

c sun志聖

2024 Sustainability Report



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Operator's Statement

To all internal and external partners who care about C SUN:C SUN began its journey 59 years ago by developing industrial ovens to meet the market demand for drying electroplated products. As time flies, we will soon celebrate our 60th anniversary on September 28, 2025. Our management philosophy, "All Win—Everyone Joyfully Wins," is centered around building long-term relationships with customers, shareholders, and internal and external partners alike. It is this philosophy that has shaped our corporate culture and enabled C SUN to thrive over the past six decades. As the company has grown stronger, corporate social responsibility has also become an inseparable part of our business DNA. Our senior executives have long devoted themselves to advancing the industry and environment by actively engaging in public affairs, even playing a key role in the founding of the Taiwan Printed Circuit Association (TPCA). In line with our strong commitment to giving back to society, we also established the PCB Public Welfare Foundation. With such a culture at our core, C SUN has been able to seamlessly integrate all aspects of ESG (Environmental, Social, and Governance)—not just to meet compliance requirements, but out of a genuine willingness to take part and contribute.

► Environmental Sustainability

In 2024, C SUN proactively advanced a series of environmental sustainability initiatives. Among them was a product carbon footprint inventory of our baking equipment in accordance with ISO 14067, aligned with our key customer's "mentor-mentee" project. We aim to obtain third-party verification certification by 2025, further demonstrating our commitment to sustainable product development. In response to global carbon reduction trends, we conducted greenhouse gas (GHG) inventories for both our parent company and subsidiaries based on the GHG Protocol standards. Moreover, we plan to apply for and achieve approval from the Science Based Targets initiative (SBTi) by 2025. C SUN obtained its ISO 14064-1 GHG verification certificate in May 2023. As a sustainability role model, we actively partnered with suppliers to participate in the "1+N Net-Zero Carbon Management Demonstration Team" under the Ministry of Economic Affairs' industrial transformation program. Collaborating with G2C+ Alliance partners, GPM (Gallant Precision Machining) and GMM (Gallant Micro Machining), we integrated each member's supplier networks to respond collectively to the 2050 net-zero emission target, embracing a spirit of co-creation. Our

"Legacy Line Revitalization" initiative has matured steadily, encompassing dimensions such as energy conservation and carbon reduction, smart connectivity, circular economy, and functional optimization. These efforts provide customers with comprehensive intelligent automation solutions that breathe new life into aging equipment, transforming them into productive assets on the manufacturing line while significantly reducing waste generated by equipment disposal.

► Social Contribution

For many years, C SUN has upheld the spirit of gratitude embodied in the philosophy: "Give back to society from which we benefit." Through the Sustainability Development Committee, we have consistently pursued the best interests of all stakeholders—employees, shareholders, customers, and suppliers—fulfilling our corporate citizenship responsibilities and striving for long-term sustainability. Internally, we actively supported cultural and artistic activities, promoted a volunteerism culture, and provided various channels and information to encourage all employees to participate in community service, nurturing a corporate culture rooted in gratitude and mutual support. In 2024, we continued our engagement with the ESG World Citizen Digital Governance Foundation, promoting the values of world citizenship under the spirit of "Shared Virtue Across All, Walking Together as Global Citizens." We also donated to the Dream Home Educational Foundation, supporting its mission to "give children the warmth of a true home and help them discover their dreams and life direction." In addition, in line with our memorandum of support for Zhongping Elementary School's Character Baseball Team, we not only fulfilled our sponsorship commitments but also provided an additional team transport vehicle, enabling the students to travel to competitions and pursue their athletic dreams.

We further deepened collaborations with leading universities in Taiwan—including National Taiwan University, National Chung Hsing University, Feng Chia University, and Ming Chi University of Technology—across four key pillars: industry-academic collaboration, research partnerships, scholarships, and campus lecture tours. In recent years, we also co-developed an innovative sustainability model with the DIT Robotics Club at National Tsing Hua University, jointly organizing the “G2C+ Alliance x NTHU Robotics Dream Summer Camp.” While supporting the club’s participation in international robotics competitions in Europe, the program also offered C SUN employees’ children the opportunity to engage in scientific learning camps, thereby amplifying educational impact across generations. C SUN also proudly supported local cultural development. In 2024, we partnered boldly with Yao-Yen Theatre Company in a groundbreaking collaboration. Their original production, “The Preaching Sisters,” received an invitation from KD Productions in New York to perform on Broadway. C SUN provided substantial sponsorship to empower this cultural export, aiming to express “What is Taiwan” through the universal medium of musical theatre. This initiative not only broke geographic and cultural boundaries, but also brought international recognition and resources to a local performing arts group—amplifying Taiwan’s cultural voice on the global stage.

► Corporate Governance

C SUN has long adhered to the principles of operational transparency and collective decision-making. Our Board of Directors is composed of seasoned members from both industry and academia, bringing diverse expertise and strong governance capabilities. To further strengthen oversight, we established both an Audit Committee and a Compensation Committee, ensuring that the company’s operations remain compliant, financial disclosures are accurate and transparent, and strategic direction is properly aligned. We have also implemented robust internal rules and regularly maintain policies on intellectual property rights and information security risk management, laying a solid foundation for sound corporate governance. In response to changing macroeconomic conditions, C SUN actively pursued transformation initiatives, enabling the company to maintain stable profitability despite market fluctuations. Meanwhile, our continuous dedication to advancing core technologies was recognized at the end of 2024, when we were

honored with TSMC’s Outstanding Improvement Award. Through these efforts, we have consistently upheld accountability to investors, achieving reliable annual dividend distributions. Placing people at the center is one of our most important management principles. To support the physical and mental well-being of our employees, in 2024 we continued to promote the fitness certification program “Healthy Living in Action.” This initiative included three major activities—“Reducing Body Fat,” “Healthy Walk Forward,” and “Run for Health.” The company not only subsidized participation but also provided generous rewards, along with a new Health Certification Award to encourage the formation of lasting exercise habits. We also placed strong emphasis on employees’ families, offering childbirth subsidies that exceeded statutory requirements, thereby providing meaningful support during key life stages. With the All Win spirit as our guiding philosophy, all members of C SUN continue to move forward hand in hand with internal and external partners, advancing steadfastly on the path toward sustainable ESG management.



C Sun Manufacturing, Ltd.
Chairman and CEO Morrison Liang

About this report

Preparation Principles GRI 2-2, 2-3, 2-5

This report is issued by C Sun Manufacturing, Ltd. (hereinafter referred to as C Sun, the Company or we) and is mainly based on GRI Standards 2021 published by the Global Reporting Initiative (GRI) in 2021, "Operational Regulations for the Preparation and Filing of Sustainability Reports by Listed Companies" and "Climate-related Information of OTC-listed Companies", and refer to the "Task Force on Climate related Financial Disclosures (TCFD)" to disclose sustainability-related actions.

Report Boundaries and Scope of Information

The scope of the information disclosed in this report is inconsistent with the consolidated financial report, and the scope of the report only covers the operations and production bases of the Linkou headquarters, Taipei Factory and Taichung Factory. The information and statistics disclosed in this report are based on C Sun's own investigation and statistics, except for the annual financial data, which are quoted from the individual financial reports ((in NT\$1,000) verified by PwC United Accounting Firm. The relevant statistical data are based on international indicators, local laws and regulations, industry standards or industry practices, and will be explained in the form of annotations if the disclosed quantitative indicators have special significance.

Release date

This report is issued by C Sun Manufacturing Ltd, which will be released regularly every year and will be available for browsing and downloading on the official website of C Sun.

This report is issued in August 2025

The next report is scheduled to be issued in August 2026

The report is assured

The information and data of this report are compiled by the Sustainability Committee, submitted to the Board of Directors for consideration, and assured by the Board of Directors prior to issuance, and PricewaterhouseCoopers is entrusted to perform an independent limited assurance for the selected indicators in accordance with the Republic of China Assurance Standard No. 3000 "Assurance Cases Not Involving Historical Financial Information Verification or Verification". It also covers quality management systems (ISO 9001), occupational health and safety management systems (ISO 45001), environmental management systems (ISO 14001) and greenhouse gas inventories (ISO 14064-1).

Feedback

If you have any suggestions about this report or the sustainable development of C Sun, please feel free to contact us.

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Sustainable Performance Highlights



Governance

Corporate Governance

92.31 %

The average attendance rate of the board of directors

89.47%

Average attendance of the Audit Committee.

89.47%

The average attendance rate of the Remuneration Committee

100%

The average attendance rate of the Risk Management Committee.

In the 12th Corporate Governance Evaluation, the company achieved a major leap, moving up 5 tiers from the 81-100% bracket to

the 6-20% bracket

Integrity Management

100%

of new employees in the current year have completed the relevant training on integrity management. No reports or violations of ethical conduct and ethical management practices were reported during the year.



Environment

Energy Management

-20.92%

Energy intensity decreased compared to 2023

Greenhouse Gas Management

-15.56%

C Sun's greenhouse gas (GHG) emissions intensity was 0.76 metric tons of CO₂e per NT\$ million, representing a decrease compared to 2023.

Waste Management

Recycling rate 24.99%

In 2024, the waste recycling rate reached the annual target of 20%

TPCA Green Interior Design Gold Award

Honored at the 2024 TPCA Show



Products

Product R&D

- In 2024, the R&D expenditure on product Innovation will be 236 million NTD, accounting for 8.47% of the turnover.
- In 2024, the education and training expenditure for R&D personnel will be 254 thousand NTD.
- In 2023, the industry-university cooperation expenditure of domestic research institutions and colleges and universities will reach 4.81 million NTD

Customer satisfaction

97.79

the customer satisfaction score in 2024

Local procurement

Won the 2024 TSMC Supply -Part s Outstanding Improvement Award.

96.84%

The proportion of local procurement in 2024



Employee society

Talent Attraction & Retention

- In 2024, 5 Directors were trained
- In 2024, a total of 53 employees was promoted, accounting for 12.5% of total.
- In 2024, 9 large-scale education and training sessions was held first-line and mid-level managers,

Talent Cultivation and Development

- In 2024, the total number of training hours of employees reached 10,288.37 hours, of which 7,758 hours were professional course training, accounting for 76%.
- About 82% of the positions in the company are promoted from internal employees to improve the utilization rate of internal talents.

Occupational Health and Safety

- Occupational Health and Safety
- Obtained ISO45001/14001 certification.
- In 2024, 70 audits were conducted; 47 non-conformities were identified, with a 100% corrective action completion rate.
- In 2024, a total of 2 occupational safety and health training courses of 3 hours each for employees were held, with a total of 265 trainees and a total of 1590 training hours.

1. Corporate Sustainability

1.1 About C Sun

- 1.1.1 Company Profile
- 1.1.2 Operational and Financial Performance
- 1.1.3 Participation in Industry Associations

1.2 Corporate Sustainability Governance Structure

1.3 Identification and analysis of Material Topics

1.4 Stakeholder Negotiation and Communication

1.1 About C SUN

1.1.1 Company Profile

C Sun Group was established in 1966, with R&D and production equipment as its main business. The Group continues to improve, integrating the five core technologies of light, heat, filming/pressing, film peeling and plasma cleaning, and providing high-precision production equipment. In recent years, C Sun has been more committed to transformation, actively attacking the semiconductor market from the panel field, and further expanding the scope of product applications. With leading-edge technology and flexible custom manufacturing capabilities, our products are popular in multiple industries. In addition, C Sun is committed to providing equipment to optimize the process, helping customers produce high-quality products, and has established a close partnership with customers, continuously improving and strengthening technical services, and has won the affirmation and support of well-known enterprises in various countries. These efforts have enabled C Sun's revenue to continue to grow steadily, and it has been selected as one of the top 1000 manufacturing enterprises in Common Wealth magazine, and has won many awards and awards at home and abroad, providing customers with more perfect solutions. C Sun's equipment is widely used in PCB circuit boards, FPD panels and touch panels, IC substrates, semiconductor high-end packaging, solar energy, printing, painting and footwear and other major industries. In 2024, C SUN established a 1,606-square-meter Class 1K cleanroom at our Taichung facility to meet the stringent cleanliness requirements of semiconductor advanced process equipment. In recognition of our continued performance, C SUN was honored with TSMC's Excellent Production Support Award in 2023, followed by the "Spare Parts - Outstanding Improvement" Award in 2024. For more than a decade, we have leveraged our strong service capabilities to fully support TSMC's advanced processes, delivering exceptional equipment and process optimization services that have earned the trust of our customers. Our equipment is characterized by high efficiency, energy saving, and environmental friendliness, and has been marketed globally. With this, C SUN has secured a pivotal position within both domestic and international industry value chains.

C SUN Mfg., Ltd.

Company Name	C SUN Mfg., Ltd.		
Date of Establishment	September 28, 1966	Date when the stock was listed	September 17, 2001
Chairman	Mr. Morrison Liang	President (General Manager)	Mr. Frank Liang
Industry Category	Electronic Components	Stock Code	2467
Capital	NT\$ 1,567,553,480		
Headquarters Address	7F-1, No. 266, Section 1, Wenhua 2nd Road, Linkou District, New Taipei City, Taiwan R.O.C.		



1986

Manual drawing at Linkou factory



2022

Inheritance



2024

Clean Room Expansion

1.1 About C SUN

11.2 Operational and Financial Performance

GRI 201-1、201-4

In 2024, C SUN's standalone revenue and net income reached NT\$2,785,622 thousand and NT\$719,160 thousand, respectively. At the same time, the direct economic value generated by the Company was allocated partly to stakeholders and partly retained for future operations. The direct economic value generated in 2024 totaled NT\$3,076,628 thousand, representing a 33.9% increase compared with the previous year, primarily driven by the rapid growth of semiconductor-related revenue. °

Financial Performance in the past 3 years

(Unit: NT\$1000)

Account	2024	2023	2022
A generation of direct economic value			
Operating income	3,017,436	1,987,895	3,115,198
Interest income	2,785,622	1,892,397	3,017,502
Dividend income	12,581	3,485	927
Rental income	57,294	44,860	32,830
Rental income	1,055	254	290
Other income	29,995	36,719	19,436
Other Benefits	46,399	21,709	21,557
Investment income	84,490	(11,529)	22,656
B. Distribution of direct economic value			
Operating costs and expenses	3,076,628	2,296,959	3,353,026
Employee compensation and benefits	1,859,189	1,243,193	2,233,652
Payments to contributors	648,089	473,522	539,188
Payments to the government	449,227	564,319	456,569
Payments to the government	120,123	15,925	123,617
Retained Economic Value (A-B)	(59,192)	(309,064)	(237,828)

Note 1: In line with enhanced transparency of disclosed information and to better reflect the current state of corporate governance, the calculation methodology for this indicator has been adjusted accordingly. To maintain the consistency and comparability of the disclosed information, prior period figures have been restated based on the new criteria.

Financial Assistance from the Government

(Unit: NTD)

Programs	Subsidy Eligibility	Reason for Subsidy	Amount of Subsidy
R&D investment credit//smart machinery/5G investment credit	IRS	Tax Deduction and Credits	8,413,076
SolC wafer-level packaging metal hot press bonding process key equipment development plan.	Taiwan SME Joint Mentoring Foundation	Investment Subsidies and R&D Subsidies	14,000,000

1.1 About C SUN

1.1.3 Participation in Industry Associations

Name of the Association	Identity
SEMI International Semiconductor Association	Member
TSIA Taiwan Semiconductor Industry Association	Member
Taiwan Electronic Equipment Corporation/ (TEEIA).	Association Vice Chairperson (Chairman) Association Director (President)
Taiwan Circuit Board Association (TPCA).	Director (President)
Taiwan Rubber and Elastomer Industry Association	Member
Taiwan Aerospace Industry Association	Member
Taiwan Electrical and Electronic Manufacturers Association	Member
New Taipei City Import and Export Trade Association	Member
Taiwan-Japan Association for the Promotion of Industrial Technical Cooperation	Supervisor (Chairman)
Taichung Precision Science Park Manufacturers Association	Member
Taichung City General Industrial Association	Member
Taiwan Institute of Directors	Member
New Taipei City Linkou Manufacturers Association	Executive Director

SEMI International Semiconductor Association

- PCB Academy Committee
- Conference Committee
- Exhibition Committee
- International Affairs Committee
- Market Information Committee
- Intelligent Mobilization Committee
- Continental Affairs Council
- Sustainable Development Committee
- Semiconductor Assembly Committee

Participation in Associations' Activities



Participated in the SEMICON TW Exhibition organized by the SEMI Association.



Participated in the Touch Taiwan Exhibition organized by the TEEIA.



Participated in the TPCA Show organized by TPCA and received the Gold Award for Green Booth Design.



Participated in the 2024 Annual Meeting of the TSIA.



Joined the TSIA Campus Lecture Series

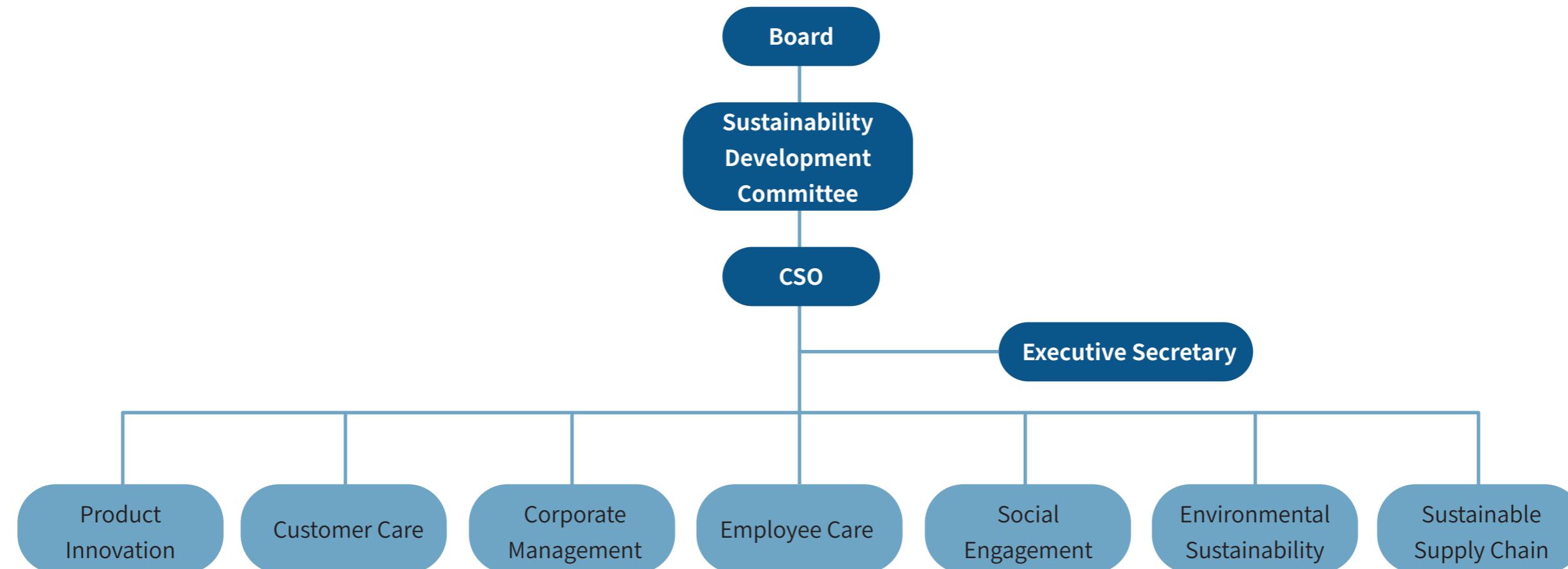


Attended the Model Worker Recognition Ceremony organized by the Linkou District Manufacturers' Association, New Taipei City.

1.2 Corporate Sustainability Governance Structure

C SUN has set its vision to become a world-class equipment leader. Since December 2017, the Company has established the Sustainability Development Committee, dedicated to maximizing the interests of stakeholders—including employees, shareholders, customers, and suppliers—while fulfilling corporate citizenship responsibilities and ensuring long-term sustainable operations. The Sustainability Development Committee serves as C SUN’s dedicated unit for sustainability, chaired by General Manager Mr. Frank Liang. The committee is responsible for overall planning and promotion of the Company’s sustainability efforts. Under its structure, seven sub-committees were formed—Product Innovation, Customer Care, Corporate Management, Employee Care, Social Engagement, Environmental Sustainability, and Sustainable Supply Chain—with members consisting of department heads and staff. This organizational setup enabled effective resource integration and the implementation of sustainability strategies across all functions. C SUN reported to the Board of Directors on sustainability strategies and project performance at least once annually. The key topics discussed included the progress of GHG inventory, implementation of the ISO 14001 Environmental Management System, execution of the ISO 45001 Occupational Health and Safety Management System, and disclosures aligned with the TCFD framework. In 2024, among the five Board meetings convened, four meetings included sustainability-related agenda items, accounting for 80% of total board sessions.

Sustainability Development Committee Structure



1.3 Identification and analysis of Material Topics

In accordance with the “Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE and TPEx Listed Companies” in Taiwan, C SUN conducted its materiality assessment by **applying the GRI Universal Standards 2021**.

Identification:

- C SUN’s key stakeholders
- The degree of impact of each sustainability issue

As part of the management approach outlined in the Sustainability Report, this process also enabled the Company to review its current sustainability status, continuously advance the implementation of related policies, and create shared value for both society and the Company.

Materiality Analysis Process

Phase 1 Understanding the Organizational Context

Based on the Company’s industry characteristics and internal focus topics, and with reference to the GRI Standards, domestic and international sustainability trends, industry benchmarks, and peer practices, C SUN identified common themes across the sector. Through this process, **12 sustainability topics were consolidated**.

Phase 3 Determining the Material Topic Prioritization

- Following discussion by the Sustainability Development Committee, **eight material topics were identified**: Product and Technology Innovation, Corporate Governance, Customer Service / Product Quality and Safety, Ethical Business Practices, Occupational Health and Safety, Talent Attraction and Retention, Talent Development and Training, Climate Change Response.
- These material topics formed the foundation of this Sustainability Report, with full disclosure of management approaches and performance outcomes.

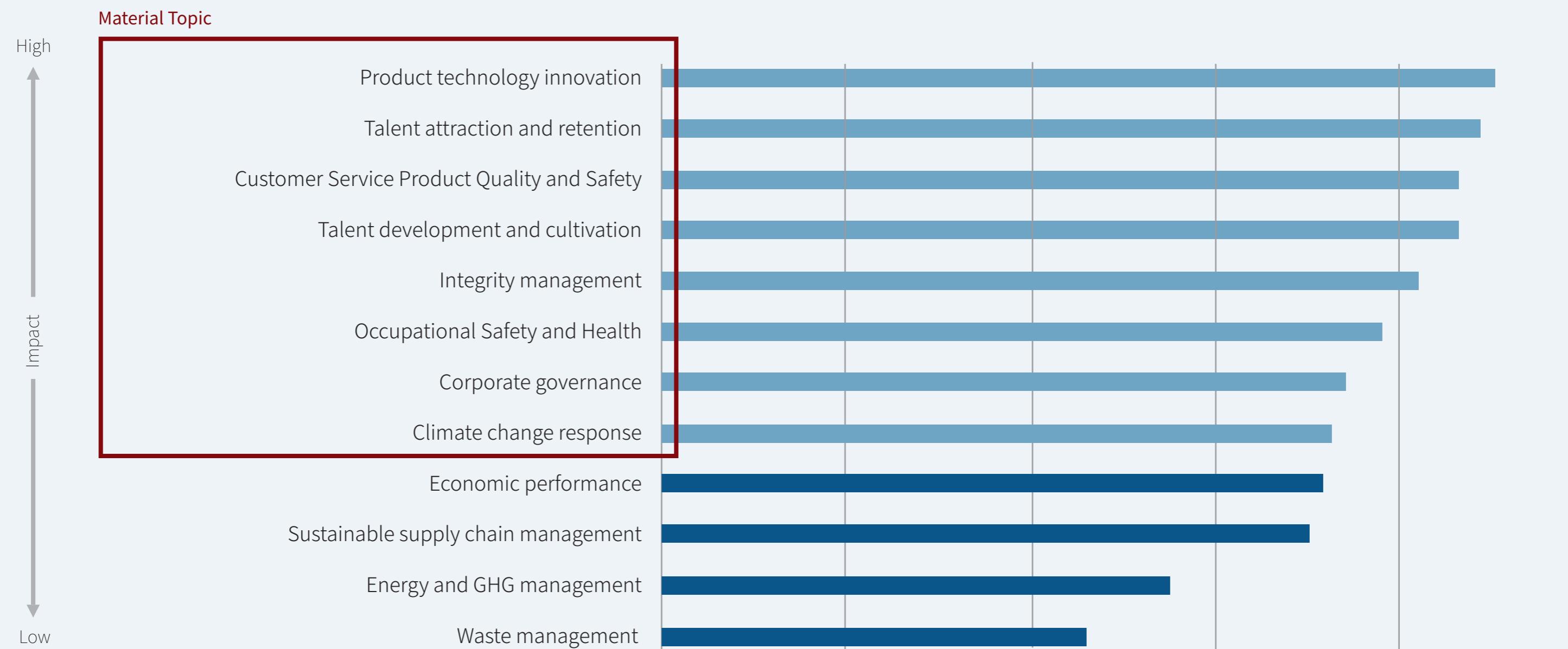
- A questionnaire was distributed to department heads serving on the Sustainability Development Committee, requesting them to evaluate the 12 identified sustainability topics. A total of 31 valid responses were collected.
- Each of the 12 topics was assessed for its positive and negative impacts on the economy, environment, and people (including human rights). The “impact magnitude” and “likelihood of occurrence” for both positive and negative impacts were multiplied and then aggregated, resulting in a total impact score for each topic.

Phase 2 Assessing Actual and Potential Impacts

The Sustainability Development Committee established management systems and processes for information collection and report preparation. Each sub-committee reviewed and verified the information **to ensure the accuracy of sustainability disclosures and performance reporting**. The final Sustainability Report was approved by the Board of Directors and published by August 31, 2024.

Phase 4 Reporting and Disclosure

C Sun sustainability topic impact ranking chart



List of Material topic

○ Indirect relationship

※ Business partners

Aspect	Material topics in 2024				GRI Standards Index	Corresponding Chapters
		Within the Organization		Outside the Organization		
		Dedicated Unit of C SUN	Upstream (Supplier)	Downstream (Customer)		
Governance	Corporate Governance	Corporate Governance Committee	○	※	2 General Disclosure	1 Corporate Sustainability 2 Steady Corporate Management
	Integrity Management		○	※	205 Anti-Corruption 206 Anti-competitive Conduct	2 Steady Corporate Management
Society	Talent Attraction & Retention	Employee Care Committee			401 Employment Relations 405 Employee Diversity & Equal Opportunity	5 Harmonious and Healthy Workplace
	Talent Development & Cultivation				404 Training & Education	5 Harmonious and Healthy Workplace
	Occupational Safety and Health	Environmental, Safety and Health Committee	○	※	403 Occupational Safety and Health	5 Harmonious and Healthy Workplace
Environment	Climate Change Adaptation	Product/Customer Care Committee, Sustainable Supply chain	○	※	201 Economic Performance 302 Energy, 305 Emissions	3 Environmental Sustainability
Product	Product technology innovation			※		4 Product Innovation and Customer Service
	Customer Service / Product Quality & Safety			※	416 Customer Health and Safety	4 Product Innovation and Customer Service

1.4 Stakeholder Engagement and Communication

C SUN applied the AA1000 Stakeholder Engagement Standard (AA1000 SES) to identify its stakeholders. Based on past experience and industry characteristics, four stakeholder groups were identified: shareholders and investors, employees, customers, and suppliers. The Company established transparent and effective communication channels and, through continuous interaction and active participation of stakeholders in corporate activities, regularly reviewed and improved the effectiveness of its CSR initiatives. This process allowed C SUN to better understand the issues of concern to stakeholders and to continuously enhance its practices to meet their expectations and needs.

Stakeholders	關注議題	Communication Channels	回應方式	2024 年度利害關係人溝通情形
 Shareholders & Investors	<ul style="list-style-type: none"> • Economic Performance • Corporate Governance • Integrity Management • Climate Change Adaptation • Energy & Greenhouse Gas Management • Waste Management 	<p>Company Spokesperson Mr. Jamie Wu Tel. :886-2-26010700#14729</p> <p>Acting Spokesperson Mr. Henry Lin Tel. :886-2-26010700#10295 E-mail : IR_CSUN@csun.com.tw</p>	<ul style="list-style-type: none"> • Public disclosures via news releases and material information announcements • Real-time postings of material information on the Market Observation Post System (MOPS) • Domestic investor conferences • Two-way investor relations communications • Meetings with domestic institutional analysts • Participation in domestic and international forums 	<ul style="list-style-type: none"> • Annual General Meeting held on May 21, 2024 • 44 material information announcements in both Chinese and English disclosed via MOPS • Continuous updates on the Company's official website regarding financial, business, corporate governance, and shareholder-related information • Publication of the Annual Report and Sustainability Report • Four investor conferences conducted
 Employees	<ul style="list-style-type: none"> • Occupational Safety & Health • Talent Attraction & Retention • Talent Development & Cultivation 	<p>Human Resources Unit Tel. :886-2-26017706 E-mail: csunzskhr@csun.com.tw</p>	<ul style="list-style-type: none"> • Labor-management meetings • Employee grievance and suggestion boxes • Occupational safety and health (OSH) committee meetings • Continuous improvement of OSH training and education 	<ul style="list-style-type: none"> • No major labor disputes or workplace safety incidents during the year • Quarterly labor-management meetings • Monthly company-wide meetings • Annual free health checkups provided for all employees • On-site medical consultations by healthcare professionals on a monthly basis • Two OSH training sessions conducted annually • Achieved Corporate Sports Certification and Green Environmental Label Certification in 2024
 Customer	Customer Service / Product Quality & Safety	<p>Business Units Tel. :886-2-26017706 E-mail: sale@csun.com.tw</p>	<ul style="list-style-type: none"> • Customer satisfaction surveys • Multiple communication channels for customers • Dedicated complaint hotline and email • Designated staff to handle complaints or disputes • Customer and supplier SAQ completion 	<ul style="list-style-type: none"> • Achieved an average customer satisfaction score of 97.79 • Participated in 15 external exhibitions to engage with customers • Completed 12 SAQ questionnaires from customers
 Suppliers	<ul style="list-style-type: none"> • Sustainable Supply Chain Management • Product Technology Innovation 	<p>Purchasing Department Tel. :886-2-26017706 E-mail: chiao@csun.com.tw</p>	<ul style="list-style-type: none"> • Supplier engagement and communication • Supplier audits and interviews • Annual supplier conference 	<ul style="list-style-type: none"> • Conducted periodic supplier communications throughout the year • Held meetings with suppliers to address quality issues • Organized the annual supplier conference

2. Steady operation of the enterprise

2.1 Corporate Governance

- 2.1.1 Corporate Structure and Board Composition
- 2.1.2 Nomination and Selection of Board of Directors
- 2.1.3 Functional committees
- 2.1.4 Performance Evaluation
- 2.1.5 Remuneration Policy
- 2.1.6 Sustainable Governance

2.2 Ethical Management

- 2.2.1 Ethical Management Policy and Anti-Corruption Communication and Training
- 2.2.2 The whistleblower system

2.3 Risk Management

- 2.3.1 Risk Management Structure and Response Mechanism
- 2.3.2 Identification and Analysis of Key Risks
- 2.3.3 Information Security Risk Management

2.4 Compliance with laws and regulations



2.1 Corporate Governance

GRI 3-3

Policies, Commitments and Materiality

To ensure sustainable operations, C SUN placed strong emphasis on the transparency of corporate operations and governance. In this regard, the Company continuously enhanced the functions of the Board of Directors and optimized governance mechanisms to safeguard the best interests of both the Company and its shareholders. To ensure effective execution of corporate governance, C SUN had established the Corporate Governance Best Practice Principles and a series of management guidelines as the basis for governance. The Company also worked to ensure smooth and effective

communication between independent directors, the Audit Committee, and the Chief Internal Auditor. The convener of the Audit Committee reported to the shareholders' meeting on the communication status with the Chief Internal Auditor. In addition to self-assessments of the internal control system, the Board of Directors, the Audit Committee, and management reviewed the results of departmental self-evaluations on an annual basis. The Audit Committee also reviewed internal audit reports on a quarterly basis to ensure their feasibility and effectiveness.

Short-term goals

1. The average attendance rate of the Board of Directors is 100%.
2. The average attendance rate of the Audit Committee was 100%.
3. The average attendance rate of the Remuneration Committee was 100%.
4. A majority of the directors and the convener of the audit committee attended the general meeting of shareholders in person.
5. Improve corporate governance evaluation scores.

medium- and long-term goals

1. Strengthen the functions of the board of directors and improve the corporate governance capabilities of the board of directors.
2. Improving the sustainable governance structure and promoting the setting of internal ESG goals have driven internal transformation.
3. Implement corporate governance evaluation, actively communicate with stakeholders, and continue to deepen the company's sustainable governance culture

Authorities and Responsibilities

Board of Directors

Action Plan

- The Audit Committee, composed entirely of independent directors, assisted in strengthening the Board's supervisory function and enhancing governance performance, ensuring the effective operation of oversight mechanisms.
- The Compensation Committee was responsible for formulating performance evaluation standards for directors and managers, and for regularly reviewing the achievement of performance objectives. These evaluations served as the basis for determining individual remuneration. The committee ensured that compensation levels for directors and managers were aligned with their contributions and performance.
- The Risk Management Committee, consisting of two independent directors and the General Manager, assisted the Company in establishing a comprehensive risk management framework to promote prudent operations and sustainable development.
- An independent Internal Audit Department was established to oversee all operational activities through internal auditing mechanisms, ensuring compliance and effective internal control.
- The Corporate Governance Evaluation Task Force was formed to strengthen governance systems and practices. It analyzed and improved governance performance in accordance with the Corporate Governance Evaluation Indicators, thereby enhancing the overall quality of corporate governance.

2024 Performance

- The Board of Directors had an average attendance rate of 92.31%.
- The Audit Committee had an average attendance rate of 89.47%.
- The Compensation Committee had an average attendance rate of 89.47%.
- The Risk Management Committee had an average attendance rate of 100%.
- More than half of the directors and the convener of the Audit Committee personally attended the Annual General Meeting of Shareholders.
- In the 12th Corporate Governance Evaluation, C SUN made a significant improvement of five tiers, moving from the 81–100% range to the 6–20% range.

Grievance Mechanism

Company Spokesperson Mr. Jamie Wu Tel:886-2-26010700#14729
Acting Spokesperson Mr. Henry Lin Tel:886-2-26010700#10295
E-mail: IR_CSUN@csun.com.tw

2.1 Corporate Governance

2.1.1 Corporate Structure and Board Composition

GRI 2-9、2-12、2-17、405-1

In accordance with Article 20 of the Code of Practice on Corporate Governance for Listed and OTC Companies, C Sun has formulated a diversity policy for the board of directors to ensure the implementation of corporate governance, enhance the functions of the board of directors, and improve the structure of the board of directors. The composition of the Board of Directors of C Sun takes into account diversity, and formulates appropriate diversity policies based on their own operations, business styles and development needs, which should include but are not limited to the following two major criteria:

1. Basic conditions and values:

gender, age, nationality and culture, etc.

2. Professional knowledge and skills:

professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industrial experience, etc.

At present, the selection of the board of directors of C Sun has gradually become diversified. Through this policy, C Sun attracts talents with different professional backgrounds, professional skills and industrial experience, and continues to strengthen corporate governance and operational synergy.

Board Composition:

4 directors
3 independent directors

Age: Between 56 and 78 years old

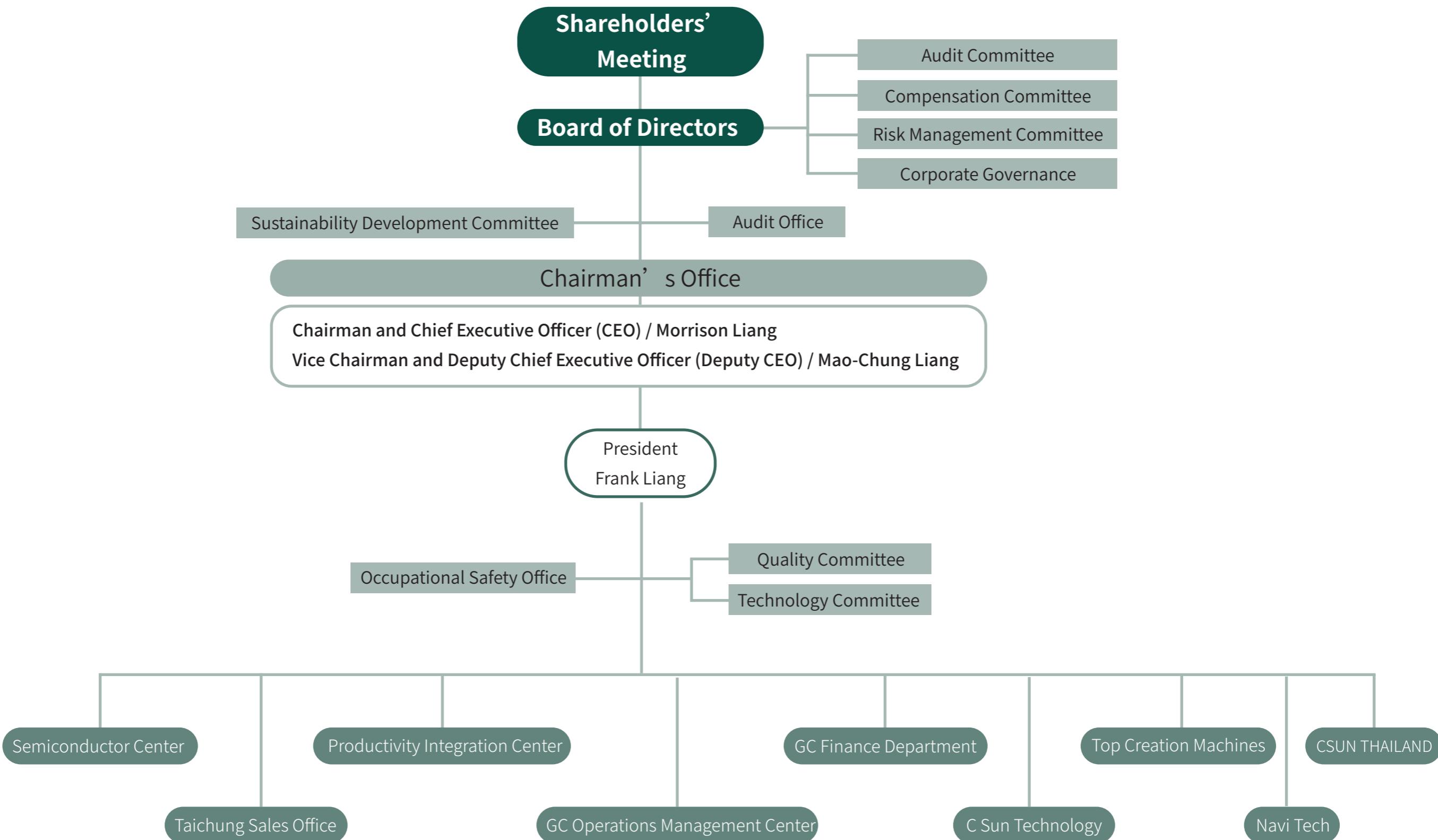
Professional Background: Business, technology, marketing, finance, and accounting.

Extensive Industry Experience:

- Operational judgment capability
- Accounting and financial analysis skills
- Business management competence
- Crisis management capability
- Industry knowledge
- Global market insight
- Leadership capability
- Decision-making ability

In 2024, the attendance rate of all directors at Board meetings was 92.31%. C SUN encouraged Board members to pursue continuous learning and strengthen their professional competencies and literacy. Through ongoing education, directors became more familiar with current industry trends and regulatory developments, enabling them to apply up-to-date management strategies, broaden their corporate governance perspectives, and enhance their sensitivity to changes in the global market environment. In 2024, Board members participated in various training programs, seminars, and forums, accumulating a total of 61 training hours, with each director receiving an average of at least 7 hours of training during the year.

C SUN Organizational Structure



Board Members' Attendance Rate in 2024

18th Term						
Date	2024/3/5	2024/5/9	2024/8/1	2024/10/31	2024/12/17	Remark
Morrison Liang	V	V	V	V	V	
Mao Zhong Liang	V	V		V	V	
Xiang He Sheng	V	V	V	V	V	
Jason Chen	V	V	V	V	V	
Shien Tsen Yang						2023.12.4 Resigned
Ming Jie Lin	V	V	V	V	V	
Zhi Yuan Zhu	V	V	V	V	V	
Shu Xian Lin	V	V		V	V	
Jia Jun Zou	V	V	V			2024.11.4 Resigned

Directors' Continuing Education in 2024

Training Institution	Course for Directors' Training	Total Training Hours
Securities & Futures Institute	113 Internal Insider Trading Compliance Seminar	3
	Strategic Thinking for Issue Management in Corporate Governance	3
Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
Taiwan Institute of Directors	Achieving Corporate Growth through Strategic Mergers and Acquisitions	3
	Enhancing the International Competitiveness of Taiwanese Enterprises amid Global Competition and Cooperation	3
Taiwan Corporate Governance association	2024 Trends and Strategies in Board Operations	3
	Applications of Artificial Intelligence: Legal and Audit Perspectives	3
	The Key to Sustainable Corporate Management – External Innovation	3
	Building a Green Ecosystem – Taiwan Carbon Exchange Business and Outlook	1
	Renewable Energy Certificate System and Green Electricity Trading Analysis	3
	Defense and Countermeasures in Hostile Takeovers and Related Corporate Governance Issues	3
	Trends and Challenges of Information Security Governance (Part I)	3
	Trends and Challenges of Information Security Governance (Part II)	3
	Trends and Risk Management in Digital Technology and Artificial Intelligence	21

Note: Refers to training hours, scope, system, arrangement, and information disclosure requirements in compliance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEx-Listed Companies."

