2025 SUSTAINABILITY REPORT

CO-TECH DEVELOPMENT CORPORATION

About This Report

In addition to presenting its operating results to shareholders through annual reports, Co-Tech is also committed to safeguarding and caring for the well-being of its employees and sponsoring social welfare activities. To further fulfill its responsibilities as global citizens and meet the demands of business development trends, Co-Tech has initiated communication with its stakeholders and the general public, disclosing its efforts and achievements in social and environmental aspects, in addition to its core business and economic activities. The first “Sustainability Report” of the Company, issued in 2023, includes climate-related disclosures in line with the TCFD framework and has been prepared in accordance with ISO 14064-1 requirements for greenhouse gas (GHG) inventory and verification, highlighting the essence of Co-Tech as a locally rooted, responsible enterprise and its determination to safeguard the shared planet.

The data and figures in this report are collected and reviewed by the relevant department heads of the Company and compiled and prepared by the ESG Task Force. The first draft was reviewed and revised by the ESG Task Force, and then internally reviewed and confirmed by the Company to meet the purpose of this report before being finalized and published upon approval by the responsible supervisor. In accordance with the “Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies”, the Company has established its internal review process following the required operating procedures for preparation and assurance of sustainability reports by TPEx-listed companies, and incorporates them into its internal control system.

Reporting Boundary and Scope

To fully disclose the impact of CO-TECH DEVELOPMENT CORPORATION (hereinafter referred to as “Co-Tech” or “the Company”) on sustainability issues, the scope of data in this Sustainability Report is primarily based on Co-Tech's significant locations of operation, as well as the operational activities of its subsidiaries, CO-TECH COPPER FOIL (BVI) INC. and Jin Qian Bo International Trading (Shanghai) Co., Ltd. The information in this report covers three major aspects of public concern: Environment, Social, and Governance.

Reporting Period

The inaugural Sustainability Report was published in 2023, and the reporting cycle is scheduled to be on an annual basis.

The electronic version of the report is available for download on the official website of the Company. Inaugural Publication Date: Issued in September 2023

Previous edition: Issued in August 2025
Current edition: Issued in August 2026
Next edition: Estimated August 2027

Reporting Data Management and Audit

Information in the financial reports is derived from financial reports audited by certified public accountants. The content of the sections on "Environmental Protection" and "Occupational Health and Safety (OHS) Management System" is primarily aligned with relevant ISO management systems (ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System) and is subject to regular internal audits and annual external audits.

Reporting Guidelines

The content of this report has been prepared and issued with reference to the Global Reporting Initiative (GRI) guidelines for sustainability reporting, using the Core option as the basis for disclosure. This report also references the "Operating Procedures for the Preparation and Filing of Sustainability Reports by TPEx-Listed Companies", the Sustainability Accounting Standards Board (SASB) industry standards, and the Task Force on Climate-related Financial Disclosures (TCFD) framework in guiding disclosures across all aspects.

Contact Information

For any feedback, inquiries, or suggestions regarding this report or the sustainable development of Co-Tech, please feel free to contact us.

Website: https://www.co-tech.com/tw

Headquarters Address: 18F., No. 392, Ruiguang Rd., Neihu Dist., Taipei City

Tel: +886-2-6615-8899 #232 Yeh Hsueh-Chen, Manager

Email: jane@co-tech.com

Yunlin Plant Address: No. 56, Kegong 8th Rd., Douliu City, Yunlin County

Tel: +886-5-5515480 #3363 Tsai Ren-Hua, Manager

Email: renhua_tsai@co-tech.com

Chairman’s Message

Looking back at 2025, trends such as supply chain restructuring resulting from political conflicts, significant advancements in AI, and the renewable energy transition driven by net-zero initiatives collectively shaped the development of the international community. The overall operating landscape is shadowed by multiple adverse factors, including geopolitical conflicts and global US tariff impositions, fueling macroeconomic turbulence. Furthermore, the severe volatility experienced by the global economy in 2025 introduced significant risks and uncertainties into corporate operations. Challenges ranging from political conflicts and extreme climate threats to electricity price adjustments, carbon fees, and tariffs have put corporate resilience and adaptability to the test.

In the face of these challenges, Co-Tech maintained its growth momentum by continuously enhancing its capabilities in new product R&D and customer portfolio optimization. Furthermore, by ensuring quality stability and precise delivery management, Co-Tech solidified its product image and market reputation, while simultaneously improving production processes and capacity utilization. In 2025, Co-Tech achieved profit improvement through customer and product structure adjustment and optimization, as well as cost control. Cumulative consolidated revenue for 2025 was NT$7,879,941 thousand, consolidated operating gross margin was 22%, net income after tax was NT$1,062,536 thousand, and EPS was NT$4.21.

Regarding environmental aspects, in response to climate change, we assess potential climate-related impacts on our operations through the TCFD framework and integrate them into our long-term operating strategy. Through financially quantified impact assessments, we identify countermeasures to effectively implement our climate risk management. In terms of energy, to strengthen corporate resilience, we have deployed self-built solar power generation facilities, thereby mitigating carbon emissions. In addition to establishing an ESG Task Force, we have formed a “Greenhouse Gas Inventory Team” to monitor GHG emissions. This allows us to detect anomalies in emission sources and intensity early, ensuring timely countermeasures that drive our sustainable development goals.

Employees are our most valuable asset, serving as the core of driving our progress and innovation. We are committed to creating a dynamic environment that offers learning opportunities. Through diverse initiatives such as knowledge-sharing sessions and online courses, we empower our employees with practical operational experience and professional skills training. We also continue to strengthen human rights management, foster a supportive workplace, and promote harmonious labor relations.

Looking ahead to 2026, the business environment remains challenging, as headwinds from tariff policies, high electricity prices, and geopolitical factors will increase costs and press on market competitiveness. Moving forward, Co-Tech will continue to integrate “environmental protection, corporate governance, and corporate social responsibility” into its sustainable development strategy and goals. Through the concerted efforts of all employees and value chain partners, Co-Tech expects to create business opportunities amidst challenges, generate maximum value for employees, customers, and shareholders, and accelerate its transition toward the 2050 net-zero emissions target. We thank all partners for their support and companionship on this journey, and let us work together towards a more sustainable future.

Lee Shih-Shen

Chairman

金居開發股份有限公司
Co-tech Development Corporation

Photo credit: Provided by Business Today

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Management Approach for Operational Development

As entering the era of high frequency and high speed, data processing and storage demands are generated, and the focus of data application has shifted from scale to low latency and high real-time responsiveness. The rise of edge computing, driven by the high spectrum costs, has prompted telecom operators to replace traditional network equipment, opening an entry point for the server supply chain. As AI computing centers, 5G applications, and IoT edge technologies advance, it is expected to see a surge in new cloud services and new terminal devices, including AR/VR, AI robots, autonomous vehicles, and smart homes. To meet massive data processing demands, the growth momentum is observed in related industries such as base station antenna design, network equipment, data centers and servers, as well as 5G and AI at the terminal level. Furthermore, to solve the skin effect of dielectric current on the surface of conductors, the Company has developed advanced reversed copper foil and HVLP (Ultra Low Profile Copper Foil). These products not only offer cost-effective options but also reduce electric loss to minimize signal transmission loss by enhancing copper foil performance through challenging copper nodule designs and formula selection. This allows for synergy with copper-clad laminate manufacturers, achieving high-speed effects for customers and realizing highly reliable, low-latency, large-scale data transmission. Future growth prospects are promising with the increasing demand for high-frequency and high-speed market opportunities, such as 5G and AI computing centers. Furthermore, due to the stringent requirements for materials with low dielectric constant and low transmission loss in high-frequency and high-speed applications, the Company has leveraged its proprietary technology to successively and continuously develop high-frequency and high-speed copper foil products featuring low signal transmission loss, ultra-low roughness, and high tear strength. In the future, these products are expected to ensure the stability and integrity of signals, expand application areas, and secure a pivotal position in the capacity expansion of the copper foil industry when 5G and AI market opportunities emerge, addressing the demand for high reliability and low latency in large-scale data transmission. Furthermore, in response to the growing demand for flexible printed circuit boards (FPCBs) in thin and light electronics, the development of copper foil for Flexible Copper Clad Laminates (FCCL) has been achieved. Additionally, to meet the requirement for high-current transmission in automotive electronic charging systems, the development of heavy copper foil tailored for high-power charging and discharging has also been completed.

Short- and Long-term Business Development Plans

1. Short-term Plan:

Efforts will be focused on continuously deepening cooperative relationships with existing customers and optimizing product portfolios. Through collaboration with strategic customers, new products, including high-frequency and high-speed applications, AIserve, and Any-Layer HDI, will be developed to secure an early market leadership position and create mutual benefits.

2. Long-term Plan:

(1) Trial production at the Production Base III of Co-Tech is scheduled to commence in Q1 2027, with expectations to manufacture high-end HVLP products.

(2) Strategic alliances will be established with key customers to secure stable order inflows and enhance market competitiveness. Simultaneously, positive interaction with end-users is actively maintained to promote new materials developed by the Company, thereby gaining a first-mover advantage in the market.

(3) The recruitment and training of talent will be strengthened to create an efficient, cross-functional team. The Company aims to be the optimal copper foil manufacturer and service provider, embodying the spirit of craftsmanship to maximize overall benefits.

Company Profile

The Company was established in May 1998, originally named “CO-TECH COPPER FOIL CORPORATION”. In consideration of future diversified development, the company name was changed and registered as “CO-TECH DEVELOPMENT CORPORATION” in June 2014. Since September 2010, the Company’s shares have been listed on the Taipei Exchange.

The Company primarily manufactures “electro-deposited copper foil”, which serves as a key material for copper clad laminates, multi-layer printed circuit boards, and plating additives for high-density interconnect boards. The Company is dedicated to providing customized products to ensure customer satisfaction, establishing product development strategies with clients, and collaboratively developing new products. Customer satisfaction is consistently enhanced through the delivery of prompt, dedicated service and robust technical support.

Company History

May 1998	Officially incorporated with approval and operating as a specialized manufacturer of electrolytic copper foil in the Yunlin Technology Industrial Park, with a registered capital of NT$2 billion.
December 1999	Completed the construction of Production Base I.
April 2000	Commenced mass production on Lines 1 and 2 at Production Base I.
May 2000	Commenced mass production on Line 3 at Production Base I.
October 2000	Commenced mass production on Line 4 at Production Base I.
October 2000	Obtained approval for the public issuance of shares.
March 2001	Issued 54 million new shares for a cash capital increase at a premium of NT$30 per share.
May 2001	Obtained ISO 9001:2000 Quality Management System certification.
November 2001	Obtained ISO 14001:1996 Environmental Management System certification.
September 2002	Completed the construction of Production Base II.
January 2003	Commenced mass production on Lines 1 and 2 at Production Base II.
September 2003	Issued 30 million new shares for a cash capital increase at a face value of NT$10 per share.
December 2003	Invested US$200 thousand in CO-TECHCOPPERFOIL(BVI) INC., which indirectly reinvested in Jinqianbo International Trade (Shanghai) Limited, with official approval and filing completed by the Investment Commission, MOEA.
July 2004	Obtained the R.O.C. patent rights for the “Recycling Method of Waste Copper Foil (I)”, with the patent term valid from March 21, 2004 to October 7, 2021.
December 2004	Commenced mass production on Lines 3 and 4 at Production Base II.
December 2004	Obtained the P.R.C. patent rights for the “Recycling Method of Waste Copper Foil (I)”, with the patent term of 20 years effective from October 23, 2001.
April 2005	Obtained the P.R.C. patent rights for the “Recycling Method of Waste Copper Foil (II)”, with the patent term of 20 years effective from October 23, 2001.
December 2005	Issued 16 million new shares for a cash capital increase at a discount of NT$9 per share.
June 2006	Awarded the “Enterprise Sustainability Development Award” in the Sustainable Enterprise Promotion category at the 2006 National Sustainable Development Awards, organized by the National Council for Sustainable Development (NCSD).
July 2006	Reported an authorized registered capital of NT$3 billion, with the total paid-in capital of NT$2 billion.
November 2006	Awarded the “2006 Green Procurement Excellent Enterprise and Organization Award” by the Environmental Protection Administration (EPA) for participating in the Green Consumption of Public Program.
November 2007	Obtained ISO 14001:2004 Environmental Management System certification.
November 2007	Registered on the emerging stock market for trading with approval from the Taipei Exchange.
October 2009	Increased investment in CO-TECHCOPPERFOIL(BVI) INC. by US$3,300 thousand.
March 2010	Obtained ISO 9001:2008 Quality Management System certification.
April 2010	Completely replaced lead anodes with titanium anodes in all foil forming machines.
September 2010	Officially listed and commenced trading on the Taipei Exchange while terminating trading on the emerging stock market.
October 2010	Issued 11.7 million new shares for a cash capital increase at a premium of NT$21 per share.
December 2011	Introduced the arsenic-free process and commenced mass production.
June 2012	Obtained TS 16949:2009 Automotive Quality Management System certification.
September 2012	Obtained CG-6007 General Version Corporate Governance System Assessment Certification.
February 2013	Obtained OHSAS 18001:2007 and CNS 15506:2011 Occupational Health and Safety Management System certifications.
August 2013	Obtained a Taiwan invention patent for “Roughening-treated Copper Foil and Manufacturing Method Thereof”.
June 2014	Invested NT$110,000 thousand in Essen Optics Technology Inc., representing a 55% ownership interest.
June 2014	Renamed the Company to CO-TECH DEVELOPMENT CORPORATION.
November 2014	Obtained ISO 50001:2011/CNS 50001 Energy Management System certification.
March 2015	Completed the registration change for a capital reduction by cancelling 1,112,000 treasury shares valued at NT$11,120,000, resulting in a reduction in paid-in capital of NT$2,105,880,000.
October 2016	Obtained a Taiwan invention patent for "Heat-Resistant Copper Foil for Lithium Batteries and Manufacturing Method Thereof".
December 2016	Obtained ISO 14001:2015 Environmental Management System certification.
December 2016	Implemented a 50% capital reduction for Essen Optics Technology Inc.
February 2017	Invested NT$110,000 thousand in Essen Optics Technology Inc., increasing its shareholding to 76.4%.
May 2017	Implemented a 50% capital reduction for Essen Optics Technology Inc.
June 2017	Invested NT$189,000 thousand in Essen Optics Technology Inc., increasing its shareholding to 91.07%.
July 2017	Selected as a constituent stock of the “TPEx 50 Index”.
September 2017	Secured the “5G Industry High-value Material Ultra-low Roughness Copper Foil for High Frequency Applications” contract under the Industrial Upgrading and Innovation Platform Counseling Program of the Ministry of Economic Affairs (MOEA).

Company History

October 2017	Awarded the Best Trade Contribution (Metals) at the "Golden Trade Awards" organized by the MOEA.
October 2017	Issued 42 million new shares for a cash capital increase at a premium of NT$47.8 per share.
November 2017	Included as a constituent of the "MSCI Small Cap Index".
June 2018	Obtained a Taiwan invention patent for "Production Equipment of Electrolytic Copper Foil and Current Adjusting and Controlling Device Thereof".
July 2018	Obtained ISO 9001:2015 Quality Management System certification.
July 2018	Obtained IATF 16949:2016 Automotive Quality Management System certification (formerly TS 16949).
February 2019	Obtained ISO-45001:2018 Occupational Health and Safety Management System certification (formerly OHSAS-18001).
August 2019	Obtained a Taiwan invention patent for "Micro-rough Electrolytic Copper Foil and Copper Foil Substrate" (RTF).
August 2019	Obtained a Taiwan invention patent for "Micro-rough Electrolytic Copper Foil and Copper Foil Substrate" (HVLP).
December 2019	Implemented a 99.999996% capital reduction for Essen Optics Technology Inc, and its shareholding increased to 100.00%.
December 2019	Invested NT$85,000 thousand in Essen Optics Technology Inc.
February 2020	Obtained Board approval for the short-form merger of Essen Optics Technology Inc.
February 2020	Obtained a China invention patent for "Production Equipment of Electrolytic Copper Foil and Current Adjusting and Controlling Device Thereof" (RG311).
June 2020	Obtained a Taiwan invention patent for "Micro-roughened Electrolytic Copper Foil and Copper Clad Laminate Using the Same" (RG311).
February 2021	Obtained a Taiwan invention patent for "Advanced Reverse Electrolytic Copper Foil and Copper Foil Substrate Thereof".
March 2021	Obtained a Taiwan invention patent for "Advanced Reverse-treated Electrodeposited Copper Foil and Copper Clad Laminate Using the Same" (RG312).
March 2021	Obtained a China invention patent for "Micro-rough Electrolytic Copper Foil and Copper Foil Substrate" (HVLP).
June 2021	Obtained a Japanese invention patent for "Micro-roughened Electrolytic Copper Foil and Copper Clad Laminate Using the Same" (RG311).
July 2021	Obtained a U.S. invention patent for "Micro-rough Electrolytic Copper Foil and Copper Foil Substrate" (HVLP).
August 2021	Obtained a Taiwan invention patent for "Advanced Treated Electrodeposited Copper Foil Having Long and Island-shaped Structures and Copper Clad Laminate Using the Same" (granular type).
October 2021	Obtained a Taiwan invention patent for "Micro-rough Electrolytic Copper Foil and Copper Foil Substrate" (VL411).
October 2021	Obtained a China invention patent for "Micro-rough Electrolytic Copper Foil and Copper Foil Substrate" (VL411).
October 2021	Obtained a U.S. invention patent for "Micro-roughened Electrolytic Copper Foil and Copper Clad Laminate Using the Same" (RTF).
November 2021	Obtained a China invention patent for "Micro-roughened Electrolytic Copper Foil and Copper Clad Laminate Using the Same" (RTF).
November 2021	Obtained a U.S. invention patent for "Micro-roughened Electrolytic Copper Foil and Copper Clad Laminate Using the Same" (RG311).
November 2021	Obtained a China invention patent for "Advanced Reverse Electrolytic Copper Foil and Copper Foil Substrate Thereof" (RG311).
April 2022	Obtained a Japanese invention patent for "Micro-roughened Electrolytic Copper Foil and Copper Clad Laminate Using the Same" (RTF).
April 2022	Obtained a Chinese invention patent for "Advanced Treated Electrodeposited Copper Foil Having Long and Island-shaped Structures and Copper Clad Laminate Using the Same" (granular type).
April 2022	Obtained a U.S. invention patent for "Advanced Reverse-treated Electrodeposited Copper Foil and Copper Clad Laminate Using the Same" (RG312).
August 2022	Obtained a U.S. invention patent for "Advanced Treated Electrodeposited Copper Foil Having Long and Island-shaped Structures and Copper Clad Laminate Using the Same" (RG313).
August 2022	Obtained a Chinese invention patent for "Advanced Reverse-treated Electrodeposited Copper Foil and Copper Clad Laminate Using the Same" (RTF Series).
September 2022	Obtained a Japanese invention patent for "Micro-rough Electrolytic Copper Foil and Copper Foil Substrate" (VLP Series).
September 2022	Obtained a Japanese invention patent for "Micro-rough Electrolytic Copper Foil and Copper Foil Substrate" (RTF Series).
September 2022	Obtained an R.O.C. invention patent for "Advanced Reverse-treated Electrodeposited Copper Foil and Copper Clad Laminate Using the Same" (RTF Series).
December 2022	Obtained a Japanese invention patent for "Micro-rough Electrolytic Copper Foil and Copper Foil Substrate" (RG311 Series).
February 2023	Obtained a Japanese invention patent for "Advanced Reverse Electrolytic Copper Foil and Copper Foil Substrate Thereof" (RG311 Series – Striped Pattern).
April 2023	Obtained UL2809 Environmental Claim Validation Procedure (ECVP) for Recycled Content.
May 2023	Obtained a U.S. invention patent for "Advanced Reverse Electrolytic Copper Foil and Copper Foil Substrate Thereof" (RG311 Series – Striped Type).
June 2023	Obtained a Chinese invention patent for "Micro-rough Electrolytic Copper Foil and Copper Foil Substrate" (RG311 Series).
June 2023	Obtained a Japanese invention patent for "Micro-rough Electrolytic Copper Foil and Copper Foil Substrate" (VL411 series).
August 2023	Obtained a Japanese invention patent for "Micro-rough Electrolytic Copper Foil and Copper Foil Substrate" (VL411-1 Series).

