

**Sustainability
Report
2024**

AOT

**Advanced Optoelectronic Technology
2024 Sustainability Report**

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Letter from the Chairman

In recent years, the world has entered an era of rapid change. Faced with war, pandemics, and inflation, both business operations and the overall economy have encountered turbulence and impact. Moreover, the effects of climate change on our living environment have grown more severe, and the pressure on companies to respond to these compounded issues has become increasingly urgent. The World Meteorological Organization (WMO) released its annual global climate report, noting that 2024 is the hottest year on record for average global surface temperatures—1.5°C higher than pre-industrial levels—exceeding the 1.5°C threshold set by the Paris Agreement in 2015. Extreme weather events such as heatwaves, wildfires, torrential rain, and floods are now impacting our daily lives with greater frequency and intensity.

◆ Advancing Corporate Sustainability

As a global citizen, AOT established a Sustainable Development Committee in August 2024 to promote sustainability. In the same board meeting, the “Risk Management Policy and Procedures” were approved to establish a sound risk management framework. We aim to foster sustainable development, strengthen international competitiveness, enhance risk management, and promote social justice. Through the collective efforts of all employees, we strive to create greater value for all stakeholders.

◆ Voluntary Greenhouse Gas Inventory

In response to the global consensus on net-zero carbon emissions at COP28, the implementation of Nationally Determined Contributions (NDC), the official launch of the Climate Change Response Act, and the European Union’s Carbon Border Adjustment Mechanism (CBAM) coming into force in 2026, AOT took early action. In

2013, we voluntarily initiated Scope 1 and Scope 2 greenhouse gas inventories and obtained ISO 14064-1 system certification. In 2023, we further advanced to conduct Scope 3 inventory and verification ahead of schedule. Going forward, we will continue to promote and complete greenhouse gas inventories and certifications for all subsidiaries, in alignment with our sustainability roadmap, and to prepare for potential international carbon policy changes. In 2024, aside from initiatives such as turning off lights and adjusting air conditioning temperatures, we also optimized equipment operation schedules, resulting in a total electricity savings of 340,000 kWh—a 2.35% reduction. Water usage was reduced by 4.5% through improved efficiency of water storage facilities, which helped decrease evaporation and overflow. In addition, the Company conducts regular inspections and manages hazardous substances in accordance with RoHS and REACH international standards. Our supply chain partners also cooperate in these efforts to reduce the environmental impact of operations.

◆ Advancing Information Security Transformation

In 2024, major cybersecurity incidents continued to emerge globally. Cyberattacks are on the rise, with increasing threats such as ransomware, data breaches, and hacking. Enterprises face an increasingly challenging cybersecurity landscape. Recognizing the importance of information security management to sustainable development, AOT has implemented systematic controls, including mobile device management and two-factor authentication. Through workflow optimization and automated control systems, we are laying a solid foundation for the Company’s long-term sustainable growth. We have also initiated planning for ISO 27001 certification, with completion expected by the end of 2025. This certification process will help reduce cybersecurity vulnerabilities and enhance the Company’s risk management capabilities.

◆ Contributing to Energy Conservation and Carbon Reduction

Climate change is a critical issue for all humankind—none of us are exempt. In the new era of net-zero and sustainability, we see both risks and potential opportunities in carbon-related issues. AOT is committed to contributing positively to mitigating global warming, while also evaluating the potential operational risks posed by climate change to ensure business continuity. We are proud to continue producing environmentally friendly products such as high-power LED and automotive LED products. For example, high-power LED bulbs significantly reduce annual electricity consumption compared to traditional bulbs. Based on our 2024 shipment volume of 2.57 million units and their contribution across the entire value chain, we estimate a savings of approximately 1.71 million kWh of electricity. Moving forward, we will continue investing in the development of high-efficiency, energy-saving products to support the carbon reduction potential of LED applications.

Advanced Optoelectronic
Technology Inc.
Chairman

Fang, Jung-Hsi

◆ Promoting Shared Prosperity in Society

While pursuing revenue and profit, AOT also fulfills its corporate social responsibility. Our CSR principles span six major dimensions: corporate governance, environmental sustainability, supply chain sustainability, employee care, social welfare, and risk management. We are dedicated to environmental protection and social responsibility, and we place great importance on employee well-being, health, safety, and talent development. Upholding a people-oriented philosophy, AOT strives to provide reasonable compensation systems and implements ESG principles. We continuously improve working conditions and employee benefits, implement the ISO 45001 occupational safety and health management system, and carry out initiatives such as comprehensive training and regular health checkups, ensuring employees work in a legal, fair, safe, and healthy environment. In 2019, we established the “AOT Cultural Foundation” with the goal of giving back to society. Through community engagement, we fulfill our corporate duty to give back what we gain from society. While pursuing revenue and profit, we also actively participate in social welfare activities, striving to build positive corporate-society interactions and deeply integrate sustainability and social care. In 2024, we donated and sponsored local elder care facilities, disadvantaged community groups, charities, rural education in Hsinchu, and traditional craft preservation. Total contributions exceeded NT\$400,000, benefiting over 1,000 individuals, in alignment with our commitment to deep local engagement.

We firmly believe these efforts will have a positive impact on the future development of the Company. Through ongoing innovation, collaboration, and strategic adjustments, we can coexist and thrive with the environment to achieve sustainable development. With the united efforts of all employees, we are confident we can overcome all challenges and achieve our shared sustainability goals.

About the Report

To pursue corporate sustainable development and enhance information transparency, AOT has issued the 2024 Sustainability Report (hereinafter referred to as "this Report"). Through this Report, we explain to stakeholders the measures and performance under our sustainable management goals, including the establishment of ethical governance, implementation of environmental protection and occupational safety measures, and improvement of employee compensation and benefits. AOT hopes that stakeholders will continue to follow our progress and provide valuable suggestions, enabling the Company to move forward steadily on the path of corporate sustainability.

ESG Information Disclosure

Disclosure Category	Coverage Scope
Period	Full year of 2024. To ensure the completeness of disclosure, any content involving operational activities across different years is separately explained in the relevant sections of this Report.
Restatements of information	There are no restatements in this Report.
Operational Locations	Taiwan sites (Hukou Headquarters, Siwei Plant) Overseas subsidiary (ZHAN JING)
Financial Data	Consistent with the standalone financial statements
Environmental, Health, and Safety Data	Taiwan sites (Hukou Headquarters, Siwei Plant)
Employee Data	Taiwan sites (Hukou Headquarters, Siwei Plant)
Performance of Public Welfare Activities	AOT and AOT Cultural Foundation
Differences Between This Report's Boundary and Consolidated Financial Statements	<ul style="list-style-type: none"> Asphetek Solution Inc. ZHAN JING (Shenzhen) Technology Co., Ltd.

Basis of preparation and information confirmation method

- This Report is prepared in accordance with the 2021 edition of the Global Reporting Initiative (GRI) Standards, and complies with the "Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE/TPEX Listed Companies." It also references the Sustainability Accounting Standards Board (SASB) standards. The appendix includes a GRI Content Index, a SASB Mapping Table (Semiconductor Industry), and climate-related disclosures required for listed companies, provided for stakeholder reference.
- The financial data disclosed in this Report has been audited and certified by PwC Taiwan in accordance with International Financial Reporting Standards (IFRS), and is presented in units of NT\$1,000. Data related to environmental protection, employees, and occupational safety and health is compiled by the responsible departments, confirmed by the respective department heads, and presented using internationally accepted calculation methods.
- AOT has established the "Sustainability Report Preparation and Verification Procedures." After the Report is internally compiled, it is first reviewed by the responsible departments for accuracy of ESG-related information, then submitted to the Sustainable Development Committee to confirm that it comprehensively covers the identified material topics. The information disclosed in the Sustainability Report is further reviewed through the internal control system to ensure compliance with the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" and the "Regulations Governing Establishment of Internal Control Systems by Public Companies." Each year, the status of ESG

project implementation is reported to the Board of Directors in the first half of the year, and the ESG Report is submitted for Board resolution prior to its publication in the second half of the year.

- To enhance the quality of disclosure in the Report, AOT engaged Great Certification Co., Ltd., an independent external organization with no conflict of interest with the Company, to conduct Type 1 moderate assurance in accordance with AA1000AS v3. The verification confirmed the Report's compliance with the GRI Standards 2021, and a statement of assurance is provided in the appendix for reference.
- AOT's Taiwan manufacturing sites (Hukou Headquarters and Siwei Plant) have obtained certifications for the IECQ QC 080000:2017 Hazardous Substance Process Management System, IATF 16949:2016 Automotive Industry Quality Management System, ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System, and ISO 45001:2018 Occupational Safety and Health Management System. The Company continues to maintain the validity of these certifications.

Frequency of Issuance

This is the first ESG report published by AOT. In the future, the Company will issue the report annually. To improve the transparency and accessibility of disclosed information, the complete electronic version of this report is available for download from AOT's official website.

Feedback

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

Management System	ISO 9001:2015	ISO 14001:2015	ISO 14064-1:2018	IATF 16949:2016
Certification Bodies	DQS	SGS	Taiwan Testing and Certification Center (ETC)	DQS
Management System	ISO 45001:2018	IECQ QC080000:2017	ISO/ICE 17025:2017	ANSI/ESD S20.20-2021
Certification Bodies	SGS	DQS	DQS	DQS



Sustainable Development Department, AOT

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Sustainability Performance

Aspect	2024 Sustainability Actions
 <p>Governance/Economic Aspect</p>	<ul style="list-style-type: none"> • In the 11th Corporate Governance Evaluation, AOT was ranked in the 51%–65% range among all listed (or OTC) companies and placed in the top 11%–20% among listed/OTC companies with a market value under NT\$5 billion. • Female directors accounted for 14.29%, and independent directors accounted for 57.14%. • Average ESG-related training hours per director reached 6 hours, and the corporate governance officer completed 18 training hours. • No reports were received regarding violations of integrity; no violations of corporate governance laws or regulations were recorded; and no major deficiencies were found in internal control operations. • Standalone revenue for the Company was NT\$1,842,190 thousand. • Customer satisfaction survey score reached 4.76. • No significant information security incidents occurred during the year that disrupted operations, and no personal data breaches were reported.
 <p>Environmental Aspect</p>	<ul style="list-style-type: none"> • Passed the ISO 14001:2015 Environmental Management System certification. • Energy intensity was 18.7126 GJ per million production units, water intensity was 8,124 liters per million units, waste generation intensity was 0.022 metric tons per million units, and greenhouse gas emission intensity was 3.2470 metric tons per million units—all showing reductions compared to the previous year. • Adopted the ISO 14064-1:2018 standard for greenhouse gas inventory. In the first year, Scope 3 emissions were inventoried and verified by a third party. • Usage of gasoline and diesel within the plant decreased by 126 liters compared to the previous year. • Greenhouse gas emissions were as follows: Scope 1: 477.479 metric tons CO₂e Scope 2: 6,687.5042 metric tons CO₂e Scope 3–6: 1,679.8791 metric tons CO₂e • Compared with the previous year, Scope 1 emissions increased by 43.8853 metric tons CO₂e; Scope 2 emissions decreased by 450.2239 metric tons CO₂e; Scope 3–6 emissions increased by 145.6680 metric tons CO₂e. • Water consumption decreased by 1.04 million liters compared to the previous year. Wastewater discharge increased by 0.2 million liters. Wastewater recycling rate reached 2%.

Aspect

2024 Sustainability Actions



Environmental Aspect

- Total waste generation decreased by 3.43 metric tons year over year.
- AOT complies with RoHS and REACH hazardous substance management regulations and with customer requirements. Suppliers are also required to sign commitment letters to ensure no use of hazardous substances.
- No complaints were received regarding hazardous substance management. No conflict minerals were procured.
- Customer audits under the Responsible Business Alliance (RBA) were conducted with no major deficiencies.
- For primary (Tier 1) raw material suppliers, AOT required the inclusion of RBA-related commitments in procurement contracts. A total of five suppliers signed such commitments, accounting for 50% of major suppliers.
- No records of violations of environmental laws and regulations were found.
- No supply chain disruptions occurred due to suppliers violating laws and regulations related to environmental, human rights, or occupational safety responsibilities.



People
(Including Human Rights)

- To safeguard employment rights, all employees are on non-fixed term, full-time contracts.
- The average salary for non-managerial employees increased by NT\$28,000 compared to the previous year, while the median salary increased by NT\$13,000.
- Female employees accounted for 68.15% of total staff, and female managers at or above the supervisory level accounted for 29.63%.
- 81.06% of employees were under the age of 50.
- The retention rate after parental leave without pay was 100%.
- Average training hours per employee reached 5.66 hours.
- AOT passed the ISO 45001:2018 Occupational Safety and Health Management System certification.
- During the year, zero occupational incidents were recorded. No cases of death, severe injuries, or recordable occupational injuries or diseases occurred among employees.
- No violations of labor laws or regulations were recorded.
- No labor disputes occurred.
- More than NT\$400,000 was donated to support disadvantaged groups. A total of 448 volunteer instances participated in public welfare activities.

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CHAPTER

Stakeholder Engagement

- 1.1 Sustainable Development Committee
- 1.2 Identify Stakeholders
- 1.3 Stakeholders Communication
- 1.4 Identify Material Topics

I. Stakeholder Engagement

1.1 Sustainable Development Committee

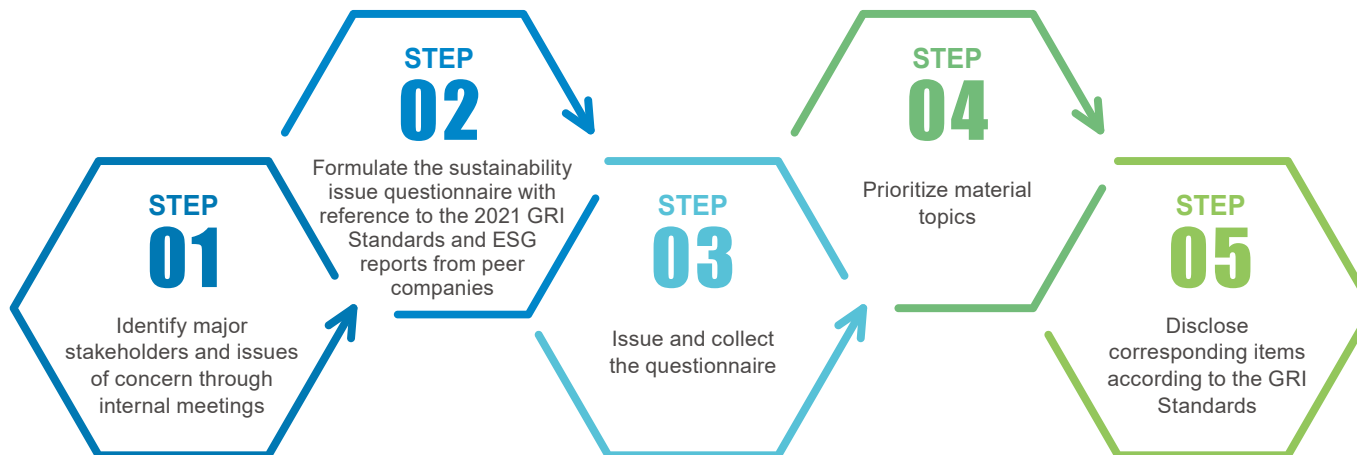
In 2024, the Board of Directors of AOT approved the Organizational Charter for the Sustainable Development Committee and established the Sustainable Development Committee (hereinafter referred to as the ESG Committee), appointing the Chairperson as the convener. To further enhance overall ESG performance, it is expected that in 2025 the committee will be elevated to a functional committee at the Board level. It will have no fewer than three members, all of whom must possess professional knowledge and capabilities in sustainability, with at least one director participating

in supervision. The ESG Committee formulates sustainable development policies and is responsible for their promotion and implementation within the company, gradually integrating sustainable management concepts into AOT's corporate culture.

In response to the scope of sustainable development—covering environmental, social (including human rights), and corporate governance (collectively referred to as ESG)—the ESG Committee has established six specialized working groups. The responsible departments collect stakeholder concerns regarding environmental protection, occupational safety, supply chain management, labor and human rights, operational performance, and corporate governance. Respecting stakeholder rights and

interests, a stakeholder section has been set up on the company's website to appropriately address key sustainability topics of concern. AOT has established the "Operational Procedures for the Compilation and Verification of the Sustainability Report," and incorporated it into its internal control system. At least once a year, the ESG planning and implementation status is reported to the Board of Directors. The report includes the material topics identified by AOT, the corresponding risk responses, goals related to these topics, and implementation status. Additionally, the ESG report is scheduled for submission to the Board for resolution in the second half of the year. The Board of Directors reviews a report from the ESG Committee annually. The ESG Committee proposes sustainable development strategies to the Board. The Board must assess the likelihood of these strategies' success, continuously monitor their progress, and prompt the management team to make necessary adjustments—ensuring the Board's substantive participation in AOT's ESG practices.

Stakeholder and Material Topic Identification Process



Sustainable Development Best Practice Principles



Committee Charter of the Sustainable Development Committee



I. Information on the members of the Sustainable Development Committee

By identity	Professional qualifications and experiences
Convener	Chairman
Committee Member	Corporate Governance Officer
Committee Member	Head of Operation Center
Committee Member	Head of Quality Assurance Department
Committee Member	Head of Human Resources Department

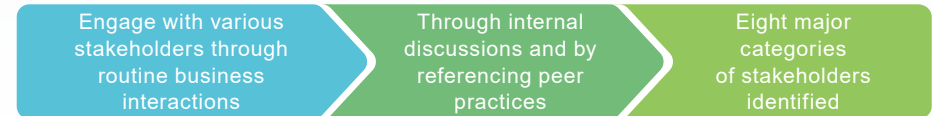
II. The responsibilities of the Sustainable Development Committee are as follows:

1. Establishment of sustainable development policies.
 2. Formulation of the annual plan and strategic direction for sustainable development.
 3. Tracking and reviewing the implementation and effectiveness of sustainable development, and reporting to the Board of Directors.
 4. Promoting and implementing tasks related to risk management.
 5. Deciding on other matters related to sustainable development.
- In 2024, two ESG Committee meetings were held, and their respective reports were submitted to the Board of Directors on August 12, 2024, and November 7, 2024, and were duly ratified by the Board.

1.2 Identify Stakeholders

Stakeholders are groups that affect or are affected by AOT. First, each department identifies the types of stakeholders they engage with through routine business interactions. Based on the frequency of interaction, degree of mutual influence, and the level of importance between each stakeholder and AOT, internal discussions are held and peer practices are referenced to ultimately identify eight categories of key stakeholders for AOT. These include shareholders, customers, employees, trade associations, suppliers, government agencies, communities, and financial institutions.


Identify major stakeholders









1.3 Stakeholders Communication



Due to differences in stakeholder identity categories, the issues of concern vary across stakeholder types. Each department of AOT proactively maintains positive and ongoing interactions with stakeholders through multiple channels, enabling those concerned about AOT to understand the company’s operational status in a timely manner. At the same time, AOT is able to understand stakeholders’ requirements and expectations and respond accordingly. The company reports to the Board of Directors at least once a year on the two-way communication between major stakeholders and the Company.

Each department of AOT collects the issues of concern raised by key stakeholders during routine business interactions. These are consolidated and compiled by the ESG Committee, with reference to the 2021 GRI Sustainability Reporting Standards and ESG reports from peer companies. A total of 19 sustainability issues have been identified, covering economic, environmental, and social (including human rights) dimensions, ensuring that the sustainability information disclosed by AOT meets the completeness and diversity required by the GRI Standards.

Major Stakeholders	Importance to the Company	Issues of Concern	Communication Channel/Frequency	Communication Statistics for the Current Year <small>(Note)</small>
 Government Agencies	Government agencies supervise and audit the Company’s legal compliance practices	<ul style="list-style-type: none"> Talent Cultivation Human Rights Protection Sustainable Supply Chain Legal Compliance Ethics and Integrity Climate Change Energy Management Greenhouse Gas Management 	<ul style="list-style-type: none"> ESG Stakeholder Survey Meetings (Conference, briefing, public hearings, seminars)/as needed Official correspondence/as needed Questionnaire exchanges/as needed Stakeholder survey/as needed Telephone communication and letter correspondence / as needed Reporting via the Company’s website and MOPS 	<ol style="list-style-type: none"> 192 official instances of correspondence 23 questionnaires were received The Sustainability Committee held 2 meetings ESG website established 1 stakeholder questionnaire

Major Stakeholders	Importance to the Company	Issues of Concern	Communication Channel/Frequency	Communication Statistics for the Current Year ^(Note)
 <p>Shareholders/ Investors</p>	<p>Collaborate with the Company to achieve expansion and innovation, driving the Company's strategic formulation. Supervise corporate governance and management performance to promote the Company's pursuit of long-term sustainable development.</p>	<ul style="list-style-type: none"> Green Products Operational Performance Remuneration and Benefits Occupational Safety and Health Innovative R&D 	<ul style="list-style-type: none"> phone number/e-mail: ir@aot.com.tw / 03-5976988 Mr. Cheng, Financial Division 	
 <p>Public Associations</p>	<p>Promote the Company's compliance with industry standards and best practices, enhancing environmental responsibility, social impact, and governance transparency</p>	<ul style="list-style-type: none"> Innovative R&D Operational Performance Energy Management Information Security Protection Ethics and Integrity 	<ul style="list-style-type: none"> ESG Stakeholder Survey General Shareholders' Meeting and Annual Report/ annually Investor Conference/annually Investor Relations section on the official website/ monthly MOPS phone number/e-mail: ir@aot.com.tw / 03-5976988 Mr. Cheng, Financial Division 	<ol style="list-style-type: none"> General Shareholders' Meeting – 1 session Investor Conference – 1 session (with complete audio-visual links provided on the Company's website) 12 monthly revenue announcements published on the Company's website and MOPS 4 quarterly financial reports published on the Company's website and MOPS 0 incidents of integrity violations 16 stakeholder questionnaires
 <p>Public Associations</p>	<p>Promote the Company's compliance with industry standards and best practices, enhancing environmental responsibility, social impact, and governance transparency</p>	<ul style="list-style-type: none"> Talent Cultivation Human Rights Protection Legal Compliance Customer Service Ethics and Integrity Energy Management Participation in Public Welfare Greenhouse Gas Management Information Security Protection Operational Performance Occupational Safety and Health 	<ul style="list-style-type: none"> Meetings (seminars, briefings, advocacy events, discussion forums)/as needed Official correspondence/as needed Telephone communication and letter correspondence / as needed phone number/e-mail: ir@aot.com.tw / 03-5976988 Mr. Cheng, Financial Division 	<ol style="list-style-type: none"> 74 official correspondence

Major Stakeholders	Importance to the Company	Issues of Concern	Communication Channel/Frequency	Communication Statistics for the Current Year <small>(Note)</small>
 <p>Suppliers / Contractors</p>	<p>The Company maintains long-term, positive interactions with its suppliers. Our products and services rely on the stable supply of raw materials and components from a wide range of suppliers. In addition, the Company leverages its influence in the industry to work with supply partners to prevent environmental pollution and violations of labor rights.</p>	<ul style="list-style-type: none"> • Sustainable supply chain (environmental protection & human rights) • Green Procurement • Energy conservation and carbon reduction 	<ul style="list-style-type: none"> • ESG Stakeholder Survey / as needed • Supplier audit visits / as needed • Supplier meetings and visits / as needed • Telephone, E-mail / as needed • Dedicated phone number / mailbox yuki.chang@aot.com.tw / 03-5976988 Ms. Chang, Procurement Department 	<ol style="list-style-type: none"> 1. 5 new suppliers signed the RBA Commitment Letter 2. 16 on-site audits of material suppliers were conducted 3. 20 stakeholder questionnaires
 <p>Customer</p>	<p>Customers are the Company's main source of revenue. The Company views product quality, safety, and after-sales service as its highest commitment to customers. Maintaining a high level of customer satisfaction helps the Company continuously gain customer recognition.</p>	<ul style="list-style-type: none"> • Corporate Governance • Legal Compliance • Operational Performance • Innovative R&D • Green Products • Product Responsibility • Customer Relationship • Information Security Protection 	<ul style="list-style-type: none"> • ESG Stakeholder Survey / as needed • Customer Satisfaction Survey / Annually • Stakeholder section on the official website • Customer visits and business meetings / as needed • phone number/e-mail: sales@aot.com.tw / 03-5976988 Ms. Lee, Sales Department 	<ol style="list-style-type: none"> 1. Top 15 Customer Satisfaction Survey 2. 10 on-site audits conducted by customers 3. In the event of a customer complaint, immediate communication and response are provided as appropriate 4. 24 stakeholder questionnaires
 <p>Employee</p>	<p>Employees are the cornerstone of the Company's operations. The Company is committed to providing a workplace environment that supports employees' physical and mental well-being, as well as diverse development opportunities, enabling them to work without concerns.</p>	<ul style="list-style-type: none"> • Ethics and Integrity • Business Performance • Remuneration and Benefits • Labor Relations • Occupational Health and Safety 	<ul style="list-style-type: none"> • Labor-management meetings / Quarterly • Employee Welfare Committee / Quarterly • Company notice board • Computer startup screen / Intranet / as needed • Employee training courses / as needed • Employee complaint hotline and email / as needed • phone number/e-mail: betty.lo@aot.com.tw / 03-5976988 Ms. Lo, Human Resources Department 	<ol style="list-style-type: none"> 1. 4 sessions of labor-management meetings, with 63 participants 2. The Employee Welfare Committee held 5 sessions, with 57 participants 3. 2 cases processed through internal communication channels 4. 5 internal occupational safety and health training sessions, with a total of 626 participants 5. 180 employee health consultations 6. 13 stakeholder questionnaires

Major Stakeholders	Importance to the Company	Issues of Concern	Communication Channel/Frequency	Communication Statistics for the Current Year <small>(Note)</small>
 <p>Community</p>	<p>Fulfilling corporate social responsibility by making social welfare donations, participating in public welfare activities, and promoting environmental protection to create social impact</p>	<ul style="list-style-type: none"> • Community feedback • Environmental compliance • Effluent and waste management • Environmental grievance mechanism 	<ul style="list-style-type: none"> • Participation in community activities / as needed • Stakeholder section on the official website • Public welfare activities / as needed • Grievance channels / as needed • phone number/e-mail: betty.lo@aot.com.tw / 03-5976988 Ms. Lo, Human Resources Department 	<ol style="list-style-type: none"> 1. The Company donated NT\$97,124 to social welfare and disadvantaged groups in two activities, benefiting 254 people. 2. Sponsored three classes at Hukou Township elementary school and a reintegration organization: a total of NT\$200,000 was donated, benefiting 55 people. 3. Volunteer service: 15 participants, totaling 45 hours. 4. A blood donation drive was held at the factory, with 43 participants donating 52 bags of blood, totaling 13,000cc.
 <p>Financial Institutions</p>	<p>In addition to capital market fundraising, banks serve as another key source of working capital. Through close communication and interaction with banks, the Company secures stable financing and competitive interest rates to ensure sound operations.</p>	<ul style="list-style-type: none"> • Economic Performance • Legal Compliance • Energy Management • Social Engagement • Climate Change Response 	<ul style="list-style-type: none"> • Bank visits (as needed) • Bank information provision (as needed) • phone number/e-mail: ir@aot.com.tw / 03-5976988 Mr. Cheng, Financial Division 	<p>10 communications held during the year</p>

Note: Communication statistics for the current year cover the period from October 2023 to September 2024.

1.4 Identify Material Topics

Material Topic Identification Process



Environmental Aspect

Water resources management, energy management, greenhouse gas management, waste management, sustainable supply chain, green products, climate change



People (including Human Rights)

Remuneration and benefits, labor-management communication, occupational safety, talent cultivation, human rights protection, participation in public welfare



Economic Aspect

Ethics and integrity, operational performance, innovative R&D, information security protection, product safety, customer service

Note: Corporate governance and risk management are categorized as mandatory disclosures under the 2021 edition of the GRI Sustainability Reporting Standards (GRI Standards: 2021). Although not listed as material topics this year, relevant content will still be disclosed in this report.

The ESG Committee of AOT has formulated 19 sustainability issues. Through the distribution of questionnaires, major stakeholders were asked to assess the degree of impact each issue has on them. A total of 78 valid responses were collected, including 16 from shareholders, 13 from employees, 24 from customers, 20 from suppliers, 1 from a government agency, and 4 from financial institutions. These responses were used to score the stakeholder-perceived impact of each sustainability issue. Additionally, five internal executives were asked to assess the internal and external impact of each issue on AOT. Using the principle of double materiality—impact on stakeholders and impact on the Company—the scores were compiled into a materiality matrix. After discussion by the ESG Committee, the top three sustainability

issues from each of the three dimensions (environmental, social—including human rights—and economic) were selected as the Company’s material topics for the year. The 9 material topics identified for AOT in 2024 were: Operational Performance, Innovation and R&D, Ethics and Integrity, Talent Cultivation, Energy Management, Remuneration and Benefits, Human Rights Protection, Greenhouse Gas Management, and Green Products. These material topics represent both risks and opportunities for the Company. In the face of an increasingly challenging operating environment—especially while striving to improve performance, meet shareholder expectations, and maintain customer trust—the Company must not compromise the local environment or employee health and well-being. Any legal violations could severely damage the

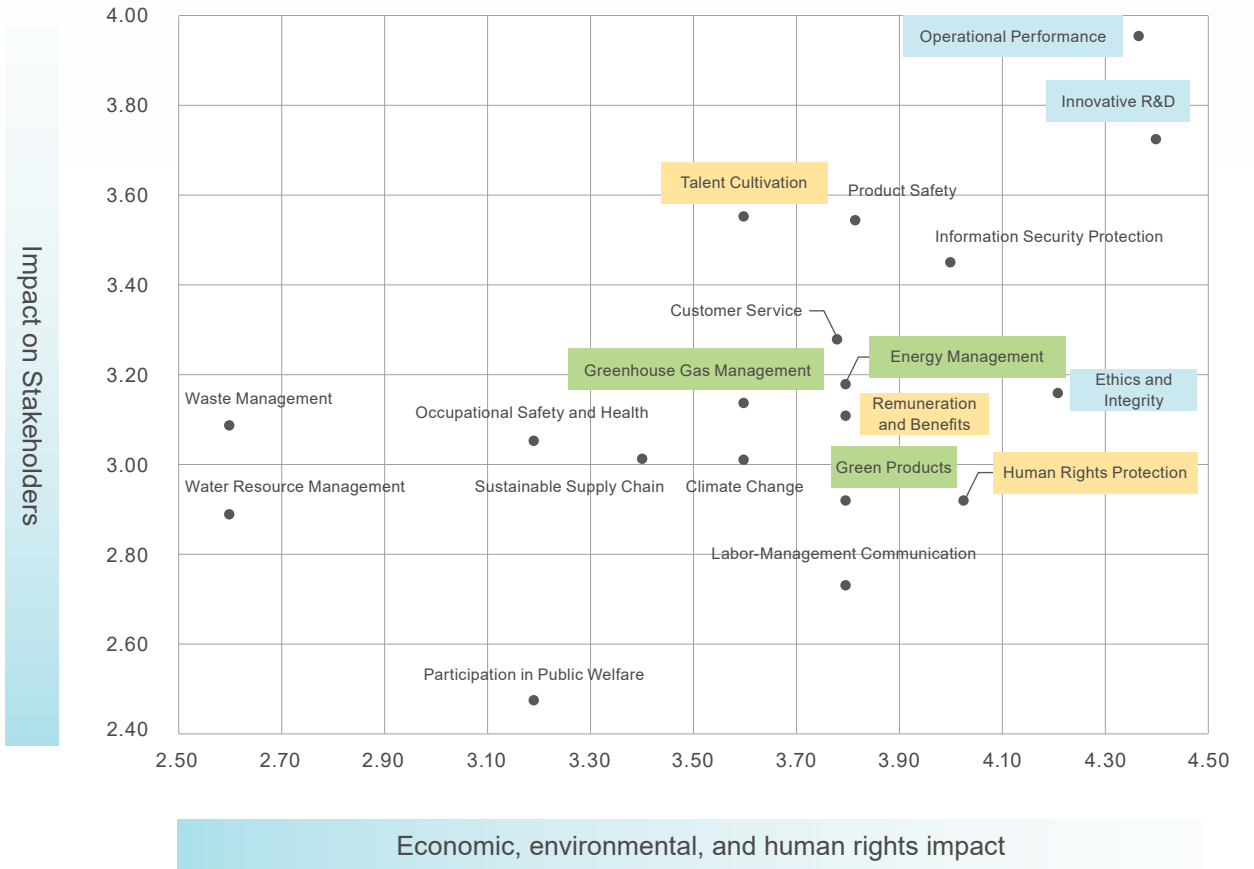
Company's hard-earned reputation. On the other hand, if AOT can successfully turn these risks into opportunities and find a balance among economic performance, environmental sustainability, and social prosperity, the Company will continue to grow and thrive toward long-term sustainable development.

In this report, AOT will explain the management approach and related disclosure items for each material topic. To ensure balance in the sustainability report, the Company will also supplement disclosures with the outcomes of its public welfare contributions.

ESG Dimension	Material Topic
Environmental	Energy management, greenhouse gas management, green products
People (including human rights)	Talent cultivation, remuneration and benefits, human rights protection
Governance / Economic	Operational performance, innovative R&D, ethics and integrity

Based on the 9 material topics, AOT has summarized three major ESG pillars for the year: continuous investment in R&D, generating greater profits, and reinforcing the promotion of ethical integrity. Internally, we have built a workplace that ensures employee health and safety, offered remuneration above market standards to attract and retain talent, and provided a platform for continuous learning and growth. Externally, we have maintained long-term, stable trust relationships with customers, and invited supply partners to jointly pursue energy conservation and carbon reduction, implement comprehensive environmental controls, and avoid excessive environmental impact.

Material Topic Matrix



Principles for Preparing the Report



The Company prepares the ESG report in accordance with the reporting principles of the GRI Standards. According to the sustainability context principle, the Company transparently discloses how it addresses actual economic, environmental, and social (including human rights) conditions in its local and surrounding operational areas, to mitigate or reduce negative impacts. According to the completeness principle, the report discloses information that fully reflects the scope and extent of the Company’s significant impacts in the economic, environmental, and social (including human rights) dimensions. According to the accuracy principle, the information in the report is sufficiently precise and detailed to enable stakeholders to properly evaluate the Company’s ESG performance. According to the balance principle, the report presents both positive and negative performance in a fair and unbiased manner, enabling stakeholders to make reasonable assessments of the Company’s ESG outcomes. According to the clarity principle, the information is presented in a clear and accessible way that allows stakeholders to easily obtain and understand the content of the report. According to the comparability principle, ESG information is disclosed using internationally recognized standards and presented in a way that allows stakeholders to analyze the Company’s performance over time. According to the timeliness principle, the Company publishes its ESG report regularly and provides timely ESG information to support informed decision-making by stakeholders. According to the verifiability principle, the report is reviewed by both internal and external parties to ensure the accuracy and credibility of the disclosed information.

Identify Material Topics and Boundaries

Dimension	Material Topic	Importance to AOT / Impact Dimension	Internal Boundary	External Boundary				Corresponding GRI Standards	Disclosure in the Report
			Company	Investors	Suppliers	Customer	Local Communities		
Environmental	Energy Management	<ul style="list-style-type: none"> As AOT continues to grow its operations, it must implement strict internal energy-saving and carbon-reduction measures to prevent a proportional increase in total greenhouse gas emissions and to ensure compliance with customer requirements. 	•					<ul style="list-style-type: none"> 302 Energy: 2016 (302-1, 302-3~302-5) 	3.5.2 4.1
Environmental	Greenhouse Gas Management	<ul style="list-style-type: none"> Potential Positive Impact 	•					<ul style="list-style-type: none"> 305 Emissions: 2016 (305-1~305-5) 	4.2

Dimension	Material Topic	Importance to AOT / Impact Dimension	Internal Boundary	External Boundary				Corresponding GRI Standards	Disclosure in the Report
			Company	Investors	Suppliers	Customer	Local Communities		
Environmental	Green Products	<ul style="list-style-type: none"> Lower Energy Costs: Through effective energy management, reduce energy waste and loss, lower energy costs, and improve the enterprise's economic performance. Enhance Corporate Image: Actively implementing energy management demonstrates the company's social responsibility and environmental awareness, thereby enhancing corporate image and reputation. Enhance Corporate Competitiveness: Strong energy management improves energy and production efficiency, reduces production costs, and boosts the company's competitiveness. Comply with Laws and Regulations: Energy management is a legal obligation. Implementing effective energy management ensures compliance with relevant laws, regulations, and industry standards. Actual Positive Impact 	●		●	●		<ul style="list-style-type: none"> Customized Material Topics by AOT (green-1) 	3.5.2
People (including human rights)	Remuneration and Benefits	<ul style="list-style-type: none"> A reasonable remuneration and benefits policy helps attract talent and plays an important role in boosting productivity, enhancing employee loyalty, and strengthening the Company's brand. It also helps prevent or reduce human resource risks, thereby ensuring stable operations. The Company uses its remuneration and benefits system to attract and retain outstanding employees, increasing their job satisfaction and loyalty, which in turn enhances productivity and performance. Moreover, a strong remuneration and benefits program can improve the Company's reputation and attract more talented individuals to join. Actual Positive Impact 	●					<ul style="list-style-type: none"> GRI 401: Labor-Management Relations 2018 (401-1 - 401-3) GRI 405: Diversity and Equal Opportunity 2018 (405-2) 	5.1.2 5.2.1





Dimension	Material Topic	Importance to AOT / Impact Dimension	Internal Boundary	External Boundary				Corresponding GRI Standards	Disclosure in the Report
			Company	Investors	Suppliers	Customer	Local Communities		
People (including human rights)	Talent Cultivation	<ul style="list-style-type: none"> Talent cultivation is a key pillar of sustainable corporate development. It enhances employees' technical skills and loyalty while strengthening the company's innovation capabilities and adaptability in the market. An effective talent cultivation policy is both an investment in the future of employees and a fundamental source of the company's long-term competitiveness. Actual Positive Impact 	•					<ul style="list-style-type: none"> GRI 404: Training and Education 2016 (404-1 - 404-3) 	5.2.2
	Human Rights Protection	<ul style="list-style-type: none"> Human rights protection is the foundation of sustainable business development. By establishing and strengthening human rights protection measures, the Company can effectively reduce risks, enhance internal productivity, and safeguard its reputation. Potential Positive Impact 	•					<ul style="list-style-type: none"> GRI 406: Non-discrimination 2016 (406-1) 	5.1.1
Economic	Operational Performance	<ul style="list-style-type: none"> The pursuit of maximum profit is a key goal of AOT's ongoing efforts. Beyond enhancing the confidence of investors, employees, suppliers, and customers, it fosters mutual benefit and shared prosperity—paving the way toward sustainable management. Actual Positive Impact 	•	•	•	•		<ul style="list-style-type: none"> 201 Economic Performance: 2016 (201-1 to 201-3) 	3.3 5.2.1 Appendix 3

Dimension	Material Topic	Importance to AOT / Impact Dimension	Internal Boundary	External Boundary				Corresponding GRI Standards	Disclosure in the Report
			Company	Investors	Suppliers	Customer	Local Communities		
Economic	Innovative R&D	<ul style="list-style-type: none"> AOT is committed to product research and development as well as technological innovation. Developing new technologies is regarded as our core competitive strength. Through continuous investment in R&D, we develop diversified product lines and continuously expand product application fields, injecting momentum into the Company's revenue growth. Potential Positive Impact 	●	●		●		<ul style="list-style-type: none"> Customized Material Topics by AOT (innovation-1) 	3.5.1
Economic	Ethics and Integrity	<ul style="list-style-type: none"> Integrity is the cornerstone of corporate governance and sustainable management. It includes fulfilling legal compliance obligations to the public sector, the responsibility to generate profits for shareholders, the responsibility to uphold corporate sustainability for employees, the duty to provide products and services with integrity to customers, and the obligation to maintain honest business transactions. A sound governance structure and effective integrity management are fundamental to long-term business sustainability. Related risk events can undermine operational stability and corporate reputation, and may also result in substantial financial losses. Potential Positive Impact 	●	●	●	●		<ul style="list-style-type: none"> GRI 205: Anti-corruption 2016 (205-2, 205-3) 	3.1.4



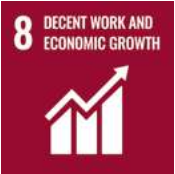
1.5 Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs), announced in 2015, consist of 17 goals and 169 sub-targets that serve as a global framework for member states and businesses to follow in implementing sustainable development before 2030.




