.).	Improve facility resilience design opportunities.	Assess plant risk hotspots and strengthen disaster protection and recovery plans.
	Water availability is reduced.	Promote water-saving technologies and reclaimed water utilization.	Introduce water-saving equipment and process improvements, and establish emergency water supply response plans.
Transformation risk	Policies and regulations are becoming increasingly stringent (carbon pricing, emission regulations).	Promote energy transition and develop renewable energy.	Set carbon reduction targets and implement carbon inventory and energy transition plans. Implement the TCFD framework to incorporate risk management.
	The market demand for low-carbon products is growing rapidly.	Develop green products and services to enhance differentiated competitiveness.	Adjust the product portfolio and invest in green design and innovative research and development.
	Pressure to update technology (subject to compliance with regulations or standards).	Through technological upgrades, operational efficiency and emission reduction are enhanced.	Invest in energy-saving and carbon reduction technologies and intelligent management systems.

Overall measures of the climate response strategy

- Governance Mechanism: Establish a sustainable development promotion team responsible for the formulation and implementation supervision of climate risk issues.
- Strategic Planning: Set specific carbon reduction targets to promote energy transition and resource efficiency optimization.

- Risk Management: Implement the TCFD framework to regularly identify and assess climate-related risks and opportunities as part of overall operational risk control.
- Performance Indicator Establishment: Establish KPIs such as greenhouse gas emissions, energy use, and water consumption, and regularly track and disclose them.

三、Climate change management strategies

The company's climate risk management strategy is disclosed and strengthened in accordance with the requirements of GRI 201-2 and the TCFD recommended framework (governance, strategy, risk management, indicators, and targets), which corresponds to the table below.

TCFD architecture	Corresponding content description	Corresponds to GRI
Governance	establish a climate risk management responsibility unit and include it in the decision-making level of the board of directors and senior executives; Included in the discussion items of the ESG management meeting.	How does the current governance mechanism deal with financial risks and opportunities related to climate change?
Strategy	Incorporate climate risks into medium- to long-term strategies, and consider plant sites, supply chains, and investment decisions. Scenario analysis planning.	Identify the significant financial impact of climate change (e.g., assets, revenue, costs).
Risk Management	Identify, assess, and manage climate risks, including physical, transitional, and reputational risks; It is included in the overall	Explain how organizations can integrate climate change risks into their risk management processes.

TCFD architecture	Corresponding content description	Corresponds to GRI
	operational risk management system.	
Metrics and Targets	ISO 14064-1 has been introduced for greenhouse gas inventory and verification; Plan medium- and long-term carbon reduction goals and gradually build a performance tracking mechanism.	Explain how organizations measure and monitor the effectiveness of managing climate-related risks.

四、Future Prospects

In the future, companies will further follow the TCFD recommended framework, continue to optimize climate risk management, and move towards greater transparency and institutionalization, with key actions as follows.

- Establish a clear climate risk governance framework and a dedicated promotion unit.
- Conduct climate scenario simulation analysis (e.g., 1.5°C, 2°C temperature rise scenarios).
- Systematically assess the potential financial impact of climate change on revenue, costs, and assets and liabilities.
- Disclose medium- and long-term carbon reduction goals and specific implementation results, and continue to improve carbon inventory and verification operations.

The Company has incorporated climate risk into the overall risk management process of the enterprise and continues to track domestic and international policy developments and climate science trends. In the future, climate scenario analysis tools and sensitivity testing mechanisms will be gradually built to enhance response and operational resilience

6.02 Greenhouse Gas Management

In the face of global climate change challenges, the company actively promotes greenhouse gas management, is committed to reducing carbon emissions from its operational activities, achieving low-carbon transformation, and aligning with international sustainable development trends and corporate carbon reduction commitments.

6.02.1 Greenhouse gas management strategies, methods, and objectives

Konkoku is committed to promoting effective management and reduction of greenhouse gases, and has formulated specific strategies and goals. The first carbon inventory will be conducted in 2024, and the results of this year's inventory will be set as the base year for the Company's carbon reduction. At the same time, it invests in improving energy efficiency, introducing renewable energy, and optimizing production processes, hoping to gradually reduce greenhouse gas emissions, and launches the following actions.

