

2024

ESG

INSIGHT REPORT

Coretronic



A List
(Leadership Level)



Climate Change **B** → **A**
Water Security **B** → **A**
Supplier Engagement **A**



SCIENCE
BASED
TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Validated in April 2024.

“Absolute reduction of 50.4% in Scope 1 and 2 GHG emissions and absolute reduction of 30% in Scope 3 emissions by 2032 from 2021 base year”



Annual issuance of
TCFD Report since 2023



ESG Ratings
“A”



ESG Risk Rating
“Low Risk”



“Top 100 Global Innovator”

Plastic Reduction

Achieve zero plastic pollution by 2040

Biodiversity Conservation and No Gross Deforestation

Generate a net positive impact on ecosystems by 2050 and achieve zero deforestation, realizing a vision of synergy between technology and nature

RE 100 & EV 100

Achieving 100% electrification of transportation vehicles by 2030 and 100% renewable energy usage by 2040

Carbon Neutrality

Achieve carbon neutrality by 2050

SCOPE

Scope of 2024 Sustainability Report accounts for approximately 96% of the Company’s annual consolidated revenue.

Coretronic’s Taiwan plants

Headquarters, Chunan Plant, Tainan Plant 1, Tainan Plant 2

Subsidiaries in Taiwan (exclude from SASB)

Champ Vision Display, Coretronic Intelligent Cloud Service, Coretronic Intelligent Robotics

Coretronic’s China plants

Kunshan

Coretronic Projection (Kunshan), Coretronic Optics (Kunshan)

Wujiang

Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou)*

*Coretronic Display (Suzhou) was officially merged into Coretronic Optics (Suzhou) in June 2024.



EXTERNAL CERTIFICATIONS

	Reporting Standards		Accreditation Body	Region
Sustainability Report Verification	AA1000AS v3 Type 2 high-level assurance		SGS Taiwan Ltd.	Taiwan, China
	GRI Standards			
	SASB Standards			
Environmental Certifications	ISO 14001	Environmental Management System	SGS Taiwan/SGS-CSTC Standards Technical Services	Taiwan, Coretronic Projection (Kunshan) ¹ , Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou)
	ISO 14064-1	GHG Emissions		Taiwan, China
	ISO 50001	Energy Management System		Taiwan, Coretronic Projection (Kunshan) ¹ , Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou)
Social Certifications	ISO 45001	Occupational Health and Safety		Taiwan, Coretronic Projection (Kunshan) ² , Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou)
	ISO 9001	Quality Management		Taiwan, Coretronic Projection (Kunshan), Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou)
	SA8000	Social Accountability	TÜV NORD	Headquarters
	ISO 13485	QMS for Medical Devices ³	SGS Taiwan/SGS-CSTC Standards Technical Services/ Intertek Testing Services Ltd, Shanghai	Chunan Plant, Coretronic Projection (Kunshan)
	IATF 16949	QMS for Automotive Industry ³		Tainan Plant 2, Coretronic Optics (Suzhou)
	Governance Certifications	ISO 27001	Information Security	SGS Taiwan/SGS-CSTC Standards Technical Services
ISO/IEC 17025		Testing and Calibration Laboratories ³	CNAS	Coretronic Optics (Suzhou)

1: Coretronic Projection (Kunshan) and Coretronic Optics (Kunshan) are located at the same site and share a common drainage system; therefore, their water quality testing data are disclosed together.

2: Coretronic Optics (Kunshan) is the upstream supplier of Coretronic Projection (Kunshan), and their work environment safety systems are jointly managed. In the future, it will pass the ISO 45001 certification according to customer needs.

3: QMS certifications for Medical Devices, the Automotive Industry, and Testing and Calibration Laboratories are obtained only for the applicable plants where the corresponding products are manufactured.

ENVIRONMENTAL GOALS

Goals Base year: 2021	2024 (Actual)	Short-term 2025	Mid-term 2026~2028	Long-term 2029~2031
GHG Emissions Absolute Reduction (Scope 1+2)	✓ 51%	18.3%	32%	45.8%
GHG Emissions Intensity Reduction (Scope 1+2)	✓ 43%	6%	10%	13%
Electricity Intensity Reduction	✓ 15%	7%	10%	13%
Renewable Energy Ratio	✓ 15%	15%	21%	27%
Waste Output Intensity Reduction	✓ 52%	5%	8%	11%
Water Consumption Reduction	✓ 40%	6%	9%	10.5%

Internal carbon price set at NT\$942 per metric ton of CO₂e, used to simulate the future impact of carbon costs on business operations and investment decisions.

GHG AND ENERGY MANAGEMENT

All scopes covered in 2024 Sustainability Report have obtained ISO 14064-1 verification.

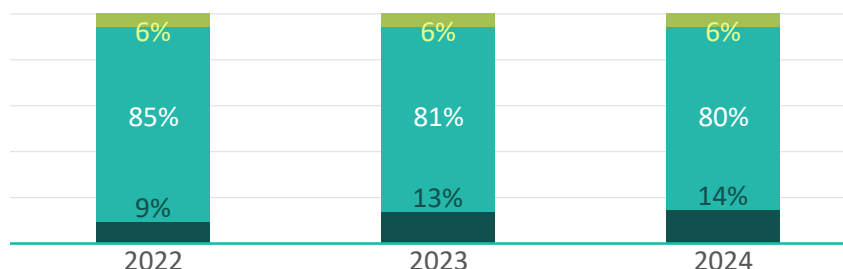
GHG Emissions	unit	Taiwan			China		
		2022	2023	2024	2022	2023	2024
Scope 1—Direct Emissions	tCO ₂ e	246.1	238.3	144.3	1,655.5	1,824.7	1,844.0
Scope 2—Purchased Electricity		7,726.6	6,324.3	5,787.4	20,382.9	16,938.6	15,629.0
Total GHG Emissions—Scope 1 and 2		7,972.7	6,562.6	5,931.7	22,038.4	18,763.3	17,473.0
GHG Emissions Intensity—Scope 1 and 2	tCO₂e / NT\$ million ¹	0.24	0.24	0.21	0.51	0.58	0.62
Scope 3—Indirect Emissions	tCO ₂ e ²	42,818.8	13,508.0	9,411.4	623,822.8	1,676,712.0	503,088.8
Total GHG Emissions—Scope 1~3		50,791.5	20,070.6	15,343.1	645,861.2	1,695,475.3	520,561.8
GHG Emissions Intensity—Scope 1~3	tCO ₂ e / NT\$ million ¹	1.52	0.74	0.54	14.80	52.37	18.33

1: Revenue coverage scope for 2022~2023: Taiwan plants include Coretronic, Young Green Energy, uCare Medical Electronics, Champ Vision Display, Coretronic Intelligent Cloud Service, Coretronic Intelligent Robotics, Innospectra, Coretronic MEMS, Coretronic Reality, and Coretronic Intelligent Logistic Solutions. China plants include Coretronic Display (Suzhou), Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou), Coretronic Projection (Kunshan), and Coretronic Optics (Kunshan). Revenue coverage scope for 2024: Taiwan plants include Coretronic, Young Green Energy, uCare Medical Electronics, Coretronic Intelligent Cloud Service, Coretronic Intelligent Robotics, Innospectra, Coretronic MEMS, Coretronic Reality, and Coretronic Intelligent Logistic Solutions. China plants include Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou), Coretronic Projection (Kunshan), and Coretronic Optics (Kunshan).

2: The carbon emission factor for electricity at Taiwan plants in 2024 is referenced from the Energy Bureau's carbon emission data, 1 kWh = 0.495 kgCO₂e; the carbon emission factor for electricity at China plants is referenced from the Ministry of Ecology and Environment of People's Republic of China's "Notice on Properly Handling Greenhouse Gas Emission Reporting Management for Power Generation Enterprises in 2023~2025", 1 kWh = 0.5366 kgCO₂e. The GWP values are cited from the global warming potential value and inventory scope refer to the operational control approach of 2021 IPCC's 6th Assessment Report.