AOT has integrated the SDGs into its business strategy, evolving from a model focused solely on economic performance to one that also emphasizes environmental protection, legal compliance, improving employee compensation to retain top talent, eliminating various forms of workplace inequality, and reducing emissions of wastewater and greenhouse gases. Additionally, AOT invites its suppliers to work jointly toward environmental improvement and better workplace conditions. Looking ahead, AOT will continue to contribute to the SDGs and fulfill its responsibilities as a corporate citizen.

SDGs	Targets 	Response from AOT 
	<p>1.4 Ensure that all men and women, especially the poor and disadvantaged groups, have equal rights and access to economic resources.</p>	<ul style="list-style-type: none"> • AOT provides compensation and benefits above legal requirements that are competitive with market standards, enabling employees to work with dignity and improve the economic well-being of themselves and their families. • Employee salaries are adjusted appropriately based on the Company's profitability to strengthen loyalty and retention.
	<p>4.5 Eliminate disparities in education and ensure access to all levels of education and vocational training for disadvantaged groups, including persons with disabilities, indigenous peoples, and underprivileged children.</p> <p>4.7 Promote education on sustainable development, sustainable lifestyles, human rights, gender equality, and non-violence.</p>	<ul style="list-style-type: none"> • Employees receive competency training tailored to their job roles to ensure everyone has access to training opportunities. • Courses on sustainable development, workplace gender equality, and labor rights are offered to encourage active participation.



SDGs	Targets	Response from AOT
	<ul style="list-style-type: none"> 5.1 Eliminate all forms of discrimination against women. 5.4 Recognize and value women's family caregiving through social protection policies. 	<ul style="list-style-type: none"> • Gender is not a factor in hiring, evaluation, or promotion. • Both male and female employees are equally entitled to apply for parental leave.
	<ul style="list-style-type: none"> 6.3 Improve water quality, reduce pollution, eliminate illegal dumping, reduce the release of hazardous chemicals, and lower the proportion of untreated wastewater. 6.4 Significantly increase industrial water use efficiency to ensure sustainable freshwater supply and recycling, addressing water scarcity. 6.a. Support water and sanitation-related activities and programs, including water intake, wastewater treatment, recycling, and reuse technologies. 	<ul style="list-style-type: none"> • Thanks to effective conservation measures, total water intake decreased from 48.47 million liters in 2023 to 47.627 million liters in 2024. • Effluent water quality is tested regularly, and results over the past three years have met all local regulatory standards.
	<ul style="list-style-type: none"> 8.4 Improve energy use and production efficiency. 8.5 Achieve full and productive employment so that all men and women, including youths and persons with disabilities, have decent jobs and receive equal pay for equal work. 8.7 Prohibit child labor and eliminate forced or oppressed labor. 8.8 Protect labor rights and promote a safe working environment, especially for women and those in hazardous jobs. 	<ul style="list-style-type: none"> • The average energy-saving rate over the past two years was 5.1%. • Gender is not a factor in hiring, evaluation, or promotion. • Employee salaries are adjusted appropriately based on the Company's profitability to strengthen loyalty and retention. • The Company respects labor rights, including the prohibition of child labor and all forms of workplace discrimination. • Job responsibilities for maternity employees are adjusted in accordance with the law to reduce workload and provide genuine protection. • The occupational safety and health management system is effectively implemented to improve workplace safety.



SDGs	Targets	Response from AOT
	<p>9.4 Upgrade infrastructure to facilitate sustainable development, improve energy efficiency, and extensively adopt clean and environmentally friendly technologies and industrial processes.</p> <p>9.5 Encourage innovation, increase the number of R&D personnel, and raise R&D expenditure.</p>	<ul style="list-style-type: none"> • The average energy-saving rate over the past two years was 5.1%. • The number of R&D team members has increased year by year, with annual R&D expenditure accounting for over 4% of total revenue.
	<p>10.2 Promote social, economic, and political inclusion, regardless of age, gender, disability, religion, economic status, or other identity.</p> <p>10.3 Ensure equal opportunities and reduce inequality, including eliminating discriminatory practices.</p>	<ul style="list-style-type: none"> • The Company's recruitment, evaluation, and promotion systems do not consider employees' physical or mental differences as criteria. • A whistleblower channel is in place, with a well-defined reporting process to protect whistleblowers.
	<p>12.5 Significantly reduce waste generation through prevention, reduction, recycling, and reuse.</p>	<ul style="list-style-type: none"> • Continuously improve production processes to reduce waste output.
	<p>16.6 Develop effective, accountable, and transparent institutions at all levels.</p> <p>16.7 Ensure responsive, inclusive, participatory, and representative decision-making at all levels.</p>	<ul style="list-style-type: none"> • Strengthen corporate governance by using internal controls to ensure employee compliance with Company policies, and establish independent whistleblower channels and thorough reporting procedures. • Communicate with stakeholders to understand their expectations and requirements, and regularly report to the Board of Directors.

02

CHAPTER

About Advanced Optoelectronic Technology

- 2.1 Company Profile
- 2.2 Business Philosophy
- 2.3 Awards and Management System
- 2.4 Participation in External Organizations

AOT

II. About Advanced Optoelectronic Technology

2.1 Company Profile

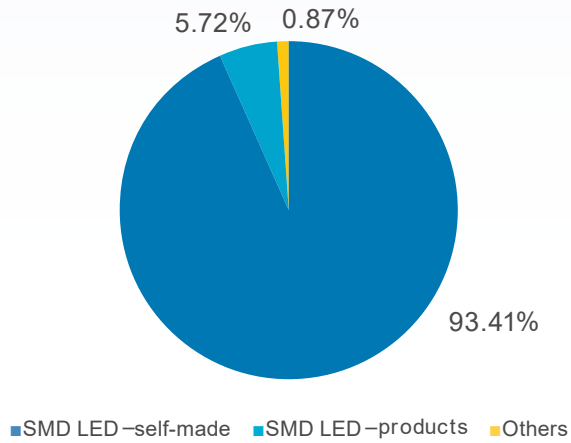
AOT is a professional packaging manufacturer of surface-mount (SMD) laser diodes (LD) and light-emitting diodes (LED). Founded in 1999, the Company engages in the research, development, manufacturing, packaging, module integration, and sales of LED chips. Recent R&D achievements by the Company's management team include: development of thin high-efficiency backlight components; LED light source components for automotive head-up displays and head-mounted displays; thin and small-size semiconductor packaging; automotive backlight Mini LED components and modules; automotive lighting components and modules; AR glasses projection LED light source components and modules; and miniaturized digital distance sensing components for mobile phones. In recent years, the Company has focused on innovative automation and business transformation. It has invested in Mini LED backlight driver circuits and local dimming algorithm solutions to expand its LED backlight module product offerings. Applications include automotive, gaming laptops, industrial control systems, TVs, and BG dual-chip high-color rendering industrial backlight modules. The market for automotive Mini LED backlighting and related sensing components is also expected to continue expanding. In terms of new applications, the Company continues to develop AR, VR, thin and compact high-power semiconductor packaging and sensing-related products to prepare for future growth.

Note: For more information about AOT, please refer to the Company's website and the Market Observation Post System (MOPS).

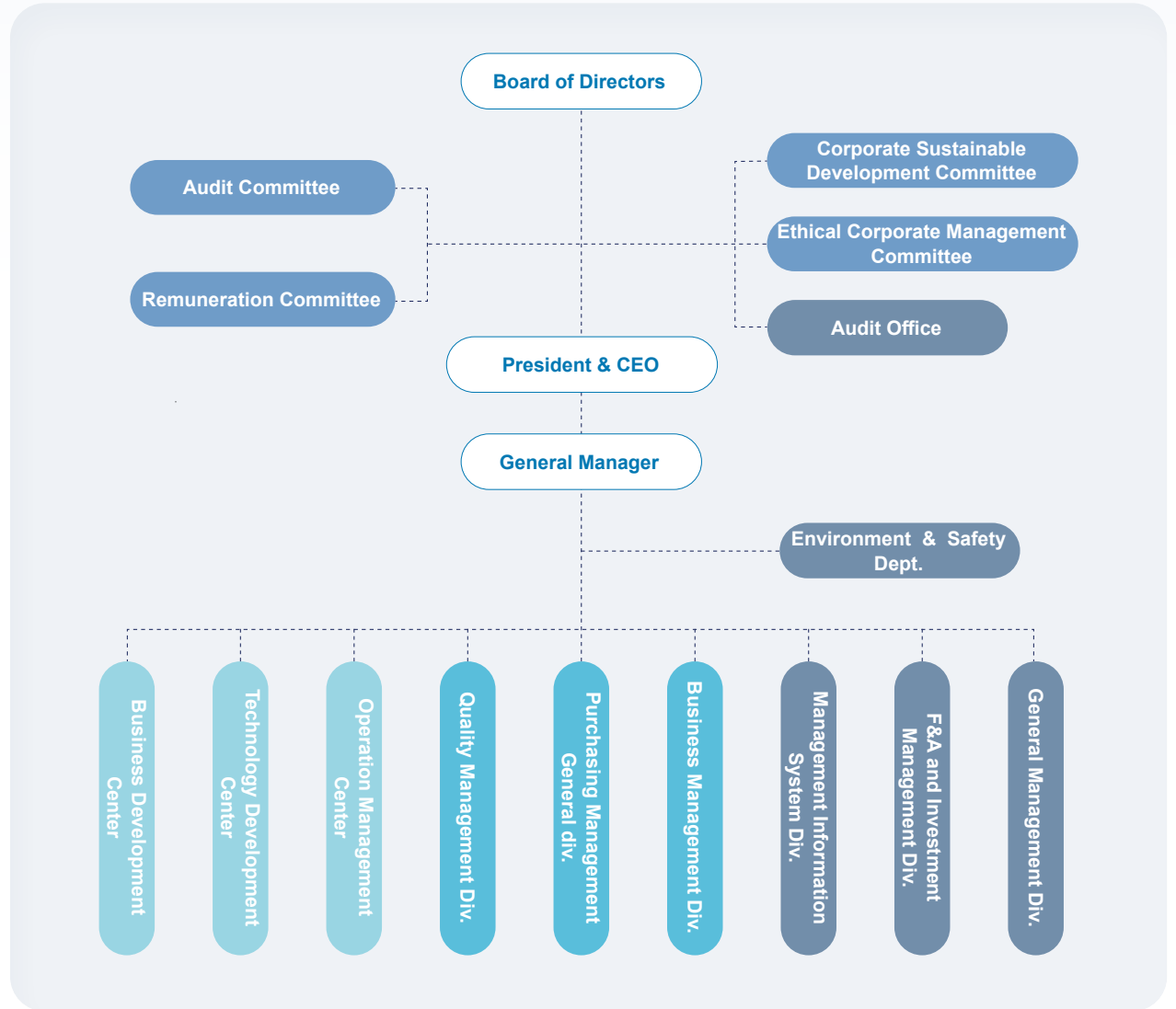
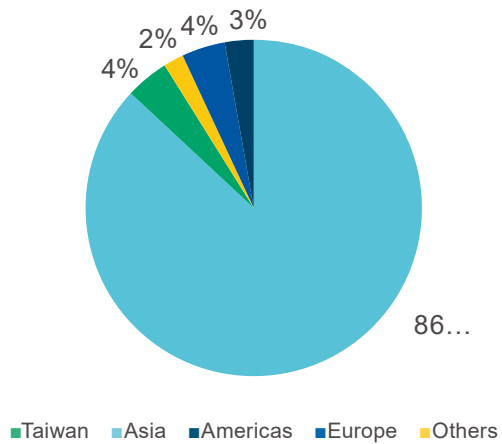
Company name	Advanced Optoelectronic Technology Inc.	
Industry Category	1. Listed Optoelectronics Industry on the MOPS 2. SASB Industry Classification: Technology & Communications / Semiconductor Industry	
Location of Headquarters	No. 13, Gongye 5th Rd., Hukou Township, Hsinchu County	
Capital (Unit: NT\$ Thousand)	1,445,480	
Equity Structure	Domestic corporations: 16.08%; Domestic individuals: 78.37%; Foreign institutions and individuals: 5.55%	
Parent company only operating revenue of the current year (Unit: NT\$ Thousand)	1,842,190	
Number of Employees	Taiwan: 697 people	
Operating Locations	Taiwan (2 plants in Hsinchu)	China (Shenzhen)
Main Products/Services	R&D, manufacturing, packaging, module integration, and sales of LED dies	
Main Product Output (Unit: Thousand units)	SMD LED – self-made (2,723,891) Others (599)	
Sales Proportion of Main Products	SMD LED – self-made (93.41%) SMD LED – products (5.72%) Others (0.87%)	
Revenue Distribution by Region	Taiwan (4%) Asia (86.91%) Americas (3.43%)	Europe (3.48%) Others (2.18%)

Note: Data as of the end of 2024.

Sales Percentage of Major Products



Proportion of Operating Revenue by Region

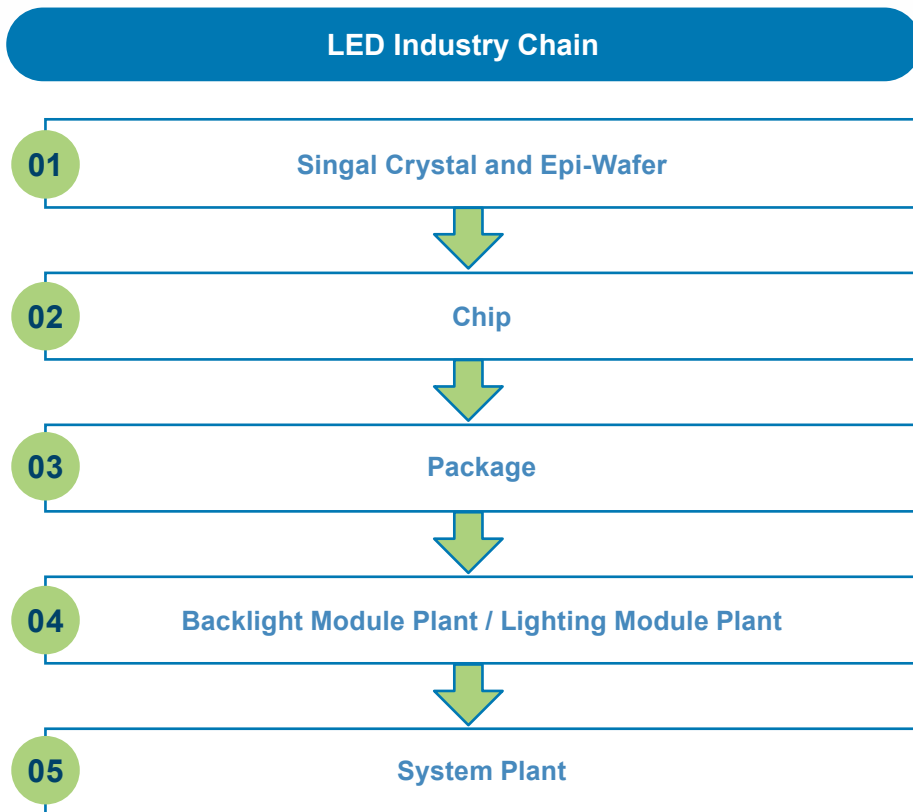


AOT is positioned in the packaging stage of the industry chain

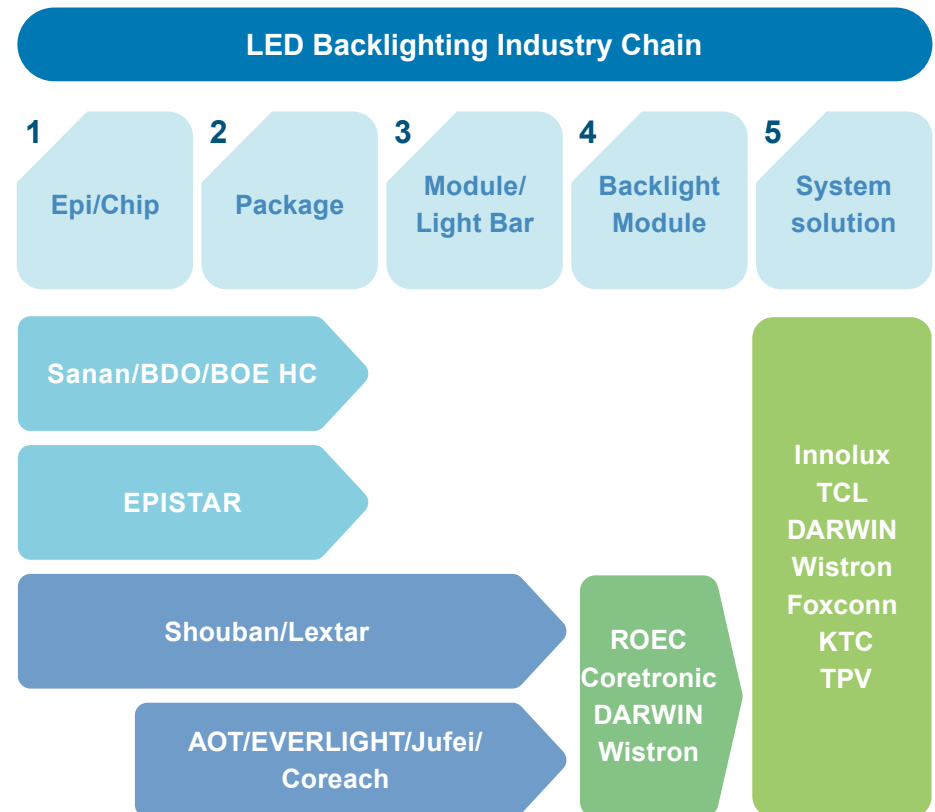
Taiwan's LED industry has developed for over 20 years. The industry is generally divided by process into: Upstream: Single crystal and epi-wafer manufacturing; Midstream: Chip manufacturing; Downstream: Packaging, module factories, and terminal applications (see figure below).



AOT Products



*Source: Compiled by the Company



*Source: Compiled by the Company

2.2 Business Philosophy

Core Value

The core foundation of AOT is built on "integrity," "innovation," "accountability," and "passion." This is also the value system and work attitude that every AOT employee must embody.

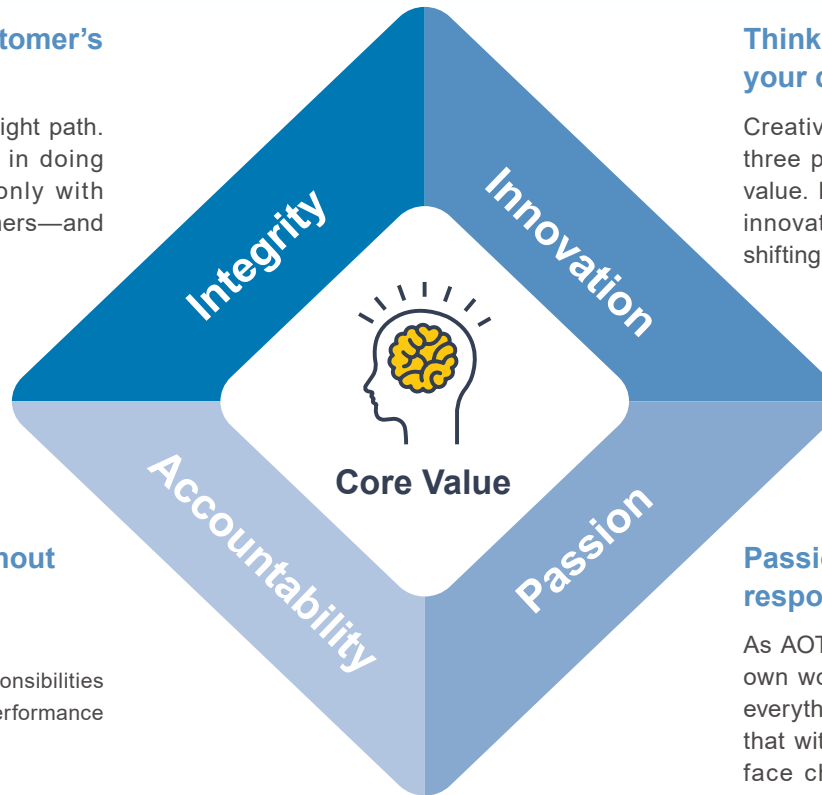


Act with honesty and earn your customer's trust

Choose to do the right things and take the right path. We choose "integrity" as AOT's first step in doing things—and we stick with it. Be-cause only with integrity can we earn the trust of our customers—and with trust, we gain more opportunities!

Take responsibility and step up without hesitation Earn your customer's trust

Be an "accountable person" who takes their responsibilities seriously, works diligently, and commits to high performance and strong execu-tion.









Think flexibly and adapt strategies, earn your customer's trust

Creativity, innovation, and entrepreneurship are the three pillars of the "Three Innovations" spirit that we value. In this ever-changing era, we must continue to innovate, flexibly apply our strengths, and perceive shifting strategies to better ourselves!

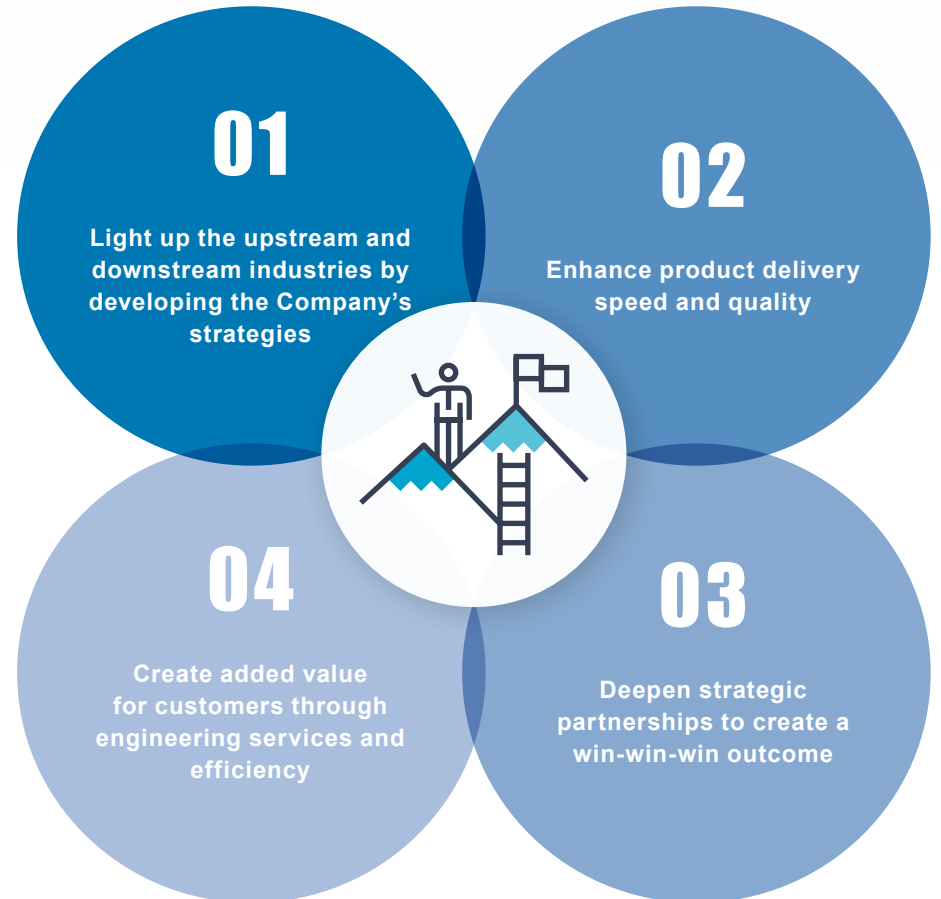
Passion is the driving force behind responsibility, earn your customer's trust

As AOT people, we are not only passionate about our own work, but also about our customers—and about everything concerning the com-pany. We firmly believe that with passion and unwavering conviction, we can face challenges without fear—and that this is the driving force behind taking responsibility.

Business Mission

<p>01</p>  <p>Deepen relationship with backlighting customers and enter global brands</p>	<p>02</p>  <p>Increase penetration rate by developing lighting application products</p>
<p>03</p>  <p>Continue to develop new technologies and new applications</p>	<p>04</p>  <p>Integrate customer applications and develop the optimal supply chain</p>
<p>05</p>  <p>Develop new manufacturing processes to enhance production efficiency</p>	<p>06</p>  <p>Revitalize the management platform and improve business efficiency</p>

Business Vision



2.3 Awards and Management System

We continue to improve and innovate the manufacturing process, products and services of the Company, and comply with the requirements of non-harmful substances in products to provide customers with the highest value and most competitive solutions.

Since 2002, we have been accredited with ISO 9001 quality management system, ISO 14001 environmental management system, and occupational safety and health management system certifications. We have also passed ISO/TS 16949 automotive industry quality management system certification. Currently, the Hukou Plant and the Siwei Plant in Taiwan have passed the IECQ QC 080000 Hazardous Substance Process Management System, IATF 16949 Automotive Industry Quality Management System, ISO 9001, ISO 14001, and ISO 14064 systems. Since 2023, Hukou Plant and Siwei Plant have passed the ISO14064-1:2018 greenhouse gas verification. Hukou Plant and Siwei Plant have passed ISO45001:2018 and CNS45001:2018 Occupational Safety and Health Management System verification. In 2023, we passed the ANSI/ESD S20.20-2021 static discharge control system certification.

We have introduced relevant ISO management systems for environmental and occupational safety aspects. The data has been randomly verified by third-party certification companies, and we have successfully obtained valid certificates. The main certifications obtained in recent years are listed as follows:

The Hukou Plant of AOT has passed the following certifications and management systems: ▼

Management Systems	ISO 9001:2015	ISO 14001:2015	ISO14064-1:2018	IATF 16949:2016
Certification Bodies	DQS	SGS	Taiwan Testing and Certification Center (ETC)	DQS
Certificate Validity Period	2027/3/2	2027/7/5	Coverage period: 2024/01/01~2024/12/31	2027/3/2
Management Systems	ISO 45001:2018	IECQ QC080000:2017	ISO/ICE 17025:2017	ANSI/ESD S20.20-2021
Certification Bodies	SGS	DQS	DQS	DQS
Certificate Validity Period	2027/07/05	2025/03/15	2026/04/05	2025/9/5

Customer Awards and Certifications ▼

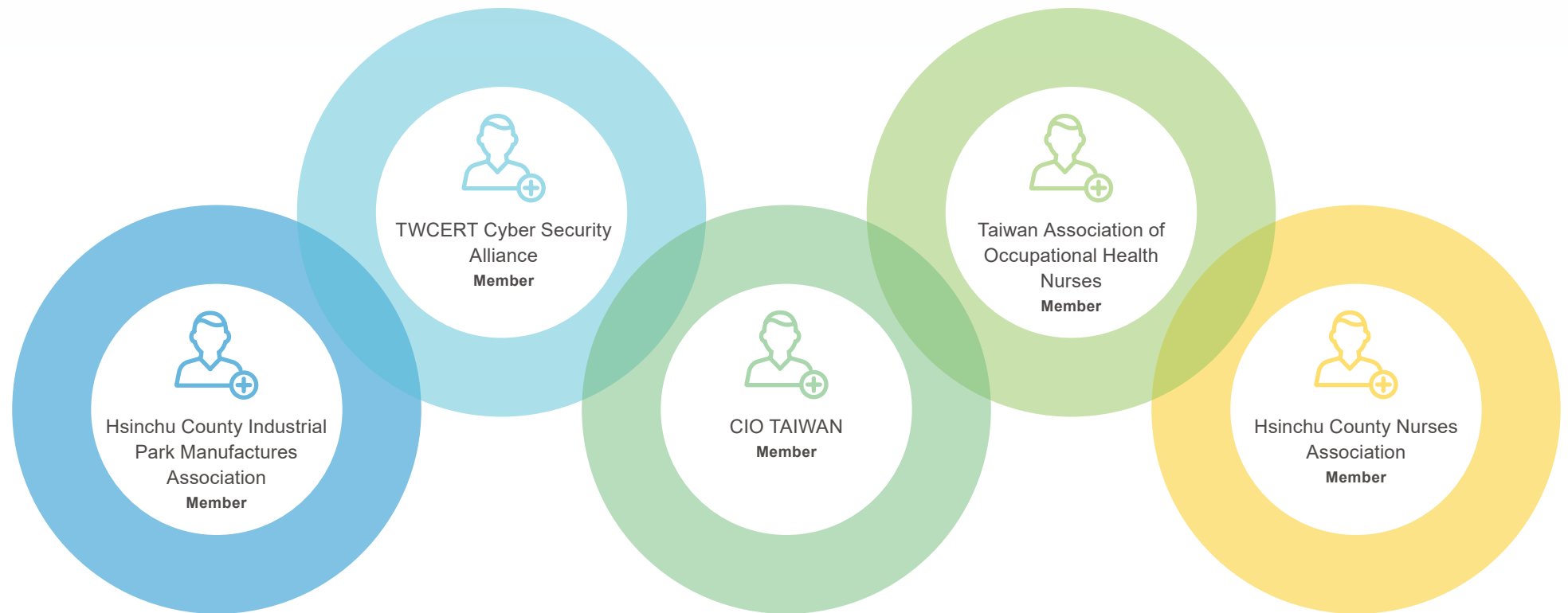


The Company was awarded the **"2013 Intellectual Property Team Honor Award - Optomechatronic Integration Engineering Silver Award"** from Foxconn.

The Company was awarded the **"2014 Intellectual Property Organizational Honor Award - Optoelectronics and Imaging Silver Award"** from Foxconn.

2.4 Participation in External Organizations

In addition to improving its own product competitiveness, AOT actively engages with various stakeholders. Through participation in industry-related associations, AOT maintains positive interactions with association members and stays informed of the latest industry development trends.



03

CHAPTER

Ethical Governance

- 3.1 Governance Best Practice
- 3.2 Risk Management
- 3.3 Operational Performance
- 3.4 Information Security Protection
- 3.5 Product and Services

III. Ethical Governance

A comprehensive corporate governance structure includes a sound Board of Directors, rigorous internal controls, and stable financial oversight. These elements not only help mitigate operational risks but also enhance the Company's competitiveness and strengthen brand value. By fostering a culture of integrity and accountability and complying with relevant regulations, a robust governance framework ensures the healthy development of the Company's operations while protecting the rights and interests of investors and other stakeholders.

In accordance with the Taiwan Securities and Exchange Act and related regulations, AOT has established a corporate governance system aimed at safeguarding shareholders' rights, strengthening board functions, respecting stakeholder interests, and enhancing transparency. The Board of Directors has approved the "Corporate Governance Best Practice Principles" and adopted fair, impartial, and open procedures for the election of directors. It has also appointed independent directors and implemented measures to enhance board oversight. Moreover, the Board has passed Article 6 of the "Management Operation for Internal Material Information and Prevention of Insider Trading" to regularly remind directors, executives, and employees not to use non-public information for profit. Furthermore, AOT adheres to the principles of accuracy, timeliness, and fairness in its disclosure of information. A comprehensive information disclosure system has been established, offering details regarding operations, financial status, board resolutions, and shareholder meetings via the Company's website and the MOPS to ensure stakeholders have access to the most up-to-date information.

AOT has also established a diverse complaint mechanism. In the Stakeholder Section of the Company's website, various contact channels are provided based on different stakeholder categories. Through two-way communication, the Company gains insights into stakeholder expectations and strives to meet their concerns and needs.

Corporate Governance Best Practice Principles



Investors Section



MOPS



Stakeholder section



3.1 Governance Best Practice

Corporate Governance Achievements



In March 2023, Cheng, Chen-Hsun, Director of the Financial Accounting Division, was appointed as the Company's Corporate Governance Officer.



The performance evaluation results were as follows: the Board of Directors and its members received a score of 96; the Remuneration Committee received a score of 90; and the Audit Committee received a score of 92 — all significantly above standard.



In the 11th Corporate Governance Evaluation in 2024, the Company ranked within the 51%–65% tier among all listed companies, and in the 11%–20% tier among listed companies with a market value of less than NT\$5 billion.



Female directors accounted for 14% of the Board; independent directors accounted for 57%.

The shareholders' meeting is composed of all shareholders, who make decisions on the Company's major matters and regularly listen to reports from the Board of Directors. It is the highest decision-making authority within the Company. The Board of Directors is the highest governance body, and all board members are bound to exercise their fiduciary duties with the care of a prudent administrator. The Chairperson concurrently serves as the General Manager, formulating the Company's business strategies and sustainability plans, which are reviewed by the Board to ensure financial performance, sustainable development, and legal compliance. To strengthen corporate governance and enhance competitiveness, the Board has established the Audit Committee and Remuneration Committee to ensure sound board operations. Additionally, the Company has an independent Audit Office under the Board, which regularly performs audits and reports its findings to both the Audit Committee and the Board of Directors.

AOT places high importance on corporate governance, striving for sustainable growth and ethical operations. The Company continues to enhance its governance framework, upholds transparency, and implements effective internal control systems to protect the rights and interests of stakeholders. AOT has designed and implemented its internal control system in accordance with the "Regulations Governing Establishment of Internal

Control Systems by Public Companies." The system is reviewed regularly in response to changes in internal and external conditions to ensure continuous effectiveness in design and execution. Through comprehensive management mechanisms, the Company improves operational performance and achieves sustainable operation goals.

To strengthen board functions, on March 10, 2023, the Board of Directors appointed Cheng, Chen-Hsun, Director of the Financial Accounting Division, as the Corporate Governance Officer. He is responsible for overseeing and planning corporate governance. His qualifications meet the requirements of Article 3-1 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies. His responsibilities include handling matters related to board and shareholder meetings in accordance with the law, preparing meeting minutes, assisting directors with onboarding and continuing education, providing necessary information for directors to perform their duties, ensuring legal compliance, reviewing the qualifications of independent directors during nomination, election, and tenure, handling matters related to director changes, and other responsibilities as outlined in the Company's Articles of Incorporation or contracts. He also reports to the Board annually on the Company's corporate governance performance.

The key points of the business execution and the status of continuing education of the Company in the year are as follows:

1. Formulated the annual work plans and meeting agendas for the Board of Directors and functional committees. In 2024, the Company held 1 Annual General Shareholders' Meeting, 5 Board meetings, 5 Audit Committee meetings, and 2 Remuneration Committee meetings.
2. Prepared Board meeting agendas and notified directors at least seven days in advance. Convened meetings with all required materials provided. For agenda items requiring conflict-of-interest avoidance, reminders were issued in advance. Meeting minutes were completed within 20 days after each Board meeting.
3. Assisted Board members in developing an annual continuing education plan and arranging related courses. All Board members completed the required credit hours of continuing education.
4. Purchased directors' and officers' liability insurance for Board members and key officers, with the renewal process reported to the Board.
5. Conducted regular communications between independent directors and external auditors regarding the Company's financial and business operations. For details, please refer to the Annual Report in the Shareholders' Section, financial statements on the MOPS website, or the Company's official website.
6. Register the shareholders' meeting date in advance in accordance with the law, and prepare the meeting notice, agenda handbook, and minutes within the statutory time limit. Amendments to the Articles of Incorporation or re-election of directors shall also be registered accordingly.
7. The Company has conducted performance evaluations of the Board of Directors, individual directors, and functional committees in accordance with its "Regulations Governing the Performance Evaluation of the Board of Directors." The evaluation results were reported to the Board on March 11, 2025.
8. The Company has adopted the "Ethical Corporate Management Procedures and Code of Conduct," which stipulates that employees must comply with the Securities and Exchange Act and, to prevent insider trading, are prohibited from using undisclosed information or disclosing such information to others.

To enhance support for directors in performing their duties and to improve Board effectiveness, the Company assists with task execution, provides necessary information, arranges continuing education, handles legal matters related to Board and shareholders' meetings, ensures compliance with resolutions, and maintains investor relations. The corporate governance officer completed 18 hours of professional training on corporate governance in the current year. Under the leadership of the corporate governance officer, the Company has effectively maintained all aspects of its governance operations. Going forward, the Company will continue to improve governance efficiency and strengthen stakeholder trust.

Improvements in 2024 Corporate Governance Evaluation Indicators:

Set a greenhouse gas (GHG) reduction target: reduce GHG emissions intensity per unit of output by 2% annually, using 2023 as the base year, aiming for a 13% reduction in emissions intensity by 2030.

Investment in energy-saving, eco-friendly, and sustainable equipment: In 2024, the Company invested NT\$8.05 million in related equipment, saving approximately 626,060 kWh of electricity annually, equivalent to a reduction of 309.273 metric tons of carbon emissions.

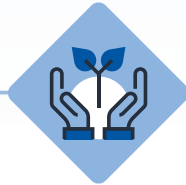
Planned Future Improvements:

1. Provide important information in English on the Company's website to facilitate access for foreign investors and stakeholders.
2. Establish succession plans for Board members and key management personnel, and disclose related implementation on the website or in the annual report.
3. Develop a "Risk Management Policy and Procedures," designating the Board of Directors as the highest decision-making authority.
4. Disclose the connection between performance evaluations and remuneration for directors and managers in the annual report.
5. Set up a Sustainable Development Committee, supervised by the Board of Directors, with its efforts disclosed on the website and in the annual report.
6. Prepare a Sustainability Report in accordance with the Global Reporting Initiative (GRI) Standards.
7. Disclose the identities of stakeholders, key issues of concern, communication channels, and response methods via the Company's website or annual report.
8. In line with the Task Force on Climate-related Financial Disclosures (TCFD) framework, disclose governance, strategy, risk management, metrics, and targets related to climate risks and opportunities.

