
# Coretronic Corporation
# 2025 TCFD & TNFD Report

# Contents

# Nature and Climate Management Overview

| Core Elements | Management Strategies and Actions | 2025 Implementation Status |
|---|---|---|
| Governance | • The Board of Directors regularly reviews nature-related dependencies, impacts, risks, and opportunities, as well as climate change-related risks and opportunities.<br>• The ESG Committee regularly report to the Board of Directors on nature and climate change-related strategies and implementation results.<br>• The Environmental Protection Committee and the Sustainable Energy Committee are responsible for setting goals and plans and executing related strategies in coordination with the TCFD and TNFD Team.<br>• Participate in domestic and international initiatives | • **The ESG Committee** is led by the Chairman, and the committee members and executive representative—the Chief Financial Officer (CFO) reports to the Board of Directors annually. The report includes the results of the sustainability project implementation, TCFD, TNFD, various environmental indicators, SBT carbon reduction target and roadmap, renewable energy strategies, and future sustainable development directions. Additionally, the GHG inventory implementation status is reported to the Board of Directors on a quarterly basis.<br>• **The Environmental Protection Committee** is chaired by the head of the Taiwan Public Administration Center. Its subordinate **Sustainable Energy Committee** and the **EPC Team** are responsible for setting short-, medium-, and long-term environmental targets and strengthening strategy implementation.<br>• **The TCFD Team** is convened by the head of the Taiwan Public Administration Center, conducts climate-related risk and opportunity identification every two years, and develops response strategies and solutions based on the identification results to mitigate negative impacts and enhance organizational climate resilience.<br>• **The TNFD Team** is convened by the head of the Taiwan Public Administration Center, conducts nature-related dependencies and impacts assessments every two years, and develops response strategies and solutions to reduce nature-related negative impacts.<br>• Coretronic has signed and supports the TCFD, joined TNFD Forum, the "Taiwan Climate Partnership" and the "Taiwan Alliance for Net Zero Emission", responded to CDP Climate Change and Water Security questionnaires, set SBT carbon reduction targets based on the 1.5° C scenario, submitted to SBTi, and received SBTi approval in 2024.<br>• The company has updated its "Biodiversity Conservation and No Gross Deforestation Commitment" and "Environmental Sustainability Policy" in 2025. These were then approved and signed by the Chairman prior to official publication. |
| Strategy | • Assess the Company's nature-related dependencies and impacts through overlay analysis and the World Wildlife Fund's (WWF) Biodiversity Risk Filter (BRF)<br>• Cross-departmental discussion and identification of short-, medium-, and long-term climate change-related risks and opportunities<br>• Assess the potential operational and financial impacts of significant climate-related risks and opportunities on the Company<br>• Conduct scenario analysis and evaluate SBT carbon reduction targets | • Prioritized geographic overlay analysis for the company's direct operational sites, with plans to gradually expand the scope to all group operational locations and the broader value chain<br>• Utilized the WWF BRF to identify direct operations with high biodiversity dependencies and impacts, and establishing nature-related targets and action plans in accordance with the SBTN (Science-Based Targets for Nature) AR3T framework (Avoid, Reduce, Regenerate, Restore, Transform)<br>• Short-, medium-, and long-term environmental sustainability goals were formulated through discussions between the Environmental Protection Committee and relevant units, and identified short-, medium-, and long-term climate-related risks and opportunities. Finally, quantitative scenario simulation model was integrated based on these results, and climate adaptation strategies were formulated through the monetized assessment of potential financial impacts.<br>• Developed low-carbon technologies and designing low-power, energy-efficient green products<br>• In alignment with the Paris Agreement's goal of "limiting global warming to below 2° C", set targets based on the SBT absolute reduction "1.5° C scenario"<br>• Established SBT carbon reduction targets, strategies, and roadmap |
| Risk Management | • Utilize the TCFD and TNFD framework to identify the nature and climate risk identification process of the Company<br>• Integrate nature and climate risk identification and assessment into the enterprise risk management process.<br>• Develop corresponding response plans based on the results of climate risk identification and prioritization. | • Publishes "TCFD & TNFD Report" annually starting from 2026<br>• Adopted the TNFD LEAP methodology to progressively identify nature-related dependencies and impacts at the company's Taiwan and China plants, with plans to gradually expand the scope to all group operational locations and the value chain.<br>• Assessed the potential operational and financial impacts associated with climate-related risks and opportunities<br>• Incorporated nature and climate change risk issues into the Company's overall risk management process and annual sustainable material topics to comprehensively identify, assess, and manage nature and climate related risks |
| Metrics and Targets | • Establish nature and climate change-related management indicators<br>• Conduct regular GHG inventory in accordance with ISO 14064-1<br>• Review and manage energy performance regularly in accordance with ISO 50001<br>• Formulate environmental management targets and periodically review target progress and actual performance<br>• Develop and implement product carbon footprint inventories | • Committed to achieving No Net Loss and advancing toward Net Positive Impact by 2050, while fulfilling the No Deforestation target<br>• Set usage rate targets for recycled raw materials, eco-friendly cushioning, and packaging materials, while regularly reviewing execution outcomes to reduce the environmental impact of products<br>• Set environmental performance indicators including absolute GHG emissions, electricity intensity, waste recycling rate, waste generation intensity, water consumption, and renewable energy usage ratio, with quarterly and annual reviewing execution outcomes to reduce environmental impacts<br>• Since 2016, GHG emissions have been verified annually. From 2020, the scope of inventory has expanded to include Scope 3 in accordance with the ISO 14064-1:2018, followed by implementation of emission reduction measures based on the inventory results.<br>• Taiwan plants, Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou), and Coretronic Projection (Kunshan) have implemented the ISO 50001 Energy Management System, effectively reducing absolute GHG emissions through energy-efficient equipment upgrades and other energy conservation measures.<br>• The SBT carbon reduction targets— "Reduce absolute Scope 1 and 2 GHG emissions 50.4% by 2032 from a 2021 base year, and reduce absolute Scope 3 GHG emissions 30% within the same timeframe," were approved by SBTi in April 2024. The Company is gradually progressing toward SBT carbon reduction and 2050 Net-Zero targets through solar power generation system installation, improving production process energy saving, increasing renewable energy usage rate, equipment upgrades, and low-carbon product production.<br>• Solar power generating system capacity at Headquarter, Chunan Plant, Tainan Plant 1, and Tainan Plant 2 reached 1,376.06 kW, generating 1.112 GWh of electricity in 2025. Combined with green energy wheeling, total renewable energy usage reached 1.256 GWh. The installed capacity of solar power generating systems at the China plants totaled 6,549 kW, generating 4.738 GWh of electricity in 2025 and adding 1.093 GWh from renewable energy certificates. Together, Taiwan and China plants used or traded a total of 6.884 GWh of renewable energy, accounting for 16% of annual electricity use and exceeding the short-term target. The Tainan Plant 2 phase II completed installation of a 460.35 kW solar power generation system in December 2025 and commenced generation in 2026 with an expected annual output of 567,000 kWh, supporting a progressive increase in future renewable energy utilization targets.<br>• Three laser projector models and two LCD monitor models have passed ISO 14067 verification, serving as benchmarks for the Company's development of future sustainable products.<br>• A green product development strategy and product carbon footprint inventory platform were established and a system verification is conducted for massive production models. Going forward, Coretronic will prioritize conducting product carbon footprint inventories for newly developed products and identifying carbon emission hotspots during the product development and design stages. Through technological innovation, material substitution, and performance optimization, the Company aims to reduce its environmental impact and set the standards for the development of new-generation products, providing more environmentally friendly and energy efficient green products that meet customer needs. For more details, please refer to Chapter 4.3 Climate Risk Response Strategies of this report. |

# 01 Net-Zero Actions

Coretronic announced its "Net Zero Commitment" in 2022, committing to achieving net-zero emissions by 2050. In 2023, the Company submitted its Science Based Targets (SBTs) to the Science Based Targets initiative (SBTi), and these targets were officially validated by the SBTi in 2024. The approved targets commit to"Reduce absolute scope 1 and 2 GHG emissions 50.4% by 2032 from a 2021 base year, and reduce absolute scope 3 GHG emissions 30% within the same timeframe."The Company has actively developed and implemented climate action measures to mitigate the environmental impacts of climate change while proactively supporting domestic and international climate initiatives and contributing to global climate governance efforts.

In 2025, in addition to re-identifying climate-related risks and opportunities in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and further refining its climate adaptation strategies, Coretronic deepened its climate scenario analysis and, for the first time, comprehensively translated potential climate-related risks and opportunities into financial impact indicators. Through monetized assessments, the Company gained a more concrete understanding of the financial implications of climate risks, thereby strengthening the linkage between financial resilience and business strategy. Furthermore, the Company adopted the Taskforce on Nature-related Financial Disclosures (TNFD) framework and the LEAP approach to systematically analyze the dependencies and impacts of its operating sites on nature, enhancing organizational resilience to both nature- and climate-related challenges while reducing adverse environmental impacts.

The Company has responded to the CDP questionnaire for seven consecutive years and has achieved an "A" Leadership level rating for both Climate Change and Supplier Engagement categories for two consecutive years, demonstrating its outstanding sustainability performance. Coretronic also joined the Taiwan Climate Partnership (TCP) and the Taiwan Alliance for Net Zero Emissions (TANZE) in 2022. In 2025, the Company was awarded the"Gold Net Zero Label"from TANZE in recognition of its steadfast commitment to and achievements in sustainable development.

With regard to renewable energy investment and promotion, Coretronic regards renewable energy as a key driver of its net-zero transition. Since 2022, the Company has progressively installed and commissioned rooftop solar photovoltaic systems at its facilities. In 2025, it further expanded the Phase II solar power generation system at its Tainan Plant 2, which is expected to commence operation in 2026 and further increase renewable energy usage. In addition, the Company continues to increase its renewable energy ratio year by year through self-use solar power generation, green power wheeling, and the purchase of renewable energy certificates. In 2025, renewable energy consumption accounted for 16% of the Company's total annual electricity consumption, achieving its short-term target.

To achieve its net-zero goals, Coretronic has established a green product development strategy centered on the Sustainable Development Goals (SDGs), the SBT decarbonization pathway, the"Sustainable Raw Material Policy", and green product design guidelines. The Company has set clear short-, medium-, and long-term quantitative targets across every stage of the product life cycle. Through green design and manufacturing process optimization, it continues to promote technological innovation and energy-saving technologies while incorporating low-carbon materials, environmentally friendly packaging, and green transportation solutions. These efforts enable the Company to achieve both carbon reduction and enhanced product competitiveness.

At Coretronic, net-zero development strategy is at the core of its operations. The Company integrates a wide range of initiatives, including green products, renewable energy, energy saving and carbon reduction, circular economy, sustainable value chain, TCFD framework, and Science Based Targets, to drive a comprehensive sustainability transformation. On the path of sustainability, the Company continues to advance by implementing decarbonization actions while actively deepening green technology innovation to promote industrial upgrading and sustainable development. By steadily advancing along its established net-zero roadmap, Coretronic remains fully committed to realizing its net-zero vision.

CDP A List 2025 / CDP 2025

- Responded to CDP questionnaire for 7 consecutive years
- Received an A (Leadership Level) in Climate Change rating
- Received an B (Leadership Level) in Water Security rating
- Received an B (Leadership Level) in Water Security rating

TNFD Forum Member

NEW Joined the TNFD Forum in 2025
- Formally adopted the TNFD framework in 2025 and progressively implemented the LEAP approach to assess nature-related dependencies and impacts
- Published its first *TCFD & TNFD Report* in 2026

SCIENCE BASED TARGETS — DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

- Submitted a commitment letter to SBTi in 2022, committing to set emission reduction targets based on the SBT 1.5°C scenario
- Submitted science-based targets to SBTi for review in 2023 and reduction targets approved by SBTi in 2024: "Reduce absolute scope 1 and 2 GHG emissions 50.4% by 2032 from a 2021 base year, and reduce absolute scope 3 GHG emissions 30% within the same timeframe"

Taiwan Climate Partnership 台灣氣候聯盟

- Promoting Taiwan's supply chain to align with international net-zero goals, combining the influence of alliance partners and actively cooperating with international climate advocacy organizations
- Joined as one of the first members in 2022, and renewed membership in 2025

TCFD

- Signed to support and implement the TCFD framework in 2020
- Conducted its first climate change risks and opportunities identification impact analysis in 2021. In response to the climate-related impact variability, the assessment is executed once every two years
- Published its first *TCFD Report* in 2022

NEW Reassessed climate-related risks and opportunities in 2025 and introduced a scenario-based quantitative modeling approach to monetize potential financial impacts, forming the basis for the development of climate adaptation strategies

TANZE 台灣淨零行動聯盟 Taiwan Alliance for Net Zero Emission

- Followed the alliance's goal of "net zero emissions at office locations by 2030, and service sites by 2050"
- Awarded the "Green Net Zero Label" in 2022–2023, and the "Silver Net Zero Label" in 2024
- Awarded the "Gold Net Zero Label" in 2025

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## Nature and Climate Governance



# 2.1 Board of Directors

The Board of Directors is the highest governing and decision-making unit for major operational decisions of the Company. Its responsibilities include appointing and supervising the Company's management, monitoring operational performance, preventing conflicts of interest, and ensuring that the Company complies with various laws, corporate charters, and resolutions of the shareholders' meeting in exercising its powers and striving to maximize shareholders' interests.

The Board of Directors convenes at least once per quarter, during which the Company's management team presents reports on operational performance. The Board then deliberates on future business strategies and significant policies.

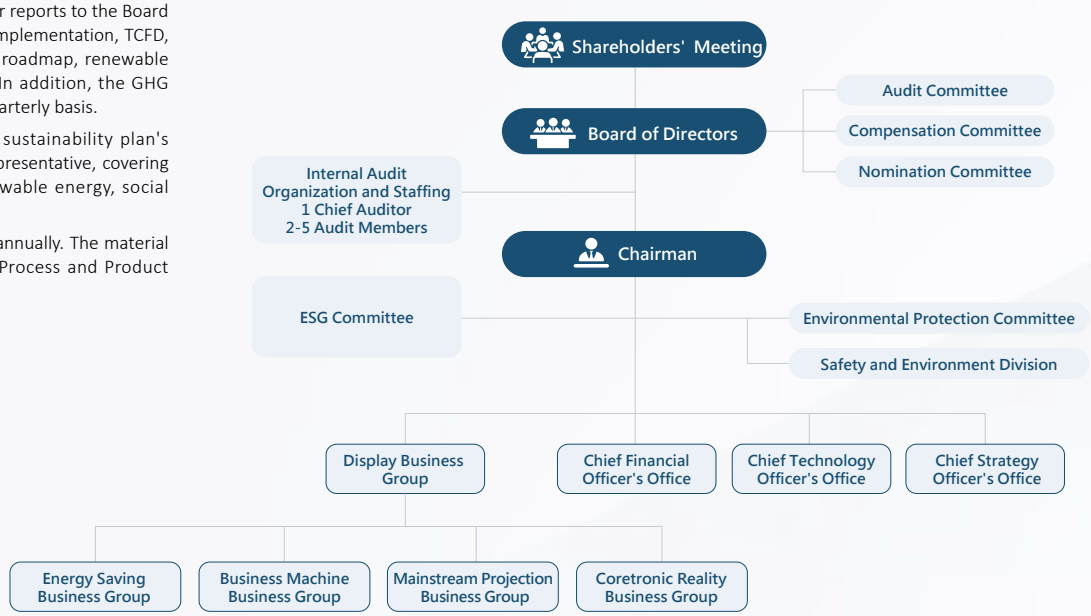
The Board has established three functional committees (the Audit Committee, the Compensation Committee, and the Nomination Committee). Matters resolved by these committees are submitted to the Board for discussion, allowing the Board to perform its oversight responsibilities more effectively and enhance shareholder value. Additionally, according to the "Regulations Governing Procedure for Board of Directors Meetings", key material matters related to governance, economic, social, and investment issues must be approved by the Board. In 2025, the Board approved a total of 37 resolutions, among which seven resolutions were related to sustainable governance, including the"Material Topics for the 2024 Sustainability Report", the 2024 Sustainability Report, the"Articles of Incorporation", the "Executive Compensation Proposal", the "Regulations Governing the Compensation and Performance Evaluation of Directors and Executives Proposal", the "Corporate Governance Best Practice Principles", and the "Risk Management Policy".

## Regular Review

- Committee Member and Executive Representative—the Chief Financial Officer reports to the Board of Directors annually. The report includes the results of sustainable project implementation, TCFD, TNFD, various environmental indicators, SBT carbon reduction targets and roadmap, renewable energy strategies, and the future direction for sustainable development. In addition, the GHG inventory implementation status is reported to the Board of Directors on a quarterly basis.
- The Chairman of the Board quarterly reviews and monitors the annual sustainability plan's implementation progress reported by the ESG Committee's management representative, covering environmental sustainability, nature and climate change, net-zero, renewable energy, social engagement, and labor and human rights issues.
- Annual material topics are submitted to the Board of Directors for approval annually. The material topics of the environmental aspect were "Climate Change" and "Green Process and Product Management" in 2025.