Directors and their background

Title	Name	Gender	Age	Date of appointment	Term	Main experience	Other important positions
Chairman	Morrison Liang	Male	78	2022/06/09	3	<ul style="list-style-type: none"> Bachelor of Chemical Engineering, National Taiwan University Executives program 7th Graduation TEEIA Vice Chairman TJCIT supervisor TPCF Vice Chairman TDUA director 	<ul style="list-style-type: none"> CEO of our company (C Sun) King Polytechnic engineering co., LTD. Independent Director
Vice Chairman	Liang, Mao-Zhong	Male	73	2022/06/09	3	<ul style="list-style-type: none"> Cheng Yuan junior high school Honorary President of Guangzhou Huadu Taiwanese Business Association Vice President of Guangdong Cross-Strait Exchange Promotion Association 	<ul style="list-style-type: none"> Vice CEO of our company (C Sun)
director	Xiang He Sheng	Male	72	2022/06/09	3	<ul style="list-style-type: none"> Bachelor of Electronic Engineering, Chung Yuan University AUO Deputy General Manager of Moduleand Materials Center UMC Materials Department Manager/Factory Director 	<ul style="list-style-type: none"> Director of Anpec Director of TSMT Director/General Manager of Chem Tec Ennostar Independent Director/Remuneration Committee/Audit Committee
director	Jason Chen	Male	61	2022/06/09	3	<ul style="list-style-type: none"> Master' s Degree in Mechanical Engineering, National Sun Yat-sen University Director of Design Department, Chunghwa Picture Tubes, Ltd. Deputy General Manager, Gallant Precision Machining Co., Ltd. Corporate Director Representative, Gallant Micro. Machining CO., LTD. 	<ul style="list-style-type: none"> Chairman/General manager of GPM Director of C Sun Director of Shin You Chairman of APEX-I Corporate director representative of Gallant-Rapid Corporation Limited Chairman/General manager of GPM (Suzhou) Director of ESGWD Vice chairman of TEEIA Vice chairman of Taiwan Automation Intelligence and Robotics Association Independent Director of Tongtai Chairman of Junpeng Investment

Title	Name	Gender	Age	Date of appointment	Term	Main experience	Other important positions
director	Yang, Shien-Tsen (2023.12.4 Resigned)	Male	71	2022/06/09	3	<ul style="list-style-type: none"> Master of Laws, National Ehime University, Japan Chairman of Microtps Chairman of CloudRiches Supervisor of TPCA Supervisor of TPCF 	
Independent Director	Lin, Ming-Jie	Male	76	2022/06/09	3	<ul style="list-style-type: none"> PhD, National Chengchi University Enterprise Research Institute JCIC Director TPEX supervisor Professor, Department of Business Administration, National Central University 	<ul style="list-style-type: none"> Independent Director/Remuneration Committee/Audit Committee of Chicony Electronics Co., Ltd Independent Director/Remuneration Committee/Audit Committee of Unitech
Independent Director	Zhu, Zhi-Yuan	Male	78	2022/06/09	3	<ul style="list-style-type: none"> Chung Yuan University EMBA graduated Delta electronics Senior vice CEO&CFO 	
Independent Director	Lin, Shu-Xian	Male	56	2022/06/09	3	<ul style="list-style-type: none"> Department of Chemical Engineering, Tamkang University Director of Advanced Microsystem Director of United building Director of Dayu Optoelectronics 	<ul style="list-style-type: none"> Corporate director representative of Control Technology Co., Ltd. Director of Darzhen Venture Corporation Chairman of TR Refrigeration
Independent Director	Zou, Jia Jun (2024.11.4 Resigned)	Male	59	2022/06/09	3	<ul style="list-style-type: none"> Department of Computer Science of National Chiao Tung University 	<ul style="list-style-type: none"> Chairman, Utechzone Co., Ltd. Director, Utechzone Global Corp. Director, Evervision Global (Samoa) Co., Ltd. Chairman, Cogiekaya Co., Ltd. Chairman, Jou Fu Investment Co., Ltd. Chairman, Ruei Chuen Wen Chia Co., Ltd. Executive Director, Utechzone Information Technology (Shanghai) Co., Ltd. Representative Director, Utechzone Co., Ltd. (Japan)

2.1 Corporate Governance

2.1.2 Nomination and Selection of Board of Directors GRI 2-10、2-11、2-15

According to C SUN's Articles of Incorporation, the Board of Directors consisted of seven to nine members and adopted a candidate nomination system. Directors were elected by the shareholders' meeting from the list of nominated candidates. Each director served a three-year term and was eligible for re-election. When a re-election was not completed before the term expiration, directors continued to perform their duties until new directors were elected and assumed office.

The Board of Directors was organized by its members, and the election of the Chairman required the attendance of at least two-thirds of all directors and the approval of a majority of those present. The Chairman represented the Company externally in all official capacities. As of 2024, Mr. Morrison Liang served as Chairman and Chief Executive Officer (CEO) of C SUN.

In addition, in accordance with the Articles of Incorporation, C SUN appointed no fewer than three independent directors, and their number was not less than one-fifth of the total number of directors. Independent directors were also elected through the candidate nomination system at the shareholders' meeting. The professional qualifications, shareholding requirements, restrictions on concurrent positions, nomination and election procedures, exercise of authority, and other related matters concerning independent directors were all handled in accordance with the regulations of the competent securities authority.

To prevent conflicts of interest, C SUN clearly stipulated in its Corporate Governance Best Practice Principles and Board Meeting Rules the procedures and requirements for director recusal. Directors were expected to maintain a high level of self-discipline. For any agenda item in which a director or the legal entity they represent had an interest, the director was required to disclose the material aspects of such interest at that board meeting. If the matter could potentially harm the interests of the Company, the director was not permitted to participate in discussions or voting, and must abstain from voting and from acting as a proxy for other directors. Matters concerning director recusals were explicitly stated in the Board Meeting Procedures.

2.1 Corporate Governance

2.1.3 Functional Committees

To strengthen corporate governance and ensure effective discussion and conflict-of-interest avoidance on significant matters submitted to the Board of Directors, C SUN had established the Audit Committee and the Compensation Committee to enhance the functions of the Board. The responsibilities and composition of each functional committee are presented in the following table.

Functions and Composition of Functional Committees

Audit Committee

Purpose and Functions of the Committee:

To enhance corporate governance and strengthen the Board's professional oversight capabilities, C SUN established the Audit Committee in 2019. All members of the Audit Committee were independent directors. The primary responsibilities of the Audit Committee were as follows:

- Ensuring the fair presentation of the Company's financial statements.
- Appointing, dismissing, and evaluating the independence and performance of the external auditors.
- Ensuring the effective implementation of the Company's internal control system.
- Assisting the Company in complying with relevant laws and regulations.
- Assisting the Company in identifying and managing existing and potential risks.

Operation of the Committee:

The external auditors reported to the independent directors of the Audit Committee at least once per quarter, explaining matters related to the Company's financial condition, revisions to accounting standards, issuance of new accounting pronouncements, and the impacts of accounting adjustments.

Audit Committee Operations in 2024:

In 2024, C SUN convened five Audit Committee meetings to review matters submitted to the Board for resolution. Discussion topics included the financial statements and consolidated reports, communication matters between external auditors and the corporate governance units, the 2025 annual audit plan, the assessment of the independence and competence of the current auditors, and the proposal for the repurchase of Company shares. The attendance rate of Audit Committee members was 89.47% in 2024.

The committee comprised three members, all independent directors. Independent Director Mr. Zhu, Zhi-Yuan served as Chairman of the Committee, and at least one member possessed professional expertise in accounting or finance.

Purpose and Functions of the Committee:

To enhance the Company's compensation management system and strengthen the application of compensation strategies, C SUN established the Compensation Committee under the Board of Directors. Members of the committee were required to exercise the duty of care as good administrators, faithfully perform their responsibilities, and report to the Board of Directors. Recommendations made by the committee were submitted to the Board for discussion.

The main responsibilities of the Compensation Committee were as follows:

- To establish and periodically review the policies, systems, standards, and structure for the performance evaluation and compensation of directors and managerial officers.
- To regularly assess and determine the compensation of directors and managerial officers.

Operation of the Committee:

The Compensation Committee held regular meetings at least once per quarter to discuss compensation-related matters to be submitted to the Board of Directors for resolution.

Compensation Committee Operations in 2024:

In 2024, C SUN convened five meetings of the Compensation Committee, with a director attendance rate of 89.47%. The agenda items included approval of 2023 directors' and employees' remuneration, review of 2024 directors' compensation allocation, salary adjustments, and performance evaluations. Resolutions approved by the committee were subsequently submitted to the Board of Directors and duly ratified.

The committee was composed of three members, all of whom were independent directors. Secretarial work was handled by the Human Resources Department or the Operations Support Center, which assisted the committee in preparing meeting agendas, issuing meeting notices, facilitating proceedings, recording minutes, and performing other related administrative tasks.

Purpose and Functions of the Committee:

In 2024, C SUN established the Risk Management Committee under a resolution of the Board of Directors. The committee serves as one of the functional committees of the Board. The convener and chairperson is General Manager Mr. Frank Liang, joined by Independent Director Mr. Zhu, Zhi-Yuan and Independent Director Mr. Lin, Shu-Xian. The members collectively possess expertise in law, finance, business management, corporate governance, and human resources, meeting the professional competency requirements of the committee.

The primary duties of the Risk Management Committee are as follows:

- Review and approve risk management policies, procedures, and frameworks, and periodically evaluate their applicability and effectiveness.
- Approve the Company's risk appetite and tolerance, and endorse or guide resource allocation proposed by the executive committee and working groups.
- Oversee that risk management mechanisms effectively address risks faced by the Company and are integrated into daily operational processes.
- Determine priorities and levels for risk control measures.
- Review the implementation status of risk management, provide improvement recommendations as necessary, and report to the Board of Directors at least once per year.
- Execute the risk management decisions of the Board of Directors.

Operation of the Committee: C SUN reported to the Board of Directors at least once annually on the Company's risk management implementation status and proposed improvement measures.

Risk Management Committee Operations in 2024:

In 2024, the Risk Management Committee convened two meetings, with a 100% attendance rate among committee members. The meetings included analysis of potential risks in finance, environment, human resources, information security, and operations, and corresponding mitigation strategies were proposed. The committee's report was presented to the Board of Directors on December 17, 2024.

The committee was composed of three members, including two independent directors and the General Manager, with Mr. Frank Liang serving as the convener and chairperson.

2.1 Corporate Governance

2.1.4 Performance Evaluation GRI 2-18

Implementation of Corporate Governance and Enhancement of Board Functionality

1. C SUN established performance objectives for the Board of Directors to enhance its operational efficiency.
2. In accordance with the Board Performance Evaluation Policy, the Board conducted an internal performance evaluation annually based on prescribed procedures and assessment indicators. In addition, an external evaluation was conducted by an independent professional institution or a team of external experts and scholars at least once every three years.
3. Both internal and external evaluation results were required to be completed and reported before the end of the first quarter of the following year

Self-Evaluation Process

Each executive unit collected relevant information on Board activities.

Self-evaluation questionnaires were distributed, including the “Board Performance Self-Assessment Questionnaire,” “Board Member Performance Self-Assessment Questionnaire,” and “Functional Committee Performance Self-Assessment Questionnaire.”

The coordinating unit consolidated the returned questionnaires, compiled results based on the assessment criteria, and prepared a performance evaluation report.

The compiled results were submitted to the Board of Directors for review and improvement

Results for the Year 2024

- The Board Performance Evaluation Questionnaire covered five dimensions and 18 assessment items, with an overall score of 4.89.
- The Board Member Evaluation Questionnaire covered six dimensions and 19 assessment items, with an overall score of 5.00.

The results of both evaluations indicated that the Board of Directors demonstrated strong performance in 2024. C SUN will continue to enhance the operational effectiveness of the Board to meet the expectations of all stakeholders.

Results of Internal Evaluation Questionnaires

Board Performance Evaluation Questionnaire

Assessment Dimensions:	Number of Questions	Weighting	Score
A. Level of Participation in Company Operations	4	22.22	4.96
B. Enhancement of Decision-Making Quality of the Board	4	22.22	4.50
C. Composition and Structure of the Board	3	16.67	5.00
D. Selection and Continuing Education of Directors	4	22.22	5.00
E. Internal Control	3	16.67	5.00
Total Score		4.89	

Board Member Performance Evaluation Questionnaire

Assessment Dimensions:	Number of Questions	Weighting	Score
A. Understanding of the Company’s Goals and Objectives	3	15.79	5.00
B. Awareness of Directors’ Duties and Responsibilities	3	15.79	5.00
C. Level of Participation in Company Operations	4	21.05	5.00
D. Management of Internal Relationships and Communication	3	15.79	5.00
E. Professional Competence and Continuing Education of Directors	3	15.79	5.00
F. Internal Control	3	15.79	5.00
Total Score			5.00

2024 External Board Performance Evaluation Report

In October 2024, C SUN commissioned an independent professional organization, the Taiwan Integrity Management Association, to conduct the external evaluation of the Board's performance (execution period: 2024; evaluation period: FY2024). The organization appointed three executive evaluators to carry out the assessment. The institution and its evaluators maintained complete independence, had no business relationship with the Company, and provided a formal declaration of independence. The evaluation was conducted across four key dimensions: Professional effectiveness of the Board; Decision-making effectiveness of the Board; Emphasis on and supervision of internal control; and Attitude toward sustainable operations. The assessment was performed through a review of internal corporate policies and records, evaluation questionnaires, and individual interviews with directors. The final report was submitted to the Board of Directors on December 17, 2024, providing findings and recommendations for improvement.

Overall Observations and Conclusions

(1) Professional Competence of the Board

The Company's Board was composed of four non-independent directors and three independent directors. The directors possessed diverse professional backgrounds, including business, technology, finance, accounting, and marketing, enabling the Board to provide professional insights from multiple perspectives.

(2) Decision-Making Effectiveness

The directors were able to obtain information through various channels to gain a comprehensive understanding of the Company's operational status. For major business development decisions, in-depth discussions were conducted between Board members and management, ensuring that decisions were made based on adequate and well-informed deliberation.

(3) Supervision of Internal Control

The Company established an independent Internal Audit Office under the Board of Directors. The unit conducted regular internal control self-assessments and reported audit results to the Board to ensure the effectiveness of audit implementation. The Company also adopted an Information Security Policy and actively promoted information risk management, thereby safeguarding internal control and information security.

(4) Attitude Toward Sustainable Operations

The Company continued to strengthen its corporate governance framework and established a Sustainability Development Committee to implement sustainability initiatives and enhance risk assessment mechanisms. The directors demonstrated a high level of commitment to sustainability issues. However, the evaluation recommended further enhancement of succession planning and systematic talent development, to reinforce the Company's long-term organizational stability and sustainable growth.

Recommendations for Improvement



(1) Strengthening Board Diversity

It was recommended that C SUN enhance gender and age diversity within the Board by recruiting female directors and individuals with diverse professional backgrounds to improve decision-making perspectives and risk assessment capability. The evaluators reminded the Company to comply with the requirement to appoint at least one director of a different gender in the next Board election and to fill the current vacant independent director seat as early as possible.

(2) Enhancing Documentation of Board Meeting Minutes

It was suggested that the minutes of Board meetings include appropriate summaries of discussion processes and directors' remarks to facilitate the review of decision-making experiences and their application in future planning.

(3) Elevating the Sustainability Development Committee to a Functional Committee

It was recommended that the Sustainability Development Committee be elevated to a functional committee under the Board of Directors to leverage the Board's diverse expertise and perspectives. Institutionalizing sustainability discussions and strategy succession would further strengthen the Company's sustainability governance and implementation.

(4) Strengthening Talent Development and Succession Planning

The evaluators advised the Company to establish a systematic talent cultivation and succession plan, integrating on-the-job training, job rotation, and external learning opportunities. A monitoring and feedback mechanism should be introduced to ensure the continuity of key positions and long-term organizational stability.

(5) Advancing Corporate Sustainability Goals

The evaluators recommended that the Company continue to monitor domestic and international sustainability trends, enhance ESG disclosure quality, strengthen Board-level sustainability training, and prepare early for greenhouse gas inventory and verification schedules, thereby reinforcing the foundation of sustainable development and increasing market trust.

Company's Future Improvement Plans and Actions

(1) Strengthening Board Diversity

C SUN planned to further enhance gender and age diversity by recruiting female and cross-disciplinary talents. In the 2025 Board re-election, the Company would comply with the regulation to appoint at least one director of a different gender.

(2) Enhancing Documentation of Board Meeting Minutes

The Company planned to record summaries of directors' remarks and key discussion points in meeting minutes to facilitate transparency and traceability.

(3) Elevating the Sustainability Development Committee to a Functional Committee

The Company planned to incorporate the Sustainability Development Committee into the Board's functional committee structure, strengthening its authority and integrating sustainability discussions and strategy execution through institutionalized governance processes.

(4) Strengthening Talent Development and Succession Planning

C SUN planned to establish a structured talent cultivation and succession plan, combining diverse learning pathways and performance evaluation mechanisms to ensure continuity in key positions.

(5) Advancing Corporate Sustainability Goals

The Company planned to further enhance ESG disclosure quality, proactively align with the greenhouse gas inventory and verification timeline, and strengthen Board training on sustainability topics to bolster stakeholder confidence and market credibility.

2.1 Corporate Governance

2.1.5 Remuneration Policy GRI 2-19、2-20

C SUN determined the remuneration of its directors and managerial officers with reference to prevailing market practices among industry peers. When establishing remuneration packages, the Company also took into consideration the following factors:

- **Responsibilities undertaken**
- **Time and effort devoted**
- **Achievement of assigned objectives**
- **Performance in other roles**
- **Remuneration levels of comparable positions in recent years**

In addition, the Company assessed the reasonableness of the correlation between individual performance, corporate operational results, and future risks, while also considering the attainment of both short-term and long-term business objectives and the overall financial condition of the Company.

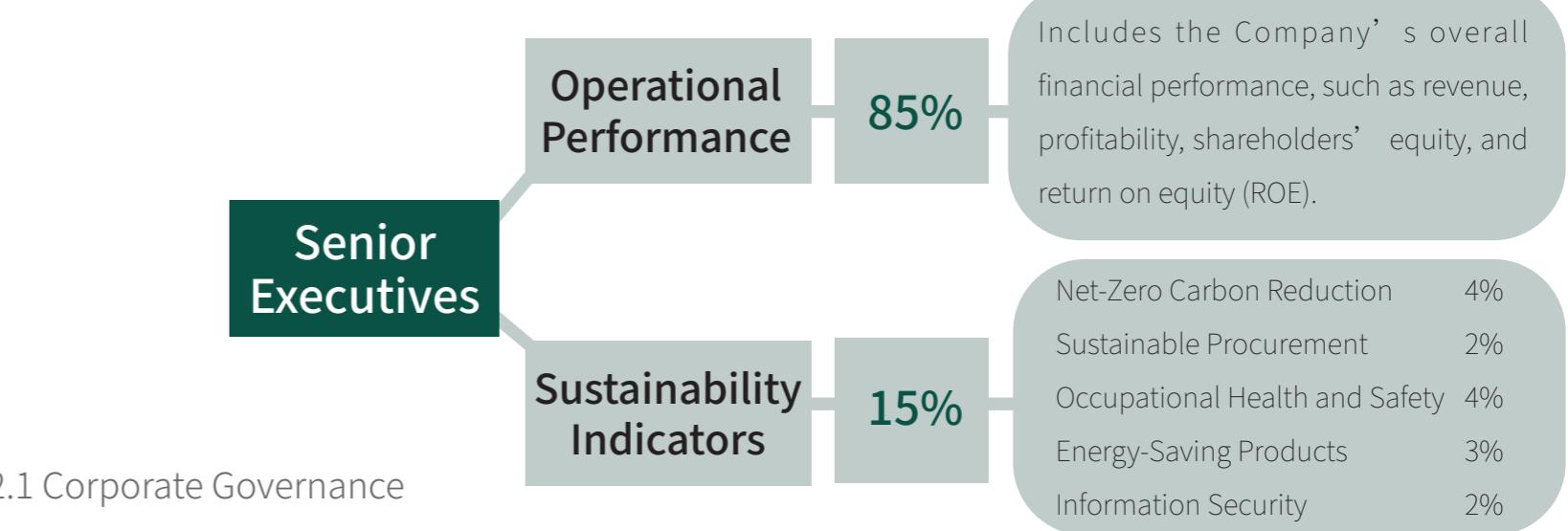
The remuneration of directors was determined by the Compensation Committee, which regularly reviewed the Company's policies, systems, standards, and structures for performance evaluation and remuneration of directors and managerial officers. The remuneration of C SUN's directors and managerial officers comprised cash compensation, stock options, profit-sharing bonuses, retirement or severance benefits, allowances, and other substantive incentives. The performance objectives and remuneration allocations for the year were reviewed and approved by the Compensation Committee.

In 2024, the Compensation Committee maintained a meeting attendance rate of 89.47%, and there were no instances in which the Board of Directors rejected or amended the Committee's recommendations. Through the effective operation of the Compensation Committee, C SUN ensured that performance evaluations and remuneration decisions for directors and managerial officers adhered to fair and reasonable standards, thereby safeguarding corporate interests and reinforcing the Company's commitment to periodic review and transparency of its remuneration framework.

C SUN's executive remuneration was closely linked to corporate performance. To strengthen accountability and enhance long-term shareholder value, the remuneration of senior executives consisted of base salary and variable bonuses. Beginning in 2023, variable compensation was tied to the Company's sustainability strategies and objectives, ensuring alignment between management incentives and sustainable business performance.

When approving executive remuneration, the Compensation Committee worked in collaboration with external professional compensation consultants to ensure competitiveness and to align the Company's remuneration policies with market trends and evolving business environments.

Performance Evaluation Indicators for Senior Executives



2.1 Corporate Governance

2.1.6 Sustainable Governance

The Board of Directors served as C SUN's highest governance body and oversaw the Company's overall sustainability development. To promote sustainability initiatives and related policies more effectively, the Company had established the Corporate Social Responsibility (CSR) Code of Practice and set up the Sustainability Development Committee, chaired by General Manager Mr. Frank Liang. The committee was responsible for coordinating and advancing all sustainability-related affairs across the organization. Under the Sustainability Development Committee, seven subcommittees were formed, each focusing on a specific aspect of sustainability: Product Innovation; Customer Care; Business Management; Employee Care; Social Engagement; Environmental Sustainability; Sustainable Supply Chain. These subcommittees were tasked with identifying and responding to economic, environmental, and human rights-related impacts. Their members were nominated from various departments to ensure a diverse representation of expertise, experience, and professional perspectives. The Sustainability Development Committee reported its implementation progress and results to the Board of Directors at least once a year, and conducted reviews to ensure continuous improvement.

Sustainability-Related Reports and Resolutions Presented to the Board of Directors in 2024

Date	Reports to the board
2024/03/05	Progress of the Company's Greenhouse Gas (GHG) Inventory and the Planning Schedule for Subsidiaries' GHG Inventories.
2024/05/09	Report on the Progress and Timeline of the Company and Its Subsidiaries' Greenhouse Gas (GHG) Inventories.
2024/08/01	2024 Sustainability Report Implementation Results.
2024/08/01	Approval of the "Regulations Governing the Preparation and Submission of the Sustainability Report."
2024/12/17	-Approval of the "Sustainability Information Management Procedures."

2.2 Ethical Management GRI 3-3

Material Topic: Ethical Management

Policies, Commitments and Materiality

To ensure the Company's sustainable operations, establishing sound business conduct and ethical standards was recognized as a critical foundation for preventing legal violations and mitigating operational risks arising from unlawful activities or the loss of improper benefits. Maintaining strong ethical integrity not only enhanced C SUN's reputation and brand image, but also improved employee satisfaction and loyalty, thereby

Grievance Mechanism

The Company provided a designated whistleblowing hotline and email for employees to report or raise concerns. Whistleblowing Email: audit@csun.com.tw Whistleblowing Hotline: +886-4-23591651 ext. 14767

strengthening social trust and supporting the Company's long-term development. C SUN had formulated and implemented the "Code of Integrity and Business Ethics" and the "Procedures for Handling Reports of Illegal, Unethical, or Dishonest Conduct" to provide clear internal guidelines for regulating employee behavior and ensuring compliance with ethical business principles.

Short-term goals

1. All new employees were required to sign a confidentiality agreement and complete 100% of the mandatory integrity and ethics training.
2. During the reporting year, there were no incidents of violations of the Company's Code of Ethical Conduct or Integrity Management Policy by any employee.

medium- and long-term goals

1. The Company conducted annual integrity and ethics training for all employees to ensure continuous reinforcement of ethical awareness.

Authorities and Responsibilities

Audit Office

Action Plan

- Upholding the highest ethical standards across all business activities, including but not limited to relationships with employees, customers, suppliers, competitors, government authorities, and the public (including shareholders).
- Establishing internal organizational structures and accountability mechanisms to ensure effective checks and balances within business activities presenting higher risks of unethical behavior.
- Conducting integrity awareness sessions for senior executives to strengthen understanding of insider trading regulations and the Company's integrity policies.

2024 Performance

- Ensuring that 100% of new employees completed training related to integrity and ethical business conduct.
- Promoting anti-corruption and anti-bribery awareness for all employees through the Company's joint monthly meetings.
- Reinforcing the core principles of corporate governance and corporate culture—integrity and honesty—through employee-wide sessions.
- Conducting training on the prohibition of insider trading during joint monthly meetings.
- No reports or incidents of employee misconduct or violations of the Company's Ethical Conduct and Integrity Management Policy were received or identified during the reporting year.

2.2 Ethical Management

2.2.1 Ethical Management Policy and Anti-Corruption Communication and Training

GRI 205-1、205-2、205-3

To uphold ethical conduct and integrity in business operations and to foster a sound corporate culture, C SUN adopted the “Code of Integrity and Business Ethics,” which was approved by the Board of Directors. The Code provided all employees with clear guidance and behavioral standards to follow. The Sustainability Development Committee was responsible for promoting the Company’s integrity-related initiatives and reported the implementation status of integrity management to the Board of Directors at least once per year. In addition, C SUN established an Internal Audit Office, directly under the Board, to audit and monitor any potential violations of integrity and ethical business conduct, ensuring effective oversight of related issues. In 2024, C SUN completed anti-corruption risk assessments at 100% of its operational sites, and the results indicated that no incidents of corruption occurred. During the reporting year, the Company did not receive any reports, whistleblowing cases, or legal actions related to violations of integrity or ethical business practices. C SUN actively engaged with both employees and suppliers to communicate the importance of anti-corruption awareness. To ensure that all employees possessed a strong understanding of anti-corruption principles and were able to integrate them into daily operations, the Company conducted annual anti-corruption training for all staff. In 2024, internal training sessions were held for various employee groups to strengthen awareness of anti-corruption and ethical business conduct. All new employees completed integrity-related training, which included an explanation of the Code of Integrity and Business Ethics and the signing of the Integrity Commitment, achieving a 100% completion rate. Among 94 suppliers, 92 suppliers participated in anti-corruption communication activities, representing a coverage rate of 97.8%. C SUN will continue to promote anti-corruption awareness among all employees and supply-chain partners to further enhance collective integrity and uphold a transparent and ethical business environment.

Ethical Management and Anti-Corruption Education and Training in 2024

Date	Training Program Title	Target Participants	Number of Participants	Training Hours
2024/4/24	Corporate Fraud Prevention, Anti-Fraud, and Information Security Awareness	All Employee	178	178
2024/8/31	Anti-Corruption and Anti-Bribery Awareness	All Employee	371	93
2024/8/31	Core Elements of Corporate Governance and Corporate Culture: Integrity and Honesty	All Employee	371	93
2024/11/27	Prohibition of Insider Trading	New Employee	261	65
2024	Integrity Commitment Signing and Training upon Onboarding	All Employee	104	52.5



Ethical Management and Anti-Corruption Education and Training of C Sun

2.2 Ethical Management

2.2.2 The whistleblower system GRI 2-26

C Sun has set out the "**Handling Measures for Reporting Cases of Illegal, Unethical or Dishonest Conduct**" to standardize the relevant reporting process of the company.

Whistleblowing Channels	C Sun Mfg., Ltd. website/Stakeholder page/Customer, supplier, employee report Mailbox: audit@csun.com.tw
Handling Procedure	<p>1. Anonymous report: The principle of anonymous reporting is not handled, but the content of the complaint can still be handled separately if it is deemed necessary for investigation, and used as a reference for internal review.</p> <p>2. Named report: The receiving unit should clarify the intent of the report and the specific evidence, and if it believes that there is a risk of violating the law or immoral or dishonest behavior, it should report to the general manager for handling with the attached evidence.</p> <p>3. The Company shall handle the report in a confidential manner, and verify it through independent channels, and fully protect the whistleblower, and the identity of the whistleblower will be kept absolutely confidential.</p> <p>4. If the whistleblower is a colleague, the company guarantees that the colleague will not be improperly disposed of as a result of the whistleblowing.</p> <p>5. In order to protect the rights of the counterparty in the case and avoid retaliation by others, the Company shall give the counterparty the opportunity to appeal, and convene a hearing of the Personnel Evaluation Committee if necessary.</p> <p>If the report is verified to be true and the circumstances are serious, the Company will disclose it at the Public Information Observatory, in addition to being dealt with by law or relevant regulations of the Company.</p>

The Audit Office accepted reports from internal and external parties such as customers, suppliers, shareholders, and investors as the acceptance unit, and did not receive any reports in 2024.

2.3 Risk ManagementGRI 2-25**2.3.1 Risk Management Structure and Response Mechanism**

C SUN's Board of Directors served as the highest governance and decision-making body for risk management, responsible for the final approval of major risk management policies and measures to ensure stable operations and sustainable development. To further strengthen corporate governance, risk control, and implementation effectiveness, C SUN, on October 31, 2024, formally established the Risk Management Committee, a functional committee under the Board of Directors, by resolution of the Board. The committee was composed of three members—two independent directors and one director. The Risk Management Committee assisted the Board in implementing risk management policies, supervised the effectiveness of risk control mechanisms, and reviewed risk management reports and overall implementation outcomes. Under the Risk Management Committee, risk management task forces were established. Each task force identified significant risks related to its business operations and, in response to internal and external issues, changes in the environment, and regulatory adjustments, conducted necessary risk assessments and formulated risk mitigation plans. Through these mechanisms, C SUN effectively implemented and continuously improved its risk management system, minimized potential impacts, and seized emerging opportunities to advance the Company's vision of sustainable development.

2.3 Risk Management

2.3.2 Identification and Analysis of Key Risks

C SUN, through its Risk Management Task Forces, conducted annual reviews of industry risk trends and held regular risk management meetings with all departments to comprehensively assess potential operational risks from multiple perspectives. The identified risk factors were classified, analyzed, and mapped against the Company's existing response strategies and management status to ensure that all potential risks remained within a reasonable and controllable range, thereby preventing significant financial, reputational, or operational impacts on the Company.

In 2024, C SUN identified five major categories of key risks: 1. Financial Risk 2. Climate Change Risk 3. Human Resources Risk 4. Information Security Risk 5. Operational Risk

The following table summarizes the Company's management policies and response strategies for each of these key risk areas

2024 Risk Categories

ESG Aspect	Risk Factors	Risk Categories
E	Climate Change Risk	Risks related to greenhouse gas (GHG) emissions management, carbon rights and credit management, and energy management, arising from the impacts of climate change and natural disasters. These also included potential risks associated with compliance with international and local environmental regulations, such as air pollution, wastewater discharge, toxic gas emissions, noise control, and environmental impact assessment (EIA) requirements.
S	Human Resource Risk	talent retention, employee development, and workplace environment
G	Financial Risk	Financial Aspect: Risks related to asset valuation, credit and solvency, liquidity, and accounting policy changes that might impact the Company's financial position and performance. Investment Aspect: Risks stemming from increased equity investments, leverage operations, derivative transactions, and short-term market volatility of financial investments, as well as potential management or regulatory issues in long-term investee companies that could affect the Company's financial stability.
G	Information Safety Risk	Risks of data breaches, cyberattacks, or ransomware incidents that could lead to leakage or misuse of sensitive information belonging to customers or the Company.
G	Operational Risk	Risks associated with market competition, product and service design quality, and major business contract management, which could affect the Company's operational performance and reputation.

ESG Aspect	Risk Factors	Risk Management Policy
E	Climate Change Risk	<ol style="list-style-type: none">In alignment with the TCFD framework, C SUN regularly conducted assessments of key climate-related opportunities and established corresponding mitigation measures and management targets.The Company planned to gradually expand the scope of its greenhouse gas (GHG) inventory and, in 2024, implemented the ISO 14067 Product Carbon Footprint standard for selected product models.C SUN optimized production processes and introduced green design principles to reduce environmental impact, fulfilling its commitment to product responsibility and sustainable consumption.Employees were encouraged to propose energy-saving and carbon-reduction R&D projects to support the development of low-carbon products and services.
S	Human Resource Risk	<ol style="list-style-type: none">The Company conducted regular workforce reviews and audits to monitor staffing adequacy and stability.C SUN offered competitive compensation and benefits packages and attracted talent through professional opportunities to enhance organizational competitiveness.The Company cultivated talent through corporate culture seminars and knowledge-sharing sessions, fostering continuous learning and personal growth.A comprehensive training and development system was implemented to continuously improve employee competency and encourage lifelong learning habits.
G	Financial Risk	<ol style="list-style-type: none">The Company regularly reviewed bank loan interest rates and maintained close communication with financial institutions to secure more favorable financing conditions.In response to exchange rate fluctuations, C SUN forecasted future cash flows and adopted forward contracts or spot transactions to hedge against currency risks.All investment activities underwent rigorous evaluation in accordance with the Procedures for Acquisition or Disposal of Assets and the defined authorization hierarchy, ensuring that the Company did not engage in high-risk or leveraged investments.Regarding lending of funds and endorsements/guarantees, transactions were limited to the Company's subsidiaries and sub-subsidiaries, and were handled in compliance with internal procedures such as the Procedures for Lending of Funds to Others and the Endorsement and Guarantee Regulations.
G	Information Safety Risk	<ol style="list-style-type: none">C SUN maintained a formal Information Security Policy to protect the confidentiality, integrity, and availability of its data, systems, personnel, and network assets, thereby reducing operational risks and safeguarding the Company's reputation.The Company conducted information asset inventories and risk assessments, implemented tiered authorization management, and strengthened both internal and external information flow controls—including the use of antivirus systems, internal servers, and encrypted software to ensure data protection.The IT Department executed incident reporting and response procedures and organized cybersecurity training for employees across all departments to enhance overall information security awareness.
G	Operational Risk	<ol style="list-style-type: none">The Company proactively identified customer needs and gathered intelligence on competitors' product development through regular client visits, enabling prompt responses to feedback and enhancing product competitiveness and market share.C SUN monitored market dynamics and supply chain risks through business intelligence collection and implemented supplier evaluations covering quality and environmental impact before engaging in transactions, in accordance with the Procurement and Sales Cycles.The Company continuously invested in R&D resources to secure core technologies, maintain competitive advantages, and achieve its long-term goal of sustainable business growth.

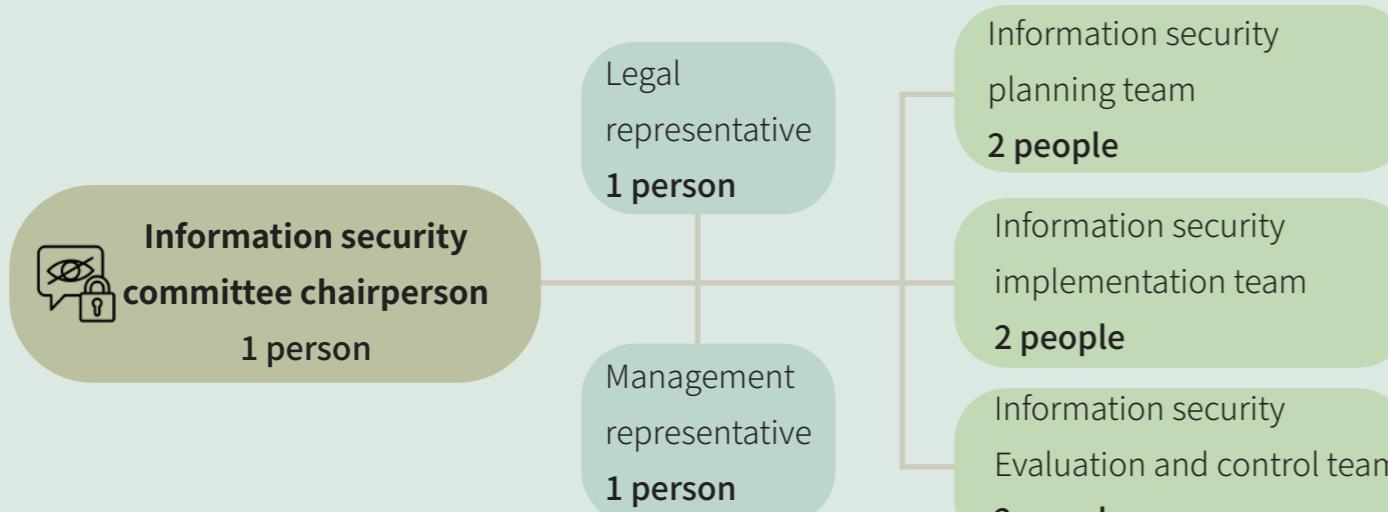
2.3 Risk Management

2.3.3 Information Security Risk Management

Policies, Organizations and Objectives

To strengthen information security protection and management, C SUN established an Information Security Management Policy as the highest-level guideline under the framework of corporate governance. This policy aimed to reinforce company-wide information security awareness and ensure the confidentiality, integrity, and availability of key information assets—including data, information systems, equipment, personnel, and networks—while complying with applicable regulatory requirements. In 2024, C SUN regularly convened management review meetings, conducted information security incident drills, and organized employee education and awareness programs on cybersecurity. These efforts effectively enhanced the Company's information security culture, reduced operational risks, safeguarded corporate reputation, and further strengthened its competitive advantage.

Information Security Committee Structure



The responsibilities of the sub-committees of the Information Security Committee



Planning team

Information policy management

Define company information security policies Define company information management policies.

Information security management

Restrict and regulate computer equipment and assets based on policies.



implementation team

Periodically provide information security records to management.

Report anomalies to the Planning and Evaluation Teams.



Evaluation and control team

Assist in evaluating the effectiveness of information security policies and ensure compliance.

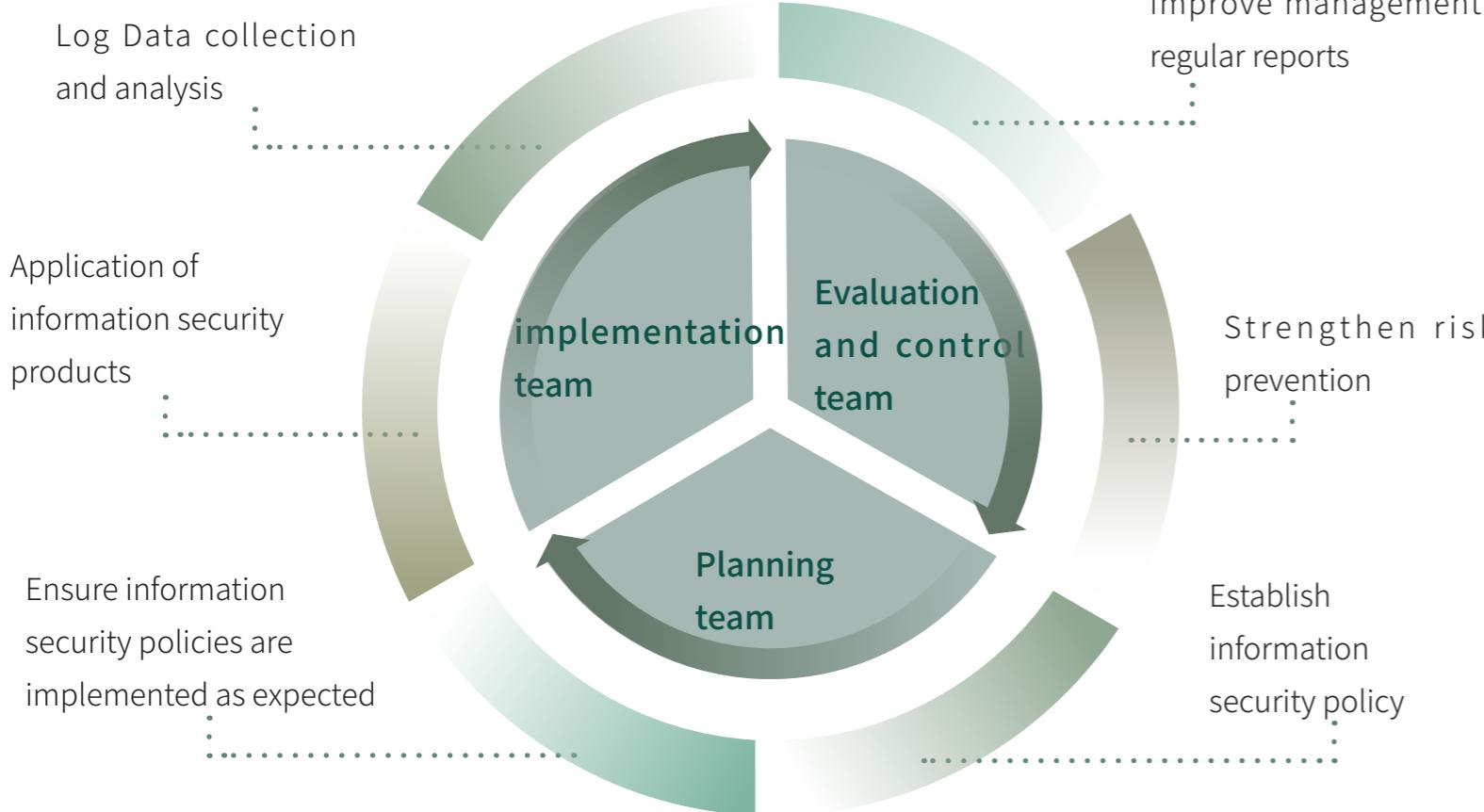
Verify execution records and report alignment to super visors, committee chairpersons, and management.