- Carbon inventory institutionalization: Conduct annual inventory and third-party verification in accordance with ISO 14064-1:2018 to enhance information transparency.
- Phased carbon reduction targets:
 - ✓ Goal 1: With 2024 as the base year, it is expected to reduce carbon emissions by 10% by 2030.
 - ✓ Goal 2: It is expected to reduce carbon emissions by 20% by 2035 and move towards the 2050 net-zero goal.
- Promote green power and energy-saving improvements: Continuously expand and optimize solar power generation facilities, introduce high-efficiency and low-energy-consuming equipment, and strengthen intelligent electricity monitoring and management mechanisms to improve overall energy efficiency.
- Incorporate carbon risks into risk management: Incorporate carbon emission costs, regulatory pressures, and supply chains into operational risk assessments.

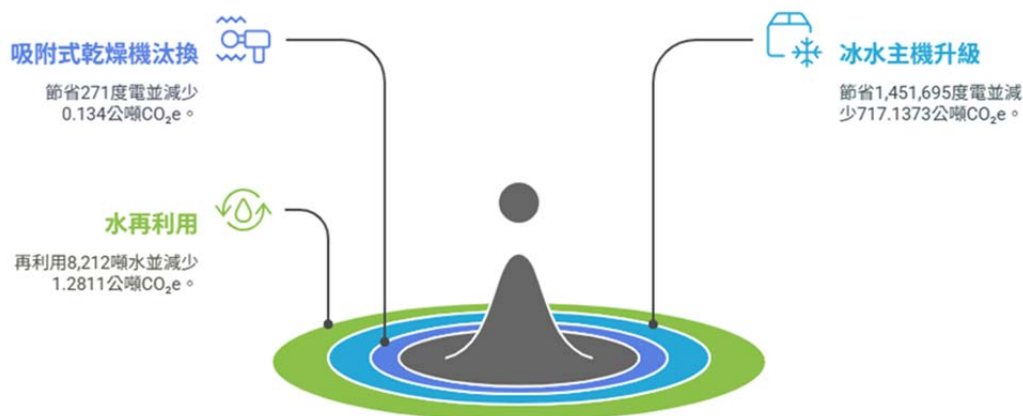
In terms of direct greenhouse gas reduction in Category 1, the company refers to the government's energy-saving and carbon-reduction policy of "using high-efficiency power equipment and accelerating the replacement of old equipment", and in response to the future trend of carbon fee regulations and the increasingly mature carbon credit market, it will give priority to the introduction of low-carbon emission equipment when expanding new factories and spaces. In addition, the company has completely replaced fuel-powered official vehicles with electric vehicles, and

converted the coal used to high-calorific value alternative fuels to effectively reduce greenhouse gas emissions generated during the process.

In addition to reducing greenhouse gas emissions related to capital goods, the company continues to promote the replacement of old equipment and the improvement of process energy conservation, and the specific actions in 2024 are as follows.

- Replacement of adsorption dryers at the China and Hong Kong plants: Replaced with new heating and adsorption dryers, saving 271 kWh of electricity per year and reducing carbon emissions by 0.134 metric tons of CO₂e.
- Upgrade of the main plant's chiller units: Replace three old chiller units with 150 RT and 180 RT inverter spiral models, saving 1,451,695 kWh of electricity and reducing carbon emissions by 717.1373 metric tons of CO₂e.
- Water Conservation and Water Reuse: The RO system recycles water for cooling towers and green areas for irrigation, resulting in an annual consumption of 8,212 tons and a carbon reduction of 1.2811 metric tons of CO₂e.
- Total investment: The total investment in energy conservation and water use improvement is NT\$712.

Energy conservation and carbon reduction measures



The types of energy used by the company and its plants in 2024 mainly include purchased electricity, oil for official vehicles, and oil for forklifts, all of which are non-renewable energy. Category 1 emissions reached 1,109 in 2024 9,888 metric tons of CO₂e, accounting for 5.99% of total emissions; Category 2 emissions were 17,049.1304 metric tons of CO₂e, accounting for 92.12%; Category 3 emissions are 3313,143 metric tons of CO₂e, accounting for 1.89%.