Headquarters, Operating Locations, and Scale of the Organization

The Company has a paid-in capital of NT$2.52588 billion, with its operational headquarters located at 18F, No. 392, Ruiguang Road, Neihu District, Taipei City, and its production facilities at No. 56, Kegong 8th Road, Douliu City, Yunlin County. Operating in a market alongside numerous copper foil manufacturers in Taiwan and mainland China, the Company accounted for approximately 10% of the global HVLP copper foil market share in 2025 (according to data from the Industrial Technology Research Institute (ITRI), Department of Industrial Technology Development, as of December 2025).

To enhance customer service, the Company has invested in establishing the following overseas service locations:

1. Status of Reinvestments:

Parent Company	CO-TECH DEVELOPMENT CORPORATION
Subsidiary	100% owned Co-TechCopperFoil (BVI) Inc.
Second-tier Subsidiary	100% owned Jinqianbo International Trade (Shanghai) Limited

2. Basic Information on Affiliated Enterprises:

Affiliated Enterprises	Co-Tech Copper Foil (BVI) Inc.
Date of Establishment	June 24, 2002
Address	Beaufort House, P.O. Box 438, Road Town, Tortola, British Virgin Islands
Paid-in Capital	US$3,500 thousand
Principal Business Activities	Investment business

Affiliated Enterprises	Jinqianbo International Trade (Shanghai) Limited
Date of Establishment	December 3, 2003
Address	F16 Section, 2F, No. 215, Fute N. Rd., China (Shanghai) Pilot Free Trade Zone
Paid-in Capital	US$200 thousand
Principal Business Activities	Copper foil sales business

External Organization Participation and Certification

The Company maintains stringent requirements for quality assurance in its production processes and for the environment, and has obtained external organizational certifications as follows:

September 2012	Obtained CG-6007 General Version Corporate Governance System Assessment Certification.
November 2014	Obtained ISO 50001:2011/CNS 50001 Energy Management System certification.
December 2016	Obtained ISO 14001:2015 Environmental Management System certification.
July 2018	Obtained ISO 9001:2015 Quality Management System certification.
July 2018	Obtained IATF 16949:2016 Automotive Quality Management System certification (formerly TS 16949).
February 2019	Obtained ISO-45001:2018 Occupational Health and Safety Management System certification (formerly OHSAS-18001).
April 2023	Obtained UL2809 Environmental Claim Validation Procedure (ECVP) for Recycled Content.

By actively participating in industry associations such as the Taiwan Printed Circuit Association (TPCA), Yunlin County Industrial Association, Yunlin Technology Industrial Park Manufacturers Association, and IPC (Association Connecting Electronics Industries), the Company leverages industry collaboration and mutual exchanges to enhance insights into market trends, labor regulations, and corporate partnerships, thereby advancing its technology and elevating its brand image and market visibility.

External Organization Participation and Certification

IPC provides a platform for the electronics industry to share technology, market insights, management expertise, and business opportunities; membership enables the Company to stay updated on technical advancements and market information.

TPCA 台灣電路板協會 Taiwan Printed Circuit Association

By participating in the Association, the Company obtains updates on emerging technologies, market dynamics, economic policies, and industrial regulations, leveraging industry collaboration and peer exchanges to capture key trends and boost overall industry competitiveness.

雲林縣工業會 YUNLIN HSIEN INDUSTRIAL ASSOCIATION

By participating in the Industry Association, the Company stays informed on government laws, policies, and educational training, while engaging in peer exchanges to gain industry and market information.

雲林縣雲林科技工業區廠商協進會 Yunlin Technology Industrial Park Association

Through its participation in the Industrial Park Association, the Company stays informed on government policies, subsidy opportunities, and educational training. The Company also engages in guidance programs organized by the Association and the government, such as sustainable environmental protection guidance programs, to advance environmental sustainability. This collaborative effort helps build a high-quality balance across living, ecological, and production environments, thereby fostering economic vitality and social well-being.

Supply Chain Management

Supplier Management

The Procurement Department views suppliers as long-term partners. Through clear standards and active communication, the Department extends its commitment to sustainability across the upstream supply chain, collaborating to build a sustainable and secure industrial ecosystem.

1. Supplier Code of Conduct and Compliance Commitment

In addition to its own commitment to corporate social responsibility, the Company also incorporates “sustainable operations” into its supplier management policy. Suppliers are required to sign compliance commitments, pledging to adhere to international standards and legal requirements across labor rights, environmental protection, occupational health and safety, and business ethics.

2. Supplier Environmental Substance Management

The Company actively promotes environmental sustainability values to its suppliers. Raw material suppliers are required to thoroughly review and respond to the “Environmental Policy Declaration” during the application phase to ensure that they understand and commit to upholding the core values of the Company regarding energy conservation and carbon reduction, environmental protection, and sustainable resource utilization.

To ensure that final products comply with international green regulations (such as RoHS, REACH) and satisfy the high standards of customers, the Procurement Department strictly enforces chemical safety management. Suppliers are required to formally submit a completed “Declaration of Non-use of Environmentally Managed Substances” for all supplied materials to ensure that the raw materials do not contain any hazardous substances prohibited by the Company, thereby mitigating non-compliance risk at the source. An evaluation system has been established for raw material suppliers, with a strong focus on the environmental impact of hazardous chemicals. All raw material suppliers are required to comply with the “Supplier Environmental Substance Management Guidelines” to strictly control the use of harmful substances, ensuring compliance with international environmental standards such as RoHS and REACH to protect the environment from pollution.

3. Supplier Evaluation and Periodic Review

To evaluate and select raw material suppliers, the Company has established the “Supplier Evaluation Operating Procedure” to ensure that raw material quality meets standards and to implement supplier selection and management. Annual evaluations are conducted for existing qualified suppliers. In addition to ensuring stable quality and supply capacity, sustainable performance, including environmental substance control, renewable energy source utilization, and the application of UL 2809 recycled content, is incorporated into the scoring system. Through these regular evaluations, the quality and stability of raw material supplies are maintained to meet the manufacturing and operational needs of the Company.

4. Supply Chain Engagement: Regulatory Knowledge Sharing and Shared Growth

The Company assists suppliers in gaining a deeper understanding of global environmental laws and regulations (such as RoHS, REACH), as well as the latest market requirements for green products. By issuing supplier newsletters and sharing information on market trends and regulatory updates as needed, the Company bridges the information gap between suppliers and international standards.

5. Responsible Mineral Sourcing Management

Ensuring the lawful origin of metal raw materials is an important part of the commitment of the Company to corporate social responsibility. Regarding key metals involved in manufacturing processes (such as copper, tin, gold, tungsten, tantalum), the Procurement Department strictly enforces the Conflict Minerals Management Policy to ensure the ethical sourcing of raw materials. The Company actively promotes the “Policy of Conflict-free Materials” to suppliers, explicitly requiring them and their upstream supply chains to refrain from procuring illegal minerals from conflict-affected and high-risk areas (such as the Democratic Republic of Congo and its adjoining countries), while requiring suppliers to complete and return the Conflict Minerals Reporting Template. We require suppliers to ensure that their mineral extraction and trading activities do not involve armed conflict or human rights abuses.

Supply Chain Management

Supplier Management

Supplier Integrity Commitment

Prior to conducting business with new suppliers, all suppliers are required to sign an “Integrity Commitment”, mandating that signatories strictly adhere to relevant national laws, regulations, rules, and other applicable ethical conduct provisions, as well as comply with policies of CO-TECH regarding ethical business practices.

Conflict Minerals Survey

For metals used in manufacturing processes, the Company promotes compliance with “Policy of Conflict-free Materials” and requires suppliers to sign and return the Conflict Minerals Reporting Template.

Responsible Business Alliance (RBA) Code of Conduct

Raw material suppliers are required to sign the Supplier RBA Commitment Letter.

Raw Material Supplier Evaluation

To evaluate and select raw material suppliers, the Company has established the “Supplier Evaluation Operating Procedure” to ensure that raw material quality meets standards and to implement supplier selection and management. For suppliers, regular evaluations are conducted to ensure the quality and stability of raw material supplies, thereby meeting the manufacturing and operational needs of the Company.

Green Procurement

Supply Chain Management: Sustainable Commitment of the Procurement Department

1. Procurement Strategy and Value Chain Distribution

We are committed to building a stable and resilient supply chain to support our core production activities. Based on the procurement data analysis for 2025, the procurement structure of the Company is characterized by both high strategic concentration and diversified operations:

- Key Raw Materials Procurement: “Copper wire” serves as the core procurement item, accounting for more than 88.18% of the total procurement value, with the proportion of recycled copper wire reaching 100%. We maintain long-term, stable collaborative relationships with strategic suppliers to ensure an uninterrupted supply of core resources.
- Chemicals: Chemicals include process chemicals. We strictly control the quality of chemical supplies required for our production processes through professional supplier management.
- Diversified Operational Support System: In addition to raw materials and chemicals, the Company engages over 400 suppliers offering an extremely wide variety of items (ranging from precision sensors to basic bolts), thereby supporting a large number of small and medium-sized enterprises (SMEs).

2. Green Procurement and Environmental Responsibility

We integrate environmental protection principles into our procurement decisions and actively implement green procurement policies:

- Eco-label Products: In the procurement of administrative and office supplies, priority is given to products with eco-labels (such as A4 copy paper) to minimize the environmental impact of daily operations. Priority is given to procuring office supplies, IT products, and other goods bearing eco-labels, with green procurement accounting for 92.2%.
- Hazardous Substance Control (RoHS/REACH): To comply with international environmental regulations, raw materials undergo hazardous substance testing across the supply chain, verifying that all raw materials meet ecological safety requirements.
- Sustainability Certifications and Inventories: Continuously investing in the renewal of UL 2809 and other relevant certifications, while regularly commissioning third-party organizations to perform GHG emission verifications, demonstrating our commitment to low-carbon production.

3. Supply Chain Risk Management and Resilience

To address various uncertainties in the production process, the Procurement Department has established a comprehensive emergency and maintenance support system:

- Engineering and Plant Maintenance Services: The Company partners with professional engineering and maintenance suppliers to execute major projects, including instrumentation wiring, improvement in air-conditioning cleanliness, and routine equipment maintenance, to ensure the advancement and safety of plant infrastructure.
- Emergency Repair Mechanism: The Company has established a rapid procurement response mechanism for production equipment (such as air compressors, overhead cranes, and forklifts), enabling prompt on-site emergency repairs to minimize the risk of downtime.
- Waste and Resource Circularity: The Company commissions professional agencies to perform waste testing and molecular sieve recycling and treatment, ensuring that all waste generated from the production process complies with regulatory disposal procedures.

Green Procurement

The Company has achieved UL 2809 Environmental Claim Validation for Recycled Content, with recycled copper wire as its primary raw material. Through green procurement practices, the Company effectively prevents environmental pollution and resource waste, demonstrating its commitment to fostering a more eco-friendly environment.


ENVIRONMENTAL CLAIM VALIDATION SUMMARY

Co-Tech Development Corp

HTE Serials (LP type/HG type/FC type/LH type)

Report Number:
301516-4210
Validation Period:
07 Apr 2023 - 07 Apr 2026

Claim:
HTE Serials (LP type/HG type/FC type/LH type) contain 100% recycled copper.

Method:
Environmental Claim Validation Procedure (ECVP) for Recycled Content, UL ECVP 2809-2, Second Edition, dated June 20, 2024. Recycled Content is defined in accordance with ISO 14021.

Facility:
No.56, Houkong 8 Road, Touliu Yun Lin, 64064, Taiwan


ENVIRONMENTAL CLAIM VALIDATION SUMMARY

Co-Tech Development Corp

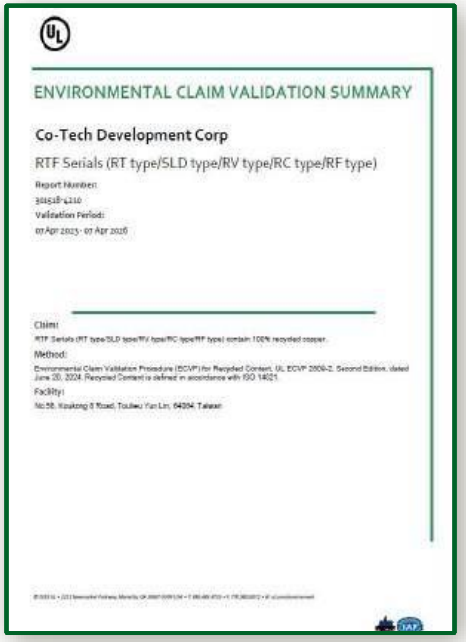
HVLP Serials (VL type/VF type/VG type/PF type/FL type)

Report Number:
301520-4210
Validation Period:
07 Apr 2023 - 07 Apr 2026

Claim:
HVLP Serials (VL type/VF type/VG type/PF type/FL type) contain 100% recycled copper.

Method:
Environmental Claim Validation Procedure (ECVP) for Recycled Content, UL ECVP 2809-2, Second Edition, dated June 20, 2024. Recycled Content is defined in accordance with ISO 14021.

Facility:
No.56, Houkong 8 Road, Touliu Yun Lin, 64064, Taiwan


ENVIRONMENTAL CLAIM VALIDATION SUMMARY

Co-Tech Development Corp

RTF Serials (RT type/SLD type/RV type/RC type/RF type)

Report Number:
301518-4210
Validation Period:
07 Apr 2023 - 07 Apr 2026

Claim:
RTF Serials (RT type/SLD type/RV type/RC type/RF type) contain 100% recycled copper.

Method:
Environmental Claim Validation Procedure (ECVP) for Recycled Content, UL ECVP 2809-2, Second Edition, dated June 20, 2024. Recycled Content is defined in accordance with ISO 14021.

Facility:
No.56, Houkong 8 Road, Touliu Yun Lin, 64064, Taiwan


ENVIRONMENTAL CLAIM VALIDATION SUMMARY

Co-Tech Development Corp

Advanced RTF Serials (RG type)

Report Number:
301519-4210
Validation Period:
07 Apr 2023 - 07 Apr 2026

Claim:
Advanced RTF Serials (RG type) contain 100% recycled copper.

Method:
Environmental Claim Validation Procedure (ECVP) for Recycled Content, UL ECVP 2809-2, Second Edition, dated June 20, 2024. Recycled Content is defined in accordance with ISO 14021.

Facility:
No.56, Houkong 8 Road, Touliu Yun Lin, 64064, Taiwan

2025 Operating Performance

Co-Tech continues to maintain a strong position in high-frequency and high-speed markets while continuously enhancing its capabilities in new product R&D and customer portfolio optimization. Furthermore, by ensuring quality stability and precise delivery management, Co-Tech solidified its product image and market reputation, while simultaneously improving production processes and optimizing its product mix to maintain its growth momentum. In 2025, Co-Tech achieved profit improvement through customer and product structure adjustment and optimization, as well as cost control. Cumulative consolidated revenue for 2025 was NT$7,879,941 thousand, consolidated operating gross margin was 22%, net income after tax was NT$1,062,536 thousand, and EPS was NT$4.21.

Unit: NT$ Thousand	Individual Statements of Comprehensive Income for the Most Recent Three Years		
	2023	2024	2025
Operating revenue	6,168,166	6,814,328	7,872,765
Operating costs	5,286,459	5,464,840	6,161,568
Gross profit	881,707	1,349,488	1,711,197
Operating expenses	190,707	208,897	264,407
Operating income	691,000	1,140,591	1,446,790
Non-operating income (expenses)	-24,867	8,021	-106,102
Profit (loss) before tax	666,133	1,148,612	1,340,688
Tax expense	133,227	226,803	278,152
Net profit (loss) for the period	532,906	921,809	1,062,536
The above includes the following income and expenses:			
Interest income	15,857	24,312	10,139
Total salaries and wages	234,750	243,112	247,972
Total employee benefits	65,323	76,135	96,118
Total pension expenses	11,330	11,471	13,935

Corporate Governance

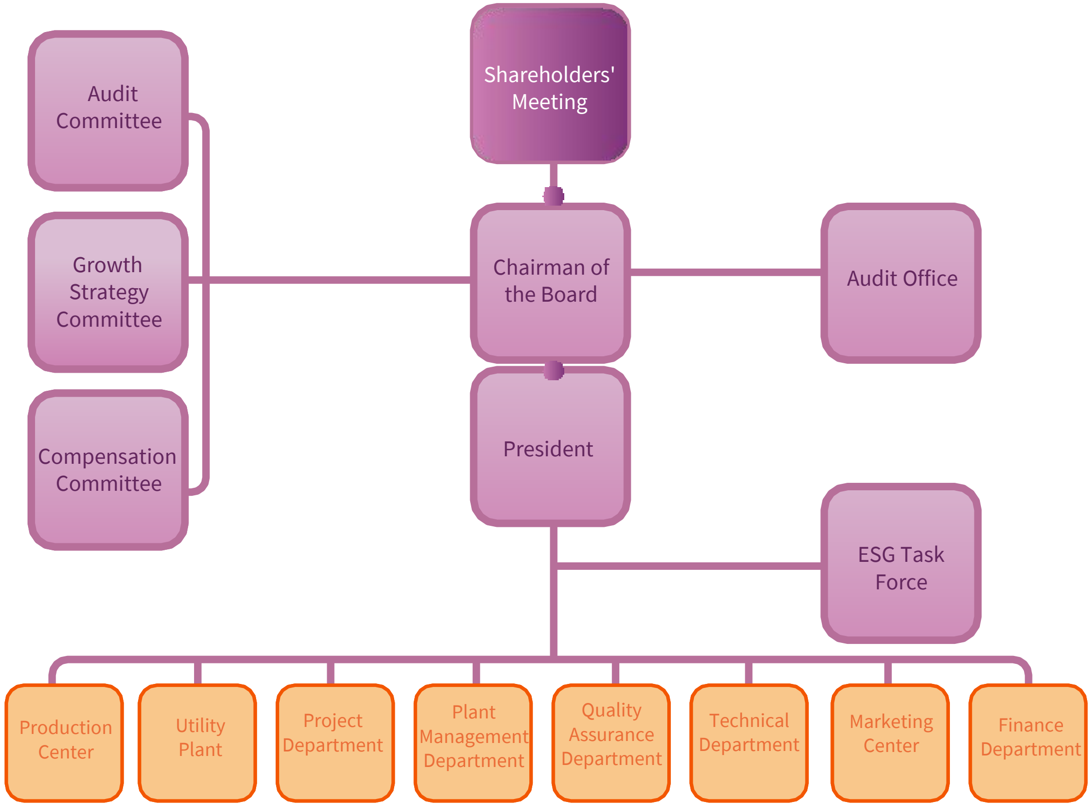
Guided by the philosophy of business integrity and sustainable development, the Company actively fulfills its corporate social responsibility. In accordance with the Company Act, the Securities and Exchange Act, and other relevant laws and regulations, the Company has established a corporate governance framework to enhance governance efficiency and operational effectiveness.

To establish a sound corporate governance system, the Company has promulgated the “Corporate Governance Best Practice Principles”, “Ethical Corporate Management Best Practice Principles”, and “Codes of Ethical Conduct"”. These policies serve as compliance guidelines with objectives of “protecting shareholders’ rights”, “strengthening board oversight”, “enhancing Audit Committee functions”, “respecting stakeholder interests”, and “increasing information transparency”.

The Company appointed independent directors in 2011 and established the Compensation Committee by resolution of the Board of Directors on October 28, 2011. Furthermore, the Company established the Audit Committee on March 11, 2016, to replace the position of supervisors, thereby strengthening the independent oversight mechanisms and operational efficiency of the Board.