The Company's financial statements are regularly audited and attested by a CPA firm. All legally required disclosures are made accurately and timely. A designated spokesperson system ensures timely and appropriate disclosure of significant information for shareholders and stakeholders to access relevant financial and business details.

Looking forward to the future, strengthening Board operations, enhancing transparency, and gradually integrating sustainable governance strategies into the corporate governance framework remain the Company's ongoing objectives.

3.1.1 Board of Directors



The Board of Directors Regularly Reviews ESG Performance

- An annual report is provided to the Board of Directors on the implementation of sustainable development for the current (or previous) year.
- The results of the annual implementation of ethical corporate management are reported to the Board.
- Annual risk management implementation status is presented to the Board of Directors.
- The status of information security implementation is also reported annually to the Board of Directors.
- The outcomes of communication and engagement with key stakeholders are reported to the Board each year.
- The ESG report is submitted to the Board of Directors for approval before its official publication and disclosure.



Rules of Procedure for Board of Directors Meetings



Regulations for Board Performance Evaluation



Information on Directors

The Board of Directors is responsible for formulating the Company's business strategies and is accountable to shareholders and other stakeholders. Directors faithfully perform their duties and fulfill their obligations with the duty of care as good administrators, exercising their powers prudently. Except for matters that are required by law or the Articles of Incorporation to be resolved by the shareholders' meeting, decisions regarding the execution of Company business and the operation and arrangement of governance systems must be resolved by the Board of Directors. The Company's Articles of Incorporation specify that director elections adopt a candidate nomination system and are conducted through regular re-elections. In accordance with the Corporate Governance Best Practice Principles, the number of directors concurrently serving as Company managers should not exceed one-third of the board seats. To enhance corporate governance and promote the sound development of the Board's composition and structure, the Company also advocates a policy of board diversity, believing that a diverse board can help improve the Company's overall performance. The selection of board members is based on merit, ensuring that members possess diverse and complementary capabilities across industries. In addition to basic attributes such as age, gender, and nationality, board members also hold industry experience (e.g., legal, accounting, industry, finance, marketing, or technology) and professional expertise (e.g., legal, accounting, risk management). To enhance the functionality of the Board and achieve the goals of good governance, Article 20 of the Company's "Corporate Governance Best Practice Principles" stipulates that the composition of the Board should consider diversity. Besides limiting directors who concurrently serve as Company managers to no more than one-third of the board seats, the policy must be

tailored to the Company's operations, business model, and development needs, and it is advisable to formulate an appropriate diversity policy. To implement this policy and promote a healthy board composition, the Company has included the board diversity policy in its Corporate Governance Best Practice Principles. Board members are expected to possess the knowledge, skills, and literacy necessary to perform their duties.

The current Board is composed of 7 directors, including 4 independent directors and 3 non-independent directors. All members are esteemed individuals from industry and academia, possessing diversified and complementary industry experience and expertise in finance, accounting, law, and other relevant fields. This composition meets the management goals of the board diversity policy.

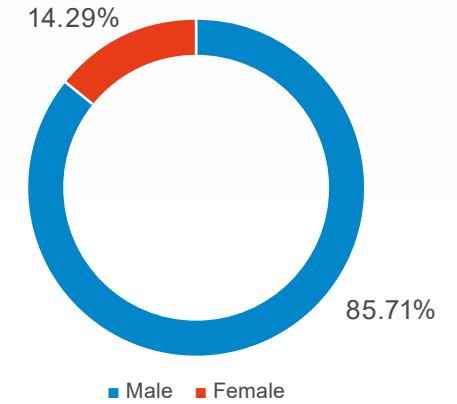
All board members are nationals of the Republic of China (Taiwan), aged between 55 and 74 years old. One director concurrently serves as a manager of the Company, accounting for 14% of the board members, thus meeting the requirement of not exceeding one-third. There are 4 independent directors, accounting for 57% of the board, meeting the requirement of more than one-third. Among them is one female independent director, fulfilling the policy objective of having at least one female board member.

There are no cases where any directors have a spousal relationship or are within the second degree of kinship, ensuring the independence of the board. Furthermore, there are no situations falling under Paragraphs 3 or 4 of Article 26-3 of the Taiwan Securities and Exchange Act.

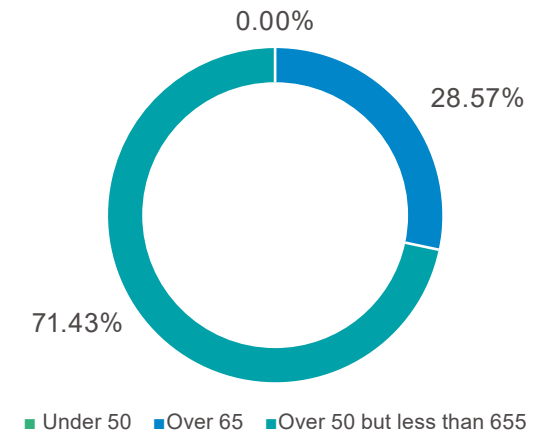
Note: For the list of members of the Board of Directors of AOT, please refer to the official website of the Company/Corporate Governance Board of Directors.

Diversified Statistics / Year			2022		2023		2024	
			Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
Director	Gender	Male	6	85.71%	6	85.71%	6	85.71%
		Female	1	14.29%	1	14.29%	1	14.29%
	Age	Under 50	0	0.00%	0	0.00%	0	0.00%
		50-60	2	28.57%	2	28.57%	2	28.57%
		Over 60	5	71.43%	5	71.43%	5	71.43%
	Academic background	Graduate Institute	6	85.71%	6	85.71%	6	85.71%
		Colleges and universities	1	14.29%	1	14.29%	1	14.29%
		Others	0	0.00%	0	0.00%	0	0.00%

Gender ratio of directors in the current year



Age ratio of directors in the current year



The Board of Directors held 5 meetings in 2024. The attendance of directors is as follows:

Job title	Name	Number of attendance in person	Number of attendance by proxy	Attendance rate (%)
Chairman	Fang, Jung-Hsi	5	0	100
Director	Chuang, Hong-Jen	5	0	100
Director	Chang, Deng-Kai	5	0	100
Independent Director	Liu, Shi-Heh	5	0	100
Independent Director	Yu, Hsiang-Tun	5	0	100
Independent Director	Charles W. Tu	4	0	80
Independent Director	Wang, Shu-Lan	5	0	100

To establish a sound system for the operation of the Board of Directors and strengthen its supervisory functions—while also ensuring that independent directors maintain their independence when performing their duties—AOT's Board of Directors has approved the "Rules of Procedure for Board of Directors Meetings," which clearly defines the scope of responsibilities for independent directors to ensure compliance. All directors uphold a high standard of self-discipline to implement conflict-of-interest avoidance. When a matter discussed at a board meeting involves the personal interest of a director or the legal entity the director represents, the director is required to disclose the material aspects of the conflict during the meeting. If the matter is likely to harm the interests of the Company, the director must not participate in the discussion or voting and shall recuse themselves. Furthermore, they are not permitted to vote on behalf of other directors. To improve the quality of

the Board's decision-making, the Board has also approved the "Regulations for Board Performance Evaluation." Internal evaluations of the performance of the Board, individual directors, and functional committees are conducted annually. The secretariat of the Board distributes self-assessment questionnaires to all board members, and in March 2025, the Board reported the results of the 2024 performance evaluations of the Board and its functional committees. The results of the Board's performance evaluation may serve as a reference for future selection or nomination of directors, while the individual performance evaluations of directors may also serve as a basis for determining their respective compensation.

The results of the Board of Directors and functional committees' ratings in 2024: All scored above 90 points, significantly exceeding the standard.

Board Performance Evaluation Mechanism

- Annual self-evaluation through questionnaires

2024 Self-Evaluation Results

- Average score of the Board of Directors: 96
- Average score of Board members: 96
- Average score of the Audit Committee: 90
- Average score of the Remuneration Committee: 92

Improvement Plan

- Coordinate for directors to attend Board meetings in person
- Arrange professional training courses
- Strengthen effective communication between independent directors, internal audit officers, and external auditors
- Enhance the level of participation of directors in the Company's operations

Each department of the Company regularly and occasionally engages with stakeholders through established communication channels. When a stakeholder issue or sustainability topic may pose a potentially significant negative impact on Company operations, the responsible department conducts due diligence across dimensions such as finance, business operations, legal compliance, environmental pollution, labor rights, and occupational health and safety. The investigation findings are reported to the General Manager and the Chairperson. In the event of any critical incidents, the responsible department is tasked with handling the matter. In 2024, no such potentially significant negative incidents occurred between the Company and its stakeholders.

To effectively strengthen risk management and encourage qualified professionals to serve as directors, the Company purchases liability insurance for its directors. This provides them with peace of mind when performing their duties and reduces or disperses the risk of significant damage to the Company or shareholders caused by errors or negligence.

Recognizing the legal and governance challenges that directors may encounter in Company decision-making, the Company actively encourages and arranges relevant professional training. In the current year, all directors completed a total of 42 hours of continuing education. Moving forward, the Corporate Governance Officer will plan additional training programs, including those related to corporate sustainability. AOT firmly believes that under the leadership of a Board of Directors committed to integrity and equipped with extensive industry experience, the Company's operations will continue to thrive and progress steadily on the path toward sustainable development.

3.1.2 Functional committees

To enhance its supervisory and management functions, the Board of Directors has established an Audit Committee and a Remuneration Committee. While these functional committees are required by law to exercise their powers independently, they are also accountable to the Board of Directors and must submit their proposals to the Board for resolution.

Audit Committee



Audit Committee Charter

The Audit Committee assists the Board of Directors in supervising the quality of accounting, auditing, financial reporting, and financial control processes, and submits the evaluation results to the Board for discussion. AOT's Board of Directors approved the "Audit Committee Charter" and established an Audit Committee under the Board. The Committee consists of four independent directors, one of whom serves as the convener, with at least one member possessing accounting or financial expertise. The Committee holds meetings at least once per quarter. In 2024, a total of five Audit Committee meetings were held, with an overall attendance rate of 95%.

The internal audit officer conducted at least two closed-door meetings with all independent directors to report on the status of internal audit execution. In 2024, two meetings were held between independent

directors and the audit officer. Additionally, independent directors met with the CPAs twice during the year. The CPAs not only reported their review findings of the financial statements but also provided legal briefings and exchanged opinions during these sessions. Overall, communication between independent directors, the internal audit officer, and CPAs was smooth and effective.

Authority of the Audit Committee

1. Establishment or amendment of the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
2. Evaluation of the effectiveness of the internal control system.
3. Establishment or amendment of procedures for acquiring or disposing of assets, engaging in derivative transactions, lending funds to others, and providing endorsements or guarantees for others, in accordance with Article 36-1 of the Securities and Exchange Act.
4. Matters involving conflicts of interest related to directors themselves.
5. Major transactions involving assets or derivatives.
6. Significant loans, endorsements, or guarantees.
7. Fundraising, issuance, or private placement of equity-type securities.
8. Appointment, dismissal, or remuneration of certified public accountants (CPAs).
9. Appointment or dismissal of heads of finance, accounting, or internal audit.
10. Annual financial reports signed or sealed by the Chairperson, managers, and accounting officers,

and second-quarter financial reports that are required to be audited and certified by CPAs.

11. Business reports and proposals for profit distribution or loss offsetting.
12. Other major matters as stipulated by the Company or competent authorities.

Operation of the Audit Committee

- 4 members in the Audit Committee.
- In 2024, the Audit Committee held a total of 5 meetings. The qualifications and attendance of the members are as follows:

Job title	Name	Number of attendance in person	Number of attendance by proxy	Actual attendance rate (%)
Convener	Liu, Shi-Heh	5	0	100
Independent Director	Yu, Hsiang-Tun	5	0	100
Independent Director	Charles W. Tu	4	0	80
Independent Director	Wang, Shu-Lan	5	0	100



Remuneration Committee



Remuneration Committee Charter

In order to improve the remuneration system for directors and managers, AOT has evaluated whether the operating performance of directors and managers and the remuneration they received are fair and reasonable. The Board of Directors has approved the "Remuneration Committee Charter" and set up the Remuneration Committee. The majority of the committee members shall be comprised of independent directors, and all members shall elect independent directors as the convener and meeting chair. Two meetings were held in the current year, with an attendance rate of 100%.

The main duties of the Remuneration Committee are to formulate and regularly review the performance and remuneration system and standards of directors and managers, and regularly evaluate the remuneration of directors and managers. When the Remuneration Committee evaluates the remuneration, it shall consider the following principles: AOT's remuneration must comply with relevant laws and regulations and be sufficient to attract outstanding talent; the performance evaluation and remuneration of directors and managers shall refer to industry benchmarks and consider individual time commitments, responsibilities, achievement of personal goals, performance in other roles, historical remuneration for equivalent positions in the Company, and assess the correlation between

personal performance and the Company's operational performance and future risk in relation to its short- and long-term business goals and financial condition. Directors and managers shall not be incentivized to take actions exceeding the Company's risk appetite for the sake of remuneration. The ratio of short-term incentive pay and timing of variable compensation shall be determined based on industry characteristics and the nature of AOT's operations.

In actual operations, the Remuneration Committee faithfully performs its duties with the due care of a good manager, including the establishment and regular review of performance evaluation and remuneration policies, systems, standards, and structures for directors and managers, and submits proposals to the Board of Directors for discussion.

According to the Articles of Incorporation, if AOT has a profit in the current year, no less than 5% of the profit shall be allocated as employee remuneration, distributed in stock or cash by resolution of the Board of Directors. Eligible recipients may include employees of subsidiaries who meet certain conditions. Up to 0.1% of the profit may be allocated as directors' remuneration by Board resolution. However, if the Company has accumulated losses, an amount shall first be reserved to cover such losses, with the remaining portion then allocated according to the above ratios. The distribution of employee and director remuneration must be approved by a special resolution of the Board of Directors and reported to the shareholders' meeting. In response to the FSC's requirements, AOT will amend the Articles of Incorporation at the 2025 shareholders' meeting to specify a minimum bonus ratio for entry-level employees.

Currently, AOT is in the early stages of ESG implementation and has not yet linked ESG development goals or performance to the individual remuneration of directors and managers. However, AOT will continue to monitor ESG trends. Once internal ESG efforts mature, the Remuneration Committee will discuss and evaluate the formulation of related compensation policies.

Authority of the Remuneration Committee

1. Establishment and regular review of annual and long-term performance targets for directors and managers of the Company, as well as the compensation and remuneration policies, systems, standards, and structures.
2. Regularly assess the accomplishment of performance targets by the Company's directors and managers, and determine the content and amount of individual compensation.

Operation of the Remuneration Committee

- 3 members in the Remuneration Committee.
- In 2024, the Remuneration Committee held a total of 2 meetings. The qualifications and attendance of the members are as follows:

Job title	Name	Number of attendance in person	Number of attendance by proxy	Actual attendance rate (%)
Convener	Liu, Shi-Heh	2	0	100
Independent Director	Yu, Hsiang-Tun	2	0	100
Independent Director	Charles W. Tu	2	0	100

3.1.3 Internal Audit

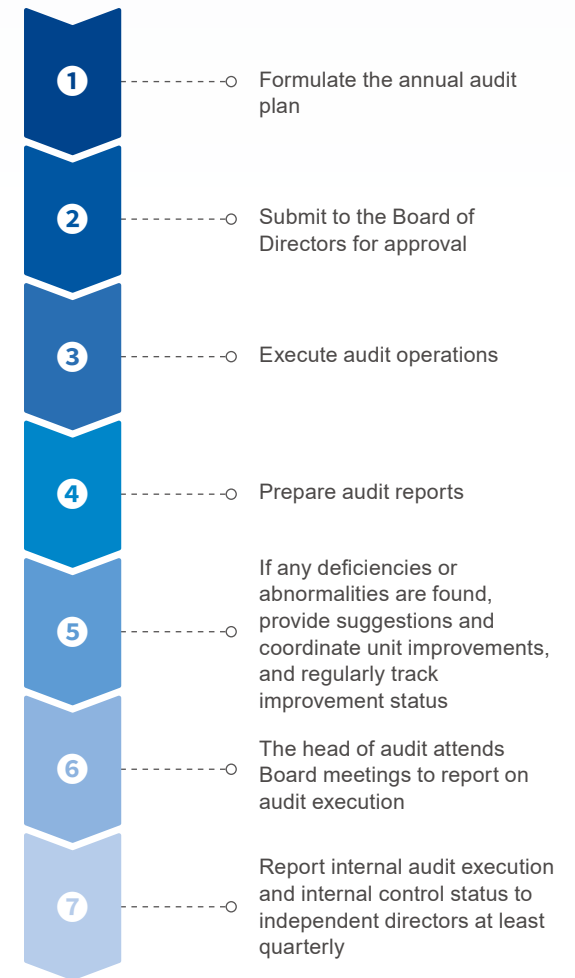
The purpose of AOT's internal audit is to assist the Board of Directors and management in inspecting and reviewing deficiencies in the internal control system, evaluating the effectiveness and efficiency of operations, and providing timely suggestions for improvement. This ensures the internal control system remains continuously effective and serves as a basis for reviewing and revising the system. In accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies", AOT has established an effective internal control system covering both the Company and its subsidiaries. This system is continuously reviewed and improved to respond to changes in internal and external environments and to ensure its ongoing effectiveness. To ensure the independence and impartiality of audit work, AOT has established an independent Audit Office under the Board of Directors, staffed with full-time audit personnel. The "Audit Committee Charter" stipulates that the appointment and dismissal of the chief auditor must be approved by the Audit Committee and resolved by the Board of Directors. The appointment, evaluation, and remuneration of internal audit staff are subject to approval by the audit officer and the Chairperson. In line with the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies", the Company has formulated the "Operating Procedures for the Preparation and Verification of the Sustainability Report" and reviews sustainability information as part of its internal control system.

In addition to conducting internal control self-assessments, the Board and management review these self-assessment results and the audit reports of the Audit Office at least once a year. The chief auditor is required to attend Board meetings to report on the execution of audit activities and must attend at least two Audit Committee meetings annually to report to independent directors on internal audit execution and internal control operations.

The Audit Office also annually reviews internal control self-assessment reports from each department and subsidiary, along with identified deficiencies and improvements. These serve as the basis for evaluating the effectiveness of the overall internal control system and for preparing the Internal Control System Statement. To enhance audit staff professionalism, AOT arranges continuous training and requires participation in internal audit seminars organized by competent authorities. In the current year, two auditors received a total of 32 hours of training.

Through ongoing monitoring by auditors of the Company's compliance with operational systems, AOT strengthens its governance practices and risk control mechanisms, contributing to a sustainable business environment. In the current year, the Audit Office conducted 64 audit projects with a 100% compliance rate. There were no major non-conformities, and all identified issues were rectified and closed within the designated timeframe.

Audit Flowchart



3.1.4 Ethics and Integrity

Policies / Commitments		<p>AOT engages in business activities based on the principles of fairness, honesty, trustworthiness, and transparency. To implement its ethical management policy and actively prevent unethical conduct, the Company has established the Ethical Corporate Management Best Practice Principles and the Ethical Management Procedures and Code of Conduct in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and relevant local laws and regulations. These documents specifically outline the guidelines that AOT personnel must follow when performing business operations. As a company that strictly abides by the law and upholds ethical standards, AOT complies with the Company Act, the Securities and Exchange Act, the Business Entity Accounting Act, and other applicable regulations. Upholding the values of integrity, fairness, transparency, self-discipline, and accountability, AOT has developed and implemented various ethical policies to establish sound corporate governance and risk management mechanisms in pursuit of sustainable development. Directors, managers, employees, or individuals with actual control over the Company are strictly prohibited from directly or indirectly offering, promising, soliciting, or accepting any improper benefits or engaging in any conduct that violates ethical standards, breaks the law, or breaches fiduciary duties.</p>
Goal	Short-term	<ul style="list-style-type: none"> • Diversify communication and establish stakeholder communication channels • Strengthen integrity commitment requirements for suppliers
	Medium and long-term	<ul style="list-style-type: none"> • Continue to enhance integrity commitment requirements for suppliers and require the signing of RBA-related commitment letters • Require all employees to participate in ethics and integrity education and training
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none"> • HR Department / Legal Affairs Section
Resources invested in the current year		<ul style="list-style-type: none"> • The "Ethical Corporate Management Committee" was established under the Board of Directors and reports annually on its operations and implementation • The Ethical Corporate Management Best Practice Principles and the Ethical Management Procedures and Code of Conduct are disclosed on the Company's website and the Market Observation Post System (MOPS) for stakeholder reference.
Evaluation Mechanism / Achievements		<ul style="list-style-type: none"> • All 93 new employees received ethics and integrity onboarding training, totaling 93 hours. • 519 current employees participated in ethics and integrity training, totaling 519 hours. • All directors signed the "Declaration of Compliance with the Ethical Corporate Management Policy," achieving a 100% signing rate. • There were 0 reported cases through related reporting channels in 2024

Specific Results



Ethical Training Courses 93 new employees received 93 hours of ethical training. 519 current employees participated in ethics and integrity training, totaling 519 hours.



100% of directors completed the “Statement of Compliance with the Ethical Corporate Management Policy”.



No violations of ethical integrity were reported during the year.

AOT regards legal compliance and integrity as the cornerstone of its core corporate values. Upholding a spirit of honesty and lawfulness in all business activities, AOT ensures that the principle of ethical operation is deeply embedded throughout the organization. From the moment new employees join the company, the HR Department introduces them to AOT’s internal integrity regulations and provides ethics-related training and assessments to foster awareness of ethical conduct. Meanwhile, management is expected to lead by example, strictly adhering to principles of integrity and gradually shaping a company-wide culture of ethics through daily practice.

Internally, the General Management Division is designated as the responsible unit for promoting ethical corporate management policies. AOT has formulated and obtained Board approval for its "Ethical Corporate Management Best Practice Principles", "Ethical Management Procedures and Code of Conduct", and "Code of Ethical Conduct". These are disclosed on the company's website for stakeholder reference. Contact points are also provided for stakeholder feedback. Employees can consult the website or contact the company by email or phone regarding questions about ethical policies.

AOT has also established multiple reporting channels. Stakeholders may submit


reports through the company’s website. The Legal Department assigns dedicated personnel to investigate. Reports must generally be made with real names and include specific details such as names, timing, location, and evidence. However, anonymous reports with concrete evidence will also be investigated. If there is a conflict of interest between the investigator and the whistleblower or the accused, the investigator must recuse themselves. All investigations must remain impartial and confidential, with the whistleblower's identity protected. Whistleblowers will not be subject to improper treatment. If the reported individual is a senior manager or above, the case is escalated to the independent directors. In 2024, AOT received no complaints or whistleblower reports.

In the course of business interactions, AOT employees are required to clearly communicate the Company’s ethical management policies and related regulations to counterparties. They must explicitly reject the offering, promising, requesting, or acceptance of any form of improper benefits, whether directly or indirectly, in any name or form. Employees should also avoid conducting business with agents, suppliers, customers, or other partners known to engage in unethical conduct. If such misconduct is discovered, the Company will assess whether to classify the party as a restricted counterparty, in line with AOT’s ethical management policy. When


entering into contracts, employees must thoroughly understand the counterparty’s ethical practices and incorporate compliance with AOT’s ethical policies into the contract terms. Where possible, contracts should include clauses requiring either party to promptly disclose to the other any personnel involved in violations—such as the offering, promising, requesting, or accepting of commissions, kickbacks, or other improper benefits—including the identity of the person involved, the method and value of the benefit, and any supporting evidence. The parties must cooperate in any investigation. If one party suffers damages as a result, they may seek compensation equal to a percentage of the contract value, which may be directly deducted from the contract payment. Either party reserves the right to terminate or rescind the contract at any time upon discovery of dishonest behavior by the other party.

To further embed ethics and integrity in business practices, AOT’s General Management Division has planned online ethics training for current employees. Senior executives are regularly tasked with promoting the importance of corporate integrity culture during meetings. The Ethical Management Committee is responsible for reviewing and evaluating the effectiveness of preventive measures established by management to ensure ethical conduct, and for assessing compliance across relevant business processes. The committee reports its findings to the Board of Directors annually. Additionally, the Audit Office monitors the overall implementation of ethical practices throughout the Company and, when necessary, reports directly to the Board of Directors.


 Name of Course	 Training Hours	 Number of Participants
Ethical General Training for New Employees	93	93
Ethical General Training for Current Employees	519	519



Ethical Corporate Management Best Practice Principles



Procedures for Ethical Management and Guidelines for Conduct



Codes of Ethical Conduct



3.1.5 Legal Compliance

Compliance serves as the cornerstone of AOT’s relationship with local governments and communities. Any legal violation may severely damage the Company’s financial standing and corporate reputation. A strong compliance record also reinforces shareholder and customer trust.

Policies / Commitments		<ul style="list-style-type: none"> In terms of corporate governance, the Company has always implemented requirements for integrity and prohibits employees from corruption and bribery. A whistleblower contact email is available on the Company’s official website, enabling suppliers, customers, and external parties to report illegal acts by employees and supervisors at any time. In terms of environmental protection, the Company’s LED products are classified as green and energy-saving, with limited environmental impact. The waste gas and wastewater emitted during production meet the standards of the Environmental Protection Bureau. In terms of labor rights, in rare cases where employees file labor disputes with the Labor Bureau, the Company resolves them properly in accordance with the standards of the Labor Standards Act and the requirements of the Labor Bureau. In the workplace environment, the Company strictly prohibits workplace bullying and sexual harassment. A complaint mailbox and contact window are also available on the Company’s website. In terms of product responsibility, the Company has taken out product liability insurance for product safety. For the protection of intellectual property rights in product technology, in addition to applying for its own patents, the Company has also signed patent licensing agreements with international companies. When any compliance violation is reported, the relevant departments of AOT shall promptly handle the case in accordance with the law and rectify the deficiencies within the shortest possible time.
Goal	Short-term	<ul style="list-style-type: none"> Supervise the implementation of the Company’s policies by each department The Company pays close attention to various laws and regulations that may affect the Company’s finance and operations, to ensure that the Company’s various operating activities are not in violation of the law.
	Medium and long-term	<ul style="list-style-type: none"> The internal legal staff regularly gives lectures and prepares legal compliance course materials for employees to study online. Maintain zero violation records every year.
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none"> The Legal Affairs Section of the Human Resources Department is responsible for handling complaint cases through the Company’s website and internal reporting mechanisms.
Resources invested in the current year		<ul style="list-style-type: none"> Planned and coordinated by the General Management Division, including annual employee training programs and materials.
Evaluation Mechanism / Achievements		<ul style="list-style-type: none"> The implementation of related policies helps avoid potential risks that may arise in the Company’s operations. No major violations occurred in the current year. (Note: A major violation refers to a single fine exceeding NT\$100,000.)

Legal compliance is the foundation of business operations. At AOT, in addition to promoting internal integrity regulations to new employees during onboarding, due to the wide range of legal requirements, each department stays informed about updates to relevant regulations through interactions with government agencies or media reports. Departments then conduct internal and external training for their staff to ensure compliance in all business operations.

In terms of corporate governance, AOT has established functional committees to oversee the company's financial operations and internal control system. It has adopted the "Corporate Governance Best Practice Principles" and "Regulations for Board Performance Evaluation" to ensure that the Board of Directors actively participates in major company decisions. A designated corporate governance officer assists the Board and provides professional advice to enhance board functions. Moving forward, AOT will continue to follow corporate governance evaluation indicators and best practice principles to strengthen compliance awareness amongst all employees.

Regarding personnel management, AOT has implemented internal integrity regulations and emphasizes integrity and ethical conduct as core values. Through the formulation and execution of rules, ongoing self-inspections, accessible reporting channels, and whistleblower protection mechanisms, a robust compliance firewall has been established. Management leads by example and requires all employees to ensure that their professional conduct complies with laws, policies, and internal rules. This is assessed through annual internal control self-assessments and internal audits. AOT has issued clear business conduct guidelines requiring all employees—regardless of position, rank, or location—to comply with the "Work Rules", "Ethical Corporate Management Best Practice Principles", "Ethical Management Procedures and Code of Conduct", and "Code of Ethical Conduct". These cover topics including workplace environment standards, equal opportunity, confidentiality, restrictions on

secondary employment, conflict of interest avoidance, gift policies, business etiquette, employee and customer respect, whistleblower protections, and liability exemptions. These policies aim to build public trust, enhance the company's image, and support long-term sustainability. To prevent violations of fair competition and antitrust laws, AOT has formulated relevant codes of conduct to guide management and employees in lawful business practices, reducing legal risk. By engaging in market competition with integrity and fairness, the company fosters a culture of legal compliance and builds a trustworthy, respected corporate reputation.

In terms of employee training, AOT's legal department collaborates with other responsible departments to provide regular, tailored legal compliance training based on job function and rank. Training formats include new hire orientations, in-person classes, departmental briefings, and external courses. Additional legal guidance is made available through on-site posters and the company's internal website, ensuring employees have constant access to regulatory information.

On environmental health and safety, AOT has established monitoring and management procedures to ensure that all product manufacturing activities comply with environmental and occupational safety regulations. The company operates an effective environmental and occupational health management system that uses continuous improvement cycles to identify potential risks and take timely corrective actions to prevent harm.

In summary, AOT has not experienced any major legal violations in recent years in areas including corporate governance, securities trading, environmental protection, labor rights, occupational safety, customer privacy, marketing, or product responsibility.

3.2 Risk Management

3.2.1 Risk Management Policies

To ensure risk management at AOT has a clear basis for implementation, the Company has formulated the “Risk Management Policy and Procedures”, which was approved by the Board of Directors on August 12, 2024. This document explicitly defines the principles of risk management, assignment of responsibilities, and operational mechanisms, serving as the foundation for executing all risk management procedures and related activities.

AOT’s risk management organizational structure designates the Board of Directors as the highest authority in risk management. The Board is responsible for approving the risk management policies and related guidelines, overseeing the effective functioning of the risk management mechanisms, and allocating appropriate resources. The Audit Committee is tasked with supervising and ensuring the implementation of risk management. It must report the overall risk management results to the Board of Directors at least once a year. Managers of each responsible unit serve as risk management members, in charge of planning for risk identification, assessment, and control. They are responsible for ensuring that each unit implements the risk management framework effectively, and for supervising and monitoring the execution of risk control within each operational unit. They report the outcomes to the Corporate Governance Officer. The Corporate Governance Officer supervises the implementation status of risk controls by each responsible unit, consolidates the Group’s risk matrix based on the data reported by the units, and compiles the annual implementation outcomes and the risk management plan for the following year. The officer must report to the Audit Committee at least once annually.

3.2.2 Risk Management Framework

AOT Risk Management Framework

Risk item	Responsible Department	Risk business item
Strategic risk	Chairman’s Office	Risks arising from changes in international political and economic situations, industry development trends, peer competition, technological directions, major regulatory changes, corporate image, and intellectual property rights that may impact the Company.
Operational risk	General Manager’s Room Product Marketing Center All relevant departments	Risks of potential impacts on operations that may lead to Company losses <ul style="list-style-type: none"> • Natural and man-made disasters • Construction of new plants and capacity expansion • Development and R&D of key products • Over-concentration in sales and procurement <ul style="list-style-type: none"> • Litigation and non-litigation cases • Intellectual property rights • Deployment and succession of senior talent • Change of management control • Changes in corporate image, poor crisis management • Major customer complaints on product quality
Financial Risk	Finance Department	<ul style="list-style-type: none"> • Risks from interest rates, exchange rates, liquidity, and credit
Hazard risk	Labor Safety Department Plant Affairs Department Risk Management Team	<ul style="list-style-type: none"> • Risks related to GHG emissions, carbon rights, energy management, and compliance with international and local environmental regulations in response to climate change issues
Legal Compliance Risk	Legal Department	<ul style="list-style-type: none"> • Risks caused by failure to comply with laws, failure to respond timely to regulatory changes, or improper signing or execution of legal documents, which may damage the Company’s image or cause significant losses
Information Security Risk	Information Management Division	<ul style="list-style-type: none"> • Risks related to the maintenance and management of systems, networks, computers, servers, and related equipment, as well as the integration, application, and development of automated systems and software
Other risks	Risk Management Team	<ul style="list-style-type: none"> • Any risks not listed above but identified by the Risk Management Team as likely to cause significant losses to the Company

3.2.3 Risk Management Operations

The risk management process of AOT includes risk identification, risk assessment, risk control, risk monitoring, and risk disclosure to manage and reduce the likelihood and impact of risks. The scope of risk management includes seven categories: strategic risk, operational risk, financial risk, hazard risk, legal compliance risk, information security risk, and other risks.

AOT conducts systematic annual processes of risk identification, assessment, prioritization, implementation of control measures, and review. Risk Management Process:

AOT's risk management process includes risk identification, risk assessment, risk control, and risk monitoring.



① Risk Identification

Responsible departments identify potential sources of risk based on the operating environment, business activities, and the principle of materiality, while also considering internal and external environmental factors.



② Risk Assessment

Once the responsible departments identify possible types and items of risk, they establish appropriate assessment methods according to each type and item. These methods may be quantitative or qualitative analyses, focusing on effectively reflecting related risks as the basis for risk management.

Risk assessment includes risk analysis and risk evaluation. By analyzing the probability of occurrence and the level of impact of risk events, the magnitude of risk is evaluated in terms of its potential impact on the Company, serving as the basis for subsequent risk control planning.



③ Risk Control


After risks are assessed and compiled, the responsible departments adopt the following risk response strategies to keep risks within acceptable levels:



1. **Risk Avoidance:** Refrain from engaging in activities that may generate risks.
2. **Risk Reduction:** Take actions to reduce the impact and/or likelihood of the risk.
3. **Risk Transfer:** Transfer all or part of the risk to another party.
4. **Risk Retention:** No actions are taken to alter the probability or impact of the risk.






④ Risk Monitoring

The responsible units monitor the risks in their respective areas of business and propose countermeasures. These risks and countermeasures are provided to the risk management team, which compiles them into a risk management report. The report is then consolidated by the Corporate Governance Officer and submitted to the Company's Audit Committee.

Risk Category	Risk Description	Risk Management Strategy
 <p>Sustainable Environment</p>	<p>In-house procurement of recycled materials is too low</p>	<ul style="list-style-type: none"> Assess and verify the use of recycled materials (e.g., recycled plastics for boards) Purchase recycled materials under quality requirements to reduce cost
	<p>Use of renewable energy in the plant is too low</p>	<ul style="list-style-type: none"> Comply with regulations and enhance corporate reputation The Company's Scope 1 and Scope 2 greenhouse gas emissions have not yet reached 25,000 metric tons, which does not meet the competent authority's threshold for major carbon emitters. There is no immediate risk of being taxed on carbon emissions. Additionally, electricity consumption is low and green electricity sources are difficult to obtain. In the future, the Company will plan renewable energy usage based on the green electricity market's supply and demand conditions and whether the carbon tax threshold set by the competent authority is lowered.
	<p>Inability to reduce in-house energy intensity</p>	<ul style="list-style-type: none"> Install energy-saving equipment Implement production and sales plans and cost control Implement pricing strategies to reduce financial impact Reduce energy consumption per production process unit
	<p>Inability to reduce in-house greenhouse gas emission intensity</p>	<ul style="list-style-type: none"> Adopt local procurement and production in major sales regions to reduce environmental damage caused by transportation Replace and upgrade production equipment to reduce energy loss Promote low-carbon automated production to reduce greenhouse gas emissions
	<p>High energy consumption of the product itself</p>	<ul style="list-style-type: none"> Develop energy-saving, low-energy-consumption products to enhance product value Develop technical solutions to extend the lifespan of LED products
	<p>Inability to reduce in-house waste intensity</p>	<ul style="list-style-type: none"> Implement resource recycling and reuse, strengthen waste management, and increase recycling rate Design material-reducing and lightweight products to reduce waste generation Prioritize the use of recycled materials to achieve waste reduction and implement circular utilization Entrust licensed vendors to dispose of waste

Risk Category	Risk Description	Risk Management Strategy
 <p>Sustainable Environment</p>	Water and electricity shortages	<ul style="list-style-type: none"> • Evaluate the installation of emergency backup power generation equipment or energy storage facilities • Establish a comprehensive water monitoring mechanism and emergency response procedures, and conduct regular drills • Add water storage facilities, implement water conservation management, and establish backup water tanks. In the event of water shortages, water trucks will be used to transport water to maintain plant operations • In response to drought risks, implement water-saving measures and prepare water trucks. Install 3-day water storage tanks at each plant
	Typhoons, floods, and other natural disasters	<ul style="list-style-type: none"> • Formulate risk management and countermeasures • Implement emergency preparedness and contingency planning • Identify climate-related risks and transfer risks through insurance. Purchase commercial fire insurance with additional typhoon and flood insurance, covering buildings, business decorations, business operations, machinery and equipment, goods, etc., to reduce the damage caused by climate change and extreme weather • Evaluate flood and drought risks in plant areas, develop and implement risk mitigation measures to avoid plant operation disruptions or work safety issues
	Violation of environmental protection laws and regulations	<ul style="list-style-type: none"> • Assign dedicated personnel to operate and maintain wastewater and exhaust gas facilities • Environmental protection personnel and human resources managers regularly conduct environmental education and training for responsible personnel and promote energy-saving technologies
 <p>Employee Care</p>	Occurrence of Occupational Accident	<ul style="list-style-type: none"> • Notify employees in positions exposed to occupational hazards of the associated risk factors and preventive measures. Conduct relevant occupational injury prevention education and training.
	Occurrence of Fires	<ul style="list-style-type: none"> • Ensure the proper operation of fire alarm systems and automatic fire suppression systems. Equip the plant with fire suits, various levels of chemical protective gear, and emergency carts to ensure smooth emergency response. • Establish an Industrial Safety Monitoring Center to integrate safety monitoring across production lines and factory areas. • Install comprehensive fire protection systems in the plant to support emergency rescue and disaster response. Implement on-site 5S practices and conduct annual fire drills.
	Incidents of Workplace Bullying or Sexual Harassment (Human Rights Violations)	<ul style="list-style-type: none"> • Formulate [Work Rules] in accordance with the Labor Standards Act. Establish [Sexual Harassment Prevention Measures, Complaint and Management Regulations] in accordance with the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act to protect employee rights and provide a harassment-free work environment. • Implement human rights policies into internal procedures to eliminate unlawful discrimination and reasonably ensure equal employment opportunities. Prohibit child labor and forced labor.