C SUN was committed to strengthening its information security management to ensure the confidentiality, integrity, and availability of intellectual property and customer data. The Company enhanced its information control mechanisms through information asset inventories, risk assessments, tiered authorization management, and the deployment of in-house servers and encryption technologies. The Information Technology Department regularly conducted awareness campaigns and employee training sessions to enhance information security awareness and response capabilities across the organization. In addition, C SUN established incident reporting and response procedures to ensure that any information security events were promptly identified, managed, and resolved. By positioning information security as a core objective of operational management, C SUN continuously strengthened its organizational resilience, enhanced stakeholder trust and satisfaction, and advanced toward the goal of sustainable business operations.

Information Security Governance Process

Information unit ► Planning team ► Sign-off Depts ► Management Repr ► Chairperson, General Manager ► Doc. Center Inv

Informatics Strategy



Information Security Maintenance

To build a secure information environment, C SUN invested in both internal and external information security maintenance measures. In 2024, the Company became a member of the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) to share cybersecurity intelligence and enhance system resilience. C SUN signed system maintenance contracts to ensure system availability, deployed information security and antivirus software, introduced internal and external network traffic monitoring tools, implemented external email filtering mechanisms, and established firewall protection systems. The Company also conducted periodic emergency response drills for information systems and replaced obsolete equipment and systems reaching end-of-life to maintain up-to-date protection capabilities. In 2024, total investment in information security maintenance amounted to NT\$4.65 million.

Information Security Education and Training

C SUN conducted company-wide social engineering simulation exercises and information security awareness training each year. During monthly internal meetings, the Company promoted cybersecurity awareness by sharing recent cybersecurity news and incident updates through its intranet platform. In 2024, a total of 12 cybersecurity awareness sessions were held through monthly meetings. Additionally, November 2024 was designated as C SUN Information Security Month, featuring internal phishing simulation exercises, information security campaigns, and knowledge assessments. These combined drills and awareness initiatives helped reduce risks, strengthened employees' ability to identify and respond to cyber threats, and safeguarded the Company's operational interests at all times.



▲ Information Security Education and Training



▲ Information Security Promotion

Information security maintenance

Information security maintenance	investment	Amount
Information security protection software	EDR DLP	
Antivirus software	Antivirus Software	
Asset Management	ITAM	
International Certifications	ISO 27001:2022	
Information Security Certification for Semiconductor Equipment	SEMI E187	
Preventive Cybersecurity Protection	Access Point EOL/Kickoff Maintenance	NTD\$4.65 million



SEMI E187 Information Security Certification

In November 2024, C SUN initiated the implementation of the SEMI E187 standard and was scheduled to obtain certification in 2025. The SEMI E187 Information Security Standard, established by the Semiconductor Equipment and Materials International (SEMI), ensures the security of data transmission, storage, and operation within semiconductor manufacturing equipment. This certification aimed to strengthen supply chain cybersecurity protection and enhance the Company's competitiveness in the global semiconductor market.

The introduction of SEMI E187 not only demonstrated C SUN's commitment to information security but also underscored its capability to support TSMC's advanced technology development. Looking ahead, C SUN planned to continue investing in information security and technology R&D, working closely with partners to drive industry advancement and meet global customers' expectations for high cybersecurity standards.

2.4 Compliance with laws and regulations

C SUN has long regarded regulatory compliance as a fundamental corporate responsibility. The Company consistently adhered to the principles of honest management and active social responsibility, maintaining a positive corporate image and effective risk control over the years. In response to amendments to major policies and regulations such as the Corporate Governance Best-Practice Principles, the Company Act, and the Securities and Exchange Act, C SUN remained fully compliant. In addition, the management team continuously monitored significant domestic and international policy and legal developments, proactively implementing appropriate countermeasures to demonstrate the Company's commitment to responsible corporate governance.

C SUN established the Integrity Management Code of Conduct to ensure all business operations were managed in accordance with legal and ethical standards. This framework served as a foundation for cultivating a corporate culture of integrity and sound business practices. The Code guided all employees in adhering to applicable laws and avoiding potential misconduct in the course of their duties. The Audit Office, which reports directly to the Board of Directors, was designated as the dedicated unit responsible for formulating, supervising, and implementing integrity management policies and preventive measures, and for reporting progress to the Board on a regular basis. C SUN defined significant regulatory violations as those with a financial impact equivalent to or exceeding 3.5% of the Company's pre-tax profit in the reporting year. In 2024, there were no material violations of environmental, social, health and safety, marketing communication, or antitrust-related laws and regulations. Furthermore, there were no major penalties associated with non-compliance concerning products and services.

However, during 2024, one minor incident of legal non-compliance occurred, which resulted in an administrative fine. In line with C SUN's principle of information transparency, the relevant case has been fully disclosed in the table below. Corrective actions were immediately implemented to ensure future compliance and to prevent recurrence.

Date of Penalty	Description of the legal violation	Amount of penalty
2024/3/11	Failure to complete the change of company registration within the statutory period, in violation of Article 387, Paragraph 4 of the Company Act.	20,000 (NTD\$)
Future Improvement Practices		
<ul style="list-style-type: none"> To address and prevent recurrence of such incidents, the Company implemented the following improvement measures: Establishment of a Company Registration Checklist: A comprehensive management checklist was created to record all registration items subject to amendment under the Company Act, along with their respective statutory deadlines. Implementation of a Standard Operating Procedure (SOP): The amendment registration process was standardized through the establishment of a formal SOP, designating key control points for verification and regular audits to ensure timely completion of required registration updates. Enhancement of Internal Communication: An effective internal communication mechanism was established to ensure coordination among responsible personnel. Under the standardized SOP framework, employees involved in different processes were able to fully understand workflow requirements and maintain efficient communication and collaboration. 		

3 Environmental Sustainability

3.1 Environmental Responsibility and Commitment

3.2 Climate Change Adaptation

- 3.2.1 Climate Governance
- 3.2.2 Climate Risk and Opportunity Strategy
- 3.2.3 Climate Risk and Opportunity Assessment
- 3.2.4 Short-, Medium-, and Long-Term Financial Impacts of Climate Risks and Opportunities
- 3.2.5 Identification of Climate-Related Risks and Opportunities
- 3.2.6 Climate Risk and Opportunity Management
- 3.2.7 Indicators and Targets

3.3 Energy and Greenhouse Gas Management

- 3.3.1 Energy Use Overview
- 3.3.2 Greenhouse Gas (GHG) Management
- 3.3.3 Energy Conservation and Carbon Reduction Measures

3.4 Waste Management

- 3.4.1 Waste Management System
- 3.4.2 Waste Generation
- 3.4.3 Waste Reduction Actions
- 3.4.4 Waste Reduction Targets and Planned Actions

3.5 Water Resource Management

- 3.5.1 Water Resource Risk Assessment
- 3.5.2 Water Withdrawal, Consumption, and Discharge
- 3.5.3 Water Reduction Targets and Planned Actions



3.1 Environmental Responsibility and Commitment

C Sun is committed to environmentally sustainable development, in order to achieve the social responsibility of "protecting the earth, loving the earth" for the purpose, in order to achieve the above purposes, C Sun promises to do the following:

Comply with laws and international standards

Comply with relevant environmental laws and international standards, protect the natural environment, and achieve environmental sustainability goals in business activities and internal management.

Improve resource utilization efficiency

Improve resource utilization efficiency and use recycled materials with low environmental load to achieve sustainable use of the earth's resources.

Establish an environmental management system

Establish an environmental management system according to the characteristics of the industry, including: collecting and evaluating the impact of business activities on the natural environment, setting measurable environmental sustainability goals, regularly reviewing, formulating specific action plans, and regularly reviewing the effectiveness.

Establishment of a dedicated unit

Set up a dedicated unit or personnel for environmental management to promote and maintain the environmental management system, and hold environmental education courses on a regular basis.

Promote sustainable consumption

Consider the impact of operations on ecological efficiency, reduce the impact on the environment from R&D, procurement, production, operation and services, including reducing resource and energy consumption, reducing pollutants and waste emissions, properly disposing of waste, improving the recyclability and reuse of raw materials or products, maximizing the use of renewable resources, extending product durability, and increasing the efficiency of products and services.

Improve the efficiency of water use

properly manage and sustainably use water resources, avoid polluting water, air and land, reduce adverse impacts on human health and the environment, and adopt the best pollution prevention and control technologies.

Conduct GHG inventory

Conduct GHG inventory using common domestic and international standards, including direct emissions (emissions from sources owned or controlled by the company) and indirect emissions (emissions from the use of purchased energy). C Sun pays attention to the impact of climate change on operations, formulates energy conservation and carbon reduction strategies, and reduces the impact of business activities on climate change.

C SUN actively implemented energy conservation and carbon reduction measures, striving to minimize environmental impacts by reducing the use of hazardous substances in its products. In alignment with environmental regulations established by Taiwan's Ministry of Environment, the Company formulated comprehensive Environmental, Health, and Safety (EHS) Management Guidelines. Through its participation in TSMC's supplier guidance program, C SUN further deepened its understanding of the critical role environmental management plays in the governance of a listed company.

To effectively control potential environmental pollution arising from production activities, all manufacturing sites introduced the ISO 14001 Environmental Management System (EMS). With assistance from professional consulting firms, the Company successfully obtained ISO 14001:2015 certification from TÜV Rheinland in December 2023. The certification remains valid from December 23, 2023 to December 22, 2026.

Following certification, C SUN began implementing multiple energy-saving and waste-reduction strategies aimed at minimizing resource consumption and contributing to global environmental protection. Guided by the Group's environmental management principles — "Compliance with regulations, resource conservation, waste reduction, and full employee participation" — the Company pursued sustainable environmental management and made the following commitments:

Establish and maintain an effective ISO 14001 environmental management system to implement environmental policies and objectives.

Continuously improve environmental performance and strengthen environmental and energy awareness among all employees.

Enhance environmental literacy and comply with energy and environmental regulations as well as other relevant requirements.

Promote continuous energy conservation and reduce environmental impacts to achieve long-term sustainability goals.

In 2024, C SUN set 11 annual environmental objectives, all of which were completed successfully.

Pollution Prevention: As the Company's facilities did not generate hazardous waste or produce significant air, water, or noise pollution, all related preventive measures were implemented in strict compliance with regulatory requirements.

Waste Management: The Taichung facility renovated its open-air recycling yard into a semi-enclosed centralized collection site to prevent waste materials from being exposed to wind or sunlight, thereby reducing potential secondary pollution. In addition, C SUN promoted the reuse of plastic pallets in place of wooden pallets to enhance recycling efficiency.

Energy Management: The Company planned to introduce the ISO 50001 Energy Management System in 2025 and actively participated in energy improvement subsidy programs. Upon completion, these measures are expected to reduce total energy consumption by approximately 26.7%. As of 2024, C SUN had replaced 85% of fluorescent lighting with LED fixtures and upgraded nine split-type air conditioners to Grade 1 energy-efficient models. In the next phase, the Company will review energy consumption from large-scale air-conditioning systems and replace them with high-efficiency Grade 1 equipment.

Through these continuous efforts, C SUN demonstrated its ongoing commitment to environmental protection, resource efficiency, and sustainable development, contributing to a greener and more resilient future.



3.2 Climate Change Adaptation

Policies, Commitments and Materiality

With the global carbon reduction failure to cause extreme weather to intensify year by year, climate change has become a problem that global enterprises must face, and if extreme weather is not properly managed and prevented, it may increase the risk of supply chain disruption and unsustainable operation of factories. Therefore, C Sun is committed to

participating in international climate initiatives, such as echoing the SBTi science-based carbon reduction goals, RE100 and other commitments to achieve the long-term goal of achieving net-zero carbon emissions by 2050, in order to declare to stakeholders the determination to respond to climate change.

Short-medium and long-term goals

1. C SUN progressively advanced Group-wide consolidated GHG inventories and established emission reduction targets.
2. The Company evaluated renewable electricity procurement costs and planned to gradually increase the share of renewable energy in its total power consumption.
3. C SUN applied for Science Based Targets initiative (SBTi) and CDP accreditation to align with international climate disclosure standards.
4. The Company set medium- and long-term reduction targets: a 42% reduction in Scope 1 and Scope 2 emissions, and a 37.5% reduction in Scope 3 emissions by 2030, aiming to achieve net-zero emissions by 2050.

Authorities and Responsibilities

Sustainability
Development
Committee

Action Plan

- In accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework, C SUN regularly conducted assessments of key climate opportunities and established corresponding mitigation and management objectives.
- The Company planned to introduce ISO 14067 Product Carbon Footprint verification across three product models by 2025.
- C SUN upgraded facility equipment and optimized production assembly processes and technologies to reduce energy waste and enhance efficiency.
- The Company encouraged employees to propose energy-saving and low-carbon R&D initiatives, further advancing the development of low-carbon products and services.

2024 Performance

- In 2024, C SUN completed its organizational-level GHG inventory in accordance with ISO 14064-1, achieving a 15.56% reduction in GHG emission intensity compared to 2023.
- The Company's waste recycling rate reached 26.22%, exceeding its annual target of 20%.
- Group entities conducted GHG inventories in accordance with the GHG Protocol, ensuring consistency and transparency across reporting boundaries.
- In 2024, C SUN invested NT\$10 million in the E.SUN Commercial Bank Sustainable Development Bond (Bond Code: G102BD, P13 E.SUN 2A), which was officially recognized by the Taipei Exchange as a Sustainable Development Bond.

Grievance Mechanism

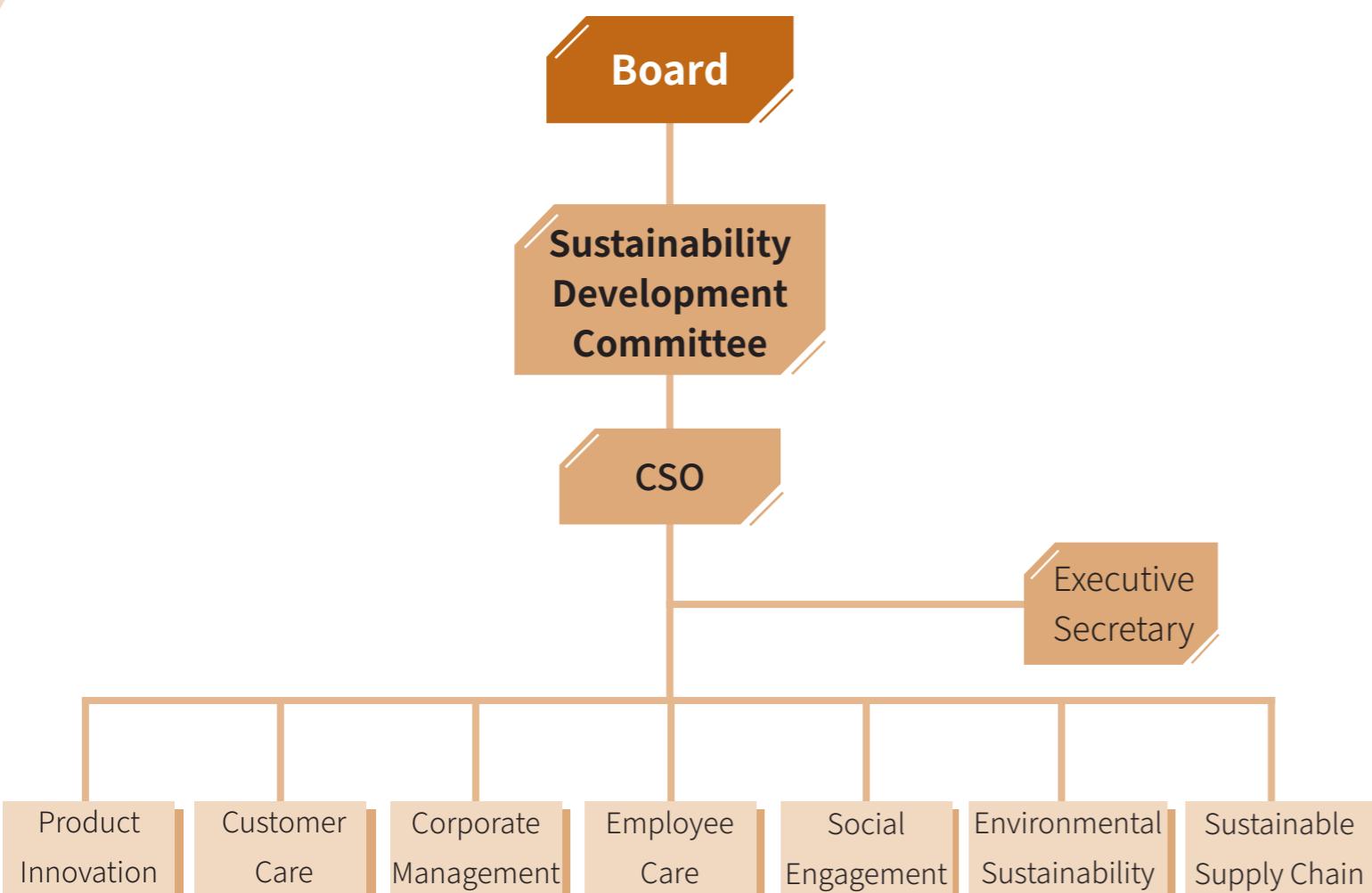
Email : sale@csun.com.tw

Whistleblowing hotline: +886-2-26017706

3.2 Climate Change Adaptation

3.2.1 Climate Governance

With the global carbon reduction failure to cause extreme weather to intensify year by year, climate change has become a problem that global enterprises must face, and if extreme weather is not properly managed and prevented, it may increase the risk of supply chain disruption and unsustainable operation of factories. Therefore, C Sun is committed to participating in international climate initiatives, such as echoing the SBTi science-based carbon reduction goals, RE100 and other commitments to achieve the long-term goal of achieving net-zero carbon emissions by 2050, in order to declare to stakeholders the determination to respond to climate change.



Board

The Board of Directors served as the highest governing and decision-making body for risk management at C SUN, responsible for the ultimate oversight of all major risk management decisions. To strengthen corporate governance and risk control capabilities, thereby ensuring sustainable business development, the Board also acted as the highest authority for climate governance. It oversaw and monitored the Company's climate-related strategy and direction, regularly discussing emerging trends in climate risks and opportunities. The Board reviewed key climate decisions, strategic objectives, and performance targets to ensure stable and sustainable corporate operations. Under the Board's supervision, the Sustainability Development Committee, chaired by the General Manager, reported at least once annually on the progress and performance of the Company's sustainability initiatives.

Sustainability Development Committee

The Sustainability Development Committee functioned as C SUN's dedicated unit for sustainability management and climate governance. It was responsible for identifying key climate-related risks and opportunities associated with C SUN's business operations. The Committee, convened regularly by the General Manager, coordinated with functional departments to develop climate response strategies, set management objectives, and formulate implementation plans. The Committee reported progress and outcomes to the Board of Directors, facilitating internal communication and integration across departments. As the primary authority on sustainability and climate-related matters, the Committee adopted a tiered management approach, establishing internal regulations and conducting risk assessments to address external environmental challenges. These efforts aimed to minimize potential impacts, strengthen resilience, and seize future development opportunities. The Committee was required to report annually to the Board on the status and results of its implementation, reaffirming C SUN's commitment to long-term sustainable operations.

3.2 Climate Change Adaptation

3.2.2 Climate Risk and Opportunity Strategy

C SUN followed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to carefully assess the short-, medium-, and long-term risks and potential opportunities arising from climate change, incorporating them into its overall business strategy. The Company categorized its climate-related risks into two primary types: transition risks and physical risks.

Transition Risks

These risks stemmed from the global shift toward a low-carbon economy and could have affected the Company's operations in several ways:

Policy and Regulatory Risks: For example, the implementation of carbon pricing mechanisms or stricter industry emission standards.

Technology Risks: The rapid development and adoption of low-carbon technologies could have reduced the competitiveness of existing technologies or products.

Market Risks: Shifts in consumer preferences or increased customer demand for low-carbon products and services.

Reputation Risks: Potential reputational damage or industry stigmatization if the Company failed to effectively respond to climate change.

Physical Risks

These risks arose from the direct physical impacts of climate change on business operations. Based on their time horizon, C SUN classified them as follows:

Acute Risks: Short-term extreme weather events, such as typhoons and floods, which could have led to operational disruptions or asset damage.

Chronic Risks: Long-term climate pattern changes, such as rising temperatures or sea levels, which could have affected production facilities, supply chains, and market conditions over time.

Opportunities

In line with the TCFD framework, C SUN identified several potential opportunities

Resource Efficiency: By improving energy and resource efficiency, the Company reduced operating costs and emissions.

New Energy: The development and adoption of clean energy technologies created new avenues for business growth.

Products and Services: C SUN developed new products and services aligned with the needs of a low-carbon economy to meet shifting market demands.

Markets: The Company explored new market opportunities related to climate adaptation solutions.

Resilience: C SUN strengthened the resilience of its supply chain and operations to better withstand the impacts of climate change.

3.2 Climate Change Adaptation

3.2.3 Climate Risk and Opportunity Assessment

In alignment with the TCFD framework, C SUN assessed climate-related risks and opportunities by considering factors such as the expected lifespan of assets, the operational life of infrastructure, the duration of potential climate-related impacts, and the characteristics of the industries and geographic regions in which the Company operated. Based on these factors, C SUN defined the following time horizons for its assessments:

Time Horizons	Assessment of Risks and Opportunities
Short-term	The short-term period referred to climate-related events and trends that had already occurred or were expected to occur within one to five years. Examples: Direct losses caused by extreme weather events or cost increases resulting from short-term policy changes.
Medium-term	The medium-term period covered risks and opportunities related to emerging climate impacts, mid-term regulatory targets, and technological developments. Examples: Supply chain disruptions due to more frequent extreme weather events, changes in costs or revenues driven by carbon pricing mechanisms, and increased market demand for low-carbon products and services.
Long-term	The long-term period addressed risks and opportunities associated with profound climate impacts, long-term policy objectives, and the emergence of transformative technologies. Examples: The impact of rising sea levels on physical assets, significant changes in climate patterns affecting industries, and new market opportunities arising from emerging climate solutions.

3.2 Climate Change Adaptation

3.2.4 Short-, Medium-, and Long-Term Financial Impacts of Climate Risks and Opportunities

In accordance with the TCFD framework, C SUN evaluated the potential financial impacts of climate-related risks and opportunities by considering factors such as the expected lifespan of assets, the operational life of infrastructure, the duration of climate-related effects, and the Company's industrial and geographic characteristics. Based on these considerations, C SUN defined short-, medium-, and long-term horizons for its financial impact assessment as follows:



Short-Term Financial Impacts	<ul style="list-style-type: none"> Increasing severity and frequency of extreme weather events Based on recent meteorological data, C SUN's operating sites were expected to face short-term exposure to extreme weather events resulting from climate change — including abnormal rainfall (floods or droughts), rising temperatures, typhoons, and flooding. These acute physical risks could lead to supply chain interruptions, transportation disruptions, and workforce downtime. Additional financial impacts might arise from investments in preventive measures, higher insurance premiums, and post-disaster recovery expenses. Potential financial impacts included: Increased operating costs Higher labor management and planning expenses Inventory-related costs due to delivery delays Decreased operating revenue Rising insurance or freight premiums, with assets in "high-risk" regions facing insurability challenges
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Medium- to Long-Term Major Climate Risks and Opportunities

(1) Financial impacts of domestic and international carbon pricing mechanisms

Taiwan's carbon fee mechanism was launched in 2024 and was scheduled for collection beginning in 2025, initially targeting major emitters with annual emissions exceeding 25,000 metric tons of CO₂e. The first phase included sectors such as power generation, steel, refining, cement, semiconductors, and TFT-LCD manufacturing, at a rate of NTD 300 per metric ton, with phased rate increases expected. Internationally, mechanisms such as the EU Carbon Border Adjustment Mechanism (CBAM)—piloted in 2023 for carbon-intensive industries such as steel, cement, electricity, aluminum, and fertilizers—were also anticipated to expand to additional sectors. Over the medium to long term, C SUN could face increased export costs and reduced price competitiveness due to CBAM-related charges. In response to these transition risks, potential financial impacts included higher operating or compliance costs, penalties for non-compliance, and cost pass-through from suppliers subject to carbon pricing. Scenarios of financial impact included:

Companies reaching emission thresholds being required to pay carbon fees

Increased upstream supplier costs (e.g., steel and chemical materials) leading to higher procurement costs for semiconductor and equipment manufacturers

Higher renewable energy procurement costs as companies sought to reduce emissions and carbon fee exposure, since green power remained more expensive than conventional electricity

(2) Substitution of existing products and services by low-carbon alternatives

The global transition toward net-zero emissions created pressure across industries to develop low-carbon products and services. This transformation involved challenges such as high initial capital investments, immature technologies, limited market acceptance, and short-term increases in operational costs or profit declines. Furthermore, delays in obtaining necessary technologies or resources could result in production delays or quality risks.

(3) Increasing stakeholder and customer expectations for environmental and low-carbon performance

As climate change and sustainability initiatives gained global momentum, corporate clients increasingly prioritized environmental and low-carbon requirements in supply chain management and product selection. Particularly in advanced markets such as Europe and North America, many brands and large corporations committed to carbon neutrality—or even carbon negativity—targets.

As an upstream equipment supplier, C SUN was required to provide environmentally compliant products and verified low-carbon process certifications such as ISO 14064-1 GHG Inventory, ISO 14067 Product Carbon Footprint, and EPD (Environmental Product Declaration) to qualify as an approved supplier.

To maintain long-term competitiveness and customer relationships, the Company accelerated the implementation of low-carbon transitions and environmental management systems. The necessary investments in consulting, verification, and ongoing system maintenance represented significant and recurring sustainability-related costs, exerting a measurable impact on financial performance.

3.2 Climate Change Adaptation

3.2.5 Identification of Climate-Related Risks and Opportunities GRI201-2

To effectively identify and manage key climate-related risks and opportunities, C SUN's Sustainability Development Committee conducted an annual review process in alignment with international best practices. Each year, the Committee collected and analyzed information from peer companies' sustainability reports, CDP Questionnaires, and global sustainability trends to determine potential issues relevant to C SUN's operations. After narrowing down material topics, the Committee gathered feedback from relevant departments through internal consultations to evaluate the likelihood and potential impact of each identified climate issue. Based on these findings, C SUN determined its material climate risks and opportunities for the reporting year and submitted the results to the Board of Directors for review, decision-making, and integration into the Group's strategic planning.

1. Topic Collection

- Review of peer companies' sustainability reports
- Review of CDP Climate Questionnaires from industry peers
- Analysis of international climate and sustainability trends

2. Risk and Opportunity Identification

- Interviews and consultations with relevant departments
- Assessment and discussion by members of the Sustainability Development Committee

3. Development of Response Measures

- Review of current management practices and adaptation actions across operational sites
- Formulation of risk mitigation and opportunity management plans based on each site's situation
- Annual submission of target achievement status from each site to the Linkou Headquarters

4. Tracking, Management, and Continuous Improvement

- Monthly review of progress toward climate targets through regular site meetings

The evaluation of risk factors was conducted based on four key dimensions: “likelihood of occurrence,” “level of impact,” “urgency,” and “vulnerability.” Each factor was assigned a rating according to standardized criteria, and the overall risk level was determined through comparative analysis and prioritization of the scores.

Among these factors, vulnerability referred to the Company’s capacity to withstand and recover from risk events — specifically, the degree of resilience demonstrated when disruptions occurred. A higher level of vulnerability indicated that the Company would be more susceptible to being adversely affected by such risks.

The evaluation methodology and rating standards were defined as follows:

Risk Assessment Criteria

Level	Impact Scope	Likelihood of Occurrence	Vulnerability	Urgency
5	Extreme	Frequent	Very High	Immediate
4	Major	Highly Likely	High	Somewhat Urgent
3	Moderate	Possible	Moderate	Moderate
2	Minor	Unlikely	Low	Manageable
1	Indirect	Rare	Minimal	Negligible

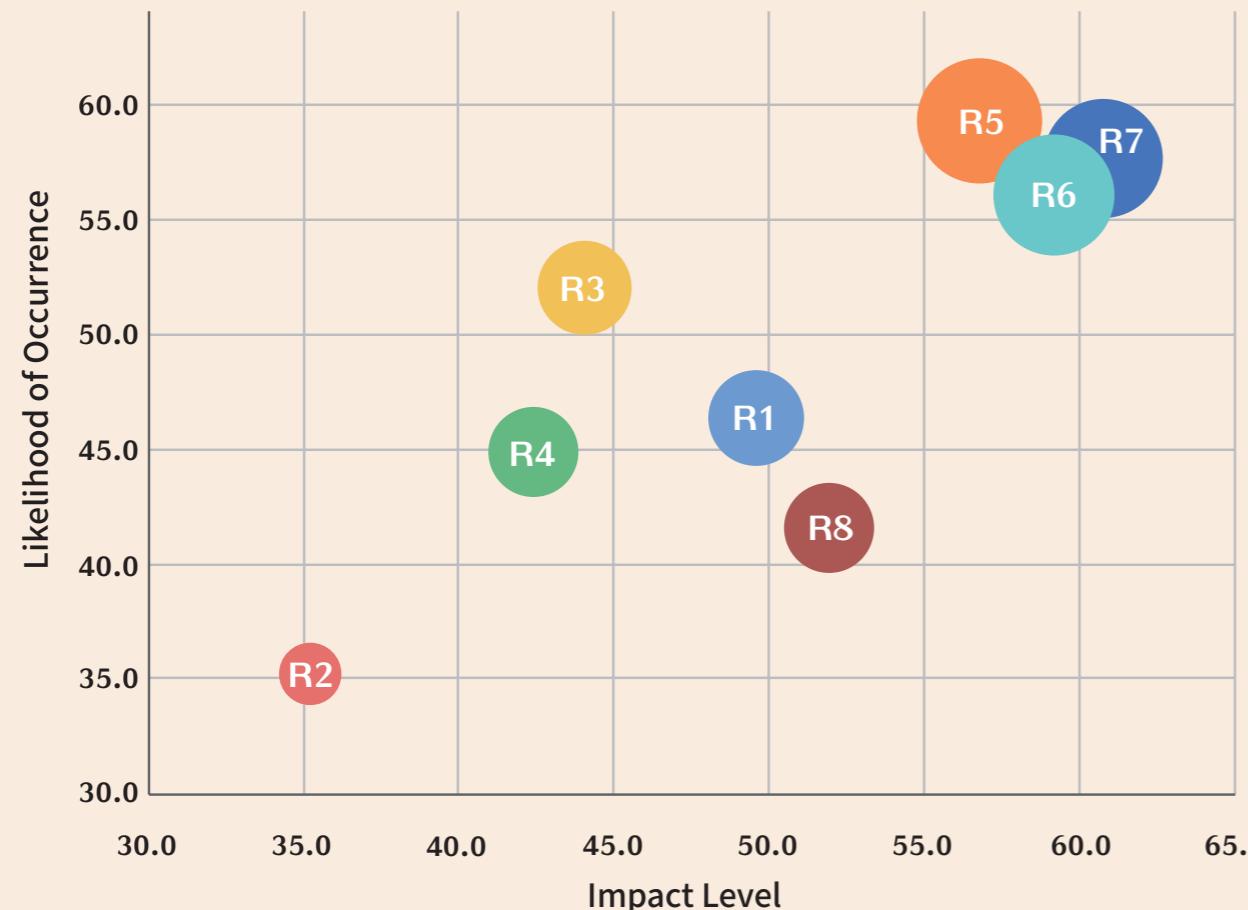
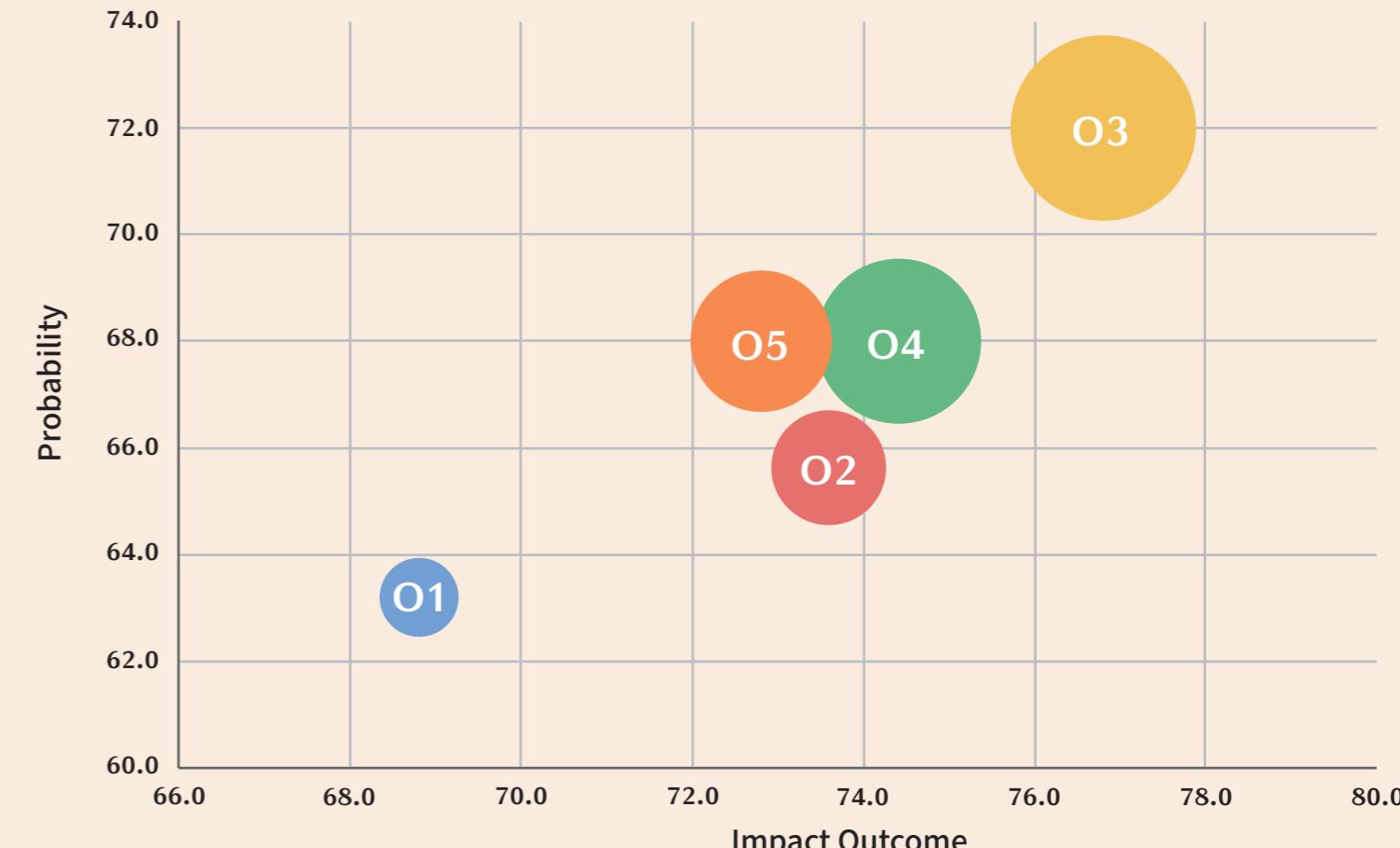
Likelihood of Occurrence

Level	Description	Probability Range	Estimated Frequency
5	Almost Certain	≥ 90%	Occurs annually
4	Very Likely	65%~90%	Once every 1~3 years
3	Possible	35%~65%	Once every 3~5 years
2	Unlikely	10%~35%	Once every 5~10 years
1	Rare	<10%	Once every 10~30 years

【Impact Level / Scope】

Level	Description of Impact	Financial Impact	Products and Services	Personnel	Reputation
5	Very Severe	Significant financial loss / approximately 20% of revenue	Loss of major orders or inability to continue production	Fatalities or permanent disability	Extensive and prolonged negative media exposure; lawsuits or investigations by authorities
4	Severe	Major financial loss / 10%~15% of revenue	Significant reduction in orders or long-term production disruption	Partial permanent disability or occupational illness	Sustained and recurring negative media coverage
3	Moderate	Moderate financial impact / up to 10% of revenue	Moderate reduction in orders or short-term production disruption	Short-term health issues	Brief negative news coverage or compensation claims
2	Minor	Minor financial impact / 0.5%~1% of revenue	Slight reduction in orders or brief production delay	Issues requiring attention but no lasting health effects	Limited spread of negative information without formal media coverage
1	Very Minor	Negligible financial impact / below 0.5% of revenue	Orders and production almost unaffected	No personnel injury	Virtually no negative exposure

To formulate the Company's key strategies for addressing climate change, it was essential to first identify the material climate-related risks and opportunities. In 2024, C SUN's Sustainability Development Committee, following the TCFD recommendations, benchmarked peer sustainability reports, peer CDP questionnaires, and global climate trends to compile a list of 13 potential climate-related topics relevant to C SUN's operations. The Committee then collaborated with various departments to review the Company's actual exposure and response to these issues. After comprehensive evaluation and discussion, the Committee identified six key climate risks and opportunities, including one physical risk, three transition risks, and one climate-related opportunity. Based on the climate risk and opportunity assessment results, the identified topics were further prioritized and analyzed in terms of ranking, expected time horizon, and corresponding mitigation or adaptation strategies established by the Company.

Risk Assessment Matrix**Potential Opportunity Assessment Matrix****Physical Risk Ranking**

Code	Risk Category	Risk Type	Risk Ranking	Impact
R1	Physical Risk	Acute Extreme Weather Risk	1	v
R2	Physical Risk	Sea Level Rise	3	
R3	Physical Risk	Rising Average Temperature	2	

Transition Risk Ranking

Code	Risk Category	Risk Type	Risk Ranking	Impact
R4	Transition Risk	Changing Climate Patterns	5	
R5	Transition Risk	Policy and Regulatory Risk	2	v
R6	Transition Risk	Technological Risk	3	v
R7	Transition Risk	Market Risk	1	v
R8	Transition Risk	Reputational Risk	4	

Transition Opportunity Ranking

Code	Opportunity Type	Significance Ranking	Identified as Material
O1	Resource Efficiency	5	
O2	Renewable Energy	4	
O3	Products and Services	1	v
O4	New Market Development	2	
O5	Enhanced Resilience	3	

3.2 Climate Change Adaptation

3.2.6 Climate Risk and Opportunity Management

1. Climate Risk Management

In 2024, C SUN identified one acute physical risk and three transition risks in accordance with the TCFD framework. The relevant issues, potential impacts, and corresponding response measures are summarized as follows:

Risk Category	Risk Type	Related Issues	Potential Impacts	C SUN's Response Measures
Physical Risk	Acute — Extreme Weather Events	Increased frequency and intensity of natural disasters such as typhoons and floods	1. Disruptions in transportation and logistics 2. Employee commuting difficulties 3. Interruptions in raw material supply	1. Diversification of supply chains 2. Emergency response and contingency planning 3. Establishment of backup work locations
Transition Risk	Market Risk	Increasing environmental and low-carbon requirements from stakeholders and customers	1. Rising customer demand for carbon reduction 2. Potential loss of market competitiveness	1. Ongoing risk assessment and management 2. Continuous improvement of environmental performance 3. Strengthened communication and transparency with stakeholders
Transition Risk	Policy and Regulatory Risk	Stricter global regulations related to net-zero policies	1. Domestic carbon fee implementation 2. International carbon border tariffs 3. Increased costs for sustainability verification and certification	1. Implementation of carbon management mechanisms and certification 2. Maintaining policy sensitivity and compliance readiness 3. Development of low-carbon products and manufacturing processes
Transition Risk	Technological Risk	Low-carbon products gradually replacing existing products and services	1. Increased R&D investment 2. Higher management and operational costs	1. Adjusting energy mix and optimizing power usage 2. Conducting comprehensive market, customer, and competitor analysis 3. Strengthening R&D and innovation initiatives 4. Promoting technology collaboration and process optimization

2. Potential Opportunity Management

In 2024, C SUN's assessment identified one acute physical risk and three transition risks as part of its climate risk evaluation. In parallel, the company also analyzed potential climate-related opportunities, focusing primarily on products and services that contribute to low-carbon transformation. The related issues, potential benefits, and response measures are summarized as follows:

Category	Climate-Related Issues	Potential Opportunities	C SUN's Response Measures
Products and Services	<ol style="list-style-type: none"> Development of low-carbon products Obtaining product carbon footprint certification Acquiring low-carbon, energy-saving, or equivalent eco-labels Enhancing product competitiveness, meeting customer demand, and responding to market trends 	<ol style="list-style-type: none"> Competitive advantage of low-carbon products leading to increased revenue Strengthened brand image and product competitiveness through green marketing Enhanced brand reputation by launching low-carbon products appealing to environmentally conscious customers, while managing associated market competition Creation of innovation-driven business opportunities through the development of low-carbon technologies and services 	<ol style="list-style-type: none"> Developed industrial ovens and control systems achieving over 30% improvement in energy efficiency, with built-in preset energy-saving operational modules Integrated IoT-based energy monitoring and analysis modules and energy-saving diagnostics, offering products with verified energy-saving benefits and carbon-neutral features Designed targeted market promotion strategies emphasizing the environmental advantages of low-carbon products and services to attract key customer segments Participated in major industry exhibitions to showcase low-carbon and heat-recovery energy-saving equipment

TCCIP: Taiwan Climate Change Projection Information and Adaptation Platform Website: [https://tccip.ncdr.nat.gov.tw]

RCPs (Representative Concentration Pathways) refer to greenhouse gas concentration trajectories adopted by the **Intergovernmental Panel on Climate Change (IPCC)**. The original framework includes four pathways — **RCP2.6, RCP4.5, RCP6.0, and RCP8.5** — where higher numerical values indicate greater greenhouse gas emissions and correspondingly higher levels of global warming.