(For detailed information on the Corporate Governance Best Practice Principles, please refer to: https://www.co-tech.com/tw/ir/company)

Corporate Governance Structure



Board of Directors

The highest governance body of the Company is the Board of Directors, which is responsible for corporate management and operational performance. Currently, the Board comprises ten directors (including four independent directors), all of whom are professionals with expertise in business management, accounting, financial analysis capabilities, or industry-specific domain knowledge relevant to the operations of the Company. Term of office: From June 23, 2025 to June 22, 2028. The current members of the Board of Directors are as follows:

Job title	Name	Nationality	Gender	Age	Current position
Chairman and President	Lee Shih-Shen	R.O.C.	Male	61-70	Director and President of Co-Tech Development Corp.
Director	Legal Representative of Da Song Investment Co., Ltd.: Raymond Soong	R.O.C.	Male	81-90	Director of LITE-ON TECHNOLOGY CORPORATION Director of LITE-ON Taiwan Foundation
Director	Legal Representative of HUA ENG WIRE & CABLE CO., LTD.: Liu Hsiu-Mei	R.O.C.	Female	61-70	Director: China Ecotek Corporation, Wafer Works Corporation, and Bionime Corporation Supervisor: Hua Ho Engineering Co., Ltd. Vice President of the Management Department, Hua Eng Wire & Cable Co., Ltd.
Director	Tsai Hsung-Hsiung	R.O.C.	Male	81-90	Independent Director of Long Shi Ye Co., Ltd.
Director	Soong Ming-Feng	R.O.C.	Male	51-60	Chairman and Chief Sustainability Officer of the Corporate Sustainability Department: LITE-ON TECHNOLOGY CORPORATION Director: Lite-On Singapore Pte. Ltd., Lite-On China Holding Co. Ltd., Lite-On International Holding Co., Ltd., Lite-On Electronics Co., Ltd. (HK). Representative Director: SILITECH TECHNOLOGY CORPORATION
Director	Yu Ming-Chang	R.O.C.	Male	71-80	Chairman and President of ADE Corporation
Independent Director	Liang Yann-Ping	R.O.C.	Female	61-70	Associate Professor Rank Specialist of the Department of Finance, Shih Hsin University
Independent Director	Wang Lii-Gang	R.O.C.	Male	71-80	None
Independent Director	Ho Chien-Lung	R.O.C.	Male	61-70	None
Independent Director	Tseng Huan-Hsiung	R.O.C.	Male	61-70	Chairman and CEO of SOLID STATE STORAGE TECHNOLOGY CORPORATION

Board Diversity Status:

(1)Board Diversity Policy:

A. In accordance with the "Corporate Governance Best Practice Principles", the Company strengthens the functions and regulations of the Board of Directors. The composition of the Board shall embrace diversity, with appropriate diversity guidelines formulated to address the operational scale, business model, and development needs. These standards encompass, but are not limited to, the following two main dimensions:

B. Basic Requirements and Values: Gender, age, nationality, cultural background.

a. Professional Knowledge and Skills: Professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), specialized skills, and industry experience.

b. Board members shall collectively possess the knowledge, skills, and professional competencies required to perform their duties. To achieve the primary objectives of corporate governance, the Board of Directors as a whole shall possess the following competencies:

a. Operational judgment ability
b. Accounting and financial analysis ability
c. Business management ability
d. Crisis management ability
e. Industry knowledge
f. International market perspective
g. Leadership
h. Decision-making ability

(2) Specific Management Goals for Board Diversity:

The Board of Directors shall guide the corporate strategy, oversee management, and be accountable to the Company and its shareholders. All operations and arrangements of its corporate governance system shall ensure that the Board exercises its powers in accordance with laws and regulations, the Articles of Incorporation, and resolutions of the shareholders' meeting. The specific management goals are as follows:

A The Board of Directors attaches great importance to gender equality; its membership is required to include at least one female director.

B To ensure effective oversight, the number of directors who also serve as employees of the Company, its parent company, subsidiaries, or sister companies shall not exceed one-third of the total directorships.

C The Board of Directors focuses on operational judgment, business management, and crisis management abilities, with at least two-thirds of its membership required to possess competencies in these core areas.

(3) Status of Board diversity Implementation:

All members of the Board of Directors possess the necessary knowledge, skills, professional expertise, and capabilities in industry decision-making and management required to perform their duties. The Company also continuously arranges diverse continuing education programs for directors to enhance their decision-making quality, fulfill their oversight responsibilities, and thereby strengthen board functions. The 10th Board of Directors consists of 10 members, including 4 independent directors to ensure board independence. Currently, 1 member concurrently serves as an employee, representing 10% of the Board. Among the current ten directors, 2 are female, accounting for 20%. Although gender diversity on the Board has not yet reached the target of one-third or more, the Company currently complies with the requirement of having at least one director of a different gender. The Company places high priority on gender equality within the board composition and aims to increase female representation on the Board to over one-third (30%), with plans to progressively increase the number of female directors in future board elections.

The members of the Board of Directors possess extensive business management experience and diverse professional backgrounds, equipped with essential knowledge, skills, and expertise required to perform their duties. At least one-third of the board members possess relevant capabilities across eight core competency areas. Furthermore, for the 3 core areas emphasized by the Company, namely operational judgment, business management, and crisis management, over 80% of the members demonstrate these core competencies.

The status of board diversity is as follows:

Name of director	Nationality	Gender	Concurrently serving as an employee of the Company	Age			Independent director/Term of office			Core competency							
				Under 60 years old	60 to 70 years old	Over 70 years old	Less than 3 years	3 to 9 years	Over 9 years	Operational judgment	Accounting and financial analysis	Business management	Crisis management	Industry knowledge	International market capability	Leadership	Decision-making
Lee Shih-Shen	R.O.C.	Male	◆		◆					◆		◆	◆	◆	◆	◆	◆
Raymond Soong	R.O.C.	Male				◆				◆		◆	◆	◆	◆	◆	◆
Liu Hsiu-Mei	R.O.C.	Female			◆					◆	◆	◆	◆	◆	◆	◆	◆
Tsai Hsung-Hsiung	R.O.C.	Male				◆				◆		◆	◆	◆	◆	◆	◆
Yu Ming-Chang	R.O.C.	Male				◆				◆		◆	◆	◆	◆	◆	◆
Soong Ming-Feng	R.O.C.	Male		◆						◆		◆	◆	◆	◆	◆	◆

The status of board diversity is as follows:

Name of director	Nationality	Gender	Concurrently serving as an employee of the Company	Age			Independent director/Term of office			Core competency							
				Under 60 years old	60 to 70 years old	Over 70 years old	Less than 3 years	3 to 9 years	Over 9 years	Operational judgment	Accounting and financial analysis	Business management	Crisis management	Industry knowledge	International market capability	Leadership	Decision-making
Liang Yann-Ping	R.O.C.	Female				◆			◆	◆	◆	◆	◆	◆	◆	◆	◆
Wang Lii-Gang	R.O.C.	Male					◆		◆	◆		◆	◆	◆	◆	◆	◆
Ho Chien-Lung	R.O.C.	Male				◆			◆	◆		◆	◆	◆	◆	◆	◆
Tseng Huan-Hsiung	R.O.C.	Male				◆			◆	◆		◆	◆	◆	◆	◆	◆

(4) Board Independence:

The current Board of Directors consists of 10 members, including four independent directors, two female directors, and one employee director, accounting for 40%, 20%, and 10% of all directors, respectively, with more than one-third serving as independent directors. The independent directors are in compliance with the regulations of the Securities and Futures Bureau of the Financial Supervisory Commission regarding independent directors, and neither the directors nor the independent directors are subject to Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act. The Board of Directors is deemed to be independent (please refer to "2. Disclosure of information on the professional qualifications of directors and independence of independent directors" on pages 10 to 11 of the 2025 annual report). For more details on each director's academic qualifications, gender and work experience, please refer to "I. Information on directors" on pages 3 to 8 of the 2025 annual report.

Board Operations

The Board of Directors convenes at least once every quarter. Each director possesses the necessary professional knowledge, skills, expertise, or leadership and management capabilities required to perform their duties, and exercises their functions and powers in accordance with laws and regulations, the Articles of Incorporation, and resolutions of the shareholders' meeting, providing operational guidance, financial planning, and professional expertise, as well as offering concrete and effective advice for operational development. If a director, or a legal entity represented by the director, has a material interest in a matter discussed at a meeting that may prejudice the interests of the Company, the director shall not participate in the discussion or voting. The spouse of a director, blood relatives within the second degree of kinship, or any company that has a controlling or subordinate relationship with the director shall also be deemed to have a personal interest in the matter, and the director shall recuse himself/herself from the discussion and voting.

In 2025, the Board of Directors convened 7 times to review the corporate operating performance and discuss key strategic issues, including environmental, social, and economic impacts, risks, and opportunities. Across all directors, total expected attendances were 70, with 62 actual attendances recorded, representing an overall attendance rate of 88.57%.

Resolutions of the Board of Directors in 2025

Session	Date	Important resolutions
12th meeting of the 9th term	2025.02.21	1. The 2024 Statement of Internal Control System issued by Co-Tech Development Corp., submitted for deliberation. 2. Amendment to certain provisions of the Articles of Incorporation, submitted for deliberation. 3. Approval of bank loan facilities from various banks; submitted for deliberation. 4. The Company's distribution of employee and director remuneration for 2024, submitted for deliberation. 5. The Company's 2024 consolidated and parent company only financial statements, submitted for deliberation. 6. The Company's 2025 budget, submitted for the Board of Directors' approval. 7. Determination of the date, time, location, proposal and nomination period, election, and convening matters for the 2025 Annual General Meeting, submitted for deliberation.
1st extraordinary meeting of the 9th term	2025.04.14	Proposal to repurchase the Company's shares in accordance with the Regulations Governing Share Repurchase by TWSE/TPEx Listed Companies, submitted for deliberation.
13th meeting of the 9th term	2025.05.09	1. Approval of loan extensions from various banks, submitted for deliberation. 2. The Company's 2024 earnings distribution proposal, submitted for deliberation. 3. The Company's 2024 business report, submitted for deliberation. 4. List of nominees for director candidates (including independent directors), submitted for deliberation. 5. The Company's Q1 2025 consolidated financial statements, submitted for deliberation. 6. Addition of items to the convening matters of the 2025 Annual General Meeting, submitted for deliberation. 7. Amendments to certain provisions of the Company's payroll cycle, submitted for deliberation.

Resolutions of the Board of Directors in 2025

Session	Date	Important resolutions
1st meeting of the 10th term	2025.06.23	1. Election of the Chairman, submitted for discussion. 2. Appointment of members of the Compensation Committee, submitted for deliberation. 3. Appointment of members of the Audit Committee, submitted for deliberation. 4. Adoption of the Company's Growth Strategy Committee Charter, submitted for deliberation. 5. Appointment of members of the Growth Strategy Committee, submitted for deliberation.
2nd meeting of the 10th term	2025.08.08	1. Approval of bank loan facilities from various banks, submitted for deliberation. 2. The Company's 2024 Sustainability Report, submitted for deliberation. 3. Adoption of the Operating Procedures for the Repurchase of Treasury Shares, submitted for discussion. 4. Proposal to change the purpose of the repurchase of treasury shares, submitted for discussion. 5. Amendments to certain provisions of the Regulations Governing the Transfer of Treasury Shares to Employees, submitted for discussion. 6. Amendment to certain provisions of the Review Procedures for Pre-approval of Services Provided by Certifying Certified Public Accountants, submitted for deliberation. 7. The Company's Q2 2025 consolidated financial statements, submitted for deliberation.
3rd meeting of t he 10th term	2025.08.27	1. Discussion on the proposed annual compensation of the Company's current Chairman, submitted for deliberation. 2. Transfer of treasury shares to employees for subscription, submitted for deliberation.
4th meeting of the 10th term	2025.11.06	1. The Company's 2026 annual audit plan, submitted for deliberation. 2. Approval of bank loan facilities from various banks, submitted for deliberation. 3. Amendment to certain provisions of the Procedures for the Acquisition or Disposal of Assets, submitted for deliberation. 4. Appointment of the Chief of Front-end Technology Development Division, submitted for deliberation. 5. The Company's Q3 2025 consolidated financial statements, submitted for deliberation.

Status of Directors' Continuing Education

Job title	Name	Date	Organizer	Course name	Hours
Chairman	Lee Shih-Shen	2025/8/8	Taiwan Corporate Governance Association	Insider Trading from the Perspective of Investigators and Prosecutors	3
		2025/11/6	Taiwan Corporate Governance Association	Sustainable Disclosure and Investment Value from the Investors' Perspective: ESG Disclosure Framework and Risk Monitoring Connecting to Capital Market Confidence	3
Director	Raymond Soong	2025/4/30	Taiwan Corporate Governance Association	Impact of Trump 2.0 Tariff and Tax Policies	3
		2025/8/8	Taiwan Corporate Governance Association	Insider Trading from the Perspective of Investigators and Prosecutors	3
		2025/10/29	Taiwan Corporate Governance Association	Trends and Risk Management in Data Governance and Artificial Intelligence	3
		2025/11/6	Taiwan Corporate Governance Association	Sustainable Disclosure and Investment Value from the Investors' Perspective: ESG Disclosure Framework and Risk Monitoring Connecting to Capital Market Confidence	3
Representative of Institutional Director	Representative of Hua Eng Wire & Cable Co., Ltd.: Liu Hsiu-Mei	2025/8/8	Taiwan Corporate Governance Association	Insider Trading from the Perspective of Investigators and Prosecutors	3
		2025/11/6	Taiwan Corporate Governance Association	Sustainable Disclosure and Investment Value from the Investors' Perspective: ESG Disclosure Framework and Risk Monitoring Connecting to Capital Market Confidence	3
Director	Yu Ming-Chang	2025/8/8	Taiwan Corporate Governance Association	Insider Trading from the Perspective of Investigators and Prosecutors	3
		2025/11/6	Taiwan Corporate Governance Association	Sustainable Disclosure and Investment Value from the Investors' Perspective: ESG Disclosure Framework and Risk Monitoring Connecting to Capital Market Confidence	3

Status of Directors’ Continuing Education

Job title	Name	Date	Organizer	Course name	Hours
Chairman	Tsai Hsung-Hsiung	2025/8/8	Taiwan Corporate Governance Association	Insider Trading from the Perspective of Investigators and Prosecutors	3
		2025/11/6	Taiwan Corporate Governance Association	Sustainable Disclosure and Investment Value from the Investors’ Perspective: ESG Disclosure Framework and Risk Monitoring Connecting to Capital Market Confidence	3
Director	Soong Ming-Feng	2025/4/30	Taiwan Corporate Governance Association	Impact of Trump 2.0 Tariff and Tax Policies	3
		2025/8/8	Taiwan Corporate Governance Association	Insider Trading from the Perspective of Investigators and Prosecutors	3
		2025/10/29	Taiwan Corporate Governance Association	Trends and Risk Management in Data Governance and Artificial Intelligence	3
		2025/11/6	Taiwan Corporate Governance Association	Sustainable Disclosure and Investment Value from the Investors’ Perspective: ESG Disclosure Framework and Risk Monitoring Connecting to Capital Market Confidence	3
Independent Director	Wang Lii-Gang	2025/8/8	Taiwan Corporate Governance Association	Insider Trading from the Perspective of Investigators and Prosecutors	3
		2025/8/12	Taiwan Corporate Governance Association	How Enterprises Can Optimize Innovation and Sanctions Management to Align with Sustainable Governance in the Face of the Digital Wave	3
		2025/9/30	Taiwan Corporate Governance Association	Corporate Innovation and Growth with AI	3
		2025/11/6	Taiwan Corporate Governance Association	Sustainable Disclosure and Investment Value from the Investors’ Perspective: ESG Disclosure Framework and Risk Monitoring Connecting to Capital Market Confidence	3

Status of Directors' Continuing Education

Job title	Name	Date	Organizer	Course name	Hours
Independent Director	Ho Chien-Lung	2025/8/1	Taiwan Corporate Governance Association	Professional Course for Corporate Governance Officers: Corporate Governance Officers and Board Management	3
		2025/8/8	Taiwan Corporate Governance Association	Insider Trading from the Perspective of Investigators and Prosecutors	3
		2025/9/16	Taiwan Corporate Governance Association	Professional Course for Corporate Governance Officers: Corporate Governance Officers and Board Management	3
		2025/11/6	Taiwan Corporate Governance Association	Sustainable Disclosure and Investment Value from the Investors' Perspective: ESG Disclosure Framework and Risk Monitoring Connecting to Capital Market Confidence	3
Independent Director	Liang Yann-Ping	2025/8/8	Taiwan Corporate Governance Association	Insider Trading from the Perspective of Investigators and Prosecutors	3
		2025/11/6	Taiwan Corporate Governance Association	Sustainable Disclosure and Investment Value from the Investors' Perspective: ESG Disclosure Framework and Risk Monitoring Connecting to Capital Market Confidence	3
Independent Director	Tseng Huan-Hsiung	2025/8/8	Taiwan Corporate Governance Association	Insider Trading from the Perspective of Investigators and Prosecutors	3
		2025/11/21	Taiwan Corporate Governance Association	Latest Amendments to the Company Act: Trends and Analysis	3

Audit Committee

To enhance corporate governance and strengthen board functionality, the Company established the Audit Committee on March 11, 2016, and formulated the Audit Committee Charter, pursuant to the Securities and Exchange Act and the "Regulations Governing the Exercise of Powers by the Audit Committee of Public Companies".
The Audit Committee is composed of all independent directors (three members), with at least one member possessing expertise in accounting or finance. The Committee assists the Board of Directors in fulfilling its oversight responsibilities, including ensuring the fair presentation of the financial statements of the Company, overseeing the selection (or dismissal), independence, and performance of the attesting CPAs, verifying the effective implementation of internal controls, ensuring compliance with relevant laws and regulations, and monitoring existing or potential risks.

The Audit Committee meets at least quarterly. In 2025, the Committee held six meetings with an overall member attendance rate of 95.24%.

Audit Committee	Important resolutions
11th meeting of the 3rd term February 21, 2025	1. The 2024 Statement of Internal Control System issued by Co-Tech Development Corp., submitted for deliberation.
	2. Amendment to certain provisions of the Articles of Incorporation, submitted for deliberation.
	3. The Company's 2024 employee and director remuneration distribution proposal, submitted for deliberation.
	4. The Company's 2024 consolidated and parent company only financial statements, submitted for deliberation.
	5. The Company's 2025 budget, submitted for deliberation.

Audit Committee

Audit Committee	Important resolutions
12th meeting of the 3rd term May 9, 2025	1. The Company’s 2024 earnings distribution proposal, submitted for deliberation.
	2. The Company’s 2024 business report, submitted for deliberation.
	3. Evaluation results of the attesting CPAs’ performance for 2024, and the proposed pre-approved service items to be provided by the attesting CPAs for 2025, submitted for deliberation.
	4. The Company’s Q1 2025 consolidated financial statements, submitted for deliberation.
	5. Amendments to certain provisions of the Company’s payroll cycle, submitted for deliberation.
1st meeting of the 4th term June 23, 2025	1. Election of the convener and meeting chair of the Audit Committee, submitted for discussion.
2nd meeting of the 4th term August 8, 2025	1. The Company’s 2024 Sustainability Report, submitted for deliberation.
	2. Formulation of the Procedures for Repurchase of Treasury Shares, submitted for discussion.
	3. Amendment to certain provisions of the Regulations Governing the Transfer of Treasury Shares to Employees, submitted for discussion.
2nd meeting of the 4th term August 8, 2025	4. Amendment to certain provisions of the Review Procedures for Pre-approval of Services Provided by Certifying Certified Public Accountants, submitted for deliberation.
	5. The Company’s Q3 2025 consolidated financial statements, submitted for deliberation.
3rd meeting of the 4th term August 27, 2025	1. Transfer of the Company’s treasury shares to employees for subscription, submitted for deliberation.
4th meeting of the 4th term November 6, 2025	1. The Company’s 2026 annual audit plan, submitted for deliberation.
	2. Amendment to certain provisions of the Procedures for Acquisition or Disposal of Assets, submitted for deliberation.
	3. The Company’s Q3 2025 consolidated financial statements, submitted for deliberation.

Compensation Committee

As the compensation and remuneration system is a vital aspect of corporate governance, the Company established the Compensation Committee in 2011. The Committee assists the Board of Directors in evaluating the overall remuneration and benefit policies, as well as the compensation for directors and managers. It aims to soundly develop the remuneration of the Company and operates in compliance with the Compensation Committee Charter. The 4th term of the Compensation Committee, established in 2020, was composed of three independent directors. The Committee regularly reviews the policies, systems, standards, and structures for director compensation, as well as those for executive compensation, including performance targets and evaluation methods. In 2025, **the Compensation Committee held five meetings with an overall member attendance rate of 94.44%.**

Meeting date	Meeting content	Resolution results of the meeting	Handling of Compensation Committee's Opinions by the Company
February 21, 2025	1. The Company's distribution of employee and director remuneration for 2024, submitted for deliberation.	Approved unanimously by all committee members	Submitted to the Board of Directors and approved by all directors
	2. Discussion on the Board of Directors' 2024 Governance Evaluation scores, submitted for deliberation.		
	3. Amendment to certain provisions of the Articles of Incorporation, submitted for deliberation.		
May 9, 2025	1. Discussion on the Company's 2025 incentive and reward plan, submitted for deliberation. Election of the convener and meeting chair of the Compensation Committee, submitted for discussion.		
June 23, 2025	1. Discussion on the proposed annual compensation of the Company's current Chairman, submitted		
August 27, 2025	1. for deliberation.		
	2. Transfer of treasury shares to employees for subscription, submitted for deliberation.		
	2. Appointment of the Chief of Front-end Technology Development Division, submitted for deliberation.		
	3. Discussion on the Compensation Committee's Annual Work Plan for 2026, submitted for deliberation.		
November 6, 2025	1. Principles for the distribution of year-end bonuses and the performance bonus proposal for 2025, submitted for deliberation.		
	2. Appointment of the Chief of Front-end Technology Development Division, submitted for deliberation.		
	3. Discussion on the Compensation Committee's Annual Work Plan for 2026, submitted for deliberation.		