## Approved Policies and Projects

- The"Material Topics of the 2025 Sustainability Report"were approved by the Board of Directors on March 16, 2026.
- The Chairman of the Board of Directors approved and signed the environment related policies, declaration, and commitment such as "Environmental Sustainability Policy"," Net Zero Commitment", "Carbon Neutrality Commitment","Water Resource Management Policy","Biodiversity Conservation and No Gross Deforestation Commitment","Plastic Reduction Commitment",and"Sustainable Raw Material Policy". Those are publicly disclosed on the Company's ESG website for all stakeholders to access.

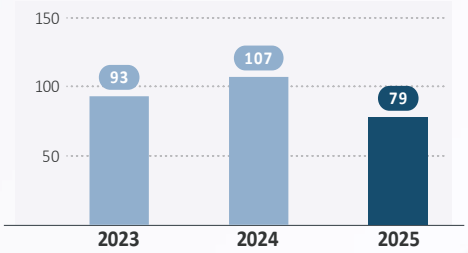


## Director Training Course

To enhance all directors' competencies and literacy in sustainable operation and corporate governance, and to ensure effective oversight of sustainability-related strategies, risks, and opportunities, the Company arranges regular training courses for the Board of Directors each year. In 2025, the directors have completed a total of 79 training hours. Among these, sustainability related courses included, but were not limited to the following. For details of other training programs, please refer to pages 38–39 of the 2025 Annual Report.

- Integrity and Responsibility in ESG Investing: Strengthening Market Confidence and Investment Value
- Sustainability Equals Innovation: Value Management Trends Amidst Net-Zero Challenges
- How the Board Responded to the 12 ESG Risk Issues
- Benchmark Actions in the Era of Co-Governance
- Latest Insider Trading Topics Essential for Corporations
- Current Global Economic Conditions and Corporate Risk Response
- Latest Developments in Corporate Governance and the Responsibilities of Directors, Supervisors, and Managerial Personnel
- Corporate Governance: Corporate and Directors/Supervisors' Duties and Responsibilities under the Securities and Exchange Act
- 2025 Corporate Governance Forum: Corporate Governance in Times of Change

**Annual Training Hours for Directors（hour）**




## Linkage Between Executive Compensation and Sustainability Performance

To strengthen the integration of corporate operations and sustainability, and to align with domestic and international evaluation and award standards, the Company officially incorporated sustainable development into executive performance indicators in 2024 and reported the initiative to the Compensation Committee, thereby implementing a linkage between executive compensation and ESG performance evaluation. Sustainability performance indicators include governance (such as corporate governance evaluations, product R&D and patent portfolio development, and sustainable supply chain management), environmental aspects (such as green product design and R&D, and the utilization rate of low-carbon materials), and social aspects (such as social inclusion projects, achievement of talent development goals, and diversified communication channels).

Starting in 2025, the Company officially incorporated the"Annual Material Topic Management Targets" and"Sustainable Development Targets"into the compensation mechanisms for the Chairperson of the ESG Committee (Chairman of the Board) and committee members (the President and CFO). The Company also designed dedicated sustainability performance weighting mechanisms based on each executive's functions and responsibilities, thereby establishing a concrete linkage between ESG performance and senior executive compensation.

| Senior Executives | Performance Indicators | Implementation Method |
|---|---|---|
| Chairman, President, CFO | Financial and Strategic Indicators (85%) | • Economic performance |
| | Sustainability Indicators (15%) | • Green supply chain and green product R&D<br>• Implementation of social inclusion projects<br>• Top 5% ranking in Corporate Governance Evaluations<br>• Achievement rate of annual material topic targets |
| Chief Technology Officer, Chief Strategy Officer | Financial and Strategic Indicators (85%) | • Economic performance<br>• Innovative R&D management |
| | Sustainability Indicators (15%) | • Patent and technology strategy planning<br>• Top 5% ranking in Corporate Governance Evaluations |
| Business Group Supervisors | Financial and Strategic Indicators (85%) | • Economic performance<br>• Innovative R&D management |
| | Sustainability Indicators (15%) | • Green product R&D and the introduction of energy-saving, material-reduction, and recycled-material development initiatives<br>• Participation in customer ESG activities<br>• Talent development, public welfare sponsorship, social inclusion, and diversified communication<br>• Ensuring that suppliers' manufacturing processes and materials comply with environmental regulations<br>• Top 5% ranking in Corporate Governance Evaluations |

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# 2.2 ESG Committee



To promote sustainable development, Coretronic established the"Corporate Social Responsibility Management Committee"in 2008, which was renamed the "ESG Committee"in 2020. Following the "Sustainable Development Best Practice Principles" approved by the Board of Directors, the Chairman serves as the"Chief Commissioner"of the ESG committee, with the President and Chief Financial Officer (CFO) as "Committee members". The"Management Representative"role is assumed by the Spokesperson. The ESG Committee also authorizes"Executive Representatives"from governance /economic, social, and environmental departments to assist in advancing ESG-related initiatives.

Currently, the ESG Committee operates as an independent organization. In 2025, in addition to approving the "Material Topics for the Annual Sustainability Report", the *Annual Sustainability Report*, the"Articles of Incorporation", the"Executive Compensation Proposal", the"Regulations Governing the Compensation and Performance Evaluation of Directors and Executives", the"Corporate Governance Best Practice Principles", and the"Risk Management Policy", the Board of Directors also regularly reviewed reports from the management team (including ESG implementation status), examined the implementation status of sustainability plans and targets, and urged the management team to make adjustments when necessary.

## Sustainable Cultivation

- The ESG Committee members and executive representatives review the implementation status and results of sustainability initiatives through quarterly presentations and hold quarterly meetings with the ESG team. Executive representatives and ESG team members attend these meetings to track and review the annual sustainability report, domestic and international sustainability ratings and awards, and the achievement status of annual material topics, thereby formulating sustainability plans and targets for the following year.
- The management representative reports the progress of the annual sustainability plan execution each quarter to the Chief Commissioner, committee members, and executive representatives, and presents the annual sustainability performance, along with the key focus areas and plans for the following year, during the annual group meeting.
- The Chief Financial Officer (CFO), both an ESG Committee member and executive representative, provides an annual report to the Board of Directors. The report includes updates on the implementation results of sustainability projects, TCFD, TNFD, various environmental indicators, SBT carbon reduction targets and roadmap, renewable energy strategies, and the future direction for sustainable development. In addition, quarterly updates on the execution of greenhouse gas inventory activities are reported to the Board of Directors.
- ESG Team members establish sustainability policies in accordance with international standards and government regulations and strengthen the execution of sustainability strategies through internal and external training programs.
- Annual material topics are identified by the ESG Team following the Material Topic Identification Process and are reassessed every two years. The material topics for each year are submitted to the Board of Directors for approval.

## Sustainable Cultivation

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. At the same time, photos and videos from sustainability activities are compiled and disseminated through various channels, including the official website, social media platforms, and Wikipedia, to promote sustainability values and achievements to stakeholders. In 2025, a total of **4,112** attendances were recorded for sustainability-related internal and external training courses, with total training expenses exceeding **NT$370,000**.

### Key Courses

- Annual Mandatory ESG Course—"Leading Sustainability, Shaping the Future": To strengthen sustainability awareness among all employees, the Company planned an annual mandatory sustainability course. The course covered key sustainability terminology and definitions, the Company's two major sustainability organizations and their responsibilities, stakeholders and material topics, domestic and international initiatives, and sustainability policies and declarations. Employees were also trained on concepts related to green products and product life cycles. A total of **3,840** employees attended the course and passed the post-course assessment (passing score: 80), achieving a completion rate of **100%**.

NEW "ISO 14067:2018 Product Carbon Footprint Lead Verifier": To equip members of the Green Product Team and ESG Team with sufficient knowledge and practical skills in product carbon footprints for application in product design and management, the Company invited instructors from SGS to conduct in-house training courses. The training covered interpretation of ISO 14067 requirements, product carbon footprint calculation methods, procedures, and verification techniques. A total of **31** participants completed the course and obtained ISO 14067 Product Carbon Footprint Lead Verifier certification, with total training time reaching **744** hours.

NEW "TNFD Nature-related Financial Disclosure Sharing Session": Through participation in nature-related forums and seminars involving industry, government, and academia, and through independent study of official TNFD guidance documents, the ESG Department introduced TNFD implementation approaches and tools to members of the Environmental Protection Committee and ESG Team and planned the implementation timeline. A total of **20** participants attended the training, and the Company plans to officially publish its *TCFD & TNFD Report* in 2026.

NEW "CDP Questionnaire Analysis Course–General Module, Water Security Module, and Climate Change Module": In response to major revisions to the CDP questionnaire and to strengthen disclosure capabilities and assessment performance, the Company assigned 2 employees to participate in the "CDP Questionnaire Analysis Course" organized by the Business Council for Sustainable Development Taiwan (BCSD Taiwan). In 2025, the Company achieved an "A List" Leadership Level rating in the "Climate Change" category and a "B List" Management Level rating in the "Water Security" category.

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# 2.3 Environmental Protection Committee

## Environmental Protection Committee

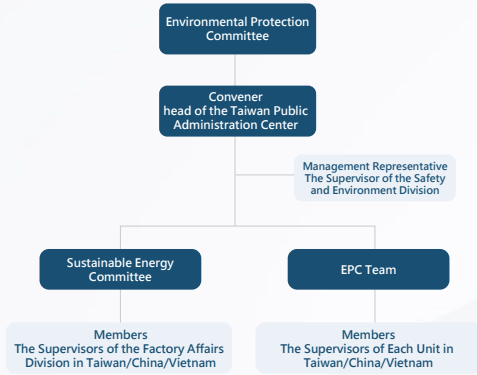
With the mission of "implementing energy conservation mechanisms, reducing greenhouse gas emissions, fulfilling corporate social responsibility, enhancing overall corporate image, reducing company operating costs, and ensuring sustainable business development," Coretronic established the Environmental Protection Committee (EPC) in 2015. The head of the Taiwan Public Administration Center serves as the convener, while the head of the Safety and Environment Department serves as the management representative. Committee members include the heads or representatives of the R&D, Manufacturing, Quality Assurance, Procurement, Facility Management, Safety and Environment, and General Affairs departments. In addition, the "Sustainable Energy Committee" and the "EPC Team" have been established under the EPC.

### Environmental Protection Committee (EPC) and EPC Team

- Review short-, medium-, and long-term net-zero goals and execution outcomes quarterly / annually
- Formulate, plan, and implement targets, strategies, and action plans for climate change, carbon peaking, carbon neutrality, and net-zero
- Execute climate risk and opportunity identification
- Promote pollution control, disaster incident response, and prevention work
- Monitor and advocate the key focus areas of major international initiatives.
- Integrate, plan, and implement measures related to green actions.

### Sustainable Energy Committee

- The head of the Taiwan Public Administration Center serves as the convener, and the head of the Facility Department of each plant serve as committee members.
- Review the usage of electricity, renewable energy, water, and other energy resources on a weekly, monthly, and quarterly basis
- Drive corporate energy-saving, carbon-reduction, and energy transformation projects
- Implement short-, medium-, and long-term net-zero strategies and targets
- Report the status of target achievement to the EPC on a quarterly basis




# 2.4 TNFD and TCFD Teams

**TNFD Team**

Coretronic officially joined the TNFD Forum and established a TNFD Team in 2025. The head of the Taiwan Public Administration Center serves as the Convener, with the responsible departments coordinating nature-related management operations and promoting nature-related risk governance mechanisms.

- Continuously track biodiversity-related issues and actively track the developments in international frameworks, including TNFD and SBTN
- Identify biodiversity and natural hazard risks, and formulate corresponding biodiversity conservation initiatives

**TCFD Team**

Coretronic officially signed and supported the TCFD in 2020 and established a TCFD Team. The head of the Taiwan Public Administration Center serves as the convener. Team members span multiple departments, including Safety and Environment, Facility Management, Accounting, Finance, Stock Affairs, Investor Relations, Corporate Sustainability, Procurement, Manufacturing, Production Management, Sales, Product Management, and R&D

- Continuously track the developments in international initiatives, changes in climate-related regulations, and the progress of net-zero goals
- Conduct climate-related risk and opportunity identification every two years, and formulate response strategies and action plans based on the results to mitigate potential adverse impacts and enhance the Company's climate resilience

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## Nature and Climate Strategies



# 3.1 Greenhouse Gas Management

To effectively mitigate the significant economic, social, and environmental impacts of extreme climate events, Coretronic adopted the TCFD framework in 2020 to assess climate-related risks. Centered around low-carbon products and green operations, the Company has formulated energy-saving and carbon reduction strategies to help curb the greenhouse effect. At the same time, to ensure that operational activities do not damage biological habitats and to reduce dependence on and consumption of natural resources, the Company adopted the Taskforce on Nature-related Financial Disclosures (TNFD) framework in 2025 to systematically analyze the dependencies and impacts of its operational sites on the natural environment. In response to the Paris Agreement, the Company established carbon reduction targets based on the Science-Based Targets initiative (SBTi) absolute reduction roadmap under the "1.5°C warming" scenario. In 2022, the Company publicly announced its "Net Zero Commitment" and submitted its commitment letter to the SBTi. In 2023, the Company submitted its SBT carbon reduction targets: **Reduce absolute Scope 1 and 2 GHG emissions 50.4% by 2032 from a 2021 base year, and reduce absolute Scope 3 GHG emissions 30% within the same timeframe**. These targets were approved by the SBTi in 2024. To achieve net zero by 2050, Coretronic is actively reducing fossil fuel use, increasing renewable energy adoption, transitioning to innovative low-carbon technologies, and incorporating the environmental cost of carbon emissions into business planning through internal carbon pricing and other diversified measures.

In 2025, the Company conducted its greenhouse gas inventory following the ISO 14064-1:2018 standard, identifying emission sources for Scope 1 through Scope 3. The organizational boundary for this inventory includes facilities under operational control at Taiwan plants (Headquarters, Chunan Plant, Tainan Plant 1, and Tainan Plant 2) and China plants (Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou), Coretronic Projection (Kunshan), and Coretronic Optics (Kunshan)).

### Strategies

- Set SBT carbon reduction targets and roadmap, and 2050 net-zero targets.
- Conduct GHG inventory in accordance with ISO 14064-1 and verified by an external assurance provider.
- Implement the ISO 50001 Energy Management System to identify energy-saving opportunities.
- The Environmental Protection Committee establishes the "Environmental Sustainability Policy" and regularly reviews carbon reduction performance to achieve GHG reduction goals.
- The Sustainable Energy Committee was established under the Environmental Protection Committee to strengthen the SBT carbon reduction roadmap and energy initiatives, and to regularly review energy-saving performance to meet energy-saving targets.
- Improve energy efficiency and utilization through regular maintenance, equipment upgrades and substitution, process optimization, and system integration.
- Assess energy consumption at each plant and formulate corresponding energy-saving measures.
- Install solar power generation systems for increasing renewable energy usage to meet renewable energy targets.
- Set short-, medium-, and long-term targets for green products, with concrete implementation items and measurement indicators.
- Establish an internal carbon pricing mechanism.

### 2025 Results

- SBT carbon reduction targets: "Reduce absolute Scope 1 and 2 GHG emissions by 50.4% and absolute Scope 3 GHG emissions by 30% by 2032 from a 2021 base year" approved by SBTi.
- GHG emissions (Scope 1 and 2) decreased by 45% compared to the base year (2021), achieving the short-term target.
- Absolute GHG emissions (Scope 3) decreased by 88% compared to the base year (2021), achieving the short-term target.
- Passed ISO 14064-1 GHG Inventory verification and ISO 50001 Energy Management System certification.
- Phase II of the Tainan Plant 2 completed the installation of a solar power generation system with an installed capacity of 460.35 kW, with expected annual power generation of 567 MWh.
- Total renewable energy consumption reached 8,140 MWh, accounting for 16% of total electricity use, achieving the short-term target.
- Committed to achieving the target of "100% renewable energy usage" by 2050.
- Internal carbon price set at NT$942 per $tCO_2e$, used to simulate the future impact of carbon costs on business operations and investment decisions.