3. Climate Scenario Analysis

C SUN conducted climate scenario simulations using Taiwan's TCCIP (Taiwan Climate Change Projection Information and Adaptation Platform) to assess potential impacts under different Representative Concentration Pathways (RCPs). Through the platform's online modeling tools, the company evaluated the most severe projected changes in temperature, sea level rise, and precipitation affecting its operational sites under four global warming scenarios, comparing the impacts between RCP2.6 and RCP8.5, which represent two extreme climate trajectories.

At the current stage, no significant acute or chronic climate-related risks have been identified. However, C SUN recognized that heavy rainfall, flooding, or other natural disasters occurring near its operational areas could still pose indirect or short-term impacts, such as transportation disruptions, employee commuting difficulties, interruptions in raw material or product logistics, and increased labor and operational costs. The company continues to monitor these factors and incorporate adaptive measures to enhance organizational resilience.

Site Name	Extreme Temperature Increase	Flood Potential	Abnormal Precipitation
Linkou Headquarters	X	○	X
Taipei Factory	X	○	X
Taichung Factory	X	X	X

Result Legend: X = No Impact ; ○ = Indirect Impact ; ○ = Direct Impact

3.2 Climate Change Adaptation

3.2.7 Indicators and Targets

To effectively manage the threats posed by climate-related risks and to strengthen C SUN's capacity to respond to climate change, the company had established climate-related management targets aimed at enhancing overall climate resilience. These targets were integrated into the operational management of each plant and department to ensure concrete implementation.

C SUN had completed its greenhouse gas (GHG) inventory in accordance with international standards in 2022, which served as the baseline year for future carbon reduction goal setting. As of 2024, C SUN had set corresponding climate action targets, which were monitored by the Sustainability Development Committee. Each site's annual performance toward these targets was reviewed, and climate objectives were adjusted dynamically through a rolling review mechanism. Progress and results were reported to the Board of Directors on an annual basis to ensure the effectiveness and appropriateness of the company's climate management strategy.

Opportunity Targets

Category	Opportunity Item	Target Description
New Product / Market Opportunities	Development of Low-Carbon and Energy-Efficient Products	Developed industrial ovens or control equipment with over 30% improvement in energy efficiency, incorporating preset energy-saving operation parameter modules.
	Expansion into Emerging Green Markets	Introduced IoT-based power tracking and energy efficiency analysis modules, and energy-saving diagnostic features for equipment to deliver products with energy-saving benefits and carbon-neutral performance
	Product Design Based on Customer Carbon Footprint Requirements	Provided product carbon footprint reports and verification documents, integrating low-carbon design into product development.
Smart Applications	Smart Factory Market	Launched industrial furnaces / HVAC thermal control modules compatible with Energy Management Systems (EMS), and collaborated with system integrators to develop modular energy-saving solutions.
	Equipment IoT Connectivity and Energy Monitoring Functions	Equipment supported remote monitoring, real-time energy consumption analysis, and predictive maintenance capabilities (IoT + AI).
Product Energy Efficiency Benefits	Customer-Side Energy Savings	Assisted customers in achieving 10-30% average energy savings (depending on product model); implemented automatic power-down standby modes to reduce energy consumption; applied thermal insulation and heat recovery technologies.
	Marketing Energy Efficiency Achievements and Enhancing Brand Image	Published annual customer energy-saving success stories to strengthen C SUN's green brand value proposition.
	Quantifying Carbon Reduction Performance in Projects	Offered customized reports (annual power savings, carbon emission reduction, and carbon fee savings) to support business development and client engagement.

Table of Strategies Corresponding to Major Climate-Related Risks and Opportunities

Risk / Opportunity Factor	Definition	Time Horizon	Financial Impacts	Response Measures	Indicators and Targets
【Opportunity】 Products and Services	Developing or increasing low-carbon products or services	Medium-term (5–15 years)	1. Increased product profit margins. 2. Higher operating revenue.	1. Enhanced energy efficiency. 2. Targeted market promotion. 3. Participation in exhibitions to showcase green products.	1. Products certified under ISO 14067. 2. Developed industrial ovens with over 10% improvement in energy efficiency. 3. Participated in trade shows to present low-carbon and energy-recovery equipment.
【Physical Risk】 Immediate Extreme Weather Events	Increased frequency and severity of extreme weather events such as typhoons and floods.	Short-term (1–5 years)	1. Higher operating costs. 2. Increased labor management and planning expenditures. 3. Inventory cost increases from delayed deliveries. 4. Reduced operating revenue. 5. Higher insurance or freight costs; assets in high-risk areas may become uninsurable.	1. Supply chain diversification. 2. Emergency response planning. 3. Establishment of backup worksites.	1. Developed dual-source supply or regional dispatch plans. 2. Identified and labeled high-risk suppliers and equipment.
【Transition Risk】 Market Risk	Heightened environmental and low-carbon demands from stakeholders and customers	Medium-term (5–15 years)	1. Reduced operating revenue. 2. Increased cost expenditures.	1. Risk assessment and management. 2. Continuous improvement. 3. Transparent stakeholder communication.	1. Regular assessment of market and regulatory changes. 2. Established carbon reduction targets (e.g., SBTi, Net Zero Commitment). 3. Strengthened engagement with stakeholders to enhance reputation and trust.
【Transition Risk】 Policy and Regulatory Risk	Financial impacts arising from domestic and international carbon fee/tax mechanisms.	Medium-term (5–15 years)	1. Increased direct operating expenses. 2. Higher fines or penalties for non-compliance.	1. Maintained policy awareness and sensitivity. 2. Implemented carbon management mechanisms. 3. Tracked customer and market developments.	1. Regularly reviewed and monitored global sustainability regulations and policy developments. 2. Introduced an internal carbon pricing mechanism. 3. Increased investment in green equipment and energy-saving upgrades.
【Transition Risk】 Technological Risk	Replacement of existing products or services with low-carbon alternatives.	Medium-term (5–15 years)	1. Increased R&D expenditure. 2. Rising management costs.	1. Adjusted energy mix and power structure. 2. Conducted comprehensive analysis of market, customers, and competitors. 3. Invested in R&D and innovation. 4. Enhanced collaboration and technical optimization.	1. Implemented IoT-based energy tracking and efficiency analysis modules. 2. Improved equipment heat recovery rate to 30% through closed-loop systems. 3. Incorporated low-carbon design across all products, sourcing low-carbon electronic components and high-efficiency heating elements. 4. Developed a carbon-neutral industrial oven.

3.3 Energy and Greenhouse Gas Management

In response to the government's net-zero emissions policy and to mitigate the impact of global warming on the environment, C SUN took concrete actions to support Taiwan's 2050 Net Zero Carbon Emissions Goal, actively demonstrating its carbon reduction commitment to customers and stakeholders. The company continuously advanced energy conservation and greenhouse gas management measures to strengthen its decarbonization foundation.

C SUN implemented a range of energy-saving and carbon-reduction initiatives, including the replacement of energy-efficient lighting systems and the execution of GHG inventory operations. Following the ISO 14064-1 standard, C SUN completed voluntary GHG inventories for 2022–2024, establishing an internal audit and carbon management system to ensure that annual GHG inventories were conducted systematically and accurately reflected the company's emission profile.

The 2022–2024 GHG inventory data were verified by ARES International in accordance with ISO 14064-3:2019, meeting the ISO 14064-1:2018 requirements. C SUN successfully obtained its GHG Verification Statement in July 2025, confirming the company's compliance and reliability in carbon data disclosure.

3.3.1 Energy Use Overview GRI 302-1、GRI 302-3、Disclosure Indicators 1

C SUN's energy consumption primarily consisted of purchased electricity, gasoline, and diesel, which were used for office operations, equipment assembly and production, and general facility utilities. Gasoline and diesel were also consumed by official vehicles and diesel generators.

In 2024, C SUN's total energy consumption reached 16,894.34 gigajoules (GJ). The main source was purchased electricity, accounting for 66.12% of total energy use, followed by gasoline and diesel, representing 33.5%. The annual energy intensity was 5.59 GJ per million NTD, marking a 22.14% decrease from the previous year. This improvement was largely attributed to the 51.79% increase in revenue driven by higher sales of advanced semiconductor process equipment, while total energy consumption rose only 18.25%.

Looking ahead, C SUN will continue to monitor energy consumption trends annually across all energy types and develop ongoing energy-saving strategies to further enhance efficiency and reduce environmental impact.

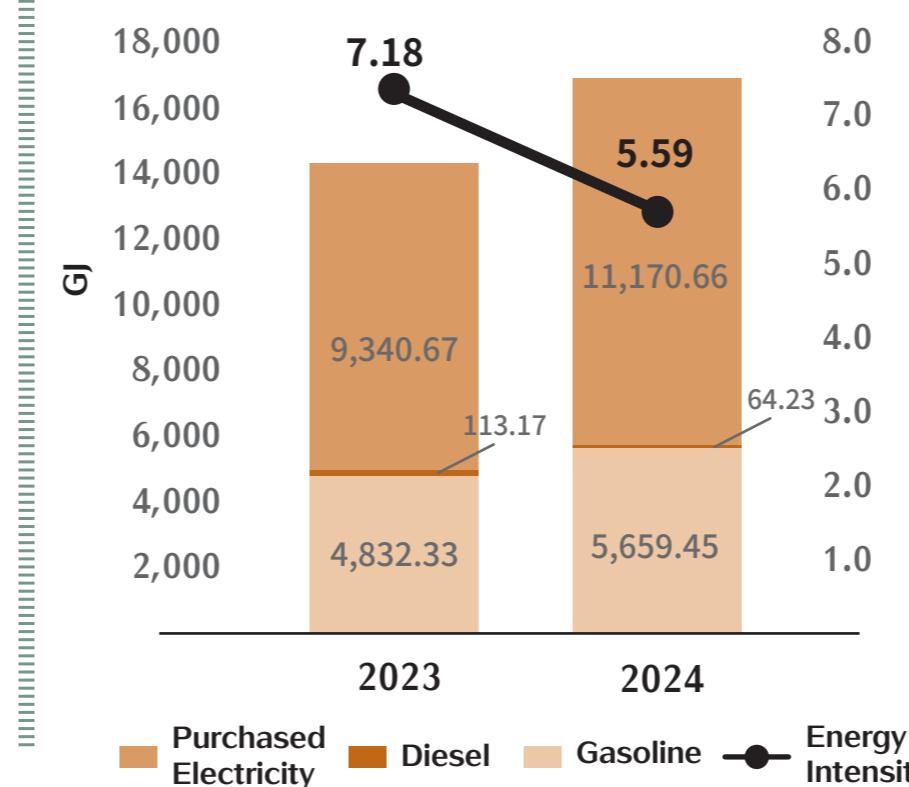
Item <small>Note 1</small>	Site	2023	2024
Gasoline (GJ)(A) <small>Note 2</small>	Taipei Factory + Linkou Headquarters	1657.68	2016.40
	Taichung Factory	3,174.65	3643.05
Diesel (GJ) (B)	Taipei Factory + Linkou Headquarters	109.77	46.16
	Taichung Factory	3.40	18.07
Purchased Electricity (GJ) (C)	Linkou Headquarters	554.38	761.16
	Taipei Factory	2,640.12	2445.4
	Taichung Factory	6,146.17	7964.1
Total Energy Consumption (GJ)(A+B+C)		14,286.17	16894.34
Energy Intensity (GJ / Million NTD) <small>Note 3</small>		7.18	5.59

Note 1:Gasoline: 7,609 kcal/L Diesel: 8,642 kcal/L Electricity: 860 kcal/kWh These coefficients were based on the Bureau of Energy, Ministry of Economic Affairs – Energy Product Calorific Value Reference Table.

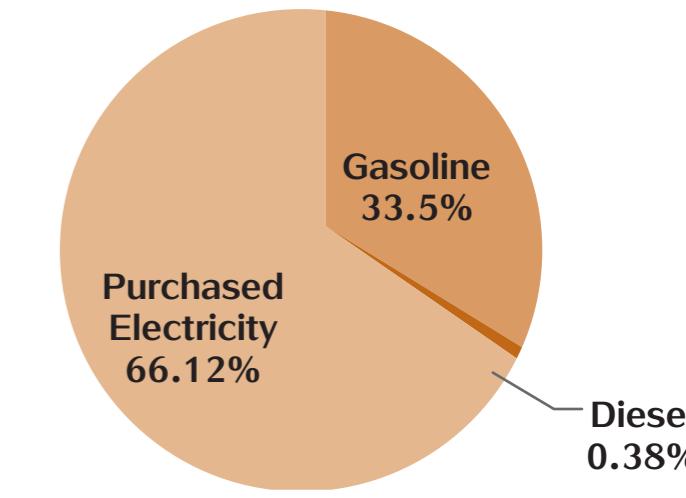
Note 2:GJ (Gigajoule) — unit of energy measurement equivalent to one billion joules.

Note 3:Energy Intensity = Total Energy Consumption (GJ) ÷ Operating Revenue (Million NTD).Operating revenue refers to the standalone financial performance of C SUN Manufacturing, Ltd., excluding subsidiaries and investment income.

Energy Consumption and Intensity Trends Over the Past 2 Years



Energy Use Composition in 2024



3.3 Energy and Greenhouse Gas Management

3.3.2 Greenhouse Gas (GHG) Management

GRI 305-1、GRI 305-2、GRI 305-3、GRI 305-4

Since 2022, C SUN had conducted its greenhouse gas (GHG) inventory in accordance with the requirements of the ISO 14064-1:2018 standard, applying the Operational Control Approach to define its organizational boundary. The inventory covered all operational sites of the company and included: Direct GHG emissions from owned or controlled sources(Scope 1); Indirect GHG emissions from purchased energy(Scope 2), and Other indirect GHG emissions related to upstream and downstream activities(Scope 3 , Categories 3-6, C1-C15).

The GHG types included carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), and sulfur hexafluoride (SF₆).In 2024, C SUN' s total GHG emissions amounted to 2,831.333 metric tons CO₂e. Scope 1 direct emissions were 827.3483 metric tons CO₂e, accounting for 29.22% of total emissions. The primary sources were mobile combustion (fuel use by company vehicles) and fugitive emissions (from refrigerants and septic systems). Scope 2 indirect emissions were 1,471.4924 metric tons CO₂e, representing 51.97% of total emissions, primarily attributed to electricity consumption for air conditioning, office lighting, and process equipment. Scope 3 (Categories 3-6) indirect emissions totaled 532.4922 metric tons CO₂e, or 18.81% of total emissions.(For detailed data, please refer to p.45, "GHG Emission Details.")

The combined Scope 1 and Scope 2 emissions increased by 28.95% compared with the previous year, primarily due to the establishment of a 1,606-square-meter Class 1K cleanroom at the Taichung Factory in 2024. The cleanroom' s 24-hour air-conditioning operation significantly increased electricity consumption. Nevertheless, C SUN' s GHG emission intensity in 2024 was 0.76 metric tons CO₂e per million NTD, representing a 15.56% reduction from the previous year.

To align with international decarbonization trends, C SUN' s Sustainability Development Committee continued to track emission-reduction performance. Originally, 2023 was set as the base year, with an annual reduction target of 3% relative to 2023 emission intensity. However, due to an organizational boundary adjustment in 2024 that resulted in a variance exceeding 5%, the company revised 2024 as the new base year. Looking forward, C SUN plans to join the Science Based Targets initiative (SBTi) in 2025 and commit to a 42% reduction in GHG emissions by 2030. This includes reducing Scope 1 and 2 emissions by approximately 7.3% and engaging suppliers to achieve a 30% reduction in Scope 3 emissions by 2030.

To meet these targets, the company continued to implement carbon-reduction measures such as low-carbon material selection in equipment design, local sourcing, adoption of energy-efficient machinery, and promotion of green logistics. C SUN also invested in energy-saving equipment development and upgrades to ensure steady progress toward its staged decarbonization goals

Greenhouse Gas (GHG) Emissions and Intensity for the Past Two Years — Scope 1, Scope 2, and Scope 3

	Site	2023	2024
Scope 1 (tCO ₂ e)	Linkou HQ	23.98	2.6342
	Taipei Factory	146.45	224.4247
	Taichung Factory	314.75	600.2894
Scope 1 Subtotal (tCO ₂ e)		485.18	827.3483
Scope 2 (tCO ₂ e)	Linkou HQ	78.62	100.2673
	Taipei Factory	364.40	322.1304
	Taichung Factory	854.49	1049.0947
Scope 2 Subtotal (tCO ₂ e)		1,297.51	1471.4924
Scope 3 (tCO ₂ e)	Linkou HQ	22.78	37.7832
	Taipei Factory	133.42	152.2201
	Taichung Factory	256.85	342.4889
Scope 3 Subtotal (tCO ₂ e)		413.05	532.4922
GHG Emission Total (tCO ₂ e)		2,195.74	2831.333
GHG Intensity (S1+S2) (tCO ₂ e /Million NTD)		0.90	0.76

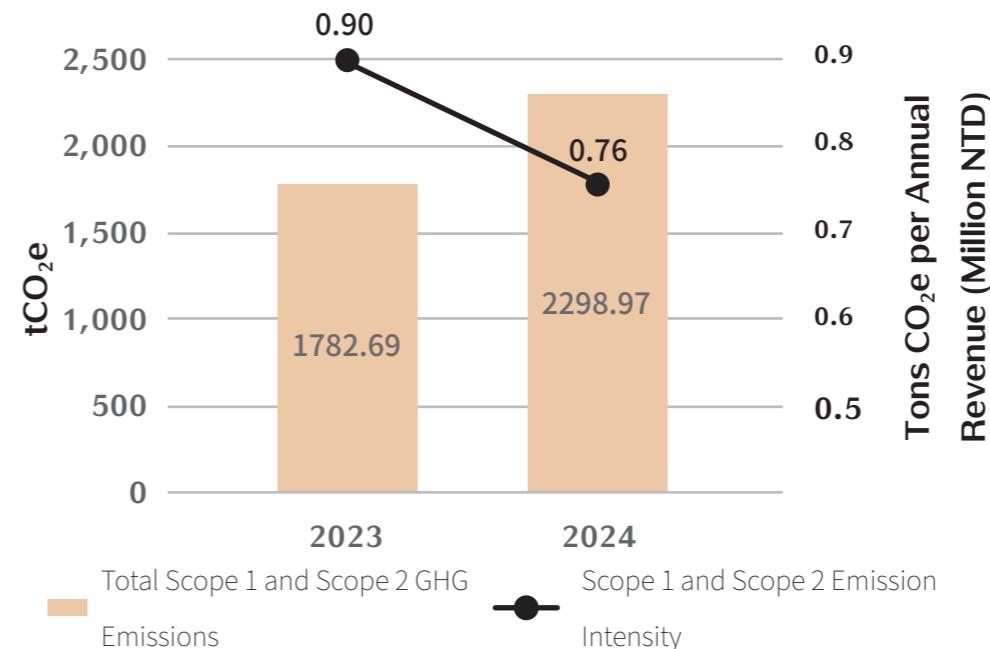
Note 1:The 2024 greenhouse gas (GHG) emissions were calculated using the Operational Control Approach. Emission factors were based on the Environmental Protection Administration (EPA) of Taiwan' s Greenhouse Gas Emission Factor Management Table, Version 6.0.4, and Global Warming Potential (GWP) values were adopted from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6).

Note 2:The GHG inventory covered five types of greenhouse gases: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), and sulfur hexafluoride (SF₆).

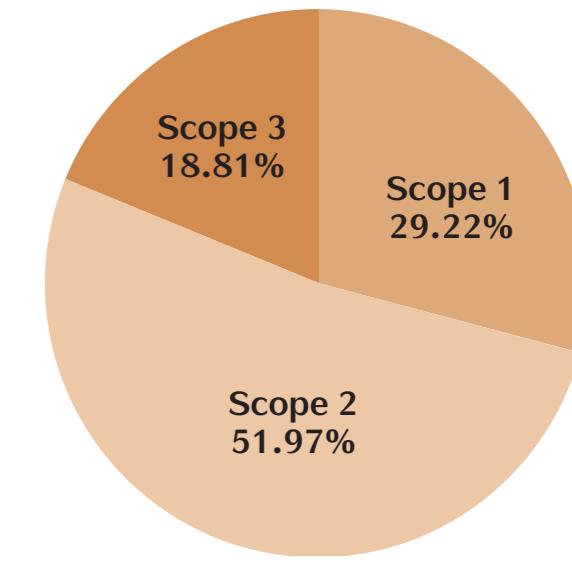
Note 3:Emission intensity was calculated as (Scope 1 + Scope 2 GHG emissions, metric tons CO₂e) ÷ annual revenue (million NTD).Operating revenue refers to C SUN Manufacturing Co., Ltd. on a standalone basis, excluding subsidiaries and investment income. To maintain consistency of information, the 2023 data has been updated concurrently using the same methodology

Note 4:The Scope 3 inventory boundary included indirect GHG emissions from downstream transportation, business travel, and waste treatment activities

Trends in Total Scope 1 and Scope 2 GHG Emissions and Emission Intensity Over the Past Two Years



GHG Full Scope Emission Composition in 2024



Details of Greenhouse Gas (GHG) Emissions

Category	Description	Taichung Factory		Taipei Factory		Linkou Headquaters		Total	
		Emission (tCO2e)	Composition %	Emission (tCO2e)	Composition %	Emission (tCO2e)	Composition %	Emission (tCO2e)	Composition %
Category 1: Direct GHG Emissions and Removals		600.2894	30.14%	224.4247	32.12%	2.6342	1.87%	827.3483	29.22%
1.1 Stationary Combustion Emissions		1.3443	0.07%	2.4646	0.35%	0.0000	0.00%	3.8089	0.13%
1.2 Mobile Combustion Emissions	Gasoline+Diesel	259.1653	13.01%	144.4279	20.67%	0.0000	0.00%	403.5932	14.25%
1.3 Process Emissions		0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
1.4 Fugitive Emissions	NO	339.7798	17.06%	77.5322	11.10%	2.6342	1.87%	419.9462	14.83%
1.5 Direct Emissions and Removals from Land Use Change		0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
Category 2: Indirect GHG Emissions from Imported Energy	NO	1049.0947	52.67%	322.1304	46.10%	100.2673	71.27%	1471.4924	51.97%
2.1 Purchased Electricity		1049.0947	52.67%	322.1304	46.10%	100.2673	71.27%	1471.4924	51.97%
2.2 Purchased Energy		0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
Category 3: Indirect GHG Emissions from Transportation Activities	NO	45.5014	2.28%	39.2172	5.61%	16.7908	11.94%	101.5094	3.59%
3.1 Upstream Transportation	NO	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
3.2 Downstream Transportation		2.5077	0.13%	0.6462	0.09%	0.0097	0.01%	3.1636	0.11%
3.3 Employee Commuting	NS	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
3.4 Customer and Visitor	NO	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
3.5 Business Travel		42.8065	2.15%	38.2924	5.48%	16.7812	11.93%	97.8801	3.46%
3.6 Waste Transportation		0.1872	0.01%	0.2785	0.04%	0.0097	0.01%	0.4754	0.02%
Category 4: Indirect GHG Emissions from Use of Products and Services		296.9875	14.91%	113.0029	16.17%	20.9924	14.92%	430.9829	15.22%
4.1 Upstream Emissions from Purchased Goods	NO	287.1955	14.42%	105.7004	15.13%	20.8088	14.79%	413.7047	14.61%
4.2 Upstream Emissions from Capital Goods	NO	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
4.3 Waste Disposal	NS	9.7920	0.49%	7.3025	1.05%	0.1836	0.13%	17.2781	0.61%
4.4 Upstream Leased Assets	NO	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
4.5 Purchased Services		0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%

		Taichung Factory		Taipei Factory		Linkou Headquaters		Total	
Category	Description	Emission (tCO2e)	Composition %	Emission (tCO2e)	Composition %	Emission (tCO2e)	Composition %	Emission (tCO2e)	Composition %
Category 5: Indirect GHG Emissions Related to Downstream Use of Products	NO	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
5.1 Downstream Processing of Sold Products	NO	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
5.2 Product Use and End-of-Life	NO	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
5.3 Downstream Leased Assets	NO	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
5.4 Franchises	NO	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
5.5 Investments and Financial		0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
Category 6: Other Indirect GHG Emissions	NO	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
6.1 Other Sources		0.0000	0.00%	0.0000	0.00%	0.0000	0.00%	0.0000	0.00%
Subtotal:		1991.873	100.00%	698.775	100.00%	140.685	100.00%	2831.333	100.00%
Total(tCO2e):		2831.333							

Directions:

NS: Includes non-material indirect GHG emissions from the Company.

NO: The Company had no GHG emissions under this category.

Items shown as “0.0000” in the table represent non-material emission factors.

For the categories identified as non-material emission factors above, the following describes the challenges and limitations in obtaining accurate activity data for quantification:

Category 3.1 Upstream Transportation, Category 3.3 Employee Commuting, and Category 3.4 Customer and Visitor Transportation: These categories involved multiple variables, including diverse raw material sources, employee, customer, and visitor residential locations, commuting methods, accommodation, and attendance conditions. Due to the high variability and complexity of data sources, as well as cost and feasibility considerations, precise quantification of activity data was not practicable at this stage.

Category 3.5 Business Travel: The Company’s current travel expense system did not record nor require employees to report mileage or origin-destination information for public transportation (e.g., taxi, MRT, shuttle bus). Estimations were therefore based only on reimbursement records and ticket receipts (e.g., high-speed rail, air travel segments and frequencies). Considering current data limitations and quantification costs, accurate activity data could not be obtained at this time.

Category 4.2 Capital Goods: The Company’s owned capital assets did not have corresponding emission factors listed in the Taiwan EPA Product Carbon Footprint Database.

Category 4.4 Upstream Leased Assets: The Company leased forklifts from external vendors, but the lessors were unable to provide detailed fuel consumption data for the leased equipment. As a result, precise activity data could not be obtained.

3.3 Energy and Greenhouse Gas Management GRI 302-4、GRI 302-5、GRI 305-5

3.3.3 Energy Conservation and Carbon Reduction Measures

To reduce electricity consumption, C SUN Mfg., Ltd. planned several energy-saving initiatives scheduled for 2025. These initiatives included replacing outdated equipment to enhance energy efficiency, developing an in-house intelligent digital management system, and collaborating with professional energy-saving solution providers to integrate smart environmental control systems into green building designs. In addition, C SUN's self-developed production equipment was also designed with energy-saving features—not only to improve product value and reduce electricity consumption for customers, but also to lower power usage during in-house product testing.

C SUN actively promoted a series of energy reduction measures and continued to optimize energy performance. The Company planned to complete the establishment and implementation of the ISO 50001 Energy Management System in 2025, with certification verification by ARES International Corp. expected in December 2025. Through effective energy management, C SUN sought to further strengthen the implementation of its green operation policy.

Item	Grade 1 Energy-Efficient Air Conditioner	Conventional Air Conditioner
Power Consumption	Approx 1.02kW	Approx 1.51 kW
Annual Electricity Usage	1.02X1200=1,224 kWh	1.51X1200=1,812 kWh
Annual Energy Savin	—	Approx 588 kWh

Electricity Consumption Calculation

(Assuming operation for 15 hours per day, 22 days per month)

- LED T8 Lighting: Monthly electricity use = $56W \times 15 \text{ hours} \times 22 \text{ days} \div 1,000 = 18.48 \text{ kWh}$
- T5 Fluorescent Lighting: Monthly electricity use = $112W \times 15 \text{ hours} \times 22 \text{ days} \div 1,000 = 36.96 \text{ kWh}$

Energy Savings Comparison:

Monthly savings = $36.96 \text{ kWh} - 18.48 \text{ kWh} = 18.48 \text{ kWh}$

Annual savings = $18.48 \times 12 \text{ months} = 201.6 \text{ kWh}$

Lighting System Replacement

To minimize the environmental impact of its operations, C SUN undertook concrete energy-saving actions, including replacing lighting systems in offices and factories with high-efficiency lighting fixtures to reduce energy consumption. In 2024, this initiative reduced approximately 2.6026 metric tons of CO₂e emissions. The Company continued to plan and promote additional energy conservation projects to further improve overall energy efficiency.

Site	Description of Energy-Saving Actions	Energy Savings (GJ) ^{Note 1}	Carbon Reduction (tCO ₂ e) ^{Note 2}
Taichung Factory	Replaced nine general split-type air conditioners with Grade 1 energy-efficient split-type air conditioners.	$588 \times 9 = 5292 \text{ kWh}$	$5292 \times 0.474 / 1000 = 2.508$
	In 2024, replaced 112W/T5 fluorescent lighting fixtures with 56W/T8 LED fixtures (total of 84 units) across the Factory.	$18.48 \times 12 = 201.6 \text{ kWh}$	$201.6 \times 0.474 / 1000 = 0.0956$
Total Energy and Carbon Reduction in 2024		5393.6	2.6026

Note 1: The estimated energy savings were calculated based on equipment specifications and operating hours; therefore, the results represent theoretical estimates.

Note 2: Carbon reduction (CO₂e) was calculated using the formula: Energy savings (kWh) × 0.474 kg CO₂e / 1,000, in accordance with the 2024 electricity emission factor (0.474 kg CO₂e/kWh) published by the Energy Administration, Ministry of Economic Affairs (MOEA).

Smart Building Initiative

C SUN's headquarters on the 14th floor of Wenhua 2nd Road in Linkou District was designated as an R&D and business operations center, and related planning and preparation work had commenced. This facility was envisioned as a demonstration site for future C SUN facilities, integrating eco-friendly materials, smart environmental control systems, and green landscaping designs to create a healthy, energy-efficient, and environmentally friendly workspace.



3.4 Waste Management

3.4.1 Waste Management System

GRI 306-1、GRI 306-2

All waste generated from C SUN's operations in 2024 consisted of non-hazardous waste. The company ensured that all industrial waste was properly classified according to type and characteristics, stored in designated facilities that met regulatory requirements, and regularly reported and recorded in accordance with relevant laws and regulations. To ensure that waste generated during operations complied with legal requirements and C SUN's internal management procedures, the company managed waste based on the ISO 14001 Environmental Management System, adhering to three key principles: source reduction, resource recycling, and minimizing landfill disposal. C SUN established an annual waste recycling rate target of 20%, and in 2024 successfully achieved this goal. To promote resource circulation and waste minimization, all operational sites continued to advocate and implement waste source reduction and material reuse practices. These initiatives included paper recycling, reuse of consumables, and selection of environmentally friendly, biodegradable materials during product manufacturing to reduce raw material usage and minimize resource depletion. C SUN also maintained strict supervision of waste handling and disposal. The company entrusted qualified waste treatment contractors certified by the Environmental Protection Administration (EPA) and conducted annual audits by EHS personnel to ensure all waste was processed in accordance with contractual and legal standards. In addition, C SUN conducted on-site inspections of waste treatment contractors every six months, completing four on-site audits in 2024, with no violations identified.

C SUN Waste Flow Diagram for 2024

Upstream Suppliers

Equipment assembly materials (packaging materials, wooden pallets)

Employees

General consumables (paper, hardware, waste plastics, etc.)

Total Non-Hazardous Waste: 168.524 tons

Outsourced Treatment

30.15%

General Industrial Waste
50.818 tons

40.17%

Waste Pallets
67.690 tons

29.68%

Metal/Plastic Waste
50.016 tons

Incineration Plants

Certified Recycling Plants

Waste Value Chain Management Measures

Upstream of the Value Chain – Raw Materials

Own Operations – Offices and Manufacturing Sites

Downstream of the Value Chain – Waste Disposal

Waste Value Chain Management Measures

monthly tracking and statistics on incoming materials

- Waste Management Mechanism: Implemented regular waste declaration and reporting, conducted monthly review meetings, ensured regulatory compliance, and maintained systematic waste recordkeeping.
- Resource Circulation Policy: Promoted waste recycling practices, setting and achieving an annual waste recycling target of 20%.
- Reporting Mechanism: Completed monthly reporting based on the official three-part waste transfer documentation system.
- Auditing: Conducted on-site audits of contracted waste treatment vendors to ensure proper handling and compliance with environmental regulations.

3.4 Waste Management

3.4.2 Waste Generation

GRI 306-3、GRI 306-4、GRI 306-5、Disclosure Indicators 3

C SUN's primary waste types in 2024 consisted of non-hazardous waste, including common categories such as metal and plastic scraps, waste wooden pallets, and general industrial waste. In 2024, C SUN generated a total of 160.63 metric tons of waste, representing a 15.41% increase compared with 2023. The recycling rate reached 26.22%, a slight 2.31% decrease from the previous year but still exceeding the company's annual target of 20% for waste recycling.

Waste Category	Waste Description	Site	Treatment Method	Waste Volume (tons)		
				2023 年	2024 年	
Non-Hazardous Waste	Metal/Plastic Waste	Linkou HQ	—	—	—	
		Taipei Factory	Recycling	1.08	4.75	
		Taichung Factory	Recycling	39.59	37.37	
	Waste Pallets	Linkou HQ	—	—	—	
		Taipei Factory	—	—	—	
		Taichung Factory	—	51.87	67.69	
	General Industrial Waste	Linkou HQ	Incineration (Non-Energy Recovery)	0.54	0.54	
		Taipei Factory		20.68	21.48	
		Taichung Factory		28.80	28.80	
Total Waste Volume			142.56	160.63		
Recycling Rate (%)			28.53%	26.22%		

3.4 Waste Management

3.4.3 Waste Reduction Actions

To address the high disposal rate of damaged wooden pallets, C SUN collaborated with its suppliers to launch a waste reduction program, replacing wooden pallets with reusable plastic pallets to extend product lifespan and reduce waste generation. Throughout 2024, domestic suppliers actively cooperated with the company's policy of using plastic pallets instead of wooden pallets. However, due to an increase in business volume, the import of equipment from C SUN's subsidiary in mainland China rose significantly, leading to greater packaging needs. As a result, the volume of discarded wooden pallets increased by 15.82 metric tons, or 30.50% compared to 2023.

3.4 Waste Management

3.4.4 Waste Reduction Targets and Planned Actions

C SUN recognizes that setting and implementing short-, medium-, and long-term waste management goals is essential to systematically reduce waste generation, improve recycling rates, and achieve comprehensive waste management.

Goals

Goal Setting

- Increase Recycling Rate: Improve the company's internal recycling rate by 5% each year.
- Establish a Baseline Waste Management System: Develop and enhance systems and procedures for waste classification, collection, and disposal, while continuing employee education and awareness programs on waste sorting and recycling.

Waste Type Inventory

Measure: Conduct a comprehensive waste inventory to identify the main sources, types, and quantities of waste, as well as opportunities for further reduction and recycling.

Implementation: For high-volume categories such as waste wooden pallets, require domestic suppliers to use plastic pallets or recyclable cardboard boxes for transportation, promoting resource circularity and waste reduction.

Waste Sorting and Recycling

Measure: Continue implementing a waste classification policy by establishing designated recycling stations for paper, plastic, and metal. Large waste items are handled by certified recyclers following proper disposal procedures.

Implementation: Install segregated waste bins in all office areas, cafeterias, and factories, as well as centralized waste collection zones for large industrial waste. Conduct ongoing employee awareness and training programs to reinforce waste reduction and recycling practices.



Promotion of Paperless Office

Measure: C SUN promoted a company-wide transition toward paperless office operations to reduce paper consumption and optimize digital workflow management. Implementation: Departments with high paper usage, such as R&D and Procurement, adopted electronic document management systems. This initiative was projected to reduce paper usage by approximately 10% annually.

Recycling and Reuse

Waste Sorting: The company enhanced its waste segregation policies, establishing dedicated recycling facilities to ensure that recyclable materials were properly collected, processed, and reused. Resource Circularity: C SUN continued to advocate the concept of “turning waste into resources”, building an internal waste recycling and regeneration system and supporting the market development of recycled products.

Supply Chain Collaboration

C SUN actively collaborated with suppliers to implement waste reduction initiatives, minimizing excessive packaging and promoting the use of recyclable or biodegradable materials. The company further encouraged suppliers to use plastic pallets and crates, strengthening the reuse and recycling of wooden pallets across the supply chain.

Food Waste Management

Food Waste Processing: The company expanded its food waste collection and recycling efforts, entrusting qualified third-party organizations to manage the reuse and resource recovery of organic waste.

3.5 Water Resource Management GRI 303-1

3.5.1 Water Resource Risk Assessment

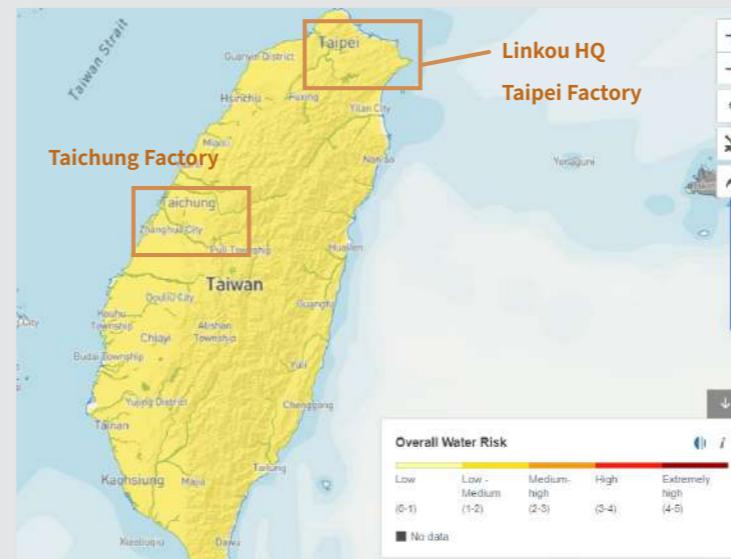
A reliable and stable water supply remained one of the critical factors ensuring C SUN’s business continuity. Although Taiwan is surrounded by oceans and receives abundant rainfall, its geographical limitations hinder effective rainwater retention. Combined with the increasing impacts of extreme climate events, the amount of available water resources has become insufficient, heightening the risk of water shortages.

To ensure a stable and sustainable water supply, C SUN utilized the World Resources Institute (WRI) Aqueduct Water Risk Atlas to conduct a comprehensive water risk assessment. The results indicated that the Linkou Headquarters, Taipei Factory, and Taichung Factory were all located in medium-to-low water risk areas.

While C SUN is classified as a low water-intensity enterprise, the company remains committed to continuously improving water efficiency and advancing toward the long-term goal of zero water waste.

Water Withdrawal and Discharge Destinations by Site

Site	Address	Primary Water Sources	Water Stress Level
Linkou HQ	7F No. 266, Section 1, Wenhua 2nd Road, Linkou District, New Taipei City	Shihmen Dam	Low – Medium (1-2)
Taipei Factory	No.2-1, Gong 8th Rd., Gong’er Industrial Park, Linkou Dist., New Taipei City	Shihmen Dam	Low – Medium (1-2)
Taichung Factory	No.11, Jingke 2nd Rd., Nantun Dist., Taichung City 408	Liyutan Dam	Low – Medium (1-2)



Note: The above results were derived from the World Resources Institute (WRI) Aqueduct Water Risk Atlas, which assessed overall water risks for C SUN’s Linkou Headquarters, Taipei Factory, and Taichung Factory.

3.5 Water Resource Management

3.5.2 Water Withdrawal, Consumption, and Discharge

All of C SUN's facilities—including the Linkou Headquarters, Taipei Factory, and Taichung Factory—sourced their water supply from third-party municipal water companies. As the company's primary operations involve the assembly of machinery for the electronics, optoelectronics, and semiconductor industries, water consumption was relatively limited and mainly used for domestic purposes and facility maintenance.