Risk Category	Risk Description	Risk Management Strategy
 <p>Employee Care</p>	<p>High Employee Turnover, Labor Shortage, and Overwork Risk</p>	<ul style="list-style-type: none"> • Adopt diversified recruitment channels: In addition to recruitment by HR personnel, the Company supplements manpower through employee referral mechanisms and external talent matching platforms. • Determine employee compensation based on market trends, company profitability, the employee’s education and experience, and the nature of their job responsibilities. • The Company’s Articles of Incorporation stipulate that, in years of profitability, no less than 5% of the annual profit shall be allocated to employee remuneration. Bonus distribution is based on individual performance evaluations to incentivize employees. • Conduct exit interviews and employee surveys to identify factors contributing to turnover and propose improvement measures to enhance employee retention.
	<p>Lack of Employee Training</p>	<ul style="list-style-type: none"> • Provide newcomers with education and training to help newcomers understand the working environment and related rules and regulations as soon as possible. Formulate the license management system and related measures. Employees must complete relevant training and pass the certification exam before they can operate the production machines independently. • According to the Employee Education and Training Management Regulations, the Company organizes various professional training on engineering and quality control to ensure employees' professional competence in performing duties. • Organize managerial training according to the level of management (basic, middle, and senior) to assist and strengthen their organizational management skills. • Organize work ability and skill improvement courses to cultivate employees' improvement of work efficiency and self-management ability. • Employees may apply for external training according to their needs, so as to understand market trends and the latest knowledge and technology, in order to improve work ability.
 <p>Corporate Governance / Operational Performance</p>	<p>Employee breach of integrity</p>	<ul style="list-style-type: none"> • Evaluate the integrity records of counterparties and explicitly include integrity commitment clauses in signed contracts. Establish the “Ethical Corporate Management Committee” under the Board of Directors to oversee revisions, implementation, interpretation, consultation, and supervision of the “Procedures for Ethical Management and Code of Conduct,” and report the implementation status to the Board regularly. • Establish an effective accounting system and internal control system; review and revise according to changes in laws and practical needs; internal auditors conduct regular audits. • Regularly conduct internal and external education and training sessions on ethical management and convey the relevant principles and regulations to new employees on their first day of employment.
	<p>Decline in revenue</p>	<ul style="list-style-type: none"> • Strengthen the quality control system, continuously improve product quality, and improve customer service • Grow value-oriented customers, choose the timing of entry carefully, and seek higher return on investment • Vertical integration of technology and manufacturing capabilities to provide customers with comprehensive services

Risk Category	Risk Description	Risk Management Strategy
 <p>Corporate Governance / Operational Performance</p>	<p>Insufficient investment in innovation resources</p>	<ul style="list-style-type: none"> Optimize resource allocation: identify critical innovation projects vital for corporate survival and growth and focus limited resources on them. Cost control: strictly manage the cost of innovation, e.g., through collaborative innovation (partnering with strategic partners and academia to reduce R&D expenses). Resource sharing: encourage interdepartmental sharing to avoid resource waste. Collaborative innovation and government support: work with academia, customers, suppliers, and government agencies to jointly develop new products or services.
	<p>Insufficient supply chain resilience</p>	<ul style="list-style-type: none"> Regularly communicate with suppliers to ensure smooth communication channels and platforms. Assign dedicated personnel to manage and stay updated on import/export regulations and policy changes. Strengthen management of critical material suppliers by conducting regular assessments and audits; provide guidance for improvement to those not meeting standards.
	<p>Product responsibility / safety</p>	<ul style="list-style-type: none"> Continuously and effectively implement the hazardous substance process management system; regularly monitor and identify risk levels of key materials, processes, and products. Collect international environmental protection laws and regulations, set hazardous substance management targets, and continuously improve. Upon discovery of hazardous substance abnormalities, immediately report to management and follow the prescribed abnormality handling procedures under environmental restricted substance regulations.
	<p>Occurrence of information security incidents</p>	<ul style="list-style-type: none"> Foster continuous improvement in information security; implement ISMS (Information Security Management System) Enhance rapid disaster recovery capabilities Ensure legal and compliant use of software Raise employee awareness of information security protection

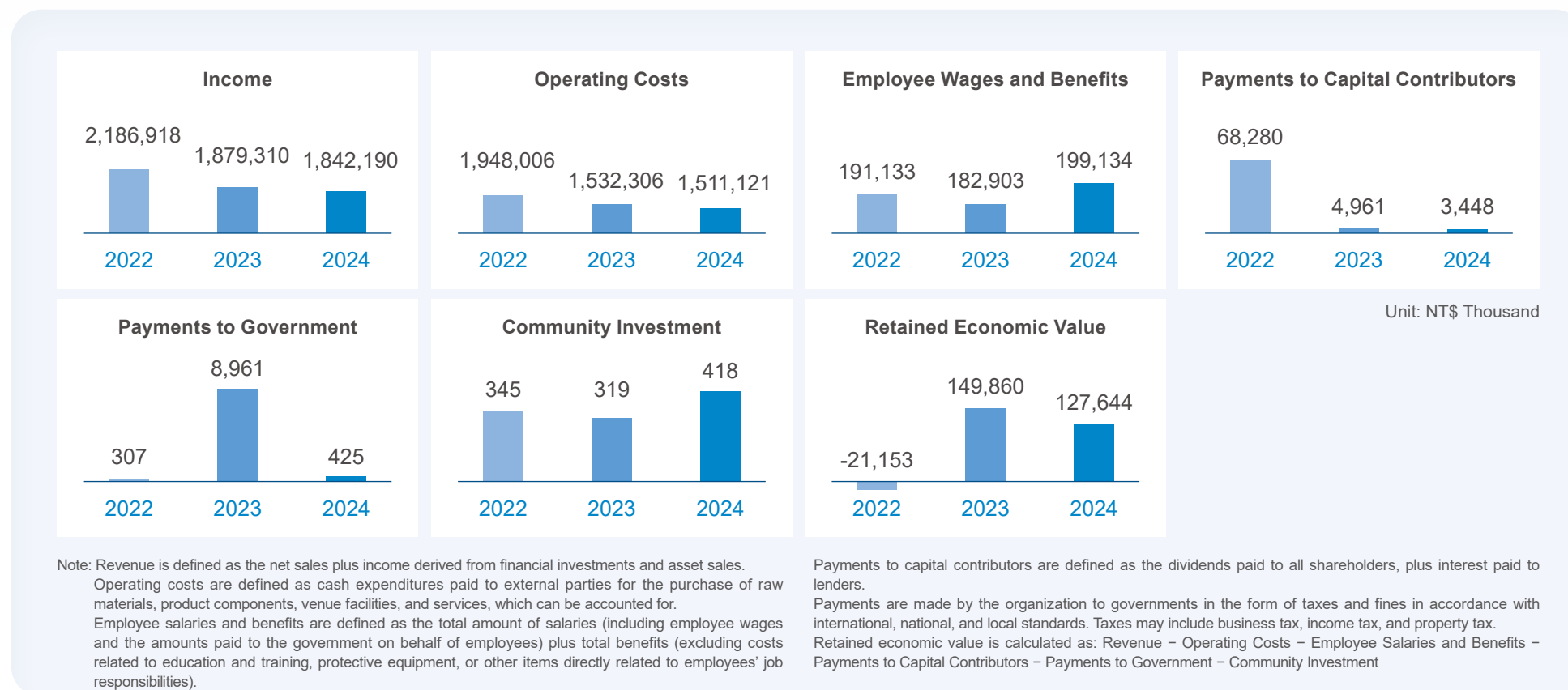
3.3 Operational Performance

Operational performance directly impacts shareholder returns and employee income. Only stable and strong operational performance can provide a solid foundation for sustainable business development. Operational performance is a key factor in the Company's continued growth and enhanced competitiveness. By improving productivity, the Company can reduce costs and waste, while increasing revenue and ultimately enhancing profitability and operational efficiency.

Policies / Commitments		<ul style="list-style-type: none"> ● Productivity and Efficiency: Policies include optimizing production processes, improving product quality, and reducing costs to enhance productivity and efficiency. ● Resource Utilization and Efficiency: Policies include optimizing resource allocation, increasing resource utilization, and reducing waste to improve efficiency. ● Customer Satisfaction: Policies include improving the quality of products and services, strengthening customer relationship management, and providing better after-sales service to enhance customer satisfaction.
Goal	Short-term	<p>The short-term goal is to enhance Company efficiency and effectiveness, boost profitability, and strengthen market competitiveness. Short-term objectives include:</p> <ul style="list-style-type: none"> ● Improve productivity and efficiency: Increase delivery accuracy, use information systems to assist with scheduling and effective management, improve production efficiency, shorten delivery lead times, and enhance order flexibility. ● Optimize resource allocation: Through assessment and analysis of operational performance, improve resource allocation and utilization to reduce risk and costs. ● Enhance customer satisfaction: Improve product and service quality to increase customer loyalty and market competitiveness. Focus on domestic and international brand clients, invest in new product and customer development, and build a complete marketing channel system.
	Medium and long-term	<ul style="list-style-type: none"> ● Enhance operational management capabilities: Establish a systematic operational management framework to elevate management quality and reduce risks and costs. ● Strengthen innovation capabilities: Improve the Company's innovation strength and market competitiveness through product/service innovation and expansion into new markets. ● Supply chain strategic alliances: Forge close, long-term partnerships with upstream and midstream raw material and equipment suppliers in the LED industry to boost overall industry competitiveness, enter global supply chains of major international corporations, and build strategic alliances to develop a complete product portfolio for one-stop customer needs.
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none"> ● Product Marketing Center, Operations Management Center, Business Management Division
Resources invested in the current year		<ul style="list-style-type: none"> ● Continued investment in expanding the R&D team, accelerating new product development, setting up automated production lines to reduce costs and enhance competitiveness, and developing high-end products to widen the competitive gap. ● Process Optimization: Evaluate and improve current processes to identify bottlenecks and eliminate waste, thereby increasing operational efficiency. ● R&D Investment: In 2024, R&D expenses totaled NT\$82,331 thousand, accounting for 4.47% of the year's operating revenue, representing a year-on-year increase. ● Supply Chain Management: Maintain strong supplier relationships and implement effective supply chain management systems to ensure stable and timely material supply.
Evaluation Mechanism / Achievements		<ul style="list-style-type: none"> ● Financial Indicators: Metrics such as revenue, gross margin, net income, and return on investment are used to assess economic performance. ● Customer Satisfaction: Understand customer satisfaction with products and services through surveys and implement improvements accordingly. ● R&D Investment: Use indicators such as R&D spending ratio and new product development speed to evaluate innovation capability and market competitiveness. ● Automated Production Line Setup: Completed in Q2 2025. Replacement of outdated equipment improved production efficiency and reduced greenhouse gas emissions. ● Sales volume increased by 6.6% over the previous year. ● Production volume increased by 18.2% year-on-year.

With Taiwan as its base, AOT has established marketing bases around the world, creating a global marketing network. Leveraging its comprehensive product lines, the Company maximizes marketing advantages and offers localized customer service. AOT’s LED product offerings include backlighting, sensing, automotive, and UV applications to meet customers’ one-stop purchasing needs.

Main Product Applications	Percentage of operating revenue
LED backlighting and lighting products	97.15%
Sensor and wearable component applications	1.32%
Automotive-related application products	1.53%



3.4 Information Security

Information security is the cornerstone of sustainable business operations and an ongoing risk management initiative. Enterprises must continuously review, adjust, and test their systems to respond to ever-evolving internal and external threats.

<p>Policies / Commitments</p>	<p>AOT is committed to ensuring the confidentiality, integrity, availability, and compliance of its information assets. Recognizing that information security is a vital competitive advantage for the Company’s survival and growth, AOT continually strengthens its ability to protect confidential data and enhances employee awareness and alertness toward information security. The aim is to prevent incidents of misuse, leakage, tampering, damage, or loss of information assets due to human error, malicious attacks, or natural disasters—ultimately safeguarding the interests of the Company, shareholders, employees, customers, and suppliers.</p>	
<p>Goal</p>	<p>Short-term</p>	<ul style="list-style-type: none"> • Conduct one information security training program annually and periodically publish and promote information security bulletins to raise employee awareness and understanding of responsibilities. • Perform one internal audit of information and communication security annually to verify proper implementation. • Conduct one disaster recovery drill annually to familiarize staff with the recovery process and minimize operational losses. • Maintain an annual system availability rate of 99.7% or above for key business operations to ensure business continuity. • Ensure there are no data leakage incidents involving key business information, thereby protecting the interests of the Company, customers, and shareholders.
	<p>Medium and long-term</p>	<ul style="list-style-type: none"> • Introduce the ISO 27001 Information Security Management System and obtain certification by the end of 2025, while maintaining certification validity. • Continuously upgrade or replace information security hardware, software, and technologies. • Maintain annual information security expenditures at 0.3% or more of total operating revenue.
<p>Responsible Department / Complaint Mechanism</p>	<p>Information Security Management Department</p>	
<p>Resources invested in the current year</p>	<ul style="list-style-type: none"> • By the end of 2024, internal staff had obtained ISO 27001 Lead Auditor certification; two dedicated information security personnel were newly recruited to prepare for ISO 27001 implementation. • Completed information security general training in late 2024, covering topics such as social engineering attack processes and countermeasures and an overview of relevant information security regulations. • One internal audit of information and communication security was completed in August 2024. • The 2024 disaster recovery drill was completed in early November 2024. • Key business system availability in 2024 was 100%. • No incidents of key business data leakage occurred during 2024. 	
<p>Evaluation Mechanism / Achievements</p>	<ul style="list-style-type: none"> • Training completion records and information security alerts published on the bulletin board. • Annual information security expenditure as a percentage of revenue. • Disaster recovery drills carried out annually. 	<ul style="list-style-type: none"> • Records of information security and system anomaly reports. • Plan to obtain ISO 27001 certification by the end of 2025.

AOT places high importance on information security and has established a comprehensive system for protection and data security. This includes internal policies, control mechanisms, application of relevant technologies and standards, and a data backup system for critical platforms. Disaster recovery drills are conducted annually to ensure full system recovery capabilities and reduce the risk of interruptions due to unforeseen natural or human-related incidents, thereby meeting the Company's system recovery objectives. In 2024, no information security incidents occurred that resulted in business interruptions or the disclosure of customer confidential information.

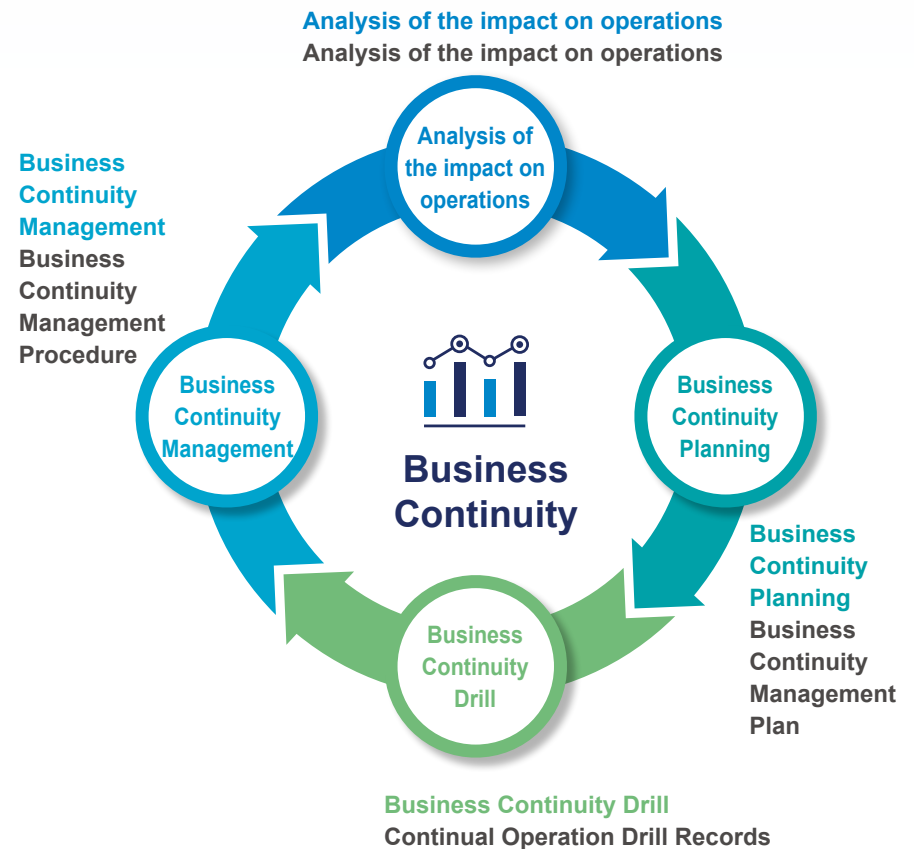
Specific management plans and resources invested in cybersecurity:

(1) Prevention of Hacking/Internet Attacks

The Company has established a Cybersecurity Management Policy and set up a foundational network and computer security protection system to control and maintain the continuity of key business operations, including manufacturing. The information infrastructure is protected based on assessed risk levels by implementing suitable internal and external firewalls, high-availability server backup systems, comprehensive data backups, and off-site media storage. Regular disaster recovery drills for major systems are conducted to ensure the reliable operation of IT systems and the safeguarding of data, thereby minimizing the risk of service interruptions caused by unforeseen natural disasters or human error. The following measures have been taken to strengthen safety:

- a. **Password Security Enhancement:** Enforce strong password policies requiring a combination of uppercase and lowercase letters, numbers, and special characters. Minimum length requirements are set to reduce the risk of credential theft.
- b. **Remote Access Security Enhancement:** Enable VPN dual-factor authentication (2FA) to strengthen security for remote connections.
- c. **Information System Security Enhancement:** Apply patches and updates to backend infrastructure systems to fix known vulnerabilities.
- d. **Network Firewall Security Enhancement:** Upgrade firewall firmware, apply patches, and evaluate the replacement of outdated firewall systems.
- f. **Emergency Response Capability Enhancement:** Develop and execute emergency response drill plans, followed by review and improvement based on the results.

- g. **Backup Operation Security Enhancement:** Review current backup procedures and adjust data retention cycles according to actual operational needs.
- h. **Personal Computer Security Enhancement:** Continue to replace outdated hardware and upgrade operating systems to support current software requirements.



(2) Employee Education and Awareness Programs

- a. **Completion of cybersecurity general training for all staff, covering topics such as:** "Social Engineering Attack Processes and Prevention" and "Overview of Cybersecurity-related Regulations".
- b. Cybersecurity awareness bulletins posted on electronic bulletin boards to remind staff of security best practices and hacker prevention tips.
- c. Publication of "TWCC/CERT Cybersecurity Intelligence Newsletters" on internal platforms to share threat intelligence and improve awareness.
- d. Cybersecurity tips delivered via the "PC Boot-Up Notification Platform" to remind employees of key points upon system startup.
- e. Membership in the "TWCERT Cybersecurity Alliance" to access up-to-date cybersecurity threat intelligence and strengthen organizational defenses.

(3) Use of Licensed Software

- a. Employees outside of IT or management are prohibited from installing software independently. Software installation requires a formal application and copyright/license review to ensure legal use.
- b. Asset scanning tools are used to monitor software installations in real time to prevent the use of unauthorized or pirated software.
- c. Electronic bulletins promote awareness about copyright law compliance, reinforcing company-wide legal and regulatory consciousness.

(4) Encryption and protection of documents

- a. Use of document encryption technology to secure sensitive internal company data and minimize the risk of unauthorized disclosure.
- b. Implementation of automatic encryption upon document creation or modification, ensuring immediate protection once files are saved.
- c. Retention of complete document access logs to support traceability and incident investigation.

(5) Information Security Personnel Capability Enhancement

A dedicated information security department has been established. In order to enhance the professional competencies of information security personnel, a total of 7 information security staff participated in a total of 16 external training sessions in 2024, amounting to 60 training hours. The training results are as follows:

- a. Obtained the "Information Security Engineer – Basic Competency Certification" issued by the Industrial Technology Research Institute.
- b. Obtained course completion certificates from the Taiwan Academy of Banking and Finance for: "Information Security Awareness, Essential Knowledge, and Responsibilities," "Explanation and Preventive Measures of Information Security Incidents," "Guidelines on Information and Communication Security Controls for TWSE/TPEX-Listed Companies."

(6) Information Security Management System Enhancement

To further strengthen information security risk management, reduce exposure, and improve internal governance, the Company implemented the ISO/IEC 27001:2022 Information Security Management System (ISMS) at the end of 2024. A third-party international certification is planned to be obtained by the end of 2025.

Implementation of Information Security Management System (ISMS)

I. Current Status Diagnosis and Gap Analysis

Current Company **Information Security System**
 Analysis of the current organizational business operation characteristics
 Review of current documents and forms and **scope analysis**, etc.

II. Risk Assessment and Management

Integrate into operations, identify **asset value** and risk factor database, determine appropriate **threats** and **likelihoods**, and then produce a **risk assessment**

III. Establish an Information Security Management System

Establish the company's **four-level documentation** including policies, management procedures, work instructions, document forms, and records

IV. System Implementation

- ◆ Business **Continuity Plan (BCP)**
- ◆ **Education and Training**
- ◆ **Execution records of related activities**

V. Internal Audit

Internal audit to **verify the results** of the implementation within the organizational project scope during this period

VI. External Audit and Certification

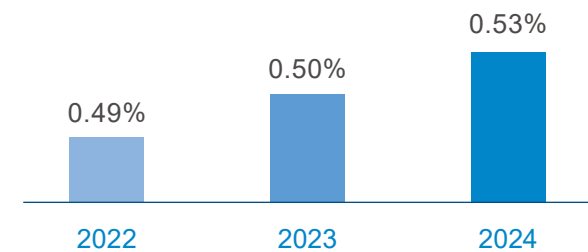
Verification of company's **ISMS** implementation scope through third-party audit, and approval for **certification issuance**



Introduction of ISMS Guidance Services

Course Name	Training Hours	Number of Participants
Junior Training Course for Information Security Engineers	12	1
Information Security Awareness, Basic Knowledge, and Responsibilities	6	3
Description and Prevention Measures of Information Security Incidents	7.5	3
Cybersecurity Management Guidelines for TWSE/TPEX Listed Companies	4.5	3
Information Security as Ongoing Risk Management	1	35
Supervisor Information Security General Course	1.5	41
2024 General Information Course 01 -- Social Engineering Attack Process and Protection	0.5	566
2024 General Information Course 02 -- Introduction to Information Security Management Laws and Regulations	0.5	573

Information security expenditure as a percentage of operating revenue in the last 3 years



3.5 Product and Services

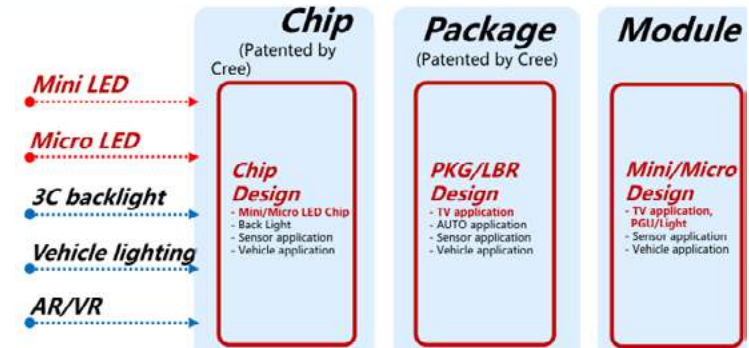
The core foundation of AOT lies in “integrity,” “innovation,” “accountability,” and “enthusiasm.” This is also the value system and work attitude that every AOT employee must embody. Innovative research and development is the key to sustainable operations, a driving force for corporate growth, and an essential strategy for maintaining a competitive edge in the market.

a. Product Category



AOT maintains smooth communication channels and stable, positive cooperation with its clients. Customer feedback is promptly conveyed by the marketing team to the R&D and quality assurance departments for continuous improvement, earning customer trust through quality service.

b. Product Supply Chain



c. Product Application

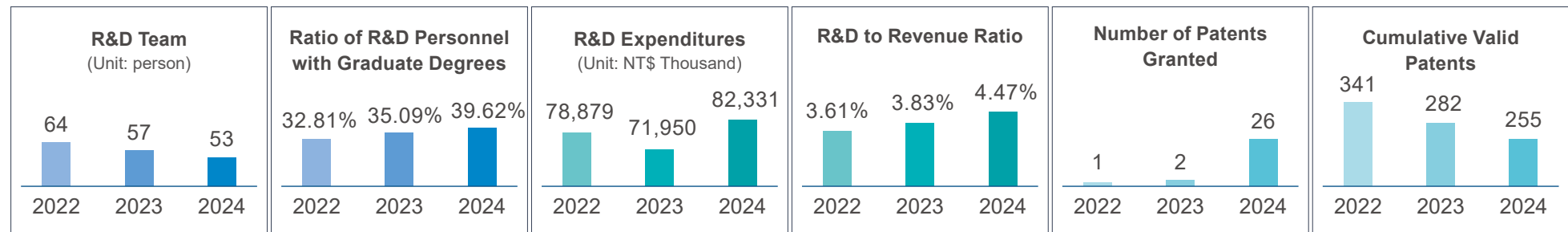


3.5.1 Innovative R&D

Policies / Commitments		<ul style="list-style-type: none"> Leverage group advantages to jointly develop advanced and high-specification products with key clients. Engage in cross-industry collaboration with key partners in the field of innovation to expand the market. 	<ul style="list-style-type: none"> Continue investing in R&D and industrial upgrading, and cultivate talent through academia-industry collaboration.
Goal	Short-term	<ul style="list-style-type: none"> Big data intelligent development Improve the systematic development process and build a big data database for R&D and manufacturing; revise manufacturing processes and parameters accordingly to improve yield. Optimize simulation design combinations to enhance R&D timeliness, product specifications, and market competitiveness. 	<ul style="list-style-type: none"> The Company's current products (services) are as follows: <ol style="list-style-type: none"> Surface-Mounted Device (SMD) LEDs LED backlight and lighting products Sensor and wearable application components Automotive-related application products
	Medium and long-term	<ul style="list-style-type: none"> Strive for early engagement opportunities with high-end and overseas key customers to develop more advanced and higher-spec products, gradually playing the role of market leader in new product specifications. In line with government innovation and R&D policies, implement a series of initiatives to promote industrial upgrading and enhance national competitiveness. Compete for A+ incentive programs, cultivate innovative talent, and build a sound innovation ecosystem. 	<ul style="list-style-type: none"> The new products (services) planned to be developed are as follows: <ol style="list-style-type: none"> Backlight application products Sensor / optocoupler / IC packaging application products Automotive-related application products Biotechnology and industrial light sources
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none"> R&D Department 	
Resources invested in the current year		<ul style="list-style-type: none"> AOT is committed to enhancing innovative products and applications, with the goal of delivering excellent product quality. Through new technology development, product development monitoring, and process improvements, we integrate energy-saving and environmental sustainability concepts and goals to develop green products and actively address market demand and rapid technological changes, continuing to generate market economic value. We adopt systematic development technology to establish a robust R&D process. Through phased reviews and similar methods, we enhance R&D efficiency, optimize the development process, simplify systems, improve the success rate of project initiation, and shorten development cycles. We also improve new product features and quality, provide timely feedback and technical support, gain customer recognition and project opportunities, and increase market share. 	<ul style="list-style-type: none"> AOT continues to invest in innovative R&D while ensuring stable product and service quality, exploring the various possibilities of LED technology. Throughout the process, we are committed to reducing any potential environmental, health, or safety impacts of our products, making innovation a vital component of sustainability. We continuously strengthen R&D capabilities, having obtained 26 patents. In 2024, the number of R&D personnel reached 53. We also increased R&D investment to a total of NT\$82,331 thousand in 2024. We invested in big data intelligent development, improved the systematic development process, and established a big data database for R&D and manufacturing. Based on this, we refined manufacturing processes and parameters to improve yield. The "Customer Specification and Theoretical Target Yield" system was completed in October 2024 and has been implemented, showing significant results.
Evaluation Mechanism / Achievements		<ul style="list-style-type: none"> Annual investment in R&D shall not be less than 2% of operating revenue. Annual R&D achievements shall be no fewer than five items. No fewer than five valid patents shall be obtained annually. 	

Products/technologies successfully developed in the last 3 years

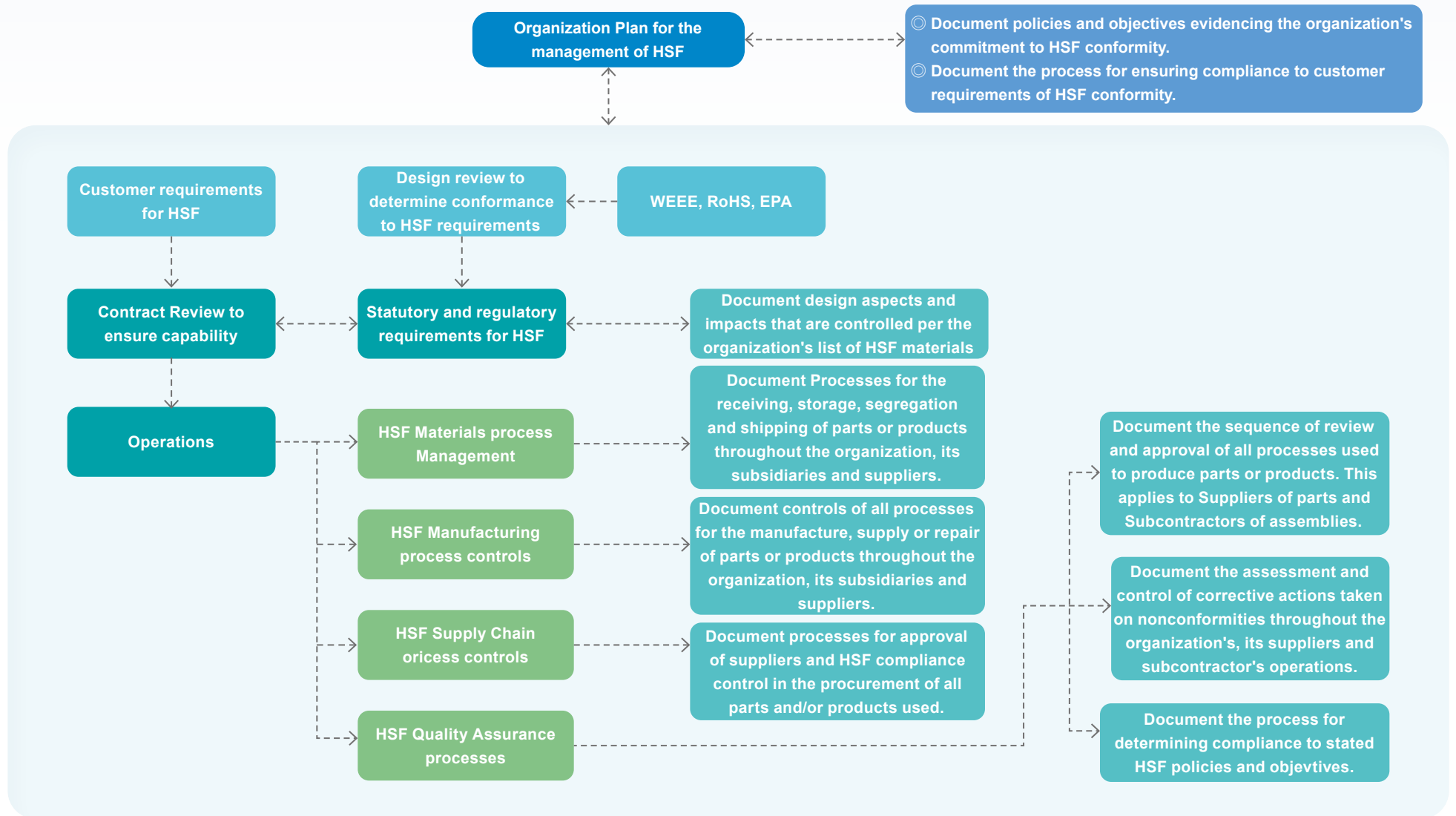
Item	Summary
2022	<ul style="list-style-type: none"> Successfully developed Mini LED small-sized packaging components Successfully developed high-power multi-crystalline automotive headlight LED components Successfully developed ultra-thin side-entry multi-crystalline LED components Successfully developed LED packaging components for automotive backlight modules
2023	<ul style="list-style-type: none"> Successfully developed LED light source components and modules for AR glasses projection Successfully developed LED light source components for HMD (head-mounted displays) Successfully developed LED light source components for HUD (automotive head-up displays) Successfully developed Mini LED components and modules for automotive backlighting
2024	<ul style="list-style-type: none"> Successfully developed VR display module and Local Dimming algorithm Successfully developed high-luminance projection light source module for customized AR glasses Successfully developed ultra-compact projection light source module for customized AR glasses Successfully developed Mini LED module and Local Dimming algorithm



3.5.2 Green Products

<p>Material Topic</p>	<ul style="list-style-type: none"> Green Products
<p>Significance to the Company</p>	<p>Green products not only contribute to environmental protection and the reduction of carbon emissions, but also bring tangible benefits to the company in terms of business and production. Throughout the entire lifecycle—from raw material sourcing, manufacturing, sales, usage, to waste disposal—the products embody concepts such as recyclability, low pollution, and resource efficiency. This helps reduce the costs associated with waste processing and environmental burden. Green products are not only a corporate social responsibility but also a key differentiator for businesses in a highly competitive market.</p>
<p>Policies / Commitments</p>	<p>1. Policies:</p> <ul style="list-style-type: none"> Leverage group advantages to promote a green supply chain and green design. Use non-toxic, recyclable materials. Extend product lifespan. Improve LED luminous efficiency and reduce energy consumption. Ensure that the quality of AOT's products and services complies with both company and customer requirements. <p>2. Commitments</p> <ul style="list-style-type: none"> Comply with legal requirements and obtain green certifications; actively promote energy-saving and non-hazardous products. AOT promises that all products (services) comply with applicable laws and regulations of the competent authorities in the operating region, as well as the EU RoHS and REACH standards. Products contain no hazardous substances. To ensure service quality for customers, the company website provides a stakeholder communication section and customer service hotline. Customer satisfaction surveys are conducted annually. For low-rated items, internal reviews are conducted and solutions proposed to actively gain customer recognition and strengthen relationships.

Goal	Short-term	<ul style="list-style-type: none"> Improve energy efficiency of LED products and reduce power consumption. Reduce use of hazardous substances in compliance with international environmental standards (e.g., RoHS, REACH). Extend product lifespan and reduce waste rates. 	<ul style="list-style-type: none"> 100% of products shall comply with EU RoHS hazardous substance tests and REACH standards. 100% response rate for customer satisfaction feedback.
	Medium and long-term	<ul style="list-style-type: none"> Collaborate with upstream and downstream industry players to jointly promote green industry development. Develop new green LED products, such as smart lighting and health-focused lighting. Explore LED applications in other areas, including agricultural and medical lighting. 	<ul style="list-style-type: none"> 100% of products shall comply with EU RoHS hazardous substance tests and REACH standards. 100% response rate for customer satisfaction feedback.
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none"> Quality Assurance Department / R&D Department 	
Resources invested in the current year		<ul style="list-style-type: none"> Invested in big data intelligent development to optimize the systematic R&D and manufacturing process and establish a big data database. Based on this, adjustments to process parameters and material composition have effectively improved product energy efficiency. Customer products obtained Energy Star 9.0 certification, and there is continuous optimization toward Energy Star 10.0, showing significant results. Since 2002, AOT has established and maintained a strong quality culture, successively implementing ISO9001, QC080000, IATF16949, ISO17025, and ESD S20.20 systems, building a complete and efficient quality management system. To ensure products do not pose health or safety risks to customers, AOT invests approximately NT\$150,000 annually in hazardous substance testing. 	
Evaluation Mechanism / Achievements		<ul style="list-style-type: none"> Annual improvement in product performance of no less than 2%. At least two new types of green LED products or applications developed per year. 100% compliance rate in HSF (Hazardous Substance-Free) testing for products. 100% response rate for customer satisfaction feedback. Effective maintenance of international management system certifications (IATF16949 / QC080000 / ISO17025 / ESD S20.20). No major deficiencies found in either internal audits or customer audits of the quality system. 	



Assessment of Product and Service Categories for Health and Safety Impacts

Year	Description of Major Product or Service Categories	Testing Standards	Percentage of Health and Safety Impact Assessed
2022	100% compliance rate in HSF (Hazardous Substance-Free) testing for products.	IEC62321	100% (34 items tested)
2023	100% compliance rate in HSF (Hazardous Substance-Free) testing for products.	IEC62321	100% (29 items tested)
2024	100% compliance rate in HSF (Hazardous Substance-Free) testing for products.	IEC62321	100% (26 items tested)

All of the Company’s products (services) comply with the regulations stipulated by local competent authorities in operational regions, as well as with EU RoHS and REACH standards. Products are free from any hazardous substances. To ensure the quality of customer service, the Company provides a stakeholder communication platform and customer service hotline on its official website. Annual customer satisfaction surveys are conducted. For items receiving lower ratings, internal discussions are held and improvement solutions are formulated to actively gain customer recognition and strengthen relationships with clients.


Requirements for Product and Service Information and Labeling

Year	Labeling Percentage			
	Source of Raw Materials	Hazardous Substances	Safety Precautions for Use	Recycling Precautions
2022	Chips, gold wires, substrates, phosphor, adhesive	None	None	None
2023	Chips, gold wires, substrates, phosphor, adhesive	None	None	None
2024	Chips, gold wires, substrates, phosphor, adhesive	None	None	None

To protect user health and safety and reduce potential environmental risks caused by products, AOT has established an Environmental Restricted Substances Specification based on the QC080000 management system framework. This clearly defines the controlled hazardous substances and their limits in all materials and processes, ensuring compliance with the latest EU RoHS and REACH regulations, as well as customer requirements. The Company conducts regular audits of the homogeneous material hazardous substance reports provided by all suppliers, and commissions qualified third-party laboratories to test the hazardous substance content of products on a regular basis.

The Company’s products fall into three main categories: backlighting, automotive lighting, and general lighting. LED energy-saving efficiency:


01



LED lighting

Compared to incandescent lamps: saves 80–90% of electricity; Compared to compact fluorescent lamps (CFLs): saves 30–50% of electricity.


02



LED backlighting

Compared to CCFL (cold cathode fluorescent lamp) backlighting: saves 30–50% of electricity.

03



LED automotive lighting

Compared to halogen bulbs: saves 80% of electricity.

3.5.3 Customer Relations

AOT focuses on the development of LED packaging technologies. Its main product is the Surface-Mount Device Light-Emitting Diode (SMD LED), aiming to meet customer demands with first-class technology and high-quality products.