*Taiwan Chunan Plant received **LEED Gold Certification** for existing buildings from the U.S. Green Building Council.*

Annual Energy Consumption Ratio



- Non-Renewable Energy—Natural Gas, Diesel, Gasoline
- Non-Renewable Energy—Purchased Electricity
- Renewable Energy

CLIMATE CHANGE MANAGEMENT

TCFD

Based on the risks identified in 2023, Coretronic will continue to implement mitigation strategies in 2024 to effectively address future climate challenges. For details, see [Climate Change Management](#) of Coretronic website.

Strategies for Addressing Climate-Related Risks and Opportunities

	⚠️ Risks / 💡 Opportunities	🛡️ Response Strategies
Transition Risks/Opportunities	⚠️ Climate Change Response Act, carbon taxes, carbon fees, and other related regulations ⚠️ GHG cap/Emissions trading ⚠️ Renewable energy regulations 💡 Using renewable energy/low carbon energy	- Submit science-based reduction targets to SBTi, formulate carbon reduction pathways and energy-saving and carbon reduction plans - Promote net zero actions and energy-saving and carbon reduction plans to gradually reduce GHG emissions - Continue to expand solar power generation facilities - Purchase renewable energy certificates and green electricity
	⚠️ Demand for low-carbon products and services ⚠️ Transformation to innovative low-carbon technologies or services 💡 Promoting low-carbon green production 💡 Using recycled materials/ recycling and reuse 💡 More efficient transportation and distribution processes 💡 Finding new business opportunities	- Continuous investment in energy-efficient product design and development - Conduct independent carbon footprint inventories for products and propose carbon reduction measures for emission hotspots - Introduce recycled materials and reduce product volume and weight - Prioritize the use of reusable or easily recyclable packaging materials - Improve transportation efficiency and choose lower-carbon transportation modes
	⚠️ Rising raw material procurement costs 💡 Supply chain stability	Implement sustainable supply chain management through screening, evaluation, auditing, and supplier grading measures to maintain supply chain stability
	💡 Enhancing corporate reputation	Meet customer demands for green product design and services, build a sustainable enterprise, and enhance corporate reputation
Physical/Other Risks	⚠️ Social uncertainty/Geopolitics	Adopt diversified production and sales models, such as material stockpiling, localsourcing, and distributed production plants, to mitigate the impact of risk spillovers and strengthen risk response resilience

AIR POLLUTION

In 2024, the total emissions of volatile organic compounds (VOCs) amounted to 2.868 metric tons, showing a slight increase compared to 2023. This was due to the following two reasons: (1) At the Headquarters, starting in 2023, a new self-reporting item-storage tank (diesel tank refueling volume) was added in compliance with the requirements of the Environmental Protection Bureau of Hsinchu City. (2) At Coretronic Optics (Suzhou), an increase in product shipments led to higher ethanol usage for product wiping, which in turn raised VOC emissions. However, all emissions remained within the limits set by the Jiangsu Province “Integrated Emission Standard of Air Pollutants”. The Company will continue to track and monitor emissions in the future.

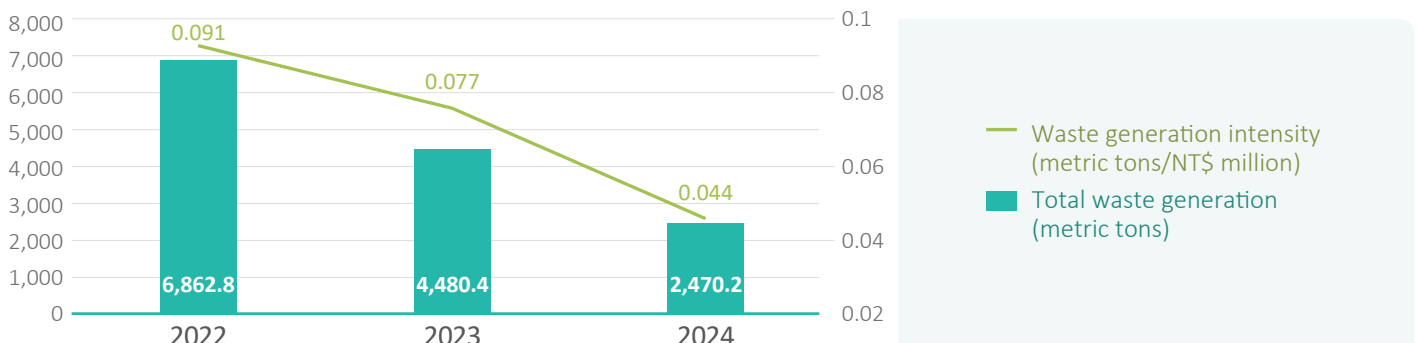
Types of Air Pollutants / Year	2022	2023	2024
VOCs (metric tons)	2.874	2.569	2.868

Note: The above data covers 100% of the scope disclosed in this Report, including Coretronic’s Taiwan plants (Headquarters, Chunan Plant, Tainan Plant 1, and Tainan Plant 2) and China plants (Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou), Coretronic Projection (Kunshan), Coretronic Optics (Kunshan)). Tainan Plant 2 was confirmed by the Tainan Environmental Protection Bureau during its voluntary reporting application that its emissions are below regulatory thresholds, and therefore reporting was not required.

WASTE MANAGEMENT

Coretronic’s waste generated from operating activities is mainly non-hazardous waste. Directly disposed hazardous waste accounted for 2% in Taiwan and 0.9% in China of each region’s total waste generation. Hazardous waste is managed through the control and categorization of scrap materials to reduce the generation of hazardous industrial waste. Coretronic also requires suppliers to implement waste flow control measures jointly.

Annual Waste Generation Trend



Waste Reduction Strategies



Packaging Material Reuse



Circular Economy Alliance



Lightweight Chemical Containers



End-of-Product Treatment Tracking

WATER MANAGEMENT

Water Usage (Metric Tons)	2022	2023	2024
Taiwan Plants	75,562	69,405	67,366
China Plants	427,073	347,083	283,947

Coretronic primarily sources its water from municipal supplies, with usage mainly for air conditioning, domestic needs, and catering services. The water risk analysis conducted is based on Aqueduct Water Risk Atlas by WRI indicates that Taiwan plants are classified as low to medium water risk areas (levels 1~2), while China plants face high water risk levels (levels 3~4).

GREEN SOLUTIONS

Innovation in green technology is promoted through the adoption of low-carbon technologies and optimization of product design to reduce energy consumption and carbon emissions. Additionally, concepts of a circular economy are introduced, with targets established for the use of recycled materials to minimize resource waste and environmental impacts, maximizing sustainable resource utilization.

MANAGEMENT

Coretronic views green products as one of the cornerstones of its net-zero development strategy. By incorporating green design principles and advancing green product R&D and manufacturing, the Company promotes green technology innovation, the application of energy-saving technologies, increased material sustainability, the adoption of environmentally friendly low-carbon materials, eco-friendly packaging, and green transportation.

The “Green Projector Development Team” and the “Green Product R&D Team” are responsible for setting and planning annual goals, budgets, and plans. After approval, these plans are integrated into the R&D phase, with regular reviews of implementation performance and continued advancement of related initiatives.

STRATEGY

Green thinking is integrated into product development and design by selecting low-carbon materials, implementing the IECQ QC 080000 system to control and reduce/gradually eliminate hazardous substances, and reducing energy consumption during manufacturing processes to mitigate environmental impact.