In 2024, C SUN's total water withdrawal amounted to 15.7297 million liters, representing a 31.86% increase compared with the previous year. The increase was primarily attributed to the establishment of a 1,606-square-meter Class 1K cleanroom at the Taichung Factory, where air conditioning systems were required to operate continuously, resulting in a 35.33% rise in water withdrawal compared with 2023.

Unit: Million Liters (ML)

Water Use by Category	Withdrawal/Discharge Destination Classification	Site	2023	2024
Water Withdrawal	Municipal Water Withdrawal	Linkou HQ	0.4651	0.8265
		Taipei Factory	3.8710	4.6271
		Taichung Factory	7.5930	10.2761
	Total Water Withdrawal	11.9291	15.7297	
Water Discharge ^{Note 3}			6.7121	7.9753
Consumption ^{Note 4}			5.2170	7.8899

Note 1: All water withdrawals were classified as freshwater ($\leq 1,000$ mg/L total dissolved solids). Data for municipal water withdrawals were calculated based on annual water utility bills.

Note 2: The Linkou Headquarters used water primarily for domestic purposes, and all discharges were directed to the municipal sewer system, with no separate metering. The Taipei Factory, located within an industrial park, had no central wastewater pipeline, and thus discharge volumes were also not metered.

Note 3: Only the Taichung Factory had metered discharge data, measured by flow meter. Discharge volumes for the Linkou Headquarters and Taipei Factory were estimated based on total withdrawal amounts.

Note 4: Water consumption = Water withdrawal – Water discharge.

3.5 Water Resource Management

3.5.3 Water Reduction Targets and Planned Actions

C SUN's operations do not generate significant environmental pollutants such as air emissions, wastewater, or hazardous substances. The manufacturing process does not involve direct water use, and daily consumption was mainly limited to domestic use. To further improve water efficiency, C SUN planned to implement targeted measures aimed at reducing total water consumption by 5% in the short term, integrating conservation practices into its operational processes, employee behaviors, and facility management.

Rainwater Harvesting and Reuse

Measure: Reestablish a rainwater harvesting system to collect and store rainwater in underground reservoirs, while refurbishing irrigation pipelines to reuse rainwater for watering green areas around the facilities.

Implementation: Engage professional contractors to assess the feasibility of existing systems or develop new management plans to ensure both cost-effectiveness and water-saving outcomes.

Environmental Conservation Awareness

C SUN collaborated with government agencies and foundations to organize environmental education and conservation activities at local schools and institutions. In addition, the company initiated family-oriented programs for employees, promoting awareness of ecological protection through activities such as environmental art contests, mountain clean-up campaigns, and visits to local conservation areas. By partnering with educational and community organizations, C SUN sought to foster environmental awareness and sustainability values among the next generation, advancing the company's commitment to long-term sustainable development.

4. Product Innovation and Customer Service

4.1 Product Technology and Innovation

- 4.1.1 Product and Technology Deployment
- 4.1.2 Innovation and R&D Policy and Achievements
- 4.1.3 Tangible Outcomes of Technological Innovation
- 4.1.4 R&D Personnel and Investment
- 4.1.5 Innovation Exhibitions and Industry-Academia Collaboration
- 4.1.6 Intellectual Property Protection and Patent Strategy

4.2 Product Technology and Innovation Customer Service/Product Quality & Safety

- 4.2.1 Product Quality Management
- 4.2.2 Customer Relations
- 4.2.3 Customer Complaint Handling Process
- 4.2.4 Customer Rights and Protection Policy

4.3 Sustainable Supply Chain

- 4.3.1 Overview of the Supply Chain
- 4.3.2 Supply Chain Management

4.1 Product Technology and Innovation

Policies, Commitments and Materiality

C SUN focused on energy conservation and carbon reduction, promoting energy-saving initiatives across factory operations and product design to deliver low-energy-consumption products and retrofit existing production lines, helping customers progress toward net-zero emissions. To this end, the Company implemented professional training and seminar participation programs for R&D personnel to enhance technical innovation and product development capabilities in response to diverse industry demands. In addition, C SUN actively pursued industry-academia collaboration, engaging with universities and research institutions to leverage the latest scientific findings, thereby

strengthening innovation capacity and overall competitiveness. The Company remained committed to leveraging its diversified equipment portfolio and core technologies to provide integrated services spanning R&D, design, and production, meeting the needs of various industries. At the same time, C SUN continued to enhance product energy efficiency and carbon reduction through the use of energy-saving components, low-carbon materials, heat recovery systems, and intelligent monitoring technologies, delivering environmentally friendly and high-efficiency products.

Short-medium and long-term goals

1. Extension of Existing Product Technologies:C SUN explored cross-industry applications of existing product technologies to enhance versatility and broaden market opportunities.
2. Energy-Saving Design for Existing Products:The Company incorporated energy-efficient design features into existing product technologies to further reduce energy consumption and support customers' sustainability goals.
3. Development of New Product Technologies:C SUN conducted research on customers' industrial technology trends and market demands to identify and develop technologies with future competitive advantages.

2024 Performance

- Product Innovation and R&D Expenditure: NT\$236 million, accounting for 8.47% of total revenue
- R&D Personnel Training Expenditure: NT\$254,000.
- Industry-Academia Collaboration Expenditure: NT\$4.81 million, dedicated to cooperative projects with domestic research institutions and universities

Authorities and Responsibilities

R&D Center

Action Plan

- Encouraging Innovative Research: C SUN promoted company-wide participation in R&D and established incentive mechanisms for PAC/YSK improvement proposals and patent applications, providing additional bonuses to stimulate innovation. In 2024, the Company granted NTD 618,000 in PAC/YSK proposal awards and NTD 509,000 in patent application incentives, totaling NTD 1.127 million for the year.
- Personnel Training and Education: C SUN arranged internal innovation and R&D courses conducted by senior employees and external experts, while encouraging staff to attend external seminars to broaden their professional and technical perspectives.
- Industry-Academia Collaboration: The Company maintained long-term cooperative relationships with leading universities, including National Taiwan University, National Tsing Hua University, National Cheng Kung University, National Chung Hsing University, National Taiwan University of Science and Technology, Feng Chia University, National Kaohsiung University of Science and Technology, National Kaohsiung Normal University, Chin-Yi University of Technology, and Ming Chi University of Technology. Through these partnerships, C SUN integrated academic research resources to enhance technical capabilities.
- Industry CollaborationC SUN collaborated with domestic and international research institutions and enterprises to co-develop technologies, improving R&D equipment capabilities and fostering an innovative mindset among internal personnel. The Company also strengthened cross-industry cooperation through the G2C+ Alliance, integrating partner company resources to establish a complete supply chain and service network that provides customers with comprehensive one-stop solutions.

4.1 Product Technology and Innovation

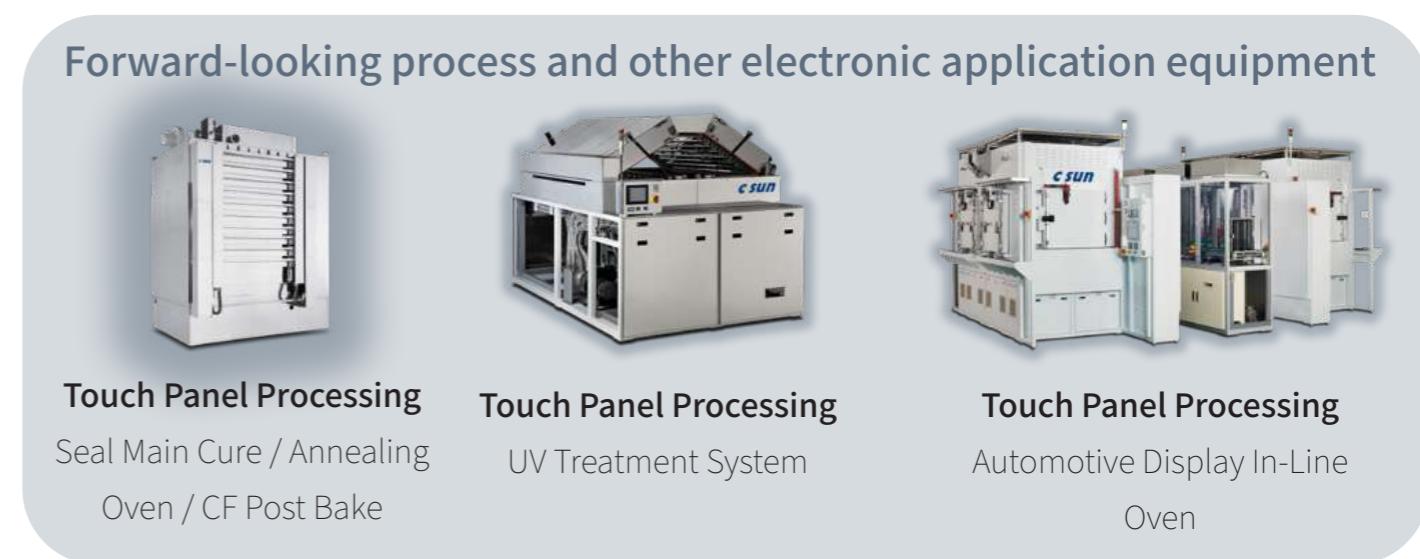
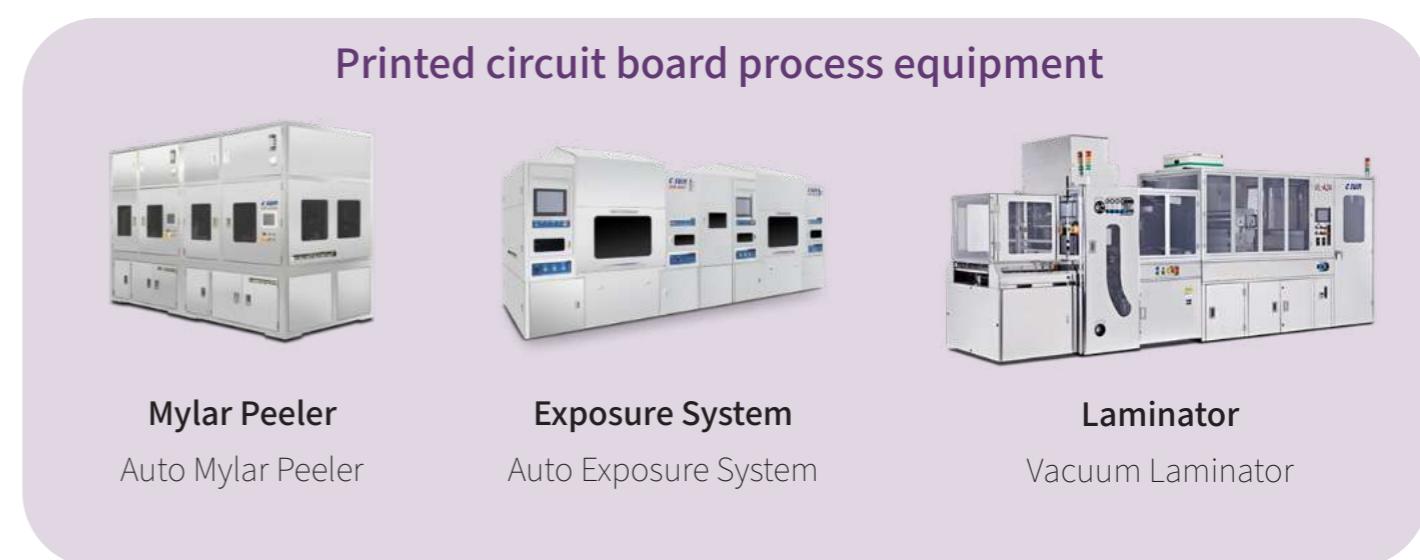
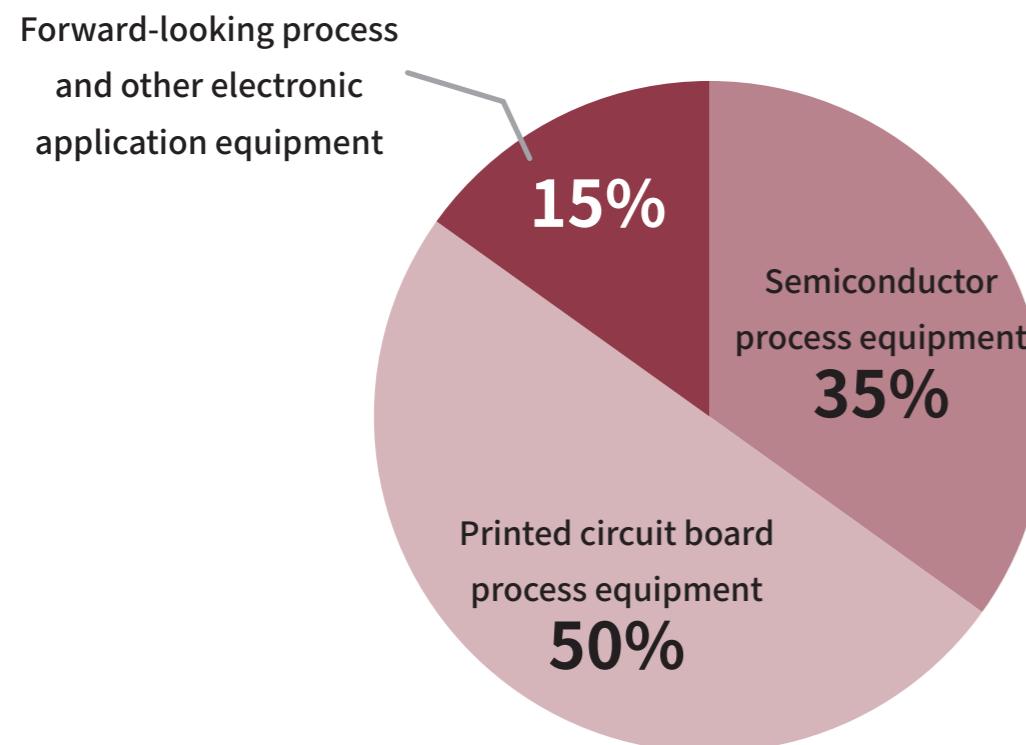
4.1.1 Product and Technology Deployment

Established in 1966, C SUN has been dedicated to advancing light and thermal applications, with expertise in essential process technologies, including lamination, bonding, debonding, thermal curing, and pre-plating surface treatments. By integrating resources from the G2C+ Alliance, C SUN delivers comprehensive process solutions and stands as a leading equipment provider in advanced packaging and PCB substrate manufacturing.

Across equipment categories, including bonding, laminating, peeling, baking, and electroplating pre-treatment, C SUN holds a dominant market share in the Greater China region. With strong global customer trust and recognition, C SUN has become one of the most reliable partners in the industry.

2024 C SUN Major Product Sales Revenue Breakdown

Major Product	Revenue Breakdown	Sales Volume (Units)
Semiconductor process equipment	35%	399
Printed circuit board process equipment	50%	397
Forward-looking process and other electronic application equipment	15%	620



Technology Deployment

To meet the growing demands of advanced semiconductor packaging processes and next-generation AI chips, C SUN significantly increased its R&D investment in 2024, driving technological innovation to ensure continued leadership and market competitiveness.

Specialized Production and Comprehensive Solutions

Taiwan Base: Focused on becoming a leading provider of advanced semiconductor packaging process equipment, integrating materials, equipment, and process technologies to deliver total solution capabilities. C SUN concentrated on fulfilling the specialized equipment requirements of emerging advanced packaging and AI chip manufacturing.

China Base: Concentrated on strengthening and expanding its market leadership in light-and-heat process equipment for PCB and electronics industries across Greater China, while continuously enhancing integration and innovation in electronic process technologies.

High-Performance, Energy-Efficient, and High-Precision Manufacturing Solutions

C SUN developed high-performance, high-efficiency, and high-precision manufacturing technologies and equipment tailored for advanced semiconductor packaging, IC substrates, and high-bandwidth memory (HBM) applications. These solutions ensured that its products and services remained highly competitive and aligned with customers' technological roadmaps.

Innovation and Sustainable Development

All C SUN sites actively advanced R&D in smart automation, energy reuse, and environmentally sustainable technologies. The Company continued exploring innovative and eco-friendly solutions to lead the industry toward a more efficient and greener future.

Building upon its core lamination process technology in PCB manufacturing, C SUN continued developing advanced ovens and other process equipment for semiconductor advanced packaging applications. To address evolving PCB manufacturing processes, yield improvement demands, and rising labor costs in China, C SUN developed highly automated, precision-aligned, high-resolution, and energy-efficient equipment for cleanroom processes.

In the flat panel display (FPD) industry, C SUN also aligned with Taiwanese customers' transformation needs, focusing future R&D on process equipment for automotive panels, Fan-Out Panel-Level Packaging (FoPLP), Micro LED, and Mini LED applications. The Company remained committed to strengthening its leadership position in the Greater China market for light-and-heat process equipment in the PCB and electronics industries, while expanding into semiconductor advanced packaging and AI chip production equipment — becoming a comprehensive solution provider across industries.

Future R&D Focus Areas

Semiconductor Process Equipment

Carrier Bonder Upgrade Project / Wafer-to-Wafer (WTW) Bonder Development Project / Panel Bonder Module Development / Roller Laminator Upgrade Project
/ Semiconductor Technology Research Program / Vacuum Pressure Defoaming Oven / Chemical Filter Regeneration Oven

Printed Circuit Board (PCB) Process Equipment

Advanced Roller Laminator / Inner and Outer Layer Film Peeling Equipment / Solder Mask Film Peeling Equipment / Multi-Chamber Vacuum Laminator / Large-Format Roller Laminator

4.1 Product Technology and Innovation

4.1.2 Innovation and R&D Policy and Achievements

C Sun focuses on providing process equipment such as bonding, lamination, peeling, heat treatment, ultraviolet (UV), wet process and plasma technology. With the development of AI technology and its applications, such as cloud computing servers, big data analysis, AI model training and inference, autonomous driving and other fields showing huge growth potential, semiconductor advanced packaging technology has maturely used 2.5D/3D chip stacking technology as the key to meet AI needs, not only to reduce the line spacing between chips, but also to achieve the advantages of smaller size, lower power consumption, cost savings and performance improvement. Therefore, as an important equipment supplier to the world's leading manufacturers in the semiconductor field, C Sun plans to apply innovative technologies to these advanced packaging fields to meet the rapid development and emerging needs of AI technology, and connect with G2C+ strategic partner technology and market, extend the application of innovative technology to other industries, expand business and overseas tentacles, and hope to deepen and expand core technologies and intelligent AI, and provide customers with more complete and comprehensive products and services.



Innovation and R&D Policy and Achievements

C SUN has remained committed to innovation and R&D to meet the diverse needs of customers across multiple industries. Through the continuous dedication of its in-house R&D teams and active collaboration with academic and research institutions, the Company has earned recognition from domestic and international partners over the past decade for its superior quality and technological innovation. In 2023, C SUN received the TSMC Excellent Performance Award for Excellent Production Support, and in 2024, the Company was once again recognized by TSMC with the Spare Part — Outstanding Improvement Award. These honors reflect C SUN's successful transformation in recent years—from its long-established leadership in lamination and thermal processing equipment for the global Printed Circuit Board (PCB) industry to its strong foothold in advanced semiconductor process equipment.

► The TSMC 2023 Excellent Performance Award



► The TSMA 2024 Spare Part—Outstanding Improvement Award

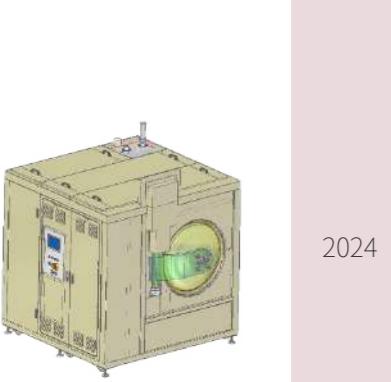


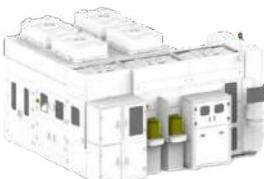
Year	Award	Description
2024	TSMC Spare Part — Outstanding Improvement Award	Outstanding Improvement Award
2023	TSMC 2023 excellent performance award 2023 Zhen Ding Tech. Group Excellent cooperation partner	Excellent Production Support Award
2022	First New Taipei Enterprise Classic Awards 2022 etouch Green Decoration Design Award 2022 TPCA Green Decoration iECO silver award	R&D Innovation Group Gold award
2020	TCL CSOT Excellent safety unit 2020 Taiwan Excellence Award 2020 Taiwan Excellence Award	MP-A25/MP-A25 Plus automatic peeler UVE-A270(L/H) inner UV LED_Auto exposure
2019	CEC CHOT best supplier partner BOE Technology Group Co., Ltd. (Wuhan) 2019 Safety production selection BOE Technology Group Co., Ltd. CELL Excellent Safety Award Taiwan MITTELSTAND Award TITA Golden root	G8.6 LCD panel production line Advanced unit 5th
2018	2018 Taiwan Excellence Award	Automatic UV LED exposure machine for inner and outer layers
2017	Gold Panel Awards 2017	High-definition display process-intelligent hot plate multi-layer furnace

4.1 Product Technology and Innovation

4.1.3 Tangible Outcomes of Technological Innovation

C Sun actively participates in innovation and sustainable development, and enhances the company's innovation momentum through the recruitment of professional talents and the encouragement of internal innovation. All of C Sun's bases will actively engage in the R&D and application of intelligent, energy-saving reuse and environmental sustainable technologies, and explore and practice more innovative technologies and environmental sustainability solutions in each plant area, leading the industry to develop towards a more efficient and greener future. The R&D achievements of C Sun in recent years are listed below.

Equipment Photo	Year	Equipment Name	Product R&D Features	Description
	2024	Vacuum Pressure Oven	-Vacuum System Oxygen Concentration Control— Independent Positive/Negative Pressure Gas Management Precision Control— Multi-Axis Pressure Compensation Module Linear Slope Control — Programmable Pressure Curve	C SUN developed a Vacuum Pressure Defoaming Oven that overcame existing technical limitations and achieved three major innovations, effectively addressing the core challenges of advanced semiconductor packaging. First, the equipment's vacuum performance was significantly enhanced, featuring a fully metallic sealing system to ensure minimal leakage. Testing data demonstrated that the system could stably reduce pressure from atmospheric (745 torr) to a vacuum environment. Second, the oven realized precise pressure control, supported by a linear slope control function, improving pressure gauge accuracy and ensuring uniform pressure distribution across the chamber. Third, through a separated gas management system, the equipment achieved oxygen concentration control, effectively preventing material degradation and maintaining stability during the transition between positive and negative pressures. This innovative system was designed to meet the stringent requirements of AI chip and automotive electronics manufacturing processes—particularly those demanding extremely low bubble residue rates—providing essential technological support for advanced semiconductor packaging applications.
	2024	Electrical testing machine	650 × 550 mm Large Testing Platform Dual-Stage Frame for High Through put High Integration Accuracy Segmented Electrical Testing Capability 64K Testing Points	The electrical testing machine was applied in the back-end manufacturing process, serving as a critical step to verify whether PCB circuits were functioning properly or exhibited open-circuit (NG) defects. Only PCBs that passed this testing process were released for shipment. The equipment operated by applying probes from the electrical test fixture module onto the PCB pads, conducting current-based connectivity tests to ensure circuit integrity. In 2024, C SUN's latest system adopted a high-density 64K testing point configuration combined with a large 650 × 550 mm platform, providing the flexibility to perform segmented electrical testing. These features significantly enhanced testing accuracy, speed, and compatibility with various PCB designs, supporting customers' evolving needs in advanced electronic manufacturing.
	2024	Roller Laminator	Uniform Temperature and Pressure Lamination Roller Technology Thin Substrate Lamination Transport Control Technology Automatic Film Alignment and Calibration System Edge Retention Precision Control for Film Materials	This equipment was utilized in the PCB yellow-room imaging transfer process for dry film photoresist lamination. In response to the evolution of process technologies, C SUN's product development in 2024 continued to advance toward higher cleanliness standards and greater temperature and pressure uniformity during lamination, thereby minimizing surface defects and improving yield rates. The system incorporated a substrate transport assistance mechanism designed to handle ultra-thin substrates, distinguishing it from competitors while accommodating a broader range of production requirements. In addition, the machine provided enhanced ease of operation and integrated user-friendly and intelligent control features, further strengthening its competitiveness in precision PCB manufacturing applications.

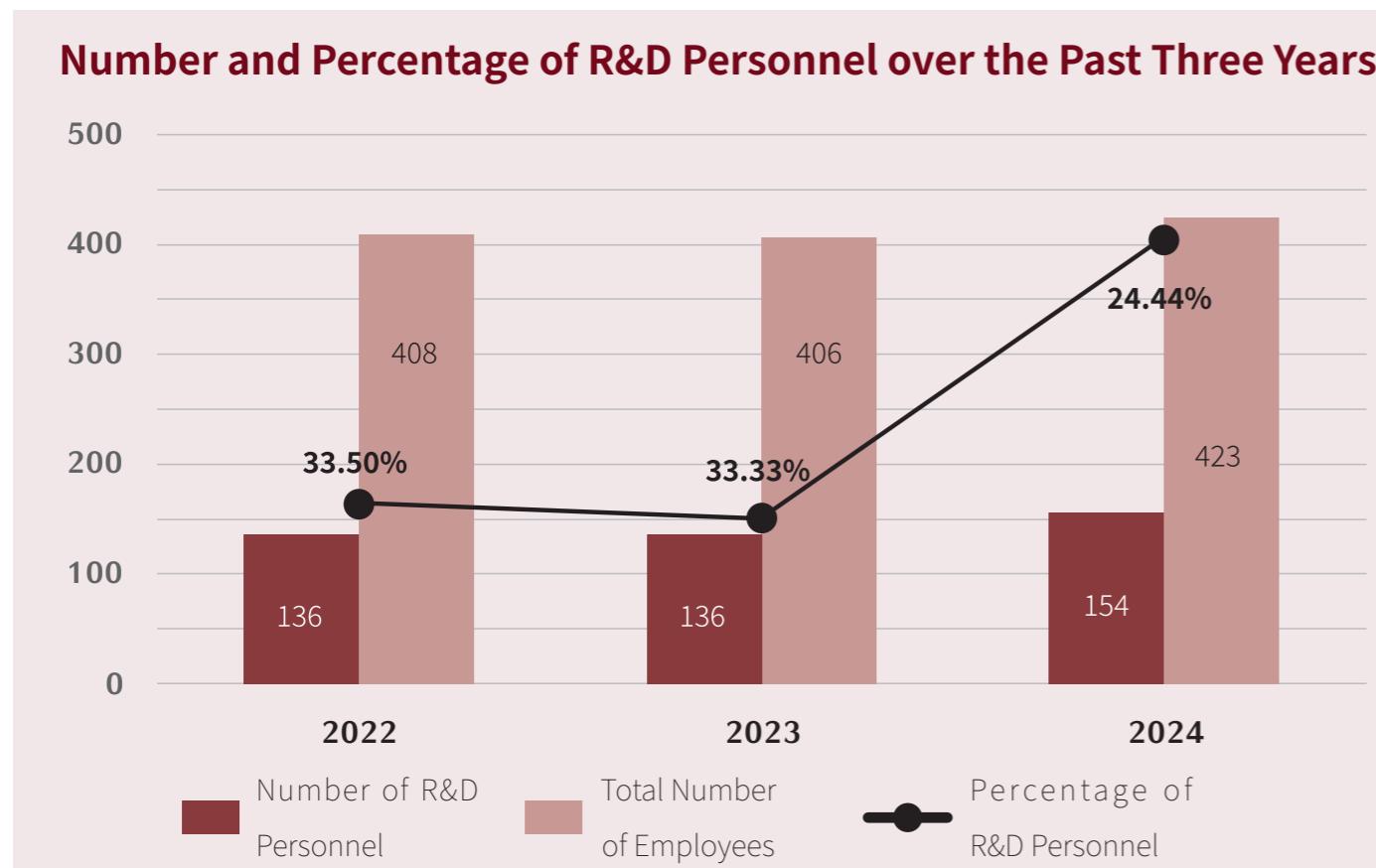
Equipment Photo	Year	Equipment Name	Product R&D Features	Description
	2024	Chemical Filter Baking Oven (for Chemical Filter Reuse)	High Circulation and High Air Exchange Flow Field Technology Advanced Filtration Efficiency Technology High-Efficiency Energy-Saving System Superior Temperature and Airflow Uniformity	This equipment was used for the baking and regeneration of chemical filter media applied in cleanroom HVAC systems, which effectively filter volatile organic compounds (VOCs) in cleanroom environments — including IPA, acetone, and toluene. The system adopted high-temperature, high-circulation, and uniform flow field technology, enabling regenerated chemical filters to restore up to 80% of their original filtration performance, significantly reducing consumable costs associated with filter replacement. In addition, the oven was equipped with a high-efficiency heat recovery system, which greatly reduced the energy consumption required for high-temperature thermal processes. This innovation not only enhanced operational efficiency but also demonstrated tangible ESG environmental benefits by reducing carbon emissions and promoting resource circularity.
	2024	Carrier Bonder	High-Temperature and High-Pressure Bonding Technology in a Vacuum Environment Concentric Alignment Bonding of Substrate and Carrier under Vacuum Conditions Automatic Thickness Compensation Algorithm for Different Substrate and Carrier Combinations In-Line Optical Defect Inspection Technology	This equipment was applied in bonding and fan-out packaging processes, serving as a core solution in the development of advanced semiconductor packaging technologies. Depending on product applications, C SUN customized bonding methods compatible with glass or wafer carriers, ensuring thermal stability and uniform pressure distribution throughout the process. The system supported various flip-type circuit processes and was designed to meet the high-precision, reliability, and repeatability requirements of next-generation semiconductor manufacturing. Through these advancements, C SUN enhanced process control capabilities and contributed to improved yield and performance consistency across diverse advanced packaging applications.
	2024	Wafer Vacuum Laminator	Material and Wafer Separation Technology under Vacuum Conditions High-Temperature and High-Pressure Processing in a Vacuum Environment High-Precision Alignment Technology during Coating Uniform Pressure Control Technology during Coating In-Line Optical Defect Inspection Technology	This equipment was utilized in the InFO (Integrated Fan-Out) packaging process, specifically for RDL (Redistribution Layer) coating applications. It represented an innovative post-packaging process, enabling the development of new dielectric material applications and advanced coating techniques tailored to next-generation semiconductor packaging requirements. The RDL circuit formation system developed by C SUN marked a breakthrough in manufacturing technology, as no equivalent equipment had yet been introduced to the market. Through its precise vacuum-based processing and superior coating uniformity, the system effectively enhanced production yield, reliability, and performance stability, strengthening C SUN's technological leadership in the advanced packaging sector.

4.1 Product Technology and Innovation

4.1.4 R&D Personnel and Investment

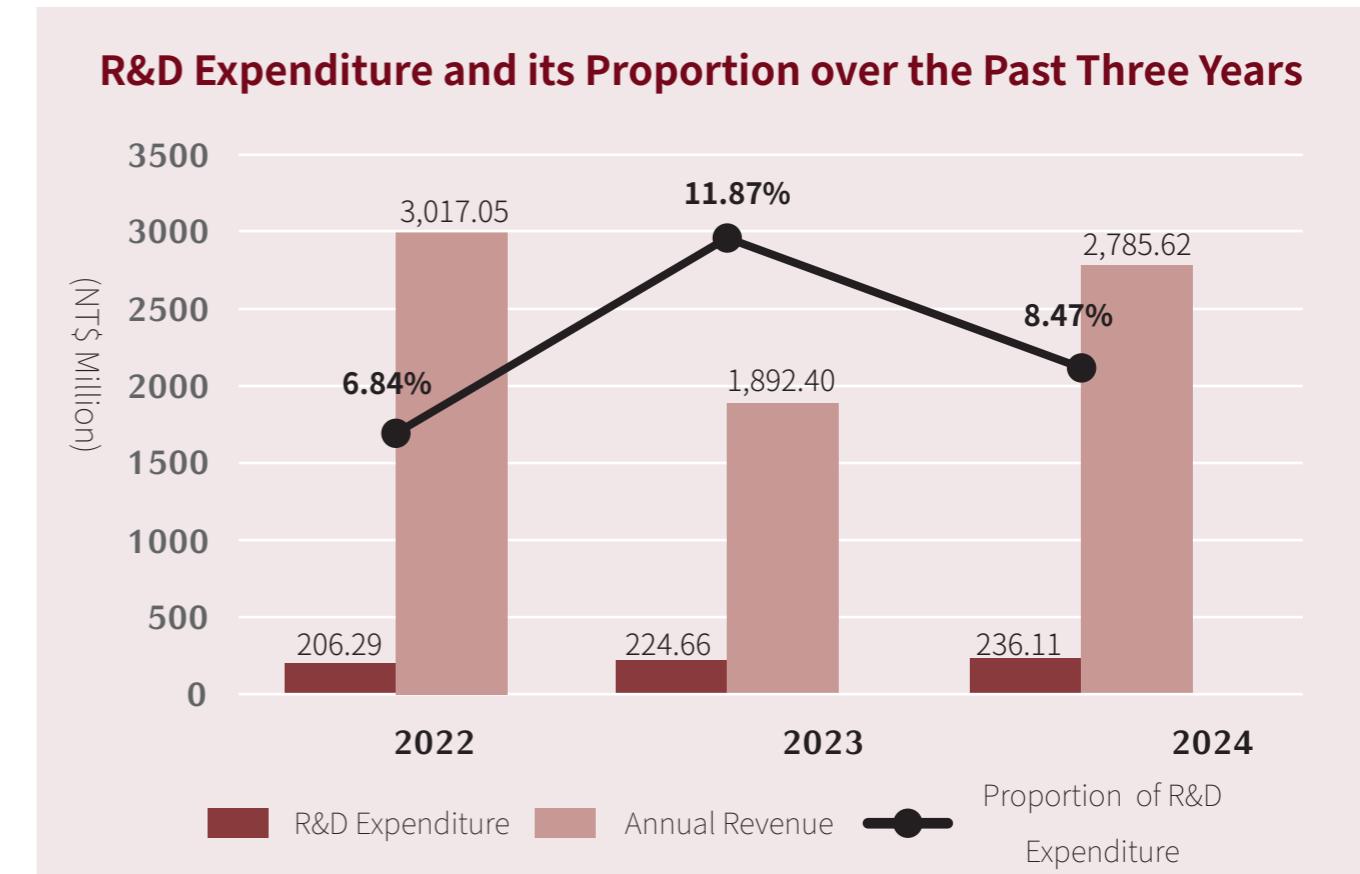
C SUN actively engaged in innovation and sustainable development, strengthening its innovation capacity through the recruitment of professional talent and the encouragement of internal creativity. All C SUN sites continuously advanced research and application of automation, energy-saving, reuse, and environmental sustainability technologies, while each facility explored and implemented innovative solutions to drive the industry toward a more efficient and greener future.

The company's recent R&D achievements are outlined below, showcasing its ongoing efforts to enhance energy efficiency, environmental performance, and technological competitiveness across multiple industries.



To enhance the working environment and resources for its research and development personnel, C SUN invested approximately NT\$236 million in R&D during 2024, accounting for 8.47% of its total annual revenue. This demonstrated the company's strong commitment to innovation and continuous technological advancement, as well as its determination to provide sustained financial and institutional support for R&D teams.

In alignment with the technological evolution and market needs of the high-tech, renewable energy, and environmental medical industries, C SUN extended the application scope of its core technologies and continued to develop innovations aimed at driving long-term sustainable growth.



Note 1: In 2024, the Company continued to optimize its internal data management process by including expatriate personnel (including R&D staff) in the statistical scope. This adjustment enhances the completeness and transparency of our human resources disclosure. Concurrently, to ensure consistency of information, historical data for 2022 and 2023 have been updated according to the same criteria.

4.1 Product Technology and Innovation

4.1.5 Innovation Exhibitions and Industry-Academia Collaboration

R&D Education and Training

- For C SUN, the selection of professional training programs was a key focus area. The company incorporated input from both supervisors and employees to ensure that training content aligned with organizational development goals and individual needs. Supervisors provided guidance on technical and knowledge-based competencies while encouraging employees to share their own suggestions. This approach respected individual preferences and ensured alignment with the team's overall development direction. Through regular discussions and feedback mechanisms, C SUN ensured that the selected training programs effectively addressed the team's practical needs. This not only enhanced employees' professional expertise but also strengthened team cohesion and a shared sense of purpose.
- In 2024, C SUN held a total of 35 R&D-related training sessions, seminars, and technical exchange meetings, with 421 total participants and a combined training duration of 901.35 hours. These figures reflected the company's continued commitment to supporting the professional growth and technical development of its R&D teams.

Industry-Academia Collaboration

Academic research has long been a vital driving force in the early stages of industrial technology development. By leveraging the latest knowledge and innovations from academic and research institutions, C SUN was able to stay abreast of emerging technological trends. Industry-academia collaboration not only facilitated the practical application of academic research and accelerated technology transfer and industrial upgrading, but also helped cultivate professional talent for the industry. Furthermore, such collaboration created opportunities for C SUN to attract outstanding students and researchers to join its innovation ecosystem.

In recent years, C SUN actively engaged in academic collaboration projects, exploring the potential of new technologies. Since 2006, the company has partnered with several leading universities—including National Taiwan University, National Chung Cheng University, Feng Chia University, and Tatung University—to jointly develop multiple innovative technologies. These efforts aimed to combine the strengths of industry and academia to strengthen the foundation of technological innovation across the sector.

In 2024, C SUN invested approximately NT\$4.81 million in industry-academia collaboration projects. Looking ahead, the company seeks to deepen cooperation with academic and research institutions to transform emerging academic innovations into practical industrial applications, foster stronger integration between academia and industry, and enhance the overall innovation capacity of the organization.

Partner University	Project Title	Key R&D Outcomes and Applications	Total Investment	Investment in 2024 (NT\$ Million)
National Taiwan University of Science and Technology	Self-Inspection Module for Bonding Accuracy	R&D Outcome: Developed a detection system capable of identifying linear displacements as small as 0.2 μm. Application: The technology can be applied to semiconductor stacking processes, enabling sub-micron penetration measurement and precise alignment for wafer-level bonding.	500	290
Feng Chia University	National Science and Technology Council Project— VHF-CCP Plasma Etching Process Application	R&D Outcome: Verified the etching efficiency of ABF plasma drilling compared with ABF laser drilling. Plasma drilling demonstrated significant efficiency advantages (simultaneous multi-hole etching vs. one-to-two holes per laser shot) and eliminated the Desmear step, thereby reducing process stages. Application: Replacing laser drilling with plasma drilling improved process efficiency for high-density via structures and optimized performance in advanced chip integration.	42	67.7
Feng Chia University	ESG Green Energy Research Program (2022–2026)	R&D Outcome: Developed high-efficiency, energy-saving, large-area, ultra-high-frequency plasma etching technology. Application: The technology can be applied to next-generation high-end plasma etching equipment to achieve energy conservation and carbon reduction. R&D Outcome 2: Developed an AI-based microscopic inspection system for detecting surface defects on thin films. Application 2: The system can be integrated into lamination equipment to inspect product or wafer surfaces for potential defects, thereby improving post-process yield and reducing costs.	500	100
Ming Chi University of Technology	Study on the Material Properties and Failure Analysis of Key Components Used in Semiconductor Equipment III (Jun 2024 – May 2025)	R&D Outcome: Established Raman spectroscopy-based material verification methods for silicone, polymers, and elastomers. Application: Developed an automated Raman spectral comparison system to support on-site quality control (QC) and enhance process stability. Future collaboration aims to apply Raman analysis models for functional pad surface modifications (e.g., hydrophilic/hydrophobic treatments, filler doping) to validate material enhancement effects.	40	23.3

4.1 Product Technology and Innovation

4.1.6 Intellectual Property Protection and Patent Strategy

C SUN established a comprehensive and systematic intellectual property (IP) management framework built around creating corporate value and enhancing overall competitiveness. Through a combination of rigorous patent portfolio strategies, technical protection measures, and innovation-driven R&D mechanisms, the company ensured effective safeguarding of its technological assets and operational achievements, further strengthening its market position. By continuously optimizing IP management strategies, C SUN actively promoted technological innovation, enhanced R&D efficiency, and supported industrial upgrading and sustainable development — ultimately creating long-term value for the company, its customers, and the broader industrial ecosystem.

Intellectual Property Management System

Intellectual property represents a critical intangible asset for enterprises. To foster the strategic use of IP as a source of advantage and value creation, C SUN established the “Intellectual Property Management Manual” in alignment with its operational strategy, forming a systematic management system that links IP management with business objectives. In 2024, the company successfully renewed its certification under the Taiwan Intellectual Property Management System (TIPS). Following a rigorous external audit, the certification was approved, valid from January 1, 2024, to December 31, 2026, reaffirming C SUN’s commitment to implementing a robust IP management framework.

Patent Strategy and Management

C SUN formulated the “Patent Management Procedures” in 2011, which were approved and implemented companywide and have since been continuously refined. The procedures encompass patent proposal submission, technology content extraction, internal patent database establishment, and patent utilization mechanisms. A dedicated department was established to evaluate and execute all patent-related matters, ensuring that intellectual property protection and technology development progress in tandem with the company’s long-term innovation goals.