Growth Strategy Committee

To enhance and accelerate the growth of the Company, the Growth Strategy Committee was established in June 2025. Authorized by the Board of Directors, the Committee guides the Company's growth strategy, conducts preliminary reviews of major investment proposals, and regularly reports its resolutions to the Board of Directors. Pursuant to the “Growth Strategy Committee Charter” of Co-Tech, the Committee shall meet at least semi-annually. In 2025, the Growth Strategy Committee convened a total of one meeting.

1. Operations of the Growth Strategy Committee
   (1) The Growth Strategy Committee consists of four members (including four independent directors).
   (2) Term of office for the current committee: June 23, 2025 to June 23, 2028. During the most recent year (from 2025 to February 28, 2026), the Growth Strategy Committee held one meeting (A). The attendance of the committee members is as follows:

In 2025, the Growth Strategy Committee held one meeting with an overall member attendance rate of 75%.

Job title	Name	Number of actual attendances (B)	Number of proxy attendances	Actual attendance rate (B/A)	Remarks
Convener	Ho Chien-Lung	1		100%	
Member	Liang Yann-Ping	1		100%	
Member	Wang Lii-Gang	1		100%	
Member	Tseng Huan-Hsiung	0		0%	

2. Key discussion topics of the growth strategy committee meeting in the most recent year (from 2025 through February 28, 2026)

Meeting date	Key discussion topics	Resolution results
November 21, 2025	Discussion on feedback and recommendations regarding the COPPER SOLUTION development strategy.	All members of the Committee engaged in discussions and provided recommendations to the management team for their reference.

Implementation of the Evaluation of the Board of Directors

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content	Evaluation results
Once a year	January 1 to December 31, 2025	Evaluation of the Board of Directors' performance	Self-evaluation by the Secretariat of the Board of Directors	① Level of participation in the Company's operations ② Improvement of the quality of the Board of Directors' decision making ③ Composition and structure of the Board of Directors ④ Election and continuing education of directors ⑤ Internal control	The Board of Directors' performance was rated as "Excellent", indicating that the overall operations of the Board of Directors are in alignment with the spirit of corporate governance.
		Evaluation of the individual board member's performance	Self-evaluation by individual board members	① Mastery of the Company's goals and missions ② Understanding of directors' duties and responsibilities ③ Level of participation in the Company's operations ④ Management of internal relationships and communication ⑤ Professional expertise and continuing education of directors ⑥ Internal control	The individual board members' performances were rated as "Superior", indicating that the Company's directors have provided positive feedback regarding the efficiency and effectiveness of all performance indicators.
		Evaluation of the functional committee's performance (Audit Committee or Compensation Committee)	Internal self-evaluation by functional committees	① Level of participation in the Company's operations ② Understanding of the duties and responsibilities of functional committees ③ Improvement of the quality of the functional committee's decision-making ④ Composition of functional committees and election of committee members ⑤ Internal control	The performance of both the Compensation Committee and the Audit Committee was rated as "Excellent". The evaluation results show that the functional committees received positive feedback regarding the efficiency and effectiveness of all performance indicators.

Information Disclosure

To ensure full transparency, the Company regularly publishes relevant operational and financial information on its website and discloses relevant company information on the Market Observation Post System (http://mops.twse.com.tw) for the reference of stakeholders.

The Company has established the Investor Relations section, with designated personnel to handle and coordinate stakeholder-related matters, ensuring optimal service through effective communication channels.

Operational Risk Management

Internal Controls, Risk Management, and Code of Conduct

Internal Controls

To strengthen corporate governance, the Company has established an internal control system in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies". The system aims to promote the sound operation of the Company and to reasonably ensure the achievement of the following objectives:

- Effectiveness and efficiency of operations: Including goals such as profitability, performance, and safeguarding of assets.
- Reliability, timeliness, transparency, and compliance of reporting: Reporting encompasses internal and external financial and non-financial reporting. External financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and Generally Accepted Accounting Principles (GAAP), with objectives including ensuring that transactions receive appropriate authorization.
- Compliance with relevant laws and regulations.

Risk Management

To implement the self-supervision mechanism of the Company, respond promptly to environmental changes, adjust the design and execution of internal control systems, and enhance the quality and efficiency of internal audit inspections, evaluation procedures and methods have been formulated in accordance with the "Rules for Handling the Establishment of Internal Control Systems by Public Offering Company". To ensure the continuous effectiveness of internal control design and implementation, each department assesses and identifies risk categories, potential risks, management strategies, and action plans.

The Internal Audit Office formulates an annual audit plan based on the results of the risk assessment, which is approved by the Board of Directors. The Office reports its audit operations to the Audit Committee, and the Chief Internal Audit Officer attends Board meetings to deliver reports. Main audit activities are executed in accordance with the annual audit plan to inspect and review internal control deficiencies, with special audits conducted as circumstances require or as directed by the Board of Directors. Upon completion, audit reports are submitted for approval pursuant to regulations and then provided to independent directors for review. Tracking reports are prepared for all deficiencies identified by the Internal Audit Office and their improvement status to keep management informed of remediation progress. Each year, the internal departments and subsidiaries of the Company shall conduct at least one self-evaluation, submitting the results to the President and Chairman to monitor each department's implementation of self-supervision. Improvement measures are then prioritized and formulated based on the significance and urgency of the potential impacts. Major business operational policies, investment projects, asset acquisitions or disposals, bank financing, and other key matters undergo evaluation and analysis by relevant departments before being submitted to the Board of Directors for resolution. Annually, the Internal Audit Office formulates and executes an audit plan based on risk assessment results to enforce oversight mechanisms and effectively manage various risks.

Risk Management and Control Measures

Risk category	Potential risk	Control strategies and measures	Responsible unit
Strategic Risk	Risks include industry risks, technological changes, competitive pressures, and changes in policy and law.	1. Continuously research and develop new products, improve the quality of existing products, and increase product added value. 2. Optimize processes and reduce costs. 3. Enhance services to create mutual value for both customers and the Company. 4. Continuously and closely monitor and evaluate the potential impact of any domestic and foreign policies and laws that may affect the operations and finances of the Company, enabling timely and proactive responses. 5. Enhance corporate image and fulfill social responsibility.	Office of the President / Technical Department / Production Plant / Marketing Department / Plant Management Department
Operational Risk	Risks include sales concentration, supplier concentration, regulatory compliance, talent recruitment and retention, as well as the establishment and maintenance of corporate image.	1. Enter into contracts with major clients to ensure strong supply and demand relationships, while evaluating the operational health of clients to set appropriate credit limits for transactions. 2. Enter into long- and short-term procurement contracts with major suppliers, continuously monitor market conditions, and opportunistically procure materials in the spot market to reduce raw material fluctuations and risk of material shortages. 3. Continuously develop alternative suppliers and materials to avoid the risk of sole-source supply. 4. Strictly require personnel to adhere to national policies and laws when conducting business, and keep abreast of any updates, deletions, or amendments to key regulations at all times. 5. Provide comprehensive employee benefit programs that exceed statutory requirements.	Procurement Department / HR Office / Technical Department
Financial Risk	Risks include market risk, credit risk, liquidity risk, and operational risk.	1. Hedge the net foreign exchange exposure resulting from offsetting foreign currency receipts and payments through forward foreign exchange contracts and foreign currency borrowings. 2. Prioritize low-risk and highly liquid financial investment products when deploying excess funds, followed by the pursuit of a reasonable rate of return. 3. Establish comprehensive error-proofing and data cross-checking mechanisms in computer system design. 4. Prohibit personnel engaged in derivative transactions from concurrently serving in confirmation, settlement, or other related operational functions.	Finance Department
Hazard Risk	Safety protection and emergency response refer to the probability of occurrence and the risk of loss from a major hazard event.	1. Strengthen occupational health and safety management by implementing ISO45001. 2. Schedule regular and random audits and guidance by the Occupational Safety Office to achieve the goals of safety protection and disaster prevention. 3. Minimize the impact and damage of hazardous incidents by conducting regular emergency response drills and establishing a regional joint defense system. 4. Mitigate operational impacts and profit losses in the event of an insured incident by insuring property all risks insurance and business interruption insurance.	Occupational Safety Office / Plant Management Office
Information Security Risk	Corporate information security protection and how to ensure the confidentiality and integrity of corporate information.	1. Perform regular backups of all critical data and files, and establish strict operational control procedures for computer program design, testing, deployment, and maintenance. 2. Deploy comprehensive virus protection mechanisms to promptly isolate threats and prevent the spread of viruses. 3. Establish comprehensive security protection systems for externally operating information systems to counter cyberattacks, and deploy auxiliary and backup equipment to reduce the risk of system interruption.	IT Office / Information Security Office
Climate Change Risk	Carbon emission control	1. Continue to drive energy conservation and carbon reduction management. 2. Identify and evaluate climate-related risks and opportunities through cross-functional team discussions. 3. Control the proportion of the energy reliance mix between electricity and natural gas to improve resource efficiency and achieve cost savings.	Utility Plant / Project Department

Code of Conduct

To enhance workforce management and operational efficiency, the Company has established "Work Rules" to regulate employee conduct and serve as training and management guidelines for new hires. Explicit disciplinary actions are stipulated for employees who abuse their authority to seek illegal benefits, including accepting hospitality, gifts, and kickbacks, embezzling public funds, and obtaining other illicit gains, thereby eliminating dishonest conduct.

Integrity Management and Anti-corruption

To establish a corporate culture of integrity and sound risk control management, the Company has adopted clear principles, including the "Code of Ethical Conduct" and "Code of Ethics". The Company explicitly communicates its ethical management policies through internal regulations and external documents, and the active commitment of the Board of Directors and management to enforce these standards. These principles are diligently executed across internal management and commercial operations, fostering a widely promoted ethical culture while ensuring business activities are conducted in a fair and transparent manner.

Relevant codes of conduct are repeatedly promoted within the implemented work rules, and dedicated reporting channels have been established, with a strong focus on anti-bribery policies. Concurrently, the Company promotes anti-bribery policies among all suppliers and partners while requesting suppliers to sign an integrity commitment letter to prevent corrupt practices in procurement transactions.

Grievance and Reporting Channel

The Company maintains unobstructed grievance channels, with a dedicated "Stakeholder Communication" on its website for internal and external stakeholders to submit suggestions or grievances. These are categorized by stakeholder group, and dedicated personnel are assigned to handle related mail and phone calls. In addition, management maintains open communication channels with employees through labor-management conferences and has established direct grievance channels and communication mailboxes.

To prevent insider trading, avoid improper information leakage, and ensure the consistency and accuracy of information released to the public, the directors, managers, and relevant personnel of the Company undergo annual training, with relevant regulations promoted to all employees. Personnel with relevant knowledge of material information shall not disclose it to third parties or solicit undisclosed company information unrelated to their personal duties, so as to fully implement insider trading prevention management.

Education and Training

The Company provides explanations on work rules, integrity, and ethics to new employees during orientation. Existing employees also received 30 minutes of integrity and ethics training in February 2025. Additionally, the Company organizes awareness activities as needed, integrating values such as honesty into its corporate culture.

Policy or Measures for Preventing Anti-competitive Behavior

The Company engages in all business activities based on the principles of fairness, honesty, trustworthiness, and transparency. Recognizing fair trade as a fundamental principle for business activities, the Company prohibits employees from accepting improper benefits or violating integrity standards. Furthermore, the Company upholds these values in all relationships with customers and suppliers, ensuring fair and transparent operations while strictly forbidding the solicitation, offering, or acceptance of bribes. In 2025, Co-Tech was not involved in any incidents regarding corruption, conflicts of interest, or anti-competitive practices.

Information Security Risk Management

(1) Information Security Risk Management Framework

- The Information Security Management Office is the dedicated unit of the Company for information security, appointed with designated security officers and specialists. This Office is responsible for planning, executing, and promoting information security management, while implementing information security policies, disseminating information security messages, and enhancing information security awareness among employees.
- The Internal Audit Office serves as the auditing unit for information security governance. If any deficiencies are found during an audit, the audited unit is required to submit a remediation plan to be reported to the Board of Directors. The Office routinely monitors the effectiveness of these improvements to reduce internal information security risks.

(2) Information Security Policy

To ensure the effective operation and implementation of its information management systems, the Company maintains the confidentiality, integrity, and availability of critical information systems. This ensures the secure operation and maintenance of IT systems and network equipment, thereby achieving the objective of sustainable operations.

(3) Specific Management Plans

- Computer Equipment Security Management
  1. The application servers, backbone network equipment, and related critical infrastructure of the Company are located in a dedicated computer room. Access to the facility is restricted via combination locks, and access records are stored and maintained for inspection.
  2. The computer room is equipped with an independent air conditioning system and automatic smoke detectors, and a gas-based fire extinguishing system tailored for a server environment. It is also configured with an uninterruptible power supply and automatic voltage regulator to prevent system damage caused by accidental power outages and to safeguard the physical security of the information system software and hardware assets of the Company. 3. Servers and terminal computers are installed with centrally managed antivirus software and an automatic virus definition update mechanism, ensuring that all information technology equipment possesses the same level of antivirus protection.

- Cybersecurity Management
  1. Enterprise-grade firewalls are configured at internet gateways to block external attacks, manage network connections, and filter illegal access to malicious and phishing websites, thereby enhancing cybersecurity and protection.
  2. If personnel need to log in remotely to access internal systems data, they are required to apply for an SSL VPN account in advance and connect via the secure authentication mechanism provided by SSL VPN. This approach not only ensures information security during the login process but also maintains corresponding user logs for future audits and investigations.
  3. The system is equipped with email antivirus and spam filtering mechanisms to prevent viruses and junk mail from entering user terminal devices.

Information Security Risk Management

(3) Specific Management Plans

●Access Control

1. When onboarding, employees apply for relevant company system accounts and authorization levels via the information request form. When an employee resigns or retires, they are required to bring their resignation form to the IT Office in person to process the deletion of all system accounts and sign for confirmation. Through this process, account usage rights are effectively controlled to prevent unauthorized personnel from accessing the system, thereby enhancing overall information security.
2. If an employee needs to access a business-related back-end management system, they are required to submit an application via the information request form. Upon supervisor approval, IT Office personnel will perform the necessary system setup. Through these application procedures, system access rights are strictly controlled while effectively preventing potential security risks.
3. Establish security principles, including operating system password complexity and length requirements, automatic screen lock, and account lockout for failed login attempts.
4. The file server configures specific folder permissions for different personnel and user groups based on departmental needs, thereby safeguarding information security. Concurrently, leveraging group policy management tools enables centralized management of various audit settings across file servers, further enhancing system reliability and operational efficiency.

●Business Continuity

1. System and data backups follow a scheduled automated mechanism, with backup files stored on local network drives and backed up off-site to guarantee data safety.
2. Disaster recovery drills are conducted annually on a sample basis. Based on a selected restoration date baseline, data is restored from backup media to the main host to confirm the availability and integrity of the recovered data.

(4) Resources Invested in Information Security Management

●Personnel: Currently, two dedicated staff members in the Information Security Management Office are jointly responsible for overall cybersecurity management and regularly undergo professional information security training.

Actions: Regularly review information security meetings and disaster recovery drills; execute maintenance contracts with professional vendors for IT systems and equipment to ensure stable system operation; conduct periodic campaigns on cybersecurity and software licensing to heighten information security awareness of employees; subscribe to the “Taiwan Computer Emergency Response Team / Coordination Center (TWCERT/CC)” for incident source management and threat intelligence gathering to support internal dissemination.

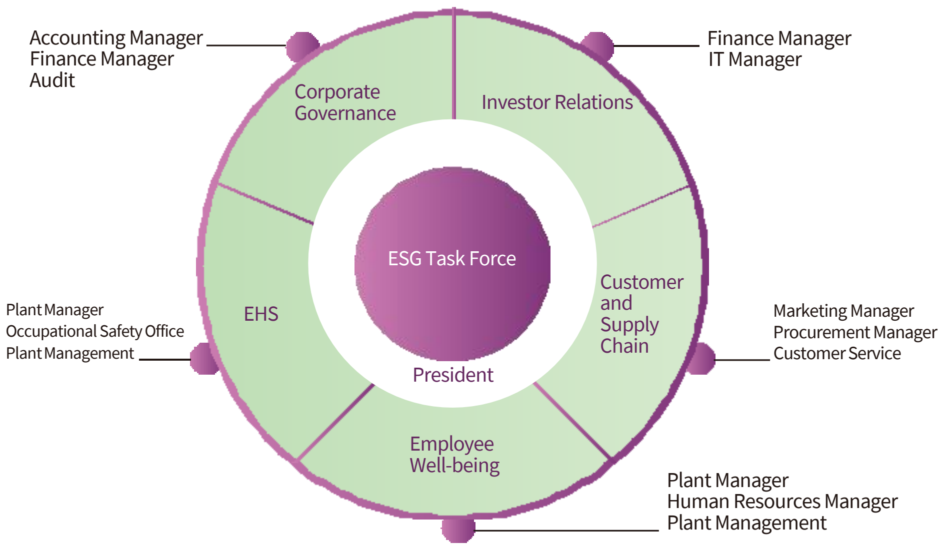
●Budget: In addition to existing information security maintenance and operating expenses, necessary information security expenses, including protection, monitoring, and testing, are budgeted for all information system development and operational system deployment.

2 Stakeholder Communication and Engagement

Stakeholder Communication and Response
Communicating with Stakeholders
Identification of and Response to Material Topics
Management Approach to Material Topics

Stakeholder Communication and Engagement

Roles and Responsibilities of ESG Task Force Members



Co-Tech pledges that, based on the selected material topics and their corresponding indicators, it will not only transparently disclose information in the report but also systematically integrate ESG sustainability items into internal management by including them in the annual work plans of responsible units. Furthermore, through the ESG Task Force, the Company will review and report on implementation results annually, allocate adequate budgets to drive policies forward, and continuously engage with stakeholders through various communication channels to ensure timely and appropriate responses.

Stakeholder Communication and Response

To comply with the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies announced at the end of 2021, Co-Tech amended its “Corporate Social Responsibility Best Practice Principles”. On February 22, 2022, the Board of Directors approved the updated “Sustainable Development Best-Practice Principles”, which serve as a solid foundation for promoting sustainable management of the Company. (For detailed content of the “Sustainable Development Best-Practice Principles” in this report,
please refer to:
https://www.co-tech.com/uploads/images/csr/M007-1_1.pdf)
To understand stakeholder views and respond to their priority concerns, Co-Tech operates an “ESG Task Force” led by the President. The team integrates internal departments across Finance, Shareholder Affairs, Sales, Manufacturing, QA, Technology, Internal Audit, Procurement, IT, Plant Management, and Environmental Health and Safety (EHS) to address key concerns of stakeholders such as investors, employees, customers, suppliers, government, and society. Through surveys and statistical analysis, the team identifies and defines material topics and their boundaries to serve as the foundation for this report. Furthermore, to comply with regulatory requirements, the climate change impact of operations was designated as a material topic following the internal team reviews of the “ESG Task Force”.