*Continued optimization of the **optical design** of mainstream projectors has significantly enhanced overall product performance.*

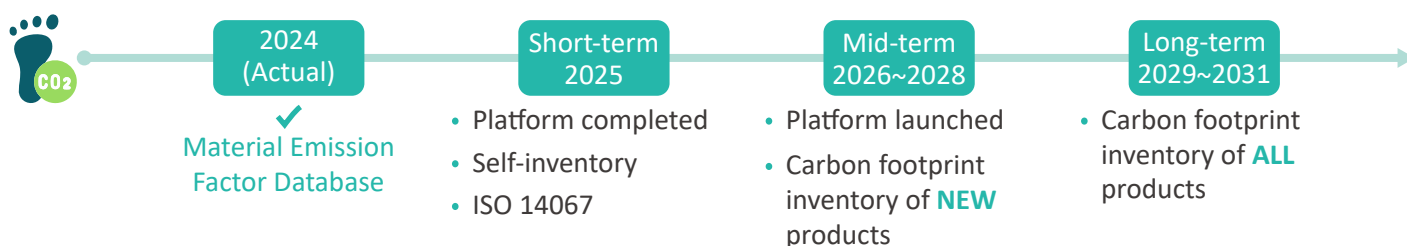
*Compared to 2023, **energy efficiency improved by 74%**, with an estimated annual electricity savings of 44.29 GWh, equivalent to a carbon reduction of 21,877 metric tons.*

PRODUCT CARBON FOOTPRINT INVENTORY

Product Carbon Footprint Inventory Platform:

Coretronic has independently planned and established a product carbon footprint inventory platform aligned with product BOM data. In 2024, the “Material Emission Factor Database” was completed, which prioritizes the verification of carbon emission data for new product components. The “Manufacturing Stage Database” is scheduled for completion in 2025, with full platform deployment targeted for 2026.

Product Carbon Footprint Inventory Platform Timeline



ISO 14067 Verification

Product Carbon Footprint

Products	Accreditation Body
3 mainstream EX1 laser projector models 2 LCD monitor models	- TÜV Rheinland Taiwan Ltd. - SGS-CSTC Standards Technical Services

Self-Conducted Inventory

Since 2016, the Company has independently conducted carbon footprint inventories for its backlight module products for nine consecutive years. In 2024, the carbon footprint of a 14-inch backlight module was 1.41 kgCO₂e per unit, a 25% reduction compared to 2023.

R&D

R&D expenditure goal for 2025~2027 is **6%** of consolidated revenue.

R&D	2022	2023	2024
Patent Proposals: Energy saving and carbon reduction related as % of total Taiwan Plant proposals (%)	62	60	58
R&D Expenses (NT\$ billion)	3.06	2.90	2.86
R&D Expenses to revenue (%)	6.14	7.35	7.20

Goals

	2024 (Actual)	Short-term 2025	Mid-term 2026~2028	Long-term 2029~2031
Shipment Ratio				
Mainstream and commercial projectors using post-consumer recycled plastic (PCR)	✓ 12%	10%	15%	30%
Mainstream and smart projectors using eco-friendly cushioning materials	✓ 90%	66%	74%	75%
Projectors using FSC-certified or recycled pulp cartons	✓ 96%	50%	75%	92%
Power consumption reduction ratio for high-efficiency backlight modules	✓ 5.3%	5%	10%	10%
Adoption rate of recycled aluminum materials in newly developed laptop models	✓ 3.8%	3%	4%	6%

ENVIRONMENTAL AWARENESS AND PROTECTION

Coretronic proactively signed 4 international environmental initiatives in 2024 to demonstrate our firm commitment to environmental protection; RE100 and EV100, Biodiversity Conservation and No Gross Deforestation, Carbon Neutrality and Plastic Reduction.

Coretronic invites green partners to participate in initiatives centered around “Green Earth, Green Action, and Green Knowledge”. By raising employee awareness of energy conservation and environmental protection, and reducing water usage and CO₂ emissions from office activities. Please refer to Chapter 4.5 of 2024 ESG report for more details regarding environmental awareness and education initiatives.

Results

	2022	2023	2024
Green Activities (Participants)	21,446	30,167	26,522
Environmental Education (Person-hours)	4,589	15,975	15,840
Environmental Charity Sponsorships (NT\$)	919,000	932,000	972,000

ESG EDUCATION AND TRAINING

Through participation in internal and external training courses, the issuance of a quarterly ESG e-newsletter, and the sharing of ESG knowledge and activities on electronic and physical bulletin boards, Coretronic seeks to enhance employees' ESG awareness and understanding, ultimately integrating ESG concepts into daily business operations.

Key Internal Training Programs

- **Required Annual Course—"ESG: From Concept to Practice"**: To strengthen sustainability awareness among all indirect labors in Taiwan, an annual required sustainability training course was developed. The course covers definitions of key sustainability terms, the two major sustainability organizations within the Company and their respective responsibilities, stakeholders and material topics, and domestic and international sustainability initiatives. It also trains employees on how to read the annual Sustainability Report. A total of 1,583 participants completed the course and passed the post-course assessment (with a passing score of 70), achieving a 100% course completion rate.
- **"Product Carbon Footprint (ISO 14067) Workshop"**: To enhance the knowledge of the Green Product Team and ESG Team members regarding product carbon footprints and embed the green product concept into daily operations and product design, Coretronic invited an expert from the Industrial Technology Research Institute (ITRI) to serve as the instructor. The workshop introduced ISO 14067 standards and international trends toward net-zero emissions, and guided participants through hands-on exercises in product carbon footprint calculations. A total of 136 employees participated, accumulating a total of 272 training hours.

STAKEHOLDER ENGAGEMENT

Coretronic proactively maintain open communication channels with stakeholders to understand their needs and expectations from Coretronic for the main reference of establishing our ESG policies and related projects.

Coretronic actively assesses stakeholders' needs and expectations of Coretronic through Annual Material Topics Questionnaires, [Chinese/English Sustainability Report](#), [Chinese/English Annual Report](#), [Chinese/English TCFD Report](#), [ESG Quarterly E-Newsletter](#), [Official Website](#), [Facebook fan page](#), [YouTube channel](#), [Wikipedia](#), [ESG mailbox](#), and various diverse communication channels, which serves as important references for formulating the Company's sustainability policies and related plans. See Coretronic website regarding Stakeholders.



ESG@coretronic.com



**Annual ESG Concern Topics
Survey Questionnaire**

SOCIAL

HUMAN RIGHTS

Coretronic “[Human Rights and Social Responsibilities Policy](#)” comply with the RBA Code of Conduct and SA8000 Standard and signed by the Chairman.

- International human rights conventions: Universal Declaration of Human Rights, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, and the International Labor Organization.
- Working Hours
- Wages & Benefits
- Disciplinary Practices
- Prohibition of Child Labor
- Occupational Safety Management
- Management of Suppliers and Contractors
- Non-Discrimination & Humane Treatment
- Prohibition of Forced or Compulsory Labor
- Freedom of Association & Right to Collective Bargaining
- Worker/Stakeholder Engagement & Continuous Improvement

Annual “Human Rights Training” was conducted in Taiwan and China. All employees were required to sign the “Coretronic Human Rights Code”, with a 100% signing rate. Plans to launch mandatory company-wide training course in the future.

■ NON-DISCRIMINATION & HUMANE TREATMENT

Coretronic ensures that no applicant or employee is subject to discriminatory treatment in hiring, selection, employment, placement, evaluation, promotion, training, benefits, or retirement based on age, gender, race, ethnicity, political affiliation, or pregnancy. We commit to a workplace free of harassment (including sexual harassment and non-sexual harassment) and unlawful discrimination, and harsh or inhumane treatment.

No complaints of discrimination or harassment were reported.

■ LABOR AND ETHICS MANAGEMENT REVIEW

In 2023, Coretronic conducted its first “Coretronic Labor Human Rights Risk and Ethical Risk Identification” at Taiwan plants and expanded scope in 2024 to include China and Vietnam plants.

The risk identification results indicated that there were no unacceptable risks in the areas of labor human rights and ethics compliance across all plants, demonstrating conformance with RBA standards.