The greenhouse gas emission intensity of Category 1 and Category 2 is 7.490 (metric tons of CO₂e/million yuan). The emissions data for 2024 are calculated in accordance with the ISO 14064-1 standard and have been certified by external inspections.

6.02.2 Greenhouse Gas Emissions

In accordance with ISO 14064-1:2018, the company uses the operational control method to determine organizational boundaries, and uses the first inspection year – 2024 as the base year to calculate and verify greenhouse gas emissions. In response to the Financial Supervisory Commission's "Sustainable Development Roadmap for Listed and OTC Companies" expected to be launched in 2028, the company has taken the initiative to accelerate greenhouse gas inventory operations, which currently covers the following facilities.

- ✓ Main Factory: No. 91, Lane 562, Section 9, Shangshang Road, Wuqi District, Taichung City.
- ✓ China-Hong Kong Factory: No. 32, Jingyi Road, Wuqi District, Taichung City.
- ✓ Foshan Huaguo Optical Equipment Co., Ltd.: No. 3, Changhong East Road, Zhangcha Town, Foshan City, Guangdong Province.

● Direct Greenhouse Gas Emissions (Category 1)

The Company's total direct greenhouse gas emissions (Category 1) in 2024 were 1,109.9888 metric tons of CO₂e (Scope 1), accounting for 5.99% of the total emissions. Among them, the main emission source is fugitive emissions, with HFCs emitting the largest amount of greenhouse gases, accounting for 79.78%, followed by CH₄, accounting for 12.68%.

Category 1: Organize the seven major greenhouse gas emissions statistics tables

類別 1	CO ₂	CH ₄	N ₂ O	HFCs	PFCs	SF ₆	NF ₃	七種溫室氣體 年總排放當量
排放當量 (公噸 CO ₂ e/年)	37.0379	132.0903	0.6466	940.2139	0.0000	0.0000	0.0000	1,109.9888
氣體別占比 (%)	7.37%	12.68%	0.17%	79.78%	0.00%	0.00%	0.00%	100.00%

● Energy Indirect Emissions (Category 2)

The Company's indirect energy emissions (Category 2) in 2024 were 17,049.1304 metric tons of CO₂e (Scope 2), all of which were purchased from Taiwan Electric Power Company, accounting for 92.12% of the total emissions.

● Other Indirect Greenhouse Gas Emissions (Category 3)

The Company's total indirect greenhouse gas emissions (Category 3) in 2024 were 331.3143 metric tons of CO₂e (Scope 3), accounting for 1.89% of the total emissions. The main source of emissions is employee commuting emissions.

In 2025, the company completed the third-party verification of the 2024 greenhouse gas inventory data for the first time and obtained a verification statement. In view of the fact that no third-party verification was conducted in previous years, in order to maintain the accuracy and comparability of the disclosed data, this report only discloses verified greenhouse gas emissions in 2024 and does not include historical data that has not been verified before 2024 as a basis for comparison.

Total greenhouse gas emissions

The company's total carbon emissions in 2024 were 18,490.433 t CO₂e, and overall, purchased electricity is the key point of the company's carbon emissions, and subsequent carbon reduction strategies should prioritize energy use optimization and green power procurement. The greenhouse gas emission intensity of Category 1 and Category 2 is 7.490 (metric tons of CO₂e/million yuan).

- Category 1: The total amount is 1,109.9888 metric tons of CO₂e, accounting for 5.99% of the total emissions.
- Category 2: The total amount is 17,049.1304 metric tons of CO₂e, accounting for 92.12% of the total emissions.
- Category 3: The total amount is 331.3143 metric tons of CO₂e, accounting for 1.89% of the total emissions.