Communicating with Stakeholders

Issues of Concern				Stakeholders
Corporate Governance	●Corporate Governance ●Confidential Information Management	●Code of Business Ethics	●Regulatory Compliance	●Employees ●Government Agencies ●Investors
Risk Management	●Risk Management	●Crisis Management	●Internal Audit	
Investor Relations	●Financial Disclosure ●Handling Investor Concerns	●Dividend Policy ●Effective Two-way Communication	●Annual Report Preparation	●Government Agencies ●Investors
Community Engagement	●Community Stakeholder Issues	●Media Relations	●Sustainability Report Publication	
Customer Service	●Customer Reports and Satisfaction	●Customer Trust	●Customer Privacy	●Customers ●Suppliers
Supply Chain Management	●Raw Materials and Supply Chain Risk Management	●Supplier Management		
Employee Well-being, Education and Training	●Talent Recruitment and Retention ●Employee Training and Development	●Employee Physical and Mental Health and Safety ●Human Rights Grievance Mechanism	●Compensation and Benefits	●Employees
Environmental Protection Health and Safety	●Environmental Policy and Management System ●Energy and Resource Efficiency ●Product Environmental Responsibility ●Occupational Health and Safety Policy and Management	●Pollution Prevention and Control ●Carbon Emissions and Carbon Credit Management ●Environmental Issue Response Mechanism	●Environmental Expenditure ●Green Supply Chain	●Employees ●Investors ●Government Agencies ●Community ●Suppliers ●Non-governmental Organizations

Communicating with Stakeholders

Issues of Concern		Stakeholders
Corporate Governance	●Corporate Governance ●Code of Business Ethics ●Regulatory Compliance ●Confidential Information Management	●Employees ●Government Agencies ●Investors
Risk Management	●Risk Management ●Crisis Management ●Internal Audit	
Investor Relations	●Financial Disclosure ●Dividend Policy ●Handling Investor Concerns ●Effective Two-way Communication ●Annual Report Preparation	●Government Agencies ●Investors
Community Engagement	●Community Stakeholder Issues ●Media Relations ●Publication of Sustainability Report	
Customer Service	●Customer Reports and Satisfaction ●Customer Trust ●Customer Privacy	●Customers ●Suppliers
Supply Chain Management	●Raw Materials and Supply Chain Risk Management ●Supplier Management	
Employee Well-being, Education and Training	●Talent Recruitment and Retention ●Employee Physical and Mental Health and Safety ●Compensation and Benefits ●Employee Training and Development ●Human Rights Grievance Mechanism	●Employees
Environmental Protection, Health and Safety	●Environmental Policy and Management System ●Pollution Prevention and Control ●Energy and Resource Efficiency ●Carbon Emissions and Carbon Credit Management ●Environmental Expenditures ●Product Environmental Responsibility ●Environmental Issue Response Mechanism ●Green Supply Chain ●Occupational Health and Safety Policy and Management	●Employees ●Investors ●Government Agencies ●Community ●Suppliers ●Non-governmental Organizations

Communicating with Stakeholders

Analysis Methods and Process

Accurately identifying stakeholders and establishing effective communication are a crucial foundation for the continuous progress and sustainable development of a company. Therefore, the first step in compiling the sustainability report of Co-Tech is to identify key stakeholders closely tied to the corporation through a systematic analysis model. Through its stakeholder identification process, Co-Tech identified the key categories and target groups of stakeholders with whom it interacts most closely. Subsequently, the Company re-examined and reviewed the communication channels and engagement issues with each stakeholder type. By means of customer visits, phone interviews, and questionnaires, Co-Tech identified and analyzed material considerations and duly responded to them in this report.

Identification of Stakeholders

The ESG Task Force of Co-Tech convened discussion meetings based on the five evaluation criteria (including Dependency, Responsibility, Tension, Influence, and Diverse Perspectives) of the Stakeholder Engagement Standard (AA1000 SES: 2015). Through departmental surveys in a Q&A format, department representatives leveraged their daily contact experience and records to brainstorm and identify all directly and indirectly related individuals and organizations. Subsequently, seven key stakeholder categories were identified: Employees, Customers, Government Agencies, Suppliers, Shareholders, Community, and Non-governmental Organizations.

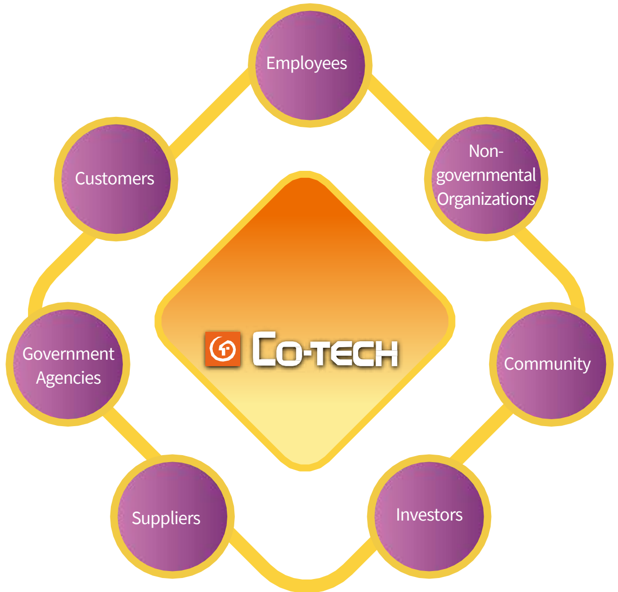
Identification of Stakeholders
- Conduct departmental surveys on stakeholders' materiality
- Identify material stakeholders

Assessment of Potentially Material Topics
- Collect SASB industry standards, annual key tasks of Co-Tech, operational risks and opportunities
- Collaborate with the ESG Task Force to establish a list of material topics

Establishment of Communication Plans
- Review communication channels with stakeholders
- Leverage customer visits, phone interviews, and questionnaire surveys

Selection of Material Considerations
- Consolidate and analyze data to identify and select material topics
- Utilize the corresponding indicators of GRI Standards and SASB industry standards as the disclosure basis

Drafting and Formulation of the Report and Management Approach
- Compile reports to respond to stakeholders
- Manage and continuously improve material topics



Stakeholder Communication and Response

Stakeholders	Interaction Target	Communication Channels/Methods	Communication Issues and Responses
Investors	Investors	Shareholders' meeting Annual report (annually) Investor conference (irregular) Spokesperson system (irregular)	Company operating status and future development direction: Based on financial statements and senior management Q&A Material information on company operations: Disclosed via public websites and media
Customers	Customers	Inspection (regular/irregular) Client-requested meetings (irregular)	Price/quality/delivery: Reply to customers after reviewing in sales and operations meetings Supplier corporate social responsibility: Cooperate with and conduct on-site audits
Employees	Employees	Occupational Health and Safety Committee (quarterly) Labor-management meetings (quarterly) Employee Welfare Committee (quarterly)	Conduct occupational safety training, audits, and personnel dispatch, and track improvements Labor-management disputes: Participate jointly in mediation and arbitration at the Labor Bureau and advocate for and secure higher welfare fund allocation
Suppliers	Suppliers Contractors Outsourcers	Email/phone/correspondence/related meetings (irregular)	Quality/price/delivery/service: Establish qualified suppliers, negotiate competitive pricing and sign procurement contracts, and resolve quality issues through designated communication channels
Government	Competent authority County and city governments	Site visit/inspection (irregular) by the Department of Labor Bureau, Environmental Protection Bureau, fire department, industrial park, and Construction Bureau. Issuance of notice (irregular) by the Labor Bureau/industrial park	Periodic inspections for cranes and elevators, third-party verification reports, and audits of labor safety, environmental protection, and fire safety: Issue inspection or audit reports or submit improvement tracking reports
Community	Communities adjacent to plants	Neighborhood activities (reported irregularly through the village chief) Phone calls and issuance of invitation cards (irregular) by the village office, community development association, and temple.	Prevention and control of noise and pollution: Dispatch personnel for inspection and measurement, and track improvements Community contributions (sponsoring activity expenses), substantial cash or in-kind donations
Non-governmental Organizations	Associations and academic institutions	Issuance of letters (irregular) Industry conferences (regular/irregular)	Seminars and briefing sessions: Dispatch personnel to attend Industry networking and market information: Dispatch personnel to attend

Identification of and Response to Material Topics

Materiality Analysis Process

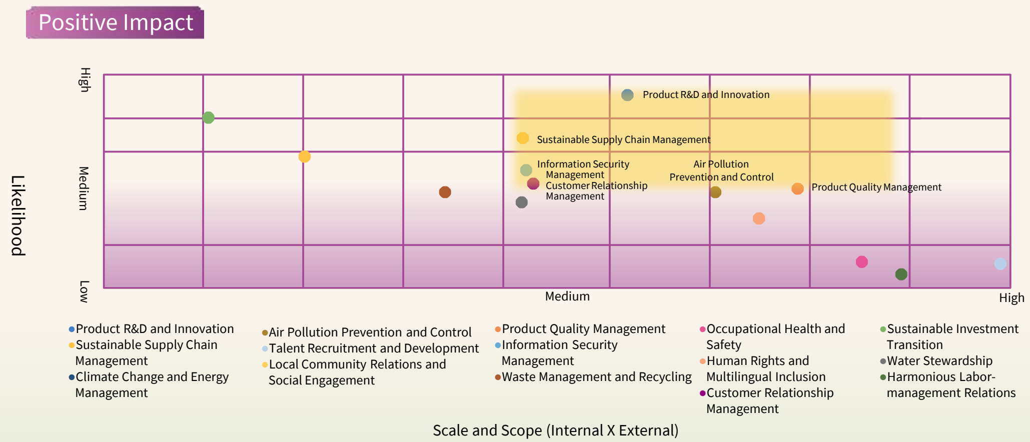
Through routine stakeholder engagement, the ESG Task Force convened a discussion meeting on December 10, 2025, to identify 15 relevant sustainability issues. Feedback from both internal and external stakeholders was collected, resulting in a total of 73 valid questionnaires. After consolidating the survey data and conducting an objective review, a materiality matrix was plotted with the X-axis representing the degree of impact and the Y-axis representing the frequency/likelihood of occurrence to generate the analysis results. The ESG Task Force subsequently confirmed that these results will serve as the primary scope for information disclosure in this report. In addition, comprehensive information across ESG dimensions will be appropriately disclosed to demonstrate the ongoing commitment to sustainable operations.

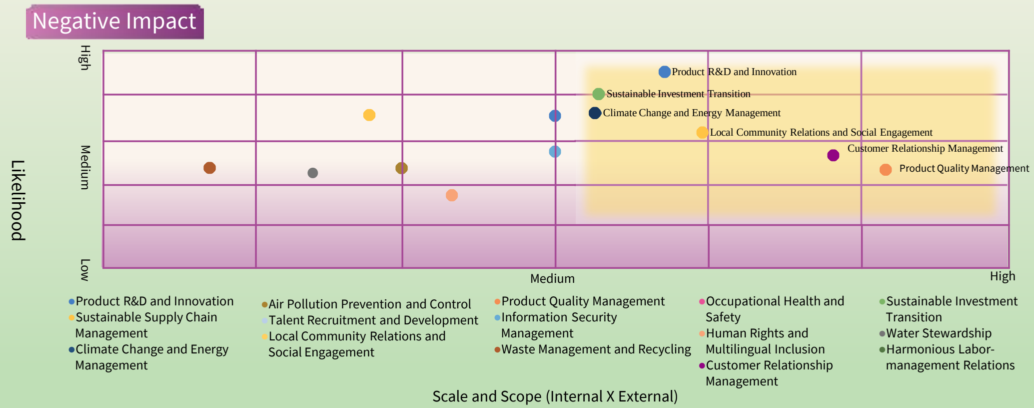
Understand the organization's context	2025 Sustainability Issues List
15 issues	In accordance with the sustainable development policy of Co-Tech and with reference to international frameworks, including the updated GRI Standards, SDGs, peer focus topics, and key industry trends, the Company mapped the connection between its operational activities, business relationships, and sustainable development. Through this process, key stakeholders were identified and their feedback incorporated to compile a list of sustainability topics.
Identify impact	**ESG Task Force members**
ESG Task Force members	Positive and negative external impacts of various issues were identified, and their details were integrated into the questionnaire.
Assess the impact significance	**A total of 73 internal and external questionnaires were collected in 2025.**
73 questionnaires	Stakeholders were invited to complete a materiality survey to assess the severity and likelihood of impacts across various issues. Impact significance is subsequently determined based on the survey results.
Sort and report impacts by materiality	**2025 material topics**
9 material topics	Issues were ranked according to impact significance. Thresholds were set by evaluating positive impacts (scale and scope: internal x external) and negative impacts (impact severity: internal x external). Following a review by the ESG Task Force and internal discussion, the operational impact of climate change on the Company was incorporated into the list of material topics.

Boundary Setting for Material Considerations

For each material topic, this report discloses only the information for which actual data is available within the organization. Regarding information external to the organization, relevant parties will be continuously guided to disclose data incrementally through conceptual outreach, enhanced communication, and other methods. This report defines the stakeholders and boundaries, both inside and outside the organization, for each material topic through internal discussions, as detailed in the following table.

Positive Impact of Sustainability Issues	●Product R&D and Innovation ●Product Quality Management ●Customer Relationship Management ●Sustainable Supply Chain Management ●Information Security Management ●Air Pollution Prevention and Control
Negative Impact of Sustainability Issues	●Product R&D and Innovation ●Product Quality Management ●Customer Relationship Management ●Sustainable Supply Chain Management ●Climate Change and Energy Management ●Local Community Relations and Social Engagement
Other Issues of Concern	●Waste Management and Recycling ●Water Stewardship ●Harmonious Labor-management Relations ●Talent Recruitment and Development ●Human Rights and DEI ●Occupational Health and Safety





Boundary Setting for Material Topics

Material topics: Governance and economic aspects	Materiality statement	Direct impact	Impacts through business relationships		Other indirect impacts		
		Co-Tech	Customers	Suppliers	Government	Community	Non-governmental Organizations
Product R&D and Innovation	The competitive advantage of the copper foil industry relies on technological advancement, cost reduction, and new product development, thereby enabling the Company to enhance its competitiveness and ensure sustainable operations.	●	●				●
Product Quality Management	Ensure compliance with environmental regulations and minimize the impact on the environment through responsible raw materials procurement, sound process management, and stringent quality assurance testing.	●	●		●		
Customer Relationship Management	Enhance service efficiency and quality to meet customer needs.	●	●				
Sustainable Supply Chain Management	Guarantee the quality and stability of raw materials to meet its operational and production needs.	●		●			
Information Security Management	Implement information and communication security management to safeguard stable business operations.	●	●				
Sustainable Investment Transition	Continuously reduce costs and develop new products in response to market changes and demands, thereby making the Company more competitive.	●	●	●			
Environmental Aspect							
Air Pollution Prevention and Control	Comply with regulations and implement pollution prevention and control.	●	●		●	●	●
Climate Change and Energy Management	Identify and manage risks and opportunities arising from climate change to achieve the 2050 net-zero target.	●	●		●		●
Social Aspect							
Local Community Relations and Social Participation	Giving back to the community that supports the Company.	●				●	
Other Issues of Concern (Non-material Topics)							
Harmonious Labor-management Relations	Recognize employees as important assets by valuing their voices and benefits to foster strong organizational cohesion.	○			○	○	○
Occupational Health and Safety	Establish a friendly and healthy workplace environment and demonstrate care for employee health.	○		○	○	○	
Water Stewardship	Recycle and reuse water resources, and execute environmental testing and regulatory filings in compliance with law.	○			○	○	○

Note: 『●』 indicates relevance to the material topics and disclosure of corresponding information in this report; 『○』 indicates relevance to non-material topics

Management Approach for Material Topics

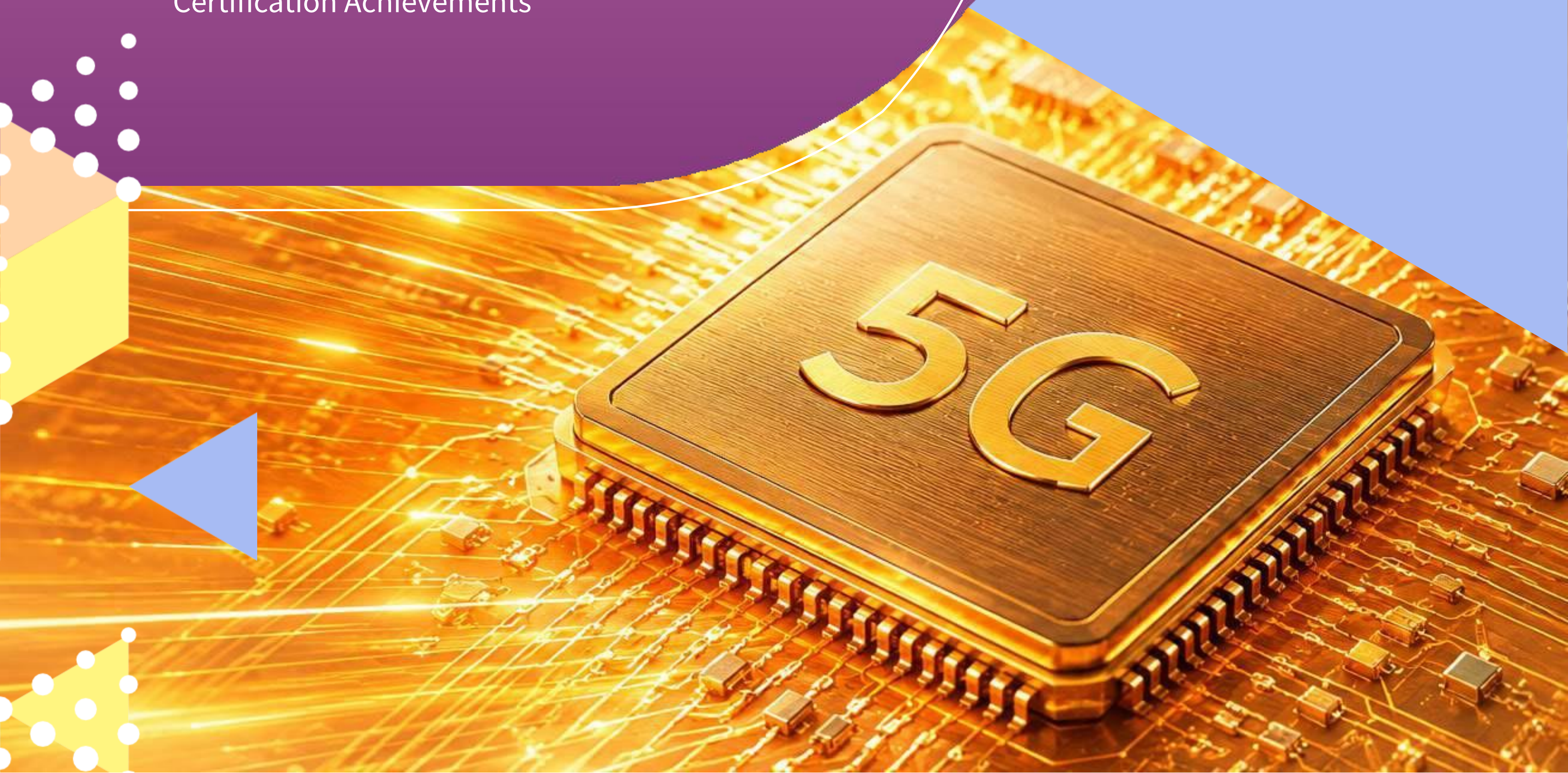
Topic	Materiality statement	Policy	Short-term goals (2025)	Medium- to long-term goals (2026-2030)	Responsible unit
Sustainable Supply Chain	To ensure the quality and stability of raw materials to meet the production and operational needs.	Promote an environmentally friendly procurement policy, emphasize the harm of chemicals to the environment, prioritize the selection of domestic manufacturers, foster domestic manufacturers, and reduce the transportation of raw materials to minimize environmental impact.	Key Performance Indicator: Ensure a stable supply chain and maintain an uninterrupted supply of raw materials. Action Plan: 1.Continuously develop alternative materials to avoid the risk of supply chain disruption from a single source 2.Implement localized procurement to flexibly respond to production demands 3.Collect intelligence to allow the Company to respond in advance.	Key Performance Indicator: Promote green procurement and prioritize local suppliers. Action Plan: 1.Prioritize domestic procurement 2.Commit to corporate social responsibility jointly with suppliers 3.Increase the frequency of supplier audits	Procurement Department
Sustainable Investment Transition	Continuously reduce costs and develop new products in response to market changes and demands, thereby making the Company more competitive.	Pursue the rationalization of production costs, develop new materials, and enhance process management capabilities, with a primary focus on producing high value-added products.	Action Plan: Primarily focus on high value-added and competitive products.	Action Plan: 1.Develop high-value products and seek resources from research institutions. 2.Recruit and cultivate talent, and strengthen industry-academia cooperation. 3.Develop low-carbon products to achieve corporate sustainability.	ESG Task Force Company Management
Product R&D and Innovation Management	The competitive advantage of the copper foil industry relies on technological advancement, cost reduction, and new product development, thereby enabling the Company to enhance its competitiveness and ensure sustainable operations.	Develop new technologies, moving towards sustainable development	Key Performance Indicator: Align with government energy policies and develop low-carbon products Action Plan: Continuously develop new technologies, low-carbon, and high value-added products	Action Plan: Continuously develop low-carbon and high value-added products Action Plan: Continuously develop new technologies, low-carbon, and high value-added products, and obtain relevant low-carbon certifications	Technical Department
Product Quality Management	Ensure compliance with environmental regulations and minimize the impact on the environment through responsible raw materials procurement, sound process management, and stringent quality assurance testing.	Ensure stable and reliable quality to meet customer needs	Key Performance Indicators: Maintain customer complaint rates below target thresholds based on 6-month average shipments, while driving yield rate improvements. Action Plan: 1.Enhance manufacturing process management capability 2.Implement process audits	Key Performance Indicators: 1. Enhance customer satisfaction 2. Improve yield rate Action Plan: 1. Strengthen personnel training 2. Implement equipment maintenance 3. Implement quality process audits	Quality Assurance Department Production Plant