WORKFORCE OVERVIEW

Region	Employees/Workers		Male	Female	Total
Taiwan	Employees ¹		935	652	1,587
	Workers	Dispatched ²	28	53	81
		Others ³	37	9	46
China	Employees ¹		1,478	1,086	2,564
	Workers	Dispatched ²	304	129	433
		Others ³	90	72	162
Total Employees ¹			2,413 (58%)	1,738 (42%)	4,151
Total Workers			459 (64%)	263 (36%)	722

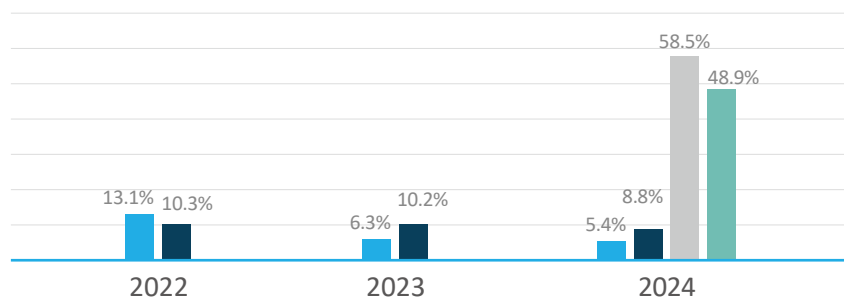
1: Full-time employees with agreed standard working hours of 40 hours per week.

2: Direct labor, hourly workers.

3: On-site personnel (coffee shop, cafeteria, security guards, cleaning staff), contractors.

EMPLOYEE TURNOVER

Annual New Hire and Turnover Rates



- Taiwan Plants New Hire Rate
- Taiwan Plants Turnover Rate
- China Plants New Hire Rate
- China Plants Turnover Rate

1: From 2022 to 2023, only the employee hire and turnover rates for Taiwan plants were disclosed.

LABOR UNION

100% of employees in the China plants are covered by the following Collective Agreements:

Company Name/ Item	Union Establishment Date	Signing of Collective Agreement
Coretronic Projection (Kunshan)	Jul 2014	- Collective Contract - Special Collective Contract on Wages
Coretronic Optics (Kunshan)	Dec 2020	
Coretronic Optotech (Suzhou)	Jun 2019	- Collective Contract - Special Collective Contract on Wages - Special Collective Contract on Occupational Health and Safety - Special Collective Contract on Special Protection for Female Employees
Coretronic Optics (Suzhou)	May 2021	



LABOR-MANAGEMENT COMMUNICATION

At Coretronic, we have established and arranged comprehensive communication channels, ranging from hotlines (8585) and emails, physical suggestion box, Employee Information Platform (employee website), employee discussion forums, communication platform on LINE/WeChat and many more initiatives to allow employees to fully express their opinions.

Target to continue conducting annual employee opinion surveys and communicate accordingly after compiling feedback. By 2026~2027, incorporate employee feedback into management meeting agendas, allowing the executive team to consider stakeholder suggestions for appropriate evaluation.

2024 Communication Highlights	Taiwan	Kunshan	Wujiang
Labor-Management Meetings	16 Labor-Management Meetings	10 Employee Forums	
		1 Assistant Forum	2 Plant Manager Forums
Employee Welfare Meetings	Held quarterly, totaling 13 meetings In addition, employee satisfaction survey results were reviewed to plan and implement improvement measures.		
Employee complaints cases (closure rate)	5 (100%)	14 (100%)	27 (100%)
Employee Care Interview	222 People Interviewed	-	-
Annual employee opinion survey participation rate	Indirect labor: 98%; Direct Labor: 358 participants, resulting in 24 suggestions, with a 100% resolution rate	Indirect Labor: 100% Direct Labor: 80%	Indirect Labor: 100% Direct Labor: 76%

EMPLOYEE COMPENSATION

Sharing of operating profits and achievements is applicable to full-time employees.

Taiwan	China
- Employee profit sharing* - Production performance bonuses, operating performance bonuses, R&D patent bonuses - Excellent R&D personnel, long-service employee, and outstanding employee recognition - Employee stock ownership (when possible)	- Operating bonus* - Production performance bonuses, operating performance bonuses, R&D patent bonuses - Excellent R&D personnel, and outstanding employee recognition

*Depending on annual operations and individual performance for the current year.

2024 Gender Salary Ratio (M:F)

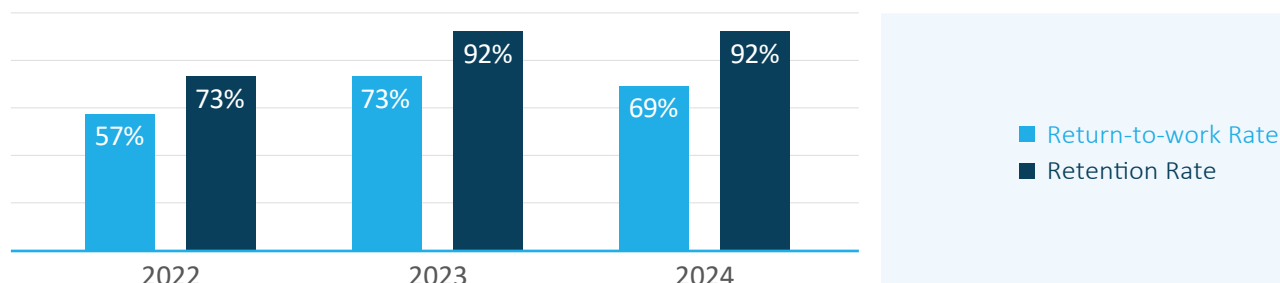
Plant/Job Category	R&D	Production	Sales	Administration	Total Ratio
Taiwan	0.973	0.985	0.936	1.015	0.989
Wujiang	1.030	0.958	0.944	0.997	0.959
Kunshan	0.924	1.003	0.973	0.909	0.924

NON-COMPENSATION BENEFITS

Coretronic provides comprehensive employee benefits, with benefits exceeding legal requirements. For details, please see 2024 Coretronic Sustainability Report Employee Benefits or [company website](#).

PARENTAL BENEFITS

Annual Parental Leave Statistics for Taiwan Plants



PENSION

Pensions for Taiwan and China plants are in accordance with local regulations.

Item/Region		Taiwan	China
Retirement Pension Contribution as a Percentage of Salary	Employer	- Old System: 2% - New System: 6%	16%
	Employee	- Old System: 0% - New System: 0%~6%	8%
Retirement Plan Type		- Old System: Company Retirement Account - New System: Individual Retirement Account	Pension Insurance (Employee Account)

TRAINING AND DEVELOPMENT

“Talent Development Leadership Award” awarded by Taiwan Corporate Sustainability Awards (TCSA) in 2024.

Average Employee Training Hours

Region	2024 by Job Level					2025 Target	2026 Target	2027 Target
	Senior Executives	Middle Managers	Junior Managers	Non-management Personnel	Total			
Taiwan	17.0	19.3	33.4	30.5	29.4	22	24	26
China	31.4	22.0	27.7	12.3	14.3	9	9	9

We offer systematic training courses to employees based on their career planning and learning roadmap to develop their expertise in management or other professions.



Executive Development Program



Featured Courses



Management Talent Training



Professional Talent Training



International Talent Training

Notable Courses:



Executive Development Program (EDP) provides comprehensive operational training and career development opportunities for **senior executives**. By 2024 over 210 individuals been trained through the program.



Human Rights and DEI Initiatives (Taiwan Plants)

Two courses conducted, “Cross-Cultural Seminar” and “MBTI Team Communication”, which explored DEI through diverse topics (33 participations). Annual required DEI courses— “Global Workplace Trends: Have You Practiced DEI Today?” and “Human Rights Protection and Unconscious Bias” (completion rate 100%).

Gen Z Leadership Program (Wujian Plants)

Course integrates games and interactive design to teach innovative management approaches and improve team execution and stability.

New Enterprise Apprenticeship Program (Kunshan Plants)

Launched a program aimed at cultivating and reserving multi-skilled technical talent. The program is officially approved by the government, granting qualification to issue vocational skill certificates.



Team Leader Academy (Taiwan Plants)

Training focuses on essential professional competencies, core skills, and management abilities required for junior managers, aiming to boost their overall competitiveness.

Supervisor Masterclass (Wujiang Plants)

Enhance the leadership, financial, and human resource management capabilities of newly promoted supervisors.

New Leaders on Board (Taiwan and Kunshan Plants)

Designed to help newly appointed department-level supervisors understand their roles and positioning within organizational operations. The program includes seven themed training courses.