Total carbon emissions

類別	類別 1 直接排放					類別 2 能源間接排放	類別 3 運輸間接排放					總排放當量
排放型式	固定 燃燒	移動 燃燒	逸散 排放	製程 排放	土地 利用	外購電力	上游 運輸	下游 運輸	員工 通勤	商務 旅行	訪客 運輸	
排放當量	1,109.9888					17,049.1304	331.3143					18,490.433
(公噸 CO ₂ e/年)	15.0968	21.0816	1,073.8105	0.0000	0.0000	17,049.1304	0.0000	0.0000	331.3143	0.0000	0.0000	
氣體別占比	5.99%					92.12%	1.89%					100.00%
(%)	0.11%	0.33%	5.55%	0.00%	0.00%	92.12%	0.00%	0.00%	1.89%	0.00%	0.00%	

Note 1: Gasoline and diesel used in official vehicles are counted based on refueling records; The diesel used in the forklift is counted according to the refueling records; LPG and carbon dioxide consumption are calculated based on procurement records; Electricity is counted according to

the electricity bill.

Note 2: Greenhouse gas emissions = activity data * greenhouse gas emission factor * GWP; The compilation of greenhouse gas emissions adopts the operational control method; The greenhouse gas emission factor and GWP are based on the greenhouse gas emission factor announced by the Ministry of Environment 1130205 the Executive Yuan and the values of the IPCC Fifth Assessment Report (2013). The electricity carbon emission factor is the electricity carbon emission factor published by the Energy Bureau of the Ministry of Economic Affairs.

Note 3: Greenhouse gas emissions include CO₂, N₂O, CH₄, and HFCs. Scope 2 is calculated based on the location-based method.

Note 4: The unit of emission intensity is metric tons of CO₂/million yuan of revenue; Net individual revenue in 2024 was 2,424.479 million yuan.

Note 5: The unit conversion of LPG is calculated using the Energy Bureau's Energy Product Unit Calorific Value Table for 1 kilogram of 1.818 liters.

Air pollution control - there is emission ODS

The company has fully installed air pollution prevention and control equipment and continues to strengthen source management and process optimization to reduce the negative impact of pollutants on the environment. In 2024, a small number of chillers still use the ozone-depleting substance R-22 (ozone depletion potential ODP = 0.055), and its fugitive is converted to 0.0005 tons of CFC-11 equivalent. In the event of equipment failure or maintenance, the company will gradually replace it with environmentally friendly refrigerants to reduce the impact on the ozone layer and further implement global climate change mitigation actions.

6.03 Energy Management

The company is committed to improving energy efficiency, promoting energy-saving and carbon reduction measures, and actively introducing renewable energy to achieve sustainable operational goals and reduce environmental impact.

6.03.1 Energy Use Policy

- **Energy Usage Overview:** The company's main energy source is purchased electricity, covering the electricity demand of production processes and office buildings.

- Renewable Energy Introduction: Solar energy equipment has been installed with an installed capacity of 81.6 kW, and the feasibility of expanding renewable energy facilities is continuously evaluated.
- Energy Saving Improvement Measures:
 - ✓ Import e-invoices.
 - ✓ The entire plant was replaced with energy-efficient LED lamps and inductive lighting was installed.
 - ✓ Replace the old air compressor system with a high-efficiency oil-free air compressor.
 - ✓ Update the central air conditioning chiller unit and match it with a frequency converter.
 - ✓ Strictly monitor the monthly electricity consumption of each unit.
 - ✓ Energy-saving improvements are made for energy-consuming equipment.
- Energy declaration and results: Since 2015, we have participated in the energy audit network declaration every year and continue to promote energy conservation and carbon reduction.

6.03.2 Energy Usage

Jinguo Company will continue to promote energy management strategies, improve energy efficiency, and actively introduce renewable energy to achieve energy conservation and carbon reduction goals, and move towards sustainable development. The following is an overview of energy consumption in the past three years.

Energy usage

YEAR	TAIPOWER POWER (KWH)	SOLAR PRICE (KWH)	ELECTRICITY SAVING EFFECT (KWH)	POWER SAVING RATE
2024	18,539,200	104,318	261,596	1.39%
2023	20,490,400	103,199	700,885	3.31%
2022	23,232,400	106,796	176,177	0.75%



6.04 Water Resources Management

Jinguo Company is committed to effectively managing water resources by installing intelligent water-saving facilities, recycling and reusing industrial condensate and rainwater, and establishing response mechanisms and continuous monitoring to improve overall water efficiency and reduce emissions and environmental impacts to achieve sustainable development goals.