C SUN Patent Management Strategy

C SUN continuously developed and refined new products to deliver the best equipment solutions in the industry and strengthen its position as a trusted partner for customers. Through targeted training programs, the company enhanced employees’ intellectual property awareness and encouraged creative thinking. Employees were incentivized to submit patent applications, with monetary rewards granted both upon proposal approval and patent acquisition. Moving forward, C SUN remained committed to motivating R&D personnel to file patents based on their research outcomes, thereby completing its technology deployment and enhancing the company’s industrial competitiveness.

1.

Patent Proposal and Application Process

Preliminary Phase: Conducted prior-art searches and evaluated patent layout strategies.
Mid Phase: Held technical proposal discussions, prepared patent documentation, and submitted applications.
Final Phase: Implemented patent execution and operationalization.

2.

Patent Technology Exploration

IP specialists collaborated with R&D teams to review ongoing projects and identify potential patentable technologies.
Conducted reviews of previous applications and discussed potential improvements with inventors; subsequent applications were filed claiming priority rights when applicable.

3. Internal Patent Database Development

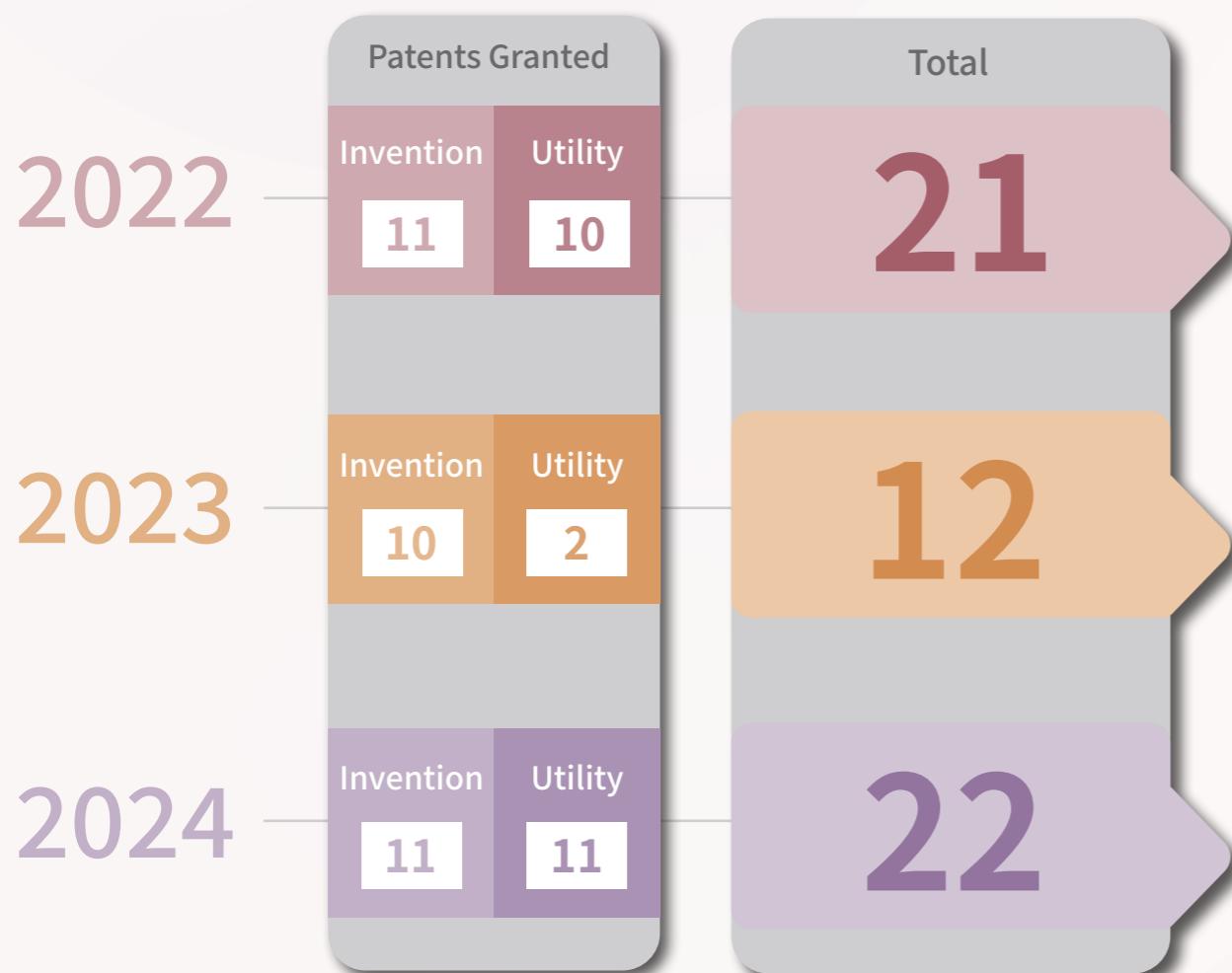
Established a comprehensive patent database covering patent searches, new applications, re-examinations, and oppositions.
Created patent maps to visualize the company’s IP portfolio and strategic positioning.

4. Patent Implementation and Utilization

Conducted patent valuation and assessment to determine commercial potential.
Promoted patent licensing and technology transfer to maximize intellectual property value.

As of the end of 2024, C SUN had been granted a total of 123 patents worldwide, reflecting the company's continued commitment to innovation and intellectual property protection. These included 42 invention patents, 23 utility model patents, and 2 design patents in Taiwan; 15 invention patents, 19 utility model patents, and 2 design patents in Mainland China; 11 patents in Japan; 3 patents in Korea; and 6 patents in the United States.

During 2024, C SUN obtained 11 invention patents and 11 utility model patents, totaling 22 newly granted patents for the year.



Note 1: In 2024, the internal data collection process was updated to reflect the total number of patents granted across all countries. To maintain information consistency, the data for 2022 and 2023 have been updated concurrently using this revised methodology.

Strengthening Intellectual Property Strategy

C SUN established its Patent Management Procedures in 2011, which were formally approved and implemented. These procedures encompass patent proposal submission, technology content identification, internal patent database development, and patent implementation mechanisms. A dedicated IP management department was established to evaluate and execute all patent-related activities, ensuring systematic and strategic management across the company's intellectual property portfolio.

1. Implement Intellectual Property Strategies
2. Maintain Competitive Advantage
3. Promote/advance IP strategy
4. Develop product technologies
5. Encourage innovation proposals
6. Enhance confidentiality awareness

4.2 Product Technology and Innovation Customer Service/Product Quality & Safety

Policies, Commitments and Materiality

Material Topic : Product Technology and Innovation Customer Service/Product Quality & Safety

The Company remained committed to delivering high-quality products and services to meet customer needs and ensure market competitiveness. Upholding a philosophy of listening to customers, C SUN ensured that all products met specifications and exceeded expectations. All employees were encouraged to actively participate in quality management, fostering a strong sense of quality awareness and responsibility.

Through continuous implementation of the PDCA (Plan-Do-Check-Act) cycle, the Company consistently optimized its products and processes. C SUN strictly complied with both

international and domestic quality standards, such as ISO 9001, and adhered to relevant requirements under ISO 14001.

In addition, C SUN worked closely with suppliers and strategic partners to build long-term collaborative relationships, jointly improving product quality. While ensuring quality assurance, the Company also placed equal emphasis on environmental protection and product safety, striving to provide products that are safe and harmless to users

Short-medium and long-term goals

- Customer satisfaction remained consistently above 90% over the long term.
- The Company offered advanced training and educational programs to continuously enhance service capability.
- Customized functions and personalized configurations were provided to meet the needs of different customer segments

2024 Performance

- In 2024, the Company achieved a customer satisfaction score of 97.79.
- C SUN was honored with TSMC's 2024 Spare Parts: Outstanding Improvement Award, recognizing its continuous improvement in quality and customer support performance.

Authorities and Responsibilities

Quality Committee

Action Plan

- The Company regularly provided professional training to employees to ensure strong communication skills and professional competence.
- It responded promptly to customer needs, offering 24-hour customer support and expediting issue resolution to minimize waiting time.
- Clear service standards were established to ensure that all customers received consistent, high-quality service.
- Through data analytics, the Company gained insights into customer preferences and provided timely care and tailored recommendations.
- Based on customer requirements, customized service solutions were developed to deliver a sense of uniqueness and personalized experience.

4.2 Product Technology and Innovation Customer Service/
Product Quality & Safety

4.2.1 Product Quality Management

Product Quality Assurance

Product Quality Assurance

C SUN upheld its four core quality policies — “Commitment to Quality, Customer Satisfaction, Professional Integrity, and Corporate Sustainability.” As a manufacturer of high-precision production equipment, the Company maintained strict quality and accuracy control standards. Through the implementation of the PDCA (Plan-Do-Check-Act) continuous improvement cycle and standardized operating procedures, C SUN ensured that all products met the required quality specifications. In addition, C SUN’s semiconductor-related equipment products were certified under SEMI S2, an international standard established by the Semiconductor Equipment and Materials International (SEMI) organization, and also complied with the SEMI F47 standard. Beginning in 2024, the Company actively initiated preparations to obtain SEMI E187 certification, the global cybersecurity standard for semiconductor equipment, with formal certification expected in 2025. C SUN continued to place innovation at its core, investing in cybersecurity and technology R&D to promote industrial advancement and support customers in achieving higher levels of competitiveness. The Company also continued to enhance the cybersecurity performance of its existing equipment to meet global customers’ security requirements.



▲ SEMI S2 Certificate

Products Certified under the SEMI S2 Safety Standard

Product	
WVL-M12	HQMOL-A12
WVL-A12W	VO-A12-2DC(2C)
CSL-A16W	VPO-2DS
CSL-A12W	MOL-2DC-AM
CSL-A8W	QMOLA5-2DS
CSL-A6W	QMOLA5-4DS
CSL-A4W	PLP-18S
CVBO-A12-FT/WVL-A12-BONDER	

Product Hazardous Substance Management

while continuing to strengthen environmental and safety compliance. C SUN obtained ISO 14001 certification in 2023, and required all suppliers to commit and guarantee that they would not use any materials containing hazardous substances prohibited under international treaties or national regulations, including RoHS, Halogen-Free, REACH, VOCs, and TSCA standards. This ensured product compliance with environmental regulations, reduced hazardous substance risks, and supported the establishment of a green supply chain. In 2024, the Company did not record any violations related to product or service health and safety regulations. Moving forward, C SUN remained committed to maintaining this excellent track record.

4.2 Product Technology and Innovation Customer Service/
Product Quality & Safety

4.2.2 Customer Relations

Customer Satisfaction

C SUN consistently leveraged its core strengths, encouraged innovation, and maintained close communication with customers. The Company established a professional customer service team and a comprehensive sales and service system to provide high-quality, all-around support, assisting customers in enhancing their competitiveness and creating greater added value. C SUN placed great emphasis on evaluating the real-world performance of its innovative products after delivery. The Company not only assessed whether its products effectively resolved customer issues but also actively responded to customer opinions and feedback. To help business units better understand customer perspectives and improvement needs, C SUN implemented a systematic after-sales service and complaint-handling process, conducting data-driven analyses that served as the foundation for future equipment enhancement and service optimization. In 2024, C SUN distributed 2,427 customer satisfaction surveys and received 2,427 valid responses, achieving a 100% response rate. The overall customer satisfaction result for the year was rated as “Satisfied,” with an average score of 97.79. This result demonstrated customers’ strong satisfaction with C SUN’s overall service quality.

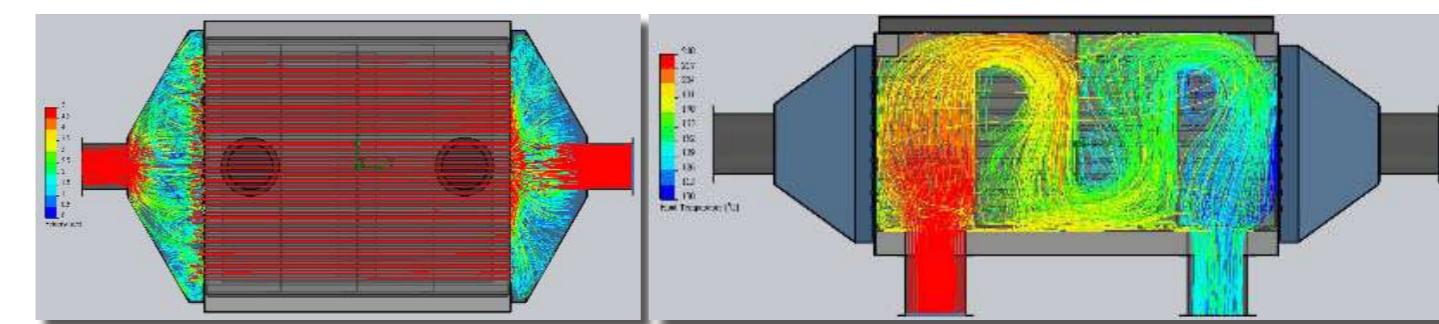


Year	Questionnaires Distributed	Questionnaires Received	Response Rate	Satisfaction Score
2022	986	986	100%	96.80
2023	2831	2829	99.93%	99.39
2024	2427	2427	100%	97.79

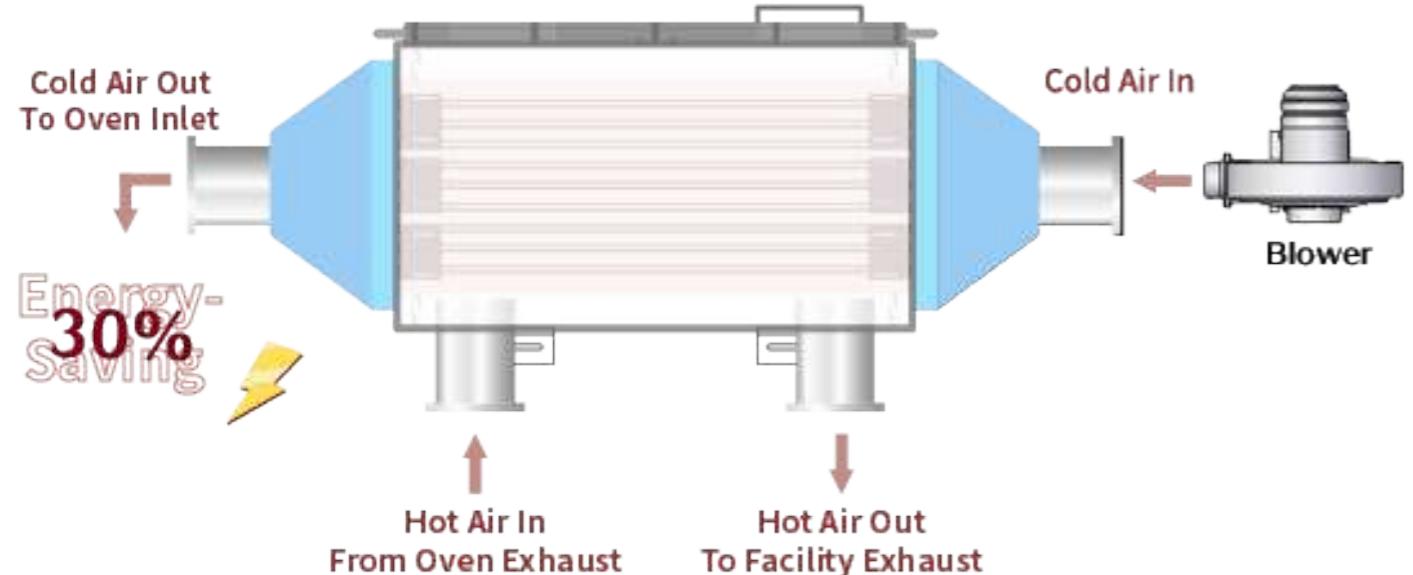
4.2.3 Customer Complaint Handling Process

C SUN emphasized the principles of the circular economy and resource reutilization. In 2024, the Company established a dedicated Legacy Equipment Revitalization Project Office to upgrade and extend the service life of customers’ aging equipment, thereby improving overall operational performance and energy efficiency.

Heat Exchange System: C SUN developed a heat recovery system that captures waste heat discharged from equipment and reuses it to preheat incoming cold air. Through a heat exchanger, the recovered thermal energy was effectively transferred to improve the intake air temperature, enhancing energy utilization efficiency and reducing operating costs. Based on internal no-load test data, the system achieved an energy-saving efficiency of approximately 32% (for reference only). Actual efficiency varied depending on equipment model, process type, and factory utility system conditions.



Energy-Saving Box



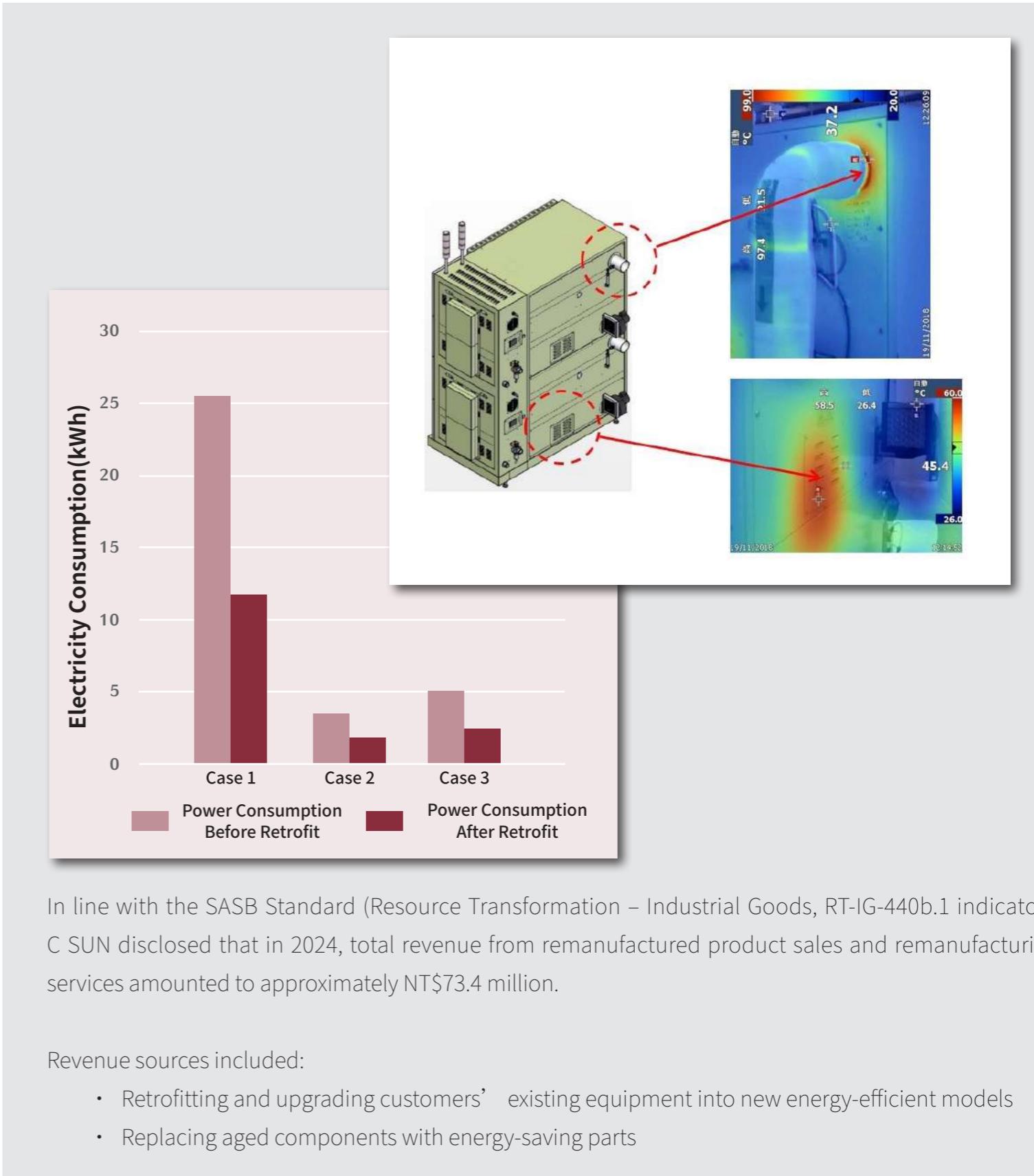
Oven Equipment Heat Dissipation Improvement

Common Heat Dissipation Improvement Measures:

- Enhancing insulation for equipment and pipelines
- Repairing or replacing aged sealing materials
- Conducting regular inspections and maintenance of insulation layers
- Using infrared thermal imaging cameras to detect and reinforce heat loss points

These measures effectively reduced heat loss, lowered the load on heating equipment, and significantly decreased electricity consumption. In actual retrofit cases, all three improvement examples demonstrated over 40% energy savings, showing clear efficiency gains. However, the actual level of energy savings varied due to multiple factors, including the operating temperature required by customer processes, equipment operating conditions, selection of insulation materials, equipment configuration and design, and maintenance practices. For example, different process requirements for temperature stability, variations in environmental heat load, and the integrity of insulation layers all affected final energy-saving results.

While improving heat dissipation could substantially enhance energy efficiency, C SUN recommended that each plant tailor its improvement plan to its actual needs and operating conditions to achieve optimal results.



4.2 Product Technology and Innovation Customer Service/
Product Quality & Safety

4.2.4 Customer Rights and Protection Policy

All products manufactured and supplied by C SUN complied with relevant domestic and international regulations as well as applicable industry quality standards. Each product underwent rigorous quality inspection before shipment to ensure stable quality and compliance with specifications. In the event of any product defects or nonconformance, C SUN provided return, repair, or compensation services in accordance with contractual agreements.

All customer contracts clearly defined terms and obligations, and C SUN faithfully fulfilled commitments regarding delivery schedules, product quality, and after-sales service. The company strictly prohibited any acts of monopoly, fraud, false advertising, or coercive transactions, maintaining a fair and ethical business environment.

Grievance Mechanism

Whistleblowing Email for Ethical Conduct: audit@csun.com.tw
Customer Contact Email: sale@csun.com.tw
Hotline: +886-2-26017706

Regular training on product responsibility and customer relationship management was provided to R&D, production, quality assurance, and sales departments. A customer satisfaction survey mechanism was implemented to collect feedback, serving as a foundation for continuous improvement and product innovation.

1.
Product Quality and Safety Assurance

2.
Information Transparency and Integrity

3.
Fair Trade and Contract Fulfillment

4.
Protection of Personal and Corporate Information

5.
Internal Training and Continuous Improvement

6.
After-Sales Service and Complaint Handling

C SUN upheld principles of honesty and written confirmation across all business activities, including quotations, contracts, deliveries, and payment terms. The company provided complete and transparent product information—covering specifications, applications, operating methods, storage conditions, precautions, and warranty details—to ensure customer clarity and trust.

C SUN respected and safeguarded customers' personal data in compliance with the Personal Data Protection Act and other applicable regulations. The collection, processing, and use of personal data were handled in accordance with the law. No customer data were shared with third parties without written consent. In addition, C SUN established a comprehensive information security management system to prevent data loss, leakage, or misuse.

C SUN maintained a comprehensive after-sales service system, including technical support, maintenance, replacement, and product recycling. A dedicated customer service hotline and complaint mailbox were also established to handle customer feedback, inquiries, and suggestions promptly and effectively.

4.3 Sustainable Supply Chain

In today's globalized economy, sustainable supply chain management has become an indispensable component of corporate development. As awareness of environmental and social responsibility continues to grow, consumers and stakeholders have higher expectations for companies' sustainable development and social impact. In this context, establishing a sustainable supply chain not only helps mitigate operational risks but also enhances overall corporate competitiveness while contributing positively to society and the environment.

C SUN recognized the importance of sustainable supply chain management and actively integrated sustainability principles into its corporate strategic planning. The company is committed to promoting the sustainability of the entire supply chain through close collaboration with suppliers, driving shared progress and long-term value creation.



4.3 Sustainable Supply Chain

4.3.1 Overview of the Supply Chain

C SUN is primarily engaged in machinery and equipment manufacturing. Its upstream suppliers include hardware components, electronic parts, lighting systems, power supply components, and sheet metal processing. The company's downstream industries span multiple applications, including printed circuit boards (PCB), flat panel displays (FPD), semiconductors, printing and coating, footwear manufacturing, solar photovoltaics, and electronic components. C SUN's products are distributed across Taiwan, Mainland China, Japan, the United States, Korea, Singapore, Malaysia, Vietnam, Thailand, and India.

The company's key components—such as heaters, edge finders, robotic arms, pneumatic elements, HEPA filters, ball screws, servo motors, and temperature controllers—were sourced from leading domestic and international suppliers. Through long-term cooperation, C SUN established stable supply relationships ensuring reliable quality and on-time delivery.

Local Procurement

To promote industrial clustering and strengthen local material supply chains, C SUN continued to increase localized procurement to shorten lead times, reduce transportation costs, and lower carbon emissions associated with logistics, while simultaneously supporting regional economic growth. In 2024, local procurement accounted for 95.28% of the company's total procurement value.

Local Procurement Ratio

Year	2022	2023	2024
Net Procurement Value from Local Suppliers (NTD Million)	1,441.33	856.9	1,295.18
Total Net Procurement Value (NTD Million)	1,517.41	884.89	1,359.22
Local Procurement Ratio	94.99%	96.84%	95.28%

4.3 Sustainable Supply Chain

4.3.2 Supply Chain Management

Suppliers are essential partners in C SUN's value chain. To continuously advance sustainable practices, the company has established long-term cooperative relationships with suppliers and embedded sustainability principles into its Supplier Management Procedure. C SUN conducted regular ESG management system risk assessments and supplier sustainability self-evaluation questionnaires, aiming to build a supply chain that safeguards the environment, values social responsibility, and promotes sustainable development. The company's supply chain management framework encompasses new supplier evaluation, supplier management, and supplier communication, as outlined below:

Supplier Evaluation

- All suppliers were required to complete the Supplier Evaluation Form, which was reviewed by designated personnel for compliance.
- For non-market-purchase suppliers, an on-site evaluation was conducted by auditors who performed inspections and scoring.
- For processing suppliers, sample products were requested for evaluation and verification prior to approval.

Supplier Audits

- C SUN's supplier audit team regularly assessed supplier quality and yield rates using the Sustainability Self-Assessment Questionnaire and the Monthly Supplier Incoming Material Evaluation Report, focusing on four key dimensions: labor practices, ethics, intellectual property protection, and environmental performance.
- Each year, the company scheduled sustainability assessments for the top 50 key suppliers, conducted on a monthly basis.
- Monthly supplier performance reviews were carried out and graded under the ABC rating system. Suppliers rated "C" were invited to participate in counseling meetings and on-site improvement training sessions.

Supplier Training

- For suppliers with unsatisfactory delivery quality performance, C SUN convened project-specific meetings to identify improvement topics and formulate action plans, followed by formal training programs based on meeting resolutions.
- In support of ESG initiatives, C SUN used its Taipei facility as a demonstration site for GHG inventory implementation, sharing its carbon accounting experience and subsidies with suppliers. Training was conducted through conference calls, video meetings, and other interactive channels to enhance engagement and capacity building.

Supplier Forums and Recognition

- C SUN hosted annual supplier appreciation events across different sites, inviting outstanding suppliers recognized for excellence in quality control, cost reduction, delivery reliability, and ESG performance to participate in open exchanges about the company's future direction and strategy, further strengthening supply chain collaboration.
- During year-end gatherings jointly organized across facilities, the company reserved special recognition tables for exemplary suppliers to encourage continued partnership and commitment.

New Supplier Evaluation

To promote supplier participation in sustainable action, C SUN evaluated new suppliers across six key dimensions: quality, cost, delivery, service, environmental protection, and occupational safety. New suppliers were also required to sign the Supplier Corporate Social Responsibility and Integrity Commitment Statement. Only those who passed the evaluation and completed the declaration process were approved to join C SUN's supply chain.

C SUN classified major suppliers as those providing key components or having significant transaction volumes. In 2024, the company added two new qualified major suppliers, achieving a 100% signing rate for the Supplier Corporate Social Responsibility and Integrity Commitment Statement.

Supplier Corporate Social Responsibility and Integrity Commitment**Labor Practices**

- Non-Discrimination
- Prohibition of Child Labor
- Humane Treatment
- Fair Compensation and Safe Working Conditions

Environmental Responsibility

- Suppliers ensured that waste management procedures and standards met or exceeded the minimum legal requirements, reducing adverse impacts on the environment and conserving natural resources.
- All raw materials and components supplied were confirmed to be free from substances prohibited or restricted under international conventions or national regulations regarding hazardous materials.

Ethical Conduct

- Suppliers complied with all applicable laws and regulations, maintained sound corporate governance, and adhered strictly to ethical business practices.
- They upheld the highest standards of integrity, avoiding any behavior that could violate principles of business ethics or compromise fair trade.
- Suppliers respected and protected customer data and intellectual property rights, ensuring confidentiality and lawful usage.
- Suppliers confirmed that no conflict minerals were used in any products or materials supplied to C SUN.

Supplier Management

C SUN conducted monthly incoming material evaluations for its suppliers. The Procurement and Quality Assurance (QA) departments jointly assessed supplier performance based on defined scoring criteria and issued a Monthly Supplier Incoming Material Evaluation Report to ensure consistent quality monitoring and supplier engagement.

Evaluation Category	Sub-Criteria
Delivery Quality	Incoming material quality, stability, on-site feedback
Coordination	Flexibility and responsiveness
Delivery Accuracy	On-time delivery rate
Cooperation	Service efficiency and responsiveness
Environmental Management	Compliance with environmental regulations, waste management practices
Occupational Safety and Health	OHS management system implementation, safety incident records

Rating Level	Response Measures
Suppliers maintaining an overall Grade A for six consecutive months	Suppliers maintaining an overall Grade A for six consecutive months were eligible for cash payment incentives without deductions starting from the seventh month, subject to approval by the Procurement Officer, QA Supervisor, and General Manager. The incentive period was one year. If downgraded to Grade B for three consecutive months, the incentive duration was reduced to six months; six consecutive months at Grade B or a downgrade to Grade C at any time resulted in immediate termination of the incentive. The number of Grade A suppliers eligible for this reward was limited to no more than 20 suppliers across the Taipei and Taichung Factories.
Grade A(90–100)	Suppliers were encouraged to maintain good performance. Those maintaining Grade A for six consecutive months were eligible for procurement preference measures to foster continuous improvement.
Grade B(75–89)	To maintain current performance and continuously enhance management mechanisms
Grade C(Below 75)	Suppliers were required to improve delivery accuracy and product quality. Depending on performance, C SUN might extend payment terms, apply late payment deductions, or conduct on-site guidance.
3 consecutive C ratings	A re-evaluation was required. Suppliers that remained Grade C after re-evaluation were disqualified and removed from the approved supplier list.

In 2024, C SUN conducted a total of 742 supplier incoming material evaluations. There were 23 instances in which suppliers received a Grade C rating; all were subsequently counseled and improved their performance. Notably, no supplier received a Grade C rating for two consecutive months, demonstrating the effectiveness of the company's continuous supplier improvement mechanism.

To ensure a safe and respectful working environment throughout its supply chain—while upholding environmental protection and ethical business principles—C SUN revised its Supplier Corporate Social Responsibility and Integrity Commitment Statement in 2024. The updated statement required suppliers to comply with relevant regulations on labor (including young labor, non-discrimination, and working hours), occupational health and safety (including work-related injuries), environmental protection, ethical conduct, and management systems. Suppliers were also required to comply with the laws and regulations of the countries and regions in which they operated.

In particular, suppliers delivering products or metallic components to C SUN were required to avoid the use of conflict minerals and ensure that all raw materials, semi-finished, and finished products complied with international hazardous substance restrictions, including RoHS, Halogen-Free, REACH, VOCS, and TSCA standards.

In 2024, C SUN launched the Supplier Sustainability Self-Assessment Questionnaire for key suppliers in the manufacturing and processing industries. The assessment covered four key dimensions: labor conditions, ethics, intellectual property protection, and environmental management. A total of 43 key suppliers were evaluated, all of which met the company's sustainability requirements.

Supplier Communication

C SUN maintained frequent communication with its supply chain partners through the Monthly Supplier Incoming Material Evaluation Report and by inviting manufacturing and processing suppliers to complete the Sustainability Self-Assessment Questionnaire.

Additionally, C SUN strengthened partnerships through annual cross-plant year-end gatherings, where the company's senior executives shared insights on technological development, market strategy, and ESG initiatives. These events reinforced mutual growth and collaboration across the supply chain, while gradually encouraging suppliers to implement carbon inventories to enhance transparency and traceability of product carbon footprints.

Supplier Conference

The 2024 Supplier Conference, themed "Supply Chain Transformation, Procurement Collaboration, and Supplier Carbon Inventory Project," focused on the future direction of ESG in procurement and supplier engagement. C SUN's senior management elaborated on the company's ESG vision, quality expectations, and low-carbon supply chain strategy, as well as its plans to strengthen cooperation with key partners.

Looking ahead, in 2025, C SUN planned to invite 20 key suppliers to participate in ISO 14064-1 GHG inventory projects, working together toward the company's goal of achieving a 30% carbon reduction by 2030.



5 Harmonious and Healthy Workplace

5.1 Employee Human Rights Protection

- 5.1.1 Promoting the protection of human rights in the workplace
- 5.1.2 Human Resource Structure and Diverse Workplaces
- 5.1.3 Smooth communication channels

5.2 Talent Attraction & Retention

- 5.2.1 New Recruits and Resignations
- 5.2.2 Sound salary system
- 5.2.3 Diversified Employee Benefits
- 5.2.4 Parental leave

5.3 Talent Cultivation and Development

- 5.3.1 Talent Development Management
- 5.3.2 Performance Appraisal Mechanism

5.4 Occupational Safety and Health

- 5.4.1 Occupational Safety and Health Policy and Management System
- 5.4.2 Hazard Identification and Risk Assessment Management
- 5.4.3 Occupational Accident Investigation Procedures
- 5.4.4 Occupational Safety and Health
- 5.4.5 Occupational Health Services and Promotion Activities
- 5.4.6 Occupational Injuries and Occupational Diseases

5.5 Social Participation



5.1 Employee Human Rights Protection

5.1.1 Promoting the protection of human rights in the workplace

C SUN has remained committed to fulfilling its corporate social responsibility by safeguarding the fundamental human rights of all employees and stakeholders, ensuring that no acts of discrimination, exploitation, or human rights violations occur within its operations. The company strictly complied with domestic and international labor and gender equality laws, and formulated comprehensive human rights protection and labor policies, along with corresponding implementation measures.

In alignment with internationally recognized human rights standards, C SUN established its work rules and personnel management regulations in accordance with the principles of the Universal Declaration of Human Rights, the United Nations Global Compact, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization (ILO) conventions. These frameworks served as the foundation for the company's commitment to protecting employee rights and promoting fair, safe, and respectful working conditions.

To strengthen labor-management relations, C SUN convened labor-management meetings in accordance with the law and maintained multiple communication channels that allowed employees to engage in open and direct dialogue with management. Through these platforms, the company communicated key policies, welfare programs, and organizational activities, ensuring that employees' opinions were fully expressed and promptly addressed.

In addition, C SUN regularly promoted its human rights policy during new employee orientation programs and monthly company-wide meetings. These efforts aimed to continuously raise employee awareness of human rights, labor standards, and workplace equality, ensuring that the principles of respect, inclusiveness, and fairness were embedded in the company's daily operations.

Human Rights Policy	Description	2024 Performance
Occupational Health and Safety	C SUN emphasized workplace safety and hygiene by creating a safe and healthy work environment and conducting periodic inspections of employees' health conditions. Based on the inspection results, continuous improvement plans were implemented to strengthen workplace protection.	Regular meetings of the Occupational Safety and Health Committee were held quarterly. In 2024, the company conducted four committee meetings.
Freedom of Association	The company respected employees' rights to freedom of association. Employees were encouraged to form and join various social and recreational clubs within the company, such as sports and volunteer groups, to foster a sense of belonging and positive engagement.	C SUN employees participated in multiple self-organized clubs, including volunteer service, badminton, and yoga groups, promoting diverse learning and community engagement opportunities.
Labor-Management Communication	C SUN established open communication mechanisms between employees and management through formal procedures and multiple feedback channels. The company actively promoted communication on corporate policies, benefits, and activities to ensure employees' voices were heard and responded to appropriately.	In 2024, four labor-management meetings were held across plants to enhance communication and strengthen cooperation between employees and management.
Diversity, Equity, and Inclusion (DEI)	The company provided a gender-equal and diverse work environment, upholding the principles of openness, fairness, and non-discrimination regardless of gender, ethnicity, or disability. It offered fair opportunities in training, compensation, promotion, and grievance handling to foster inclusiveness.	Gender equality training sessions were held twice across all plants in 2024 to promote awareness and inclusive workplace practices.
Prohibition of Child Labor	C SUN fully complied with local laws and regulations regarding minimum employment age and strictly prohibited the use of child labor.	In 2024, no incidents of child labor or violations of relevant labor laws were recorded.
Maternity Protection	The company implemented maternal protection programs and established supportive measures for working mothers, ensuring a safe and inclusive work environment for employees during pregnancy and maternity.	Adjustments to workloads and shift arrangements were made for pregnant employees, along with enhanced communication between supervisors and affected employees.
Fair Compensation and Working Hours	C SUN provided fair compensation and benefits in line with or exceeding local legal requirements, ensuring reasonable working hours and compliance with labor standards.	In 2024, employees' average salary levels exceeded the statutory minimum wage, reflecting fair and lawful compensation practices.

5.1 Employee Human Rights Protection

5.1.2 Human Resource Structure and Diverse Workplaces

In 2024, C SUN employed a total of 423 people, of whom approximately 94% were full-time employees under permanent contracts. The only category of non-employee workers was security personnel. In terms of gender distribution, 76% of employees were male and 24% were female. By age group, employees aged 31–50 accounted for the largest proportion at 63%, followed by those under 30 years old at 20%. The company also had 26 senior executives across management levels. Looking ahead, C SUN aimed to further promote workforce diversity and foster an inclusive and equitable workplace. The company planned to introduce targeted training programs and gender equality initiatives to support balanced representation across different roles. This strategic approach was intended to enhance organizational inclusiveness, attract a broader range of talents, and strengthen team creativity and operational efficiency.

C SUN actively embraced cultural diversity and inclusion within its workplace. In 2024, the company employed four people with disabilities, one Indigenous employee, and eight foreign employees, with an average tenure exceeding 3.7 years. To ensure that foreign colleagues could feel the warmth of the company even while working abroad, C SUN provided Lunar New Year meal allowances, and organized Christmas celebrations, Mid-Autumn Festival gatherings, and annual company trips to foster connection and belonging.

In addition, the company continued to improve workplace accessibility, with facilities such as barrier-free ramps and restrooms, as well as a nursing and lactation room, to ensure an equal and comfortable working environment for all employees.

Throughout 2024, C SUN did not receive any reports or findings of discrimination, child labor, or forced labor. This outcome demonstrated the company's strong commitment to upholding human rights, promoting equality, and maintaining a safe and inclusive work environment.

Composition of Non-Employee Workers at C SUN

Location	Gender	Category	Year		
			2024	2023	2022
Linkou HQ	Male	Security	0	0	0
	Female		0	0	0
Taipei Factory	Male	Security	1	1	1
	Female		0	0	0
Taichung Factory	Male	Security	2	2	2
	Female		0	0	0
Total	Male		3	3	3
	Female		0	0	0

Note 1: The data are based on the number of workers recorded on December 31, the end date of the reporting period.

Employee Composition

Location	Gender	Category	Year			
			2024	2023	2022	
Linkou HQ	Male	Full-Time	Fixed-Term Contract	5	0	
			Permanent Contract	67	22	
		Subtotal		72	22	
	Female	Full-Time	Fixed-Term Contract	5	2	
			Permanent Contract	45	21	
		Subtotal		50	23	
Taipei Factory	Male	Full-Time	Fixed-Term Contract	4	8	
			Permanent Contract	45	85	
		Subtotal		49	93	
	Female	Full-Time	Fixed-Term Contract	1	3	
			Permanent Contract	9	27	
		Subtotal		10	30	
Taichung Factory	Male	Full-Time	Fixed-Term Contract	7	5	
			Permanent Contract	194	177	
		Subtotal		201	182	
	Female	Full-Time	Fixed-Term Contract	3	0	
			Permanent Contract	38	33	
		Subtotal		41	33	
Total				423	383	
					385	

Note 1: The data are based on the number of employees recorded on December 31, the end date of the reporting period.

Note 2: The definitions of fixed-term and non-fixed-term contracts follow Article 9 of the Labor Standards Act



▲ 2024 C SUN Mid-Autumn Festival



▲ Employee Travel Activities (Including Foreign Employees)



▲ Department Gatherings (Including Foreign Employees)

Human Resource Structure and Diverse Workplaces

Location	Employee Category	Under 30 Years Old		30-50 Years Old		Over 50 Years Old		Total
		Male	Female	Male	Female	Male	Female	
Linkou HQ	Senior Management	0	0	6	0	5	2	13
	Middle Management	0	0	6	2	1	2	11
	Frontline Supervisors	1	0	13	6	1	1	22
	General Employees	20	11	17	20	2	6	76
	Subtotal	21	11	42	28	9	11	122
Taipei Factory	Senior Management	0	0	1	0	0	0	1
	Middle Management	0	0	1	0	0	0	1
	Frontline Supervisors	1	0	13	1	0	0	14
	General Employees	6	2	22	7	6	2	43
	Subtotal	6	2	37	8	6	2	59
Taichung Factory	Senior Management	0	0	5	0	7	0	12
	Middle Management	0	0	17	2	4	0	23
	Frontline Supervisors	2	1	32	2	5	1	43
	General Employees	45	11	75	19	9	5	164
	Subtotal	47	12	129	23	25	6	242
Grand Total		74	23	208	59	34	19	423
Ratio by Gender		18%	5%	49%	14%	9%	5%	100%
Ratio by Age		23%		63%		14%		100%

Notes:

1. Senior Management refers to directors and above.
2. Middle Management refers to managers.
3. Frontline Supervisors refer to team leaders and section chiefs.