By enhancing customer service, AOT seeks to improve customer satisfaction and loyalty, increase repurchase rates and brand reputation, thereby strengthening the Company's market competitiveness and long-term development capabilities. The significance of customer service to the Company includes:

1. **Improving Customer Satisfaction:** Through quality service and timely resolution of customer problems and needs, we increase customer

satisfaction and loyalty, which in turn raises repurchase rates and enhances word-of-mouth reputation.

2. **Enhancing Market Competitiveness:** Excellent customer service enables the Company to gain more customers and market share, boosting competitiveness and brand image.
3. **Reducing Costs:** Effective service reduces complaints and after-sales service costs, as well as maintenance-related expenses.
4. **Boosting Employee Satisfaction:** Quality customer service increases employee satisfaction and pride in their work, fostering a sense of belonging and loyalty that translates into higher efficiency and productivity.

Policies / Commitments		<ul style="list-style-type: none"> • Strengthen Customer Feedback and Communication: Enhance communication channels to promptly understand customer needs and issues, and provide targeted products and services that meet expectations. • Establish Strong Customer Relationships: Build long-term customer trust through customized products and services tailored to specific needs and concerns. 	<ul style="list-style-type: none"> • Ensure Product Quality: Ensure all products meet national and industry standards, while leveraging innovative technologies to control and enhance quality. Collaborate closely with customers to develop products that align with their expectations. • Responsible After-sales Service: Address customer needs promptly, safeguard customer interests, and promote a service-oriented operational model with streamlined service processes that build customer trust and foster win-win relationships.
Goal	Short-term	<ul style="list-style-type: none"> • Provide fast and effective customer support to resolve issues and concerns, ensuring customer satisfaction. 	
	Medium and long-term	<ul style="list-style-type: none"> • Mid-term: Establish strong customer relationships through interaction, understand customer preferences, and deliver better products and services to enhance loyalty and brand reputation. • Long-term: Continuously raise customer satisfaction and loyalty, maintain stable relationships, and promote long-term business growth and profitability. We continuously improve our products and services based on customer feedback and market research to adapt to evolving customer needs. • Customer Satisfaction Standard Score: 4.8 	
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none"> • Marketing Center, Quality Assurance Division 	
Resources invested in the current year		<ul style="list-style-type: none"> • Established a diverse customer communication mechanism, including telephone, email, stakeholder section, and official website, to ensure timely and effective communication. • Strengthened customer communication not only reduces inventory on the customer's end but also shortens the lead time from order to delivery. • Through Customer Relationship Management (CRM), integrated systems for complaint handling and accounts receivable tracking have been developed to enable real-time oversight, reduce internal and external communication delays, and improve service efficiency. 	

Resources invested in the current year	<ul style="list-style-type: none"> ● Implementation Outcome: Established a collaborative model among marketing, technology, and business units. Material verification processes were integrated across the supply chain, enabling closer upstream and downstream cooperation. This collaboration led to the successful co-development of key products with customers and the acquisition of stable order volumes.
Evaluation Mechanism / Achievements	<ul style="list-style-type: none"> ● The average customer satisfaction score over the past three years exceeded 4.75. ● Customer complaint cases decreased by 20% year-over-year.

Customer Satisfaction Survey

To fully understand customer satisfaction with the Company’s personnel, services, and product quality—particularly regarding Hazardous Substance-Free (HSF) compliance—the Company conducts annual survey activities to assess how well customer needs are being met, understand customer expectations, identify root causes of dissatisfaction, and highlight key areas for improvement. These findings serve as a reference point for future breakthroughs.

The scope of the customer satisfaction survey includes: personnel, service, product quality, and HSF compliance. The survey targets all customers of the Company. The survey is conducted once per year. The Sales Division determines the survey targets, number of companies surveyed, scoring criteria, and analysis methods based on annual sales revenue. Automotive customers are classified as mandatory participants.

Each January, the Sales Division issues the "Customer Satisfaction Survey" to current customers. After collecting the responses, the results are statistically analyzed and recorded in the "Customer Satisfaction Survey Analysis Form," which serves as the basis for improving overall customer satisfaction. If the average score on any returned "Customer Satisfaction Survey" is below 4 points, or if any individual item scores below 3 points, the responsible department must review the issue, propose corrective actions, and document the resolution process. These findings and corrective actions are then reported at the annual management review meeting.

Responsible Departments and Operational Procedures



Official Website Platform
Email (Products & Services):
 sales@aot.com.tw



Customer Complaint Hotline
 Tel: +886-3-5976988

Customer Satisfaction Survey Process, Responsible Units, and Related Documents

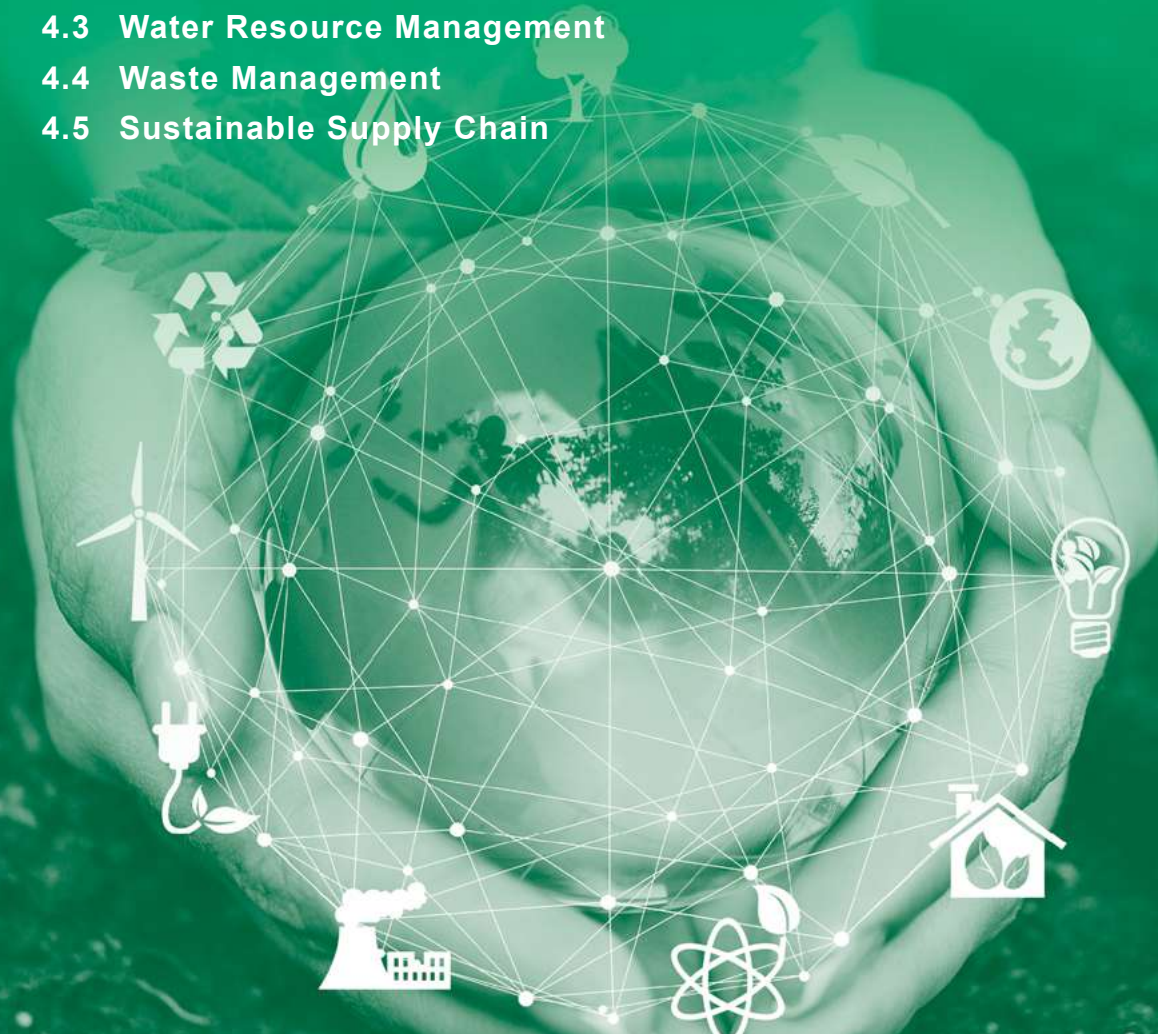


04

CHAPTER

Sustainable Environment

- 4.1 Energy Management
- 4.2 Greenhouse Gas Management
- 4.3 Water Resource Management
- 4.4 Waste Management
- 4.5 Sustainable Supply Chain



IV. Sustainable Environment

4.1 Energy Management

Material Topic		<ul style="list-style-type: none"> Energy management, greenhouse gas management
Significance to the Company		<ul style="list-style-type: none"> Increase production capacity by controlling energy management.
Policies / Commitments		<ul style="list-style-type: none"> We are committed to implementing energy management, and achieve energy targets at various stages through regular inventory checks and energy substitution measures.
Goal	Short-term	<ul style="list-style-type: none"> The electricity saving amount is 2% less than the electricity consumption intensity per unit of output compared to the previous year. Reduction of greenhouse gas emissions: The greenhouse gas emission intensity per unit of output is reduced by 2% compared to the previous year.
	Medium and long-term	<ul style="list-style-type: none"> In line with the Nationally Determined Contribution (NDC) goal, achieve net zero emissions by 2050. We will evaluate to install solar panels on the rooftops of the factories in the future.
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none"> Operation Management Center / Mr. Tsai
Resources invested in the current year		<ul style="list-style-type: none"> Replaced outdated chiller systems to improve energy efficiency. Added inverters to air conditioning units in 2024.
Evaluation Mechanism / Achievements		<ul style="list-style-type: none"> Regularly monitor electricity consumption. Regularly review the achievement rate of energy-saving targets.

Internal energy consumption

At present, all energy used by AOT is non-renewable, and no renewable energy is produced. The overall energy consumption structure is mainly divided into two categories: the largest portion is electricity used for company operations; the second largest is gasoline consumption by company vehicles. In 2024, total electricity consumption was 14,108,658 kWh, a decrease of 340,000 kWh compared to 14,448,842 kWh in 2023. This reduction was mainly due to the implementation of various energy-saving measures, including replacing outdated chillers with new magnetic levitation variable frequency chillers, adding inverters to the fan motors of air conditioning units, and installing automated production lines, which led to improved production efficiency.

Energy Use Statistics of AOT (Unit: GJ)

Year	Electricity (kWh)	Electricity (GJ)	Diesel (liters)	Diesel (GJ)	Gasoline (liters)	Gasoline (GJ)	Total energy consumption (GJ)
2022	15,677,200.00	56,437.92	630.00	22.16	1,510.00	49.31	56,509.39
2023	14,448,600.00	52,014.96	490.00	17.23	1,118.10	36.51	52,068.71
2024	14,108,400.00	50,790.24	435.00	15.30	1,047.47	34.21	50,839.75

Note 1. The calorific value coefficient is based on the "Heat Content of Energy Products" published by the Bureau of Energy, Ministry of Economic Affairs.

Note 2. The calorific value of purchased electricity is 3,600 GJ per million kWh, the calorific value of automotive gasoline is 7,800 kcal/L, and the calorific value of diesel is 8,400 kcal/L. These are converted according to the 2018 version of the Heat Content of Energy Products announced by the Bureau of Energy, Ministry of Economic Affairs.

Total energy outside the organization	2022		2023		2024	
	liters	GJ	liters	GJ	liters	GJ
Gasoline for vehicles (for private vehicles) Employee business trip	4,488.51	146.58	4,595.05	150.06	4,052.93	132.36
Parking lot (external purchased electricity)	kWh	GJ	kWh	GJ	kWh	GJ
	-	-	242.2201	0.87	258.5887	0.93
Total energy consumption outside the organization	GJ		GJ		GJ	
	146.58		150.93		133.29	

Energy intensity

AOT - Energy Intensity (Unit: GJ/million)

Year	Total energy consumption (GJ)	Total production (million)	Energy intensity (GJ/million)
2022	56,655.97	2,508	22.5882
2023	52,219.64	2,306	22.6451
2024	50,973.04	2,724	18.7126

Note 1. The calorific value coefficient is based on the "Heat Content of Energy Products" published by the Bureau of Energy, Ministry of Economic Affairs.

Note 2. The calorific value of purchased electricity is 3,600 GJ per million kWh, the calorific value of automotive gasoline is 7,800 kcal/L, and the calorific value of diesel is 8,400 kcal/L. These are converted according to the 2018 version of the Heat Content of Energy Products announced by the Bureau of Energy, Ministry of Economic Affairs.

4.2 Greenhouse Gas Management

Extreme weather events caused by greenhouse gases are a significant environmental issue faced globally. Although AOT is not a major energy consumer, we recognize that as a member of the planet, greenhouse gas reduction is a shared corporate goal. AOT conducts self-inventories of greenhouse gas emissions with the aim of understanding current conditions and trends to respond proactively. We continue to estimate the greenhouse gas emissions generated by our energy consumption as a reference for future energy-saving and carbon reduction performance.

GHG emissions

Proactively ahead of regulations, AOT voluntarily began individual Scope 1 and Scope 2 GHG inventories in 2013 and obtained ISO 14064-1 system certification. In 2023, we further advanced to conduct Scope 3 GHG inventory and verification. In the future, we will continue to promote the completion of GHG inventories and certifications for each subsidiary along the path of sustainable development, while preparing in advance for potential international carbon policy changes. In 2024, AOT completed the 2023 greenhouse gas inventory in accordance with the ISO 14064-1:2018 standard. The inventory boundary is defined using the operational control approach, covering the Hukou Plant and Siwei Plant in Taiwan. Therefore, 2023 is designated as the base year for the Company's greenhouse gas emissions.

► Direct Greenhouse Gas Emissions (Scope 1)

The Company's direct emission sources under its ownership or control mainly include refrigerant leakage, process emissions, and gasoline and diesel consumption. No biomass energy is used.

► Energy Indirect (Scope 2) and Other Indirect Greenhouse Gas Emissions (Scope 3)

The Company's indirect emissions are primarily from purchased electricity. This includes electricity consumption for equipment, offices, and public areas. Other indirect emissions (Scope 3) refer to additional indirect emissions resulting from the Company's other activities. No biomass energy is used.

AOT – Emission Statistics by Category

Hukou Plant- Greenhouse Gas Emissions Statistics								
Year		Scope 1				Scope 2	Scope 3	Total Emissions Equivalent
		Fixed Emissions - Diesel	Process Emissions	Mobile Emissions - Gasoline (Company Vehicles)	Fugitive Emissions	Energy Indirect Emissions	Other Indirect Emissions	
2022	Emission Equivalent (metric tons CO2e/year)	253.4509				4,556.8091	0.0000	4,810.260
		1.1206	113.2905	4.1076	134.9322			

AOT – Emission Statistics by Category

Hukou Plant- Greenhouse Gas Emissions Statistics								
Year		Scope 1				Scope 2	Scope 3	Total Emissions Equivalent
		Fixed Emissions - Diesel	Process Emissions	Mobile Emissions - Gasoline (Company Vehicles)	Fugitive Emissions	Energy Indirect Emissions	Other Indirect Emissions	
2023	Emission Equivalent (metric tons CO2e/year)	319.9659				4830.4517	1069.771	6220.1886
		0.8499	174.9798	1.7324	142.4038			
2024	Emission Equivalent (metric tons CO2e/year)	380.2370				4817.5742	1287.6928	6485.5040
		0.7397	212.1163	2.5586	164.8224			

Siwei Plant - Greenhouse Gas Emissions Statistics								
Year		Scope 1				Scope 2	Scope 3	Total Emissions Equivalent
		Fixed Emissions - Diesel	Process Emissions	Mobile Emissions - Gasoline (Company Vehicles)	Fugitive Emissions	Energy Indirect Emissions	Other Indirect Emissions	
2022	Emission Equivalent (metric tons CO2e/year)	102.9655				3203.541	0.0000	3306.507
		0.5212	10.8633	0.0000	91.5810			
2023	Emission Equivalent (metric tons CO2e/year)	113.6278				2307.2764	464.4401	2885.3443
		0.4315	15.1741	0.0000	98.0222			
2024	Emission Equivalent (metric tons CO2e/year)	97.2420				1869.9300	392.1863	2359.3583
		0.3981	0.0000	0.0000	96.8439			

Emissions Intensity

Year	2022	2023	2024
Total emissions (metric tons of CO₂e)	8,116.7665	9,105.5329	8,844.8623
Total production (million)	2,508	2,306	2,724
Emission intensity (metric tons of CO₂e/million)	3.2364	3.9486	3.2470

Energy Conservation and Carbon Reduction Actions

The following are energy-saving initiatives implemented by the Company over the past five years:

- Replaced old air compressors with new variable frequency air compressors, saving 1,472,385 kWh of electricity per year.
- Replaced old fixed-frequency vacuum machines with variable frequency vacuum machines, saving 125,268 kWh of electricity per year.
- Added inverters to air conditioning box blower motors, saving 87,600 kWh of electricity per year.
- Replaced old chiller units with new magnetic levitation variable frequency chillers, saving 538,460 kWh of electricity per year.

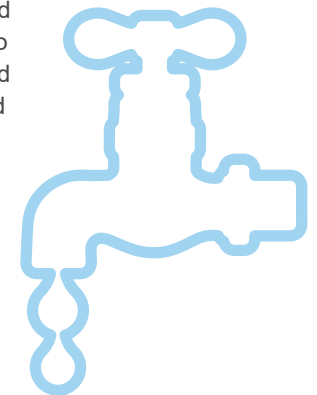
The Company does not emit ozone-depleting substances, nitrogen oxides, or sulfur oxides. However, due to the introduction of new product processes in 2023, more organic solvents were used (volatile organic compounds: 2022: 7,476.31 kg; 2023: 8,375.85 kg; 2024: 6,178.68 kg).

4.3 Water Resource Management

According to statistics from the Environment Sustainable Index (ESI), Taiwan is one of the 18 countries in the world facing the highest water shortage risks. In response to this risk, water resource management is a critical issue. The Company is located in the Hsinchu Industrial Park, Hukou Township, Hsinchu County. The main water sources are Shihmen Reservoir, Baoshan Reservoir, Baoshan No. 2 Reservoir, and the Touqian River. Tap water is supplied by the Third District Management Office of the Taiwan Water Corporation. Wastewater is discharged to the sewage treatment plant operated by the Hsinchu Science Park Sewage Treatment Plant, Sewerage System Operation Center. After proper treatment and compliance with legal discharge water quality standards, the effluent is released into the Jiadong River.

The Company assesses water stress at each of its plant sites using the "Aqueduct Water Risk Atlas" developed by the World Resources Institute (WRI). Results show that even under the most pessimistic climate scenario projected for 2030, all plant locations are subject to low to medium water stress (10%–20%) and none are located in "high" or "extremely high" water stress areas. Additionally, the Company does not extract water from ecological conservation zones, areas with biodiversity value, or habitats that are protected or undergoing restoration.

In terms of water resource management, we ensure water quality is not compromised while improving process water reuse. We continuously work to maximize water use efficiency at the plant level, increase production value under the same water consumption, and monitor water usage in production areas and buildings to reduce water-related risks. The Company has installed wastewater treatment facilities and assigned dedicated personnel to oversee environmental protection matters. It has also obtained wastewater discharge permits and passed ISO 14001 environmental management system certification to effectively minimize negative impacts on the environment and ecosystems. Water-consuming equipment: Production processes (cutting machines/washing machines), utilities (cooling towers/purified water production), and domestic water use.



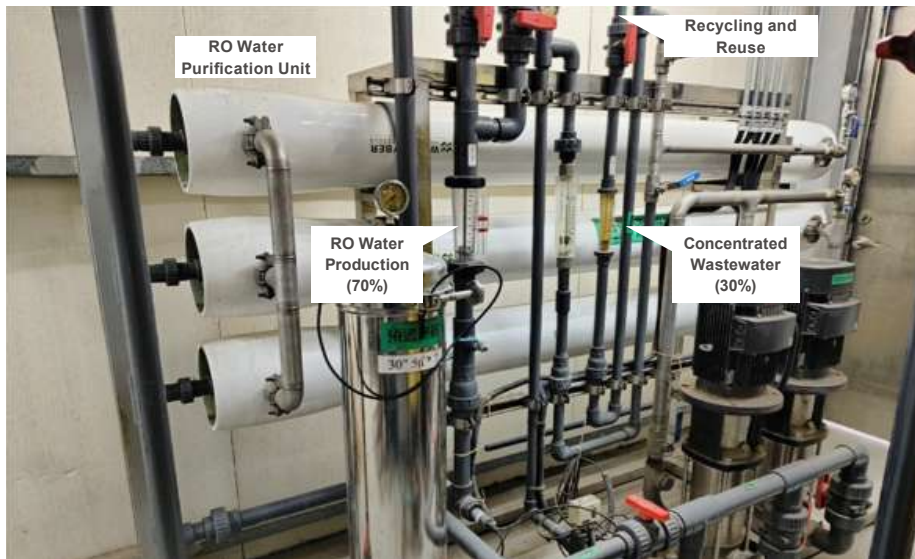


RO (Reverse Osmosis) Water Recycling and Reuse Descriptions:

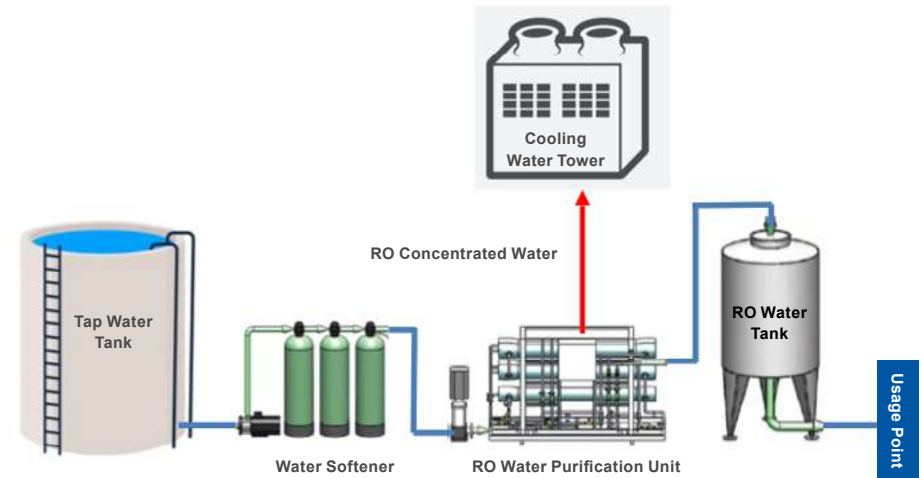
- ◆ Hukou Plant: During the RO water production process, approximately 30% of the water becomes concentrated water, which is recycled for use in soft water regeneration, reducing tap water consumption.
- ◆ Siwei Plant: During the RO water production process, approximately 30% of the water becomes concentrated water, which is recycled for use in cooling tower heat dissipation, reducing tap water consumption.
- ◆ Combined Statement: In the RO water production process, approximately 30% of the water becomes concentrated water, which is recycled for both soft water regeneration and cooling tower heat dissipation, thereby reducing tap water consumption.

RO Concentrated Water Recycling Equipment

About 30% of concentrated water is generated during the RO water production process, which is recycled for soft water regeneration and cooling tower heat dissipation to reduce tap water consumption.



RO Concentrated Water Recycling Process Flowchart



Water Withdrawal

Year	Plant site	Water Withdrawal by Different Plants (ML)	Total Water Withdrawal (ML)	Reservoir Source	Water Withdrawal Type
2022	Hukou	30.635	50.888	Shihmen Reservoir, Baoshan Reservoir, Baoshan No. 2 Reservoir	Third-party water (tap water)
	Siwei	20.253			
2023	Hukou	34.935	48.470		
	Siwei	13.535			
2024	Hukou	35.131	47.627		
	Siwei	12.496			

All plants - Water resource usage

Unit: ML	2022	2023	2024
Total Withdrawal	50.888	48.470	47.627
Total Discharge	27.902	25.298	25.498
Total Consumption	22.986	23.172	22.129

Note 1. Water discharge reduction measures: Increase the conductivity threshold of cooling towers / Install water-saving devices on toilet faucets.

Note 2. Hukou Plant: Recycles RO concentrated water for reuse as raw process water. Siwei Plant: Recycles RO concentrated water for use in cooling towers.

Water discharge

Year	Drainage area	Plant site	Water Withdrawal by Different Plants (ML)	Total water discharge (ML)
2022	Hsinchu Science Park Sewage Treatment Plant, Sewerage System Operation Center	Hukou	14.978	27.902
		Siwei	12.924	
2023		Hukou	18.237	25.298
		Siwei	7.061	
2024		Hukou	18.142	25.498
		Siwei	7.356	


Discharged Water - Water Quality Test (First Half of the Year)

Unit: mg/L	2022	2023	2024
Total Suspended Solids	42.00	33.00	46.00
Discharge Standard	400.00	400.00	400.00
Biochemical Oxygen Demand	NA	NA	NA
Discharge Standard	400.00	400.00	400.00
Chemical Oxygen Demand	199.00	159.00	195.00
Discharge Standard	480.00	480.00	480.00

Note: Wastewater Treatment System Management: Implement routine maintenance of the wastewater treatment system and pH sensor calibration; enhance daily inspection of water quality and adjust chemical dosage in a timely manner.

4.4 Waste Management

The industrial waste generated by AOT mainly includes waste solvents, anti-static metal bags, wiping cloths, and sludge from wastewater treatment. Additionally, domestic waste from employees, as well as non-production waste such as wastepaper, plastic, and iron/aluminum cans, is all handled by qualified waste disposal contractors. Currently, anti-static metal bags are reused repeatedly until their electrostatic performance degrades, after which they are disposed of.



Waste Management Measures:

1. All waste collection/disposal contractors hold valid clearance/disposal permits.
2. Contracts are signed with all waste collection/disposal contractors.
3. Annual site visits are conducted to waste treatment facilities to understand their disposal processes.
4. TCLP (Toxicity Characteristic Leaching Procedure) testing is performed annually for hazardous industrial waste (categories C-0301 & D-0902).

General industrial waste:
3 disposal contractors

Hazardous industrial waste:
Category E: 1 disposal contractor

Type of Waste	Clearance Agency	Treatment Institution
General domestic waste & general industrial waste	Huan Guan Environmental Co., Ltd. (Permit number: 113-Hsin-Chu-County-Fei-Jia-Ching-Zi No. 0001)	Chiayi County Lucao Incineration Plant
	Winzer Recycle Technologies Co., Ltd. (Permit number: 110-Tao-Yuan-City-Fei-Jia-Ching-Zi No. 0003)	Ding Li Environmental Engineering Co., Ltd. (Permit number: 111-Tao-Yuan-City-Fei-I-Chu-Zi No. 0217)
	En Ya Environmental Engineering Co., Ltd. (Permit number: 111-Hsin-Chu-City-Fei-Jia-Ching-Zi No. 0007)	Zhen Ming Environmental Engineering Co., Ltd. (Permit number: Hsin-Bei-Huan-Fei-I-Chu-Zi No. 0608)
Waste organic solvents	Guo Hong Technology Co., Ltd. (Permit number: 111-Tao-Yuan-City-Fei-Jia-Ching-Zi No. 0131)	Chung Tai Resource Technology Corp. (Permit number: 111-Tao-Yuan-City-Fei-Jia-Chu-Zi No. 0042-2)
Waste optoelectronic components, scraps, and defective products	Guo Hong Technology Co., Ltd. (Permit number: 111-Tao-Yuan-City-Fei-Jia-Ching-Zi No. 0131)	Jiin Yeeh Ding Enterprise Corp. (Permit number: 109-Hsin-Chu-City-Fei-Jia-Chu-Zi No. 0005)
	Buddha Power Enterprise Co., Ltd. (Permit number: 109-Hsin-Bei-City-Fei-Jia-Ching-Zi No. 0118)	Top Recycling Enterprise Co., Ltd. (Permit number: Hsin-Bei-Huan-Fei-Jia-Chu-Zi No. 0698)
General sludge	Shun Zhu Enterprise (Permit number: 110-Hsin-Chu-City-Fei-I-Ching-Zi No. 0026)	Changxin Environmental Protection Technology Co., Ltd. (Permit number: 111-Miao-Li-County-Fei-I-Chu-Zi No. 0013)

Waste treatment volume

Unit: Metric Tons	Waste item	2022	2023	2024	Treatment method	Off-site/on-site treatment
Hazardous industrial waste	Waste solvents	10.581	8.3	8.712	Physics	Off-site
	Including copper sludge	0.68	0.26	0	Heat treatment	Off-site
	Subtotal	11.261	8.56	8.712	—	—
General Industrial Waste	General domestic waste & general industrial waste	70.7	48.4	46.08	Physics	Off-site
	Aluminum foil bag	6.66	6.692	4.1	Recycling	Off-site
	General sludge	1.35	1	2.33	Settling	Off-site
	Subtotal	78.71	56.092	52.51	—	—
Total		89.971	64.652	61.222	—	—

Note: Due to the consolidation of production capacity in 2023, the amount of waste in the Siwei Plant was greatly reduced.

4.5 Sustainable Supply Chain

AOT regards suppliers as important partners in its operations. In promoting corporate social responsibility, the Company considers the participation of the entire supply chain, besides maintaining quality and delivery, we also drive the supply chain to value human rights, protection of environment, health and safety, strengthen suppliers' Environmental, Social and Governance (ESG) management, including green environmental protection, labor human rights and ethics, health and safety, risk management and ethics, and prohibition of minerals from conflict areas, etc., to jointly establish a sustainable supply chain. The Company also requires suppliers to comply with ISO 14001, ISO 9001, and RBA-related standards.

1. The Company has established a supplier management policy, requiring raw material/production equipment suppliers to sign the RBA (Responsible Business Alliance) Declaration. A contract clause is also included stating that if either party conceals material transaction information and the issue is serious, the other party may terminate or cancel the contract.

2. The Company's QA and procurement staff conduct regular supplier evaluations on the quality, price, delivery time, complaint handling, and other aspects of raw material suppliers' products (or services).

3. The Company requires raw material suppliers to meet specific environmental, occupational safety and health, and labor rights criteria. (For example, requiring suppliers to obtain certifications in stages, such as ISO 14001, RBA, prohibition of hazardous substances, and prohibition of conflict minerals.) Further, ESG self-assessment questionnaires and on-site audits are carried out in stages to ensure suppliers' operations comply with the Company's supplier management policy.

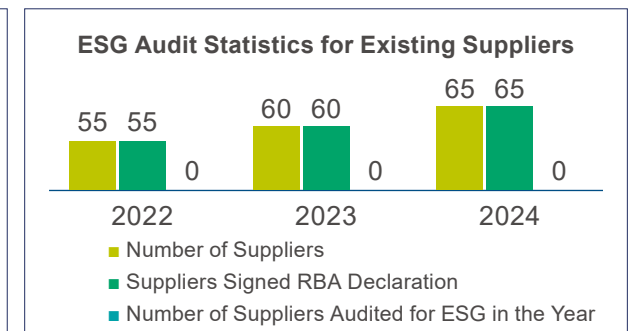
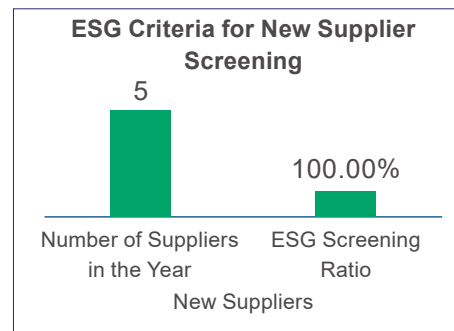
4. If an existing raw material supplier fails evaluation, the Company will require improvement within a specified period. If the supplier fails to improve by the deadline, the Company may reduce orders, claim damages, or even remove the supplier from the approved list in accordance with contract terms.

5. The Company has formulated "Work Rules" in accordance with the Labor Standards Act. It has also established "Sexual Harassment Prevention Measures, Complaint and Management Regulations" in line with the Act of Gender Equality in Employment and related laws, to protect employees' rights and ensure a harassment-free work environment.

The Company also implements human rights policies in line with the Responsible Business Alliance (RBA), and legally appoints labor and management representatives to hold regular labor-management meetings and employee welfare committee meetings regarding employees' rights and welfare.

In 2024, the Company added 5 key raw material suppliers, all of whom (100%) signed the "Procurement Contract." These contracts include RBA-related index requirements, which suppliers are required to comply with. In addition to requiring long-term key suppliers to sign the "Procurement Contract," the Company also requires existing key raw material suppliers to sign the contract upon annual renewal. It aims to achieve 100% signing within five years. At the same time, the Company has launched the "Supplier System Audit and Evaluation Form" mechanism for key suppliers. From 2022 to 2024, a total of 65 key raw material suppliers have signed the "Procurement Contract," achieving a 100% signing rate. The Company will continue to conduct ESG self-assessments for both new and existing key suppliers to implement the supplier evaluation process. Suppliers who cannot comply will be gently advised to improve in a timely manner. If a supplier violates procedures and causes significant environmental or social impacts in the supply area community, the Company may terminate or cancel the contract at any time and list the supplier as a blacklisted entity.

In addition to considering product quality, delivery, and cooperation, the Company urges raw material suppliers to value social responsibility. Starting in 2025, RBA will be incorporated as a requirement in the evaluation of both new and existing suppliers, so that the Company and its suppliers can jointly fulfill corporate social responsibility, improve risk management, and ensure business continuity.



05

CHAPTER

Social Care

- 5.1 Employee Profile
- 5.2 Suitability and Competence
- 5.3 Occupational Safety and Health
- 5.4 Public Welfare Participation

V. Social Care

AOT values the labor rights of its employees, creating a happy and safe workplace, offering friendly and equal job opportunities, implementing gender equality policies, and fostering a mutually respectful atmosphere. The Company provides market-competitive remuneration to increase employee loyalty, reduce turnover, and ensure stable business development. AOT also has a comprehensive education and training system and regularly organizes various training programs to enhance employees' professional skills and workplace competitiveness. Transparent promotion channels allow employees to foresee possible career development opportunities. Through positive labor-management interaction, employees can freely express opinions in labor-management meetings, and the Company responds in good faith to reach consensus. Additionally, AOT has implemented the ISO 45001 Occupational Safety and Health Management System to enhance performance in occupational health and safety management and effectively protect employees' physical and mental well-being. Finally, AOT upholds the principle of giving back to society. Beyond achieving strong revenue performance, it actively aligns with group policies to participate in public welfare activities and support disadvantaged groups, fulfilling its corporate social responsibilities.

5.1 Employee Profile

AOT treats all employees equally and, through various equal opportunity measures, eliminates any labor conditions that may lead to workplace inequality, ensuring employees' labor rights.

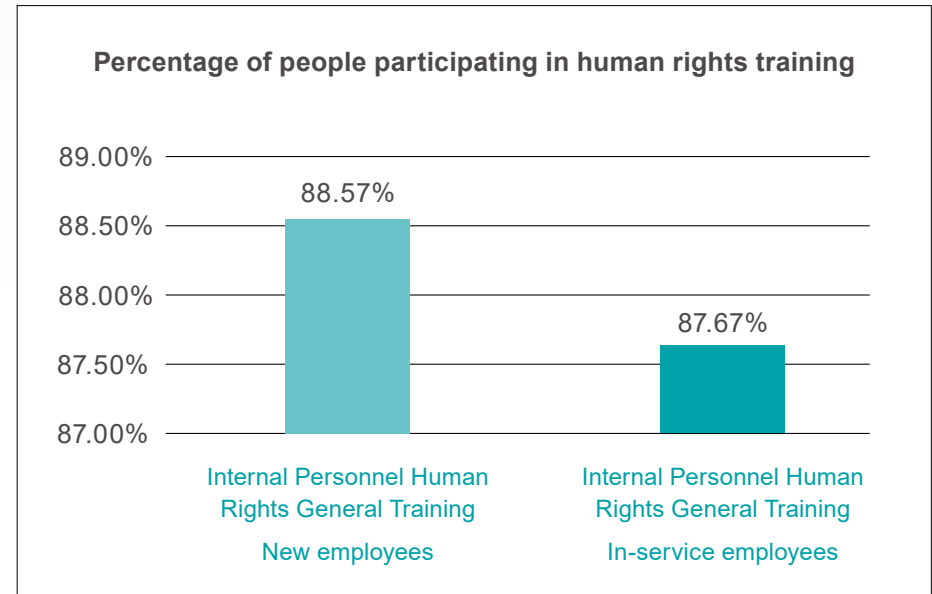
5.1.1 Human Rights Protection

Policies / Commitments		<ul style="list-style-type: none"> Formulate Work Rules in accordance with the Labor Standards Act. Establish Sexual Harassment Prevention Measures, Complaint and Management Regulations in accordance with the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act to protect employee rights and provide a harassment-free work environment. Implement human rights policies into internal procedures to eliminate unlawful discrimination and reasonably ensure equal employment opportunities. Prohibit child labor and forced labor.
Goal	Short-term	<ul style="list-style-type: none"> The number of workplace human rights complaints (bullying, sexual harassment) should decrease year by year, with a target of zero complaints. Human rights training for new employees and annual retraining.
	Medium and long-term	<ul style="list-style-type: none"> Compliance with the behavioral standards under the Responsible Business Alliance (RBA) Code of Conduct.
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none"> General Management Division
Resources invested in the current year		<ul style="list-style-type: none"> In 2024, a total of 612 participants attended human rights courses, with a total of 612 training hours. The Human Resources Department accepted complaint cases and conducted investigations into records of human rights violations. All cases were investigated and closed.
Evaluation Mechanism / Achievements		<ul style="list-style-type: none"> The number of workplace human rights complaints (bullying, sexual harassment) in 2024 decreased from 3 cases in 2023 to 2 cases. The retention rate of employees who filed human rights complaints in the current year was 100%.

AOT values employee rights and fosters a friendly environment that protects human rights. The Company has formulated its human rights policy in accordance with the principles set forth in the United Nations “Universal Declaration of Human Rights”, “the United Nations Global Compact”, “the United Nations Guiding Principles on Business and Human Rights”, and the International Labour Organization’s “Declaration on Fundamental Principles and Rights at Work”. The policy acknowledges internationally recognized fundamental human rights, including respect for employees’ freedom of association, care for disadvantaged groups, prohibition of child labor, elimination of all forms of forced labor, elimination of employment and workplace discrimination, and prevention of any acts that violate or infringe upon human rights, ensuring gender equality and fair treatment of all employees. AOT’s compensation policy also ensures that employee salary determinations are not affected by personal gender, age, race, religion, or political stance.