### Greenhouse Gas Inventory

- Coretronic conducts annual greenhouse gas (GHG) inventory in accordance with ISO 14064-1, covering Scope 1 to Scope 3 emission sources. The inventory includes seven types of gases: carbon dioxide ($CO_2$), methane ($CH_4$), nitrous oxide ($N_2O$), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride ($SF_6$), and nitrogen trifluoride ($NF_3$). This comprehensive approach ensures accurate tracking of GHG emissions and serves as a verification of GHG reduction performance. Although not currently subject to mandatory regulatory requirements for GHG inventory or emissions reduction, Coretronic has set phased reduction targets and conducts annual reviews to drive continuous improvement. By inventorying energy use, improving equipment efficiency, establishing an effective energy management system, and investing in renewable energy infrastructure, the Company reduced its reliance on traditional energy sources and maximized energy efficiency to meet its GHG reduction goals. In 2025, the Company successfully passed ISO 14064-1 GHG verification.
- Total greenhouse gas emissions (Scope 1 and Scope 2) in 2025 amounted to 26,286.1 $tCO_2e$. Affected by changes in market demand and production capacity allocation optimization, emissions increased by 12% compared to 2024; however, emissions had still significantly decreased by 45% compared to the base year (2021), maintaining an overall long-term downward trend. Going forward, the Company will continue steadily advancing its net zero commitment through energy-saving optimization, enhanced equipment energy efficiency, and increased renewable energy usage.
- Total greenhouse gas emissions (Scope 3) in 2025 amounted to 437,395.5 $tCO_2e$, representing a 15% decrease compared to 2024 and an 88% decrease compared to the base year (2021). The Company prioritized actions targeting "Purchased Goods and Services" by strengthening supplier greenhouse gas inventory requirements, introducing low-carbon environmentally friendly materials, and incorporating carbon reduction performance into supplier evaluation mechanisms, demonstrating the effectiveness of supply chain management and raw material procurement strategy adjustments. Going forward, the Company will continue deepening supplier collaboration and raw material transformation to further reduce Scope 3 emissions.

### Greenhouse Gas Emissions Summary Table

| Plants | | Taiwan | | | | China | | | |
|---|---|---|---|---|---|---|---|---|---|
| Indicator / Year | | 2022 | 2023 | 2024 | 2025 | 2022 | 2023 | 2024 | 2025 |
| Scope 1–Direct Emissions ($tCO_2e$) | | 246.1 | 238.3 | 144.3 | 681.5 | 1,655.5 | 1,824.7 | 1,844.0 | 2,567.5 |
| Scope 2–Purchased Electricity ($tCO_2e$) | Location-based | 7,726.6 | 6,324.3 | 5,787.4 | 5,093.7 | 20,382.9 | 16,938.6 | 15,629.0 | 17,943.4 |
| | Market-based | 7,688.4 | 6,324.3 | 5,787.4 | 5,093.7 | 20,382.9 | 16,938.6 | 16,423.3 | 20,822.8 |
| **Total GHG Emissions (Scope 1 & 2) ($tCO_2e$)** | | **7,972.7** | **6,562.6** | **5,931.7** | **5,775.2** | **22,038.4** | **18,763.3** | **17,473.0** | **20,510.9** |
| HG Emissions Intensity (Scope 1 & 2) ($tCO_2e$/NT$ million)[1] | | 0.24 | 0.24 | 0.21 | 0.20 | 0.51 | 0.58 | 0.62 | 0.81 |
| Scope 3–Indirect Emissions ($tCO_2e$) | | 42,818.8 | 13,508.0 | 9,411.4 | 22,599.7 | 623,822.8 | 1,676,712.0 | 503,088.8 | 414,795.8 |
| **Total GHG Emissions (Scope 1–3) ($tCO_2e$)** | | **50,791.5** | **20,070.6** | **15,343.1** | **28,374.9** | **645,861.2** | **1,695,475.3** | **520,561.8** | **435,306.7** |
| GHG Emissions Intensity (Scope 1–3) ($tCO_2e$/NT$ million)[1] | | 1.52 | 0.74 | 0.54 | 0.99 | 14.80 | 52.37 | 18.33 | 17.14 |

1: Revenue coverage for 2022–2023: Taiwan plants: 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: Coretronic Display (Suzhou), Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou), Coretronic Projection (Kunshan), and Coretronic Optics (Kunshan).
Revenue coverage for 2024–2025: Taiwan plants: 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: Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou), Coretronic Projection (Kunshan), and Coretronic Optics (Kunshan).
2: The carbon emission factor for electricity at Taiwan plants in 2025 is referenced from the Energy Administration's carbon emission data, 1 kWh = 0.474 $kgCO_2e$; 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 "Announcement on the Release of the 2023 Electricity Carbon Dioxide Emission Factors", 1 kWh = 0.5306 $kgCO_2e$
3: The GWP values are cited from the "IPCC Sixth Assessment Report (AR6, 2021)", and the inventory boundary follows the operational control approach.

### Scope 3 Greenhouse Gas Emissions Summary Table

Unit:$tCO_2e$

| Plants | | Taiwan | | | | China | | | |
|---|---|---|---|---|---|---|---|---|---|
| GHG Inventory Standard: ISO 14064-1:2018 | | 2022 | 2023 | 2024 | 2025 | 2022 | 2023 | 2024 | 2025 |
| Category 3: Indirect GHG emissions from transportation | Upstream transportation and distribution | 42.3 | 33.9 | 51.2 | 50.5 | 57,980.9 | 3,461.1 | 880.2 | 535.1 |
| | Downstream transportation and distribution | 65.5 | 45.4 | 78.9 | 59.3 | 1,400.8 | 4,219.6 | 1,003.5 | 938.7 |
| | Employee commuting | 1,137.9 | 1,239.7 | 1,182.5 | 1,061.9 | 122.2 | 322.7 | 305.6 | 336.1 |
| | Business travel | 62.0 | 103.3 | 124.6 | 102.2 | 460.3 | 109.3 | 116.7 | 233.1 |
| Category 4: Indirect GHG emissions from products provided by other organizations | Purchased goods and services | 39,956.9 | 10,691.5 | 6,686.8 | 19,999.9 | 563,753.8 | 1,667,797.7 | 497,025.7 | 407,769.6 |
| | Fuel- and energy-related activities | 1,366.4 | 1,263.4 | 1,156.6 | 1,205.1 | - | - | 2,194.2 | 49.4 |
| | Capital goods | - | - | - | - | - | - | 388.0 | 3,705.3 |
| | Waste generated in operations | 149.3 | 85.2 | 91.5 | 89.4 | 104.8 | 739.2 | 1,110.3 | 1,188.1 |
| | Upstream leased assets | 38.5 | 45.6 | 39.3 | 31.4 | - | 62.4 | 64.6 | 40.4 |
| **Total Scope 3 Emissions** | | **42,818.8** | **13,508.0** | **9,411.4** | **22,599.7** | **623,822.8** | **1,676,712.0** | **503,088.8** | **414,795.8** |

## Internal Carbon Pricing

- Based on the results of risk scenario analyses conducted at each plant, the Company converts potential carbon emissions into potential decarbonization costs to promote internal carbon pricing. Carbon prices are dynamically adjusted every three years according to accounting profit and loss performance to reflect the actual economic costs required for operational units to implement carbon reduction measures. This mechanism enables the Company to respond to the latest decarbonization technologies and regulatory trends, while raising internal awareness of the operational impacts of climate change and driving more proactive carbon reduction initiatives.
- Although the Company's carbon emissions have not yet reached the carbon fee levy threshold established by the Ministry of Environment, the Company introduced an internal carbon pricing mechanism in 2021 as a core climate governance decision-making tool in response to operational risks arising from climate change and to fulfill its SBT 1.5°C carbon reduction roadmap and net zero commitment.
- The Company's internal carbon pricing mechanism adopts the "decarbonization investment cost approach", whereby the actual costs invested to achieve carbon reduction targets are internalized. The pricing basis is calculated by dividing the annual amortized investment costs of renewable energy generation and energy-saving equipment at each plant by total greenhouse gas emissions (Scope 1 and Scope 2). Based on scientific calculations, an internal carbon price of NT$942 per $tCO_2e$ was established and applied as a shadow price to simulate the impacts of future carbon costs on corporate operations and investment decisions.
- Since 2022, the Company has applied internal carbon pricing to evaluate the investment benefits of ESCO energy-saving projects and solar power generation system installations, supporting more optimized internal resource allocation. This approach has driven upgrades to energy-efficient equipment and increased the use of renewable energy. In 2025, a total of 19 energy-saving projects were implemented, reducing electricity consumption by 1,123 MWh. Greenhouse gas emissions (Scope 1 and Scope 2) at Taiwan and China plants decreased by 45% compared to the base year (2021), substantially exceeding short-term targets and demonstrating the outstanding effectiveness of carbon pricing-assisted decision-making.
- Looking ahead, Coretronic will dynamically adjust its carbon price and scenario analyses in response to international trends, regulatory policies, market developments, and internal emissions performance. This will help optimize carbon reduction strategies, enhance sensitivity to climate risks, and promote more forward-looking carbon reduction actions to achieve both carbon reduction goals and operational success.

03

## Nature and Climate Strategies



# 3.2 Energy Management

### Energy Management System

- Implemented an energy-saving project for chillers of air conditioning systems to improve the energy efficiency of HVAC operations.
- Installed solar power generation systems to increase the share of renewable energy in total electricity use.
- Proposed and implemented various electricity-saving measures annually, upgraded lighting and equipment, and optimized operational processes.
- To improve the Company's energy-saving efficiency, the Company continuously implemented ISO 50001 and arranged ISO 50001 internal audits and energy-saving related training courses for employees and contractors. A total attendance of 1,188 was recorded for training completion, with total training hours reaching 1,965 hours. Taiwan plants, Wujiang plants, and Coretronic Projection (Kunshan) all passed certification.
- Through its management system, the Chunan plant improved energy efficiency, selected eco-friendly and recyclable materials, and established an indoor air quality monitoring system to enhance indoor air quality. As a result, it received LEED Gold Certification (LEED v4.1 for Operation and Maintenance) from the U.S. Green Building Council (USGBC), becoming Coretronic's first plant to obtain an international green building certification.

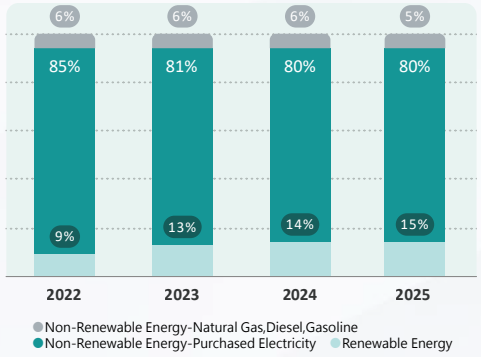
### Energy Usage Overview [302-1, 302-3, 302-4]

To reduce energy consumption, Coretronic has implemented the ISO 50001 Energy Management System, carried out energy-saving projects for chillers of air conditioning systems, upgraded lighting and related equipment, optimized operational processes, adopted recycled materials, and developed low-carbon products. In addition, the Company has actively promoted the development of renewable energy to increase its usage ratio. Total energy consumption in 2025 was 53,028 MWh, representing a 22% reduction compared to the base year (2021), successfully achieving the short-term target. Although the addition of new production lines at Coretronic Optics (Suzhou) resulted in 24-hour production requirements and caused total energy consumption to increase by 7% compared to 2024, the long-term trend remains downward overall. Going forward, the Company will continue implementing diversified energy-saving measures to ensure ongoing optimization of energy efficiency and reduction of environmental impacts while expanding production capacity.

**Energy Usage Summary Table**

| Plants | | Taiwan | | | | China | | | |
|---|---|---|---|---|---|---|---|---|---|
| Item / Year | | 2022 | 2023 | 2024 | 2025 | 2022 | 2023 | 2024 | 2025 |
| Renewable Energy | Renewable energy [1] (MWh) [2] | 96 | 950 | 1,117 | 1,256 | 5,171 | 5,809 | 4,738 | 4,791 |
| | Purchased electricity with renewable energy certificates (MWh) | - | - | - | - | - | - | 1,000 | 2,093 |
| Non-Renewable Energy | Purchased electricity (MWh) | 15,105 | 12,776 | 11,715 | 10,746 | 35,741 | 29,701 | 28,126 | 31,724 |
| | Natural gas (MWh) | 245 | 284 | 176 | 148 | 2,198 | 1,217 | 1,656 | 1,149 |
| | Diesel (MWh) | 32 | 25 | 40 | 33 | 184 | 175 | 158 | 89 |
| | Gasoline (MWh) | 123 | 93 | 65 | 50 | 648 | 1,090 | 706 | 949 |
| **Total Energy Consumption (MWh)** | | **15,601** | **14,128** | **13,113** | **12,233** | **43,942** | **37,992** | **36,384** | **40,795** |
| **Energy Intensity (MWh / NT$ million) [3]** | | **0.47** | **0.52** | **0.46** | **0.43** | **1.01** | **1.17** | **1.28** | **1.61** |

**Energy Usage Summary Table**
**Annual Energy Consumption Ratio**




1: Includes electricity consumption from self-generated solar power and renewable energy consumption via green electricity wheeling.
2: 1 MWh = 3.6 GJ
3: Revenue coverage for 2022–2023: Taiwan plants: Coretronic, Young Green Energy, uCare Medical Electronics, Champ Vision Display, Coretronic Intelligent Cloud Service, Coretronic Intelligent Robotics, Innospectra, Coretronic MEMS, Coretronic Reality, Coretronic Intelligent Logistic Solutions; China plants: Coretronic Display (Suzhou), Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou), Coretronic Projection (Kunshan), Coretronic Optics (Kunshan).

## Renewable Energy

### Commitments and Targets

- 2025: 15% of renewable energy in annual electricity consumption
- 2026–2028: 21% of renewable energy in annual electricity consumption
- 2029–2031: 27% of renewable energy in annual electricity consumption
- 2033: 30% of renewable energy in annual electricity consumption
- 2038: 40% of renewable energy in annual electricity consumption
- 2043: 50% of renewable energy in annual electricity consumption
- 2050: 100% of renewable energy in annual electricity consumption

### Strategies

- 2016–2017: Purchased green electricity
- 2018: Installed a solar generation system at Tainan Plant 1
- 2020: Set renewable energy targets
- 2021: Installed solar power systems for Coretronic Display (Suzhou), Coretronic Optotech (Suzhou), and Coretronic Optics (Suzhou) with installed capacities of 1,207.8, 4,068.9, and 653.4 kW respectively2022: Installed solar power systems for Coretronic Projection (Kunshan) and Coretronic Optics (Kunshan) with an installed capacity of 618.9 kW; Taiwan plants began purchasing renewable energy certificates and sourcing green electricity via renewable energy wheeling
- 2023: Installed solar power systems for Chunan Plant, Tainan Plant 1, and Tainan Plant 2 with installed capacities of 367.41, 317.46, and 132.44 kW respectively
- 2024: Installed a solar power system for the Headquarters with an installed capacity of 98.4 kW
- NEW 2025: Tainan Plant 2 Phase II project completed the installation of a solar power system with an installed capacity of 460.35 kW.

### 2025 Results

- Tainan Plant 2 Phase II project completed the installation of a solar power system with an installed capacity of 460.35 kW, which will commence electricity generation in 2026.
- Through a combination of self-generated solar power, green electricity purchased via renewable energy wheeling, and renewable energy certificates, total renewable energy usage reached 8,140 MWh, achieving a carbon reduction of 4,248 $tCO_2e$. Renewable energy accounted for 16% of total annual electricity consumption.