5.1 Employee Human Rights Protection

5.1.3 Smooth Communication Channels

C SUN strived to foster a workplace culture of open and transparent communication, where information could flow effectively across all levels of the organization. The Labor-Management Committee, composed of representatives from both labor and management, convened regularly each year. In 2024, each site held one labor-management meeting per quarter, and the resolutions from these meetings applied to 100% of all employees.

To further strengthen two-way communication, C SUN maintained multiple internal feedback mechanisms, including a dedicated HR mailbox and a whistleblower hotline, allowing employees to raise concerns or suggestions in a timely and confidential manner.

Summary of Labor-Management Meeting Discussions (Past Three Years)

Year	Discussion Topic	Meeting Resolution
2024	Employees working overtime in the evening expressed concerns that the company did not provide meals. Ordering through delivery platforms such as Uber Eats was costly and inconvenient, as employees had to coordinate group orders themselves.	The company agreed to implement a centralized meal-ordering system. The IT department would develop an internal platform to record meal requests by 4:00 p.m., with reception staff assisting in placing the collective order. Employees could select from an approved restaurant list stored in the system, ensuring convenient and diverse meal options.
2023	Adjustment of National Day (Double Ten Festival) holiday schedule due to the company's annual employee trip.	In alignment with the company trip itinerary, C SUN adjusted holiday schedules to increase employee participation and engagement in the event.
2022	Discussion regarding whether short-term contract employees should be subject to welfare fund deductions.	It was decided that short-term contract employees would be included in the welfare fund program, allowing them to enjoy benefits provided by the Employee Welfare Committee and strengthening their sense of belonging.

5.2 Talent Attraction & Retention

Material Topic : Talent Attraction & Retention

Policies, Commitments and Materiality

C SUN was committed to providing a safe, healthy, and comfortable working environment, while fostering a supportive team culture that encouraged collaboration and mutual respect.

The company offered competitive compensation and benefits programs, including base salary, performance bonuses, welfare benefits, and employee stock ownership trust plans, ensuring that employees were fairly rewarded for their contributions.

C SUN also provided career development opportunities and professional training programs, enabling employees to continuously enhance their skills and knowledge, and to pursue

opportunities for promotion or internal transfer in alignment with their career goals. To strengthen engagement, the company maintained effective communication channels, encouraging employees to participate in decision-making processes and share feedback openly—ensuring every employee felt respected and valued. Furthermore, C SUN established a recognition and reward system to acknowledge and celebrate outstanding employee performance, motivating individuals to continue contributing to the company's growth and success.

Short-medium -term goals

- Reduced Employee Turnover Rate: C SUN maintained an annual employee turnover rate below 10%
- Improved Recruitment Efficiency: The company successfully reduced recruitment time and costs by 5%

Long-term goals

- Enhanced Leadership and Management Capabilities: In 2024, 5% of mid-level managers training.
- Increased Employee Engagement: C SUN organized at least one employee engagement activity each quarter, achieving a participation rate of 90%

2024 Performance

- Leadership Development:** In 2024, the company provided structured training for six department-level supervisors, supporting their advancement from mid-level management to managerial positions.
- Employee Promotions:** A total of 52 employees were promoted during the year, representing 13% of the total workforce.
- Training Programs and Seminars:** C SUN held six large-scale training programs for section and managerial-level supervisors in 2024, covering topics such as process management, case studies, and project management, with approximately 40 participants per session.

Action Plan

- Provided a safe and supportive work environment and competitive benefits to enhance employee satisfaction.
- Established open and transparent communication channels, encouraging employees to share suggestions and participate in company decision-making.
- Held regular employee engagement and team-building activities to strengthen cohesion and collaboration.
- Provided competitive compensation and benefits programs, including base salary, bonuses, stock options, and medical insurance.
- Established a regular human resources risk assessment mechanism to analyze internal and external factors affecting talent attraction and retention.
- Developed a comprehensive crisis response plan to address potential issues such as employee turnover, reputational risks, and workplace concerns.
- Responded promptly to employee inquiries and concerns to manage and resolve issues that could affect satisfaction and loyalty.

Authorities and Responsibilities

Head of Human Resources Department

5.2 Talent Attraction & Retention

5.2.1 New Recruits and Resignations

In 2024, C SUN recruited a total of 104 new employees, representing a hiring rate of approximately 25%, while 64 employees left the company, reflecting a turnover rate of about 15%. Compared with 2023, the hiring rate increased, while the turnover rate decreased, indicating a more stable workforce structure and improved retention performance. Through exit interviews and analysis, the main reasons for employee departures were identified as differences between job expectations and actual work content, family responsibilities, health conditions, and personal career development plans. To address these issues, C SUN planned to enhance communication during interviews to ensure that job descriptions were consistent with actual work expectations. Additionally, the company continued to strengthen employee retention by offering flexible work arrangements, such as unpaid leave options and educational support programs, providing employees with comprehensive assistance to balance career growth and personal well-being, thereby improving the retention rate of high-performing talent.

New Employee Statistics

Location	Gender	Age	2024		2023		2022	
			Number of New Hires	Hiring Rate	Number of New Hires	Hiring Rate	Number of New Hires	Hiring Rate
Linkou HQ	Female	<30	13	13%	3	5%	2	2%
		31~50	6	6%	1	2%	5	5%
		>51	1	1%	0	0%	0	0%
	Male	<30	7	7%	3	5%	1	1%
		31~50	2	2%	2	3%	1	1%
		>51	0	0%	0	0%	0	0%
	Female	<30	6	6%	13	21%	15	16%
		31~50	7	7%	5	8%	8	9%
		>51	0	0%	0	0%	0	0%
Taipei Factory	Female	<30	1	1%	3	5%	3	3%
		31~50	4	4%	1	2%	1	1%
		>51	0	0%	0	0%	0	0%
	Male	<30	28	27%	23	38%	28	30%
		31~50	19	18%	3	5%	14	15%
		>51	1	1%	1	2%	0	0%
Taichung Factory	Female	<30	8	8%	2	3%	9	10%
		31~50	0	0%	1	2%	6	6%
		>51	1	1%	0	0%	0	0%
	Male	Total	104		61		93	

Employee Turnover Statistics

Location	Gender	Age	2024		2023		2022	
			Number of Departures	Hiring Rate	Number of Departures	Hiring Rate	Number of Departures	Hiring Rate
Linkou HQ	Female	<30	8	13%	4	6%	1	1%
		31~50	1	2%	1	2%	1	1%
		>51	0	0%	0	0%	1	1%
	Male	<30	3	5%	1	2%	2	2%
		31~50	2	3%	2	3%	0	0%
		>51	0	0%	0	0%	0	0%
	Female	<30	7	11%	16	24%	12	14%
		31~50	6	9%	9	14%	9	11%
		>51	1	2%	2	3%	1	1%
Taipei Factory	Female	<30	1	2%	4	6%	2	2%
		31~50	4	6%	2	3%	1	1%
		>51	0	0%	0	0%	0	0%
	Male	<30	0	0%	0	0%	0	0%
		31~50	1	2%	4	6%	1	1%
		>51	0	0%	0	0%	0	0%
Taichung Factory	Female	<30	20	31%	11	17%	29	35%
		31~50	7	11%	6	9%	10	12%
		>51	2	3%	0	0%	3	4%
	Male	<30	2	3%	4	6%	8	10%
		31~50	0	0%	4	6%	3	4%
		>51	0	0%	0	0%	0	0%
	Total		64		66		83	

5.2 Talent Attraction & Retention

5.2.2 Sound Salary System

C SUN remained committed to providing a transparent and equitable compensation system, with salary levels determined based on employees' educational background, professional expertise, technical skills, years of experience, and individual performance. In addition, the company granted quarterly performance bonuses and year-end bonuses according to business objectives and implemented employee profit-sharing, treasury stock, and stock option programs to encourage employees to align with corporate goals and jointly contribute to C SUN's sustainable growth.

Employee Stock Ownership

When C SUN conducted capital increases through cash issuance, 10% to 15% of the new shares were legally reserved for employee subscription. The shares subscribed by employees under this policy were subject to transfer restrictions for a specified period in accordance with the relevant provisions of the Company Act

Employee Profit Sharing

In any fiscal year with distributable profits, the company allocated 1% to 9% of its net profit as employee remuneration, to be distributed in cash or shares as approved by the Board of Directors. In the event of accumulated losses, the company first retained an amount sufficient to cover the losses before appropriating remuneration for employees and directors in accordance with the above ratios

C SUN ensured that employee compensation was not affected by gender, age, ethnicity, nationality, religion, political stance, or sexual orientation. In 2024, the overall female-to-male pay ratio across the company showed no significant differences across most job categories, except for senior management. The wider gap observed at the senior management level was primarily due to the promotion of two newly appointed female senior executives in 2023, whose shorter tenure resulted in comparatively lower average salaries.

C SUN's compensation policy was based on the responsibilities, performance, and contributions of each position, and was not influenced by gender. This approach reflected the company's commitment to gender equality and the fair recognition of all employees' contributions.

CSUN 2024 Total Compensation Ratio

Ratio of the highest annual total compensation to the median annual total compensation of all employees	Ratio of percentage increase in the highest annual total compensation to the percentage increase in the median annual total compensation of all employees
13.82	0.99

Note 1: The individual with the highest annual total compensation in the company for 2024 was the President.

Note 2: The calculation was based on the total annual compensation actually paid to all full-time employees in 2024.

C SUN 2024 Female-to-Male Pay Ratio

Rank	Pay Ratio (Male: Female)
Senior Management	100 : 77
Middle Management	100 : 96
Junior Management	100 : 98
General Employees	100 : 94

Note 1: Senior Management refers to directors and above.

Note 2: Middle Management refers to managers.

Note 3: Junior Management refers to supervisors and section chiefs.

5.2.3 Diversified Employee Benefits

C SUN upheld the philosophy of creating a comfortable and supportive work environment that enables employees to balance their professional and family lives. The company provided a variety of employee welfare programs and implemented comprehensive insurance coverage that exceeded statutory requirements, including life insurance, accident and injury insurance, medical insurance, and occupational hazard compensation insurance, as well as childcare support services.

In accordance with the Employee Welfare Fund Act, C SUN established an Employee Welfare Committee to design comprehensive and well-rounded welfare measures that demonstrate the company's care for every member of the C SUN family. The committee utilized the welfare fund to provide various benefits such as wedding and bereavement subsidies, holiday gifts, childbirth and hospitalization allowances, disaster relief assistance, and to organize company-sponsored employee trips and recreational activities.

C SUN Family-Friendly Childcare Measures

Item	Description
Flexible Working Hours	Employees were allowed to apply for flexible start and end times to better accommodate their childcare needs.
Family Support Services	Employees were allowed to apply for flexible start and end times to better accommodate their childcare needs.
Childbirth Incentive Allowance	The company provided information on local childcare facilities to support employees in selecting suitable care options.
Childbirth Incentive Allowance	C SUN provided childbirth incentive allowances based on designated salary grades to help employees cover childcare expenses.

C SUN 2024 Employee Welfare Program Implementation

Item	Description	2024 Actual	Total Amount
		Participants (persons)	(NTD)
Employee and Child Academic Scholarship Subsidy	Scholarships were provided to employees or their children who demonstrated outstanding academic performance, with subsidies ranging from NT\$500 to NT\$2,500 based on the level of achievement.	328	364,500
Marriage Subsidy	Employees who got married during the year were eligible to apply for a subsidy of NT\$8,000.	4	32,000
Childbirth Subsidy	Employees or their spouses were eligible to apply for a subsidy of NT\$3,600 per child for the first two births and up to NT\$7,200 for the third child or beyond.	6	32,400
Funeral Subsidy	Employees hospitalized during the year received a NT\$800 gift.	7	105,000
Hospitalization Sympathy Gift	In the event of the death of an employee, their parents, spouse, or children, a subsidy was provided (NT\$30,000 for the employee, NT\$15,000 for family members).	7	5,600
Work-Related Injury Assistance	Employees who were injured due to work-related incidents could apply for assistance ranging from NT\$1,000 to NT\$5,000.	0	0
Emergency Relief Assistance	Employees who suffered major accidents or losses could apply for emergency relief up to NT\$30,000.	0	0
Birthday Gift Voucher	Each employee received a NT\$1,200 birthday voucher during their birth month.	405	486,000
Childbirth Incentive Allowance	Employees with at least three years of service received childbirth incentive allowances — NT\$80,000 for the second child and NT\$200,000 for the third child or beyond.	1	200,000



Retirement Plan and Implementation

C SUN made contributions to the Labor Pension Fund in accordance with the Labor Pension Act (New Labor Pension System) and established a Labor Pension Fund Supervisory Committee to oversee all matters related to fund management. Each month, the company contributed 6% of employees' total monthly salaries to their individual pension accounts maintained by the Bureau of Labor Insurance. Further details can be found in C SUN's 2024 Annual Report.

Category	Old System	New System
Applicable Regulations	Labor Standards Act	Labor Pension Act
Contribution Method	<ul style="list-style-type: none"> Current status: The company has fully funded the old pension scheme, and annual fixed contributions have been temporarily suspended. Regular contribution: 2% of employees' monthly salaries were allocated to a dedicated account under the company's name at Taiwan Bank (formerly the Central Trust of China). 	Contributions equivalent to 6% of employees' insured salaries were made to individual pension accounts established under the Bureau of Labor Insurance.
Contribution Amount	As of the end of 2024, the accumulated contribution under the old pension system totaled NT\$166,265 thousand.	The total contribution for 2024 under the new pension system amounted to NT\$18,879 thousand.

5.2 Talent Attraction & Retention

5.2.4 Parental Leave

To encourage and support employees in nurturing the next generation, C SUN ensured that all employees were entitled to parental leave without pay, in compliance with the Labor Standards Act, Act of Gender Equality in Employment, and the Regulations for Implementing Unpaid Parental Leave for Raising Children. In 2024, a total of four employees applied for unpaid parental leave. Among them, four employees were expected to return to work, and two actually resumed work, resulting in a return-to-work rate of 50%

Item	Male	Female	Total
2024 – Employees Eligible for Parental Leave (A)	33	6	39
2024 – Employees Who Applied for Parental Leave (B)	2	2	4
2024 – Employees Expected to Return from Parental Leave (C)	2	2	4
2024 – Employees Who Actually Returned from Parental Leave (D)	-	2	2
2023 – Employees Who Returned from Parental Leave (E)	1	3	4
2023 – Employees Who Remained Employed 12 Months After Returning (F)	1	3	4
Parental Leave Application Rate (B/A)	6%	33%	10%
Return-to-Work Rate (D/C)	0%	100%	50%
Retention Rate (F/E)	100%	100%	100%

C SUN continued to emphasize gender equality by providing not only parental leave benefits but also a supportive work environment for postnatal care. The company maintained dedicated lactation rooms for female employees, ensuring a comfortable and family-friendly workplace where employees could balance both their professional and family responsibilities.

► C SUN installed designated nursing room seating and displayed clear signage to create a warm and welcoming atmosphere, establishing a dedicated and comfortable breastfeeding space for female employees.



5.3 Talent Cultivation and Development

Policies, Commitments and Materiality

Dual Career Development System: C SUN implemented a dual-track promotion system, encompassing both professional and managerial career paths. For employees suited for managerial roles, the company provided tiered training programs to strengthen leadership and management capabilities. For those in professional roles, C SUN offered specialized training and development opportunities to enhance their technical expertise and professional knowledge.

Executive Education Subsidy: For senior management, C SUN provided executive

education subsidies, such as support for EMBA and other advanced management programs, to broaden managerial perspectives and enhance strategic and professional competencies.

Training and Development Subsidy: The company committed to providing adequate financial support for employee training and development, helping employees strengthen their professional skills and competencies. C SUN subsidized participation in a variety of training programs, including technical training, management courses, and continuing education programs, ensuring that employees could continuously grow alongside the company's long-term goals.

Short-medium -term goals

- At least 30% of employees participated in professional skill enhancement programs each year, reflecting the company's continuous investment in workforce development.
- C SUN achieved an 80% employee satisfaction rate, measuring employees' satisfaction with the training and development opportunities provided by the company.
- The company cultivated at least 10 mid-level managerial talents annually, focusing on developing potential leaders for future succession.
- C SUN successfully developed three outstanding senior executives, further enhancing leadership capability at the top management level and ensuring leadership continuity.
- The company recorded a 3% increase in the promotion rate, demonstrating the effectiveness of training and development programs in supporting employees' career advancement.
- At least two large-scale training events or seminars were organized annually to encourage participation and strengthen employees' professional knowledge.

2024 Performance

- Employee Professional Skill Enhancement
- In 2024, C SUN's total employee training hours reached 10,288.37 hours, of which 7,758 hours were dedicated to professional courses, accounting for 76% of the total training hours. This demonstrated the company's continued emphasis on strengthening employees' technical expertise and professional development.
- Internal Promotion Rate
- In 2024, approximately 82% of all job openings were filled through internal promotions, reflecting C SUN's strong commitment to nurturing in-house talent and optimizing internal workforce utilization.

Grievance Mechanism

Human Resources Contact Number: +886-2-26017706

Human Resources Email Address: csunzskhr@csun.com.tw

Action Plan

1. C SUN established a dedicated talent development and training program, which included regular training courses and professional development initiatives to enhance employees' professional capabilities and overall competence.
2. The company provided promotion opportunities and continuous learning programs, encouraging employees to strengthen their skills and expand their knowledge base.
3. A mentorship system was established, enabling employees to receive guidance and support from experienced mentors.
4. C SUN implemented a risk assessment process to regularly evaluate potential risks and vulnerabilities within its talent development and training programs, taking timely actions to mitigate such risks. The company strengthened education on corporate values and ethical standards, conducting awareness and training sessions to enhance employees' professional ethics and prevent incidents arising from ethical misconduct.
5. A grievance handling mechanism was established to ensure that employee complaints and concerns were addressed promptly, fairly, and effectively.
6. C SUN organized ethics and legal compliance training sessions to raise employees' awareness of professional ethics, laws, and regulations, thereby reducing and preventing potential negative incidents.

**Authorities and
Responsibilities**

Human Resources
Department

Long-term goals

- C SUN continued to build a high-quality talent pool, ensuring sufficient professional and managerial talents to support the company's long-term growth.
- Between 15% and 25% of employees were promoted internally each year, demonstrating the company's commitment to fostering internal mobility and career development.

5.3 Talent Cultivation and Development

5.3.1 Talent Development Management

C SUN designed a comprehensive range of training programs tailored to different organizational levels and job functions to enhance employees' professional competencies, strengthen management capabilities, and achieve corporate operational goals while reinforcing overall competitiveness.

In 2024, the company conducted a variety of training programs, including new employee orientation, professional and technical training, quality control training, employee development courses, and occupational safety and health education. These programs provided employees with complete professional skill development and self-growth opportunities.

During 2024, C SUN offered both online and in-person training sessions for new employees and delivered diversified courses for supervisors and staff across all levels to meet different learning needs. The training initiatives aimed to comprehensively enhance employees' professional skills, management capabilities, and overall quality of life—enabling every team member to better adapt to challenges at work and in daily life, thereby contributing greater value to the company's sustainable growth.

In total, the company's training hours in 2024 reached 10,288.37 hours, with an average of 24.32 hours of training per employee.

Employee Training Programs

Category	Description
New Employee Training	Online training included 12 general orientation courses, which all new hires were required to complete and pass within one month. Within the first three months, new employees were also required to complete ISO, ERP operation, and English 50 Sound online courses, all followed by evaluations. Finally, new hires were assigned to prepare a self-introduction, SWOT analysis, and a reflection on The 7 Habits of Highly Effective People, sharing their thoughts on C SUN's values and future direction. Only those who successfully passed the assessment were officially onboarded. In 2024, total training hours amounted to 460 hours.
Supervisor Education and Training	<ul style="list-style-type: none">Fundamental courses: Conducted through reading sessions supported by the company's training system, where participants discussed selected articles, shared real-world case studies, and learned how to apply theoretical frameworks to practical work. The curriculum also included targeted performance and communication skills courses led by external instructors, aiming to enhance supervisors' communication effectiveness and leadership capability. In 2024, total training hours reached 498 hours.Mid-level courses: Focused on case-based learning and group discussions, enabling managers to analyze complex cases and explore potential solutions collectively. In 2024, total training hours reached 360.5 hours.Senior management courses: Senior executives attended EMBA programs to strengthen strategic thinking and leadership capacity. In 2024, a total of six executives received EMBA sponsorships, with subsidies totaling NT\$1.36 million.
Other Training Programs	<ul style="list-style-type: none">Reading sessions: C SUN's senior management team established company-wide reading circles, including joint sessions with Huafan University, aimed at deepening understanding of management philosophy and practical applications.Soft skills courses: Designed to enhance communication, critical thinking, and conflict resolution, helping employees build resilience and cross-functional awareness. In 2024, total training hours reached 671 hours.Professional courses: Included project management and leadership development. In 2024, 13 employees participated, with total training subsidies of NT\$160,000 and a total of 78 training hours completed.

Average Training Hours in the Past 3 Years

Gender	Employee Category	2024			2023			2022		
		Headcount	Total Training Hours	Average Hours	Headcount	Total Training Hours	Average Hours	Headcount	Total Training Hours	Average Hours
Male	Senior Management	24	277.5	11.56	26	372.5	14.33	19	92.50	4.87
	Middle Management	29	764	26.34	30	690	23.00	23	472.00	20.52
	First-Line Management	67	1781.33	26.59	71	1,738.50	24.49	60	1,337.00	22.28
	General Employees	202	4,478.54	22.17	172	2,546.00	14.80	190	2,244.50	11.81
Female	Senior Management	2	18	9	2	50	25.00	0	0.00	0.00
	Middle Management	6	255.5	42.58	4	151	37.75	6	178.50	29.75
	First-Line Management	12	415.5	34.63	11	370	33.64	7	166.00	23.71
	General Employees	81	2298	28.37	67	1,843.67	27.52	80	1,176.50	14.71
Total		423	10,288.37	24.32	383	7,761.67	20.27	385	5,667.00	14.72

5.3 Talent Cultivation and Development

5.3.2 Performance Appraisal Mechanism



C SUN conducted formal performance evaluations on a semi-annual basis, with assessment schedules set according to operational needs. Each review cycle was confirmed by plant and department heads, and accompanied by detailed evaluation guidelines, progress timelines, and key instructions distributed to all departments.

Performance evaluations were based on objective indicators, including work performance, attendance, disciplinary records, and training and certification outcomes. The resulting performance scores and ratings served as important references for decisions regarding job assignments, role adjustments, salary revisions, and bonus allocations.

Employees rated as “Grade C” through the Head Office Personnel Evaluation Committee were required to undergo a three-month retraining program, followed by completion of a Performance Improvement and Goal Tracking Form. Upon completion, department supervisors reassessed the employee’s fitness for the position. If performance did not improve, appropriate actions such as job reassignment or termination were taken in accordance with company policy.

Additionally, new employees underwent a three- to six-month training program, after which they completed assessments and presentations to evaluate their learning outcomes and job readiness.

In 2024, 87% of C SUN’s full-time employees completed annual performance evaluations, excluding new hires with less than six months of service, employees who had resigned (including those with approved resignation forms), and individuals on unpaid leave exceeding three months or under other special circumstances.

C SUN 2024 Employee Performance Evaluation Statistics

Gender	Employee Category	Total Employees	Employees Evaluated	Evaluation Completion Rate
Male	Senior Management	24	23	96%
	Middle Management	29	27	95%
	First-Line Management	67	67	100%
	General Employees	202	166	82%
Female	Senior Management	2	2	100%
	Middle Management	6	6	100%
	First-Line Management	12	12	100%
	General Employees	81	64	79%
Total		423	367	87%

C SUN Performance Evaluation Indicators

Evaluation Category	Evaluation Details
Work Performance	Evaluations were conducted based on KPI indicators, functional competencies, daily management performance, and project participation, assessing employees’ overall work performance.
KPI	Supervisors proposed the next cycle’s evaluation items and targets during prior review meetings, and these KPI targets were confirmed within one month before the start of the current review period.
Functional Competencies	The company adopted standardized functional criteria tailored to each job category (including management, engineering and technical, business and marketing, and administrative roles).
Daily Management	Evaluations covered disciplinary compliance, training and certification records, internal and external collaboration, and attendance performance.

5.4 Occupational Safety and Health

Policies, Commitments and Materiality

C SUN implemented the ISO 45001 Occupational Health and Safety Management System and continued to improve its workplace environment in compliance with occupational safety and health regulations. The company actively worked to prevent industrial accidents and reduce occupational risks through systematic hazard identification and risk assessments covering the work environment, personnel composition, and operational activities.

By strengthening preventive measures and minimizing potential workplace hazards, C SUN effectively reduced incidents of unlawful workplace harm and improved employee retention. Conversely, inadequate handling of occupational safety incidents could result in employee turnover and negative media exposure, which may impact the company's reputation.

Short-medium -term goals

- C SUN successfully obtained ISO 50001 Energy Management System certification, further strengthening its commitment to energy efficiency and sustainable operations.
- The company enhanced its incident and near-miss management system to effectively reduce the occurrence rate of workplace accidents.
- C SUN ensured that employees at all levels received occupational safety and health management training, cultivating safety awareness and hazard recognition capabilities essential for maintaining a safe working environment.
- Through the implementation of the 5S workplace organization system, the company effectively enforced occupational safety and health regulations, ensuring a safe and healthy work environment.
- In 2024, C SUN achieved Corporate Sports Certification and Green Environmental Label Certification, demonstrating its dedication to employee well-being and environmental sustainability.

Long-term goals

- The company recorded a Disabling Injury Frequency Rate (FR) of 0.22 in 2027, reflecting its continued progress in strengthening workplace safety management.
- C SUN worked to mitigate chemical hazards by advancing chemical classification and preventive risk management systems.
- The company promoted physical and mental well-being, fostering a healthy and supportive workplace environment for all employees.

Action Plan

- C SUN collaborated with contracted medical professionals on a monthly basis to carry out health risk prediction, risk management, and healthy workplace initiatives, demonstrating continuous care for employees' well-being.
- Routine occupational safety inspections were conducted at both the northern and central plants, maintaining a structured audit mechanism with a minimum frequency of two inspections per week.
- C SUN adhered to its Environmental, Health and Safety (EHS) policy by ensuring regulatory compliance, implementing comprehensive training programs, optimizing resource utilization, preventing incidents, driving continuous improvement, and encouraging full employee consultation and participation.

Grievance Mechanism

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2024 Performance

1. C SUN successfully passed third-party certification audits for ISO 45001 and ISO 14001 management systems.
2. Regular monthly occupational safety audits were conducted, with a total of 70 inspections completed across both plants in 2024. A total of 47 deficiencies were identified, all of which were 100% corrected and closed.
3. In 2024, C SUN organized two general employee occupational health and safety training sessions, engaging 265 participants for a total of 1,590 training hours (3 hours per session).
4. C SUN also held new employee safety and health orientation sessions twice in 2024 (once per half-year), with a total of 28 participants and 3 training hours per session.
5. No cases of occupational disease were reported in any of C SUN's facilities to date.
6. In 2024, there were two occupational injury cases, both related to traffic accidents.
7. A total of 381 employees participated in company-sponsored health examination services, with an overall expenditure of NT\$574,000. Additionally, 14 supervisors received medical checkup subsidies totaling NT\$365,000, and 13 employees aged 50 and above underwent additional gastrointestinal endoscopy examinations, totaling NT\$156,000.
8. In 2024, C SUN conducted five contractor occupational safety and health training sessions, with 133 contractor participants and 1.5 training hours per session.
9. C SUN passed TSMC's supplier environmental, health, and safety (EHS) coaching and audit program, demonstrating compliance with customer standards.
10. The company commissioned contracted nurses to conduct quarterly two-hour health education sessions at each facility.
11. The on-site physician service hours totaled 16 hours, while on-site nurse service hours reached 192 hours in 2024.

Authorities and Responsibilities

Occupational Safety and Health Committee

5.4 Occupational Safety and Health

5.4.1 Occupational Safety and Health Policy and Management System

C SUN followed the ISO 45001:2018 Occupational Health and Safety Management System, establishing a series of operating procedures and manuals, including the EHS Management Manual, Environmental Operation Control Procedures, and Occupational Safety and Health Self-Inspection Management Procedures. The scope of application covered all workers at C SUN's facilities in Taiwan (Taipei and Taichung Factories), including employees, contractors, and visitors, achieving a 100% site coverage rate.

To evaluate the effectiveness of the management system, C SUN conducted annual internal audits for each plant in accordance with ISO 45001 requirements. In 2024, external occupational health and safety audits were carried out at all production sites, and C SUN once again passed third-party certification. The company has established clear EHS management requirements to effectively control any negative environmental, health, or safety impacts and to ensure continuous improvement in overall EHS performance.

To implement and promote occupational health and safety initiatives, each plant set up an Occupational Safety and Health Committee, in accordance with the Occupational Safety and Health Management Regulations. Each committee consisted of at least seven members, with one-third representing employees, and held quarterly meetings to discuss key topics such as commuting safety, safety in packaging operations, and environmental and workplace health issues.

Employees could also submit feedback or suggestions via phone or email to their department supervisors or labor representatives for inclusion in committee discussions. Additionally, relevant EHS laws, regulations, and guidelines were regularly communicated to all employees through factory posters, departmental briefings, and internal announcements, ensuring effective awareness and compliance with workplace safety information.



▲ Posters and Photographic Records of **Occupational Health and Safety Hazard Communication and Awareness Campaigns** within the Plant

5.4 Occupational Safety and Health

5.4.2 Hazard Identification and Risk Assessment Management

To identify potential hazards that may arise from the work environment and operational processes, C SUN's dedicated Occupational Safety and Health (OSH) unit conducted annual hazard identification and operational risk assessments. The unit proactively and continuously assessed potential hazards related to various activities, products, and service processes that might cause injury or health impacts to personnel.

Using a risk assessment matrix based on the severity and likelihood of each hazard, the company determined corresponding risk levels and implemented appropriate risk control measures. In addition, monthly safety inspections were carried out across all plant areas to identify potential risks and hidden hazards.

Based on the findings of these inspections and the results of the risk matrix, response strategies and action plans were formulated to continuously improve workplace safety, reduce hazard exposure, and eliminate risk factors.

Severity Rating for Hazard Event Risk Assessment

Level	Impact on Personnel		Scope of Hazard Impact
S5	Extreme	Caused the death of one or more individuals, or injury to three or more individuals, or exposure to an irreversible occupational illness in a severely damaged environment.	Major hazardous material leakage; the scope of impact extended beyond the plant premises, posing immediate or sustained threats to the environment and public health.
S4	Major	Caused permanent disability or an irreversible occupational injury, or a serious emergency incident.	Medium-scale hazardous material leakage; the scope of impact extended within and beyond the plant premises, posing temporary risks to the environment and public health.
S3	High	Required hospitalization and resulted in work-time loss.	Minor hazardous material leakage; the scope of impact was limited to the immediate work area.
S2	Moderate	Required outpatient treatment or minor first aid but did not result in work-time loss.	Slight hazardous material leakage; the scope of impact was limited to nearby equipment or facilities.
S1	Low	No apparent injury or harm.	No evident hazard.

Likelihood Rating for Hazard Event Risk Assessment

Level	Impact on Personnel	
P5	Very Likely	No protective equipment or operational controls in place; employees lacked awareness of safety measures.
P4	Likely	No protective equipment in place, but operational controls or awareness existed.
P3	Possible	Protective equipment in place, but operational controls or awareness were insufficient.
P2	Unlikely	Protective equipment and operational controls in place, and safety awareness was present.
P1	Very Unlikely	Double layers of protective equipment in place, along with comprehensive operational controls and safety awareness.

Risk Assessment Matrix

Risk Level		Likelihood of consequences				
		P5	P4	P3	P2	P1
severity of consequences	S5	5	5	4	3	2
	S4	5	4	3	2	1
	S3	4	3	2	2	1
	S2	3	2	2	2	1
	S1	2	1	1	1	1

- C SUN developed a “risk assessment matrix” based on the “evaluated severity and likelihood” of potential hazards.
- According to the results presented in this matrix, the company implemented the following “corresponding risk control measures” .

Risk Level	Risk Category	Response Measures
5	Very High Risk (Unacceptable Risk)	Immediate review of existing protective measures was required to ensure their completeness. Engineering or management improvement actions were implemented without delay, and operational controls were reinforced.
4	High Risk (Unacceptable Risk)	Immediate review of existing protective measures was required to ensure their completeness. Engineering or management improvement actions were implemented within a reasonable timeframe, and operational controls were reinforced.
3	Medium-High Risk (Temporarily Acceptable Risk)	Temporarily acceptable; however, C SUN evaluated whether more effective protective measures could be applied to relevant processes. After the Occupational Safety and Health Committee reviewed and approved the proposed corrective actions, engineering or management improvements were implemented within a reasonable timeframe to strengthen response capability.
2	Moderate Risk (Temporarily Acceptable Risk)	Temporarily Acceptable Risk
1	Low Risk (Acceptable Risk)	Acceptable Risk

5.4 Occupational Safety and Health

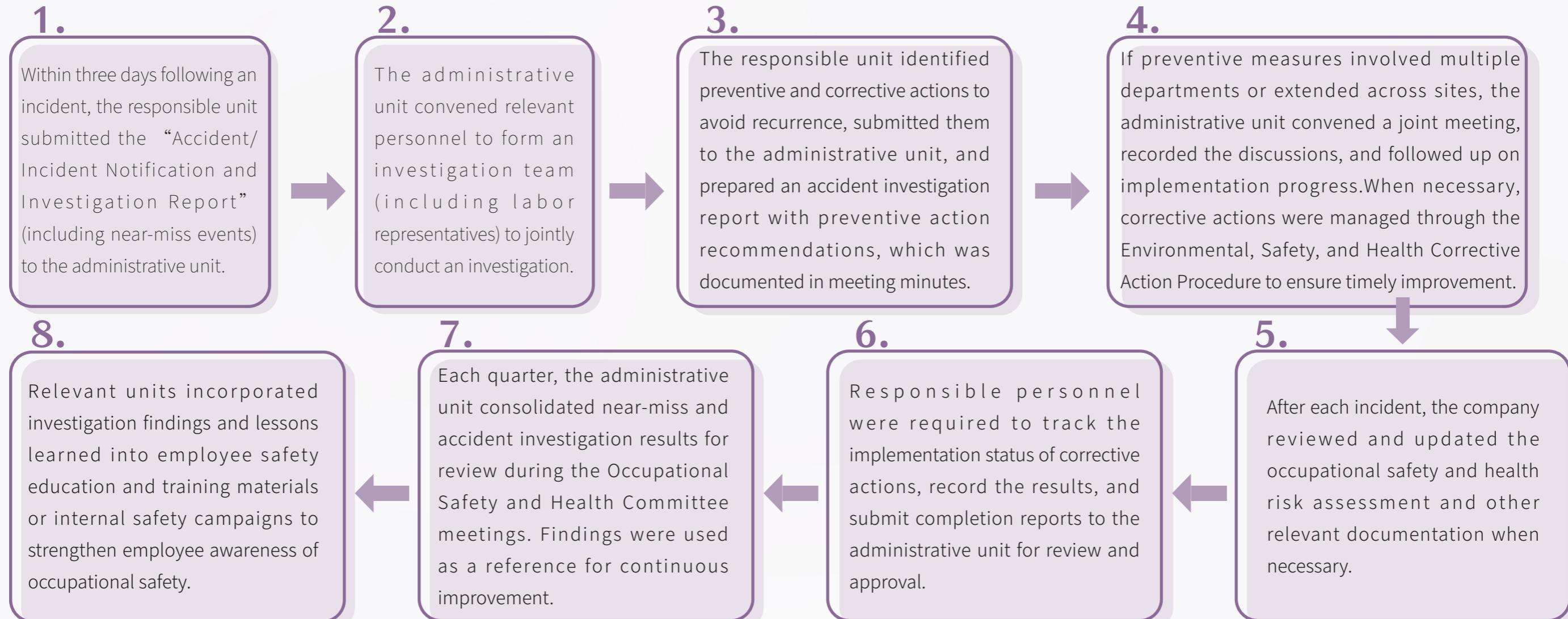
5.4.3 Occupational Accident Investigation Procedures

To ensure the safety of all personnel, C SUN established the “Accident Reporting and Investigation Management Procedure.” Through a comprehensive investigation process, this procedure aimed to enhance the efficiency of incident analysis, identify the root causes of accidents, and determine corrective measures to prevent recurrence. The procedure applied to employees, contractors, and incidents occurring both within and outside company facilities.

When workers identified a hazardous condition in the workplace, they were authorized to suspend operations and move to a safe area. They could report the situation to their supervisor for appropriate emergency response actions without facing disciplinary consequences.

In the event of an occupational accident involving C SUN personnel, the first responder was required to provide immediate emergency treatment to the injured, secure the accident site, and promptly report the incident to the administrative unit. Upon receiving the report, the administrative unit immediately informed its supervisor and the plant’s senior management. The company then convened a joint investigation committee, including labor representatives, to conduct a detailed investigation. The committee prepared an accident investigation report and proposed preventive and corrective measures to avoid recurrence. Meeting minutes were recorded, and when necessary, the company followed the “Corrective Action Management Procedure” to supervise and ensure the responsible unit implemented the required improvements.

C SUN Accident Investigation and Corrective Action Procedure



5.4 Occupational Safety and Health

5.4.4 Occupational Safety and Health

To ensure that all employees clearly understood occupational safety and health regulations and were familiar with the company's safety and health management mechanisms, C SUN provided safety and health education and training in compliance with legal requirements and job functions.

The training programs included general occupational safety and health training, Category A supervisor refresher courses, health education and awareness sessions, fire prevention and self-defense drills, contractor on-site and safety orientation training, and new employee occupational safety and health training.

In 2024, C SUN's total occupational safety and health training hours reached 7,190 hours.

2024 Occupational Safety and Health Training Overview

Training Category	A Training Hours	B Number of Participants	C Number of Sessions	Total Training Hours (A*B*C)
General Safety and Health Training	3	265	2	1590
Category A Supervisor Training	6	3	1	18
Health Education and Awareness Training	2	147	3	882
Fire Prevention and Self-Defense Drill	4	191	4	3056
Contractor Onboarding and Safety Orientation Training	1.5	123	8	1476
New Employee Occupational Safety and Health Training	3	28	2	168
Total	19.5	757	20	7190

► Occupational Safety and Health



2024/04/25



2024/01/02

5.4 Occupational Safety and Health

5.4.5 Occupational Health Services and Promotion Activities

C SUN remained committed to creating a safe and comfortable workplace, providing comprehensive care for employees' physical and mental well-being, and adjusting work conditions according to each individual's health status and capability.

Throughout 2024, the company continued to promote a variety of health services and wellness initiatives, such as conducting at least one company-wide health examination each year, offering additional subsidies for health check-up items, and encouraging employees to participate in local sporting events through sponsorships and allowances.

These initiatives ensured that employees received holistic care for body, mind, and spirit, strengthened their sense of belonging and engagement, and further reinforced C SUN's position as a leading enterprise in the industry.

C SUN's Workplace Health and Wellness Service

Item	Description	2024 Performance
Employee Health Check-up	C SUN valued employees' physical and mental well-being by arranging annual comprehensive health examinations through designated medical institutions. Additional subsidies were provided to encourage employees to undergo extended check-up items, helping them better understand their health conditions for timely care or treatment.	In 2024, a total of 381 employees completed health check-ups, achieving a 100% participation rate.
Health Promotion and Exercise Certification Activities	To promote employee health, C SUN organized Health Certification Programs, including activities such as "Body Fat Reduction" and "Health Enhancement" challenges. Participants progressed through three stages—Rising Health, Advancing Steps, and Thriving Together—encouraging employees to exercise regularly and maintain an active lifestyle to reduce health risks.	In 2024, 117 employees participated in health certification and wellness activities.
Subsidy for Participation in Sports Events	To foster a positive sports culture, C SUN provided subsidies for employees who participated in local sports events, such as the Hsinchu Marathon and various regional charity runs.	In 2024, 60 employees received subsidies for sports event participation.
On-site Nurse Service (Monthly)	To safeguard employees' health, C SUN arranged for an on-site nurse to provide 8 hours of consultation and care per month.	In 2024, the on-site nurse served a total of 192 hours.
On-site Doctor Service (Quarterly)	To further strengthen healthcare access, C SUN arranged for an on-site physician to provide 2 hours of consultation each quarter, offering professional medical advice to employees.	In 2024, the on-site physician provided a total of 16 hours of service.
Health Education Seminars	Nurses organized periodic health seminars to encourage employees to participate and gain health-related knowledge and awareness.	In 2024, 4 health seminars were held.
Environmental Health Workshops	External experts were invited to deliver workshops on lifestyle health, covering topics such as self-management and holistic wellness.	In 2024, 26 employees participated in the workshop, with a total of 2 training hours.