At the same time, AOT complies with labor and human rights laws at all of its operating sites, promoting key messages about human rights protection and labor rights to new and current employees. In addition, AOT provides a whistleblower channel for employees. Cases are handled by designated personnel who conduct due diligence investigations, and the whistleblower’s personal information is kept confidential. If the complaint is verified, the Company commits not to retaliate against the whistleblower. The human rights training hours and number of complaints for 2024 are shown in the table below.

 Name of Human Rights Course	 Number of hours of human rights training	 Number of Participants
Ethical Corporate Management Best Practice Principles for New Employees and Human Rights Promotion	93	93
Ethical Corporate Management Best Practice Principles for In-Service Employees and Human Rights Promotion	519	519



Note: Participation rate = (number of participants / total number of target group) × 100%.

Retention rate after the employee filed a human rights complaint in the current year		
Number of cases	Number of cases accepted	Retention rate
2	2	100%

Note: Retention rate = (number of employees still employed within one year after filing the complaint) / (number of employees who filed a human rights complaint).

5.1.2 Employee Statistics

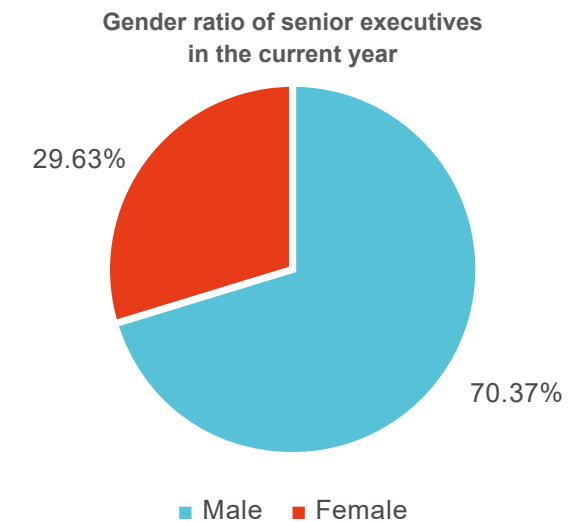
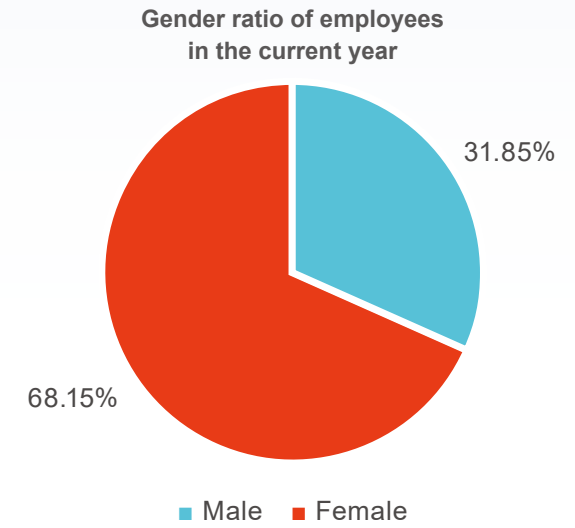
As the main manufacturer of LED products, AOT has seen significant growth in operating revenue in recent years, driven by improvements in production efficiency at its facilities. Alongside this growth, the demand for human resources has also increased substantially. Over the past three years, AOT has provided an average of 109 job opportunities annually. With its competitive remuneration packages, the company continues to attract outstanding talent.

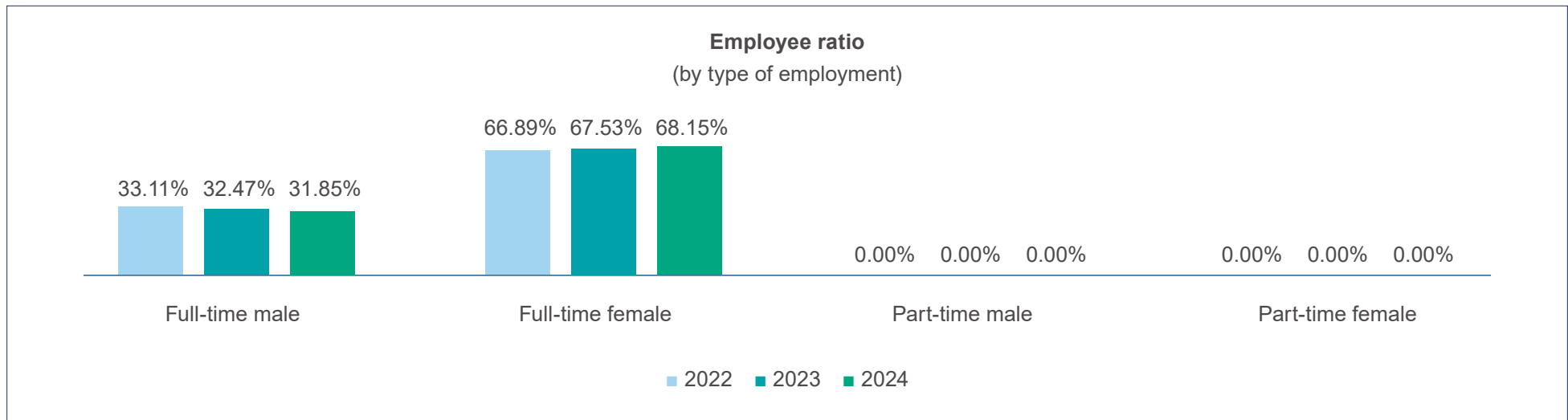
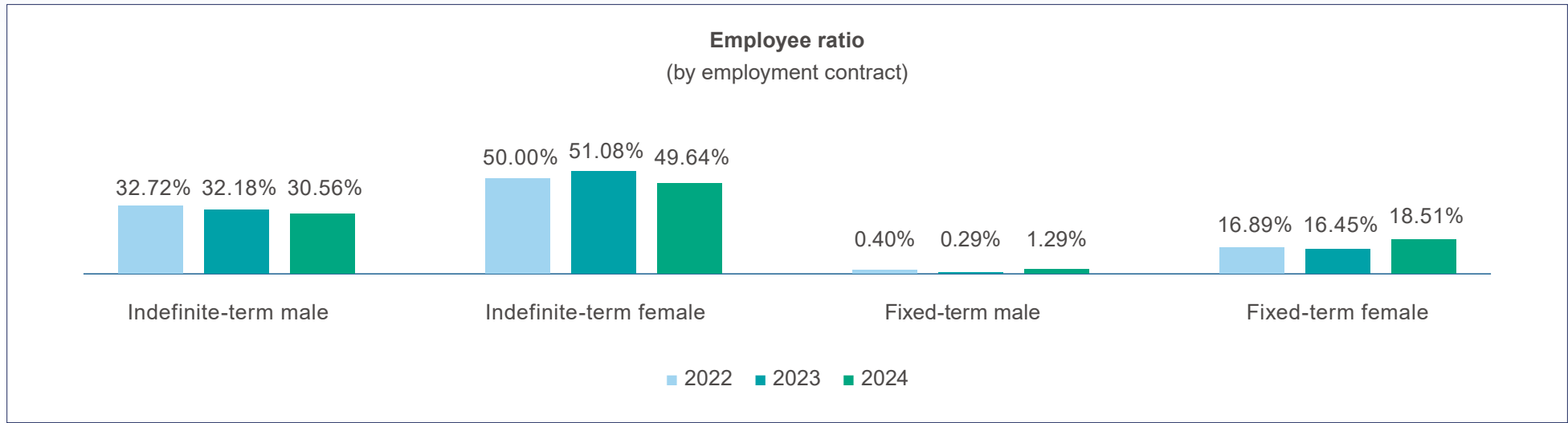
Specifically, as a company in the optoelectronics industry, all AOT employees are employed under indefinite-term contracts (i.e., full-time employees). The company offers stable and long-term employment arrangements that allow employees to fully focus on their work without concerns, thereby supporting their financial security.

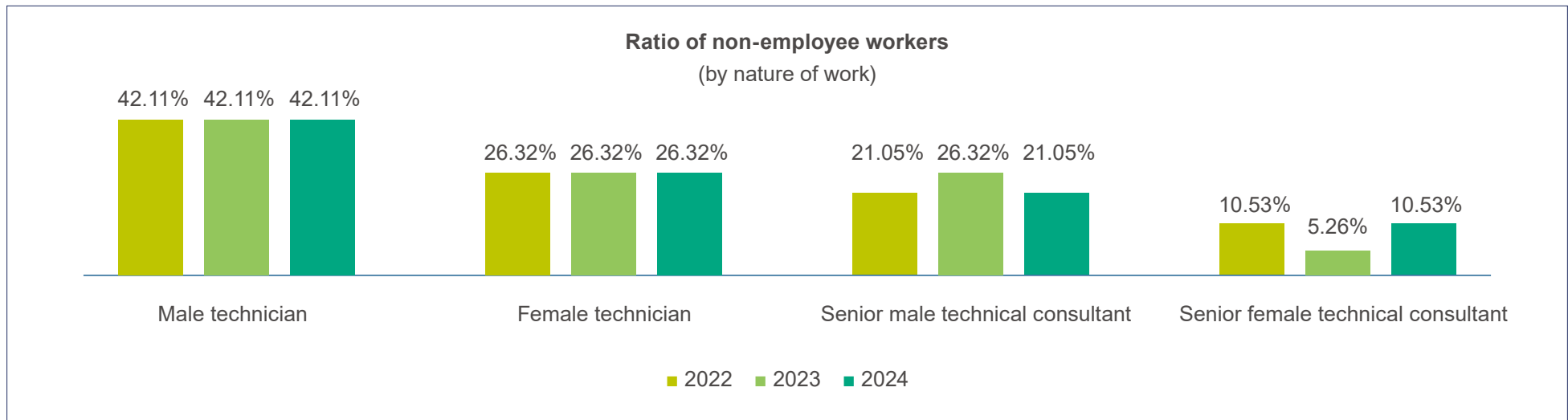
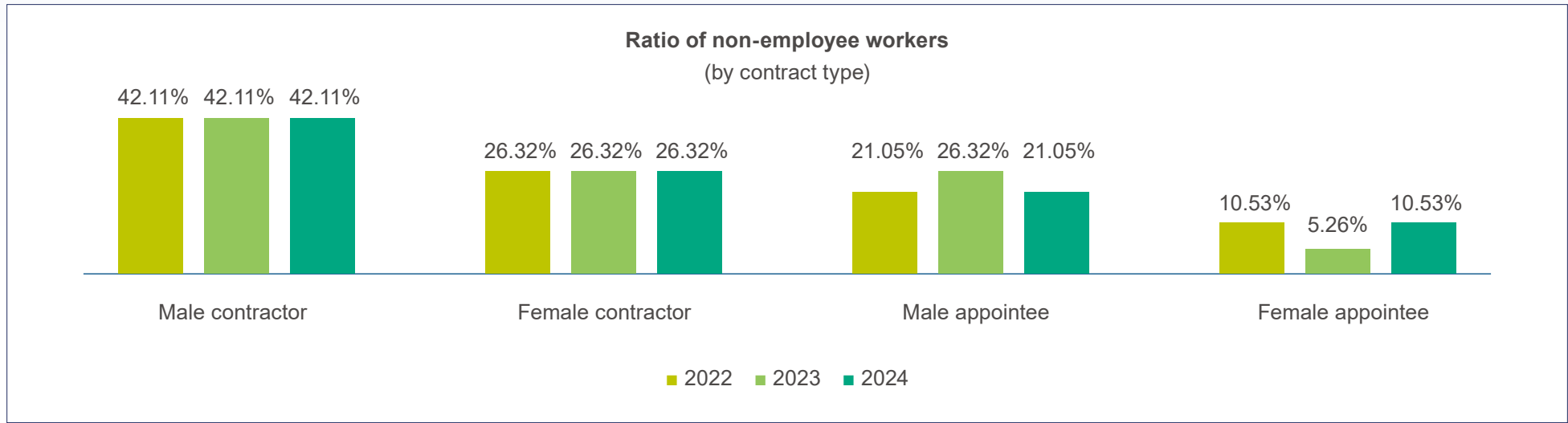
Women account for approximately 68% of AOT's total workforce. Employees are mainly categorized into direct and indirect personnel. Direct personnel, primarily female, are mostly engaged in production line work due to the nature of the operations. Indirect personnel, who mainly handle R&D, quality assurance, and business-related tasks, are predominantly male. In terms of age distribution, around 80% of both direct and indirect employees are under the age of 50. This indicates that AOT's workforce is primarily composed of middle-aged employees, guided by experienced senior managers leading younger teams. The manpower structure is stable, with no risk of labor shortages.

At AOT's Taiwan operations, 81.5% of senior executives are local hires. This reflects the company's commitment to working with local communities to identify and recruit talent, encouraging skilled professionals to work close to home. This approach helps AOT gain community recognition and contributes to the improvement of the local economy.

As for non-employee workers at AOT, contract types are categorized as either contractual or commissioned. Contractual workers primarily include on-site personnel from outsourced vendors for security, cleaning, and catering services. Commissioned roles include technical consultants, strategic procurement advisors, and sales consultants for the Japanese market.









Employees

Statistical / Year		2022		2023		2024	
Total number of employees (Note 1)		758		693		697	
Employment contracts (Note 2)		Indefinite-term	Fixed-term	Indefinite-term	Fixed-term	Indefinite-term	Fixed-term
Gender	Male	248	3	223	2	213	9
	Female	379	128	354	114	346	129
Nationality	R.O.C.	627	5	577	3	559	1
	Foreigner	0	126	0	113	0	137
Employment types (Note 3)		Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Gender	Male	251	0	225	0	222	0
	Female	507	0	468	0	475	0
Nationality	R.O.C.	632	0	580	0	560	0
	Foreigner	126	0	113	0	137	0

Note 1: The total number of employees for the year is based on the headcount as of year-end (December 31).
 Note 2: Employment contracts are categorized into indefinite-term employees (full-time) and fixed-term employees (e.g., for short-term, seasonal, or project-based roles; this also includes temporary replacements for employees on maternity or parental leave, until the original employee returns).
 Note 3: Employment types are divided into full-time employees (weekly working hours reach the statutory maximum) and part-time employees (weekly working hours do not reach the statutory maximum, including interns or hourly workers).

Non-employee workers

Statistical / Year		2022		2023		2024	
Total number of non-employee workers (Note 1)		19		19		19	
Employment types		Contractual	Commissioned	Contractual	Commissioned	Contractual	Commissioned
Gender	Male	8	4	8	5	8	4
	Female	5	2	5	1	5	2
Nationality	R.O.C.	13	5	13	4	13	3
	Foreigner	0	1	0	2	0	3
Nature of work		Security, cleaning, and catering services	Senior technical consultant	Security, cleaning, and catering services	Senior technical consultant	Security, cleaning, and catering services	Senior technical consultant
Gender	Male	8	4	8	5	8	4
	Female	5	2	5	1	5	2
Nationality	R.O.C.	13	5	13	4	13	3
	Foreigner	0	1	0	2	0	3

Note 1: Non-employee workers are individuals who provide services to the company but do not have an employment contract with it, such as on-site personnel from contractors (e.g., security, cleaning staff), or retired senior executives appointed as senior consultants. The total number of non-employee workers is based on the headcount as of year-end (December 31).

Employee diversity statistics

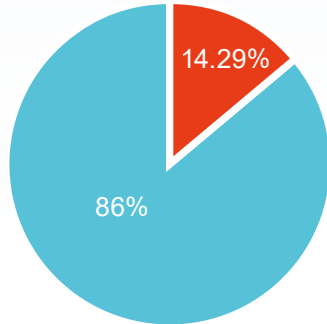
Diversified Statistics / Year				2022		2023		2024	
				Number of people	Percentage	Number of people	Percentage	Number of people	Percentage
Employees	Direct	Gender	Male	40	5.28%	26	3.75%	32	4.59%
			Female	363	47.89%	332	47.91%	343	49.21%
		Age	Under 30	46	6.07%	36	5.19%	32	4.59%
			30 or above but less than 50	303	39.97%	259	37.37%	267	38.31%
			50+	54	7.12%	63	9.09%	76	10.90%
		Academic background	Graduate Institute	0	0.00%	0	0.00%	0	0.00%
			Colleges and universities	183	24.14%	161	23.23%	185	26.54%
			Others	220	29.02%	197	28.43%	190	27.26%
	Indirect	Gender	Male	211	27.84%	199	28.72%	190	27.26%
			Female	144	19.00%	136	19.62%	132	18.94%
		Age	Under 30	31	4.09%	27	3.90%	28	4.02%
			30 or above but less than 50	287	37.86%	270	38.96%	238	34.15%
			50+	37	4.88%	38	5.48%	56	8.03%
		Academic background	Graduate Institute	75	9.89%	66	9.52%	65	9.33%
Colleges and universities			253	33.38%	243	35.06%	233	33.43%	
Others			27	3.56%	26	3.75%	24	3.44%	

Note: Calculation methods are as follows

Percentage of direct employees under the age of 30 = (Total number of direct employees under age 30 at year-end / Total number of employees at year-end) × 100%

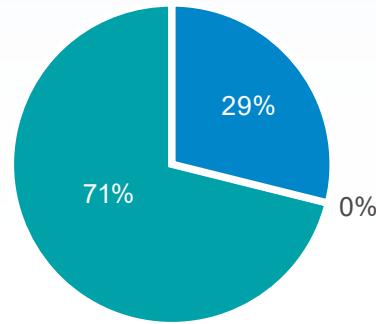
Percentage of indirect employees with a graduate degree = (Total number of indirect employees with a graduate degree in the current year / Total number of employees at year-end) × 100%

Gender ratio of directors in the current year



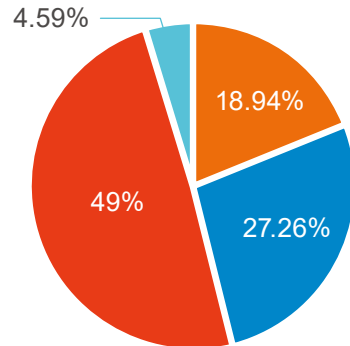
Male Female

Age ratio of directors in the current year



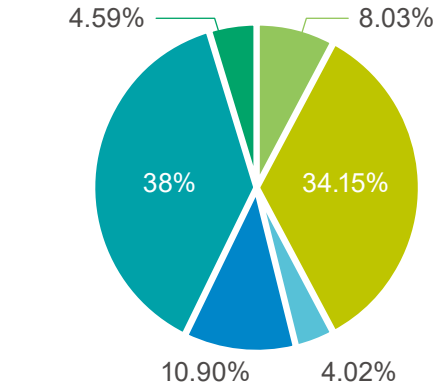
Under 50 50-65 65+

Gender ratio of employees in the current year



Male Direct
Female Direct
Male Indirect
Female Indirect

Age ratio of employees in the current year



Direct Employees Under 30 Years Old
Direct Employees Aged 30 to Under 50
Direct Employees Aged 50 and Above
Indirect Employees Under 30 Years Old
Indirect Employees Aged 30 to Under 50
Indirect Employees Aged 50 and Above

New Hires and Employee Turnover

Item / Year		2022		2023		2024	
Total number of employees in the current year		758		693		697	
Employee New Recruitment and Resignation Statistics		Number of employees	Percentage (Note)	Number of employees	Percentage (Note)	Number of employees	Percentage (Note)
New employees							
Age	Under 30	49	6.46%	33	4.76%	39	5.60%
	30 or above but less than 50	74	9.76%	62	8.95%	63	9.04%
	50+	3	0.40%	2	0.29%	3	0.43%
Gender	Male	49	6.46%	41	5.92%	53	7.60%
	Female	77	10.16%	56	8.08%	52	7.46%
Academic background	Graduate Institute	24	3.17%	18	2.60%	17	2.44%
	Colleges and universities	92	12.14%	75	10.82%	87	12.48%
	Others	10	1.32%	4	0.58%	1	0.14%
Nationality	R.O.C.	90	11.87%	67	9.67%	68	9.76%
	Foreigner	36	4.75%	30	4.33%	37	5.31%



Resigned Employees							
Age	Under 30	54	7.12%	33	4.76%	11	1.58%
	30 or above but less than 50	190	25.07%	114	16.45%	77	11.05%
	50+	38	5.01%	15	2.16%	8	1.15%
Gender	Male	108	14.25%	67	9.67%	55	7.89%
	Female	174	22.96%	95	13.71%	41	5.88%
Academic background	Graduate Institute	32	4.22%	27	3.90%	18	2.58%
	Colleges and universities	157	20.71%	107	15.44%	69	9.90%
	Others	93	12.27%	28	4.04%	9	1.29%
Nationality	R.O.C.	246	32.45%	119	17.17%	84	12.05%
	Foreigner	36	4.75%	43	6.20%	12	1.72%

Note: The total number of employees for the year is based on the headcount as of year-end (December 31).

Note: New employees refer to those who were recruited by the Company during the current year, including those who joined and left before the end of the year.

New employee hiring rate = (Total number of new employees in a specific category during the year / Total number of employees in the year) × 100%.

For example, rate of new female employees = (Total number of new female employees during the year / Total number of employees in the year) × 100%.

Turnover rate = (Total number of resigned employees in a specific category during the year / Total number of employees in the year) × 100%.

For example, turnover rate of employees under age 30 = (Total number of resigned employees under age 30 during the year / Total number of employees in the year) × 100%.



5.2 Suitability and Competence

A sound human resource foundation is the key to AOT’s sustainable operation. In order to attract outstanding talent, the Company provides market-competitive remuneration and benefits to reward employees for their performance and long-term contributions. AOT upholds the concept of treating employees equally and has planned a transparent evaluation, reward, and disciplinary system, fostering a fair and competitive environment among colleagues. This not only encourages employees to devote more effort to their performance but also helps shape AOT’s corporate culture of attracting and retaining talent. At the same time, employees develop a stronger sense of belonging and actively participate in Company affairs. As for promotion channels, after making promotion information transparent and open, employees with strong work performance have the opportunity for advancement, fostering a culture of learning from role models and enabling the Company to continuously cultivate more exceptional talent. The Company also arranges education and training plans to help employees pursue further development in their respective professional fields and realize their self-worth. Lastly, AOT has established multiple channels for open dialogue and communication with employees, enabling timely feedback of opinions and kind responses from the Company, thereby maintaining a harmonious and trusting relationship between labor and management.



5.2.1 Remuneration and Benefits

Policies / Commitments		<ul style="list-style-type: none"> The Company provides fair and competitive remuneration and benefits and regularly adjusts salaries based on performance and market benchmarks to ensure employees are reasonably rewarded for their contributions. The Company also considers employee needs in developing benefit programs and continues to improve them to enhance employee satisfaction, striving to create a supportive environment that promotes employee health and development.
Goal	Short-term	<ul style="list-style-type: none"> The recruitment time for job vacancies is less than 2 months The turnover rate of non-fixed term employees is lower than 15% The reinstatement rate and retention rate after parental leave are not less than 66.6% The standard salary of junior male and female employees is higher than the statutory minimum wage
	Medium and long-term	<ul style="list-style-type: none"> Comply with the RBA Code of Conduct for Labor, Ethics, and Management System
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none"> Human Resources Division
Resources invested in the current year		<ul style="list-style-type: none"> For outstanding employees who met performance appraisal targets, salary adjustments ranged from 1.5% to 3.0%. The retention rate after reinstatement from parental leave exceeded 80%. The internal employee turnover rate has declined year by year: 2022/2023/2024 turnover rates were 37.2% / 23.4% / 13.7%. The standard salary of junior male and female employees is higher than the statutory minimum wage.
Evaluation Mechanism / Achievements		<ul style="list-style-type: none"> The average and median salaries of full-time non-managerial employees increased compared to the previous year. The retention rate after reinstatement from parental leave met the target. The standard salary of junior male and female employees is higher than the statutory minimum wage. The turnover rate of non-fixed term employees is below 15%.



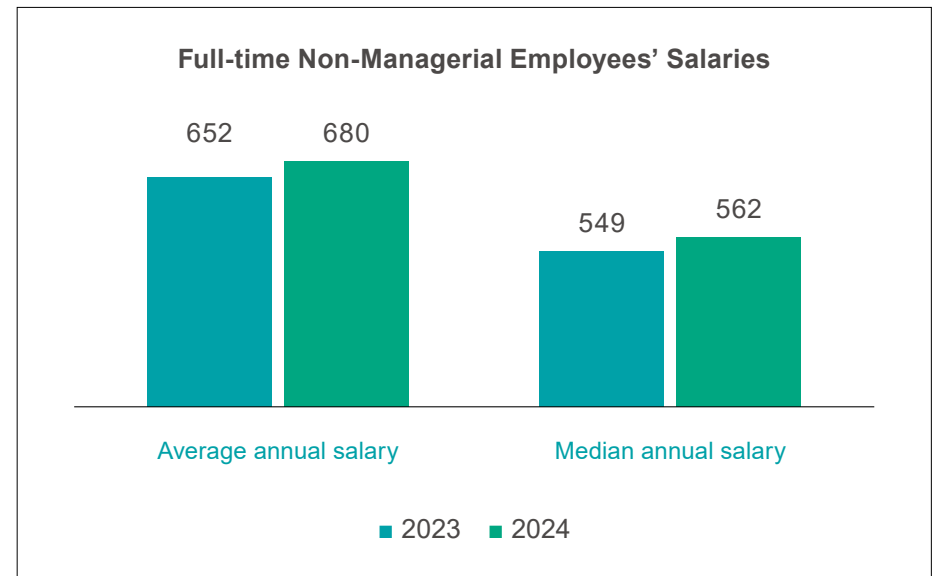
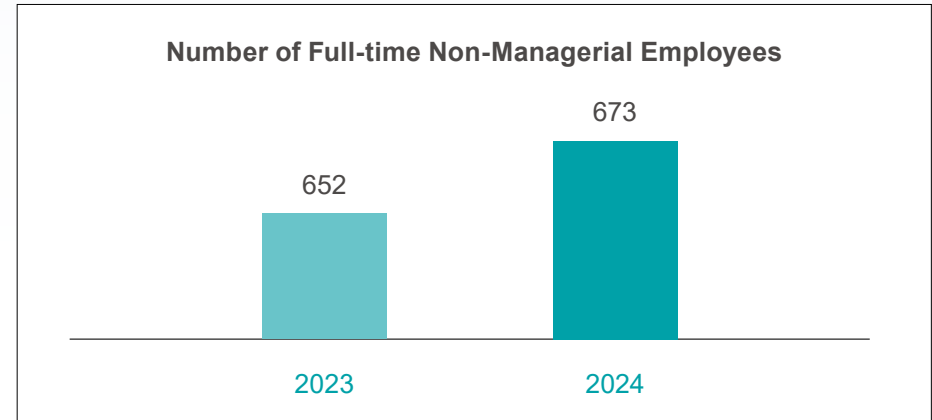
AOT determines employee remuneration based on the annual achievement rate of business goals and company profitability, offering compensation that exceeds local legal requirements and is competitive in the market. To ensure employee performance is appropriately reflected in individual compensation, all employees undergo regular performance and career development evaluations. Evaluation results are factored into promotion opportunities, allowing those with specialized skills to grow into field experts, and those with leadership potential to advance into management roles — providing broad development space for employees' careers.

In general, AOT determines employee compensation based on length of service, educational and professional background, and skills, without differentiating based on physical or mental conditions. As employees' years of service increase, they become more proficient in industry knowledge and experience. The company also shares profits with employees, as shown in the continuous annual growth of average and median salaries for non-managerial employees in Taiwan. This enables employees to contribute their talents without financial worry and enhances their sense of belonging and loyalty to the Company.

Furthermore, AOT categorizes employees by gender and into direct and indirect personnel. Comparing the ratios of basic salary and total remuneration, the basic salaries of male and female direct personnel are roughly equal, and the gender gap in total remuneration continues to narrow year by year. For indirect personnel, differences in basic salary and total pay between male and female employees are due to differences in roles — with males mostly in R&D and sales and females in administrative roles — and differences in seniority. Nonetheless, AOT is committed to promoting workplace diversity and equality and will continue efforts to close the gender pay gap. In addition, the standard salaries of AOT's direct personnel, regardless of gender, exceed the local minimum wage.

Moreover, to enhance employee efficiency, AOT provides various welfare benefits and a comfortable work environment. Through occasional employee welfare activities, the company helps reduce workplace stress and fosters positive interactions among colleagues.

Unit: Person; NT\$ Thousand





Ratio of base salary to total compensation			2022		2023		2024	
Key operational sites	Employee Type	Item	Male	Female	Male	Female	Male	Female
Taiwan	Direct	Base salary	1.00	1	1.01	1	1.00	1
		Remuneration	1.02	1	1.13	1	1.07	1
	Indirect	Base salary	1.19	1	1.22	1	1.24	1
		Remuneration	1.23	1	1.26	1	1.29	1

Note: Base salary refers to the minimum fixed amount paid to employees for performing their duties, excluding any additional remuneration such as overtime pay, bonuses, or various allowances. Remuneration refers to the base salary plus additional payments made to employees; "additional payments" include seniority allowances, bonuses (including cash and stock-based), benefits, overtime pay, compensatory time off, and other subsidies (such as transportation allowance, living expense allowance, and childcare allowance).

Employee Type	Gender	Standard salary/ local minimum wage
Direct labor in Taiwan	Male	1.16
	Female	1.13

Note: The standard salary refers to the regular monthly salary paid to junior full-time employees.

Employee welfare items	Taiwan
Group accident insurance	✓
Subsidies for weddings/funerals	✓
Festival bonuses	✓
Year-end bonus	✓
Periodic health checkups	✓
Birthday celebration dinner	✓
Employee cafeteria	✓
Breastfeeding room	✓
Employee travel/family day/year-end celebration party	✓



Employee Parental Leave without Pay/Year	Gender	Statistics		
		2022	2023	2024
Number of employees applying for parental leave	Male	1	1	0
	Female	10	9	6
Number of employees due to be reinstated (A)	Male	0	2	0
	Female	9	7	6
Number of employees actually reinstated (B) (including early reinstatement)	Male	0	1	1
	Female	5	6	2
Reinstatement rate (B/A)	Male	0.0%	50.00%	0.0%
	Female	55.56%	85.71%	33.33%
Employees still in service after 12 months (C)	Male	0	1	1
	Female	4	5	2
Retention rate (C for the current year and B for the previous year)	Male	0.0%	100.00%	100.00%
	Female	80.00%	83.33%	100.00%

Note: Reinstatement rate = (Number of employees actually reinstated in the year + Number of employees due to be reinstated in the year) × 100%.

Retention rate = (Number of employees still in service 12 months after reinstatement + Number of employees actually reinstated in the previous year) × 100%.

Employee retirement system and implementation

• **Old System:** The Company has established the "Organizational Rules of the Labor Pension Fund Supervisory Committee" in accordance with the Labor Standards Act. Employees who joined the Company before June 30, 2005, may choose to adopt either the old pension system or the new one. The Company contributes 2% of monthly salary to a dedicated account at the Bank of Taiwan for employees under the old system, supervised and managed by the Company's "Labor Pension Fund Supervisory Committee." In October 2022, the employer and employees reached a consensus at a Supervisory Committee meeting to settle the seniority under the old system. In accordance with Paragraph 3, Article 11 of the Labor Pension Act, the settlement process for the old system seniority was carried out. After approval from the competent labor authority — the Hsinchu County Labor Affairs Department — the settlement payment was made from the Company's dedicated labor pension fund account at the Bank of Taiwan. In May 2023, the competent authority approved the withdrawal of the remaining balance from the labor pension reserve account.

• **New System:** For employees who joined the Company on or after July 1, 2005, as well as those who were originally under the old system but opted into the new one, the Company contributes 6% of their total monthly salary to their individual pension accounts in accordance with the Labor Pension Act.





Hukou Plant Site



A corner of the plant



Company Lobby



Breastfeeding Room





Employee Cafeteria



Pantry



Employee Training Classroom



Employee Lounge



Office Environment





Manufacturing Site



Year-End Party



Employee Gathering



Club Activities



Employee Shuttle Bus



5.2.2 Talent Cultivation

Policies / Commitments		<ul style="list-style-type: none"> The Company is committed to cultivating employee skills and career development, regularly providing skill training, leadership courses, and career planning support. It encourages internal promotion and knowledge sharing to offer employees continuous growth opportunities, enhance the Company's innovation and competitiveness, and foster a positive and proactive work culture.
Goal	Short-term	<ul style="list-style-type: none"> The competency training rate for new recruits reaches 100%. Enhance leadership across all management levels through competency development-oriented supervisor training programs. Continue to offer advanced technology forums and courses to promote employees' innovative thinking and competitiveness.
	Medium and long-term	<ul style="list-style-type: none"> Strengthen employees' and supervisors' professional and managerial skills to maintain the Company's technological edge. Regularly conduct ethics and human rights general training for both new and existing employees.
Responsible Department / Complaint Mechanism		<ul style="list-style-type: none"> Human Resources Division Post-course satisfaction surveys, post-training effectiveness surveys by supervisors
Resources invested in the current year		<ul style="list-style-type: none"> Entry-level supervisor training courses: 33 participants, 100% participation rate. Mid-level supervisor training courses: 17 participants, 100% participation rate. Two corporate culture courses: 48 participants, 100% participation rate. "Supervisor Dialogue" course: 51 participants, 100% participation rate. In 2024, a total of 612 participants attended human rights courses, with a total of 612 training hours.
Evaluation Mechanism / Achievements		<ul style="list-style-type: none"> Post-course satisfaction survey scores above 90. Annual training effectiveness surveys by supervisors scored above 80.

Employee Training





For AOT, the key to sustainable business lies in the continuous learning and growth of employees. Education and training are essential to ensure continuous human capital enhancement. AOT has always placed strong emphasis on employee development. The overall learning and development strategy is based on on-the-job training, supported by new employee orientation, specialized professional training, and leadership training programs. These are aligned with annual objectives and departmental needs to establish a robust education and training framework.

To enhance employees' professional skills, the Company formulates annual training plans based on its development strategy, ensuring training objectives are met. This supports long-term career growth for employees and enables the Company to benefit from their progress. Internal training also facilitates knowledge transfer across departments and assists employees in defining their learning paths and career plans.

When new hires report to work, dedicated staff explain Company rules and occupational safety practices. They then receive specific functional training from their departments. AOT actively encourages employees to pursue job-related professional courses. Centered on continuous growth, the Company offers diverse learning channels to help employees develop their expertise and achieve personal success. Each department develops and

implements training plans based on its business needs. Employee training is divided into internal and external programs. Internal training involves department-led sessions tailored to practical needs. For external training, departments submit requests based on business requirements, and approved participants attend courses held by external institutions. Afterward, they share their learnings with colleagues, facilitating applied knowledge transfer. In line with the trend of diversified education and training, AOT encourages participation in external courses such as language learning and social communication to broaden employees' knowledge.

Overall, the average number of training hours per employee has increased annually. Direct employees typically engage in simpler production line tasks, while indirect employees handle design, development, and ESH (Environment, Safety, and Health) roles that require specialized ongoing training. As a result, indirect employees have more training hours than direct staff. Additionally, since direct roles are mostly held by women and indirect roles by men, male employees tend to receive more training hours on average than female employees. In 2022, due to adjustments in AOT's business strategy, there was a significant difference between the number of employees at the beginning and end of the year, resulting in a higher average training hour per person for that year.

Statistical / Year		2022	2023	2024
The average number of training hours per employee		8.01	4.55	5.66
Average training hours per employee by gender	Female	7.84	3.46	3.21
	Male	10.40	6.81	10.89
Average training hours per employee by category	Direct	7.19	2.44	2.13
	Indirect	10.39	6.80	8.68

Note: Average training hours per employee = (Total annual training hours for all employees / Total number of employees at year-end).

Average training hours per female employee = (Total annual training hours for female employees / Total number of female employees at year-end).

Average training hours by employee category = (Total training hours for that category / Total number of employees in that category at year-end).

2024 Performance Evaluation Statistics		Number of people evaluated	Number of employees in this category	Percentage
Gender	Male	214	224	95.54%
	Female	476	480	99.17%
Employee Type	Direct	369	370	99.73%
	Indirect	321	334	96.11%

Note: List of individuals not subject to evaluation: 2 senior executives, 1 employee reinstated from leave for less than three months, 1 employee who has not yet passed the evaluation, 1 employee not applicable for evaluation, and 9 new employees with less than two months of service.



5.2.3 Labor-Management Communication

Smooth communication between labor and management helps foster cooperation, enabling employees to understand the Company’s production plans, business status, and market conditions, while also allowing management to keep abreast of employees’ working conditions. This supports the creation of a friendly workplace centered on employee needs. AOT strictly complies with relevant laws and regulations. All internal personnel and administrative management practices conform to the labor laws of each operational location. In accordance with legal requirements, the Company holds labor-management meetings at least once every three months. Employer representatives include senior executives from each department and the head of human resources. These meetings help coordinate labor relations and promote cooperation through regular dialogue. Employees are given the opportunity to express their opinions and advocate for improved labor conditions, thereby enhancing their standing within the organization.

The Company also maintains multiple communication channels, ensuring employees can voice their concerns through two-way communication. Management responds in a timely and constructive manner, incorporating feedback into policies for implementation. In 2022, during an organizational restructuring and human resources adjustment, the Company conducted employee dismissals. These were carried out in accordance with the Labor Standards Act, with prior notice provided to the affected employees and reports filed with the local competent authorities. All severance procedures were completed properly, with no complaints filed with the authorities. In recent years, AOT has maintained a generally harmonious labor-management relationship. While occasional employee complaints have arisen, all cases have been amicably resolved and closed.

5.3 Occupational Safety and Health

5.3.1 Occupational Safety and Health Management System

AOT began implementing the OHSAS 18001 Occupational Safety and Health Management System in 2012 and transitioned to ISO 45001 in 2020. Through the continuous improvement cycle of Plan-Do-Check-Act (PDCA), the Company has effectively implemented employee safety and health management. The Occupational Safety and Health Management System covers all employees in Taiwan, approximately 700 people.