Core Competency Academy (Taiwan Plants)

A competency map is established as a structural foundation for recruitment and selection, training and development, performance management, and organizational design to cultivate Core talents. Digital courses available in Taiwan and Wujiang Plants.

SA8000 Certification Training Program (Taiwan Plants)



Language Classes and Business English



Youth Empowerment:

Summer internship, collaboration with universities and schools, youth employment and connection program (mentoring system).

PERFORMANCE REVIEW

Performance evaluations are conducted twice a year to regularly review goal achievement and competency development every six months.

Proportion of Employees Receiving Performance Evaluations: Taiwan 98%, China 96%.



OCCUPATIONAL HEALTH AND SAFETY

Under the ISO 45001 management system, internal audits covered 4,030 employees and 502 non-employees, achieving a 100% audit coverage rate. External audits covered 3,937 employees and 444 non-employees, with coverage rate of 98% and 88% respectively.

Occupational Safety Risk Management

Hazard identification is conducted according to chemical, physical, ergonomic, biological, and other safety and health (including social and psychological) hazards, and personnel related to the implementation of hazard identification and risk assessment are required to receive at least three hours of risk assessment related training.

For the higher risk hazard factors of each plant in the year, improvement plans are formulated and continuous improvement is carried out to provide employees and workers with a good work safety environment.

In 2024, Taiwan and China plants held a total of 24 Occupational Safety and Health Committee meetings and 67 contractor agreement organization meetings. Meetings are held quarterly. There were no occupational safety-related disputes in 2024.

Taiwan and China plants delivered education and training sessions on OSH, with 20,609 participations and 105,713 training hours in total. On-the-job safety and health education and training includes programs for OSH business supervisors, OSH management personnel, hazardous operations supervisors, fire management personnel, and Occupational Safety and Health Committee members, as well as the legally required refresher courses for employees, and the annual onboarding training for contractors.

Work-Related Injury Rates of Employees

	2022	2023	2024
Number of Recordable Work-Related Injuries ¹			
Taiwan	8	7	10
China	14	8	11
Lost-Time Injury Frequency Rate ²			
Taiwan	0.3	0.3	1.7
China	1.5	1.3	2.1

1. In Taiwan plants, "recordable work-related injuries" include cases that must be reported as per the Occupational Safety and Health Administration's announcements, encompassing both occupational injuries and close calls. In China plants, the figures are recorded based on company regulations.

2. Lost-Time Injury Frequency Rate = number of lost-time injuries/total hours worked in accounting period x 1,000,000.

2022~2024: No fatalities.
No injuries incurred by contractors (non-employee workers).



Coretronic places great emphasis on communication and hazard notification for contractor (non-employee) workers. All contractors are required to participate in a “Contractor Workplace Hazard Notification and Agreement Meeting” before entering the plant, and all construction personnel must complete Coretronic’s “Contractor ESH Education and Training”.

Taiwan plants have achieved **zero** contractor incidents for 10 consecutive years (2015~2024).
China plants have maintained **zero** contractor incidents for 3 consecutive years (2022~2024).

CHEMICAL SAFETY

In compliance with IECQ QC 080000 Coretronic established an ISO document titled “Green Product Specification Operating Procedure” to define general requirements for prohibited and restricted hazardous substances in products (such as RoHS and REACH). Materials that meet regulatory requirements and are halogen-free are assigned specific part number identifiers and classified as “green raw materials”. Green raw materials accounted for 96% of the Company’s total raw material procurement value.

The main controlled substances include the 10 RoHS-restricted substances, 247 REACH SVHCs, REACH Annex XVII substances, and other regulated substances under various regulations.

PFAS: In 2024, due to growing customer concern over per- and polyfluoroalkyl substances (PFAS), Coretronic initiated PFAS-related surveys and management across its supply chain in preparation for the anticipated global ban on PFAS by 2026.

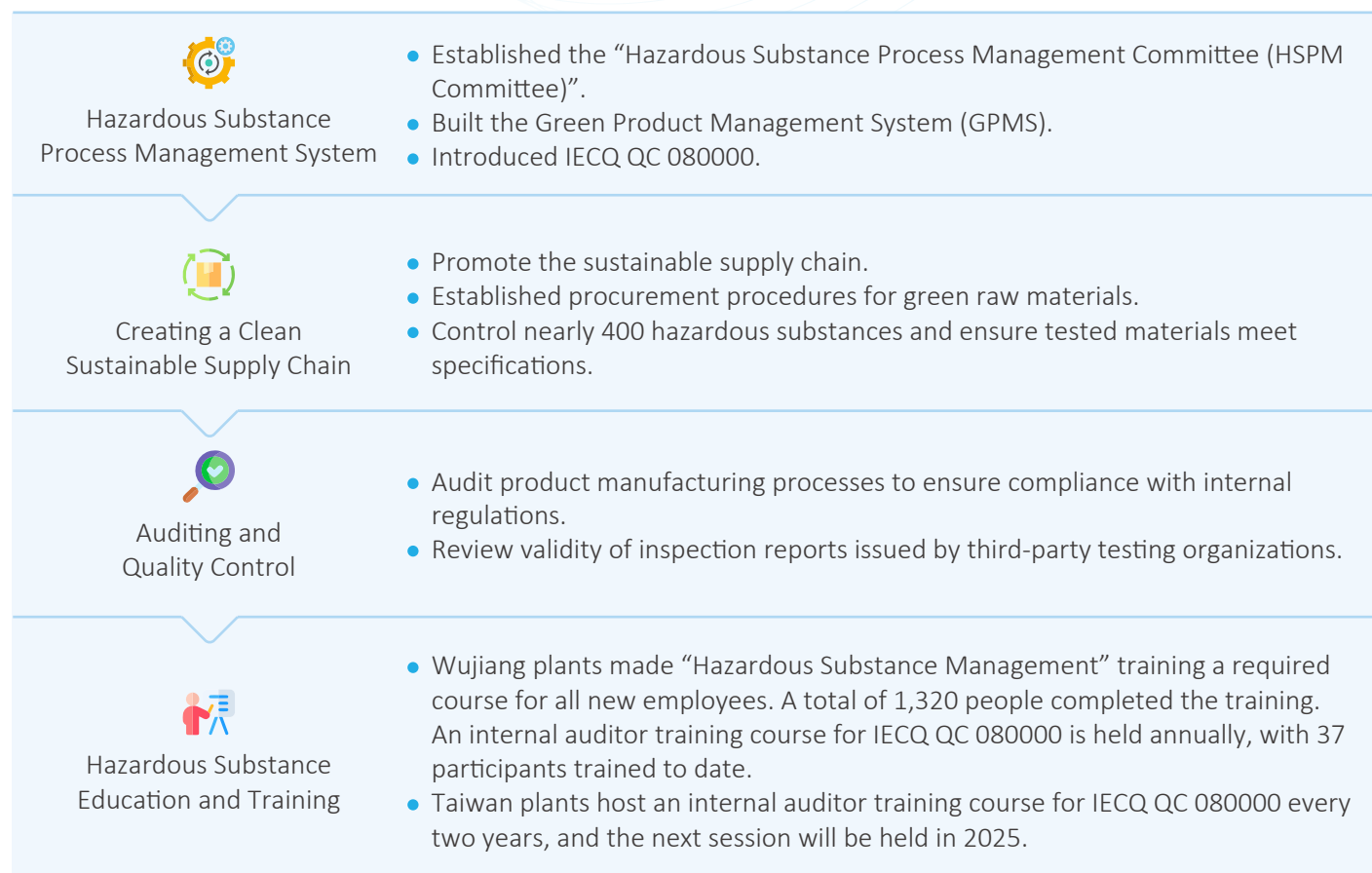
International Hazardous Substance Management Performance

Key Regulatory Items	Compliance Status
Restriction of Hazardous Substances (RoHS) in various countries	Compliant
Halogen-Free Requirements	Compliant
EU Registration, Evaluation, Authorization, and Restriction of Chemicals (EU REACH)	Compliant
Material Declaration Standard for the Electrotechnical Industry (IEC 62474)	Compliant
Montreal Protocol	Compliant
U.S. Toxic Substances Control Act (TSCA)	Compliant
Persistent Organic Pollutants (POPs) regulation	Compliant
Per/Polyfluoroalkyl Substances (PFAS)	Suppliers are required to declare: “If materials contain PFAS, the R&D team will conduct alternative material screening and replacement.”