1: Annual electricity consumption includes both purchased electricity and renewable energy use.
2: The carbon emission factor for electricity at Taiwan plants in 2025 is referenced from the Energy Administration's carbon emission data, 1 kWh = 0.474 $kgCO_2e$; 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 "Announcement on the Release of the 2023 Electricity Carbon Dioxide Emission Factors", 1 kWh = 0.5306 $kgCO_2e$

## Energy-Saving Measures and Performance

- Since 2015, the Company has actively promoted energy management. In addition to setting clear energy-saving targets and management strategies, the Company has implemented energy-saving initiatives across three key areas: air conditioning systems, electrical lighting, and other electricity usage. These measures include improving energy efficiency, using outdoor solar-powered streetlights, controlling weekend and nighttime HVAC schedules on production lines, optimizing variable-frequency air conditioning, replacing all lighting with LED fixtures and installing variable-frequency air compressors, implementing automatic temperature control systems, and replacing transformers. In 2025, the Company implemented 19 energy-saving measures, reducing electricity consumption by 1,123 MWh and reducing carbon emissions by 565 $tCO_2e$.
- From 2015 to 2025, Coretronic implemented 408 energy-saving projects across Taiwan and China plants, reducing electricity consumption by 33,056 MWh and cutting carbon emissions by 19,000 $tCO_2e$, equivalent to the annual carbon absorption of 49 Daan Parks.
- The Company's electricity intensity in 2025 was 0.94, representing a 15% increase compared to 2024 but a 3% decrease compared to the base year (2021). Total electricity consumption was 50,610 MWh, representing an 8% increase compared to 2024 but a 22% decrease compared to the base year (2021), mainly due to the addition of new production lines at Coretronic Optics (Suzhou), which require 24-hour production operations. Going forward, the Company will continue strengthening energy management efforts, further improving energy efficiency, reducing carbon emissions, and advancing toward its net-zero target.

| Item \ Region and Year | Taiwan | | | | | China | | | | | Taiwan and China |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 | 2025 vs 2024 | 2022 | 2023 | 2024 | 2025 | 2025 vs 2024 | 2025 vs 2024 |
| Electricity Savings from Energy-Saving initiatives (MWh) | 1,827 | 741 | 1,288 | 534 | Total electricity use reduced by 830 MWh (6%) | 13,473 | 1,325 | 433 | 589 | Total electricity consumption increased by 4,744 MWh (14%) | Total electricity consumption increased by 3,914 MWh (8%) |
| Carbon Reduction from Energy-Saving Initiatives ($tCO_2e$) | 904 | 367 | 636 | 253 | | 7,684 | 756 | 232 | 312 | | |
| Total Electricity Consumption (MWh)[1] | 15,201 | 13,726 | 12,832 | 12,002 | | 40,912 | 35,510 | 33,864 | 38,608 | | |
| Electricity Intensity (MWh/NT$ million)[2] | 0.46 | 0.51 | 0.45 | 0.42 | | 0.94 | 1.10 | 1.19 | 1.52 | | |

1: Total electricity consumption includes both purchased electricity and renewable energy usage (i.e., self-generated solar power and green electricity via renewable energy wheeling).
2: Revenue coverage for 2022–2023: Taiwan plants: Coretronic, Young Green Energy, uCare Medical Electronics, Champ Vision Display, Coretronic Intelligent Cloud Service, Coretronic Intelligent Robotics, Innospectra, Coretronic MEMS, Coretronic Reality, Coretronic Intelligent Logistic Solutions; China plants: Coretronic Display (Suzhou), Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou), Coretronic Projection (Kunshan), Coretronic Optics (Kunshan).
Revenue coverage for 2024–2025: Taiwan plants: Coretronic, Young Green Energy, uCare Medical Electronics, Coretronic Intelligent Cloud Service, Coretronic Intelligent Robotics, Innospectra, Coretronic MEMS, Coretronic Reality, Coretronic Intelligent Logistic Solutions; China plants: Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou), Coretronic Projection (Kunshan), Coretronic Optics (Kunshan).

03

## Nature and Climate Strategies



# 3.3 Waste Management

Coretronic's waste generated from operating activities is mainly non-hazardous waste. However, other flammable mixtures and electronic components arising from research and experimental processes are classified as hazardous industrial waste, which is incinerated and physically treated. The Company manages hazardous industrial waste through output control and categorization of scrap materials to reduce the generation of hazardous industrial waste. The Company also requires waste disposal contractors to jointly implement waste flow control measures, thus fulfilling its commitment to an environmentally friendly approach.

Taiwan plants, Wujiang plants, and Coretronic Projection (Kunshan)* have introduced and obtained ISO 14001 Environmental Management System certification. Through the lens of a product's life cycle, Coretronic examines the detailed processes of waste generation, removal, treatment, and recycling at different stages. The Company puts waste reduction strategies into action through system management, and formulates an audit plan to prevent unlawful activities or environmental risks brought on by improper handling

* Coretronic Optics (Kunshan) is an upstream supplier of Coretronic Projection (Kunshan), and its environmental management system is jointly managed with Coretronic Projection (Kunshan). It is expected to obtain ISO 14001 certification in the future in response to customer requirements.

### Strategies

- All employees signed the"Plastic Reduction Commitment"to raise awareness of plastic reduction

NEW
- Established waste recycling rate targets
- Circular economy initiatives
- Hazardous waste reduction
- Commissioned licensed contractors for proper waste disposal
- Enhanced employee awareness of waste reduction

### 2025 Results

- Waste generation intensity decreased by 9% compared to 2024 and by 56% compared to the base year (2021), achieving the short-term target
- The waste recycling rate reached 65%, achieving the short-term target
- Implemented six packaging material recycling and reuse initiatives, reducing 825 metric tons of waste and 1,700 $tCO_2e$, while saving NT$280,000 in pallet procurement and waste disposal costs
- Kunshan plants launched chemical container lightweighting and reduction measures, reducing 1.4 metric tons of hazardous waste and 0.42 $tCO_2e$, and saving NT$21,000 in disposal costs
- Planned and conducted audits of 35 waste disposal contractors, achieving a 100% audit completion rate
- Conducted environmental education and dedicated personnel training courses related to waste reduction, with a total attendance of 4,295 recorded for training completion and total training time reaching 2,447 hours

## Waste Generation Status

Coretronic is fully committed to the three principles of waste reduction, reuse, and recycling, integrating circular economy concepts into product manufacturing, strengthening source reduction, and implementing pollution prevention measures to continuously improve waste management performance. To strengthen waste management and increase waste recycling rates, the Company established waste recycling rate targets in 2025 and continuously monitors waste generation status through regular tracking and reviews of target achievement status.

| Indicator | 2025 Target | 2025 Performance | Achievement Status | Short-Term Target (2026–2028) | Medium-Term Target (2029–2031) | Long-Term Target (2032–2034) |
|---|---|---|---|---|---|---|
| Waste Recycling Rate | 50% | 65% | ✓ | 50% | 53% | 55% |
| Hazardous Waste Recycling Rate | 50% | 57% | ✓ | 50% | 53% | 55% |
| Reduction Rate of Waste Generation Intensity | Reduce by 5% compared to the base year (2021) | Reduced by 56% | ✓ | Reduced by 8% | Reduced by 11% | Reduced by 14% |

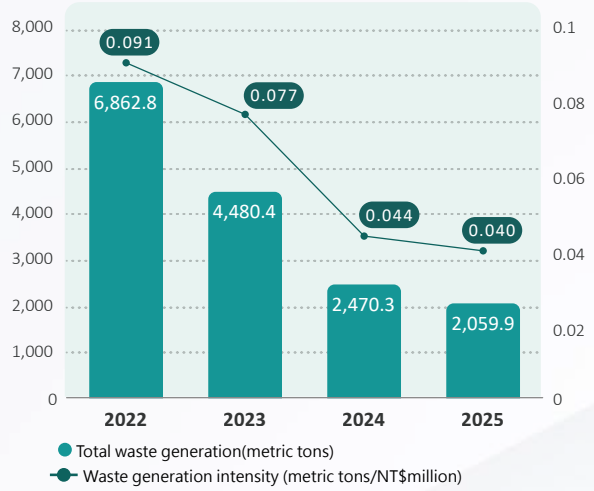
Based on the environmental impacts of waste, the Company classifies waste into hazardous and non-hazardous waste categories. Non-hazardous waste is further categorized into domestic waste, recyclable waste, reusable waste, and general industrial waste, and is managed according to five treatment categories. Except for domestic waste and recyclable waste, all other waste is generated from manufacturing processes. Total waste generation in 2025 amounted to 2,059.9 metric tons. Waste generation intensity decreased by 9% compared to 2024 and significantly decreased by 56% compared to the base year (2021). The waste recycling rate in 2025 was 65%, representing a 1% decrease compared to 2024. This decrease was mainly due to a significant decline in overall waste generation, which has caused recyclable items to approach their practical upper limit. Going forward, the Company will evaluate the feasibility of "waste-to-energy" solutions to further improve recycling performance.

Unit: metric ton

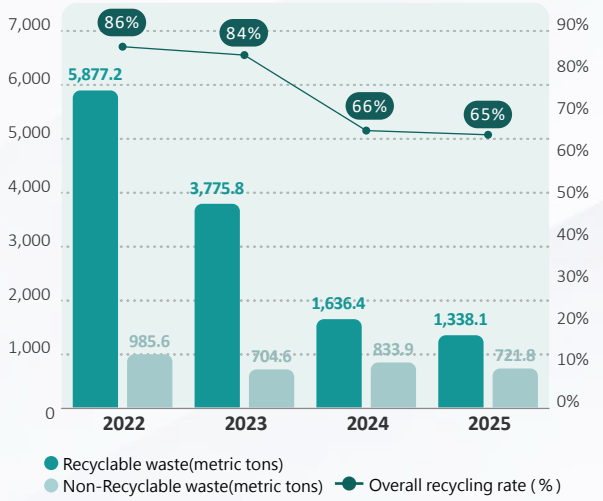
| Category | Plants | Taiwan | | | | China | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Item / Year | 2022 | 2023 | 2024 | 2025 | 2022 | 2023 | 2024 | 2025 |
| Hazardous Waste[1] | **Total** | **4.2** | **4.3** | **6.3** | **7.3** | **24.2** | **39.5** | **45.6** | **45.0** |
| | **Hazardous Waste Recycling Rate** | **0%** | **0%** | **0%** | **0%** | **71%** | **80%** | **58%** | **67%** |
| | Direct disposal—incineration only | 2.8 | 1.8 | 1.5 | 2.4 | 7.1 | 7.9 | 19.1 | 15.0 |
| | Direct disposal—other disposal operations | 1.4 | 2.5 | 4.8 | 4.9 | 0 | 0 | 0 | 0 |
| | Recovery—reuse for original purpose | 0 | 0 | 0 | 0 | 6.0 | 21.7 | 20.5 | 26.1 |
| | Recovery—recycling | 0 | 0 | 0 | 0 | 11.1 | 9.9 | 6.0 | 3.9 |
| None-Hazardous Waste[2] | **Total** | **491.5** | **376.3** | **371.3** | **404.1** | **6,342.9** | **4,060.3** | **2,047.0** | **1,603.5** |
| | **Non-Hazardous Waste Recycling Rate** | **53%** | **54%** | **54%** | **62%** | **88%** | **87%** | **69%** | **66%** |
| | Direct disposal—incineration only | 228.4 | 166.3 | 165.1 | 151.5 | 743.9 | 520.7 | 636.9 | 546.0 |
| | Direct disposal—landfill | 0 | 0.2 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Direct disposal—other disposal operations | 2.0 | 5.2 | 6.4 | 2.0 | 0 | 0 | 0 | 0 |
| | Recovery—reuse for original purpose | 3.6 | 1.5 | 7.2 | 1.7 | 0 | 0 | 0 | 0 |
| | Recovery—recycling | 257.5 | 203.1 | 192.6 | 248.9 | 5,599.0 | 3,539.6 | 1,410.1 | 1,057.5 |
| **Total Waste Generation (metric tons)** | | **495.7** | **380.6** | **377.6** | **411.4** | **6,367.1** | **4,099.8** | **2,092.6** | **1,648.5** |
| **Waste Generation Intensity (metric tons / NT$ million)[3]** | | **0.016** | **0.015** | **0.013** | **0.016** | **0.146** | **0.127** | **0.074** | **0.065** |
| **Overall Waste Recycling Rate** | | **53%** | **54%** | **53%** | **61%** | **88%** | **87%** | **69%** | **66%** |

1: It refers to mercury lamps, empty bottles, waste liquids, electronic waste, etc., which are identified as hazardous waste by local environmental authorities during the disposal stage. They are collected and classified according to their hazardous characteristics, and then handed over to qualified disposal companies for processing.
2: It refers to domestic waste, unclassified combustible general industrial waste, waste plastics, wastepaper, waste metals, and publicly announced recyclable and reusable waste. Recyclable and reusable waste is collected by local qualified recycling companies for recycling and reuse. Other waste is transported by qualified waste clearance companies to processing plants for disposal according to waste management protocols.
3: Coverage of revenue: Taiwan plants including Coretronic, Young Green Energy, uCare Medical Electronics, Coretronic Intelligent Cloud Service, Innospectra, Coretronic MEMS, Coretronic Reality, Coretronic Intelligent Logistic Solutions; China plants including Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou), Coretronic Projection (Kunshan), Coretronic Optics (Kunshan).
4: All generated waste is transported by qualified waste clearance contractors to qualified processing plants for off-site disposal, with no further transfer.
5: The data on waste generation, transfer, and disposal comes from the Industrial Waste Report and Management System of the Ministry of Environment and the "One Enterprise, One File" Management System for Pollution Sources in Jiangsu Province. The data on recycling and reuse comes from internal records and accounting statements of the plants.

**Annual Waste Generation Trend**




**Waste generation intensity (metric tons / NT$million)**



### Electronic Waste Recycling Status

Coretronic operates under a B2B business model and is not an end-product manufacturer. Hence, the Company primarily recycles electronic waste generated during manufacturing processes through resale channels. In 2025, the total weight of recycled electronic waste amounted to 10.8 metric tons.

| Indicator / Year | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Total Weight of Recycled Electronic Waste (metric tons) | 14.5 | 17.6 | 17.2 | 10.8 |
| Percentage of Recycled Electronic Waste Resold | 100% | 100% | 100% | 100% |
| Percentage of Electronic Waste Disposed of / Landfilled | 0% | 0% | 0% | 0% |

## Waste Reduction Strategies

### Reuse of Packaging Materials

In 2025, Coretronic implemented six packaging material recycling initiatives, covering trays, pallets, plastic pads, cartons, plastic containers, and paper dividers, achieving an overall recycling rate of 88%. A total of 825 metric tons of reusable packaging materials were recycled, reducing carbon emissions by 1,700 $tCO_2e$ and saving NT$280,000 in pallet procurement and waste disposal costs. (According to the website of the Low-Carbon Sustainable Homeland Information System, each metric ton of waste generates 2.06 $tCO_2e$.)

### Downstream Waste and Product Tracking

To ensure that reused products are handled legally, Coretronic has established clear waste management operating procedures and conducts annual on-site audits of waste management contractors' compliance with regulations and their downstream processing capabilities. If non-compliance is found, guidance and follow-up improvements are provided, and if the issues persist, the disposal contract will be terminated to ensure proper and legal waste disposal. In 2025, Coretronic audited 35 waste management contractors, covering general, reusable, and hazardous industrial waste, with a 100% audit completion rate and no irregularities found.

### Lightweight Chemical Containers

Since 2022, Kunshan plants have replaced ethanol containers by changing from 500 mL glass bottles to 2.5 L plastic containers. For every 1 L of ethanol used, this change reduces hazardous industrial waste generation by 0.768 kg. From 2022 to 2025, these measures reduced waste by 5.9 metric tons and reduced carbon emissions by 1.8 $tCO_2e$, while saving more than NT$98,000 in waste disposal costs. (According to the website of the Carbon Footprint Information Platform, each metric ton of hazardous industrial waste disposed of through landfill generates 0.3 $tCO_2e$.)

### Circular Economy Alliance

- Pallet reuse: Since 2017, Coretronic has partnered with local logistics contractors for nine consecutive years to recover and reuse original pallets for transportation. From 2017 to 2025, a total of 523 metric tons of pallets were recovered, reducing 1,077 $tCO_2e$ and saving NT$2.48 million in pallet purchase and waste disposal costs.
- Tray recycling and reprocessing: Tainan Plant 1 has recycled defective trays, which were reprocessed for reuse. From 2021 to 2025, 1.9 metric tons of trays were recovered, reducing 3.9 $tCO_2e$.

03

# 3.4 Environmental Resource Management



## Air Pollution Control

Coretronic is not classified as a high-emission industry. The primary air pollutants are volatile organic compounds (VOCs) generated from organic solvents (such as cleaning agents) used for cleaning and wiping during manufacturing processes. Overall emissions remain far below statutory approved limits. Nevertheless, the Company voluntarily reports and regularly monitors air pollutant emissions and adopts a "total emission cap control" approach as its self-management strategy to ensure that pollution levels remain consistently ultra-low amid fluctuations in production capacity.

To implement VOC reduction measures, the Company established VOC management targets in 2025 and continues to monitor air pollution emissions through regular tracking and reviews of target achievement status. In the short to medium term, the Company plans to reduce VOC emissions by improving production yield rates and reducing the usage of organic chemicals. In the long term, the Company plans to introduce low-volatility green chemical alternatives to promote the transformation of manufacturing processes toward zero pollution. While ensuring production capacity growth, the Company will continue reducing environmental impacts and enhancing environmental management performance.

| Indicator | 2025 Target | 2025 Performance | Achievement Status | Short-Term Target (2026–2028) | Medium-Term Target (2029–2031) | Medium-Term Target (2029–2031) |
|---|---|---|---|---|---|---|
| Annual VOC Emissions (metric tons) | < 3.2 | 2.055 | ✓ | < 3.2 | < 3.1 | < 3.0 |

In 2025, due to improved production yield rates and reduced use of organic solvents during the R&D stage, total VOC emissions amounted to 2.055 metric tons, representing a 28% decrease compared to 2024 and achieving the annual target. The emissions accounted for only 5% of the statutory approved emission limit, demonstrating excellent source control performance.

| Types of Air Pollutants / Year | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| VOC Emissions (metric tons) | 2.874 | 2.569 | 2.868 | 2.055 |

Note: The above data covers 100% of the scope disclosed in this Report, including Coretronic's Taiwan plants (Headquarters, Chunan Plant, Tainan Plant 1, Tainan Plant 2) and China plants (Coretronic Optotech (Suzhou), Coretronic Optics (Suzhou), Coretronic Projection (Kunshan), Coretronic Optics (Kunshan)). Among them, Tainan Plant 2 was confirmed by the Environmental Protection Bureau, Tainan City Government during the voluntary reporting application process to have emissions below the regulatory threshold and was therefore exempt from statutory reporting requirements.