6.04.1 Water management or reduction targets

Water Resources Management

The company is committed to effectively managing water resources, continuously improving water efficiency, reducing environmental impact, and achieving sustainable development goals through institutionalized management, reuse technology, and water shortage response mechanisms.

The main water source is Taiwan Water Supply Company, with water supply pipes of 2 inches and 3 inches.

- Water Resources Management System: Formulate water resource management policies, regularly check water consumption and efficiency, and set annual water recycling and water conservation targets.
- Water-saving facilities and measures:
 - ✓ RO system wastewater is diverted to cooling towers and irrigation areas for reuse.
 - ✓ The pure water discharged from the process is treated and recycled for reuse.

- ✓ Water equipment is equipped with water-saving devices.
- ✓ Cooling towers are regularly cleaned and monitored for water quality to extend water efficiency.
- Water Shortage Response Plan: A water storage facility with a total capacity of 310 cubic meters is set up to activate a response mechanism in case of water shortage to ensure the supply of water for domestic and industrial use.

6.04.2 Water Usage

Water resource use

In view of the limited water resources, RO waste liquid has been introduced to recycle and reuse in the air conditioning and cooling system to reduce the overall water consumption.



Supplementary explanation: All factories in the country use tap water as the main source, and the amount of water reused through the RO system reaches 8,212 tons, corresponding to an annual carbon reduction benefit of about 1.2811 tons of CO₂e. In the future, we will continue to improve the proportion of recycled water and water efficiency, and formulate water intensity (kWh/thousand yuan output value) indicators to track the results.

The company has achieved remarkable results in water resource recycling and reuse, and will continue to promote water-saving measures to improve water efficiency and regularly review water usage to achieve sustainable water use goals, with the water recovery rate (R1) in recent years as follows.

2021至2024年用水回收率



備註：全廠用水回收率 R1 (重複利用率) = $\frac{\text{總循環水量} + \text{總回收水量}}{\text{總用水量}} \times 100\%$

In order to respond to possible water shortages and ensure a stable supply of production and domestic water, the company has formulated a comprehensive water shortage emergency response plan, which includes the following.

- Water Storage Facilities: The plant features 31 water towers, each with a capacity of 10 tons, with a total storage capacity of 310 cubic meters, providing domestic and other water needs in a short period of time.
- Response Team: The Response Team consists of the Management Department, Equipment Security Division, and General Affairs Division, responsible for coordinating response measures during water shortages.
- Response Process: In response to sudden water outages, a complete response process has been established to ensure that production operations are not affected and to protect the water needs of employees and the factory. The main measures are described below.
 - ✓ Grasp water outage information in real time: Take the initiative to contact the water supply company Shalu Office as soon as possible to confirm the scope of the water outage, the impact period, and the expected water supply resumption time as a basis for contingency planning.
 - ✓ Inventory of regional backup water resources: Confirm with the management unit of the China-Hong Kong Export Processing Zone the water storage status of Reservoir No. 1 in the area, which has a total capacity of 15,000 tons, and will be replenished before the water is stopped as a backup water source.
 - ✓ Sufficient water storage in the plant: Before the water outage, the 31 water towers in the plant were refilled in advance, each with a capacity of 10 tons, and a total of 310 tons of water could be stored to support production and daily needs.

- ✓ Diversified backup water supply measures: Simultaneously contact cooperative water supply companies to urgently replenish water in the factory area by water truck transportation when necessary, and continue to supply until the water supply is restored, reducing the impact of water outages on operations.

Through the above-mentioned multi-level response measures, it ensures that the plant can maintain normal operations even in the face of sudden water outages, demonstrating the importance that the country attaches to operational resilience and sustainable management.

6.05 Waste management

The company is committed to promoting waste reduction and recycling, achieving the goal of circular economy and reducing environmental impact through comprehensive management systems and continuous improvement measures.

6.05.1 Waste management or reduction targets

Waste management

According to the "Waste Management Procedures", the company establishes a comprehensive waste management system from source reduction, process improvement to end-of-line treatment, and is committed to achieving the goals of circular economy, zero waste, and environmental protection.

For greenhouse gas reduction, water use reduction, and other waste management policies, we have set clear goals and actively promoted various improvement measures, and the specific results are as follows.