Note: In response to domestic and international regulations, the Company regularly updates its hazardous substance management policies, and the related requirements cover the substances subject to declaration as listed in IEC 62474.



Hazardous Substance Management Process



SUPPLY CHAIN MANAGEMENT

Coretronic Projection (Kunshan) and Coretronic Optics (Suzhou) voluntarily applied for the RBA Validated Assessment Program (VAP) in 2023, both were awarded Silver-Level Certificates.

Coretronic has established the “Sustainable Supplier Management Regulations” for production materials suppliers. These regulations include requiring supplier partners to adhere to the principles, conducting supplier risk assessments, audits, training and guidance, and recognizing outstanding suppliers while sharing sustainability trends during the Annual Supplier Conference.

Coretronic has set strategies and goals for 2024~2026 for supply chain management, and achieved goals for 2024. For details see 2024 ESG Report or [website](#).

Coretronic manages suppliers in accordance with the Responsible Business Alliance (RBA) Code of Conduct. Suppliers may make suggestions or inquiries related to sustainability via ESG@coretronic.com.

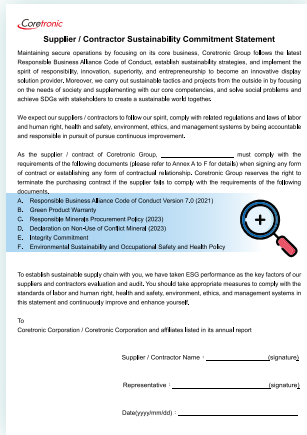
Supplier Categories		Production Material Suppliers ¹		Non-Production Material Suppliers ²	
Supplier Location		Domestic	Overseas	Domestic	Overseas
Company Location	Taiwan plants	183	115	395	6
	China plants	233	33	313	18

1: Suppliers of electronic components, mechanical parts, plastics, packaging, and outsourced items.

2: Suppliers for property procurement, engineering or labor services, IT equipment, general office supplies, production consumables, and R&D trial materials/samples.

In 2024, 96% of suppliers signed the 2024 version of “Supplier/Contractor Sustainability Commitment Statement”.

Extracts of the current 2024 version of “[Supplier/Contractor Sustainability Commitment Statement](#)” is shown below.



Coretronic Group reserves the right to terminate the purchasing contract if the supplier fails to comply with the requirements of the following documents (please refer to Annex A to G for details).

- A. Responsible Business Alliance Code of Conduct Version 7.0 (2021)
- B. Green Product Warranty
- C. Responsible Minerals Procurement Policy (2023)
- D. Declaration on Non-Use of Conflict Mineral (2023)
- E. Integrity Commitment
- F. Environmental Sustainability and Occupational Safety and Health Policy

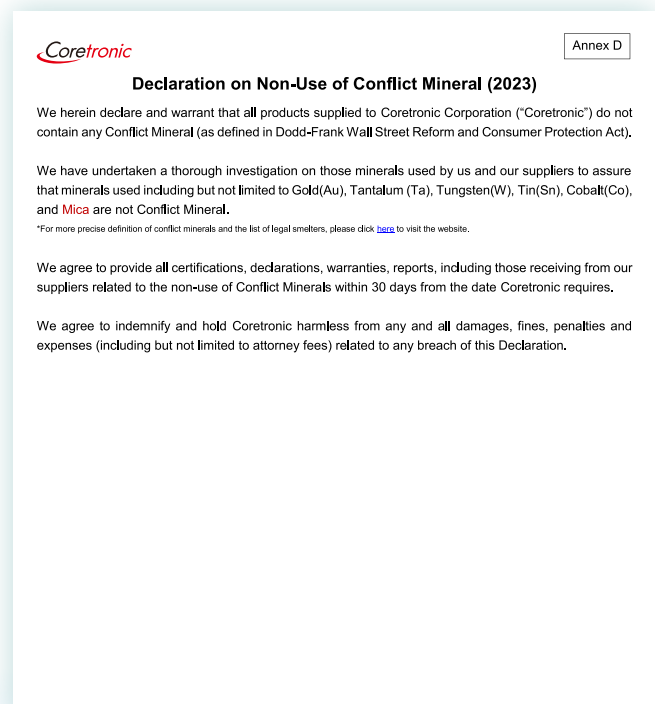
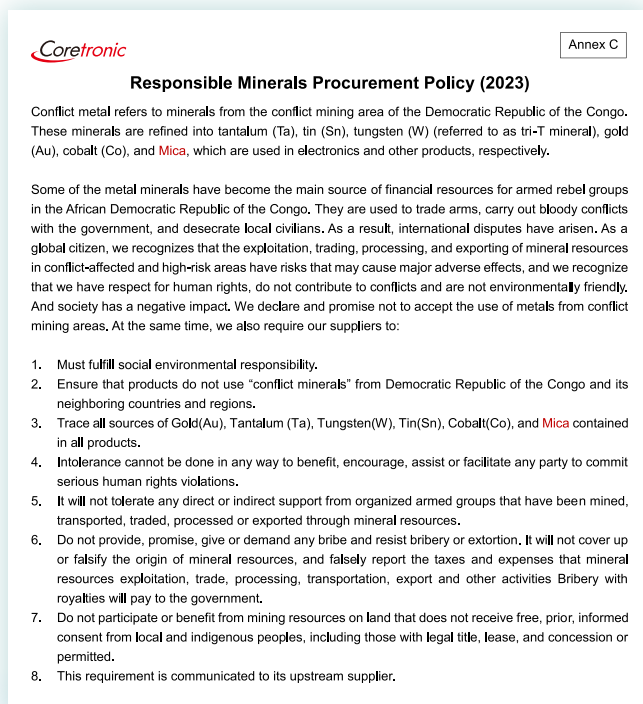
HUMAN RIGHTS AND SOCIAL RESPONSIBILITIES POLICY

Coretronic requires suppliers to comply with the same “[Human Rights and Social Responsibilities Policy](#)” as the Company.

CONFLICT MINERALS

We regard conflict minerals as key raw materials and manage them accordingly, see sustainable procurement policies “[Conflict Minerals Policy](#)” and “[Sustainable Raw Material Policy](#)”.

Coretronic does not accept illegally mined gold, tantalum, tin, tungsten, cobalt and mica from the Democratic Republic of the Congo and neighboring conflict regions. We announced the conflict minerals control requirements to suppliers at the Annual Supplier Meeting. All production raw material suppliers must sign the “[Supplier/Contractor Sustainability Commitment Statement](#)” to ensure that they can comply with conflict minerals-related regulations, see annex C and annex D.



SUSTAINABLE SUPPLY CHAIN WEBSITE

Coretronic integrated all supplier-related management platforms onto “Sustainable Supply Chain Website” in 2023. The website includes seven major functions:

- 1. Sustainability principles** (platform for signing the Sustainability Commitment Statement, Sustainable Supply Chain Management Regulations)
- 2. Sustainability risk assessments** (Conflict Minerals System, Financial Risk Assessment Questionnaire, ESG Risk Assessment System, Environmental Management System)
- 3. Sustainability online courses**
- 4. Sustainability events** (Annual Supplier Conference, Outstanding Supplier Awards, Earth Day activities)
- 5. Green Product Management System (GPMS):** announcement section (incl. updates and trainings), a Material Composition Declaration (MCD) Request section, and a supplier list section
- 6. Material carbon footprint database**
- 7. Online consultation**

In 2024, the “Environmental Management System” was officially launched. The “Conflict Minerals System”, “Sustainability Commitment Statement Signing Platform”, and “ESG Risk Assessment System” are scheduled to launch in 2025, while the remaining platform functions are expected to be completed by 2026.