## Water Resource Management

Coretronic primarily sources its water from municipal supplies, with usage mainly for air conditioning, domestic needs, and catering services. Water users include employees, visitors, and contractors. Based on the Company's operational characteristics, which primarily involve non-process water usage, the overall environmental impact is relatively minimal. However, considering that water resource management is a major global sustainability concern, the Company has incorporated water resource management into its overall "Environmental Sustainability Policy" and the TCFD framework to establish a comprehensive and effective management mechanism. This includes implementing tracking and management of water sources and flows, systematically assessing the Company's dependence on water resources and related potential risks arising from operational activities, and prudently identifying trade-offs between water usage processes and environmental issues. Through these efforts, the Company continuously improves overall water use efficiency and actively responds to the United Nations Sustainable Development Goals (SDGs) 6: Clean Water and Sanitation.

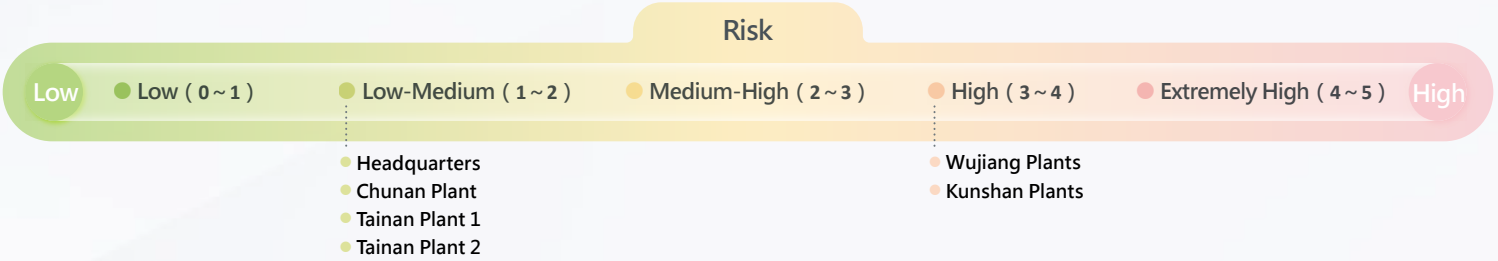
▶ **Water Resource Management Policy** NEW

The Environmental Protection Committee shall convene related departments to formulate water resource management targets and quantitative performance indicators. The Environmental Protection Committee shall also periodically review both management performance and continuous improvement efforts in order to ensure the targets are achieved. The Company shall introduce water resource management systems, implement all water conservation programs in a rigorous manner, and establish water conservation targets in order to reduce water withdrawal and consumption. In parallel with this, we also improve water usage rates, to promote sustainable development for water resources and freshwater ecosystems. Through water resource initiatives and education, the Company shall strengthen external and internal stakeholder engagement, as well as the understanding of, sense of responsibility for, and respect for water resources among our upstream and downstream value chain partners. By implementing collective action, we will work together with all concerned to promote sustainable water resource management. Coretronic's discharge standards shall exceed local regulatory requirements. The Company will conduct periodic water quality testing and disclose the relevant data to control, reduce, or eliminate water pollutants, and to reduce or eliminate harmful substances in discharged water. The Company shall ensure that the water, sanitation, and hygiene (WASH) needs of all operating sites and the communities in which they are located are adequately safeguarded, and prevent its operations from causing adverse impacts on local water resources and the environment.

| Indicator | 2025 Target | 2025 Performance | Achievement Status | Short-Term Target (2026–2028) | Medium-Term Target (2029–2031) | Long-Term Target (2032–2034) |
|---|---|---|---|---|---|---|
| Long-Term Target (2032–2034) | Reduce by 6% compared to the base year (2021) | Reduced by 39% | ✓ | Reduced by 9% | Reduced by 10.5% | Reduced by 12% |

## Water Resource Risk Assessment

Coretronic conducts a comprehensive water risk analysis using the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI). The analysis results indicate 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). In light of the potential exacerbation of water scarcity risks due to climate change, Coretronic will continue to monitor water usage and water stress levels, regularly assess and revise water optimization strategies to ensure effective management and sustainable use of water resources. Currently, all sites implement water recycling and conservation measures to mitigate water-related impacts. The Company also promotes water-saving awareness to proactively prevent potential water shortages during dry seasons

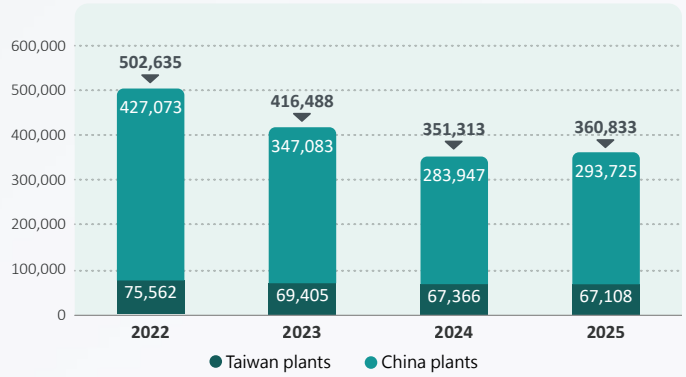



Note: The individual plants within Wujiang plants ((Coretronic Optotech (Suzhou) and Coretronic Optics (Suzhou)) and Kunshan plants (Coretronic Projection (Kunshan) and Coretronic Optics (Kunshan)) are located within the same water resource risk areas,and therefore water-related risk disclosures are not presented on an individual plant basis.

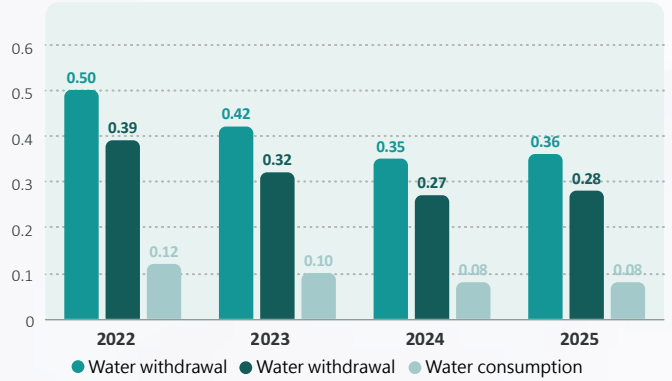
## Water Usage Status

Coretronic's total water consumption in 2025 was 360,833 metric tons, representing a significant reduction of 39% compared to the base year (2021), successfully achieving the short-term target. Although the addition of new production lines at Coretronic Optics (Suzhou) resulted in a slight 3% increase in overall water consumption compared to 2024, all plants continued to actively implement water-saving measures. Water consumption at Taiwan plants decreased by 0.4% compared to 2024 (and by 10% compared to the base year), while China plants achieved a significant 43% reduction compared to the base year (despite a 3% increase compared to 2024). Going forward, the Company will adopt more proactive water reduction measures to mitigate the impacts of climate change.

**Annual Water Usage Trend (metric tons)**




**Annual Water Withdrawal, Discharge, and Consumption (million metric tons)**




## Water Conservation Measures

- All Taiwan plants and Coretronic Optics (Suzhou) are equipped with water recycling systems, primarily collecting surface water, air-conditioning condensate, and rainwater for landscape irrigation and secondary domestic use. Coretronic Optotech (Suzhou) will also install a water recycling system in 2026. In addition, all plants have implemented various water-saving measures, including adjusting cycles of concentration in air conditioning, installing water-saving devices on faucets (such as aerators and motion-sensor taps), monitoring water usage in catering services, and reducing cleaning-related water consumption, in order to achieve water reduction targets.
- Since 2018, Coretronic has promoted various recycling and water-saving initiatives. As of 2025, the total volume of water saved and recycled reached 265,629 metric tons, resulting in a carbon reduction of 233 $tCO_2e$

## Water Conservation Performance

| Item / Year | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Water Saved (metric tons) | 27,956 | 30,297 | 26,929 | 27,214 |
| Water Recycled (metric tons) | 14,247 | 17,580 | 15,622 | 31,415 |
| Water Recycled and Saved (metric tons) | 42,203 | 47,877 | 42,551 | 58,629 |
| Carbon Reduction ($tCO_2e$)[1] | 197.1[2] | 7.9 | 6.9 | 9.4 |

1: The carbon emission per cubic meter of water used in Taiwan plants is calculated based on values published by the Taiwan Water Corporation; for China plants, it is based on the annual GHG inventory emission factor.
2: In 2022, the carbon emissions per metric ton of water at China plants reached 12.32 $kgCO_2e$, significantly higher than in other years, resulting in a substantial increase in carbon reduction.

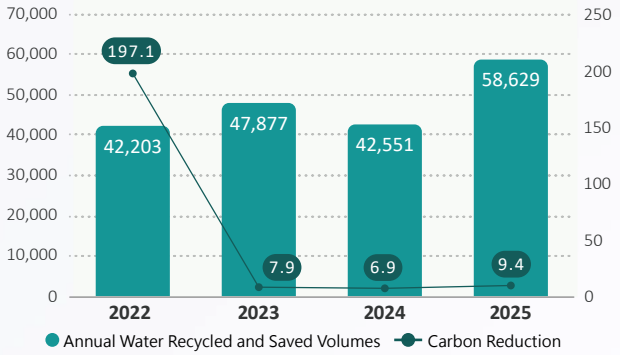
## Water Quality Management

The Company's wastewater primarily originates from domestic sewage generated by employees. In 2025, total wastewater discharge amounted to 0.28 million metric tons. All wastewater discharges complied with local regulatory requirements. The Company strictly treats wastewater in accordance with local regulations and conducts regular water quality testing to monitor wastewater discharge conditions and ensure that discharge quality complies with local regulatory standards. If any non-compliance is identified, corrective action plans will be immediately initiated to prevent impacts on natural water bodies and the ecological environment.

| Indicator / Plants | | Taiwan | | | | China | | |
|---|---|---|---|---|---|---|---|---|
| | | Headquarters | Chunan Plant | Tainan Plant 1 | Tainan Plant 2 | Coretronic Projection (Kunshan) and Optics (Kunshan)[1] | Coretronic Optotech (Suzhou) | Coretronic Optics (Suzhou) |
| Test Results | pH Value | 8.0 | 8.1 | 7.7 | 8.1 | 6.9 | 7.6 | 7.5 |
| | SS (mg/L) | <1.67 | 4.1 | 34.4 | 3.2 | 6 | 13 | 8 |
| | COD(mg/L) | 35.9 | 27.6 | 60 | 8.8 | 70 | 124 | 70 |
| | BOD(mg/L) | 2.4 | 5.5 | 40.4 | 1 | 33.7 | 26.4 | 39.6 |
| Regulatory Standards | pH Value | 5.0-9.0 | 5.0-9.0 | 5.0-10.0 | 5.0-10.0 | 6.0-9.0 | 6.5-9.5 | 6.5-9.5 |
| | SS (mg/L) | 300 | 300 | 250 | 250 | 400 | 400 | 400 |
| | COD(mg/L) | 500 | 500 | 450 | 450 | 500 | 500 | 500 |
| | BOD(mg/L) | 300 | 300 | 250 | 250 | 300 | 350 | 350 |

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

### Annual Water Recycled and Saved Performance Trand




## 2025 Water Resource Violation Case

**Region**: Taiwan

**Regulatory Provisions**: Article 18 of the "Water Pollution Control Act" and Article 4 of the "Regulations Governing Water Pollution Control Measures and Test Reporting"

**Penalty Amount**: NT$14,000

**Cause of Violation**: Coretronic's Chunan Plant implemented raft foundation water recycling and reuse by collecting surface water, air-conditioning condensate, and rainwater into the raft foundation pit and pumping the water for use in cooling towers. From May to August 2025, due to frequent rainfall, the cooling towers reached high liquid levels, triggering the automatic discharge mechanism. As a result, the cumulative daily wastewater discharge volume into the sewer system exceeded 95 CMD over multiple days, which was inconsistent with the registered content in the "Water Pollution Control Measures Plan" (maximum daily discharge volume of 95 CMD).

**Corrective Measures**: To prevent recurrence of similar incidents, the Company has completed equipment maintenance and retraining of operators, and implemented the following measures:
1.Submitted an application to the Science Park Bureau to increase the permitted sewer discharge volume from 95 CMD to 150 CMD.
2.Adjusted the raft foundation water discharge liquid level to reduce the amount of each automatic discharge.
3.Installed flow meters on the pipelines and conducts daily monitoring of flow conditions.

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# 4.1 Nature Risk Assessment and Response Strategies

## Taskforce on Nature-Related Financial Disclosures (TNFD)

Coretronic formally adopted the TNFD framework in 2025 and progressively introduced the LEAP (Locate, Evaluate, Assess, Prepare) assessment approach to systematically identify, assess, and manage nature-related dependencies, impacts, risks, and opportunities. The Company joined the TNFD Forum to stay informed of the latest international sustainability and nature-related financial disclosure trends. To ensure that biological habitats are not damaged and to reduce the consumption of natural resources, the Company has taken action from the source by comprehensively optimizing production processes and adopting recycled raw materials to reduce the ecological impacts of raw materials. Coretronic also actively collaborates with value chain partners to achieve biodiversity goals and progressively incorporates nature-related issues into operational decision-making in order to develop more comprehensive environmental conservation strategies.

In addition, to preserve biodiversity and eliminate deforestation activities, Coretronic established the "Biodiversity Conservation and No Gross Deforestation Commitment", which was personally signed and announced by the Chairman. By adopting the SBTN AR3T framework (Avoid, Reduce, Restore and Regenerate, and Transform), the Company actively implements ecological conservation actions to strengthen the resilience and adaptive capacity of natural systems, reduce the environmental impacts of operational activities, and commit to achieving No Net Loss and progressing toward a Net Positive Impact by 2050, while simultaneously achieving the No Deforestation target.

### LEAP Assessment Steps and Process

In accordance with the TNFD disclosure framework, the Company has adopted the LEAP methodology to conduct systematic and integrated disclosure of nature-related information. Considering that dependencies on and impacts to natural capital may vary depending on geographical location and business operation characteristics, related targets and strategies will be planned and adjusted according to different scenarios and conditions. The current scope of analysis primarily focuses on the Company's own operations. Going forward, the Company will continue strengthening the assessment and management of nature-related issues and progressively expand the assessment scope to include the value chain in order to enhance overall risk oversight and management effectiveness.

| LEAP Assessment Step | Locate → | Evaluate → | Assess → | Prepare |
|---|---|---|---|---|
| Description | Identify ecologically sensitive areas | Identify dependencies and impacts on nature | Assess nature-related risks and opportunities | Response and disclosure |
| Implementation Status | • Overlay biodiversity mapping data to identify high-risk ecosystems.<br>• Identify key areas with potential impacts on nature or high dependency on natural capital. | • Analyze the degree of operational dependency on natural capital and the potential positive and negative impacts generated.<br>• Conduct qualitative and quantitative assessments on key nature-related issues.<br>• Identify material nature-related impact items and establish prioritization sequences. | • Utilize the WWF Biodiversity Risk Filter (BRF) to conduct biodiversity-related physical and reputational risk assessments.<br>• Opportunity-related assessments are planned to be completed by 2028. | • Adopt the SBTN AR3T framework to formulate corresponding management measures, action plans, and strategies.<br>• Establish targets, indicators, and tracking mechanisms, and continuously review implementation performance.<br>• Publish the TCFD & TNFD Report. |

- **Locate (L)**

In accordance with the recommendations under the Locate (L) phase of the TNFD LEAP methodology, Coretronic prioritized the identification of whether its directly operated plants are located within ecologically sensitive areas. The assessment process utilized a Geographic Information System (GIS) and referenced protected area mapping data designated under Taiwan and international biodiversity-related regulations and conservation programs. The assessment scope covered Taiwan's legally protected areas, including national parks, nature reserves, wildlife reserves, major wildlife habitats, protected natural areas, national natural parks, and important wetlands, as well as non-statutory conservation areas such as conservation corridors within the National Ecological Green Network. The assessment also incorporated protected area data from the International Union for Conservation of Nature (IUCN), including Category Ia Strict Nature Reserves, Category Ib Wilderness Areas, Category II National Parks, Category III Natural Monuments, Category IV Habitat/Species Management Areas, Category V Protected Landscapes/Seascapes, and Category VI Protected Areas with Sustainable Use of Natural Resources, to evaluate the environmental impacts of the Company's operational sites in Taiwan and China and areas within a two-kilometer radius surrounding those sites.