Management Approach for Material Topics

Topic	Materiality statement	Policy	Short-term goals (2025)	Medium- to long-term goals (2026-2030)	Responsible unit
Customer Relationship Management	Enhance service efficiency and quality to meet customer needs.	Actively understand customer needs, provide high-quality services, and achieve mutual growth with clients.	Understand customer needs and develop high-quality products that meet customer demands.	Collect customer needs and provide feedback to relevant departments to continuously meet customer requirements.	Marketing Department
Information Security Management	Implement information security management to ensure the stable operation of the Company.	Execute information security management policies to safeguard system confidentiality, integrity, and availability, and maintain operational stability.	Strengthen information infrastructure security and promote the importance of information security and relevant regulations.	Comply with legal requirements by refining information security frameworks and enhancing staff security awareness through education and training.	IT Office
Climate Change and Energy Management	Identify and manage risks and opportunities arising from climate change to achieve the 2050 net-zero target.	Establish an ESG Task Force to evaluate and manage climate change risks and opportunities.	Identify climate change risks and opportunities and implement energy-saving and carbon-reduction measures. Action Plans: 1. Convert on-site solar power generation for internal use 2. Seek alternative energy sources	Key Performance Indicator: Maintain zero EHS regulatory violations Action Plans: 1. Continuously implement ISO management systems 2. Strengthen the training and development of dedicated personnel	ESG Task Force
Air Pollution Prevention and Control	Comply with laws and regulations and implement pollution prevention and control	Ensure compliance with air pollution regulations	Key Performance Indicator: Ensure zero non-compliance incidents related to air pollution Action Plan: Implement ISO management systems	Key Performance Indicator: Ensure zero non-compliance incidents related to air pollution Action Plan: Implement ISO management systems	Occupational Safety Office/Plant Management Office
Local Community Relations and Social Participation	Giving back to the community that supports the Company.	Sponsor community development and promote community care	Key Performance Indicators: Engage in social care, promote community development, and advance public welfare. Action Plans: 1. Sponsor extra meal allowances for orphanages 2. Sponsor local temple fair activities 3. Donate to the Paul Chiang Arts and Cultural Foundation	Key Performance Indicators: 1. Engage in social care, promote community development, and advance public welfare. 2. Prioritize sustainable development and environmental protection to minimize environmental impact Action Plans: 1. Sponsor extra meal allowances for orphanages 2. Sponsor local temple fair activities 3. Engage in social welfare activities and donate to arts and culture funds	Plant Management Department

3 Products and Services

Products and Services Overview
Quality Management and Customer Service
Green Products
Certification Achievements



Products and Services

Products and Services Introduction

Founded in 1998, CO-TECH DEVELOPMENT CORPORATION upholds an “artisan spirit” anchored in dedication, excellence, focus, and innovation. The Company remains committed to the long-term advancement of its copper foil business and workforce. Positioning itself as a “leading copper foil manufacturer and service provider for optimal applications”, Co-Tech strives to optimize its customer base and diversify its product portfolio. By focusing on “value differentiation”, “customized” products, and agile response capabilities, the Company builds robust competitive advantages to drive sustainable medium- and -long-term growth. With the growth of emerging application applications, including AI, 5G network communications, and advanced IoT edge computing, as well as the rising adoption of smart terminal devices such as AR/VR, robots, autonomous vehicles, and smart home electronics, the market demand for products, spanning unmanned vehicles, VR/AR headsets, smart speakers, automotive components, in-vehicle computers, and in-vehicle devices, is increasing. Coupled with technological breakthroughs in 5G and AI that unlock vast application potential, these trends are expected to significantly boost the demand for copper foil. Furthermore, the expansion of cloud services and the surge in massive data processing are expected to stimulate demand across the entire supply chain, ranging from base station antenna designs, networking equipment, data centers, and servers, to end-user 5G smartphones.

In addition to targeting thin copper foil niche products, Co-Tech is actively deploying high-frequency and high-speed materials for server applications. The Company has established an R&D engineering team to advance industry-government-academia collaboration. In 2017, its technology for “5G Industry High-value Materials–Ultra-low Roughness Copper Foil for High-frequency Use” received official affirmation by successfully passing the Technology Development Project under the Ministry of Economic Affairs’ Industrial Upgrading and Innovation Platform program. Subsequently, the Company has continuously and successively developed high-frequency and high-speed transmission copper foils featuring low signal transmission loss, ultra-low roughness, and high tear strength. In response to the rising demand for flexible printed circuit boards in ultra-thin electronic products, the Company completed the development of copper foils for flexible copper clad laminates (FCCL), thereby enhancing its competitiveness and profitability through its product portfolio optimization. Following the successful certifications by major international clients, production volume has gradually ramped up. Benefiting from the sustained momentum in demand for 5G base stations, cloud products (servers, data storage, and network switches), connected vehicles, IoT, and smart home devices, the positive impact of Co-Tech’s deployment in high-frequency and high-speed applications will continue to materialize.

Product Supply Chain

Upstream industry	Fiberglass, epoxy resin, copper foil, fiberglass cloth, PI
Midstream industry	Copper clad laminates, printed circuit boards, FCCL, FPCB, BGA substrates, TAB, COF
Downstream industry	Robots, drones, AI servers, LEO satellites, autonomous vehicle electronics

Quality Management and Customer Service

Quality Management Approach

As global electronic products continuously evolve and market demand for high-end PCBs accelerates, quality and technical specifications for copper foil have risen significantly. Upon entering the supply chain of customers with the most stringent quality requirements, Co-Tech enhances its quality specifications and shipment control mechanisms. Furthermore, the Company prepares for long-term investments, expands world-class equipment and production capacity, and develops new technologies to meet customer requirements. The Company further optimizes its factory operational structure, prioritizing quality improvement on the Gemba. Co-Tech adopts a fast and enthusiastic service attitude and strong technical support to enhance customer satisfaction.

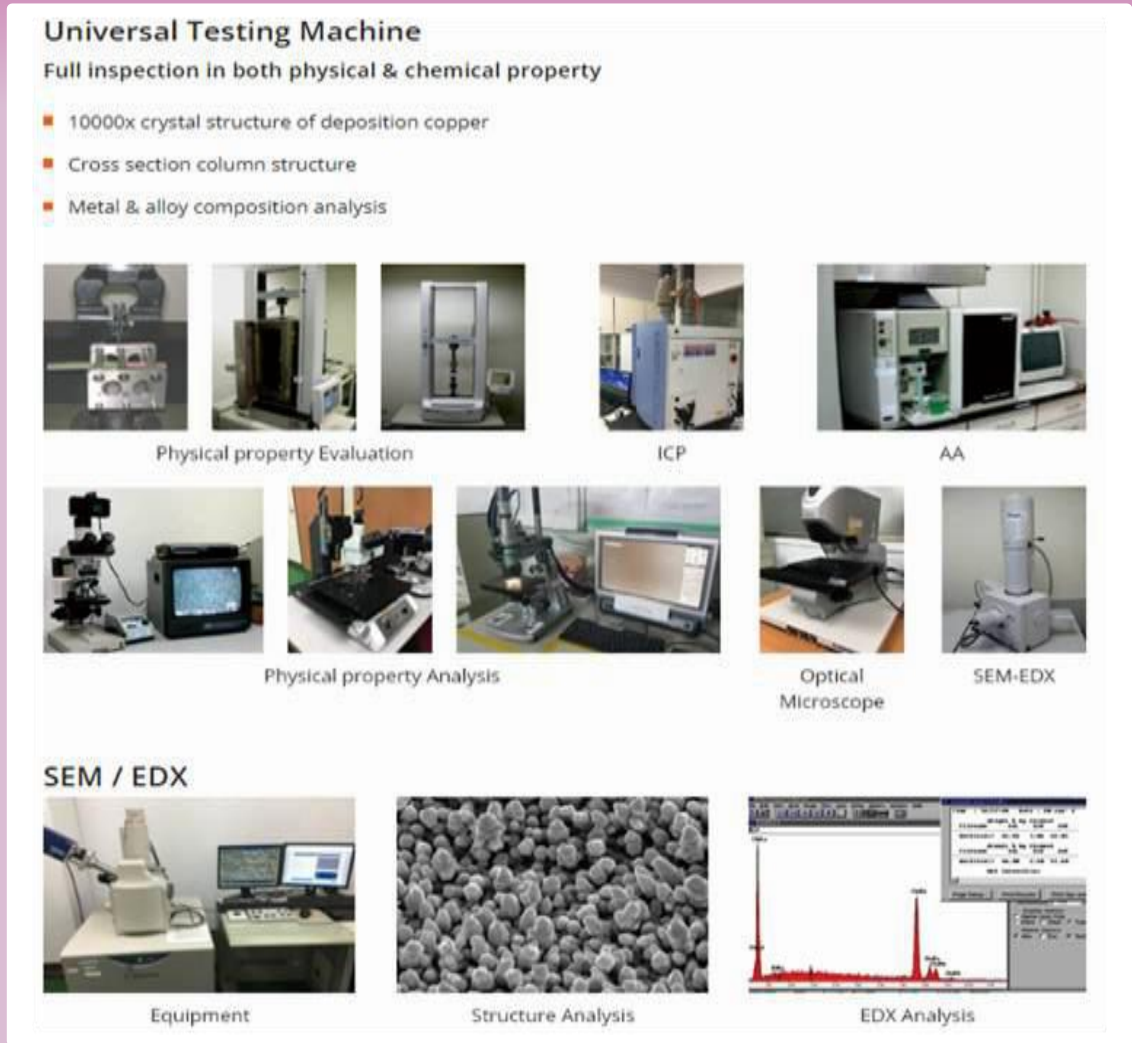
Co-Tech Quality Statement:

1. Take ownership of my work and guarantee its quality
2. Focus on what matters most and do it right the first time
3. Achieve quality improvement on the Gemba
4. Rigorously implement P.D.C.A management
5. Quality first, delivery second, cost third
6. Embrace improvement with courage, and value progress over pride
7. Ensure quality assurance by satisfying the next process

Products and Services

Guided by its quality policy of “Customer Satisfaction, Technology Leadership, and Doing It Right the First Time”, Co-Tech shapes its corporate culture and employee values and encourages all employees to work together and tackle future challenges to elevate corporate value, fulfill its service commitments, and earn the trust of its customers.

To ensure inspection quality, Co-Tech is equipped with the following devices for monitoring:



Customer Service

Deeply rooted in the electrolytic copper foil market for PCBs, Co-Tech focuses on strategic patent portfolio management while continuously strengthening its core research capabilities in “fundamental electrochemical science”. In addition to offering a comprehensive product lineup and refining performance characteristics, the Company collaborates with strategic partners to co-develop solutions that align with emerging end-market trends.

The copper foil product applications of Co-Tech primarily target high-end product markets, such as high-frequency and high-speed transmission, flexible PCBs, automotive electronics, and thin copper for HDI. With the roll-out of successive CPU generations, Co-Tech utilizes combinations of different technology module platforms to establish a Building Block platform. This platform empowers the engineering of copper foils with superior cost-performance, satisfying the system requirements of end-brand owners and ODMs. Furthermore, achieving seamless compatibility between copper foils and diversified high-frequency, high-speed materials demands advanced technical capabilities. Therefore, CO-TECH leverages a modular “building block” architecture to establish its versatile technology platforms. This approach enables the rapid development of copper foils tailored for diverse applications. Moving beyond conventional turnkey plant solutions, the Company defines equipment component specifications, outsources fabrication, performs in-house assembly, and delivers highly customized services through optimized commissioning capabilities.

Main Copper Foil Products Applications:

- HVLP3/HVLP4 grade copper foil products (VL/PF series) and A-RTF copper foil products (RG series) for high-layer count inner-layer PCBs in AI servers and general servers
- Copper foil products (GP series) for power-layer PCBs in AI servers and general servers.
- Copper foil products (HG/SLD/VF series) for high-layer PCB outer layers in AI servers and general servers.
- Copper foil products (RG/VF/PF series) for HDI PCBs and build-up applications.
- Copper foil products (VF series) for high-frequency PCB applications.

Customer Recognition

To address the rigorous electrical testing requirements of end-market products, Co-Tech strategically invests in key laboratory instruments and equipment, continuously enhancing the research capabilities of its “Signal Integrity Lab”. In addition to offering a comprehensive product lineup and refining performance characteristics, the Company collaborates with strategic partners to co-develop solutions that align with emerging end-market trends.

The Company obtained AMD SI lab certification for its laboratory, receiving **the Partner Excellence Award and SI Lab Appreciation Trophy**.

AMD Partner Excellence Award and SI Lab Appreciation Trophy

Appreciation Trophy
Partner Excellence Award

Lab Appreciation Card
(AMD SI Lab)

Appreciation Trophy

Quality Assurance

Product Information Labeling

To minimize the environmental impact of Co-Tech copper foil products and the spread of hazardous chemicals, all products comply with relevant regulations, customer requirements, EU RoHS and REACH regulations (HSF hazardous substance-free), and non-conflict minerals requirements.

Green Products

Regarding environmental issues, in addition to focusing on process improvements and equipment upgrades to enhance product yield and quality, the Company has fully transitioned to arsenic-free manufacturing. This initiative aligns with green production standards as the Company plays its part in protecting the global environment. In 2011, alongside continuous process optimization and equipment upgrades to boost product yield and quality, Co-Tech fully developed an arsenic-free roughening treatment technology. In line with green production standards, the Company has successfully integrated this technology into mass production to deliver arsenic-free products. The use of special additives reduces waste output by 85%, fulfilling its commitment to environmental stewardship.

Environmental Protection

Upholding its core philosophy of corporate sustainability, Co-Tech actively aligns with national energy-saving and carbon-reduction policies while advancing globally recognized energy management systems. Fully aware of the critical value of natural resources, the management team and employees of Co-Tech are committed to conducting eco-education for all personnel and putting sustainability into practice. Through these actions, the Company stands firmly behind its environmental philosophy of “Reduce pollution and waste, conserve resources, value environmental protection, and green the Earth”. In November 2006, the Company was awarded the “2006 Green Procurement Excellent Enterprise and Organization Award” by the EPA for participating in the Green Consumption of Public Program.

●In June 2006, the Company participated in the 2006 National Sustainable Development Award organized by the National Council for Sustainable Development of the Executive Yuan. The Company was recognized as an Outstanding Enterprise in the Sustainable Business category and presented with the “Enterprise Sustainable Development Award”.

(Figure 1)

(Figure 2)

Energy Saving, Waste Reduction, and Recycling Equipment

Solar Power Generation

Green Energy:	Installation of 2,100KW solar power system
Energy Saving:	Annual reduction of 2.7 million kWh
Carbon Emissions:	Annual reduction of 1,650 metric tons/CO_2 Accumulated reduction of 11,610 metric tons/CO_2

Water Resource Recovery:

The recovery system achieves a recycling efficiency rate of at least 95%

Plating Solution Regeneration:

Copper foil scrap is 100% recovered and remanufactured

Certification Achievements

ISO9001:2015

IATF16949:2016

ISO45001:2018

ISO14001:2015

Certification Achievements

Management system	ISO9001:2015	IATF16949:2016	ISO45001:2018	ISO14001:2015
Core purpose of the management system	The ISO 9001 Quality Management System (QMS) is a globally recognized standard established by the International Organization for Standardization (ISO) to assist enterprises in consistently delivering products and services. By adopting the ISO 9001 QMS, the Company ensures uniform quality and reliability across its products and services.	The IATF 16949 standard is a globally recognized standard developed by the International Automotive Task Force (IATF), an organization comprising the world's leading manufacturers and trade associations. As a quality management system, the standard defines the design, development, production, assembly, and service requirements for automotive-related products.	Employees are important assets of the Company. ISO 45001 certification enables organizations to proactively identify opportunities for improvement, effectively mitigating the risks of workplace injuries, occupational illnesses, and fatalities.	ISO 14001:2015 provides organizations with a framework to protect the environment and respond to changing environmental conditions in balance with socio-economic needs, thereby driving sustainable corporate development.
Applications and benefits	The framework enables the Company to conserve resources and reduce waste, improve work efficiency, productivity, and profitability, maintain product and service stability, establish mechanisms for optimization and improvement, and enhance customer satisfaction to earn the trust of local and global clients.	By further embedding risk-based thinking into operations, the Company mitigates risks and optimizes opportunity management. This practice consistently raises product and service quality, strengthens customer relationships, lowers production costs, boosts productivity, and creates a competitive advantage in international markets.	This framework enables the Company to prevent injuries and illnesses, enhance occupational health and safety performance, achieve sustainable operations, and fulfill its corporate social responsibility.	1. Systematically and efficiently utilize resources to reduce costs and waste, while actively advancing waste reduction and recycling initiatives. 2. Comply with domestic and international environmental regulations by implementing preventive improvements, reducing pollution, and protecting the Earth.

4 Environmental Protection

Cleaner Production and Environmental Management
Climate Change Mitigation and Carbon Reduction
Pollution Prevention and Control
Water Stewardship
Waste Management

Environmental Protection

Cleaner Production and Environmental Management

Co-Tech prioritizes environmental protection in its operational facilities. The management of air, water, waste, toxic substances, and noise is conducted in accordance with government regulations and is regularly reviewed by the Occupational Health and Safety Committee to continuously enhance health and safety performance. Co-Tech actively promoted and obtained ISO 45001:2018 certification starting in late 2016, aligning with its EHS policy commitments to waste sorting, waste reduction, pollution prevention, and continuous improvement. Key initiatives include replacing legacy chillers to increase energy efficiency and deploying zinc-nickel-chromium rinse water evaporation tanks to maximize water recovery. Recognizing that the natural resources of Earth are finite, Co-Tech places paramount importance on resource conservation. In addition to preventing environmental pollution and resource waste, the Company seeks to utilize alternative energy sources. It implements the 3R framework (Recycle, Reuse, and Reduce) across manufacturing raw materials and continuously promotes waste sorting and recycling projects to foster a virtuous resource cycle, achieve environmental conservation, and realize sustainability goals.

Environmental, Health, and Safety Policy

As an electrolytic copper foil manufacturer founded in 1998, Co-Tech adheres to the safety, health, and environmental regulations across all stages of product R&D, manufacturing, testing, and sales. Furthermore, the Company actively strives for continuous EHS improvements to prevent unsafe behaviors, environmental anomalies, occupational injuries, and pollution, thereby ensuring a safe, healthy, and high-quality work environment for all employees.

Hereby, we commit to the following:

1. Comply with safety, health, and environmental regulations, and other requirements.
2. Prioritize employee health and safety as the primary responsibility and obligation of management across all levels of the organization.
3. Top management holds ultimate responsibility for the effectiveness of the environmental management system, while bearing full accountability for preventing work-related injuries and ill health. It is committed to providing a safe and healthy workplace and operational environment to safeguard all employees, suppliers, contractors, and visitors entering the organization.
4. Ensure and drive the continuous improvement of the occupational health and safety management system and its overall performance.
5. Encourage full participation by providing health and safety recommendations; establish and maintain effective communication and consultation channels between senior management and employees; and protect workers from retaliation when reporting incidents, hazards, risks, and opportunities.
6. Optimize resource utilization through energy conservation, industrial waste reduction, and resource recycling.
7. Waste segregation and recycling, waste reduction, and pollution prevention and control.
8. Guide and support internal employees while actively promoting EHS awareness among external stakeholders, including local residents, suppliers, contractors, and customers, thereby strengthening communication and understanding.
9. Continuously provide necessary education and training to employees, suppliers, and contractors on the importance of effective OHS management and compliance with the system requirements, thereby ensuring that all personnel maintain health and safety awareness and adopt correct behaviors, and preventing accidents.