SUPPLIER AUDIT

For suppliers who fail to meet standards, Coretronic will provide guidance to help them improve within a specified period. After submitting a corrective action report, the responsible unit will conduct a re-evaluation. All audits reached 100% audit rate and 100% passing rate.

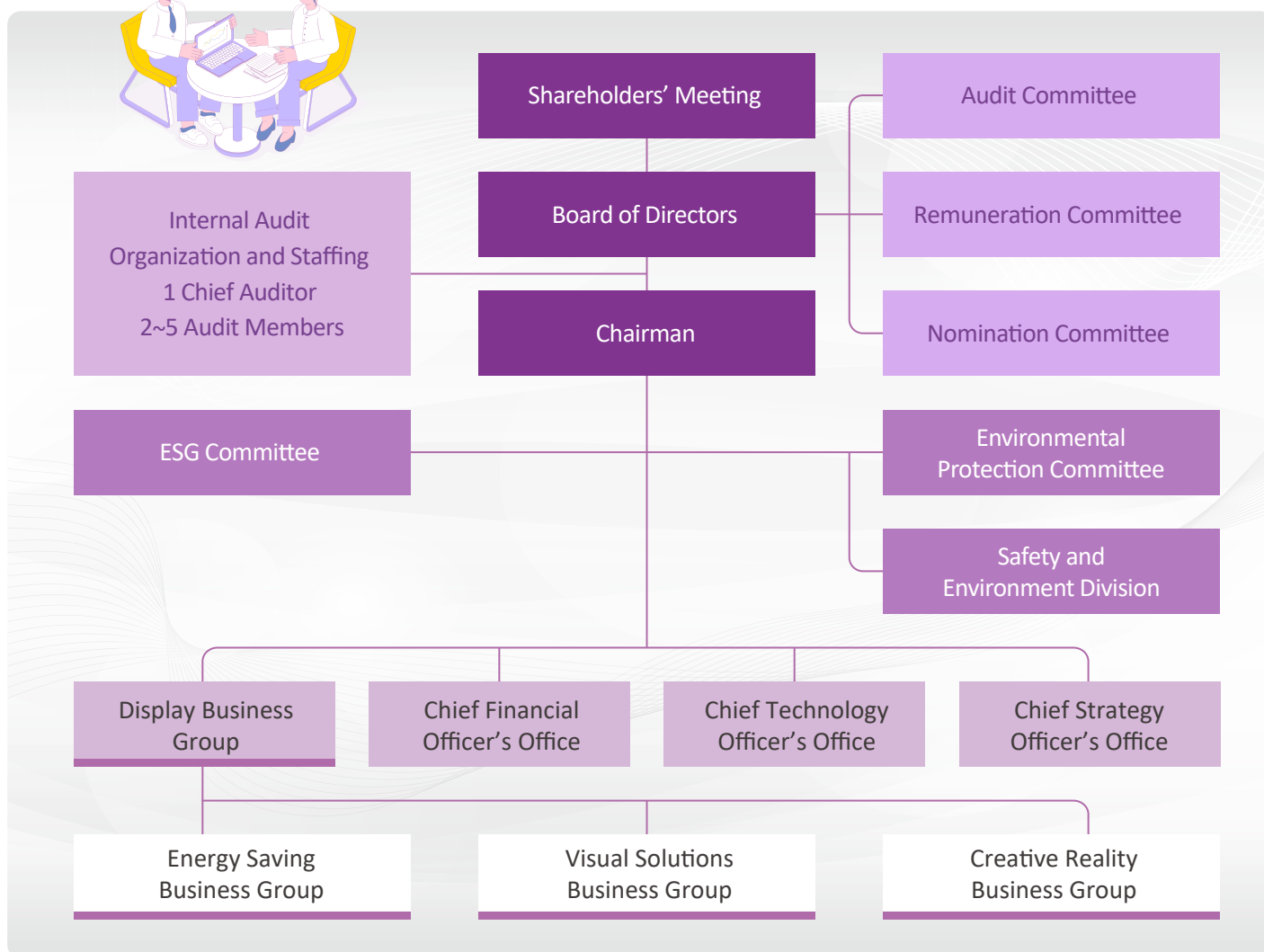
	2024 Audits Completed
RBA Audit In 2024, Coretronic set an annual target for RBA audits, requiring that 50 production material suppliers must be audited each year with a 100% audit rate.	65
Annual Audit To assist suppliers in delivering higher-quality products, the Coretronic Quality Assurance Department conducts on-site audits each year for designated key component manufacturers. All findings during the audit are documented.	128
Quarterly Reviews The Coretronic Visual Solutions Business Group conducts quarterly reviews for suppliers that have entered the mass production phase. The Energy Saving Business Group performs quarterly reviews for suppliers that are both in the mass production phase and have conducted more than five transactions.	309

GREEN ALLIANCE

Annual Supplier meeting conducted since 2017.

2024 Number of Participating Suppliers	118
Main Topics	• ESG strategies and performance sharing • Introduction to the “Environmental Management System” • Announcement of environmental policies and regulations • Outstanding Supplier Awards • Experience sharing of award-winning suppliers

GOVERNANCE



BOARD OF DIRECTORS



43%

Independent Board



14%

Female Board
Representation



5

Board Meetings
in 2024



97%

Average Attendance

Title	Name/ Representative	Gender	Age	2024 Attendance Rate	Term of Office (11 th) June 10, 2022 ~ June 9, 2025	Term of Office (12 th) June 18, 2025 ~ June 17, 2028
Chairman	Wade Chang	M	71~80	100%	■	■
Director	Hsun Chieh Investment Ltd. Representative: Tai-Shung Ho	M	61~70	100%	■	-
	Representative: Hsin-Chieh Hsu	M	51~60	-	-	■
Director	Hannstar Display Corp. Representative: Yu-Chi Chiao	M	61~70	80%	■	■
Director	Han-Ping D. Shieh	M	71~80	100%	■	■
Independent Director	Hsing-Yi Chow	M	61~70	100%	■	■
Independent Director	Audrey Tseng	F	61~70	100%	■	■
Independent Director	Hung-Pin Ku	M	41~50	100%	■	■

Wade Chang is concurrently Chairman and managerial officer due to his expertise in business management, leadership decision-making, and foresight industrial trend, which is evidently beneficial to the Company's operational development. Other members of the Board do not hold employee positions at Coretronic. Female President Sarah Lin leads the management team.

An external performance evaluation of the Board is conducted by an independent third-party professional institution at least once every three years and reported to the Board. The most recent external evaluation was conducted in October 2023 by "Ernst & Young Business Advisory Services Inc. (EY)". Evaluation criteria covered 3 aspects of Board Structure, People, and Process and Information, of which the board performed as "advanced", a couple of suggestions and improvement measures are noted in 2023 ESG Report p.37.

FUNCTIONAL COMMITTEES

☐ Convener ■ Member

Board Title		Name	Audit Committee	Remuneration Committee	Nomination Committee
Year Established			2010	2012	2020
Number of Meetings in 2024			5	3	1
Independent Director	Hsing-Yi, Chow		☐ (100%)	☐ (100%)	☐ (100%)
	Audrey Tseng		■ (100%)	■ (100%)	■ (100%)
	Hung-Pin Ku		■ (100%)	■ (100%)	■ (100%)