1. Improvement of energy saving of the pump of the plating machine in the China and Hong Kong plants

The China-Hong Kong plant has replaced the original pumps of the plating machine with energy-saving TURBO pumps, and has completed the renovation of six equipment, saving 375,436 kWh of electricity per year, significantly reducing energy consumption.

2. The performance of the air compressor system in the main plant has been improved

For the air compressor system of the main plant, a comprehensive inventory of old high-energy-consuming equipment was carried out and replaced with a new one, and

two new inverter air compressors were purchased to reduce the no-load start frequency and standby power consumption. After the improvement, the annual electricity consumption reached 256,202 kWh.

3. Water conservation measures



Continue to promote the recycling and reuse of RO recycled water in process cooling towers and green irrigation in the factory area, with an annual RO recycled water volume of 8,212 tons. At the same time, the washing machine recycling program is implemented, with an annual recycling capacity of approximately 13,000 tons and an average of 152 tons of water per day, effectively improving water resource utilization efficiency.

Through the above policies and specific measures, we demonstrate our commitment to environmental sustainability and continue to improve resource management and carbon reduction actions to achieve the goal of zero waste and green manufacturing.

Waste reduction and resource recycling

According to the "Waste Management Procedures", Jinguo Company continues to promote process waste reduction and resource recovery, and entrusts qualified treatment plants to carry out recycling, reuse, incineration or landfill disposal according to the nature of waste.

In addition, it actively promotes the reuse of waste, and in addition to complying with the announced items R-0401 and R-0701, it also conducts physical treatment for categories such as D-0902 and D-1099, which are recycled and reused by qualified treatment plants. To improve overall resource efficiency, we continuously track the reuse ratio and set improvement targets.

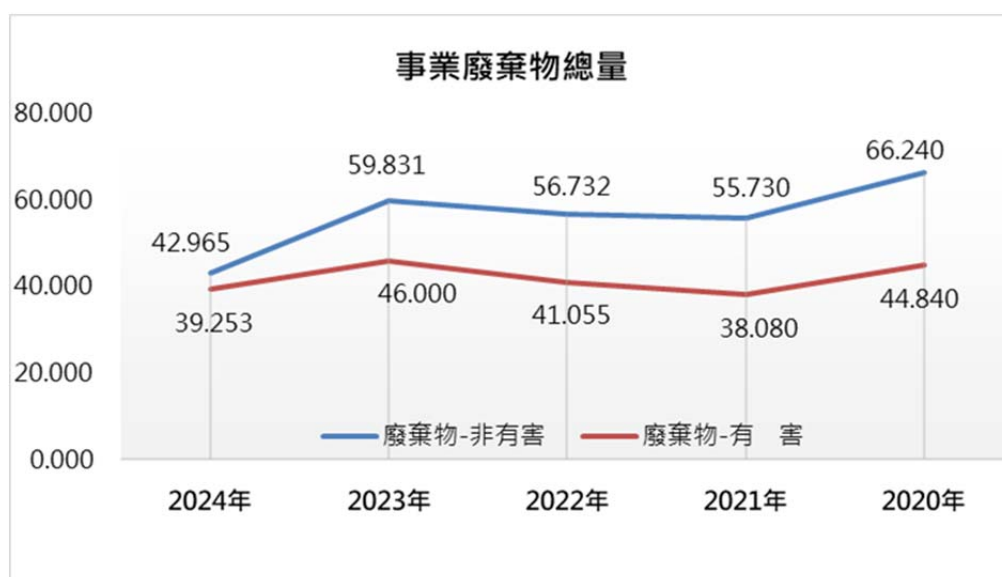
2020至2024年廢棄物資源化管理					
廢棄物資源化	2024年	2023年	2022年	2021年	2020年
 資源再利用	31.590	50.611	51.144	46.070	58.450
 再利用率	38.42%	47.82%	52.30%	49.11%	52.62%

6.05.2 Waste generation

Waste generation

Observing the overall data of the company in the past five years, the total amount of industrial waste has shown a downward trend year by year, from 111.08 tons in 2020

to 82.22 tons in 2024, indicating that the effectiveness of waste reduction is gradually emerging. The resource reuse rate will remain between 38%~53%, and we will continue to promote efficient recycling and reuse technologies in the future, hoping to further increase the resource utilization rate and implement the goals of circular economy and waste minimization. The actual annual clearance volume statistics of the plant are as follows.