Climate Change and Carbon Reduction Climate Change

Addressing Climate Change Is an Opportunity for Sustainable Corporate Management

Following the consensus reached at the UNFCCC COP26 to achieve global net-zero emissions by 2050, Taiwan amended the “Greenhouse Gas Reduction and Management Act” into the “Climate Change Response Act” on January 10, 2023, advancing its national net-zero roadmap. Understanding that climate change imposes significant financial risks and opportunities for stakeholders, Co-Tech continues to adopt the Task Force on Climate-related Financial Disclosures (TCFD) framework, conducting inventories and disclosures of climate change risk and opportunity management. Built upon the four core pillars of “Governance”, “Strategy”, “Risk Management”, and “Metrics and Targets”, the climate architecture of the Company enables the systematic assessment of climate change risks and opportunities, driving proactive response strategies to minimize operational and financial impacts.

Identification of Climate Change Risks and Opportunities

By closely monitoring global climate change trends and international response initiatives, the Company, guided by its ESG Task Force, incorporates climate change as a key material issue and critical risk item for corporate sustainability. The Company continuously analyzes and manages these factors, identifies material operational risks and opportunities, establishes clear targets, and executes carbon reduction strategies. Regular reporting to the Board of Directors ensures implementation tracking and strengthens corporate climate resilience.

Governance:

The Board of Directors is the highest governance authority for climate-related risk and opportunity management. It holds ultimate responsibility for reviewing and supervising strategy development, formulating climate policies, aligning with government carbon reduction initiatives, and setting carbon reduction targets alongside climate-related financial disclosures. The Board integrates the potential climate change impacts into overall operational considerations, estimates risks and impact severity, establishes response mechanisms, and considers its competitiveness to seize business opportunities while adapting to climate change. In alignment with the Corporate Governance Roadmap 3.0, the Board of Directors approved the GHG inventory and verification roadmap for the parent company and its subsidiaries. The Company has established an ESG Task Force, authorized by the Board of Directors as the highest-level governing body for climate change management. The Task Force is responsible for overseeing and implementing climate-related risk strategies. Chaired by the President, it reviews climate risks and opportunities annually, formulates action plans, consolidates performance outcomes, and reports to the Board of Directors as needed.

Strategy:

1. Discuss and identify climate change risks and opportunities through cross-functional meetings.
2. Assess the impact of climate change risks and opportunities on corporate strategy and financial performance.

Risk Management:

1. Leverage the TCFD framework to identify climate change risks.
2. Manage the reliance proportion on energy sources such as electricity, petrochemicals, and natural gas, enhance resource efficiency, and achieve cost savings.
3. Integrate the ISO 14001 risk management framework to identify climate-related risks, thereby formulating response plans to seize climate-related opportunities.

Metrics and Targets:

1. Implement the ISO 14064-1 carbon inventory standard, establish energy baselines, control energy consumption, and set annual emissions reduction targets.
2. Align with the national “green energy and carbon reduction” targets, continuously assess the feasibility of installing additional solar photovoltaic power generation systems, aiming to stabilize energy usage and lower carbon emissions.

Climate-related Risks and Opportunities

Category		Risks	Potential financial impacts	Opportunities	Potential financial impacts	Risk response measures
Transition Risk	Policies and regulations	Imposition of carbon border tax	Increase in operating costs	Adopt low-carbon energy and enhance energy substitutes/diversification	Decrease in operating costs	1.Participate in regulatory seminars and training while continuously tracking global and domestic trends (e.g., ESG, carbon neutrality, and carbon trading mechanisms) to prepare for GHG inventory and verification in accordance with regulatory mandates. 2.Comply with the ISO 14064-1 environmental management system to improve energy efficiency, conserve energy, and reduce carbon emissions. 3.Continuously promote ISO 14001 certification and execution, with all plans progressing on schedule. 4. Install solar photovoltaic systems on the rooftops of self-owned plants. 5.Continuously monitor water consumption to immediately rectify anomalies, minimize waste, and maintain high operational reliability for in-plant piping and water recycling systems. 6. Progressively replace existing lighting in production areas with energy-saving LED fixtures.
		Carbon fee levy	Increase in operating costs	Deployment of green power facilities	Increase in asset value	
		Compliance expenditures under the Renewable Energy Development Act (Major Electricity Consumer Clause)	Increase in operating costs	Enhance manufacturing efficiency and reduce resource consumption	Increase in operating revenues	
		Water consumption fee levy	Increase in operating costs	Enhance water management and water utilization efficiency per cubic meter	Decrease in operating costs	
	Markets	Fail to meet customer demand due to changes in market trends	Decrease in operations	Use energy-saving, eco-friendly materials	Increase in operating revenues Increase in operating costs	1.Recycle and reuse packaging materials (wooden boxes, pallets). 2.Develop green products in line with market trends.
	Company reputation	Financial institutions may increase lending rates for high-carbon industries.	Increase in operating costs	Actively participate in global and domestic energy-saving and carbon reduction initiatives, align with national policies, and promote various carbon reduction measures, thereby enhancing corporate reputation	Increase in operating revenues	Actively participate in international sustainability ratings and continuously refine ESG sustainability strategies, thereby gaining market recognition.
Physical Risk	Acute	Increase in typhoon intensity Flooding caused by extreme rainfall	Increase in capital expenditures Decrease in operating revenues (production interruption)	Strengthen resilience and response capabilities to extreme climate disasters	Enhance climate resilience, mitigate potential losses due to operational disruptions	1.Establish an emergency response team to promptly respond and mitigate disaster losses. 2.Regularly inspect water pumps and establish emergency power generation systems and water storage systems for contingencies. 3.Perform regular dredging of drainage ditches to ensure uninterrupted manufacturing processes during natural disasters. 4.Strengthen typhoon response protocols and accelerate drainage within plant facilities, thereby minimizing the risk of heavy-rain flooding.
	Chronic	Drought and water shortage				

Transition risks: Addressing the market complexities and impacts driven by climate change requires structural adjustments in supply and demand. These adjustments encompass policy, legal, technological, and market shifts designed to support climate mitigation and adaptation.
Physical risk: Physical threats arising from chronic climate change and acute extreme weather events can impose direct impacts on industry operations and trigger supply chain disruptions.

Description of Assessment Principles:

Urgency		Likelihood of occurrence	Impact level	Assessment results and response principles for risks and opportunities
1	Short-term (1-3 years)	High	High	Classify as short-term risks that must be addressed and managed through various departments.
		Medium	Medium	Evaluate future developments before determining handling methods.
		Low	Low	Defer for now.
2	Medium to long-term (3-10 years)	High	High	Assess risks based on likelihood and impact level, evaluating their consistency with short-term risk thresholds.
		Medium	Medium	Evaluate future developments before determining handling methods.
		Low	Low	Defer for now.

Impact: High impact indicates high financial costs or capital expenditures. Moderate impact indicates moderate financial costs or capital expenditures. Low impact indicates minor financial costs or capital expenditures.
Probability: Short-term represents frequent occurrence within three years. Medium-term represents at least one occurrence or potential occurrence within three to five years. Long-term represents a potential occurrence after five years.

Description of Potential Financial Impacts Identified Through TCFD Risk Assessment

Risk type		Impact on Co-Tech	Subsequent financial calculation requirements
1	Transition risks: Increase in raw materials costs	Due to climate change, raw material suppliers are experiencing shortages, resulting in a scarcity of raw materials, increased procurement costs, and higher manufacturing costs.	1. Potentially affected raw materials items and the impact levels 2. Affected products and scope 3. Impact commencement time
2	Transition risks: Supply chain decarbonization requirements	Heightened environmental consciousness has shifted market focus toward energy-saving and carbon-reducing products, requiring greater R&D resource investment and ultimately driving up operating costs.	1. Business continuity planning costs 2. Substitution costs

Description of Potential Financial Impacts Identified Through TCFD Risk Assessment

Risk type		Impact on Co-Tech	Subsequent financial calculation requirements
3	Physical risk: Increased severity of extreme weather events such as hurricanes and floods	Increasing frequency of extreme weather events, such as hurricanes or torrential downpours, heightens flood risks for plant facilities and surrounding communities. Disruptions to off-site transportation networks can result in work stoppages, reduced revenues, and increased costs.	1. Business continuity planning costs 2. Substitution costs
4	Transition risks: Amendment to the EU Carbon Border Adjustment Mechanism (CBAM) and relevant regulatory frameworks	Global net-zero emission targets have been established. Following COP27, global emissions are expected to peak in 2025, triggering increasingly stringent carbon reduction regulations. This mandates an accelerated shift toward low-carbon technologies, ultimately leading to higher costs.	1. Increase in overall costs arising from low-carbon technology 2. Increase in overall costs arising from equipment upgrades

To further assess organizational resilience, the following three scenarios were considered to evaluate potential carbon reduction strategies:

- Business as usual (BAU): refers to the worst-case scenario where no changes are implemented.
- 2°C: Based on the International Energy Agency (IEA) stimulation scenario designed to limit global warming within 2°C.
- 1.5°C: Based on the International Energy Agency (IEA) stimulation scenario designed to limit global warming within 1.5°C. The scenario represents the most ambitious carbon reduction target, signifying a commitment to seeking proactive decarbonization measures. While active deployment of low-carbon transitions involves elevated initial expenditures, it yields superior and sustainable long-term competitive advantages. Greater and more rapid efforts than 2°C are required, with the goal of net-zero emissions by 2050.

Risk/opportunity	Description	Assessment results for risks and opportunities		
		2℃	1.5℃	Implications for Co-Tech
Risk	Increase in raw material costs	Increase in costs: ++	Increase in costs: ++	The change in rising costs under different scenarios may not be significant.
Risk	Increased severity of extreme weather events such as hurricanes and floods	Increase in costs: +	Increase in costs: +	The change in rising costs under different scenarios may not be significant.
Risk	Rising sea levels	Increase in costs: ++	Increase in costs: ++	The change in rising costs under different scenarios may not be significant.
Opportunity	Accelerate corporate carbon reduction and strive for carbon credit quotas	Increase in costs: +++ Increase in revenues: ++	Increase in costs: ++ Increase in revenues: ++	Taking more aggressive climate action increases upfront costs, but ultimately delivers higher long-term returns.
Opportunity	Slow capacity expansion to reinforce corporate fundamentals	Increase in costs: ++ Increase in revenues: +	Increase in costs: ++ Increase in revenues: +	The change in rising costs under different scenarios may not be significant.
Opportunity	Foster green energy development and enhance corporate energy efficiency	Increase in costs: +++ Increase in revenues: ++	Increase in costs: ++ Increase in revenues: ++	Taking more aggressive climate action increases upfront costs, but ultimately delivers higher long-term returns.

Explanation of the extent of impact: +++: High impact; ++: Medium impact; +: Low impact

Energy Consumption within the Organization

Internal Energy and Resource Consumption Status:

Energy consumed in the manufacturing processes of Co-Tech includes natural gas, electricity, and diesel. Direct energy use primarily consists of 1,205,957 cubic meters of natural gas and 5,386 liters of diesel, while indirect energy use is mainly driven by purchased electricity. In 2025, direct and indirect energy accounted for 5.9% and 94.1% of total heat value, respectively.

Energy Consumption

Year/energy type	Diesel (Liters)	Natural gas (m3)	Electricity (kWh)
2023	7,674	924,438	204,913,983
2024	4,333	1,003,966	192,178,240
2025	4,355	1,205,957	209,126,832

Note: Direct energy consumption items are diesel and natural gas, and the indirect energy consumption item is electricity.

Total Heating Value Of Energy Resource Consumption (GJ)

Annual quantity	Thermal energy	Electric energy	Total
2023	34,304	737,690	771,994
2024	37,242	691,842	729,084
2025	44,559	752,857	797,415

Solar Power System of Production Base 1

Solar Power System of Production Base 2

Reduce energy consumption

In alignment with the policy of the Bureau of Energy, Co-Tech set a target to reduce annual energy consumption by 1% starting from 2015, achieving an average annual electricity savings rate of 1.91% between 2015 and 2025.

Greenhouse Gas and Carbon Inventory

With the global trend developing towards a low-carbon economy, enterprises will inevitably play an increasingly important role in environmental risk management. To implement carbon management operations, the Company has collected emissions information from its production plants and facilities in accordance with EPA regulations since 2021. The annual carbon emissions inventory is as follows:

GHG emissions (metric tons CO2e/year)

Inventory year	2023	2024	2025
Total emissions	104,357.19	93,733.064	102,169.866
Scope 1	3129.6783(3.00%)	2,640.5778(3.00%)	3,043.7480(2.98%)
Scope 2	101,227.5076(97.00%)	91,092.4858(97.00%)	99,126.1184(97.02%)
Emission intensity	16.9	13.76	12.97

Unit: Metric tons CO2e/year
Note: GHG emissions intensity = Total greenhouse gas emissions (metric tons)/Operating revenues (NT$ thousands)

GHG emissions (metric tons CO2e/year)

Inventory year	2023	2024	2025
Total CO2e tons	104,357.19	93,733.064	102,169.866
Operating revenues (NT$ millions)	6,168	6,814	7,880
Emission intensity	16.9	13.76	12.97

GHG emissions primarily result from the use of purchased electricity, which falls under Scope 2, while emissions from stationary combustion sources, process emission sources, mobile combustion sources, and fugitive greenhouse gas emission sources fall under Scope 1. Other indirect GHG emissions generated from outsourced activities fall under Scope 3. Due to difficulties in collecting some data, the Company currently focuses on qualitative inventory. Internal and external verifications are subsequently conducted as stipulated to monitor GHG emissions from each unit at all times, ensuring continuous improvement in energy efficiency and energy consumption.

Greenhouse Gas Reduction Targets and Related Measures

(1) Reduction Target

Based on the GHG inventory results, the GHG emissions of the Company are primarily driven by electricity consumption and process fuel use, which represent the primary contributors to total emissions. The Company will curb emissions via energy management and process improvements. In line with the policy of the Bureau of Energy, Co-Tech has targeted a 1% annual energy savings since 2015, maintaining an average annual electricity savings rate of 1.91% from 2015 to 2025.

(2) Carbon Reduction Measures

1. Deploy high-efficiency rotating equipment equipped with variable frequency drives
2. Utilize LED as lighting
3. Utilize natural gas as fuel for boilers
4. Gradually phase out and update old equipment
5. Install solar energy systems
6. Assess the feasibility of utilizing green energy

Greenhouse Gas Inventory and Assurance Status

For both 2024 and 2025, the GHG inventory results of the Company were verified by the China Productivity Center in accordance with prevailing Ministry of Environment regulations. The verification revealed no material non-conformities and achieved the reasonable assurance level recognized by the Ministry of Environment.


中國生產力中心
China Productivity Center
溫室氣體查驗聲明(意見)書
114 年溫室氣體排放量盤查
金居開發股份有限公司 斗六一廠


中國生產力中心
China Productivity Center


中國生產力中心
China Productivity Center
溫室氣體查驗聲明(意見)書
114 年溫室氣體排放量盤查
金居開發股份有限公司 斗六二廠


中國生產力中心
China Productivity Center

Pollution Prevention and Control

Since its establishment, Co-Tech has pursued sustainable development. Amid global warming and environmental shifts, the Company has consistently strived for eco-friendly manufacturing methods, strictly controlling substances that pose potential environmental risks to mitigate pollution.

Regulatory Compliance

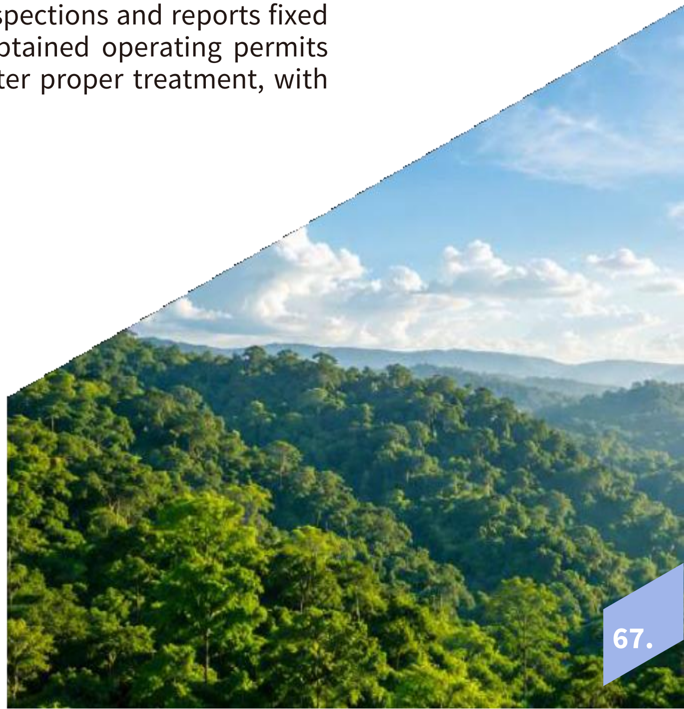
In accordance with applicable laws, regulations, and other requirements, the Company comprehensively manages its procedures to ensure the timely and accurate audit, identification, recording, and reporting of data on plant-level EHS aspects. These cover air pollution, water pollution, waste disposal, toxic substance management, noise control, occupational health and safety, and fire safety. Co-Tech experienced no regulatory non-compliance incidents in 2025.

Air Pollution Management and Emissions

The air pollutant emissions by the Company between 2023 and 2025 are shown in the table below. The pollutants include particulate matter, sulfur oxides, and nitrogen oxides. All stationary pollution sources are equipped with pollution control devices, such as scrubbers and various filters. The Company conducts inspections and reports fixed pollution source emissions in accordance with the Air Pollution Control Act, and has obtained operating permits across all processes and facilities. Air emissions from all locations are discharged only after proper treatment, with recorded pollutant values far below the applicable control standards for each process.

Unit: Metric tons

Year	2023	2024	2025
Sulfur oxides (SOx)	0.0	0.0	0.0
Nitrogen oxides (NOx)	1.484	1.606	1.932
Particulate matter	0.044	0.048	0.058



Toxic Chemical Substance Management

Co-Tech has established comprehensive “Toxic Chemical Substance Control Regulations” at its production facilities. The chromium trioxide used in the production process is classified as a regulated toxic chemical substance by the Ministry of Environment. Pursuant to legal regulations, monthly operational volumes must be reported, alongside one scheduled emergency response drill and two unannounced drills conducted annually. The Company strictly executes all reporting and drill requirements accordingly.

Water Stewardship

The production plant of Co-Tech is equipped with two wastewater treatment systems, which undergo daily inspections as required to ensure normal operation. In the event of an abnormality, emergency response measures are deployed in accordance with the water pollution control permit approved by the competent authority, preventing plant effluent from polluting off-site surface water bodies. The plant sources its water from municipal tap water. Pursuant to laws and regulations, wastewater is tested and reported semiannually. Following treatment, all wastewater is discharged into the dedicated sewer system of the industrial park under official management authorization, fully complying with statutory effluent quality standards. In 2025, tap water consumption totaled 456,058 tons, and process wastewater discharge amounted to 220,295 tons.

Wastewater Quality Testing

Year	2023	2024	2025
Review items	Process wastewater	Process wastewater	Process wastewater
Ph	8.1	7.85	7.9
COD (mg/L)	30.3	33.2	37.7
BOD (mg/L)	4.7	1.8	2.4
SS (mg/L)	7.9	6.05	10.55

Resource Utilization

The Company is engaged in the production and manufacturing of electrolytic copper foil. Its primary raw material is copper wire (recycled copper), while main bulk materials include: sulfuric acid, activated carbon, diatomaceous earth, nickel sulfate, zinc sulfate, boric acid, and liquid caustic soda. Packaging materials primarily encompass wooden boxes, paper tubes, foam sheets, and PE film. Except for wooden boxes and paper tubes, all are non-renewable raw materials. The raw materials for copper wire are primarily supplied by domestic manufacturers, with some purchased from regions such as Malaysia. Other materials are manufactured by domestic manufacturers and imported from Mainland China, Southeast Asia, Japan, and other regions.

Co-Tech shall recover and utilize all packaging materials that can be recycled, thereby avoiding resource depletion. Recycling efforts primarily focus on wooden boxes, with a domestic recovery rate of approximately 90%. Other industrial waste is managed in accordance with environmental regulations and the ISO 14001 environmental management system.