The analysis results indicated that none of the Taiwan or China plants are located within overlapping statutory or internationally protected areas. However, Tainan Plant 1 and Tainan Plant 2 are located within conservation corridors of the National Ecological Green Network. In response, the Company will continue monitoring ecological environmental changes and developments in relevant conservation policies within the area, while appropriately assessing the potential impacts of operational activities on surrounding ecosystems and strengthening monitoring and management measures to reduce impacts on nature.

- **Evaluate (E)**

Following completion of the plant location analysis, the Company further utilized the Biodiversity Risk Filter (BRF) developed by the World Wildlife Fund (WWF) to conduct biodiversity-related physical and reputational risk assessments for the sites within the reporting boundary of this report. Based on the longitude and latitude coordinates, industry characteristics, and operational criticality of each operating site, the Company identified its dependencies and impacts on the natural environment. Assessments covered a total of 33 biodiversity-related physical and reputational risks across eight major categories, including "Provisioning Services", "Regulating and Supporting Services—Empowerment", "Regulating Services—Mitigation", "Cultural Services", "Biodiversity Pressures", "Environmental Factors", "Socioeconomic Factors", and "Other Reputational Factors". The overall analysis results indicated that the Company's biodiversity-related issues included one very high-risk item, three high-risk items, and the remainder categorized as medium or low risk. Among these, the "Pollution" indicator was assessed as a "Very High Risk", primarily due to the assessment tool that determines risk levels using a composite index methodology. Considering that the Company's operations are located within science parks and that comprehensive emission control mechanisms have already been established, all operations comply with applicable regulatory requirements, and risk management measures have been effectively implemented through environmental management practices.

| No. | Risk Indicator | Risk Severity | Risk Categories |
|---|---|---|---|
| 1 | Pollution | Very High | Physical Risk: Pressure on Biodiversity |
| 2 | Tropical Cyclones | High | Physical Risk: Regulating Services–Mitigation |
| 3 | Extreme Heat | High | Physical Risk: Regulating Services–Mitigation |
| 4 | Labor / Human Rights | High | Reputational Risk: Socioeconomic Factors |

- **Prepare (P)**

To respond to the identified nature-related dependencies, risks, and impacts, the Company follows the SBTN AR3T framework (Avoid, Reduce, Restore and Regenerate, Transform) as the core principle for managing nature-related issues. Based on this framework, the Company plans internal resource allocation and action strategies, systematically evaluates the effectiveness and feasibility of various action plans, and regularly tracks targets and management performance to reduce the impacts of operational activities on the natural environment and enhance the Company's natural resilience.

| AR3T Framework | Nature-Related Issue | Action Strategies |
|---|---|---|
| Avoid | Pollution | • None of the plants fall under regulated entities for air pollution control regulations; however, the management practices exceed regulatory requirements. In addition to proactively monitoring pollution source emission status, the Company established quantitative VOC (volatile organic compounds) management targets in 2025 for continuous tracking and monitoring.<br>• Wastewater is treated strictly in accordance with local regulations, and water quality testing is conducted regularly to monitor wastewater discharge conditions. All wastewater discharges in 2025 complied with local regulatory requirements.<br>• The Company regularly procures organic agricultural products from local small-scale farmers to support pesticide-free diets and mitigate soil and water pollution caused by nitrogen fertilizers and pesticides.<br>• Sponsored NT$470,000 to purchase 2,000 bottles of straw-decomposing bacteria for farmers in Hsinchu County, enabling them to replace straw burning with straw decomposition methods, effectively improving air pollution issues and reducing carbon emissions by 2,383 $tCO_2e$. |
| Reduce | GHG | • Increased the proportion of renewable energy usage, with renewable energy accounting for 16% of annual electricity consumption in 2025.<br>• Implemented 19 energy-saving measures, reducing electricity consumption by 1,123 MWh and reducing emissions by 565 $tCO_2e$. |
| | Water Consumption | • Implemented multiple water-saving measures to reduce water consumption. In 2025, water consumption decreased significantly by 39% compared to the base year (2021). |
| | Waste | • Established targets for reducing waste generation intensity and improving recycling rates, while implementing multiple circular economy initiatives and hazardous waste reduction measures. In 2025, waste generation intensity decreased significantly by 56% compared to the base year (2021), while the waste recycling rate reached 65%.<br>• All employees signed the "Plastic Reduction Commitment" to strengthen awareness of plastic reduction. |
| Avoid<br>Reduce | Biodiversity | • Adopted 0.19 hectares of forest land in the Daan River area under the Forestry and Nature Conservation Agency to support afforestation and forest maintenance efforts, planting a total of 363 Taiwan Zelkova saplings.<br>• Collaborated with customer AUO and the NPO, Society of Wilderness to organize two "Removing Vines to Protect Forests" activities. By removing 69 kg of the invasive species Mile-a-minute Weed, the Company helped restore native vegetation growth space and protect local ecological habitats and biodiversity.<br>• China plants established bird nesting areas within the plants to improve bird habitats and promote biodiversity.<br>• Wujiang plants released 2,000 native grass carp fry into Lake Tai. Grass carp help control aquatic vegetation growth, maintain aquatic ecological balance, and improve aquatic ecosystems. |
| Transform | Biodiversity | • Conducted biodiversity-related environmental education videos and ecological conservation activities to raise biodiversity awareness among all employees. In 2025, a total attendance of 8,806 was recorded, with eco-friendly activities and cumulative environmental education training hours reaching 5,801 hours. |

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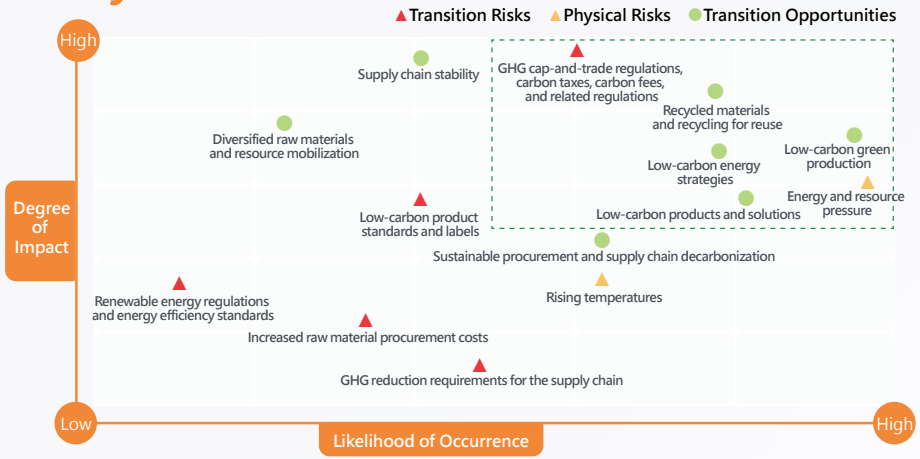
## Nature and Climate Management



# 4.2 Climate Risk and Opportunity Identification

In response to global climate regulations and net-zero trends, Coretronic has actively aligned with international initiatives by adopting the TCFD framework since 2021 to conduct climate-related risk and opportunity identification as well as potential financial impact analysis. At the same time, the Company established a biennial identification mechanism to dynamically adjust response strategies, optimize financial impact analysis, and integrate climate resilience into corporate operational decision-making.

In 2025, based on international climate change trends and stakeholder concerns, the Company identified various climate-related risks and opportunities, including transition risks (policy and regulatory risks, technology risks, market risks, and reputational risks), physical risks (acute risks and chronic risks), and opportunities, in order to establish a climate risk and opportunity inventory. Ultimately, a total of five transition risks, two physical risks, and seven opportunities were identified. For each identified risk and opportunity, quantitative assessments were conducted regarding type of potential impact, impact intensity, and likelihood of occurrence. Risks and opportunities were then classified and prioritized according to the assessment results, and corresponding response strategies were formulated to reduce negative impacts, strengthen organizational climate resilience, and create future business opportunities.




**Focusing**

- List the potential climate change risks and opportunities for the company
- Filter and determine the risks and opportunities for corporate focus

**Identification**

- Identify the scope of risk and opportunities
- Identify, assess, and prioritize the significance and impact of the focused risks and opportunities

**Analysis and Outcomes**

- Develop the "Climate Change Risk and Opportunity Matrix" based on the impact and likelihood of the identified risks and opportunities
- Analyze and assess the potential financial impacts of the focused risks and opportunities

- **Phase I—Focusing**

  In 2025, the TCFD Risk and Opportunity Identification Survey was distributed to all 218 members of the TCFD Team. Based on the Company's operations and future prospects, team members identified 10 risks and 10 opportunities with the potential to impact Company's operations from a list of 19 climate-related risks and 15 opportunities. A total of 207 surveys were recovered, representing a 95% response rate. The assessment ultimately focused on 5 transition risks, 2 physical risks, and 7 opportunities.

- **Phase II—Identification**

  The surveys' results from Phase I were distributed to 44 executives at the department head level and above, as well as seed members of the TCFD Team to identify the materiality and potential impact of the identified climate risks and opportunities. A total of 44 surveys were recovered, achieving a 100% response rate.

- **Phase III—Analysis and Outcomes**

  The results of Phase II server were analyzed to develop the final Climate Change Risk and Opportunity Matrix. Consequently, a potential financial impact assessment was executed on the identified 5 transition risks, 2 physical risks, and 7 opportunities.

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# 4.3 Climate Risk Response Strategies



**Potential Financial Impact Analysis and Response Strategies of Climate-Related Risks and Opportunities**

| Category | Aspect | Risk / Opportunities | Potential Financial Impact | | | Operating Costs |
|---|---|---|---|---|---|---|
| | | | Operating Costs | Capital Expenditures | Operating Revenue | |
| Transition Risks / Opportunities | Policy and Regulation | Risk: GHG cap-and-trade regulations, carbon taxes, carbon fees, and related regulations | Increase | Increase | | • Formulate the carbon reduction roadmap and reduction plans based on the science-based reduction targets approved by the Science Based Targets initiative (SBTi) to progressively reduce greenhouse gas emissions.<br>• The Board of Directors reviews greenhouse gas inventory implementation status quarterly and reviews the Company's environmental indicators and carbon reduction progress annually to strengthen climate governance.<br>• Establish a carbon management platform to promote systematic carbon information management.<br>• Introduce internal carbon pricing as a reference for carbon reduction decision-making. |
| | Policy and Regulation | Risk: Renewable energy regulations and energy efficiency standards | Increase | Increase | | • Install solar power generation systems and increase renewable energy usage through green electricity wheeling and renewable energy certificates.<br>• Implement ISO 50001 Energy Management System and carry out energy-saving equipment replacement projects and various energy-saving measures to improve energy efficiency. |
| | Energy Sources | Opportunities: Low-carbon energy strategies | Decrease | | | |
| | Resource Efficiency | Opportunities: Low-carbon green production | Decrease | | Increase | • Integrate low-carbon concepts into product design and process development while continuously investing in energy-saving product R&D and design.<br>• Establish green product development strategies and a product carbon footprint inventory platform to reduce product environmental impacts through technological innovation, material substitution, and performance optimization.<br>• Conduct independent product carbon footprint inventories and formulate and implement carbon reduction measures targeting carbon emission hotspots. |
| | Products and Services | Opportunities: Low-carbon products and solutions | | | Increase | |
| | Policy and Regulation | Risk: Low-carbon product standards and labels | Increase | Increase | Decrease | |
| | Technology | Risk: GHG reduction requirements for the supply chain | Increase | | Decrease | • Identify supplier sustainability risks and conduct graded management through the "ESG Risk Assessment System" to formulate corresponding guidance and improvement measures.<br>• Require suppliers to sign and comply with the "Supplier / Contractor Sustainability Commitment Statement", complete RBA self-assessment questionnaires, and undergo RBA on-site audits to ensure supply chain stability. |
| | Market | Opportunities: Sustainable procurement and supply chain decarbonization | Increase | | | |
| | Resource Efficiency | Opportunities: Sustainable procurement and supply chain decarbonization | Decrease | | | |
| | Market | Risk: Increased raw material procurement costs | Increase | | Decrease | • Assess raw material procurement risks to reduce dependence on single raw materials or suppliers, while promoting diversified raw material and alternative material applications to enhance resource flexibility.<br>• Establish targets for recycled materials and environmentally friendly packaging usage ratios and continuously increase usage ratios to strengthen resource circulation and environmental benefits. |
| | Resilience | Opportunities: Diversified raw materials and resource substitution | Decrease | | | |
| | Resource Efficiency | Opportunities: Recycled materials and recycling for reuse | Decrease | | | |
| Physical Risks | Acute | Risk: Energy and resource pressure | Increase | Increase | Decrease | • Continuously improve energy efficiency and implement various energy-saving measures to reduce energy intensity.<br>• Install solar power generation systems and improve energy supply flexibility and stability through green electricity wheeling and renewable energy certificates. |
| | Chronic | Risk: Rising temperatures | Increase | Increase | | • Introduce climate scenario analysis to assess the impacts of rising temperatures on operations and adopt energy-saving cooling measures, equipment upgrades, and process optimization to enhance climate resilience. |

## Financial Impacts of Climate-Related Risks and Opportunities

The Company conducted financial impact assessments for key climate issues identified with high impact severity and high likelihood of occurrence, including transition risk—GHG cap-and-trade regulations, carbon taxes, carbon fees, and related regulations, physical risk—energy and resource pressure, and opportunities—low-carbon energy strategies, low-carbon green production, low-carbon products and solutions, and recycled materials and recycling for reuse.

| Category | Risks / Opportunities | Scenario | Financial Impact Type | Financial Impact |
|---|---|---|---|---|
| Transition Risks | Greenhouse gas cap-and-trade regulations, carbon taxes, carbon fees, and related regulations | • Based on the SSP1-1.9 scenario and Nationally Determined Contributions (NDCs), the Company analyzed climate change regulatory and initiative trends, requiring increased renewable energy procurement.<br>• In line with the SBT roadmap toward achieving the 1.5°C target under the "Paris Agreement", increased investment in solar power systems as well as greater procurement of renewable energy and certificates are required. | Operating Costs ↑<br>Capital Expenditures ↑ | • Future carbon taxes and carbon credits may result in additional compliance costs and place pressure on operating costs. The estimated financial impact is approximately NT$42,042,000, accounting for approximately 0.1% of revenue.<br>• Through continuous improvement in equipment energy efficiency, installation of solar power generation systems, and implementation of green production initiatives to reduce greenhouse gas emissions, the Company can effectively mitigate the potential impacts of carbon taxes or carbon credits while maintaining alignment with the net-zero roadmap. The estimated financial impact is approximately NT$62,440,000, accounting for approximately 0.15% of revenue. |
| Physical Risks | Energy and resource pressure | Climate change is increasing the frequency and intensity of extreme weather events, creating potential pressure on water resources and electricity supply stability. Financial impacts were assessed based on rainfall changes under the RCP 8.5 scenario and trends in electricity consumption structure changes. | Operating Costs ↑<br>Capital Expenditures ↑<br>Operating Revenue ↓ | • Climate change may alter rainfall patterns and cause regional water shortages, increasing water procurement costs and affecting operations. If floods or droughts lead to operational disruptions, the estimated financial impact is approximately NT$77,034,000, accounting for approximately 0.18% of revenue.<br>• Climate change leads to a surge in electricity demand, affecting regional electricity supply stability and electricity costs. Power outages or electricity rationing could also disrupt operations. The estimated financial impact is approximately NT$357,844,000, accounting for approximately 0.83% of revenue. |
| Opportunities | Low-carbon green production | Promoting low-carbon green production helps improve energy and resource efficiency, reduce waste generation, optimize production efficiency, and strengthen the competitiveness of the Company's low-carbon products. | Operating Costs ↓<br>Operating Revenue ↑ | Based on the Company's operational structure over the past three years, optimizing production processes to improve production efficiency can reduce manufacturing- and energy-related operating costs, improve cost structures, and lower decarbonization costs, thereby creating positive impacts on overall operational performance. The estimated financial impact is approximately NT $708,075,000, accounting for approximately 1.64% of revenue. |
| | Low-carbon products and solutions | As demand for low-carbon, energy-saving, and carbon reduction solutions increases, low-carbon products are gradually becoming a market differentiator. Introducing low-carbon manufacturing processes and technologies creates expansion opportunities, although related R&D and equipment investment costs also increase simultaneously. | Operating Revenue ↑ | In reference to low-carbon product market development trends and industry experience, low-carbon products have greater potential for gross margin improvement than conventional products. Under conservative assumptions, introducing low-carbon products can optimize gross margin structures. Based on the Company's existing gross margin structure and increased market demand, this is expected to positively impact overall operational performance[1]. |
| | Low-carbon energy strategies | Changes in electricity and water resource costs have significant impacts on operational cost structures. Through low-carbon energy deployment and improvements in electricity and water efficiency, the Company can reduce sensitivity to price fluctuations and supply changes associated with energy and water resources. | Operating Costs ↓ | Promoting low-carbon green production together with energy and water-saving measures can reduce energy and water resource costs. Under conservative assumptions, improvements in electricity and water efficiency can reduce related costs, optimize operational cost structures, and positively impact overall operational performance. The estimated financial impact is approximately NT$1,722,182,000, with energy cost savings accounting for approximately 4% of revenue. |
| | Recycled materials and recycling for reuse | Through R&D and optimization of product design, the Company can improve recyclability and introduce recycled materials to reduce dependence on virgin raw materials while mitigating supply chain disruption and price fluctuation risks. This also effectively reduces product carbon footprints and satisfies customer demand for green products. | Operating Costs ↓ | Introducing recycled materials and implementing recycling and reuse may initially incur technology R&D and equipment upgrade costs. However, in the medium and long term, these measures can significantly reduce virgin raw material procurement costs and outsourced waste disposal expenses. Based on the Company's operational structure, gradually increasing recycled material usage rates and waste recycling rates can optimize overall production cost structures while offsetting part of the financial risks arising from carbon pricing or rising raw material costs through resource circulation, thereby creating positive impacts on overall profitability performance[1]. |

1: Revenue and cost items involve financial forecast information; therefore, the financial impact assessment results are not disclosed.
2: Financial impact assessments were calculated based on 2024 consolidated revenue.