Workers covered by the Occupational Safety and Health Management System in 2024

Management System / Laws and Regulations	Type of Inspection	Number of Employees	Proportion
Occupational Safety and Health Act	Internal audit	697	100%
	Labor inspection	697	100%
ISO 45001	Internal audit	697	100%
	External verification	697	100%

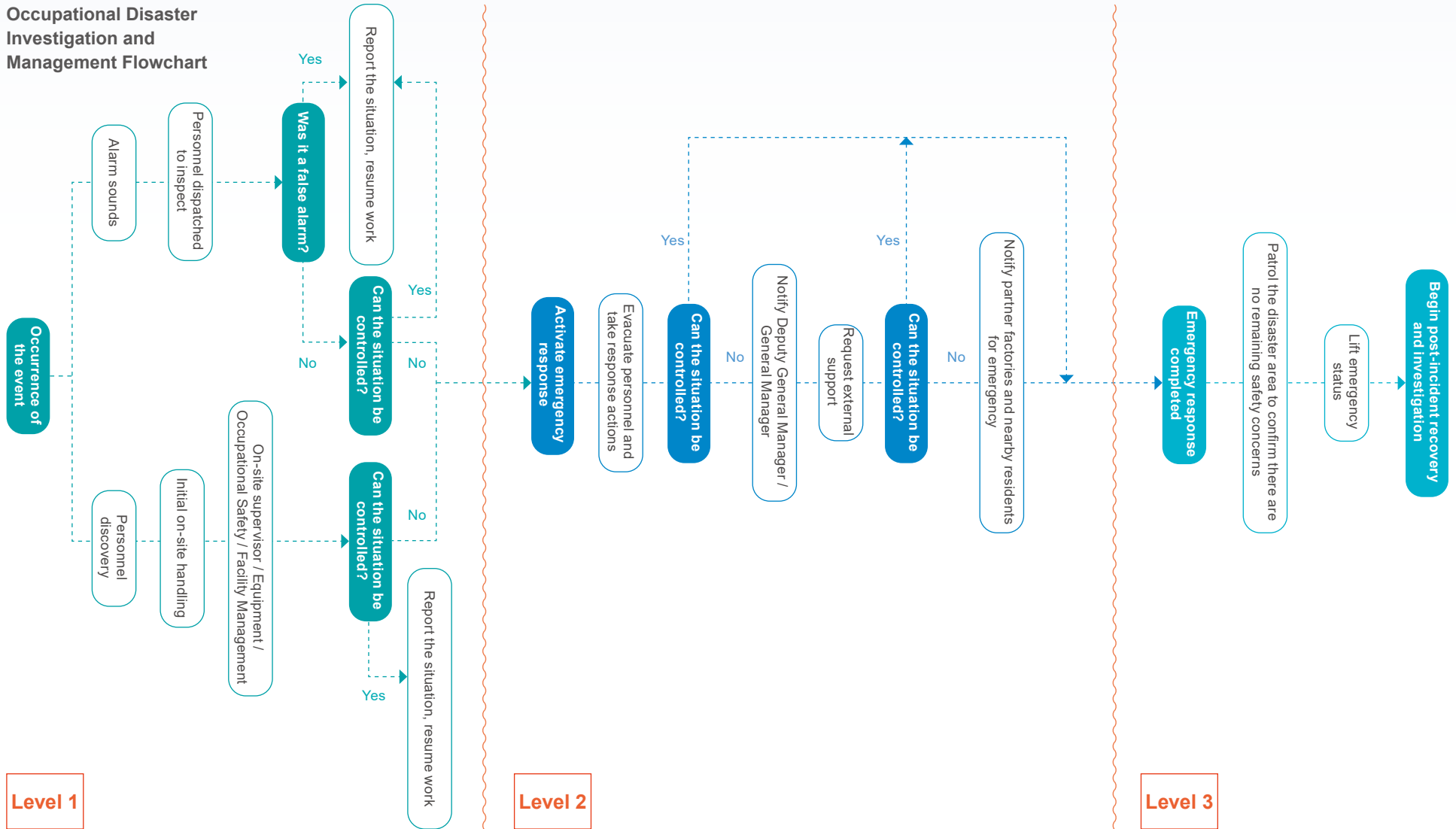
Note: 100% of workers are covered by the Occupational Safety and Health Management System; no workers are excluded.

5.3.2 Hazard Identification, Risk Evaluation, and Accident Investigation

AOT identifies potential safety and health risks and opportunities that may result from various activities and operations. Through a comprehensive hazard identification and risk and opportunity assessment process, the Company identifies safety and health risks and opportunities in advance and formulates control measures to effectively reduce the impact of risks and opportunities arising from its activities and operations. This process serves as the basis for planning the Occupational Safety and Health Management System.

The Company’s "Occupational Disaster and Accident Management Regulations" stipulate that in the event of an occupational accident, in addition to administering necessary first aid and emergency response, the Company must conduct a thorough investigation into the cause of the accident and implement effective countermeasures to prevent recurrence of similar incidents.

Occupational Disaster Investigation and Management Flowchart





5.3.3 Occupation Safety and Health Committee and Educational Training

The Company’s Occupational Safety and Health Committee convenes quarterly to re-view, coordinate, and provide recommendations on matters related to occupational safety, health, and environmental protection. The Committee is composed of 33 mem-bers, including 16 labor representatives (accounting for 48%). A total of 4 meetings were held in 2024.

Internal Personnel

- (1) General safety and health education and training are regularly conducted for all on-the-job employees. In addition, those working in special environments must receive corresponding special-ized training. For example, employees working with organic solvents must complete general educa-tion on hazardous and harmful substances; radiation workers must complete an 18-hour radiation training course and attend annual retraining. (The Environmental Safety Department is requested to provide the 2024 full-year environmental safety training details, including course names, durations, and number of participants.)
- (2) Firefighting training, self-defense firefighting team training, and unannounced plant-wide evacuation drills.

External personnel

Contractor education and training: All contractors entering the plant for work must attend the “AOT Contractor Safety and Health Education and Training.” The course covers general operations, plant environmental hazard communication, and safety instructions for high-risk operations.

The above training expenses are fully borne by the Company. Upon completion of the courses, the effectiveness of each training is verified through post-training tests or per-formance evaluations.

10 external occupational safety and health training sessions

Name of the course	Number of course hours	Total participants	Total training hours
ISO14001&ISO45001	2	9	18
ISO14064(1)	6	12	72
ISO14064(2)	1	10	10
Dangerous Substances and Hazardous Substances Awareness Course	3	66	198
Safety and health education and training for supervisors at all levels	3	126	378
Environmental Safety and Health Certification Course (I)	3	8	24
Environmental Safety and Health Certification Course (II)	6	10	60
Environmental Safety and Health Certification Course (III)	12	3	36
Environmental Safety and Health Certification Course (IV)	18	1	18
Environmental Safety and Health Certification Course (V)	102	1	102
Total	156	246	916

a. Emergency evacuation drill



b. Emergency rescue training and drills



c. First aid and AED training

The Company has installed AED equipment in the plant area and conducts regular maintenance and management. In conjunction, annual first aid and AED training is held to equip employees with basic first aid knowledge and skills, enabling them to respond effectively in emergencies and avoid missing the golden rescue window, thereby jointly creating a safe and healthy working environment.

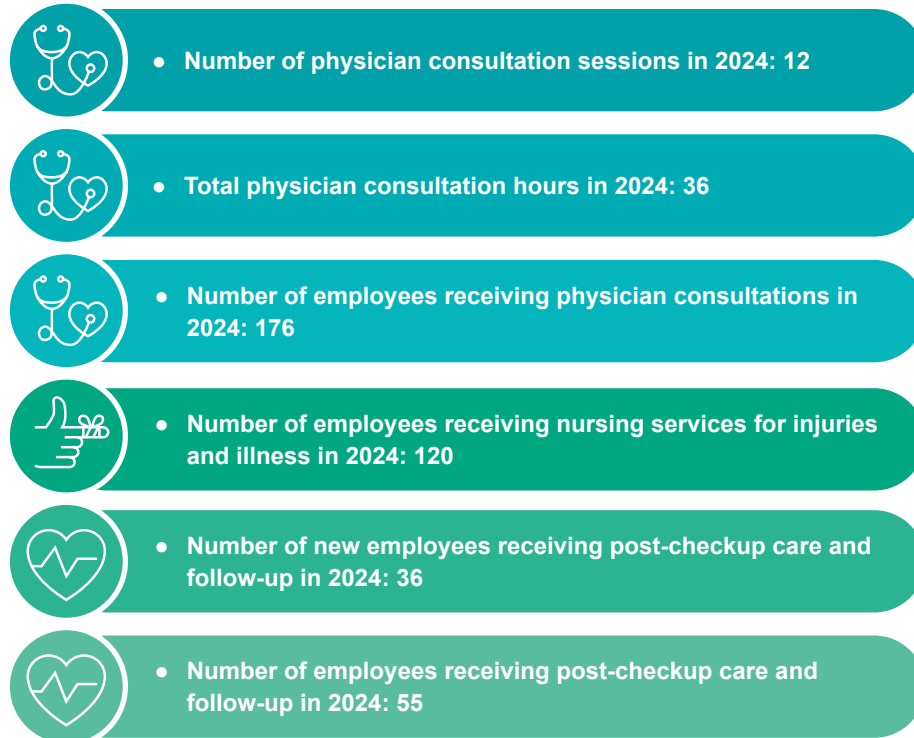


5.3.4 Employee Health Management and Health Promotion

The Company has a clinic in each plant area and hires occupational health nurses and on-site service physicians to provide employees with necessary health and first aid facilities, health education and promotion, regular health checkups, and follow-up on re-sults.

a. Labor Health Services

Annual employee health checkups are conducted at a standard higher than the “Labor Health Protection Rules” to encourage employees to value and understand their health. Health management is categorized based on examination results. The on-site physician provides monthly consultations for abnormalities and conducts follow-up tracking.



b. Health Promotion Activities

1. In response to the annual flu season, the Company collaborates with medical institutions to organize flu vaccination campaigns to enhance employees' immunity, effectively prevent influenza, and reduce the risk of severe illness, providing more comprehensive care for employee health.
2. Fulfilling our corporate social responsibility, the Company organizes annual blood do-nation drives, encouraging employees to actively participate, roll up their sleeves with compassion, and contribute to saving lives.
3. Based on infirmity injury and illness statistics, seminars are organized on potential health risks to promote employees' physical and mental well-being. According to analy-sis, a high proportion of employees reported muscle soreness. Ergonomic hazard awareness and prevention seminars are conducted to educate employees on proper pos-ture and avoid musculoskeletal injuries caused by improper posture.
4. AED equipment is installed and maintained regularly within the plant. Annual first aid and AED training is conducted to equip employees with basic emergency skills, ena-bling them to respond effectively and avoid missing the golden rescue window, thus fostering a safe and healthy work environment.
5. The Company is committed to creating a gender-equal and friendly workplace that em-powers women. In celebration of Mother's Day, we partner with the National Health Agency and local health centers to offer free cancer screening for eligible female em-ployees, reminding them to take care of their health.
6. At least 50 health awareness campaigns will be conducted in 2024 to keep employees informed with the latest health information via electronic bulletin boards.

c. Annual Employee Health Checkups

Outstanding employees are the Company’s greatest asset, and the Company places great importance on their health. Annual employee health checkups are conducted at a standard higher than the “Labor Health Protection Rules” to encourage employees to value and understand their health.

Health management is conducted based on the results of the health checkups. The on-site physician provides monthly consultations on abnormalities and follows up accordingly.



d. Vision Care Screening Activity



e. Seminar on Awareness and Prevention of Ergonomic Hazards

Based on analysis of infirmity injury and illness data, the Company organizes relevant seminars according to potential health risks to promote employee physical and mental health. According to analysis, a high proportion of employees reported muscle soreness. Ergonomic hazard awareness and prevention seminars are conducted to educate employees on proper posture and avoid musculoskeletal injuries caused by improper posture.



f. Women’s Cancer Screening: “Three Points No Miss” Program

The Company is committed to building a gender-equal and friendly workplace and empowering women. In celebration of Mother’s Day, the Company cooperates with the National Health Agency and local health centers to offer free cancer screenings for eligible female employees, reminding them to care for their health under the “Three Points No Miss” concept.



g. Influenza Vaccination Campaign

In response to the annual flu season, the Company collaborates with medical institutions to organize flu vaccination campaigns to enhance employees' immunity, effectively prevent influenza, and reduce the risk of severe illness, providing more comprehensive care for employee health.



5.3.5 Operating Environment and Operation Method Improvement

In order to identify and control the safety and health risks and opportunities that may arise from the Company's activities and operations, the Company has established the "Safety and Health Hazard Identification and Risk Opportunity Assessment Procedures." Through a comprehensive hazard identification and risk opportunity assessment process, safety and health risks and opportunities are identified in advance, and control measures are formulated to effectively reduce the impact of such risks and opportunities from Company activities and operations. This also serves as the basis for planning the safety and health management system.

Hazard notification measures are in place for non-employee workers such as suppliers and customers working within the plant area.

Employees/Non-employees – Occupational Injury and Occupational Disease Statistics

Statistical / Year		2022	2023	2024
Total working hours (Note 1)		1,422,035	1,245,895	1,294,580
Fatalities caused by occupational injuries (Note 1)	Number of Employees	0	0	0
	Proportion	0	0	0
Serious occupational injuries (Note 2)	Number of Employees	0	0	0
	Proportion	0	0	0
Recordable occupational injuries (Note 3)	Number of Employees	3	4	1
	Proportion	2.11	3.21	0.77
Occupational Disease	Number of Employees	0	0	0
	Proportion	0	0	0
Recordable occupational disease (Note 3)	Number of Employees	0	0	0
	Proportion	0	0	0

Note 1: The ratio is calculated based on one million working hours.

Note 2: Serious occupational injury refers to an injury so severe that the employee cannot or is un-likely to recover to their pre-injury health condition within six months. Fatalities should be excluded from this count.

Note 3: Recordable occupational injuries or diseases include incidents resulting in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, loss of consciousness, or a diagnosis by a licensed healthcare professional of a significant injury or illness (even if not re-sulting in time away from work or other listed consequences). The statistics should include fatalities. Please indicate whether minor injuries (those resolved by on-site first aid) are included or excluded from the data.

Employees/Non-employees – Occupational Injury and Occupational Disease Types

Type / Year		2022	2023	2024
Types of occupational injuries	Pinching	1	3	1
	Electric shock	1	0	0
	Musculoskeletal injuries	1	0	0
	Bump injuries (impact)	0	1	0






5.4 Public Welfare Participation

As a member of society, the Company maintains interdependent relationships with in-vestors, employees, local communities, and other stakeholders. AOT fulfills its corpo-rate social responsibility by setting an example and exerting its influence. We collabo-rate with local organizations to integrate internal and external resources, using practical actions to deliver “love” to groups in need, ensuring that resources go to those who truly require assistance. By gathering collective goodwill, we aim to use resources most ef-fectively and are committed to making society a better place.

In 2019, Chairman Fang, Jung-Hsi of AOT Energy Technology founded the AOT Cul-tural Foundation based on the principle of “giving back to society,” the spirit of sus-tainable management, and contributing to society. The Foundation actively responds to the United Nations Sustainable Development Goals (SDGs) and upholds the concept of giving back to society what is taken from society. While pursuing revenue and profits, we also aim to actively participate in public welfare activities, fulfill corporate respon-sibilities, foster positive social engagement, and deeply embed the values of sustaina-bility and care into the community.

The AOT Cultural Foundation focuses on four key pillars of social welfare: “Communi-ty Welfare,” “Environmental Protection,” “Rural Care,” and “Culture and Education.” By pooling internal and external manpower, resources, and funding, the Foundation puts social engagement into practice, delivering warmth to more people and amplifying so-cial impact. Through these acts of love and care, we hope to inspire positive energy among employees and the community, working together for a better world. Based on these principles, in 2024 AOT donated and sponsored social nursing homes, disadvan-taged community groups, charitable organizations, rural education in Hsinchu, and the preservation of traditional crafts. We also held blood donation drives. The total re-sources invested exceeded NT\$400,000, benefiting more than 1,000 people. From 2020 to 2024, AOT has cumulatively invested over NT\$1.6 million in social welfare initia-tives, with more than 6,000 beneficiaries. Through community involvement and local care, we have become active participants in giving back to society and advancing to-ward a sustainable and brighter future.

The following table shows the social welfare participation activities in 2024:

 Activities	 Reasons	 Time	 Location	 Resources invested and results
Delivering Love to Ning Yuan Nursing Home	Donated a batch of medical equipment and daily necessities (including: summer quilts, laundry detergent, towels, drying machine, digital armpit thermometers, suction cathe-ters, and gauze) to improve the care quality for elderly with dementia	June 2024	Hukou Township, Hsinchu County	NT\$55,124 / 170 beneficiaries



 Activities	 Reasons	 Time	 Location	 Resources invested and results
<p>Winter Warmth for Ning Yuan Nursing Home</p>	<p>Donated 2 oxygen concentrators, 5 oxygen inhalers, 3 portable speakers, 500 packs each of 3 sizes of gauze, and 500 packs of cotton swabs to improve residential and medical conditions for elderly with dementia</p>	<p>December 2024</p>	<p>Hukou Township, Hsinchu County</p>	<p>NT\$64,760 / 170 beneficiaries</p>
<p>Hsinchu Hukou Meal Voucher Food Bank</p>	<p>Sponsored meal vouchers for children from disadvantaged families in Hukou and Xinfeng. Vouchers were redeemable at partner restaurants arranged by the Company</p>	<p>November 2024</p>	<p>Hukou & Xinfeng Townships, Hsinchu County</p>	<p>NT\$29,250 / 350 beneficiaries</p>
<p>Chengzheng Junior High Tuina Club</p>	<p>Sponsored instructors for the massage therapy club, helping incarcerated youth acquire employable skills and a path toward future education or jobs</p>	<p>March to July 2024</p>	<p>Xinfeng Township, Hsinchu County</p>	<p>NT\$72,000 / 15 beneficiaries</p>
<p>"Happy Coding" at Hexing Elementary</p>	<p>Sponsored Scratch programming classes and materials for 5th-grade students, encouraging logical thinking and interest exploration through fun and interactive learning</p>	<p>January to December 2024</p>	<p>Hukou Township, Hsinchu County</p>	<p>NT\$80,000 / 10 beneficiaries</p>




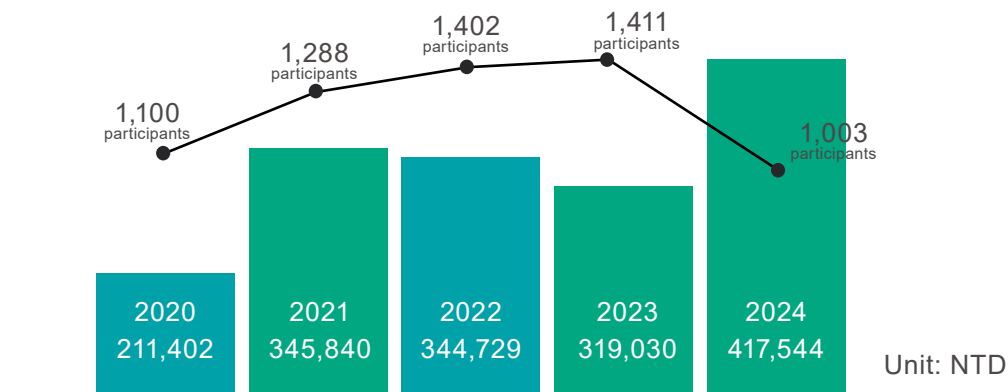
 Activities	 Reasons	 Time	 Location	 Resources invested and results
<p>Hakka Drumming at Fulong Elementary</p>	<p>Sponsored 120 after-school classes to help preserve traditional Hakka drumming culture and support diverse student learning</p>	<p>February 2023 to August 2024</p>	<p>Hukou Township, Hsinchu County</p>	<p>NT\$48,000 / 30 beneficiaries</p>
<p>Christmas Wish Card Donations – Xiuluan & Tianpu Elementary Schools</p>	<p>Located in remote Jianshi Township, students listed needed items on wish cards. Employees adopted cards, and the Company delivered gifts as “Santa Claus” before Christmas</p>	<p>December 2024</p>	<p>Jianshi Township, Hsinchu County</p>	<p>NT\$42,500 / 85 beneficiaries</p>
<p>Christmas Wish Card Donations – Hexing & Fulong Elementary Schools</p>	<p>In remote areas, children from disadvantaged families listed desired items on wish cards, which employees adopted. Gifts were delivered to kindergartens and primary schools</p>	<p>December 2024</p>	<p>Hukou Township, Hsinchu County</p>	<p>Hexing Elementary School NT\$43,500 / 87 beneficiaries Fulong Elementary School NT\$43,000 / 86 beneficiaries</p>
<p>Hongmao Harbor Beach Cleanup</p>	<p>Promoted environmental awareness, ocean protection, and sustainability through a beach cleanup activity</p>	<p>September 2024</p>	<p>Hongmao Port, Xinfeng Township, Hsinchu County</p>	<p>15 participants / 3 hours</p>



 Activities	 Reasons	 Time	 Location	 Resources invested and results
Yu-An Nursing Home Charity Sale	Assisted disabled individuals and ex-offenders in earning stable income. Partnered NGOs set up booths for baked goods and hydroponic vegetables. Sales were held online and on-site	September 2024	Company cafeteria	Strengthened employee engagement and CSR commitment
Yu-An Nursing Home Charity Sale		October 2024		
Xiang-Yuan Nursing Home Charity Sale (online)		October 2024		
Hydroponic Vegetable Charity Sale		October 2024		
Yu-An Nursing Home Charity Sale		November 2024		
Xin-Miao Development Center Charity Sale		November 2024		
Xin-Miao Development Center Charity Sale		November 2024		
Xiang-Yuan Nursing Home Charity Sale		October 2024		
Xiang-Yuan Nursing Home Charity Sale (online)		November 2024		
Xiang-Yuan Nursing Home Charity Sale		November 2024		
Xiang-Yuan Nursing Home Charity Sale		November 2024		
Hydroponic Vegetable Charity Sale		November 2024		
Hydroponic Vegetable Charity Sale		November 2024		
Yu-An Nursing Home Charity Sale		November 2024		
Blood Donation	Help relieve blood shortages and assist more people in need	July 2024	Company	43 participants, 52 bags of blood, total 13,000 cc donated



 Activities	 Reasons	 Time	 Location	 Resources invested and results
Massage by Visually Impaired Therapists	In support of government efforts to promote employment for people with disabilities, the Company hired visually impaired therapists to provide massages for employees	January to December 2024	Employee lounge	Helps employees relieve muscle tension, relax the body and mind, and reduce fatigue
Invoice Donation Boxes for Ning Yuan Nursing Home	Encouraged employees to donate uniform invoices to support a nursing home for people with dementia	January to December 2024	Company	Two donation boxes were set up in the plant; consolidated and donated twice in 2024
Hsinchu Family Support Center Charity Fair	Participated in the Hsinchu Family Support Center's charity fair, where the AOT Cul-tural Foundation set up two booths to bring joy to the children through carnival-style activities	November 2024	Hsinchu County Government Plaza	Brought joy to children supported by the Family Support Center



Community welfare

To fulfill its corporate social responsibilities, AOT encourages and supports employees to participate in social welfare activities and care for underprivileged groups. Giving back to society is not limited to monetary donations, but also includes practical actions to serve the community and fulfill the duties of responsible corporate citizenship.

● Delivering Love to Ning Yuan

Ning Yuan Nursing Home is located near AOT's Hukou Plant. It is Taiwan's first publicly commissioned, privately operated dementia care facility. The competent authority is the Social and Family Affairs Administration, Ministry of Health and Welfare, and the facility is managed by the Catholic Diocese of Hsinchu under the Taiwan Catholic Foundation. It primarily serves dementia patients referred by city and county governments across Taiwan. The home also accommodates bedridden individuals, people with chronic mental illnesses, and offers day care services. Currently, the facility provides long-term residential care for about 150 elderly individuals with dementia, and day care for over 20 others. The main building provides residential care, while a second building offers day services. About 87% of residents are government-referred cases, and 30% come from low- or middle-income households. The home is largely funded by government subsidies and charges lower fees than standard nursing homes to reduce the burden on families. Due to limited resources, external donations and support are greatly needed. Driven by the spirit of "sharing the pain and hunger of others" and the belief in giving back to society, AOT—under the leadership of Chairman Fang, Jung-Hsi—has, since 2021, donated supplies to Ning Yuan Nursing Home through the AOT Cultural Foundation. The Foundation also maintains regular contact with the facility to understand its needs and provide timely support, fulfilling its role in corporate social responsibility. In response to medical and daily necessities requested by the home, in addition to donations initiated by the Foundation, AOT employees have also actively participated in donation drives. These contributions ensure that elderly residents with dementia can live their later years with dignity and proper care.

In December 2024, six members of the AOT Cultural Foundation visited Ning Yuan Nursing Home to conduct a winter donation event. Items donated included two oxygen concentrators, five oxygen inhalers, three portable speakers, 500 packs of gauze in three sizes, and 500 packs of cotton swabs—providing residents with essential medical and living supplies to improve care quality. In 2024, the AOT Cultural Foundation held two "Delivering Love to Ning Yuan" donation events, contributing supplies worth approximately NT\$100,000. Since 2021, cumulative donations have reached around NT\$360,000, accounting for about 30% of the Foundation's total donations.

Delivering Love to Ning Yuan



Hongmao Harbor Beach Cleanup



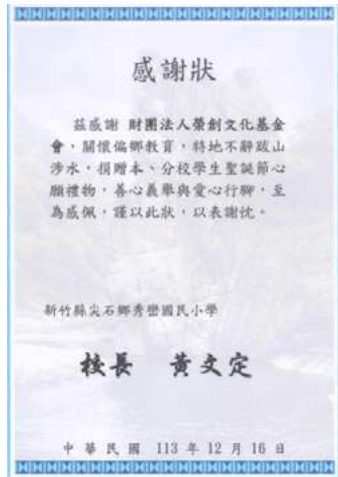
Care for Rural Areas

In terms of care for rural areas, the members and colleagues of the AOT Foundation visited remote mountain villages in Jianshi Township and rural elementary schools in Xinfeng Township and Hukou Township. Colleagues acted as Santa Claus to deliver Christmas gifts that children had wished for, allowing the children to experience the warmth of having Santa even during the cold of winter.

• Christmas Wishes Card Gift Donation Activity

On Christmas Eve 2024, colleagues from the AOT Cultural Foundation traveled to the remote Houshan areas of Xiuluan and Tianpu in Jianshi Township, Hsinchu County — about a 2.5-hour drive — to deliver Christmas wish card gifts to children at Xiuluan Elementary School and its Tianpu Branch. As most families in Xiuluan and Tianpu rely on cultivating high mountain vegetables and fruits for a living, their economic conditions are not as favorable as those in urban areas. In response to Christmas, children wrote down the items they lacked on Christmas wish cards. The Company and its colleagues then adopted the wish cards, purchased the gifts, and personally wrapped them. On the day before Christmas, colleagues from the AOT Foundation delivered the gifts to the remote mountainous schools while dressed as Santa Claus. Accompanied by Christmas music, they distributed presents to kindergarten and elementary school students class by class. The children were overjoyed upon receiving gifts from Santa, bringing a wave of warmth to the schools deep in the cold mountain areas.

Christmas Wishes Card Gift Donation Activity





Cultural Education

In terms of cultural education, the AOT Cultural Foundation sponsors and promotes various fun, creative, and effective educational activities. Through diverse means, it aims to enhance children's basic education and promote reading.

• "Happy Coding" at Hexing Elementary

Hexing Elementary School is located on the border of Xinfeng Township and Hukou Township. There is one class per grade from Grade 1 to 6, with about 10 students per class and a total of only about 60 students in the entire school. Due to its rural location, coupled with a declining birthrate and serious population outflow, the number of students is decreasing, and teaching resources are limited. As AI technology becomes more mature, programming has become one of the essential skills for the future. While many commercial programming programs are available in urban areas, rural areas lack such learning environments. Considering the financial constraints of students' families, AOT sponsored teachers and teaching materials for the Grade 5 Scratch programming course. This enables every child in the rural area to afford programming education and learn in a fun, engaging environment that enhances their logical thinking and helps them explore future interests. At the 2024 results presentation, under the guidance of the teacher, every student confidently presented their animation programming project on stage. Project topics included robot basketball, mini-games, and animations — all showcasing the children's creativity. Their happy and confident faces won praise from the audience. Each student who completed the program received a certificate of recognition from the AOT Cultural Foundation as encouragement. Seeing the bright, innocent smiles of these rural children, the AOT Cultural Foundation sees itself as a force helping them run forward to meet the age of AI.

Happy Coding Activity





● Fulong Elementary School Drum Team

Fulong Elementary School, located in Fuxing Village, Xinfeng Township, Hsinchu County, has six grades and six classes, with a total of about 70 students. The proportion of disadvantaged students is 80.5%.

To help preserve and pass down traditional Hakka drum culture, AOT has sponsored 120 after-school enrichment classes for Fulong Elementary School students every year since 2023. In 2024, the drum team participated in the Hsinchu County Student Music Competition and received an "Excellent" rating. They were also invited to perform at the Hsinchu Living Aesthetics Museum, with outstanding results.

Drum Team Presents Results at Company



Chairperson Fang Represents AOT in Sponsoring the Drum Team



• Blood Donation

AOT is committed to fulfilling its corporate social responsibility by organizing annual blood donation events. The Company encourages colleagues to enthusiastically participate in blood donation, roll up their sleeves for charity, and contribute to saving patients' lives. To help ease the blood shortage and assist more people in need, the Company holds the "Donate Blood, Share Love" blood donation event every June to July. In co-operation with the Hsinchu Blood Donation Center, the event was held at the Hukou Plant parking lot on July 18, 2024. Department heads actively participated and encouraged colleagues to donate blood for a good cause, showing love through concrete actions. Through this event, the Company united the strength of its employees, turning the slogan "One bag of blood saves a life" into action. On the morning of July 18, the event began at 9:00 AM, and many colleagues lined up at the bloodmobile to enthusiastically participate. A total of 43 people donated 52 bags of blood, totaling 13,000 cc — a meaningful action to inspire more love and care.

Blood Donation



Appendix

- Appendix 1 GRI Content Index Table
- Appendix 2 Third-party Agency Guarantee Statement
- Appendix 3 Climate-related financial disclosure
- Appendix 4 SASB Indicators Classification

NETWORK SEARCH

- INTERNET
- LIVE CHAT
- MEDIA
- PHOTOS
- MUSIC
- VIDEOS
- FILMS
- SERVICES
- CONTACTS
- MESSAGES

- SHOW BUSINESS
- NETWORK
- MUSIC
- CINEMA
- BUSINESS/FINANCE
- WORLD NEWS

- SHOW BUSINESS
- NETWORK
- MUSIC
- CINEMA
- BUSINESS/FINANCE
- WORLD NEWS

- CULTURE
- ECONOMIC
- FINANCE
- BUSINESS
- MEDIA
- PEOPLE
- CREATIVE
- TUTORIALS
- INVESTMENT
- NETWORKING

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NETWORK SEARCH



Appendix 1. GRI Content Index

★ Material Topic

Statement of Use	The content of the period from January 1 to December 31, 2024 has been reported by the Company in accordance with the GRI Standards
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	Currently, there is no applicable GRI Standards

Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for omission / Reason for necessity
GRI 2: General Disclosures 2021					
Organizational and Report Practices	2-1	Details of the Organization	2.1 Company Profile	26	
	2-2	Entities included in this report	About the Report/ESG Information Disclosure	5	
	2-3	Reporting period, frequency and contact point	About the report/issuance frequency, feedback	6	
	2-4	Restatements of information	About the Report/ESG Information Disclosure	5	
	2-5	External assurance	About the Report/Write Basis and Information Confirmation Method	5	
Activities and Workers	2-6	Activities, Value Chain, and Other Business Relationships	2.1 Company Profile	26	
	2-7	Employees	5.1.2 Employee Statistics	83	
	2-8	Non-Employee Worker	5.1.2 Employee Statistics	83	



Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for omission / Reason for necessity
GRI 2: General Disclosures 2021					
Governance	2-9	Governance Structure and Composition	2.1 Company Profile 3.1.1 Board of Directors	26 37	
	2-10	Nomination and selection of the highest governance body	3.1.1 Board of Directors	37	
	2-11	Chair of the highest governance body	3.1.1 Board of Directors	37	
	2-12	Role of the highest governance body in overseeing the management of impacts	1.3 Stakeholder Communication 3.1.1 Board of Directors	12 37	
	2-13	Delegation of responsibility for managing impacts	1.3 Stakeholders Communication	12	
	2-14	Role of the highest governance body in sustainability reporting	About the Report/Write Basis and Information Confirmation Method	5	
	2-15	Conflict of Interest	3.1.1 Board of Directors	37	
	2-16	Communication of critical concerns	3.1.1 Board of Directors	37	
	2-17	Collective knowledge of the highest governance body	3.1.1 Board of Directors	37	
	2-18	Evaluation of the performance of the highest governance body	3.1.1 Board of Directors	37	
	2-19	Remuneration policies	-		The confidentiality regulations/ compensation is classified as the Company's confidential information, and will not be disclosed.
	2-20	Process to determine remuneration	3.1.2 Functional committees	40	
	2-21	Annual total remuneration ratio	-		The confidentiality regulations/ compensation is classified as the Company's confidential information, and will not be disclosed.



Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for omission / Reason for necessity
GRI 2: General Disclosures 2021					
Strategy, Policies and Practices	2-22	Statement on sustainable development strategy	Letter from the Chairman	3	
	2-23	Policy Commitment	4.5 Sustainable supply chain 5.1.1 Human rights protection	79 81	
	2-24	Embedding policy commitments	4.5 Sustainable supply chain 5.1.1 Human rights protection	79 81	
	2-25	Processes to remediate negative impacts	1.3 Stakeholders Communication	12	
	2-26	Mechanisms for seeking advice and raising concerns	1.3 Stakeholders Communication	12	
	2-27	Compliance with laws and regulations	3.1.5 Legal Compliance	46	
	2-28	Membership in associations	2.4 Participation in External Organizations	32	
Stakeholder Engagement	2-29	Approach to stakeholder engagement	1.3 Stakeholders Communication	12	
	2-30	Collective bargaining agreements	-		Not applicable/ The Company has not established a labor union, nor has it signed any collective agreements with employees. However, through quarterly labor-management meetings and two-way communication, the Company maintained harmonious labor relations during the reporting year.
GRI 3: Material Topics 2021					
Material Topic	3-1	Process for determining material topics	1.4 Identify Material Topics	16	



Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for omission / Reason for necessity
GRI 3: Material Topics 2021					
Material Topic	3-2	List of material topics	1.4 Identify Material Topics	16	
Economic Aspect					
★ Economic Performance					
GRI 3: Material Topics 2021	3-3	Material Topic Management	3.3 Operation Performance First Page	54	
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	3.3 Operational Performance	54	
	201-2	Financial implications and other risks and opportunities due to climate change	Appendix 3. Climate-related Financial Disclosures	134	
	201-3	Defined benefit obligations and other retirement plans	5.2.1 Remuneration and Benefits	90	
	201-4	Financial assistance received from the government	-		Not applicable/Not accepted government grants
Market position					
GRI 202: Market Presence 2016	202-1	Ratio of standard entry level salary by gender to local minimum wage	5.2.1 Remuneration and Benefits	90	
	202-2	Percentage of senior management hired from the local community	5.1.2 Employee Statistics	83	
★ Anti-corruption (ethics and integrity)					
GRI 3: Material Topics 2021	3-3	Material Topic Management	3.1.4 Ethics and Integrity on the First Page	43	



Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for omission / Reason for necessity
Economic Aspect					
★ Anti-corruption (ethics and integrity)					
GRI 205: Anti-corruption 2016	205-1	Operations that have conducted corruption risk assessments	-		Not applicable/No risk assessment has been conducted at the Company's operating locations
	205-2	Anti-Corruption Policy and Procedure Communication & Training	3.1.4 Ethics and Integrity	43	
	205-3	Confirmed incidents of corruption and actions taken	3.1.4 Ethics and Integrity	43	
★ Star Innovation R&D					
GRI 3: Material Topics 2021	3-3	Material Topic Management	3.5.1 Innovative R&D First Page	61	
Customized Material Topics by AOT	Innovation-1	Annual R&D investment	3.5.1 Innovative R&D	61	
Environmental Aspect					
★ Energy Star					
GRI 3: Material Topics 2021	3-3	Material Topic Management	4.1 Energy Management First Page	70	
GRI 302: Energy (2016)	302-1	Energy consumption within the organization	4.1 Energy Management	70	
	302-2	Energy consumption outside the organization	-		Incomplete information disclosure/Incomplete calculation of energy consumption in the value chain
	302-3	Energy intensity	4.1 Energy Management	70	



Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for omission / Reason for necessity
Environmental Aspect					
★ Energy Star					
GRI 302: Energy (2016)	302-4	Reduce energy consumption	4.1 Energy Management	70	
	302-5	Lower the energy demand of products and services	3.5.2 Green Products	63	
Water and Effluents					
GRI 303: Water and Effluents 2018 Management Approach	303-1	Interactions with water resources	4.3 Water Resource Management	74	
	303-2	Management of water discharge-related impacts	4.3 Water Resource Management	74	
GRI 303: Water and Effluents 2018	303-3	Water Withdrawal	4.3 Water Resource Management	74	
	303-4	Water discharge	4.3 Water Resource Management	74	
	303-5	Water consumption	4.3 Water Resource Management	74	
★ Emissions					
GRI 3: Material Topics 2021	3-3	Material Topic Management	4.1 Energy Management First Page	70	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	4.2 Greenhouse Gas Management	72	
	305-2	Energy indirect (Scope 2) GHG emissions	4.2 Greenhouse Gas Management	72	
	305-3	Other indirect (Scope 3) GHG emissions	4.2 Greenhouse Gas Management	72	
	305-4	Greenhouse Gas Intensity	4.2 Greenhouse Gas Management	72	



Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for omission / Reason for necessity
★ Emissions					
GRI 305: Emissions 2016	305-5	Reduction of greenhouse gas emissions	4.2 Greenhouse Gas Management	72	
	305-6	Emissions of Ozone Depleting Substances (ODS)	-		Not applicable/No ozone depleting substance emitted by the Company
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-		Not applicable/Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions by the Company
Waste					
GRI 306: Waste 2020 Management Approach	306-1	Waste generation and significant waste-related impacts	4.4 Waste Management	77	
	306-2	Management of significant waste-related impacts	4.4 Waste Management	77	
GRI 306: Waste 2020	306-3	Waste generated	4.4 Waste Management	77	
	306-4	Waste diverted from disposal	4.4 Waste Management	77	
	306-5	Waste directed to disposal	4.4 Waste Management	77	
Supplier Environmental Assessment					
GRI 308: Supplier Environmental Evaluation 2016	308-1	New suppliers that were screened using environmental criteria	4.5 Sustainable Supply Chain	79	
	308-2	Negative environmental impacts in the supply chain and actions taken	4.5 Sustainable Supply Chain	79	



Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for omission / Reason for necessity
Environmental Aspect					
★ Green Product					
GRI 3: Material Topics 2021	3-3	Material Topic Management	4.1 Energy Management	70	
Customized Material Topics by AOT	Green-1	HSF test compliance rate	3.5.2 Green Products	63	
People (including Human Rights)					
★ Employment and Labor Relations					
GRI 3: Material Topics 2021	3-3	Material Topic Management	5.2.1 Remuneration and Benefits First Page	90	
GRI 401: Labour Relationship 2016	401-1	New Hires and Employee Turnover	5.1.2 Employee Statistics	83	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2.1 Remuneration and Benefits	90	
	401-3	Parental Leave	5.2.1 Remuneration and Benefits	90	
	Salary	The number of full-time employees in non-managerial positions, the average and median salaries of full-time employees in non-managerial positions, and the differences in these three figures compared to the previous year shall be disclosed	5.2.1 Remuneration and Benefits	90	
Labor/Management relations					
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	5.2.3 Labor-Management Communication	100	




Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for omission / Reason for necessity
People (including Human Rights)					
Occupational Safety and Health Act					
GRI 403: Occupational Health and Safety 2018 Management Approach	403-1	Occupational health and safety management system	5.3.1 Occupational Safety and Health Management System	100	
	403-2	Hazard identification, risk assessment, and incident investigation	5.3.2 Hazard Identification, Risk Evaluation, and Accident Investigation	100	
	403-3	Occupational health services	5.3.4 Employee Health Management and Health Promotion	104	
	403-4	Worker participation, consultation, and communication on occupational health and safety	5.3.3 Occupation Safety and Health Committee and Educational Training	102	
	403-5	Worker training on occupational health and safety	5.3.3 Occupation Safety and Health Committee and Educational Training	102	
	403-6	Promotion of worker health	5.3.4 Employee Health Management and Health Promotion	104	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.3.5 Operating Environment and Operation Method Improvement	108	
★ Training and Education					
GRI 3: Material Topics 2021	3-3	Material Topic Management	5.2.2 Talent Cultivation First Page	98	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	5.2.2 Talent Cultivation	98	
	404-2	Programs for upgrading employee skills and transition assistance programs	5.2.2 Talent Cultivation	98	
	404-3	Percentage of employees receiving regular performance and career development reviews	5.2.2 Talent Cultivation	98	



Topic	Disclosure Item	Item Description	Chapter	Page No.	Reason for omission / Reason for necessity
People (including Human Rights)					
Diversity and Equal Opportunity					
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	3.1.1 Board of Directors 5.1.2 Employee statistics	37 83	
	405-2	Ratio of basic salary and remuneration of women to men	5.2.1 Remuneration and Benefits	90	
★ Non-discrimination (human rights protection)					
GRI 3: Material Topics 2021	3-3	Material Topic Management	5.1.1 Human Rights Protection First Page	81	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	5.1.1 Human Rights Protection	81	
Supplier Social Assessment					
GRI 414: Supplier Social Evaluation 2016	414-1	New suppliers that were screened using social criteria	4.5 Sustainable Supply Chain	79	
	414-2	Negative social impacts in the supply chain and actions taken	4.5 Sustainable Supply Chain	79	
Customer Health and Safety					
GRI 416: Customer Health and Safety 2016	416-1	Evaluation of the health and safety impacts of product and service categories	3.5.2 Green Products	63	
	416-2	Incidents of non-compliance concerning health and safety impacts	-		Not applicable/No violation of product health in the Company's products
Customer Privacy					
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	-		Not applicable/No violation of customer privacy by the Company

Appendix 2. Third-party Agency Guarantee Statement

 格瑞國際驗證有限公司
GREAT International Certification Co., Ltd.