廢棄物管理年度數據表					單位:噸
廢棄物種類	2024年	2023年	2022年	2021年	2020年
非有害廢棄物	42.9648	59.831	56.732	55.730	66.240
有害廢棄物	39.253	46.000	41.055	38.080	44.840
事業廢棄物總量	82.2178	105.831	97.787	93.810	111.080
焚化-非有害	11.3748	9.220	5.588	9.660	7.790
焚化-有害	23.823	21.190	17.755	15.260	19.760
焚化處理總量	35.1978	30.410	23.343	24.920	27.550
掩埋-非有害	0	0	0	0	0
掩埋-有害	15.430	24.810	23.300	22.820	25.080
掩埋處理總量	15.430	24.810	23.300	22.820	25.080
資源化再利用量	31.590	50.611	51.144	46.070	58.450
資源化再利用率	38.42%	47.82%	52.30%	49.11%	52.62%

The summary of waste classification and treatment this year is as follows:

- Waste Type: Waste includes hazardous industrial waste (such as laboratory waste, waste oil, etc.) and general industrial waste (such as sludge, packaging

material waste, etc.), of which general industrial waste accounts for more than 90%.

- Main treatment methods: including incineration, announcement reuse, physical treatment, and solidification/burial, etc., mainly incineration and reuse, indicating that the company is actively promoting resource recycling.
- Recycling and reuse results: The total amount of reuse (such as waste solvent recycling) was announced to be about 15 metric tons, indicating that the company has gradually increased the proportion of recyclable waste.
- Plant Distribution: Waste mainly comes from the China and Hong Kong factories and the main plant, and the types and treatment methods of waste are slightly different, but they are all treated in accordance with the principles of legality and optimization.

The company will continue to strengthen waste classification management in accordance with relevant laws and regulations, and set annual reduction targets, committed to reducing the impact on the environment and implementing the concept of circular economy.

proje	Waste Code	factory	Whether to recycle	How to deal with it	Waste category	2024 (Ton)
1	C-0301 Isopropyl Alcohol/Lactic Acid	China- H c n g K c n g H a c t c r y	not	incinerate	harmful	11.733
2	C-0399	China- H c	not	incinerate	harmful	2.79

proje	Waste Code	factory	Whether to rec ycl e	How to deal with it	Waste categ ory	2024 (Ton)
3	D-1701	China-	not	incinerate	So so	0.7748
4	D-1799	China-	not	incinerate	So so	4.88

proje	Waste Code	factory	Whether to rec ycl e	How to deal with it	Waste categ ory	2024 (Ton)
5	D-0299	China-	not	incinerate	So so	33.6
6	D-0699	China-	not	incinerate	So so	11.6
7	D-1099	China-	be	Physical,	So so	1.72

proje	Waste Code	factory	Whether to rec ycl e	How to deal with it	Waste categ ory	2024 (Ton)
				reprocessed into cement and concrete raw materials		
8	R-0201	China-	be	Announcem ent reus e	So so	4.68
9	R-0401	China-	be	Announcem ent reus e	So so	3.08

proje	Waste Code	factory	Whether to rec ycl e	How to deal with it	Waste categ ory	2024 (Ton)
10	R-0701	China-	be	Announcem ent reus e	So so	1.21
1	C-0111	Main	not	Curing/buri al	harmful	15.43
2	C-0301	Main	not	incinerate	harmful	9.303
3	D-1799	Main	not	incinerate	So so	5.72

proje	Waste Code	factory	Whether to rec ycl e	How to deal with it	Waste categ ory	2024 (Ton)
4	D-0699	Main	not	incinerate	So so	19.671
5	D-0902	Main	not	Physical treat ment	So so	20.27
6	R-0401	Main	be	Announcem ent reus e	So so	4.97
7	R-0701	Main	be	Announcem ent reus e	So so	0.34
					sum total	82.218

Note 1: The waste unit is metric tons.