## Transition Risk Response—"Regulations on Greenhouse Gas Cap-and-Trade, Carbon Taxes, and Carbon Fees"

- **Establishing Science-Based Targets (SBTs) for Carbon Reduction**

  ✓ Coretronic sets its carbon reduction targets and methodologies based on the SBTi 1.5°C scenario. The company submitted its science-based carbon reduction targets to the Science Based Targets initiative (SBTi) for review in 2023, committing to "Reduce absolute scope 1 and 2 GHG emissions 50.4% by 2032 from a 2021 base year, and reduce absolute scope 3 GHG emissions 30% within the same timeframe." This commitment was successfully approved by the SBTi in April 2024.

- **Greenhouse Gas Review and Control**

  ✓ Coretronic conducts annual greenhouse gas inventory in accordance with ISO 14064-1 to oversight emissions and verify the effectiveness of its reduction efforts. Although Coretronic is not currently subject to mandatory regulatory inventory and reporting requirements, the company has established phased reduction targets and continues to drive improvements through annual reviews to proactively respond to domestic and international regulatory trends. By inventorying energy consumption, improving equipment efficiency, strengthening energy management, and installing renewable energy equipment, Coretronic maximizes energy efficiency as it advances toward its low-carbon goals.

  ✓ The Board of Directors reviews the company's greenhouse gas inventory performance quarterly, including the inventory progress and emission data of each plant and subsidiary, serving as a critical foundation for greenhouse gas management and reduction strategy adjustments. Furthermore, the Chief Financial Officer (CFO)—serving as the ESG Committee member and executive representative reports annually to the Board on sustainability project outcomes, TCFD, TNFD, various environmental indicators, SBT carbon reduction targets and roadmap, renewable energy strategies, and future sustainable development directions. This framework strengthens executive oversight of sustainability issues and ensures continuous attention and management.

- **Carbon Management Platform**

  ✓ Product Carbon Footprint Inventory Platform: Based on the inventory results of the EX1 laser projector platform, the Company 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. In 2025, the Company completed the establishment of the "Manufacturing Stage Database" and selected existing mass-production models for system pilot operation and data verification. The product carbon footprint platform is expected to be officially launched in 2026.

  ✓ Organizational Carbon Inventory Platform: formulated and developed the organizational carbon inventory platform to oversight inventory progress and carbon emission information across all plants and subsidiaries, serving as a critical foundation for formulating carbon reduction strategies. The platform construction was completed in 2025 and is scheduled for official launch and activation in 2026. The scope of application will be progressively expanded to encompass overseas plants and subsidiaries.

- **Internal Carbon Pricing**

  ✓ Based on the results of risk scenario analyses conducted at each plant, the Company converts potential carbon emissions into potential decarbonization costs to promote internal carbon pricing. Carbon prices are dynamically adjusted every three years according to accounting profit and loss performance to reflect the actual economic costs required for operational units to implement carbon reduction measures. This mechanism enables the Company to respond to the latest decarbonization technologies and regulatory trends, while raising internal awareness of the operational impacts of climate change and driving more proactive carbon reduction initiatives.

  ✓ Although the Company's carbon emissions have not yet reached the carbon fee levy threshold established by the Ministry of Environment, the Company introduced an internal carbon pricing mechanism in 2021 as a core climate governance decision-making tool in response to operational risks arising from climate change and to fulfill its SBT 1.5°C carbon reduction roadmap and net zero commitment.

  ✓ The Company's internal carbon pricing mechanism adopts the "decarbonization investment cost approach", whereby the actual costs invested to achieve carbon reduction targets are internalized. The pricing basis is calculated by dividing the annual amortized investment costs of renewable energy generation and energy-saving equipment at each plant by total greenhouse gas emissions (Scope 1 and Scope 2). Based on scientific calculations, an internal carbon price of NT$942 per $tCO_2e$ was established and applied as a shadow price to simulate the impacts of future carbon costs on corporate operations and investment decisions.

  ✓ Since 2022, the Company has applied internal carbon pricing to evaluate the investment benefits of ESCO energy-saving projects and solar power generation system installations, supporting more optimized internal resource allocation. This approach has driven upgrades to energy-efficient equipment and increased the use of renewable energy. In 2025, a total of 19 energy-saving projects were implemented, reducing electricity consumption by 1,123 MWh. Greenhouse gas emissions (Scope 1 and Scope 2) at Taiwan and China plants decreased by 45% compared to the base year (2021), substantially exceeding short-term targets and demonstrating the outstanding effectiveness of carbon pricing-assisted decision-making.

  ✓ Looking ahead, Coretronic will dynamically adjust its carbon price and scenario analyses in response to international trends, regulatory policies, market developments, and internal emissions performance. This will help optimize carbon reduction strategies, enhance sensitivity to climate risks, and promote more forward-looking carbon reduction actions to achieve both carbon reduction goals and operational success.

## Physical Risk Response—"Energy and Resource Pressure"

### Energy Management System

- ✓ Implemented an energy-saving project for chillers of air conditioning systems to improve the energy efficiency of HVAC operations.
- ✓ Installed solar power generation systems to increase the share of renewable energy in total electricity use.
- ✓ Proposed and implemented various electricity-saving measures annually, upgraded lighting and equipment, and optimized operational processes.
- ✓ To improve the Company's energy-saving efficiency, the Company continuously implemented ISO 50001 and arranged ISO 50001 internal audits and energy-saving related training courses for employees and contractors. A total attendance of 1,188 was recorded for training completion, with total training hours reaching 1,965 hours. Taiwan plants, Wujiang plants, and Coretronic Projection (Kunshan) all passed certification.
- ✓ Through its management system, the Chunan plant improved energy efficiency, selected eco-friendly and recyclable materials, and established an indoor air quality monitoring system to enhance indoor air quality. As a result, it received LEED Gold Certification (LEED v4.1 for Operation and Maintenance) from the U.S. Green Building Council (USGBC), becoming Coretronic's first plant to obtain an international green building certification.

### Energy-Saving Measures

- ✓ Since 2015, the Company has actively promoted energy management. In addition to setting clear energy-saving targets and management strategies, the Company has implemented energy-saving initiatives across three key areas: air conditioning systems, electrical lighting, and other electricity usage. These measures include improving energy efficiency, using outdoor solar-powered streetlights, controlling weekend and nighttime HVAC schedules on production lines, optimizing variable-frequency air conditioning, replacing all lighting with LED fixtures and installing variable-frequency air compressors, implementing automatic temperature control systems, and replacing transformers. In 2025, the Company implemented 19 energy-saving measures, reducing electricity consumption by 1,123 MWh and reducing carbon emissions by 565 $tCO_2e$.
- ✓ From 2015 to 2025, Coretronic implemented 408 energy-saving projects across Taiwan and China plants, reducing electricity consumption by 33,056 MWh and cutting carbon emissions by 19,000 $tCO_2e$, equivalent to the annual carbon absorption of 49 Daan Parks.
- ✓ The Company's electricity intensity in 2025 was 0.94, representing a 15% increase compared to 2024 but a 3% decrease compared to the base year (2021). Total electricity consumption was 50,610 MWh, representing an 8% increase compared to 2024 but a 22% decrease compared to the base year (2021), mainly due to the addition of new production lines at Coretronic Optics (Suzhou), which require 24-hour production operations. Going forward, the Company will continue strengthening energy management efforts, further improving energy efficiency, reducing carbon emissions, and advancing toward its net-zero target.

### Renewable Energy

- ✓ Tainan Plant 2 Phase II project completed the installation of a solar power system with an installed capacity of 460.35 kW, which will commence electricity generation in 2026.
- ✓ Through a combination of self-generated solar power, green electricity purchased via renewable energy wheeling, and renewable energy certificates, total renewable energy usage reached 8,140 MWh, achieving a carbon reduction of 4,248 $tCO_2e$. Renewable energy accounted for 16% of total annual electricity consumption.

## Opportunity Response— "Low-Carbon Green Production, Low-Carbon Products & Solutions, Low-Carbon Energy Strategy, and Recycled Materials & Circular Reuse"

With the "Green Product Design Guidelines" as its core principle, Coretronic actively collaborates with customers to implement carbon reduction management throughout the entire product life cycle. Through measures such as selecting low-carbon and recycled raw materials, optimizing manufacturing process energy efficiency, improving product usage efficiency, adopting environmentally friendly packaging materials and sustainable aviation fuels (SAF), the Company systematically reduces product carbon footprints at every stage. In addition, recyclable and easy-to-disassemble designs are incorporated to extend product life cycles and comply with the EU Waste Electrical and Electronic Equipment (WEEE) Directive recycling requirements and Extended Producer Responsibility (EPR) obligations. Furthermore, the Company has established a sustainable supply chain by requiring suppliers to comply with environmental standards and jointly reduce the environmental impacts of products. These diversified green product strategies not only satisfy market and customer demands, but also effectively reduce the carbon footprint of the Company's products. Looking ahead, the Company aims to transform technological innovation into tangible competitive advantages and continuously develop innovative solutions that deliver both economic value and environmental benefits.


▲ **Green Product Design Guidelines**

## Raw Material Selection

To align with international sustainability trends and customer requirements, and to effectively reduce Scope 3 GHG emissions in order to achieve the goals of "increasing the use of recycled raw materials", "reducing absolute Scope 3 greenhouse gas emissions by 30% by 2032", and "achieving net zero by 2050", the Company established the Sustainable Raw Material Policy following discussions by the Green Projector Development Team and the Green Product R&D Team. The policy was signed by the Chairman and publicly disclosed on the Company's official website.

- In support of reducing raw material consumption and promoting a circular economy, since 2022, the Company has used 50% post-consumer recycled (PCR) plastic for product casings. In 2025, the number of PCR-integrated models for mainstream and commercial projectors continued to increase, with PCR-equipped units accounting for 13% of the total annual shipments in these two categories, meeting the short-term target.
- The projector models utilizing PCR consumed a total of 86.97 metric tons of plastic, of which 28.78 metric tons were PCR, representing 33% of the total plastic used.

NEW The optical engines, thermal modules, and supporting metal plates of mainstream projectors adopted recycled metals (aluminum, steel, and magnesium). Shipments of models using recycled metals accounted for 100% of the annual shipment volume of mainstream projectors, achieving the short-term target.

NEW Projector models using recycled metals (aluminum, steel, and magnesium) consumed a total of 404 metric tons of metal materials, of which 165 metric tons were recycled metals, accounting for 40.8% of total metal usage.

- In collaboration with customers, recycled aluminum materials were added to the back covers of newly developed laptop models. The proportion of models using recycled aluminum has been gradually increased, and in 2025, 3.3% of newly developed laptop models incorporated recycled aluminum, achieving the short-term target.
- The newly developed laptop models that used recycled aluminum consumed a total of 70.53 metric tons of aluminum, including 0.22 metric tons of recycled aluminum, accounting for 0.31% of the total aluminum used.

NEW Coretronic Optics (Suzhou) changed the bonding technology for its 10.9-inch and 12.3-inch automotive models from full-lamination technology to adhesive frame bonding technology, thereby enabling the use of low-carbon materials. In 2025, a total of 121,555 automotive touch displays were produced, reducing carbon emissions by 2.2 $tCO_2e$.

| Material | Recycled Material Usage (metric tons) | Total Usage (metric tons) | Percentage of Recycled Material Usage (%) |
|---|---|---|---|
| Plastic | 28.78 | 86.97 | 33% |
| Aluminum | 156.67 | 249.71 | 62.7% |
| Steel | 2.14 | 131.99 | 1.6% |
| Magnesium | 6.48 | 78.72 | 8.2% |

▲ **Recycled Material Usage Status in 2025**

## Manufacturing

- Coretronic Optics (Suzhou) continued adopting a cold bending process to replace the traditional hot bending process. By applying cold bending to 12.3-inch automotive touch display materials, carbon emissions per unit area were reduced by 30%. In 2025, a total of 362,846 displays were produced, with a processed area of 195,439 square feet, resulting in a carbon reduction of 2,541 $tCO_2e$.
- Following local regulatory requirements under the "National Pollution Prevention and Control Technology Guidance Catalog (2024, Restricted and Eliminated Categories)", Coretronic Optotech (Suzhou) phased out the UV photolysis exhaust gas treatment process, saving 52,293 kWh of electricity and reducing 28 $tCO_2e$ of carbon emissions in 2025.
- The Chunan Plant adjusted production temperatures in the light guide plate manufacturing process. In 2025, total production operating time reached 3,262 hours, saving 817 kWh of electricity and reducing carbon emissions by 0.4 tCO2

## Product Use

- R&D Patents: Green concepts are integrated into the development of technologies, with the Company actively applying for R&D patents and designing green products to reduce carbon emissions during the product use stage. In 2025, proposals related to energy conservation and carbon reduction accounted for 64% of all proposals at Taiwan plants, representing a 6% increase compared to 2024.

- Projector and Visual Solutions

  - Continued optimization of the optical design of mainstream projectors has significantly enhanced overall product performance. Compared to 2024, energy efficiency improved by 9%, with an estimated annual electricity savings of 47,750 MWh, equivalent to a carbon reduction of 22,633 $tCO_2e$.
  - Solid-state light source (SSI) projectors are more energy-efficient than lamp-based projectors. The EX/EU laser projector series platform models consume 55% less energy than comparable lamp-based models.

NEW Laser projectors introduced the new UX platform, adopting high-efficiency laser light source modules and a new-generation optical engine. Compared with the previous EX platform, power-saving efficiency improved by 19%.

  - Power consumption in standard operation and standby modes complies with EU energy-saving standards.
  - Equipped with an automatic power-off safety feature (including automatic power-off for no signal source and sleep mode).
  - Reduced the need for post-processing designs (such as electroplating, painting, printing) depending on the product category.
  - Adopted environmentally friendly solid-state light sources (SSI) such as LED and laser, as well as other mercury-free materials, to introduce completely mercury-free projectors.
  - Compared to traditional lamp projectors, the lifespan of the light source in LED and laser projectors can be up to 5 times longer, eliminating the need for lamp replacement and reducing environmental impact.

- Backlight Module and Energy-Efficient Product Solutions

  - High-Efficiency Backlight Modules: Composite dot structures were introduced into light guide plates to optimize optical efficiency and visual performance, successfully replacing the use of traditional light-absorbing materials. In 2025, the energy-saving rate of newly developed LCD module products reached 5.6%
  - Low-Carbon Backlight Board Technology: The Tainan Plant 1 enhanced optical brightness technology, resulting in a 34% reduction in lighting power consumption. In 2025, 30,182 units were produced. Assuming 10 hours of daily use over 365 days, this led to an electricity saving of over 1,430 MWh and a carbon reduction of 679 $tCO_2e$.
  - Lightweight Backlight Board Design: Tainan Plant 1 modified composite material film thicknesses and structural designs to reduce the usage of optical films and back plates, achieving an average weight reduction of approximately 6%. In 2025, a total of 13,400 units were produced, reducing total weight by 1.3 metric tons and carbon emissions by 2.7 $tCO_2e$

## Packaging and Transportation

- Packaging and Transportation

  - Eco-friendly cushioning materials: For mainstream and smart projector shipments, paper pulp and folded paper eco-packaging materials are used as cushioning. These environmentally friendly materials were used in 95% of annual shipments for these two projector categories.
  - Use of recycled pulp cartons for shipments: Projectors are shipped in cartons made from FSC-certified or recycled pulp-based paperboard products, covering 99% of total projector shipments annually

NEW Coretronic Optics (Suzhou) implemented an automotive model packaging optimization project, adjusting packaging spacing for 11 product models. This effectively increased carton loading capacity and reduced the use of cushioning materials, resulting in a carbon reduction of 7.8 $tCO_2e$.