▲ sporting events



▲ health examination



▲ Health Education Seminars



▲ On-site Nurse Service



5.4 Occupational Safety and Health

5.4.6 Occupational Injuries and Occupational Diseases

GRI 403-9、403-10

To ensure the effectiveness of its occupational health and safety management measures, C SUN utilized statistics on occupational injuries and diseases as key performance indicators to assess management results and track root causes of incidents.

In 2024, C SUN recorded two occupational injury cases, both of which were traffic-related incidents. The occupational injury rate was 0.47%, and no severe occupational injuries, disabling incidents, or fatalities occurred during the year.

In response to these identified issues, the company promptly implemented corresponding management measures, including enhancing traffic safety education and reinforcing safety awareness during commuting and business travel, to ensure the protection of employees in all travel scenarios.

Looking ahead, C SUN will continue to strengthen and refine its occupational health and safety mechanisms through regular reviews and dynamic improvements. The company will also enhance communication with employees, actively listening to their feedback and suggestions to ensure that every voice is heard and respected.

Through these ongoing efforts, C SUN remains committed to maintaining a zero-accident workplace, providing a safe environment where every employee can work with peace of mind and return home safely and in good health.

Note: The occupational injury rate is calculated as the number of occupational injury cases divided by the total number of employees at year-end.

2024 Occupational Injury and Illness Statistics

Recordable Occupational Injury Cases	Recordable Occupational Injury Rate (%)	Number and Rate of Severe Occupational Injuries	Number and Rate of Fatal Occupational Injuries	Number of Occupational Diseases	Disabling Injury Frequency Rate (FR)
2	2.1	0	0	0	0

Note 1: In 2024, a total of two occupational injury cases were recorded, both resulting from traffic accidents.

Note 2: The Recordable Occupational Injury Rate was calculated as $(\text{Number of recordable occupational injury cases} \times 1,000,000) / \text{Total working hours}$. The total working hours in 2024 amounted to 951,081 hours.

Note 3: The Frequency Rate (FR) was calculated as $(\text{Number of disabling injury cases} \times 1,000,000) / \text{Total working hours}$. The number of disabling injuries included cases of fatalities, permanent total disability, permanent partial disability, and temporary total disability. The total working hours in 2024 amounted to 951,081 hours.

Incident Statistics and Improvement Measures

- Injury Incidents:** In 2024, a total of two injury cases occurred, both involving traffic-related accidents.
- Major Accidents:** No major occupational accidents occurred during the year. However, C SUN continued to strengthen employees' self-protection awareness through safety education and regular risk assessments to further prevent potential incidents.

5.5 Social Participation GRI 413-1

C SUN's main operational sites are located in New Taipei City and Taichung City. Over the years, the company has continuously engaged in social welfare activities within these regions. It has also collaborated with local universities, such as Ming Chi University of Technology in New Taipei and Feng Chia University in Taichung. Senior executives were encouraged to serve as industry lecturers, sharing their professional experience to bridge the gap between academia and industry, with the goal of cultivating future talents for Taiwan's industrial development.

Social Contribution and Public Welfare

The belief that "what is taken from society should be used for society" reflects C SUN's long-standing commitment to sustainability in action. For many years, the company has combined corporate resources and employee participation to promote a variety of community service initiatives—caring for local communities and giving back to society.

In 2024, C SUN donated NT\$226,000 to the Taichung Infant Home, with 17 volunteers participating in service activities to deliver meaningful care and support.

In the education sector, the company donated OA furniture to Jianguo Elementary School and Dayang Elementary School to improve teaching environments.

In sports development, C SUN co-hosted a volleyball summer camp with Feng Chia University and sponsored NT\$300,000 to support the university's volleyball team, fostering youth athletic growth.

The company also organized a "Creative Energy-Saving & Environmental Protection Drawing and AI Art Competition" to cultivate green creativity among students. In addition, C SUN participated in the TPCA "Low-Carbon Living—Shimen Mountain Hiking" event, encouraging employees to embrace a healthy and sustainable lifestyle.

Through these continued actions, C SUN demonstrated its deep commitment to public welfare, actively fulfilling its corporate social responsibility, and advancing toward the goal of shared sustainability and collective well-being.

Tree Adoption and Green Beautification Project in Linkou Industrial Park (2022–2028)



Year-End Charity Donation and Volunteer Service — Taichung Infant Home

C SUN's Charity Club has organized an annual year-end donation campaign to extend care and support to those in need. In 2024, the company donated NT\$226,000 to the Taichung Infant Home and, for the first time, formed a volunteer team of 17 employees to provide on-site volunteer services. This initiative reflected C SUN's commitment to public welfare through concrete actions, embodying the company's long-standing spirit of giving back to society.



Donation of OA Office Furniture — Jianguo and Dayang Elementary Schools, Taichung City (Qingshui District)

C SUN donated office furniture to Jianguo Elementary School and Dayang Elementary School in Taichung City's Qingshui District to support institutions in need and fulfill its corporate social responsibility. Through this initiative, the company aimed to promote resource reuse



and extend the product life cycle, thereby putting its environmental sustainability philosophy into practice and contributing to a more circular and eco-friendly society.



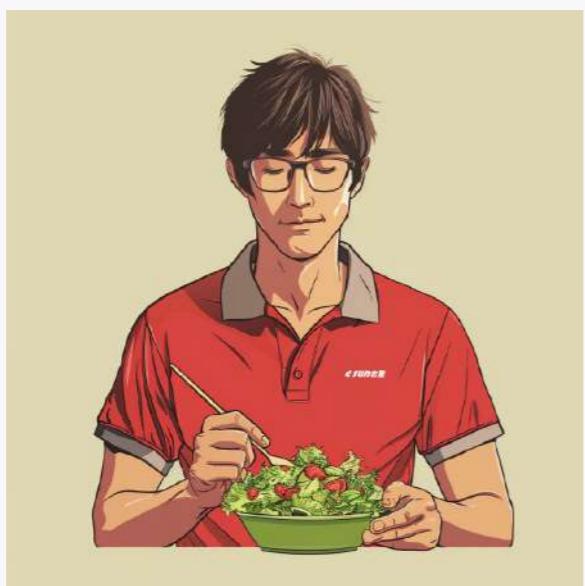
Summer Volleyball Camp — Co-organized with Feng Chia University and Sponsorship of Feng Chia Volleyball Team (NT\$300,000)

demonstrating the company's commitment to supporting education and athletic talent development. Through this initiative, C SUN strengthened its connection with local students and the community



“Creative Environmental Conservation” Drawing and AI Digital Art Competition

To encourage employees and their children to engage in both artistic expression and technological creativity while reflecting on environmental sustainability issues



C SUN participated in the TPCA “Low-Carbon Green Walk — Shimen Mountain Hiking Event”, promoting the three-step carbon reduction initiative: carpooling for transportation, bringing reusable bottles and bags, and avoiding single-use items. The event aimed to raise awareness of sustainability and environmental protection among both industry peers and the public. At the same time, C SUN encouraged employees to stay active and cultivate healthy lifestyle habits, integrating wellness and sustainability into everyday life.

Support for Domestic Arts and Cultural Organizations

C SUN actively engaged in the development of Taiwan’s cultural and creative industries, strongly supporting domestic arts organizations and their performances and activities. The company recognizes that every human-centered society requires continuous cultivation—through moral refinement, clarity of mind, and sound knowledge—to avoid materialism and social decline, thereby fostering personal and collective growth and cultural enrichment.

In 2024, C SUN sponsored the musical “The Three Sisters of Persuasion”, created by the acclaimed Approaching Theatre Company.

The production received wide recognition from both the market and industry professionals in Taiwan, allowing global audiences to experience the unique cultural identity of Taiwan and contributing meaningfully to the local musical theater scene. To further this mission, the company donated NT\$3,000,000 in 2024 to support the production, hoping to use the medium of musical theater to convey “What is Taiwan”, promote cultural exchange beyond national borders, and empower local arts organizations with greater visibility and resources, helping Taiwan’s cultural heritage to flourish on the global stage.





Industry-Academia Collaboration

In 2024, C SUN actively deepened its engagement with academic institutions, visiting several leading universities — including National Central University, National Chengchi University, National Taiwan University of Science and Technology, National Cheng Kung University, and National Kaohsiung University of Science and Technology — to deliver a series of campus lectures. These activities reflected C SUN's strong commitment to industry-academia collaboration and talent cultivation.

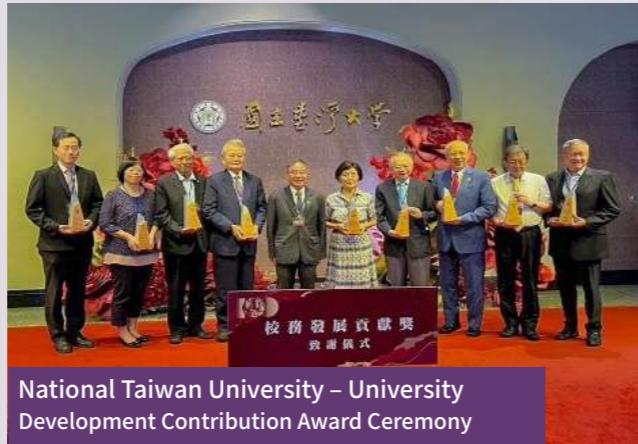
Through this campus lecture tour, C SUN not only helped students gain a deeper understanding of the company's corporate culture and development direction, but also provided insights into the practical applications and trends of the semiconductor equipment industry. The lectures further explored AI technology integration and applications within manufacturing, supporting students in developing both industry awareness and practical understanding.

The sessions were personally led by the company's General Manager and senior executives, who shared their first-hand experiences from the industry, helping students bridge the gap between academic learning and practical application. This interaction also inspired students' interest in the industry and career development, while providing internship opportunities to potential future talents. Through such meaningful exchanges, C SUN aimed to attract more outstanding young professionals to join the company and collectively advance the growth of the industry.

Date	University	Department / Program	Lecture Topic
2024/06/05	National Kaohsiung University of Science and Technology	Department of Semiconductor Engineering	The Key to C SUN's Success
2024/10/04	National Cheng Kung University	College of Semiconductor and Microelectronics, Institute of Electro-Optical and Sensory Science	Taiwan's Black Myth: The Phenomenal IC Market
2024/10/16	National Taiwan University of Science and Technology	Graduate Institute of Mechanical Engineering	Taiwan's Black Myth: The Phenomenal IC Market
2024/10/17	National Chengchi University	Department of Business Administration	How to Collaborate with the World's Leading Foundry
2024/11/16	National Central University	Graduate Institute of Human Resource Management	The Beauty of Helping Others Succeed



NTHU DIT Robotics Team



National Taiwan University – University Development Contribution Award Ceremony



International Conference on Automation Technology



International Conference on Automation Technology

C SUN deeply recognizes that higher education and corporate development are inseparable, especially in today's era of rapid technological advancement. The company believes that only through close collaboration between industry and academia can future talents be nurtured with both practical expertise and innovative capabilities. To this end, C SUN has actively invested in educational resources by establishing a variety of scholarship programs to encourage outstanding students to pursue continuous growth in both academic and practical fields.

In addition to providing general merit-based scholarships, C SUN has also extended targeted sponsorships to specific teams and disciplines. For instance, the company has continued its annual sponsorship of the DIT Robotics Team from National Tsing Hua University's Department of Power Mechanical Engineering, a team that regularly competes in world-class robotics competitions and dedicates significant time and resources to research in robotics and automation. Through financial and resource support, C SUN has helped these students reduce financial burdens so they can focus on developing innovative technologies and preparing for competitions.

Furthermore, C SUN has consistently sponsored major academic conferences, such as the Automation Technology Annual Conference and the National Collegiate Mechanics Conference, encouraging students to submit papers and present their research findings. The company firmly believes that such platforms for open exchange and practical validation not only cultivate students' research enthusiasm and professional competence, but also strengthen the overall innovation capacity of the industry's R&D ecosystem.

For students who demonstrate exceptional performance and long-term academic potential, C SUN has established the Academic Advancement Award in collaboration with National Taiwan University, as a recognition and encouragement of their efforts and perseverance. Since 2022, the company has also donated NT\$5 million over five years to Feng Chia University to establish the Innovation Incentive Development Fund, which has already supported six student innovation teams. Through these initiatives, C SUN aims to inspire more young talents to challenge themselves, deepen their research, and transform knowledge into tangible contributions, thereby becoming a driving force for industrial advancement.

Period	Project Title	Institution / Organization	2024 Investment (NT\$)
Nov. 2024	Sponsorship for the International Conference on Automation Technology	Automation Technology Association	300,000
Nov. 2024	Sponsorship for the National Mechanics Conference	Chinese Society of Mechanics	100,000
2022-2032(10 years)	College of Engineering Academic Advancement Award (Endowment Program)	National Taiwan University	400,000
2022-2025(3 years)	Graduate Institute Dean's Academic Excellence Award	National Taiwan University	140,000
2023-2026(4 years)	Academic Advancement Award (College of Engineering and College of Bioresources and Agriculture)	National Taiwan University	400,000
2024-2026(3 years)	Annual Sponsorship for NTHU DIT Robotics Team	National Tsing Hua University	200,000



In 2024, C SUN launched an Industry Mentor Collaboration Program with Feng Chia University. Through this initiative, the company's engineers and academic faculty jointly guided students in exploring equipment development processes, integrating theoretical knowledge with practical applications to help them gain a deeper understanding of real-world industrial operations.

As part of the collaboration, C SUN opened its manufacturing facilities for on-site student visits, allowing participants to observe equipment operation and production environments firsthand. These visits enhanced students' comprehension of smart manufacturing systems and production line management.

C SUN aimed for this partnership to bridge the gap between academia and industry, cultivating future talents equipped with practical skills and innovative thinking, while further strengthening industry-academia connections and injecting new energy into Taiwan's manufacturing ecosystem.



C SUN participated in the **2024 Industry Advisory Committee** Meeting organized jointly by the Advanced Research Center of National Chung Cheng University and the College of Intelligent Semiconductor and Sustainable Manufacturing of National Cheng Kung University.

The event brought together experts from industry, government, academia, and research institutions, as well as key stakeholders concerned with the development of Taiwan's semiconductor sector and talent cultivation. During the meeting, participants engaged in in-depth discussions on the potential applications of intelligent machinery technologies within the semiconductor industry, aiming to expand new opportunities for the machinery sector and foster cross-disciplinary collaboration and innovation.



Appendix I — GRI Standards Index Table

Usage Notes	C SUN Manufacturing, Ltd. prepared its Sustainability Report in accordance with the GRI Standards. The reporting scope covers data from January 1 to December 31, 2024.
GRI Used Version	GRI 1: Foundation 2021
Industry-specific Standards Applied	None

GRI 2: General Disclosures (2021)

Disclosure	Disclosure Title	Page	Corresponding Chapter / Supplementary Explanation
GRI 2-1	Organizational Details	7	1.1.1 Company Profile
GRI 2-2	Entities Included in the Organization's Sustainability Reporting	4	About this Report
GRI 2-3	Reporting Period, Frequency, and Contact Point	4	About this Report
GRI 2-4	Restatements of Information	9	1.1.2 Operating and Financial Condition
		44	3.3.2 GHG Emissions Management
		58	4.1.4 R&D Personnel and Investment
		61	4.1.6 Intellectual Property Protection and Patent Strategy
GRI 2-5	External Assurance	4	About this Report
GRI 2-6	Activities, Value Chain, and Other Business Relationships	7	1.1.1 Company Profile / 4.3.1 Supply Chain Overview
		67	
GRI 2-7	Employees	72	5.1.2 Human Resource Structure and Diverse Workplaces
GRI 2-8	Workers Who Are Not Employees	72	5.1.2 Human Resource Structure and Diverse Workplaces
GRI 2-9	Governance Structure and Composition	17	2.1.1 Corporate Structure and Board Composition
GRI 2-10	Nomination and Selection of the Highest Governance Body	20	2.1.2 Nomination and Selection of Board of Directors
GRI 2-11	Chair of the Highest Governance Body	20	2.1.2 Nomination and Selection of Board of Directors
GRI 2-12	Role of the Highest Governance Body in Overseeing the Management of Impacts	11	1.2 Corporate Sustainability Governance Structure
		14	1.4 Stakeholder Negotiation and Communication
		17	2.1.1 Corporate Structure and Board Composition

Disclosure	Disclosure Title	Page	Corresponding Chapter / Supplementary Explanation
GRI 2-13	Delegation of Responsibility for Managing Impacts	11	1.2 Corporate Sustainability Governance Structure
GRI 2-14	Role of the Highest Governance Body in Sustainability Reporting	11	1.2 Corporate Sustainability Governance Structure
GRI 2-15	Conflicts of Interest	20	2.1.2 Nomination and Selection of Board of Directors
GRI 2-16	Communication of Critical Concerns	11	1.2 Corporate Sustainability Governance Structure
GRI 2-17	Collective Knowledge of the Highest Governance Body	17	2.1.1 Corporate Structure and Board Composition
GRI 2-18	Evaluation of the Performance of the Highest Governance Body	22	2.1.4 Performance Evaluation
GRI 2-19	Remuneration Policies	24	2.1.5 Remuneration Policy
GRI 2-20	Process for Determining Remuneration	24	2.1.5 Remuneration Policy
GRI 2-21	Annual Total Compensation Ratio	76	5.2.2 Sound salary system
GRI 2-22	Statement on Sustainable Development Strategy	3	Operator Statement
		16	2.1 Corporate Governance
		25	2.2 Ethical Management
GRI 2-23	Policy Commitments	34	3.2 Climate Change Adaptation
GRI 2-24	Embedding Policy Commitments	53	4.1 Product Technology & Innovation
GRI 2-25	Processes to Remedy Negative Impacts	62	4.2 Customer Service/Product Quality and Safety
		74	5.2 Talent Attraction & Retention
		79	5.3 Talent Cultivation and Development
		82	5.4 Occupational Safety and Health
GRI 2-26	Mechanisms for Seeking Advice and Raising Concerns	27	2.2.2 The whistleblower system
GRI 2-27	Compliance with Laws and Regulations	31	2.4 Compliance with laws and regulations
GRI 2-28	Membership Associations	10	1.1.3 Participate in the public association organization
GRI 2-29	Approach to Stakeholder Engagement	14	1.4 Stakeholder Negotiation and Communication
GRI 2-30	Collective Bargaining Agreements	-	No collective bargaining agreements in place

Material Topics

GRI Standards	Disclosure Title	Page	Corresponding Chapter / Supplementary Explanation
GRI 3 (2021): Material Topics Management	3-1 Process to Determine Material Topics	12	1.3 Identification and analysis of Material Topics
	3-2 List of Material Topics	12	1.3 Identification and analysis of Material Topics
	Corporate Governance		
	3-3 Material Topics Management	16	2.1 Corporate Governance
	Ethical Management		
	3-3 Material Topics Management	25	2.2 Ethical Management
GRI 205 (2016): Anti-Corruption	205-1 Operations Assessed for Risks Related to Corruption		
	205-2 Communication and Training about Anti-Corruption Policies and Procedures	26	2.2.1 Integrity Management Policy and Anti-Corruption Communication, Education and Training
	205-3 Confirmed Incidents of Corruption and Actions Taken		
	Climate Change Response		
	3-3 Material Topics Management	34	3.2 Climate Change Adaptation
GRI 201 (2016): Economic Performance	201-2 Financial Implications and Other Risks and Opportunities Due to Climate Change	36	3.2.3 Climate Change Adaptation Strategy
	Talent Attraction and Retention		
	3-3 Material Topics Management	74	5.2 Talent Attraction and Retention
GRI 201 (2016): Economic Performance	201-3 Defined Benefit Plans and Other Retirement Plans	79	5.2.3 Diversified Employee Benefits
GRI 401 (2016): Employment	401-1 New Employee Hires and Employee Turnover	75	5.2.1 New Recruits and Resignations
	401-2 Benefits Provided to Full-Time Employees That Are Not Provided to Temporary or Part-Time Employees	76	5.2.3 Diversified Employee Benefits
	401-3 Parental Leave	78	5.2.4 Parental leave
GRI 405 (2016): Diversity and Equal Opportunity	405-2 Ratio of Basic Salary and Remuneration of Women to Men	76	5.2.2 Sound salary system

Disclosure	Disclosure Title	Page	Corresponding Chapter / Supplementary Explanation
GRI 404 (2016): Training and Education	Talent Cultivation and Development		
	3-3 Material Topics Management	79	5.3 Talent Cultivation and Development
	404-1 Average Hours of Training per Year per Employee	80	5.3.1 Talent Development Management
	404-2 Programs for Upgrading Employee Skills and Transition Assistance	80	5.3.1 Talent Development Management
404-3 Percentage of Employees Receiving Regular Performance and Career Development Reviews	81	5.3.2 Performance Appraisal Mechanism	
GRI 403 (2018): Occupational Health and Safety	Occupational Health and Safety		
	3-3 Material Topics Management	82	5.4 Occupational Safety and Health
	403-1 Occupational Health and Safety Management System	83	5.4.1 Occupational Safety and Health Policy and Management System
	403-2 Hazard Identification, Risk Assessment, and Incident Investigation	84	5.4.2 Hazard Identification and Risk Assessment Management
	403-3 Occupational Health Services	87	5.4.5 Occupational Health Services and Promotion Activities
	403-4 Worker Participation, Consultation, and Communication on Occupational Health and Safety	83	5.4.1 Occupational Safety and Health Policy and Management System
	403-5 Worker Training on Occupational Health and Safety	86	5.4.4 Occupational Safety and Health
	403-6 Promotion of Worker Health	87	5.4.5 Occupational Health Services and Promotion Activities
	403-7 Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	85	5.4.3 Occupational Accident Investigation Procedures
	403-8 Workers Covered by an Occupational Health and Safety Management System	83	5.4.1 Occupational Safety and Health Policy and Management System
403-9 Work-related Injuries	88	5.4.6 Occupational Injuries and Occupational Diseases	
403-10 Work-related Ill Health	88	5.4.6 Occupational Injuries and Occupational Diseases	
GRI 416 (2016): Customer Health and Safety	Product Technology and Innovation		
	3-3 Material Topics Management	53	4.1 Product Technology and Innovation
	Occupational Health and Safety		
	3-3 Material Topics Management	62	4.2 Customer Service/Product Quality and Safety
	3-3 Material Topics Management	63	4.2.1 Product quality management
	63	4.2.1 Product quality management	

Other Topics

GRI Standards	Disclosure Title	Page	Corresponding Chapter / Supplementary Explanation
GRI 200: Economic			
GRI 201 (2016): Economic Performance	201-1 Direct Economic Value Generated and Distributed 201-4 Financial Assistance Received from Government	9 9	1.1.2 Operating and Financial Condition 1.1.2 Operating and Financial Condition
GRI 204 (2016): Procurement Practices	204-1 Proportion of Spending on Local Suppliers	67	4.3.1 Supplier Overview
GRI 206 (2016): Anti- Competitive Behavior	206-1 Legal Actions for Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices	31	2.4 Compliance with laws and regulations
GRI 300: Environmental			
GRI 302 (2016): Energy	302-1 Energy Consumption Within the Organization	43	3.3.1 Energy Use Overview
	302-3 Energy Intensity	43	3.3.1 Energy Use Overview
	302-4 Reduction of Energy Consumption	47	3.3.3 Energy Saving and Carbon Reduction Measures
	302-5 Reductions in Energy Requirements of Products and Services	47	3.3.3 Energy Saving and Carbon Reduction Measures
GRI 303 (2018): Water and Effluents	303-1 Interactions with Water as a Shared Resource	50	3.5.1 Water Resource Risk Assessment
	303-3 Water Withdrawal	51	3.5.2 Water Withdrawal, Consumption, and Discharge
	303-4 Water Discharge	51	3.5.2 Water Withdrawal, Consumption, and Discharge
	303-5 Water Consumption	51	3.5.2 Water Withdrawal, Consumption, and Discharge
GRI 305 (2016): Emissions	305-1 Direct (Scope 1) GHG Emissions	44	3.3.2 GHG Emissions Management
	305-2 Energy Indirect (Scope 2) GHG Emissions	44	3.3.2 GHG Emissions Management
	305-3 Other Indirect (Scope 3) GHG Emissions	44	3.3.2 GHG Emissions Management
	305-4 GHG Emissions Intensity	44	3.3.2 GHG Emissions Management
	305-5 Reduction of GHG Emissions	47	3.3.3 Energy Saving and Carbon Reduction Measures

Disclosure	Disclosure Title	Page	Corresponding Chapter / Supplementary Explanation
GRI 306 (2020): Waste	306-1 Waste Generation and Significant Waste-Related Impacts	48	3.4.1 Waste Management System
	306-2 Management of Significant Waste-Related Impacts	48	3.4.1 Waste Management System
	306-3 Waste Generated	49	3.4.2 Waste Generation
	306-4 Waste Diverted from Disposal	49	3.4.2 Waste Generation
	306-5 Waste Directed to Disposal	49	3.4.2 Waste Generation
GRI 308 (2016): Supplier Environmental Assessment	308-1 New Suppliers That Were Screened Using Environmental Criteria	68	4.3.2 Supply Chain Management
GRI 400: Social			
GRI 405 (2016): Diversity and Equal Opportunity	405-1 Diversity of Governance Bodies and Employees	17	2.1.1 Corporate Structure and Board Composition
	405-2 Ratio of Basic Salary and Remuneration of Women to Men	76	5.2.2 Sound salary system
GRI 413 (2016): Local Communities	413-1 Operations with Local Community Engagement, Impact Assessments, and Development Programs	89	5.5 Social Participation
GRI 414 (2016): Supplier Social Assessment	414-1 New Suppliers That Were Screened Using Social Criteria	68	4.3.2 Supply Chain Management
GRI 418 (2016): Customer Privacy	418-1 Substantiated Complaints Concerning Breaches of Customer Privacy and Loss of Customer Data	29	2.3.3 Information Security Risk Management

Appendix II – Index of Climate-Related Information for Listed Companies

Item	Disclosure Content	Corresponding Chapter	Page
1.	The board of directors and management's oversight of climate-related risks and opportunities	3.2.1 Climate Governance	35
2.	Identification of climate-related risks and opportunities that may affect the company's business, strategy, and financial planning (short-, medium-, and long-term)	3.2.3 Climate Change Adaptation	36
3.	Explanation of how climate-related events and actions have impacted or may impact the company's operations	3.2.3 Climate Change Adaptation	36
4.	Process of climate risk identification, assessment, and management, and integration into the company's overall risk management framework	3.2.2 Climate Risk Management	36
5.	If climate scenario analysis was conducted, description of the methodology, parameters, assumptions, and key drivers used, as well as the resulting financial impact	Not yet conducted – under scenario analysis evaluation	-
6.	If climate-related targets and transition plans have been set, explanation of target types, scope, and corresponding mitigation or adaptation measures	Not yet established – under target-setting plan	-
7.	If internal carbon pricing mechanisms were adopted, explanation of the methodology and reference base	Not yet adopted – under assessment	-
8.	If GHG emission reduction targets were set, disclosure of annual progress, GHG reduction measures, carbon removal, or offset amounts (including renewable energy certificates, RECs)	3.2.4 Indicators and Targets	37
9.	Management of GHG emissions and energy consumption; policies and plans for reduction initiatives	3.3.2 GHG Management	36

Appendix III — Index of Disclosure Indicators for the Electronics Component Industry

(Pursuant to the Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE-Listed Companies)

No.	Indicator	Indicator Type	Unit	Annual Disclosure Information	Corresponding Chapter	Page								
1.	Total Energy Consumption, Purchased Electricity, and Percentage of Renewable Energy Usage	Quantitative	GJ / %	Total energy consumption: 16,894.34 GJ Purchased electricity ratio: 86.12% Renewable energy usage: C SUN has not yet adopted renewable energy	3.3.1 Energy Use Overview	43								
2.	Total Water Withdrawal and Total Wastewater Discharge	Quantitative	metric tons	Total water withdrawal: 1,586,520 m ³ Total wastewater discharge: 788,890 m ³	3.5.2 Water Withdrawal, Consumption, and Discharge	51								
3.	Weight and Percentage of Hazardous Waste Recycled	Quantitative	metric tons / %	C SUN generated hazardous waste during the reporting year	-	-								
4.	Rate and Number of Work-Related Injuries	Quantitative	% / count	Two recordable occupational incidents were reported, both traffic-related minor injuries. <small>Note: The occupational injury rate was calculated as the number of recordable occupational injuries divided by the total number of employees at year-end.</small>	5.4.6 Occupational Injuries and Occupational Diseases	88								
5.	Product Life Cycle Management and Disclosure: Weight and Percentage of Recycled and Reused Materials in Products	Quantitative	metric tons / %	Not applicable	-	-								
6.	Description of Risk Management Related to Hazardous Substances in Raw Materials	Qualitative	N/A	In 2023, C SUN established the Supplier Corporate Social Responsibility Code of Conduct requiring suppliers to comply with the company's restricted substances policy. Products must not contain conflict minerals, and raw materials or components are prohibited from containing hazardous substances regulated under RoHS, Halogen-free, REACH, VOCs, and TSCA.	4.3.2 Supply Chain Management	68								
7.	Monetary Value and Number of Significant Fines or Non-Monetary Sanctions Due to Violations of Environmental or Social Laws and Regulations	Quantitative	NTD / count	C SUN did not incur any significant fines or violations in 2024	2.4 Compliance with laws and regulations	31								
8.	Major Product Categories and Sales Volumes	Quantitative	Varies by product type	<table><thead><tr><th>Main Product Categories</th><th>Sales Volume</th></tr></thead><tbody><tr><td>Semiconductor Equipment</td><td>399</td></tr><tr><td>Printed Circuit Board Equipment</td><td>397</td></tr><tr><td>Display and Other Equipment for Related Applications</td><td>620</td></tr></tbody></table>	Main Product Categories	Sales Volume	Semiconductor Equipment	399	Printed Circuit Board Equipment	397	Display and Other Equipment for Related Applications	620	4.1.1 Product and Technology Deployment	54
Main Product Categories	Sales Volume													
Semiconductor Equipment	399													
Printed Circuit Board Equipment	397													
Display and Other Equipment for Related Applications	620													

Appendix IV — SASB Index (Industrial Machinery & Goods)

Topic	Accounting Metric Code	Accounting Metric	Section & Explanation	Page
Energy Management	RT-IG-130a.1	Total energy consumed, including direct fuel use, purchased electricity, heating, cooling, and steam energy (GJ, %).	3.3.1 Energy Use Overview	43
		Percentage of renewable energy consumption in total energy consumed.	The Company has not yet adopted renewable energy.	-
Employee Health & Safety	RT-IG-320a.1	Total recordable incident rate (TRIR): number of recordable work-related injuries $\times 200,000$ / total working hours (%).	5.4.6 Occupational Injuries and Occupational Diseases	88
		Fatality rate: number of work-related fatalities $\times 200,000$ / total working hours (%).	5.4.6 Occupational Injuries and Occupational Diseases	88
		Lost-time injury rate (LTIR): number of lost-time incidents $\times 200,000$ / total working hours (%).	5.4.6 Occupational Injuries and Occupational Diseases	88
Fuel Efficiency and Emissions from Product Use	RT-IG-410a.1	Fuel Efficiency Disclosure for Medium and Heavy-Duty Trucks Above 3.5 Tons(Fuel consumption: liters per 100 ton-km)	The Company's products are not applicable to this category.	-
	RT-IG-410a.2	Fuel consumption rate of non-road mobile equipment (liters per hour)		
	RT-IG-410a.3	Fuel efficiency of stationary generators (kilojoules per liter)		
	RT-IG-410a.4	Air Pollution Emissions by Transport Category (g/kJ)		
Materials Sourcing	RT-IG-440a.1	Management of Risks Related to Critical Materials and Conflict Minerals	4.3.2 Supply Chain Management	68
Remanufacturing Design & Services	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services (NTD).	4.2.3 Customer Complaint Handling Process	64
Production by Product Category	RT-IG-000.A	Number of units produced by product category.	4.1.1 Product and Technology Deployment	54
Number of Employees	RT-IG-000.B	Total number of employees.	5.1.2 Human Resource Structure and Diverse Workplaces	72

Appendix V — TCFD Alignment Table

Category	Disclosure Item	Corresponding Section	Page
Governance	The board of directors and management's oversight of climate-related risks and opportunities.	3.2.1 Climate Governance	35
Strategy	Identification of climate-related risks and opportunities that may affect the company's business, strategy, and financial planning (short-, medium-, and long-term).	3.2.4 Indicators and Targets	37
	Use of scenario analysis to assess potential impacts of climate change risks and opportunities, including assumptions, parameters, and analytical methods. Description of key drivers and financial implications under multiple climate scenarios, including those consistent with a 2° C or lower pathway.	3.2.6 Management of Climate-Related Risks and Opportunities	40
	Explanation of climate risk and opportunity mitigation plans, including implementation progress, resources used, and key performance indicators or targets.	3.2.7 Indicators and Targets	41
Risk Management	Description of processes for identifying and assessing climate-related risks.	3.2.2 Climate Risk Management	36
	Description of processes for managing climate-related risks, and integration into the company's overall risk management framework.	3.2.5 Identification of Climate-Related Risks and Opportunities	38
Metrics and Targets	Information including: activities covered by climate-related targets, scopes of greenhouse gas emissions, planned timelines, annual achievement progress, etc.; sources and quantities of carbon offset credits used for offsetting, or quantities of Renewable Energy Certificates (RECs).	3.3.1 Overview of Energy Consumption 3.3.2 Greenhouse Gas (GHG) Management	43 44
	GHG Emissions Inventory and Verification, Reduction Targets, Strategies and Implementation Plans	3.3.2 GHG Management	44
	The organization's targets for managing climate-related risks and opportunities, and performance against those targets.	3.3 Energy and Greenhouse Gas (GHG) Management 3.2.7 Indicators and Targets	43 41

Appendix V —Greenhouse Gas Emissions Inventory Table

Site	Headquarters		Taichung Factory		Taipei Factory		Total	
	Total Emissions (tCO ₂ e)	Percentage by Category	Total Emissions (tCO ₂ e)	Percentage by Category	Total Emissions (tCO ₂ e)	Percentage by Category		
S1	Direct GHG Emissions	3.3290	0.01%	292.7171	0.80%	194.0214	10.13%	490.0675
S2	Energy Indirect GHG Emissions	95.5190	0.19%	1,049.0947	2.87%	322.1304	16.82%	1,466.7441
C1	Purchased Goods and Services	113.5882	0.22%	34,608.5989	94.80%	1,216.0514	63.51%	35,938.2385
C2	Capital Goods	41.6983	0.08%	40.5433	0.11%	6.3549	0.33%	88.5965
C3	Fuel and Energy-Related Activities		0.04%	280.8675	0.77%	105.2389	5.50%	405.7140
C4-1	Upstream Transportation and Distribution			20.9125	0.06%	2.9671	0.15%	23.8796
C4-2	Outbound Transportation			4.2468	0.01%	0.6149	0.03%	4.8617
C5	Waste Generated in Operations	12.3094	0.02%	11.8214	0.03%	7.8749	0.41%	32.0056
C6	Business Travel	17.0088	0.03%	58.2123	0.16%	33.5775	1.75%	108.7987
C7	Employee Commuting	70.5010	0.14%	141.7418	0.39%	25.9946	1.36%	238.2374
C8	Upstream Leased Assets	18.4992	0.04%					18.4992
C9	Downstream Transportation and Distribution							-
C10	Processing of Sold Products							-
C11	Use of Sold Products	50,383.7393	98.98%					50,383.7393
C12	End-of-Life Treatment of Sold Products	146.4216	0.29%					146.4216
C13	Downstream Leased Assets							-
C14	Franchises							-
C15	Investments							-

Appendix VII: Independent Accountants' Limited Assurance Report and Assurance Summary Table



會計師有限確信報告

貴會綜字第 24012326 號

志聖工業股份有限公司 公鑒：

本會計師受志聖工業股份有限公司（以下簡稱「貴公司」）之委任，對 貴公司選定西元 2024 年度永續報告書所報導之關鍵績效指標（以下簡稱「所選定之關鍵績效指標」）執行確信程序。本會計師業已確信竣事，並依據結果出具有限確信報告。

標的資訊與適用基準

本確信案件之標的資訊係 貴公司上開所選定之關鍵績效指標，有關所選定之關鍵績效指標及其適用基準詳列於 貴公司西元 2024 年度永續報告書之「確信項目彙總表」。前述所選定之關鍵績效指標之報導範圍業於永續報告書之「報告書邊界與資料範圍」段落述明。

管理階層之責任

貴公司管理階層之責任係依照適用基準編製永續報告書所選定之關鍵績效指標，且設計、付諸實行及維持與所選定之關鍵績效指標編製有關之內部控制，以確保所選定之關鍵績效指標未存有導因於舞弊或錯誤之重大不實表達。

先天限制

本案諸多確信項目涉及非財務資訊，相較於財務資訊之確信受有更多先天性之限制。對於資料之相關性、重大性及正確性等之質性解釋，則更取決於個別之假設與判斷。

會計師之獨立性及品質管理

本會計師及本事務所已遵循會計師職業道德規範有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密及專業行為。

本事務所適用品質管理準則 1 號「會計師事務所之品質管理」，該品質管理準則規定會計師事務所設計、付諸實行及執行品質管理制度，包含與遵循職業道德規範、專業準則及所適用法令有關之政策或程序。

會計師之責任

本會計師之責任係依照確信準則 3000 號「非屬歷史性財務資訊查核或核閱之確信案件」規劃及執行有限確信案件，基於所執行之程序及所獲取之證據，對第一段所述 貴公司所選定之關鍵績效指標是否未存有重大不實表達取得有限確信，並作成有限確信之結論。

依確信準則 3000 號之規定，本有限確信案件工作包括評估 貴公司採用適用基準編製永續報告書所選定之關鍵績效指標之妥適性、評估所選定之關鍵績效指標導因於舞弊或錯誤之重大不實表達風險、依情況對所評估風險作出必要之因應，以及評估所選定

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之關鍵績效指標之整體表達。有關風險評估程序（包括對內部控制之瞭解）及因應所評估風險之程序，有限確信案件之範圍明顯小於合理確信案件。

本會計師對第一段所述 貴公司所選定之關鍵績效指標所執行之程序係基於專業判斷，該等程序包括查詢、對流程之觀察、文件之檢查與量化方法是否適當之評估，以及與相關紀錄之核對或調節。

基於本案件情況，本會計師於執行上述程序時：

- 已對參與編製所選定之關鍵績效指標之相關人員進行訪談，以瞭解編製前述資訊之流程以辨認重大不實表達之領域。
- 基於對上述事項之瞭解及所辨認之領域，已對所選定之關鍵績效指標選取樣本進行包括查詢、觀察及檢查測試，以取得有限確信之證據。

相較於合理確信案件，有限確信案件所執行程序之性質及時間不同，其範圍亦較小，故於有限確信案件所取得之確信程度亦明顯低於合理確信案件中取得者。因此，本會計師不對 貴公司所選定之關鍵績效指標在所有重大方面，是否依照適用基準編製，表示合理確信之意見。

此報告不對西元 2024 年度永續報告書整體及其相關內部控制設計或執行之有效性提供任何確信，另外，除特定確信標的外，西元 2024 年度永續報告書中屬西元 2024 年 12 月 31 日及更早期間之資訊未經本會計師確信。

有限確信之結論

依據所執行之程序與所獲取之證據，本會計師並未發現第一段所述 貴公司所選定之關鍵績效指標在所有重大方面有未依照適用基準編製之情事。

其它事項

貴公司網站之維護係 貴公司管理階層之責任，對於確信報告於 貴公司網站公告後任何所選定之關鍵績效指標或適用基準之變更，本會計師將不負就該等資訊重新執行確信工作之責任。

資誠聯合會計師事務所
會計師 張瑞婷

西元 2024 年 8 月 21 日

Summary of Assurance Items

No.	Item	Assured Information	Page	Applicable Standard / Basis
1	Percentage of new employees completing ethics and integrity training in 2024	In 2024, 100% of C SUN's new employees completed training on corporate ethics and integrity, including the Company's Code of Conduct and Integrity Policy.		The percentage of new employees completing ethics and integrity training in 2024 was calculated by dividing the total number of new employees who completed the training by the total number of new employees during the reporting year.
2	Customer satisfaction survey response rate and average satisfaction score for 2024	In 2024, the customer satisfaction survey response rate reached 100%, with an average satisfaction score of 97.79 points.		Customer satisfaction response rate = (Number of returned valid survey forms ÷ Number of distributed survey forms). Average satisfaction score = (Sum of satisfaction scores ÷ Number of respondents).
3	Total water withdrawal (including Linkou and Taichung Factories)	In 2024, C SUN's total water withdrawal amounted to 15.7297 million liters.		Total water withdrawal was calculated based on monthly metering data from the Lin Kou and Taichung facilities, reviewed and consolidated by the Company's EHS management team.
4	Number and rate of occupational injuries in 2024	In 2024, there were 2 recordable occupational injuries, with an occupational injury rate of 0.47%.		Calculated in accordance with the "Occupational Accident Statistics Standards." Occupational injury rate = (Number of occupational injuries ÷ Total employees as of December 31, 2024) × 100%.
5	Total employee training hours and average training hours per person in 2024	In 2024, C SUN's total employee training hours amounted to 8,749 hours, with an average of 24.32 training hours per employee.		Total training hours include internal and external courses conducted by C SUN's HR and EHS departments. Average training hours per employee = (Total training hours ÷ Total employees as of December 31, 2024).



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