**Independent Assurance Statement Based on
2024 Sustainability Report of Advanced Optoelectronic Technology, Inc.**

Statement No.: 25D5007

Advanced Optoelectronic Technology, Inc. (hereinafter referred to as Advanced Optoelectronic) and GREAT International Certification Co., Ltd. (hereinafter referred to as GREAT) are independent companies and organizations. Except for the evaluation and verification of the company's 2024 sustainability report, GREAT has no financial relationship with Advanced Optoelectronic.

The purpose of this independent assurance statement (hereinafter referred to as the Statement) is only to serve as the conclusion of guaranteeing the relevant matters within the scope defined in the following relevant Advanced Optoelectronic's sustainability report, and not for other purposes. Except for the statement for text verification, GREAT does not bear any relevant legal or other responsibilities for the use of other purposes, or anyone who reads this Statement.

This Statement is based on the conclusions made by the relevant information verification provided by Advanced Optoelectronic to SAZAU. Therefore, the scope of the review is based on and limited to the content of the information provided. SAZAU believes that the information content is complete, accurate and precise. Any questions about the content of this Statement or related matters will be answered by Advanced Optoelectronic.

The Scope of Assurance

The verification scope of Advanced Optoelectronic and GREAT agreement includes:

- The contents of the entire sustainability report and all reporting performance of Advanced Optoelectronic from January 1, 2024 to December 31, 2024;
- According to the type 1 of AA1000 Assurance Standard v3, evaluate the nature and degree of Advanced Optoelectronic's compliance with the AA1000 Accountability Principles (2018), excluding the verification of the reliability of the information/data disclosed in the report.
- This Statement is made in Chinese and translated into English for reference.

Verification Opinion

We summarize the content of Advanced Optoelectronic's sustainability report, and provide a fair standpoint of Advanced Optoelectronic's related operations and performance. We believe that the specific performance indicators of Advanced Optoelectronic in 2024, such as environment, society and corporate governance, are presented correctly. The performance indicators disclosed in the report demonstrate Advanced Optoelectronic's expectations and efforts to identify and satisfy stakeholders.

Our verification work is carried out by a group of teams with verification capabilities according to the AA800 Assurance Standard v3, as well as the planning and execution of this part of the work to obtain the necessary information data and assurances. We believe that the evidence provided by Advanced Optoelectronic is sufficient to show that its reporting method and self-declaration in accordance with the AA1000 Assurance Standard v3 and its 2018 appendix are in line with the GRI Sustainability Reporting Guidelines.

Verification method

To gather the evidence relevant to the conclusions, we performed the following:


- To conduct a senior management review of issues from external parties related to Advanced Optoelectronic's corporate policies to confirm the appropriateness of the statement in this report;
- To discuss with the managers of Advanced Optoelectronic about the way of stakeholder participations, and have no direct contact with external stakeholders;
- To interview with employees related to the preparation of the sustainability report and information provision;
- To audit the performance data of Advanced Optoelectronic on a sampling basis;
- To evidence supporting the claims made in the review report;
- To review the management process of the principles of inclusivity, materiality, responsiveness, and impact described in the company report and its related AA1000 Accountability Principles (2018).

Conclusion

The results of a detailed review of the AA1000 Accountability Principles (2018) including inclusivity, materiality, responsiveness, impact and GRI sustainability reporting standards are as follows:

- Inclusivity**
Advanced Optoelectronic has established a process of cooperation with major stakeholders, including shareholders,

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 格瑞國際驗證有限公司
GREAT International Certification Co., Ltd.

customers, employees, public association, suppliers, government agencies, community, and financial institutions, etc., and will launch a series of stakeholder activities in 2024, involving economy, environment, people (including human rights) and a series of major themes. In terms of our professional opinion, this report covers the inclusivity issues of Advanced Optoelectronic.

- Materiality**
The report has stated that Advanced Optoelectronic focuses on economy, environment and people (including human rights) topics, and identified 9 major topics including operational performance, innovation R&D, ethical integrity, talent cultivation, energy management, salary and benefits, human rights protection, greenhouse gas management and green products, etc. In terms of our professional opinion, this report appropriately covers the materiality issues of Advanced Optoelectronic.
- Responsiveness**
Advanced Optoelectronic responds to requests and opinions from stakeholders. Implementation methods include shareholders' regular meeting, legal person briefing session, official website investor area, public information observatory, customer satisfaction survey, official website stakeholder area, customer visits and business meetings, labor-management meetings, welfare committee meetings, company bulletin board, employee complaint hotline, association meetings/official correspondence, supplier audit/conference visits, government agency meetings/official correspondence/questionnaire exchanges/facets reporting, participation in community activities/charity events, community complaint channels, hotmailing visits, telephone and email, those numerous internal and external stakeholder communication mechanisms, as an opportunity to provide further responses to stakeholders, and to promptly respond to stakeholder concerns. In terms of our professional opinion, this report covers the responsiveness issues of Advanced Optoelectronic.
- Impact**
Advanced Optoelectronic has identified and fairly demonstrated its impact with balanced and effective measurement and disclosure. Advanced Optoelectronic has established a process for monitoring, measuring, evaluating and managing impacts, which helps to achieve more effective decision-making and results management within the organization. In terms of our professional opinion, this report covers the impact issues of Advanced Optoelectronic.
- GRI Guidelines**
Advanced Optoelectronic provides the self-declaration of compliance with the GRI Sustainability Reporting Standards and relevant information. Based on the results of the review, we confirm that the report refers to the social responsibility and sustainability of the GRI sustainability reporting standards. Relevant disclosure items for developments have been disclosed, partially disclosed, or omitted. In terms of our professional opinion, this self-declaration covers Advanced Optoelectronic's social responsibility and sustainability themes.

Assurance level

According to the AA1000 Assurance Standard v3 and its 2018 Appendix, we have verified that this Statement is a moderate level of assurance, as described in the scope and methods of this statement.


Responsibility


The responsibility of the sustainability report, as stated in this Statement, is owned by the person in charge of Advanced Optoelectronic. The responsibility of GREAT is solely to provide professional opinions based on the scope and methods described, and to provide a Statement for the stakeholders.

Ability and Independence

GREAT is composed of experts in various management system fields. The verification team is composed of members with professional background, who have received training in a series of sustainable development, environmental and social management standards such as AA1000 AS v3, ISO 9001, ISO 14001 and ISO 45001, and are qualified as lead auditors.

On behalf of the assurance team MAY 20, 2025
GREAT International Certification Co., Ltd.
Taiwan, Republic of China


Signed by General Manager W. J. Chan

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000-250/V3-NVF8P

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Appendix 3. Climate-related Financial Disclosures

(Disclosed according to the Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE/TPEX Listed Companies - Table 2)

Targets for emission reduction

Greenhouse Gas and Energy Reduction Targets for All Plants in Taiwan:

1. Electricity Reduction: Reduce electricity consumption intensity per unit of output by 2% annually. Using 2023 as the base year, the target is to achieve a 13% reduction in electricity intensity by 2030.
2. Greenhouse Gas Emissions Reduction: Reduce Scope 1 and Scope 2 greenhouse gas emission intensity per unit of output by 2% annually. Using 2023 as the base year, the target is to achieve a 13% reduction in emission intensity by 2030. Net zero emissions by 2050

1 Implementation of Climate-Related Information

Items	Status of implementation
<p>1. Describe the supervision and governance of the Board and the management in terms of risks and opportunities related to climate</p>	<p>The Board of Directors serves as the highest governing body responsible for the oversight and governance of climate-related risks. It approves risk management policies and relevant regulations. The Audit Committee is tasked with supervising and ensuring the effective implementation of risk management practices, and reports the outcomes of climate risk management to the Board. Each year in Q4, the Company reviews the implementation results of the current year and the proposed work plan for the following year.</p> <p>The Risk Management Team, composed of department heads from relevant units, is responsible for the identification, assessment, and control of climate-related risks. The Corporate Governance Officer is responsible for planning, leading, and overseeing the Risk Management Team's activities related to climate risk identification, assessment, mitigation, and monitoring. This officer reports progress and recommendations to the Audit Committee. Climate risk discussions and evaluations are conducted by the Risk Management Team. Resolutions related to climate change are reported by the Corporate Governance Officer to senior management, along with performance reviews and proposed improvement measures. In Q4 each year, the Company reports to both the Audit Committee and the Board of Directors on the year's achievements and the work plan for the coming year. Feedback from both bodies is incorporated into revisions, including updates on climate change risk issues and corresponding management objectives.</p>



Items	Status of implementation
<p>2. Describe how the climate risks and opportunities identified affect the business, strategies, and finance (short-term, mid-term, and long-term) of the enterprise</p>	<p>Short-term:</p> <ul style="list-style-type: none"> ▪ Transition Risks: Changes in customer behavior, rising raw material costs ▪ Physical Risks: Increased severity of extreme weather events such as typhoons and floods, changes in rainfall (water) patterns, and extreme climate variations ▪ Market Opportunities: Adoption of more efficient production and distribution processes and new technologies <p>Mid-term:</p> <ul style="list-style-type: none"> ▪ Transition Risks: Changes in customer behavior, rising raw material costs, stricter emissions reporting obligations ▪ Physical Risks: Increased severity of extreme weather events such as typhoons and floods, changes in rainfall (water) patterns, and extreme climate variations ▪ Market Opportunities: Adoption of more efficient production and distribution processes and new technologies <p>Long term:</p> <ul style="list-style-type: none"> ▪ Transition Risks: Changes in customer behavior, rising raw material costs, stricter emissions reporting obligations, increased pricing of greenhouse gas emissions ▪ Physical Risks: Increased severity of extreme weather events such as typhoons and floods, changes in rainfall (water) patterns, and extreme climate variations ▪ Market Opportunities: Adoption of more efficient production and distribution processes and new technologies
<p>3. Describe the financial impact of extreme weather events and transformative actions</p>	<p>Transformation risks:</p> <p>Changes in customer behavior:</p> <ol style="list-style-type: none"> 1. Due to policy and regulatory requirements, switching to low-carbon energy leads to relatively higher product and operational costs. Therefore, the Company simultaneously adjusts resource usage efficiency (e.g., optimizing distribution processes, using recyclable materials, etc.) to help reduce operating costs. 2. In addition, the Company enhances its climate change adaptation capabilities by conducting risk management and seizing opportunities. It adopts low-carbon supply chains (e.g., green packaging, green circular manufacturing technologies, etc.) and expands product applications in green industries (e.g., electric vehicles, smart grid industry chain, etc.), using these as a green marketing strategy to enhance corporate image, ensure competitiveness, and increase customer acquisition and brand exposure. <p>Increased costs of raw materials:</p> <ol style="list-style-type: none"> 1. Streamline the number of suppliers and control costs through volume-based procurement. 2. Evaluate and verify the use of recycled materials (e.g., reuse of recycled plastic in board materials).



Items	Status of implementation
<p>3. Describe the financial impact of extreme weather events and transformative actions</p>	<p>Physical risks:</p> <p>Increased severity of extreme weather events such as typhoons and floods:</p> <ol style="list-style-type: none"> 1. Identify climate-related risks and transfer risks through insurance. Purchase commercial fire insurance with additional typhoon and flood insurance, covering buildings, business decorations, business operations, machinery and equipment, goods, etc., to reduce the damage caused by climate change and extreme weather Evaluate flood and drought risks in plant areas, develop and implement risk mitigation measures to avoid plant operation disruptions or work safety issues 2. In accordance with the Company's "Emergency Response Plan", fully utilize all available resources to respond promptly and effectively, minimizing the impact of climate-related disasters and reducing financial and personnel losses. In case of disaster, each unit must immediately report the incident and take necessary emergency measures per the response procedures. Post-incident, an investigation must be conducted to analyze, review, and implement improvements. 3. The Company conducts annual education and training sessions in line with the Emergency Response Plan and holds at least one disaster drill each year. After each drill, the applicability of the plan is reviewed to minimize potential losses caused by unforeseen events. <p>Changes in rainfall (water) patterns and extreme climate variations:</p> <ol style="list-style-type: none"> 1. Establish a comprehensive water monitoring mechanism and emergency response procedures, and conduct regular drills 2. Build backup water tanks and truck water into the plants during shortages to keep operations running. 3. In response to drought risks, implement water-saving measures and prepare water trucks. Install 3-day water storage tanks at each plant 2. Replace and upgrade production equipment to reduce energy loss 3. Promote low-carbon automated production to cut greenhouse-gas emissions and become an industry benchmark for low-carbon manufacturing. 4. The automated production process is scheduled for completion in 2025 Q2: <ol style="list-style-type: none"> 4.1. Reduce human error and resource waste: Automation improves accuracy and consistency, lowering defect rates and material waste, and thus indirectly reducing carbon emissions from scrap. 4.2. Shorten production cycles: Automation speeds up production, cutting process time, energy use, and equipment running hours, thereby reducing related emissions. 4.3. Improve equipment operating efficiency: Automated equipment runs more efficiently, reducing idle time and the extra energy use and emissions that result from low-efficiency operation. <p>Market opportunity:</p> <p>Use more efficient production and distribution processes and new technologies:</p> <ol style="list-style-type: none"> 1. Adopt local procurement and production in major sales regions to reduce environmental damage caused by transportation



Items	Status of implementation
<p>4. Describe the identification, evaluation, and management procedures of climate risks and how they are integrated with the overall risk management system.</p>	<p>Identification and Evaluation Process of Climate-Related Risks</p> <p>Climate Risk Identification: The Company's Risk Management Team identifies climate-related risks based on past disaster events, relevant policies and regulations, and market trends. This process also takes into account climate risk factors and stakeholder concerns.</p> <p>Assessment Boundary: The assessment primarily focuses on the Company's operations in Taiwan. Each unit participates in discussions on how climate change factors may lead to transitional and physical risks and opportunities for the Company.</p> <p>Climate Risk Evaluation: The Risk Management Team evaluates the likelihood, timing, and potential operational impact of identified climate risk categories and items. These risks are then prioritized based on materiality and illustrated through a risk matrix.</p> <p>Climate-Related Risk Management Process</p> <p>Risk Control: After consolidating and evaluating identified risks, the Risk Management Team considers the Company's risk appetite, cost-effectiveness of responses, probability, and potential impact reduction, and formulates appropriate mitigation measures to keep risks within an acceptable range.</p> <p>Risk Oversight and Governance: The Corporate Governance Officer is responsible for planning, leading, and overseeing the Risk Management Team's efforts in identifying, measuring, controlling, and monitoring climate risks. Progress, results, follow-up actions, countermeasures, and strategic goals are reported annually to the Audit Committee and the Board of Directors.</p> <p>Risk Reporting and Disclosure: In addition to disclosing climate risk-related information in accordance with regulatory requirements, the Risk Management Team publishes relevant data on the Company's website and in its annual report for external stakeholders.</p> <p>The climate-related risk management process is integrated into the Company's overall risk management framework.</p> <p>Identification and Evaluation of Climate-Related Risks</p> <p>Climate Risk Identification: The Company's Risk Management Team identifies climate-related risks based on past disaster events, policies and regulations, and market trends, while also considering climate risk factors and stakeholder concerns.</p> <p>Assessment Boundary: The assessment primarily focuses on the Company's operations in Taiwan. Each unit participates in discussions on how climate change factors may lead to transitional and physical risks and opportunities for the Company.</p> <p>Climate Risk Evaluation: The Risk Management Team evaluates the likelihood, timing, and potential operational impact of identified climate risk categories and items. These risks are then prioritized based on materiality and illustrated through a risk matrix.</p>



Items	Status of implementation
<p>4. Describe the identification, evaluation, and management procedures of climate risks and how they are integrated with the overall risk management system.</p>	<p>Climate-Related Risk Management Process</p> <p>Risk Control: After consolidating and evaluating identified risks, the Risk Management Team considers the Company’s risk appetite, cost-effectiveness of responses, probability, and potential impact reduction, and formulates appropriate mitigation measures to keep risks within an acceptable range.</p> <p>Risk Oversight and Governance: The Corporate Governance Officer is responsible for planning, leading, and overseeing the Risk Management Team’s efforts in identifying, measuring, controlling, and monitoring climate risks. Progress, results, follow-up actions, countermeasures, and strategic goals are reported annually to the Audit Committee and the Board of Directors.</p> <p>Risk Reporting and Disclosure: In addition to disclosing climate risk-related information in accordance with regulatory requirements, the Risk Management Team publishes relevant data on the Company’s website and in its annual report for external stakeholders.</p> <p>The climate-related risk management process is integrated into the Company’s overall risk management framework.</p> <p>The Audit Committee is responsible for overseeing climate risk management. The Risk Management Team executes the identification, analysis, evaluation, and control processes for operational risks in accordance with the “Risk Management Policy and Procedures.” Climate risks are incorporated into the overall risk management framework. The team follows set procedures to identify and assess risks, formulate response strategies, and delegate execution to the respective responsible units. The results are reported to the Board of Directors.</p>
<p>5. If scenario planning is adopted to evaluate the resilience to risks of climate change, describe the scenarios, parameters, assumptions, analytical factors used, and the major effects on finance.</p>	<ol style="list-style-type: none"> 1. In reference to the 2°C scenario released by the International Energy Agency (IEA), the Company simulates and analyzes the potential impacts of future climate change, setting corresponding greenhouse gas reduction targets and estimating future carbon reduction levels as a reference for adjusting operational strategies. 2. "Increased severity of extreme weather events such as typhoons and floods": <ul style="list-style-type: none"> • Under climate change, typhoons and heavy rainfall are projected to intensify, potentially exposing the Company’s operational sites to natural disasters, leading to business interruptions or casualties. • SSP1-2.6: By the mid- to late 21st century, Taiwan’s average annual total rainfall is projected to increase by approximately 12% to 16%. Maximum 1-day rainfall intensity is expected to rise by around 15.7% to 15.3%. • SSP5-8.5: By the mid- to late 21st century, Taiwan’s average annual total rainfall is projected to increase by about 15% to 31%. Maximum 1-day rainfall intensity may rise by approximately 20% to 41.3%. • SSP5-8.5 (Typhoons): The number of typhoons affecting Taiwan is expected to decrease by about 15% to 55%, while the proportion of strong typhoons may increase by about 100% to 50%. The rate of change in typhoon-induced rainfall may rise by 20% to 35%.



Items	Status of implementation
<p>5. If scenario planning is adopted to evaluate the resilience to risks of climate change, describe the scenarios, parameters, assumptions, analytical factors used, and the major effects on finance.</p>	<p>3. "Rising average temperatures":</p> <ul style="list-style-type: none"> • SSP1-2.6: By the mid- to late 21st century, the average annual temperature may increase by 1.3°C to 1.4°C. The number of days with temperatures exceeding 36°C in various regions is expected to increase by around 6.8 to 6.6 days. • SSP5-8.5: By the mid- to late 21st century, the average annual temperature could rise by more than 1.8°C to 3.4°C. Days exceeding 36°C may increase by about 8.5 to 48.1 days, with urban areas experiencing significantly greater increases than other regions. <p>4. Scenario Simulation:</p> <p>The Company refers to the SSP1-2.6 and SSP5-8.5 scenarios. The Risk Management Team defines short-, medium-, and long-term intervals through discussion, setting "1–3 years" as short-term, "3–5 years" as mid-term, and "6–10 years" as long-term. Based on this, climate risks and opportunities are assessed. Climate risks are categorized into two major types: transition risks and physical risks, and further divided into subcategories including policies and regulations, technology, market, reputation, and acute and chronic physical risks. Opportunities are grouped into five categories: resource efficiency, energy sources, products and services, markets, and organizational resilience.</p> <p>5. In reference to the 2°C scenario released by the International Energy Agency (IEA), the Company simulates and analyzes the potential impacts of future climate change, setting corresponding greenhouse gas reduction targets and estimating future carbon reduction levels as a reference for adjusting operational strategies.</p> <p>2. "Increased severity of extreme weather events such as typhoons and floods":</p> <ul style="list-style-type: none"> • Under climate change, typhoons and heavy rainfall are projected to intensify, potentially exposing the Company's operational sites to natural disasters, leading to business interruptions or casualties. • SSP1-2.6: By the mid- to late 21st century, Taiwan's average annual total rainfall is projected to increase by approximately 12% to 16%. Maximum 1-day rainfall intensity is expected to rise by around 15.7% to 15.3%. • SSP5-8.5: By the mid- to late 21st century, Taiwan's average annual total rainfall is projected to increase by about 15% to 31%. Maximum 1-day rainfall intensity may rise by approximately 20% to 41.3%. • SSP5-8.5 (Typhoons): The number of typhoons affecting Taiwan is expected to decrease by about 15% to 55%, while the proportion of strong typhoons may increase by about 100% to 50%. The rate of change in typhoon-induced rainfall may rise by 20% to 35%. <p>3. "Rising average temperatures":</p> <ul style="list-style-type: none"> • SSP1-2.6: By the mid- to late 21st century, the average annual temperature may increase by 1.3°C to 1.4°C. The number of days with temperatures exceeding 36°C in various regions is expected to increase by around 6.8 to 6.6 days. • SSP5-8.5: By the mid- to late 21st century, the average annual temperature could rise by more than 1.8°C to 3.4°C. Days exceeding 36°C may increase by about 8.5 to 48.1 days, with urban areas experiencing significantly greater increases than other regions.



Items	Status of implementation
<p>5. If scenario planning is adopted to evaluate the resilience to risks of climate change, describe the scenarios, parameters, assumptions, analytical factors used, and the major effects on finance.</p>	<p>4. Scenario Simulation:</p> <p>The Company refers to the SSP1-2.6 and SSP5-8.5 scenarios. The Risk Management Team defines short-, medium-, and long-term intervals through discussion, setting "1–3 years" as short-term, "3–5 years" as mid-term, and "6–10 years" as long-term. Based on this, climate risks and opportunities are assessed. Climate risks are categorized into two major types: transition risks and physical risks, and further divided into subcategories including policies and regulations, technology, market, reputation, and acute and chronic physical risks. Opportunities are grouped into five categories: resource efficiency, energy sources, products and services, markets, and organizational resilience.</p> <p>Physical risks are simulated based on the SSP5-8.5 scenario, which represents a high greenhouse gas emissions pathway. Under this scenario, the likelihood and severity of physical risks increase significantly.</p> <p>Transition risks are simulated using the SSP1-2.6 scenario. In this low-emission pathway — where global temperature rise is limited to around 2.0°C — the world is closer to achieving net-zero emissions, which aligns with current global policy trends. This scenario brings heightened regulatory risks, such as the transition of the Greenhouse Gas Reduction and Management Act into the Climate Change Response Act, thereby imposing stricter legal obligations on enterprises.</p> <p>In terms of financial impact from physical risks, potential losses include production downtime due to severe weather events meeting the government’s suspension-of-work threshold, and increased operating costs from emergency water storage and transportation during drought-related water restrictions. Scenario simulations indicate that the financial impact of such physical risks on the Company is limited, with estimated losses not exceeding 0.5% of annual revenue.</p> <p>As for transition risks, the Company’s combined Scope 1 and Scope 2 greenhouse gas emissions remain below 10,000 metric tons, which is currently under the carbon tax threshold, posing minimal short-term financial impact. Additionally, the Company’s contracted capacity of 2,100 kW does not yet meet the regulatory threshold under the Renewable Energy Development Act, further indicating that short-term transition risks are limited. Nonetheless, the Company will closely monitor future regulatory changes to ensure ongoing compliance.</p>
<p>6. If there is a transformation plan in response to the management of risks related to climate, describe the content of the plan and the indicators and objectives used for identifying and managing the risks and transformation risks of the entity.</p>	<p>There is no transition plan for managing climate-related risks yet.</p>
<p>7. If internal carbon pricing is adopted as the planning tool, describe the basis for establishing the price.</p>	<p>No internal carbon pricing tool has been used so far</p>



Items	Status of implementation
<p>8. If the Company has set targets related to climate, describe the scope of activities and GHG emission covered, the planned schedule, progress achieved each year, and other information. If a carbon offset or renewable energy certificate (RECs) is used to achieve relevant targets, describe the source and volume of the carbon reduction limit used for offsetting or the volume of RECs.</p>	<p>The Company has designated 2023 as the base year and aims to reduce the greenhouse gas emissions intensity (Scope 1 and Scope 2) across all Taiwan facilities by 2% annually. By 2030, the Company targets a 13% reduction in emissions intensity compared to 2023, with a long-term goal of achieving net-zero emissions by 2050.</p> <p>While the Company has not yet utilized carbon credits or renewable energy certificates, it has established energy-saving and carbon-reduction targets covering energy consumption, water usage, and waste management. Progress toward these goals is reviewed annually, and the Company is committed to developing and implementing continuous improvement plans based on performance outcomes.</p>
<p>9. Greenhouse Gas Inventory and Assurance, and Reduction Targets, Strategies, and Specific Action Plans (Also to be completed in Sections 1-1 and 1-2)</p>	<p>Please refer to the table below</p>

Instructions for completing the form:

- The Company may conduct its greenhouse gas inventory in accordance with the following standards:
 - Greenhouse Gas Protocol (GHG Protocol).
 - ISO 14064-1 issued by the International Organization for Standardization (ISO).
- The assurance provider must comply with the sustainability report assurance regulations stipulated by the Taiwan Stock Exchange Corporation and the Taipei Exchange.
- Subsidiaries may report separately, by consolidation (e.g., by country or region), or in a combined format.
- The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue; however, data calculated based on revenue (in NT\$ million) must at least be disclosed.
- The proportion of operational sites or subsidiaries excluded from the inventory calculation must not exceed 5% of total emissions. The “total emissions” refers to the emissions calculated based on the mandatory inventory scope defined in point 1 above.

Basic information of the Company:

- Capital over NT\$10 billion; steel, cement
- Capital over NT\$5 billion but less than NT\$10 billion
- Capital less than NT\$5 billion

Disclosure Requirements (per the Sustainability Development Roadmap for TWSE/TPEX-listed Companies)

- Parent company only inventory Consolidated subsidiaries under financial reporting
- Parent company only assurance Consolidated subsidiaries under financial reporting assurance



According to the Roadmap for the Sustainable Development of Listed Companies:

1. The parent company (standalone) is required to conduct a greenhouse gas inventory starting in 2026.
2. The subsidiaries included in the consolidated financial statements are required to begin inventories in 2027.
3. The consolidated company has established a greenhouse gas inventory mechanism in accordance with the Greenhouse Gas Protocol issued by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI), or the ISO 14064-1 greenhouse gas inventory standard issued by the International Organization for Standardization (ISO) (specify the applicable inventory standard). Starting from 2027, the greenhouse gas emissions of the Company's parent entity and subsidiaries included in the consolidated financial report will be inventoried annually (note: adjusted according to the Company's actual situation, with exclusions explained accordingly) to fully understand the status of greenhouse gas usage and emissions, and to verify the effectiveness of reduction actions.

In addition, the greenhouse gas inventory data for the past two years was compiled based on the operational control approach (or other methods actually adopted by the Company, such as the equity share method, equity ratio method, or financial control method), covering the greenhouse gas emissions of the Company and all subsidiaries included in the consolidated financial report, as detailed below:

1-1 Greenhouse gas inventory and assurance for the last 2 years

Item / Year	2022		2023		2024	
	Total emissions (metric tons CO2e/year)	Intensity (metric tons CO2e/NT\$ million)	Total emissions (metric tons CO2e/year)	Intensity (metric tons CO2e/NT\$ million)	Total emissions (metric tons CO2e/year)	Intensity (metric tons CO2e/NT\$ million)
Scope 1						
Advanced Optoelectronic Technology Inc.	356.4164	0.000163	433.5937	0.000231	477.479	0.000259
Scope 2						
Advanced Optoelectronic Technology Inc.	7760.3501	0.003549	7137.7281	0.003798	6687.5042	0.003630
Scope 3						
Advanced Optoelectronic Technology Inc.	-	-	1534.2111	0.000816	1679.8791	0.000912
Total						
Advanced Optoelectronic Technology Inc.	8116.7665	0.003712	9105.5329	0.004845	8844.8623	0.004801



Description of assurance :

According to the Roadmap for the Sustainable Development of Listed Companies,

1. The parent company entity shall begin assurance in 2028.
2. Subsidiaries included in the consolidated financial statements shall begin assurance in 2029.

Among the total greenhouse gas emissions disclosed by AOT, the scope of verification performed in 2023 and 2024 accounted for 100% of the Company's total parent-only emissions for each year.

Scope 1: 477.4790 metric tons of CO₂e (5.4% of total emissions)

Scope 2: 6,687.5042 metric tons of CO₂e (75.6% of total emissions)

Scope 3: 1,679.8791 metric tons of CO₂e (19% of total emissions);

AOT's 2023 parent-only greenhouse gas inventory was verified by a third-party independent institution, the Business Inspection Center (ETC), in accordance with ISO 14064-3:2019 issued by the International Organization for Standardization (ISO).

Categories 1 and 2 received reasonable assurance; Categories 3 and 4 received limited assurance.

AOT's 2024 parent-only greenhouse gas inventory was also verified by ETC under ISO 14064-3:2019.

Categories 1 and 2 received reasonable assurance; Categories 3 and 4 received limited assurance.

1-2 Greenhouse gas reduction goals, strategies and concrete action plans

According to the roadmap for sustainable development, the Company, as a company with a capital of less than NT\$5 billion, should complete the greenhouse gas inventory for the consolidated financial statements of the parent company and subsidiaries for the year 2026 by 2027, with 2026 set as the base year. As the Company has not yet conducted the greenhouse gas inventory for the consolidated financial statements of the parent company and subsidiaries, the base year, reduction targets, strategies, and specific action plans have not yet been established.

The Company formulated carbon reduction targets for the parent company entity in 2024, as shown in the table below.

Targets for the parent-only company	Strategic actions of the parent company only company
<p>Greenhouse Gas and Energy Reduction Targets for All Plants in Taiwan:</p> <ol style="list-style-type: none"> 1. Electricity Reduction: Reduce electricity consumption intensity per unit of output by 2% annually. Using 2023 as the base year, the target is to achieve a 13% reduction in electricity intensity by 2030. 2. Greenhouse Gas Emissions Reduction: Reduce Scope 1 and Scope 2 greenhouse gas emission intensity per unit of output by 2% annually. Using 2023 as the base year, the target is to achieve a 13% reduction in emission intensity by 2030. <p>Net zero emissions by 2050</p>	<p>Strategy and specific action plan:</p> <ol style="list-style-type: none"> a. Replacement and upgrade of old production equipment to reduce energy loss. b. Purchase energy-saving equipment and replace low-efficiency chillers. c. Promote low-carbon automated production to improve production efficiency and reduce greenhouse gas emissions. d. Turn off lights when not in use and control air-conditioning temperature; adjust equipment operating schedules to optimize energy efficiency. e. Monitor changes in carbon tax regulations. Evaluate and plan the purchase of green energy certificates when carbon emissions reach the carbon tax threshold. f. Monitor changes in renewable energy regulations. When the contracted power capacity reaches the renewable energy threshold, evaluate and plan the installation of solar panels or other renewable energy devices on plant rooftops.

Appendix 4. SASB Indicators Classification

Classification of SASB Industries into Technology and Communication (Industry category) / Semiconductors (Industry)

SASB Topic	Serial number	Accounting Indicators	Disclosure Method	Unit	Disclosure Content
Greenhouse gas emissions	TC-SC-110a.1	(1) Total global Scope 1 emissions (2) Total perfluorocarbon (PFC) emissions	Quantitative	Metric tons (t) CO2-e	(1) 2024 Scope 1: 477.479 t CO2-e (2) PFC emissions: 0 t CO2-e
	TC-SC-110a.2	Discuss long-term and short-term strategies or Scope 1 emission management plans, emission reduction targets, and analyze target achievement rates	Qualitative	-	Set greenhouse gas emission reduction targets. Compared with the previous year, the short-term goal is a 2% reduction in greenhouse gas emission intensity per unit of output. Conduct rolling reviews annually. For the medium and long term, implement energy saving and carbon reduction in line with the country's Nationally Determined Contribution (NDC) targets.
Manufacturing-side Energy Management	TC-SC-130a.1	(1) Total energy consumption; (2) Percentage of electricity from the grid; (3) Percentage of renewable energy	Quantitative	Gigajoules (GJ) Percentage (%)	(1) Total energy consumption: 50,973.03 GJ; (2) 2024 total electricity consumption: 100%, 14,108,658.59 kWh; (3) Renewable energy: 0% 2024 total electricity consumption: 14,108,658.59 kWh, grid electricity: 100%
Water Management	TC-SC-140a.1	(1) Total water withdrawal (2) Total water consumption; water consumption in regions with high water stress	Quantitative	Cubic meters (m ³) Percentage (%)	(1) Total water withdrawal: 47,627m ³ . (2) Total water consumption: 22,129 m ³ . The Company is not located in a region with high water stress. 2024 total water withdrawal: 47,627 m ³ Total water consumption: 22,129m ³
Waste Management	TC-SC-150a.1	Hazardous waste generated during manufacturing and recycling rate	Quantitative	Metric tons (t) Percentage (%)	Hazardous waste: 8.712 metric tons Recycling rate: 0%



SASB Topic	Serial number	Accounting Indicators	Disclosure Method	Unit	Disclosure Content
Employee Health and Safety	TC-SC-320a.1	Describe management practices for assessing, monitoring, and reducing employee health hazards	Qualitative	-	Annual employee health checkups are conducted. Based on results, employees are assigned graded health management. An on-site physician provides monthly consultations and follow-up on abnormal findings.
	TC-SC-320a.2	Total amount of fines for violations of occupational safety and health laws and regulations	Quantitative	Amount (NT\$)	NT\$200,000. 1. On 2023/12/19, while retrieving an empty magazine at the feeding station, the feeding mechanism descended, pinching the operator's left little finger. Violation of Article 58 of the Occupational Safety and Health Facilities Rules; fined NT\$100,000. 2. On 2023/04/14, at the stamping station, the operator was injured while manually operating the TF-200 stamping machine after placing the product for positioning — the machine closed and pinched the middle and ring fingers. Violation of Paragraph 1, Article 82 of the Occupational Safety and Health Facilities Rules; fined NT\$100,000.
Recruitment and management of global and professional talent	TC-SC-330a.1	(1) Percentage of foreign employees	Quantitative	Percentage (%)	19.66% (137/697)
		(2) Percentage of overseas employees	Quantitative		0.00% (currently no overseas employees)
Product Lifecycle Management	TC-SC-410a.1	Percentage of revenue from products declared under IEC 62474	Quantitative	Percentage (%)	Not applicable, no such data available
	TC-SC-410a.2	System-level energy efficiency includes (1) Servers (2) Desktops (3) Laptops	Quantitative	-	Not applicable, no such data available



SASB Topic	Serial number	Accounting Indicators	Disclosure Method	Unit	Disclosure Content
Procurement of raw materials	C-SC-440a.1	Describe the risk management of the use of key raw materials	Qualitative	-	<p>Each year, the compliance of hazardous substance test reports provided by key raw material suppliers is reviewed, and qualified third-party laboratories are commissioned annually to test the hazardous substance content of finished products in order to control hazardous substance risks.</p> <p>A. Raw material test report compliance (Number of compliant reports / Number reviewed) = 100% (1010/1010)</p> <p>B. Finished product hazardous substance test report compliance (Number of compliant reports / Number tested) = 100% (26/26)</p>
Protection of Intellectual Property Rights and Anti-Competitive Behavior	TC-SC-520a.1	Total amount of fines for violations of anti-competitive behavior	Quantitative	Amount (NT\$)	Total penalty: NT\$0
Activity metrics					
-	TC-SC-000.A	Total production volume	Quantitative	-	2,724,490,149
-	TC-SC-000.B	Percentage of production volume from owned plants	Quantitative	Percentage (%)	100%