  - Reprocessing of discarded trays at Tainan Plant 1: Once trays have been reused multiple times and no longer meet quality standards, they are fully returned to the tray supplier for remanufacturing. This approach aims to achieve waste-to-resource conversion, replacement of natural resource extraction, complete material circulation, and zero waste. In 2025, 2,975 discarded trays were remanufactured, reducing 0.1 metric tons of waste and 0.2 $tCO_2e$ of carbon emissions.

- Low-Carbon Transportation

  - Optimized the overall volume design of mainstream laser projectors, reducing average dimensions by 35%. Based on the annual shipment volume transported in 20-foot containers, this resulted in a carbon reduction of 4.3 $tCO_2e$.
  - Sustainable aviation fuel adoption: For three consecutive years, DHL's "GoGreen Plus Sustainable Air Transport Solution" has been adopted, using sustainable aviation fuel (SAF) to reduce carbon emissions. In 2025, the total carbon emissions amounted to 51.59 $tCO_2e$, representing a reduction of 51.75 $tCO_2e$ compared to conventional air freight, which is equivalent to a 50.08% decrease in carbon emissions.

## End-of-Life Disposal

- Easy-to-Disassemble Design: In collaboration with customers, the Company continued implementing the D32 platform key component revitalization project, enhancing the quality of key components through core technologies and introducing easy-to-disassemble designs. Recovered components can be reintegrated into product manufacturing processes, achieving a reuse rate of 60% and complying with the requirements of the Waste Electrical and Electronic Equipment (WEEE) Directive and Extended Producer Responsibility (EPR).
- Source Reduction
  - Certain models of smart projectors prioritize the use of solar-powered remote controls, reducing the use of manganese dioxide dry batteries and achieving a carbon reduction of 1.3 $tCO_2e$. In addition, cable usage for individual components was reduced by 50%, effectively lowering raw material consumption and reducing environmental impacts.
  - Coretronic Optics (Suzhou) continued implementing the 14.9-inch automotive touch display module circuit optimization project, reducing the use of flexible flat cables (FFC) by 33%. In 2025, a total of 6,149 touch display modules were produced, reducing carbon emissions by 0.11 $tCO_2e$.

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## Indicators and Targets



# 5.1 Environmental Indicators: Targets and Performance

### Environmental Indicators

Base year：2021

| Indicator / Year | 2025 Target | 2025 Performance | Achievement Status | Short-Term Target (2026–2028) | Mid-Term Target (2029–2031) | Long-Term Target (2032–2034) |
|---|---|---|---|---|---|---|
| Absolute Reduction of Greenhouse Gas Emissions (Scope 1 and 2) | 18.3% | 45% | ✓ | 32.1% | 45.8% | 59.6% |
| Absolute Reduction of Greenhouse Gas Emissions (Scope 3) | 10.9% | 88% | ✓ | 19.1% | 27.3% | 35.5% |
| Reduction of Electricity Intensity | 7% | 3% | × | 10% | 13% | 16% |
| Renewable Energy Consumption as a Percentage of Annual Electricity Consumption | 15% | 16% | ✓ | 21% | 27% | 33% |
| Waste Recycling Rate | 50% | 65% | ✓ | 50% | 53% | 55% |
| Hazardous Waste Recycling Rate | 50% | 57% | ✓ | 50% | 53% | 55% |
| Reduction Rate of Waste Generation Intensity | 5% | 56% | ✓ | 8% | 11% | 14% |
| Reduction in Water Consumption | 6% | 39% | ✓ | 9% | 10.5% | 12% |

### Green Product Indicators

| Indicator / Year | 2025 Target | 2025 Performance | Achievement Status | Short-Term Target (2026–2028) | Mid-Term Target (2029–2031) | Long-Term Target (2032–2034) |
|---|---|---|---|---|---|---|
| Product Carbon Footprint Inventory | • Complete the establishment of the product carbon footprint inventory platform<br>• Conduct independent carbon footprint inventories for specific products<br>• Obtain ISO 14067 certificates | • Complete the establishment of the product carbon footprint inventory platform<br>• Conduct independent carbon footprint inventories for specific products<br>• Obtain ISO 14067 certificates | ✓ | • Launch the platform<br>• Conduct carbon footprint inventories for new products | Conduct carbon footprint inventories for all products | Conduct carbon footprint inventories for all products |
| Shipment ratio of mainstream and commercial projectors using post-consumer recycled (PCR) plastic materials | 10% | 13% | ✓ | 15% | 30% | 40% |
| Shipment ratio of mainstream projectors using recycled metals | 70% | 100% | ✓ | 75% | 95% | 99% |
| Shipment ratio of mainstream and smart projectors using eco-friendly cushioning materials | 66% | 95% | ✓ | 74% | 75% | 76% |
| Shipment ratio of projectors using FSC-certified or recycled pulp cartons | 50% | 99% | ✓ | 75% | 92% | 93% |
| Power consumption reduction ratio of high-efficiency backlight modules | 5% | 5.6% | ✓ | 10% | 10% | 10% |
| Proportion of new developed laptop models introducing recycled aluminum materials | 3% | 3.3% | ✓ | 4% | 6% | 6% |

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## Indicators and Targets



# 5.2 Net-Zero Targets and Progress

- Coretronic announced its "Net Zero Commitment", joined the TNFD Forum, the Taiwan Climate Partnership and the Taiwan Alliance for Net Zero Emission, and actively supports and participates in key domestic and international initiatives such as TCFD, TNFD, CDP, and SBTi, demonstrating its strong commitment to environmental sustainability.
- In 2022, Coretronic submitted the commitment letter to the SBTi, setting targets based on the 1.5°C scenario. In 2023, the Company formally submitted science-based targets aligned with the 1.5°C scenario: "Reduce absolute Scope 1 and 2 GHG emissions 50.4% by 2032 from a 2021 base year, and reduce absolute Scope 3 GHG emissions 30% within the same timeframe". These targets were officially approved by SBTi in 2024, laying a solid foundation for the Company's long-term carbon reduction strategy.
- Coretronic has completed the CDP assessment questionnaire for seven consecutive years. In 2025, the Company achieved a Leadership level (A) in Climate Change and a Management level (B) in Water Security, both exceeding global and industry averages. Relevant management initiatives will continue to be promoted.
- In 2025, total absolute greenhouse gas emissions (Scope 1 and Scope 2) amounted to 26,286.1 $tCO_2e$, representing a **45% reduction** compared to the base year (2021). Total absolute greenhouse gas emissions (Scope 3) amounted to 437,395.5 $tCO_2e$, representing an **88% reduction** compared to the base year (2021). The absolute emission reduction performance significantly exceeded the expected SBT carbon reduction roadmap.

# 06 Future Outlook

In response to global net-zero goals, international sustainability trends, and the rapid evolution of nature-related risk management, Coretronic proactively drives climate- and nature-related governance. Guided by the TCFD and TNFD frameworks, the Company strengthens risk identification, scenario analysis, and management strategies to enhance its resilience to climate change and nature-related risks, remaining committed to responding to key issues such as global sustainability initiatives, climate policies, nature capital, biodiversity, and other emerging sustainability issues, while progressively refining its climate- and nature-related risk management mechanisms to support operational decision-making and risk assessments, thereby further enhancing its overall business resilience.

In terms of climate- and nature-related risk management, Coretronic references international frameworks such as the TNFD and SBTN to continuously enhance its management processes for nature dependencies, impacts, risks, and opportunities. Following its initial adoption of the TNFD framework in 2025, the Company has actively advanced environmental management measures including water resource management, waste reduction, circular economy, and pollution prevention to minimize the impacts of its operations. In addition, in accordance with the TCFD, the Company reassessed its climate-related risks and opportunities and introduced quantitative scenario simulation models for the first time. This allows Coretronic to translate potential climate-related risks and opportunities into measurable financial impacts. Through this monetized assessment, the Company is able to better understand the potential financial implications of these risks and opportunities, thereby strengthening the integration of financial resilience into its business strategies.

Regarding sustainability governance, Coretronic follows the SBT carbon decarbonization pathway, setting a target to “Reduce absolute scope 1 and 2 GHG emissions 50.4% by 2032 from a 2021 base year, and reduce absolute scope 3 GHG emissions 30% within the same timeframe.” To achieve this goal, the Company continues to implement energy conservation, carbon reduction, renewable energy adoption, and low-carbon transition measures to progressively lower its GHG emissions. Furthermore, Coretronic has responded to the CDP questionnaire for seven consecutive years, achieving an ‘A’ score ( Leadership Level ) in both the Climate Change Questionnaire and Supplier Engagement Rating ( SER ) for two consecutive years. Synchronously, the Company actively supports domestic and international climate initiatives, joining the Taiwan Climate Partnership ( TCP ) and the Taiwan Alliance for Net Zero Emission ( TANZE ) in 2022, and is honored with the “Gold-Level Net Zero Certification” in 2025, demonstrating robust achievements in corporate sustainability.

In terms of low-carbon operations, Coretronic leverages renewable energy as the core driving force toward achieving net-zero emissions. Since 2022, roof-mounted solar photovoltaic systems have been progressively installed and commissioned across the plants. Following the expansion of the Phase II solar power system at its Tainan II plant in 2025, which is slated to begin power generation in 2026, the Company is steadily increasing its renewable energy consumption. In addition to building solar power systems for self-consumption, Coretronic also increases the proportion of renewable energy usage through green electricity wheeling and purchasing Renewable Energy Certificates ( RECs ). In 2025, renewable energy consumption accounted for 16% of its total annual electricity usage. Furthermore, the Company utilizes energy management systems to audit energy efficiency across all plants and implement energy-saving improvement projects to reduce operational energy consumption and carbon emissions, while developing an organizational carbon management platform, which is scheduled to officially launch in 2026 and will gradually expand to its subsidiaries. Through this digitalized management approach, the Company aims to enhance the efficiency of carbon emission data collection and analysis, strengthen carbon emission trend monitoring and management capabilities, and establish a critical foundation for future carbon reduction strategies, target management, and climate risk assessments.

Regarding green products, Coretronic positions its "Sustainable Raw Materials Policy" and green product design guidelines at its core to formulate green product development strategies and has established clear short-, medium-, and long-term quantitative goals for each stage of the product life cycle. Within green design and manufacturing process optimization, Coretronic systematically reduces product carbon footprints by adopting low-carbon and recycled raw materials, optimizing process energy efficiency, enhancing product energy performance, adopting eco-friendly packaging, and utilizing low-carbon aviation fuels. Furthermore, the Company incorporates design-for-recycling and design-for-disassembly to extend product life cycles, thereby complying with the EU WEEE Directive and Extended Producer Responsibility ( EPR ) requirements. This progressively minimizes environmental impacts throughout the product life cycle while elevating organizational green product competitiveness and circular economy benefits.

In response to climate risks and natural resource challenges, Coretronic will continue to position green innovation and sustainable governance as key elements of its business strategy. The Company will further integrate sustainability strategies with operational management, steadily drive low-carbon transition, and expand renewable energy deployment and innovative carbon reduction solutions. At the same time, the Company will continue to enhance disclosure transparency, stakeholder engagement, and cross-departmental collaboration to strengthen its long-term corporate resilience and sustainable competitiveness.

# About this Report

Driven by the global wave of net-zero transition and increasingly stringent international climate regulations, climate change and net-zero emissions have become the core focus of sustainability in recent years. To better address stakeholders' concerns regarding potential climate-related risks and opportunities, the Company has published an annual *Climate-related Financial Disclosures ( TCFD ) Report* since 2023. Starting in 2025, to systematically assess the dependencies and impacts of Coretronic's business operations on the natural environment, the Company officially adopted the TNFD framework and LEAP approach. Consequently, in 2026, the Company released its first *Taskforce on Nature-related Financial Disclosures ( TNFD ) Report,* which integrates both nature and climate issues. Following the recommended disclosure frameworks for nature and climate, this report discloses its governance, strategy, risk management, as well as metrics and targets related to nature and climate.

The scope of data disclosure in this report includes Coretronic's Taiwan plants ( Headquarter, Zhunan Plant, Tainan Plant I, Tainan Plant II ) and China plants ( Kunshan plants: Coretronic Projection ( Kunshan ), Coretronic Optics ( Kunshan ); Wujiang plants: Coretronic Optotech ( Suzhou ), Coretronic Optics ( Suzhou )

The reporting period of this report spans from January 1 to December 31, 2025. Both Chinese and English versions are published in July 2026 on Coretronic's "Sustainable Development" website. For any inquiries or feedback concerning this report, please welcome to contact us via ESG@coretronic.com.

# TCFD Disclosure Index

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|---|---|---|---|
| Governance | The board' s oversight of climate-related risks and opportunities. | 2.1 Board of Directors | 05 |
| | Management's role in assessing and managing climate-related risks and opportunities. | 2.2 ESG Committee<br>2.3 Environmental Protection Committee<br>2.4 TNFD and TCFD teams | 07<br>09<br>09 |
| Strategy | The climate-related risks and opportunities the organization has identified over the short, medium, and long-term. | 4.2 Climate Risk and Opportunity Identification | 23 |
| | The impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. | 4.3 Climate Risk Response Strategies | 24 |
| | The resilience of the organization' s strategy, taking into consideration different climate-related scenarios, including a 2° C or lower scenario. | 4.3 Climate Risk Response Strategies | 25 |
| Risk Management | The organization's processes for identifying and assessing climate-related risks. | 4.2 Climate Risk and Opportunity Identification | 23 |
| | The organization's processes for managing climate-related risks. | 4.2 Climate Risk and Opportunity Identification | 23 |
| | How processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management. | Nature and Climate Management Overview<br>4.2 Climate Risk and Opportunity Identification | 03<br>23 |
| Metrics and Targets | The metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. | 1 Net-Zero Actions<br>5.2 Net-Zero Targets and Progress | 04<br>31 |
| | Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks. | 3.1 Greenhouse Gas Management | 10 |
| | The targets used by the organization to manage climate-related risks and opportunities and performance against targets. | 3 Nature and Climate Strategies<br>4.3 Climate Risk Response Strategies<br>5 Indicators and Targets | 10<br>24<br>30 |

# TNFD Disclosure Index

| Aspects | TNFD Recommended Disclosure | Corresponding Chapters of this Report | Page Number |
|---|---|---|---|
| Governance | Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities. | 2.1 Board of Directors | 05 |
| | Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities. | 2.2 ESG Committee<br>2.3 Environmental Protection Committee<br>2.4 TNFD and TCFD teams | 07<br>09<br>09 |
| | Describe the organization's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organization's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities. | N/A | N/A |
| Strategy | Describe the nature-related dependencies, impacts, risks and opportunities the organization has identified over the short, medium and long term. | 4.1 Nature Risk Assessment and Response Strategies | 22 |
| | Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organization's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place. | 4.1 Nature Risk Assessment and Response Strategies | 22 |
| | Describe the resilience of the organization's strategy to nature-related risks and opportunities, taking into consideration different scenarios. | N/A | N/A |
| | Disclose the locations of assets and/or activities in the organization's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations. | 4.1 Nature Risk Assessment and Response Strategies | 21 |
| Risk Management | Describe the organization's processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s). | 4.1 Nature Risk Assessment and Response Strategies | 21 |
| | Describe the organization's processes for monitoring nature-related dependencies, impacts, risks and opportunities. | 4.1 Nature Risk Assessment and Response Strategies | 21 |
| | Describe how processes for identifying, assessing, prioritizing and monitoring nature-related risks are integrated into and inform the organization's overall risk management processes. | Nature and Climate Management Overview<br>4.1 Nature Risk Assessment and Response Strategies | 03<br>21 |
| Metrics and Targets | Disclose the metrics used by the organization to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process. | 1 Net-Zero Actions<br>5 Indicators and Targets | 04<br>30 |
| | Disclose the metrics used by the organization to assess and manage dependencies and impacts on nature. | 4.1 Nature Risk Assessment and Response Strategies<br>5 Indicators and Targets | 21<br>30 |
| | Describe the targets and goals used by the organization to manage nature-related dependencies, impacts, risks and opportunities and its performance against these. | 3 Nature and Climate Strategies<br>4.1 Nature Risk Assessment and Response Strategies<br>5 Indicators and Targets | 10<br>21<br>30 |