Note 2: The amount of waste is compiled from the environmental management platform of each plant,
and the data disclosure accounts for 100% of the coverage rate of the production sites in this

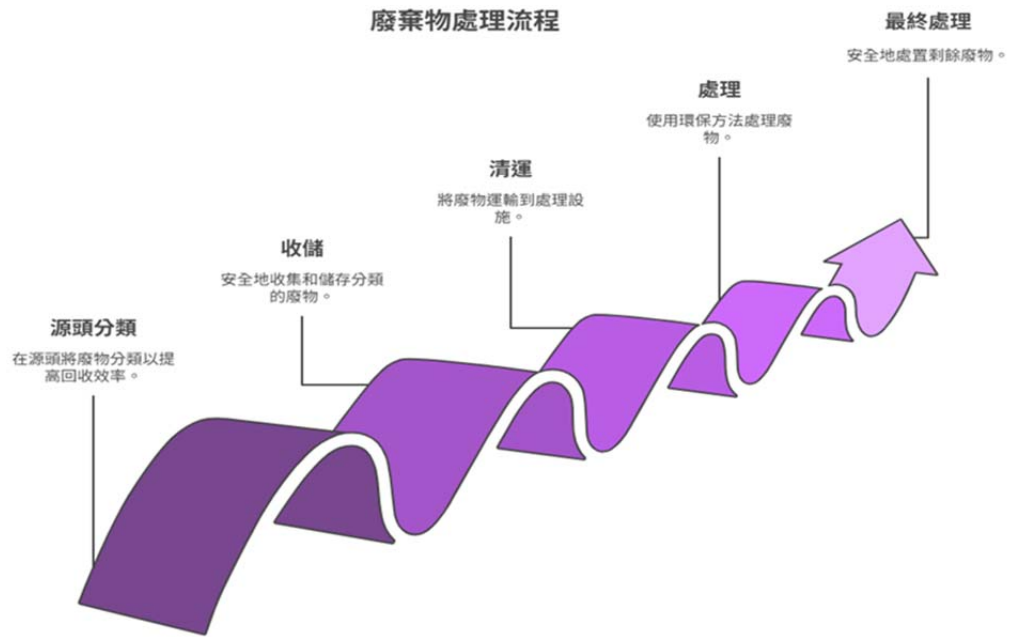
report.

Note 3: The industrial waste data is the same as the data on the Ministry of Environment's declaration platform.

6.06 Waste treatment process and improvement measures

Through a complete waste treatment process (source sorting→ storage→ cleaning→ treatment→ final disposal), combined with the 5R principles, the company fully implements the circular economy thinking in terms of manufacturing processes, recycling, supply chain, and employee participation. In the future, we will continue to:

- **Reduce & Refuse:** Continuously optimize process yield and improve packaging design to reduce raw material waste and packaging waste, ensuring waste reduction effectiveness and cost-effectiveness.
- **Recycle:** Set up recycling facilities for metals, plastics, paper, and other materials to conduct rigorous waste diversion operations to improve resource reuse rates and recycling efficiency.
- **Supply Chain Cooperation (Recover):** Sign cooperation with qualified waste removal and resource treatment companies to promote waste reuse and strengthen logistics tracking and flow management to ensure compliance and efficient circulation.
- **Employee Advocacy (Full Participation):** Regularly organize waste classification and management education and training to strengthen employees' environmental awareness and operational capabilities, complying with international environmental management standards such as ISO 14001.



This complete mechanism not only effectively reduces waste disposal costs and environmental burden, but also strengthens the core value of the company in sustainable competition. We will uphold the following commitments:

- Principles of transparency and accountability.
- Build a measurable and verifiable management performance system.
- Respond to sustainability goals with practical actions and move towards a greener and more resilient future.



Company name: Kinko Optical Co., Ltd.
Contact address: No. 91, Lane 562, Section 9, Shang Road,
Wuqi District, Taichung City
Contact number: 04-2630 5679
Email: 04-2630 5638
Current country's website: <http://www.kinko-optical.com>
Reporting Period: This report covers 2024/01/01 ~ 2024/12/31
Release date: August 2025