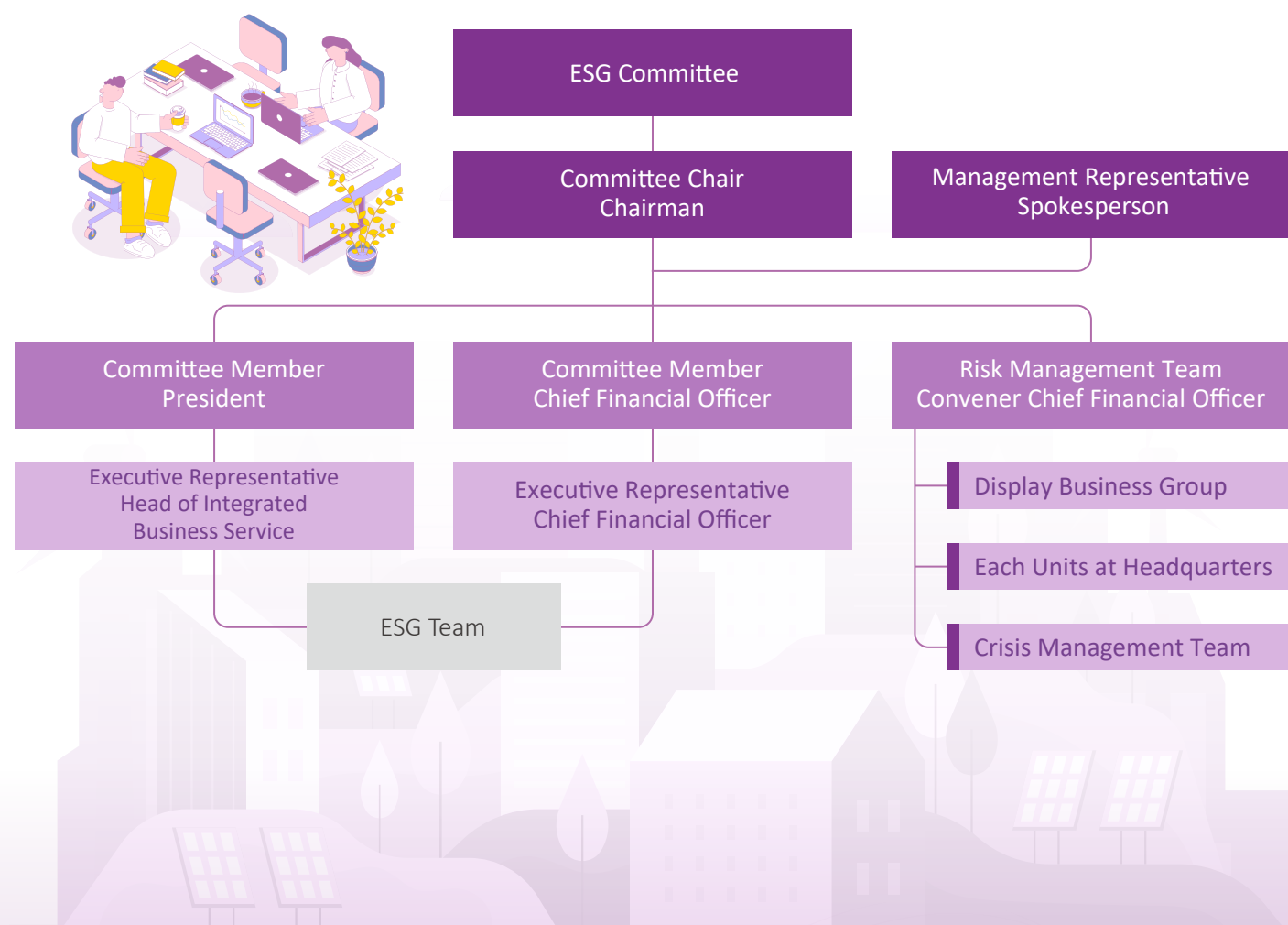
The functional committee members were re-nominated and remain unchanged since the re-election of Board of Directors on 18th June 2025.

COMMITTEE MEMBER QUALIFICATIONS

Independent Director	Qualifications	Experiences
Hsing-Yi Chow	Currently serves as Emeritus Professor, Department of Finance, National Chengchi University.	Rich experience in the industry, government, and academia and expertise in operations and management, leading decision, risk management, international finance, investment and venture financial management.
Audrey Tseng	Certified public accountant, formerly deputy chairperson of PwC Taiwan and PwC Greater China Synergies Leader.	Professional experience in financial accounting, international finance, financial planning, industry development, and business strategy planning.
Hung-Pin Ku	Currently attorney-at-law of Ku Hung-Pin & Law Firm.	Special experience in legal affairs.

ESG COMMITTEE

The ESG Committee current operates as an independent organization. The Board of Directors regularly listens to reports from the management, periodically reviews and supervises the implementation. The Chairman serves as the Committee Chair of the ESG committee, with the President and Chief Financial Officer (CFO) as Committee Members.



COMMUNICATION CONTENT AND FREQUENCY

Reporting Frequency	Review Items	Oversight Body
Quarterly	Implementation status Sustainability performance Priorities and plans for the following year	ESG Committee
Quarterly	GHG inventory execution status	Board of Directors
Annually	Material Topics of the ESG Report	Board of Directors
Annually	Sustainability projects, TCFD, various environmental indicators, SBT carbon reduction targets and pathway, renewable energy strategies, and the future direction for sustainable development strategies.	Board of Directors
Annually	ESG Report compilation	Board of Directors

RISK MANAGEMENT TEAM

The “Risk Management Team” integrates various risk management units, under the ESG Committee and is led by the CFO according to the Risk Management Policy approved by the Board of Directors in 2020. The latest operational status was reported to the Board of Directors on July 29, 2024.



INFORMATION SECURITY

An internal information security management SOP has been established based on the ISO 27001 standard.

100% Taiwan companies within scope of 2024 Sustainability Report obtained ISO 27001 verification.

To respond to the rapidly evolving methods of cyberattacks, the Company regularly conducts vulnerability scans on systems that provide services. All detected vulnerabilities are fully resolved within three months.

No incidents of customer privacy infringement or major information security breaches.

SUSTAINABILITY PERFORMANCE

ESG performance will be linked to senior management compensation, with results to be disclosed in 2025.

Coretronic officially incorporated sustainability performance into the performance evaluation metrics for senior management in 2024. Sustainability indicators, categorized into governance (e.g., corporate governance evaluations, product R&D and patent portfolio, sustainable supply chain), environment (e.g., green product design and development, use of low-carbon materials), and society (e.g., social inclusion projects, diverse communication channels), are used as benchmarks. KPI scores for senior management are weighted by $\pm 15\%$ based on performance that exceeds, meets, or falls behind expectations.

INTEGRITY MANAGEMENT

We strictly prohibiting the acquisition of improper benefits (including inappropriate entertainment, kickbacks, bribery, and hospitality) through one's position, as well as any conduct that could impair the Company's reputation or competitiveness.

The implementation of corporate integrity operations is reported to the Board of Directors on an annual basis.

2024 Employee Ethics and Integrity Training

Plants	Mandatory Ethics and Integrity Courses	Trainee	Completion Rate
Taiwan	• Ethical Corporate Management Best Practice Principles • Code of Ethics for Employees • Trade Secret Protection • Insider Trading Laws and Case Studies *Completion requires scoring > 70 score in post course testing • Sign "Ethical Corporate Management Best Practice Agreement"	All Employees	100%
Kunshan and Wujiang	• RBA Knowledge Awareness • Ethical Management—Code of Conduct for Employees	Indirect Employees	100%

Supplier Anti-Corruption Policy

Suppliers must sign the "Integrity Commitment" to ensure fair and transparent trading practices between both parties. For suppliers who violate anti-bribery and anti-corruption policies, causing damage to the company, the necessary legal actions will be taken in accordance with the terms of the Integrity Commitment Letter signed by the suppliers. In 2024, excluding suppliers who do not need to sign, the signing rate reaches 98%.

ANTI-CORRUPTION REPORTING MAILBOX

Employees and external stakeholders can use the "Complaint Channel for Stakeholders and Employees' Violations of Professional Ethics" on our official website and internal portal to seek advice or report any ethical misconduct.



Email address:
8215@coretronic.com



Dedicated complaint hotline:

Taiwan: +886-3-5772000, ext. 8215

China: +86-512-6382-8588, ext. 6220

An independent audit unit of the Company will conduct confidential fact-finding investigations. The investigation report will be submitted to the management for resolution, and the handling result of the reported matter will be subject to internal disciplinary action or prosecution in accordance with disciplinary measures.

Identity of the whistleblower and report content will be kept confidential. Whistleblower is protected from improper retaliation.

2024 Reports	Taiwan Plants	China Plants
Anonymous Complaint Cases	1	1
Results	After internal investigations, no evidence was found to support any violation of company policies, and thus no case was established.	