Raw Material Utilization

2023			2024			2025		
Product name	Unit	Quantity	Product name	Unit	Quantity	Product name	Unit	Quantity
Copper wire (recycled copper)	kg	15,392,300	Copper wire (recycled copper)	kg	14,351,869	Copper wire (recycled copper)	kg	16,278,738
Sulfuric acid	kg	892,370	Sulfuric acid	kg	868,675	Sulfuric acid	kg	1,098,113
Activated carbon	kg	132,000	Activated carbon	kg	163,000	Activated carbon	kg	179,500
Diatomaceous earth	kg	49,649	Diatomaceous earth	kg	55,974	Diatomaceous earth	kg	63,860
Nickel sulfate	kg	116,150	Nickel sulfate	kg	98,725	Nickel sulfate	kg	106,000
Zinc sulfate	kg	34,000	Zinc sulfate	kg	38,650	Zinc sulfate	kg	42,000
Boric Acid	kg	50,400	Boric Acid	kg	41,375	Boric Acid	kg	43,625
Liquid caustic soda	kg	875,810	Liquid caustic soda	kg	1,084,825	Liquid caustic soda	kg	1,368,688

Waste Control and Management Industrial Waste Management

To effectively manage waste generated from manufacturing, the Company has enacted “Waste Clearance and Disposal Regulations”. Clearance and treatment are contracted to qualified operators certified by the environmental governing body. The Company rigorously enforces waste tracking and performs audits to verify that all waste is legally and properly disposed of or recycled. The hazardous industrial waste of the Company is entirely entrusted to qualified domestic clearance and disposal operators for processing to ensure the lawful disposal of waste.

Environmental Protection Expenditures:

Unit: NT$

Category	2023	2024	2025
Waste oil disposal fee	0	0	0
Hazardous waste disposal fee	17,894,253	7,941,589	10,500,844
General waste disposal fee	1,459,769	5,464,468	5,679,919
Wastewater regular testing fee	280,000	280,000	280,000
Soil and groundwater pollution remediation fee	779,946	974,634	1,008,749
Total	20,413,968	14,660,691	17,469,512

Total Volume of Waste Treatment and Recovery

Promoting the classification of industrial waste and resource recovery has long been established as one of the annual operational targets of Co-Tech. The objective is to ensure that units across all levels take responsibility for independently sorting waste, reducing environmental degradation, and enabling effective resource reuse. Waste is generally classified as “general waste”, “general industrial waste”, and “hazardous industrial waste”. The general waste of the Company is contracted to qualified handlers for transport to incineration plants. General and hazardous industrial wastes are segregated and temporarily stored in compliance with the Waste Disposal Act, then entrusted to licensed disposal organizations based on their respective codes. All waste clearance is declared via an online three-part manifest system prior to removal, and treatment agencies issue proper disposal certificates upon processing to confirm legal completion.

Industrial Waste Disposal Volume:

Unit: Tons

Category	2023	2024	2025	Final disposition
Waste oil disposal	1.30	1.01	2.74	Physical treatment and reuse
Waste wood pallets	15.94	33	58	Incineration
Hazardous waste disposal	1,232.93	473.58	900.57	Incineration and solidification
General waste disposal	386.32	905.99	836.67	Incineration
Subtotal	1,636.49	1,413.58	1,797.98	

Quantity and Amount of Resource Recycling

	2023		2024		2025	
Category	Quantity (tons)	Amount (NT$)	Quantity (tons)	Amount (NT$)	Quantity (tons)	Amount (NT$)
Metals	1.33	41,968	12.92	86,375	13.9	109,875
Plastics	26.28		27.49		37.31	
Waste Paper	35.53		33.87		49.52	
Subtotal	63.14		74.28		100.73	

Benefits of Using Recycled Packaging Materials

	2023		2024		2025	
Recycled wooden boxes	Quantity (boxes)	Cost savings (NT$)	Quantity (boxes)	Cost savings (NT$)	Quantity (boxes)	Cost savings (NT$)
	5,895	2,711,700	5041	2,318,860	5263	2,420,980

2025
SUSTAINABILITY
REPORT

Co-Tech

5 Healthy and Supportive Workplace

Employees of Co-Tech
Supportive Workplace
Occupational Health and Safety

Healthy and Supportive Workplace

Harmonious labor-management relations are fundamental to business operations. Co-Tech consistently views its employees as its most valuable asset, striving to cultivate a positive, harmonious workplace culture that boosts employee productivity and competitiveness, establishing a strong foundation for sustainable operations.

The average age of Co-Tech employees is 40.92 years. The strong cohesion and commitment of all employees are key drivers in our continuous effort to build a mutually beneficial workplace for both labor and management.

Employees of Co-Tech Talent Structure

Co-Tech had a total of 329 employees as of December 31, 2025. We employ a 100% full-time staff, providing our employees with long-term peace of mind. The Company determines compensation in accordance with the “Labor Standards Act”, adhering to principles of meritocracy and matching the right candidate to the right role. Co-Tech treats applicants of all races, genders, ages, religions, nationalities, or political stances equally, selecting employees through a fully open and fair recruitment process.

Personnel transfers, promotions, and talent development initiatives are executed based on individual performance evaluations and demonstrated capability. The average tenure of Co-Tech employees stands at 11.84 years, with an overall employee turnover rate of 24.73%. Due to the nature of the work (which requires physical exertion, on-site duties, and rotating shifts), the workforce composition comprises 83.89% male compared to 16.11% female. The ratio of female managers at Co-Tech is 18.88%, slightly higher than the overall female workforce percentage.

Healthy and Supportive Workplace

Talent structure as of December 31, 2025				Headcount	Proportion
Employment type	Full-time	Male	Under 30 years old	43	13.07%
			30-50 years old	182	55.32%
			Over 50 years old	51	15.50%
		Female	Under 30 years old	10	3.04%
			30-50 years old	34	10.33%
			Over 50 years old	9	2.74%
	Part-time			0	0.00%
Employment contract	Indefinite contract	Male	Under 30 years old	43	13.07%
			30-50 years old	182	55.32%
			Over 50 years old	51	15.50%
		Female	Under 30 years old	10	3.04%
			30-50 years old	34	10.33%
			Over 50 years old	9	2.74%

Talent structure as of December 31, 2024				Headcount	Proportion
Employment contract	Fixed-term contract	Male	Under 30 years old	0	0.00%
			30-50 years old	0	0.00%
			Over 50 years old	0	0.00%
		Female	Under 30 years old	0	0.00%
			30-50 years old	0	0.00%
			Over 50 years old	0	0.00%

2025 Personnel Changes

2025/12/31			Headcount	Proportion
New employee hires	Male	Under 30 years old	32	9.73%
		30-50 years old	32	9.73%
		Over 50 years old	0	0.00%
	Female	Under 30 years old	12	3.65%
		30-50 years old	15	4.56%
		Over 50 years old	0	0.00%
Employee turnover	Male	Under 30 years old	5	1.52%
		30-50 years old	43	13.07%
		Over 50 years old	12	3.65%
	Female	Under 30 years old	6	1.82%
		30-50 years old	12	3.65%
		Over 50 years old	2	0.61%

Note: Employees who commenced employment in the current year are considered new hires.

New hire ratio = Number of new hires/Number of employees at year-end

Turnover rate = Number of employees who left/Number of employees at year-end

Gender Ratio of Management

Job title	Gender	Headcount	%
Foreman (Assistant Foreman)	Male	48	51.06%
	Female	0	0%
Manager (Assistant Manager) and Specialist	Male	29	30.85%
	Female	10	10.64%
Plant Manager and Department Head	Male	7	7.45%
	Female	0	0.00%
Total		94	

Parental Leave Application Status

Three employees applied for unpaid parental leave, and four applied for reinstatement.
Zero employees currently on parental leave, zero employees retained.

Education and Training

Talent forms the foundation of sustainable business operations, and company growth is inextricably linked to employee learning and development. Establishing structured career development plans and learning channels to provide space for personal growth, serves as a powerful engine continuously driving the Company forward.
Talent development and training resources are allocated under an all-inclusive policy, ensuring equal participation regardless of gender or age. Co-Tech formulates an annual education plan based on corporate strategy, operational guidelines, and core competencies. In addition to supporting external professional skill acquisition, the Company executes structured on-the-job training. Through interactive learning activities, participants strengthen skill retention and align learning outcomes with their job roles, ensuring practical application to enhance work quality and performance.

The education and training system of Co-Tech is divided into two categories: “New Employee Orientation” and “On-the-job Employee Training”.

1. New Employee Orientation

The training curriculum covers organizational structure, personnel regulations, compensation and benefits, working environment, operational safety, occupational health and safety, on-site practical training, as well as promotion of ISO management systems, quality, and EHS policies.

2. On-the-job Employee Training

Training content is divided into two categories based on job functions: “external training” and “internal training”.
Internal training courses are generally taught by internal instructors. After the training, performance evaluations are conducted through “in-class quizzes” or “hands-on assessments” to boost employee skills and improve manufacturing yield rates. External education and training primarily address operational needs and employee advanced training. The Company aims to foster overall innovative growth through the continuous development of employees, thereby fulfilling its strategic operational goals.

Education and training expenditures for 2025 were NT$657,380.

Item	Number of shifts	Total number of participants	Total hours	Total expenses (NT$)
1. New employee orientation	51	88	1,368	0
2. Professional skills training	230	2,108	3,209.5	256,180
3. Managerial talent training	10	423	1,548.5	401,200
4. General education training	12	468	697	0
5. Others	0	0	0	0
Total	303	3,087	6,823	657,380

Performance Appraisal

To evaluate employee performance, Co-Tech established the "Performance Evaluation and Appraisal Management Regulation" to deliver fair and reasonable assessments of performance and contributions across all levels of supervisors and employees over the evaluation period. Performance results are initially assessed by the direct supervisor and subsequently reviewed with sign-off by the next-level manager, ensuring accurate evaluation and preventing individual supervisory bias.
The Company appropriately links year-end bonuses to individual annual performance appraisal outcomes. Work performance forms the standard for determining year-end bonus adjustments across all employee levels, as well as the basis for salary reviews and promotion decisions.
Promotion criteria encompass tenure, educational background, performance appraisal results, and professional skills. Employees who meet eligibility criteria during the year can be recommended for promotion by their department managers. Upon approval by the unit Personnel Evaluation Committee and completion of the corporate review procedures, the promotion takes effect.

To establish a consistent benchmark for all evaluators and maintain objectivity during performance scoring, the terms related to ratings, performance criteria, and employee development recommendations in the "Performance Appraisal Form" are defined as follows:

Rating	Performance	Points	Definition
PL1	Outstanding	90↑	Consistently creates sustainable value and achieves significant cost improvements.
PL2	Very Good	80-89	Achieves challenging goals and demonstrates significant improvements beyond required standards.
PL3	Good	70-79	Executes routine administrative tasks while achieving objectives.
PL4	Improvement Needed	60-69	Executes routine administrative tasks but fails to achieve objectives.
PL5	Need Re-position	59↓	Fails to meet the required standards.

Workplace Well-being

Labor-management Relations and Labor Harmony

Harmonious labor relations form the cornerstone of the continuous growth of the Company. Co-Tech stipulates human resources management regulations in accordance with relevant laws and regulations, fosters employee-centric management, and communicates labor rights policies through employee education and training sessions. In addition to proactively implementing employee welfare measures, Co-Tech holds regular labor-management meetings to enhance labor relations and foster collaboration. The Company maintains open communication channels to reconcile diverse perspectives and has established a grievance system and suggestion boxes to reduce and resolve potential labor-management disputes.

Compensation, Benefits, and Well-being

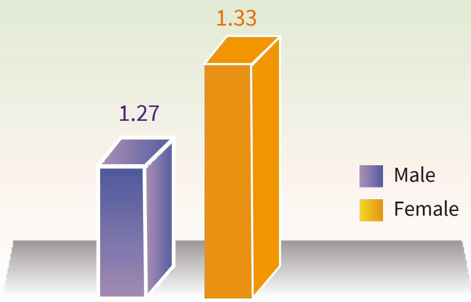
Harmonious labor relations form the cornerstone of the continuous growth of the Company. Co-Tech stipulates human resources management regulations in accordance with relevant laws and regulations, fosters employee-centric management, and communicates labor rights policies through employee education and training sessions. In addition to proactively implementing employee welfare measures, Co-Tech holds regular labor-management meetings to enhance labor relations and foster collaboration. The Company maintains open communication channels to reconcile diverse perspectives and has established a grievance system and suggestion boxes to reduce and resolve potential labor-management disputes.

The compensation system of Co-Tech encompasses base salary and various allowances, determined by approved job grade, individual education and experience, professional skills, and work performance. The amount determined may be adjusted with changes in duties and is not related to gender differences. The Company provides a competitive remuneration system, offering compensation and benefits superior to local entry-level standards to attract and retain outstanding talent and care for grassroots employees. Co-Tech values gender equality, eliminates gender discrimination in the workplace, and complies with the Act of Gender Equality in Employment. By ensuring equal pay for equal work regardless of gender, with no compensation disparities, the Company establishes a friendly and equitable working environment.

Basic Salary

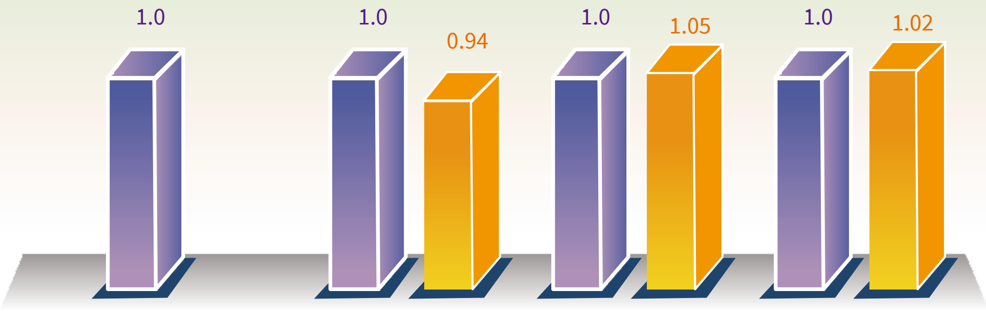
Compensation for new hires (non-managerial positions) in 2024 is higher than the minimum wage.

Note 1: The statutory monthly minimum wage in Taiwan for 2024 is NT$27,740.
Note 2: The multiple calculation formula in this table is: Company compensation for that level/Minimum wage.



Gender Compensation Ratio

Compensation: includes basic salary, position allowance, and management allowance



Compensation for Non-managerial Full-time Employees

Year	2023	2024	2025
Headcount (persons)	292	289	287
Average annual salary (NT$ thousands)	712	724	723
Median annual salary (NT$ thousands)	662	663	659

Pension Contribution

To support employees during their tenure and secure their post-retirement well-being, Co-Tech established employee retirement regulations in accordance with the “Labor Standards Act” and the “Labor Pension Act”, providing reliable pension fund contributions and payout mechanisms.
The retirement reserve fund under the legacy system (the old System) is allocated in accordance with the “Labor Standards Act”. For employees participating in the Old System, the Company contributes 5% of total monthly salaries to the retirement reserve fund, which is remitted to a dedicated account at the Bank of Taiwan under the Supervisory Committee of Labor Retirement Reserve Funds. Furthermore, the Company annually estimates the required pension for employees who will meet retirement criteria in the following year and makes up any funding shortfall in the reserve to protect the pension rights of employees.

Pensions are allocated in accordance with the “Labor Pension Act” (the New System). For employees participating in the New System, the Company contributes 6% of their monthly insured salary to their individual pension account at the Bureau of Labor Insurance.

Employee Stock Ownership Trust

Co-Tech encourages employees to make financial plans to secure their financial well-being after retirement or resignation. In addition to allocating contributions for the New and Old System, the Company implemented an employee stock ownership trust program starting in July 2021. Employees may, at their own discretion, elect to set aside a portion of their monthly salary, with Co-Tech providing a corresponding matching contribution to purchase shares of Co-Tech. These initiatives are expected to enhance employee welfare and foster harmonious labor-management relations.

Employee Benefits

To implement employee-focused benefit policies, the Company established the “Co-Tech Development Corporation Employee Welfare Committee”. The Committee is responsible for reviewing, promoting, and supervising employee benefit programs; planning, safeguarding, and utilizing welfare funds; auditing and reporting the allocation of revenues and expenditures for employee benefit programs; and managing other matters related to employee welfare.

The Co-Tech Employee Welfare Committee consists of 9 member representatives. Apart from 1 ex-officio member appointed by the management, the remaining 8 members are elected by Co-Tech employees, who then elect 1 chairperson from among themselves. Committee members serve a 2-year term and are eligible for re-election, with the exception of the management representative. The Welfare Committee meets quarterly. The Company regularly organizes and subsidizes employee travel, family days for employees and their dependents, seasonal holiday gatherings, and year-end banquets with raffles. Additionally, employees may apply for various subsidies, including marriage, birth, childcare, and funeral subsidies, as well as birthday gift cards, hospitalization stipends, and children’s educational scholarships.

Long Service Gold Coin

As of 2025, Co-Tech has 0 incumbent employees reaching 20 years of service, 2 reaching 15 years, and 7 reaching 10 years. To reward long-serving personnel, a gold coin weighing 0.5 to 1.5 qian is awarded according to their seniority.

Human Rights Protection

To ensure that employees can work with peace of mind and secure their post-retirement livelihoods, Co-Tech adheres to relevant labor regulations and is dedicated to protecting fundamental human rights and legitimate employee interests. Supporting the Universal Declaration of Human Rights and International Labor Organization conventions, we ensure that every employee is treated with fairness and respect. We commit to the following:

1. Human Rights Protection

Support and respect human rights protection while ensuring that our business partners and suppliers adhere to the same standards.

2. Prohibition of Child Labor and Forced Labor

Ensure that neither we, nor our business partners or suppliers, employ child labor in operations, or use coercion, force, or other unlawful means to compel labor or inflict corporal punishment.

3. Elimination of Discrimination and Assurance of Equal Employment Opportunity

Embrace diversity across the workforce and prohibit any discrimination against employees or job applicants protected by law, including discrimination based on race, social class, language, thought, religion, political affiliation, native place, place of birth, gender, sexual orientation, age, marital status, appearance, facial features, physical or mental disability, or past union membership.

4. Convention of Labor-management Meeting

Establish a labor-management committee and convene meetings regularly to protect the rights and interests of both labor and management.

5. Safe and Healthy Working Environment

Comply with OHS policies, promptly correct or report any potential threats, and promote eco-friendly technologies. Refrain from any disrespectful, hostile, violent, intimidating, threatening, or harassing behavior, and actively oppose corruption, including extortion and bribery.

6. Harassment Prevention

Promote the Act of Gender Equality in Employment, cultivate a harassment-free workplace, and strictly prohibit sexual harassment, including unwelcome sexual advances, requests for sexual favors, or other unwanted suggestive verbal or physical behavior.

7. Personal Data Confidentiality

Protect the personal information of employees, board members, consultants, job applicants, and business partners, accessing and using such data solely for legitimate business purposes.

Work-life balance is a core value cherished by Co-Tech. To cultivate a female-friendly workplace, employees are entitled by law to menstrual leave, maternity leave, prenatal check-up leave, and paternity check-up and paternity leave. Additionally, a comfortable lactation room is provided for female employees. In addition to personal, sick, and family care leaves in accordance with the Labor Standards Act, employees facing extended personal needs, such as parental care, military service, or severe injuries or illness, may take an unpaid leave of absence and seamlessly apply for reinstatement upon its expiration to balance personal and family needs.

Occupational Health and Safety

In addition to annual general and special health examinations in accordance with the Regulations on Labor Health Protection, Co-Tech progressively expands health checkup packages for senior executives and employees annually, underscoring its commitment to employee care beyond compliance requirements. The Company actively implements ergonomic hazard prevention plans, prevention plans for diseases triggered by abnormal workloads, and workplace maternal health protection plans. In addition, pursuant to Article 3 of the Regulations for Labor Health Protection, one medical specialist (part-time) and one nurse (part-time) are retained to provide labor health and on-site medical services, creating a friendly, healthy workplace for all employees. Key responsibilities are as follows:

- Plan and implement health education, health promotion, and hygiene guidance for the workforce.
- Prevent work-related injuries and illnesses, provide health consultation, and deliver emergency treatment for workplace injuries and sickness.
- Assist employers in selecting and assigning employees to suitable work.
- Analyze, evaluate, manage, and retain worker physical and health checkup records, and oversee ongoing health management.
- Preserve occupational health research reports and records of injuries and diseases.
- Assist employers and occupational health and safety personnel in implementing work-related disease prevention and optimizing the working environment.

As employees are often occupied with work, it can easily lead to irregular daily routines, unbalanced diets, and neglected leisure and exercise. To address this, Co-Tech offers the following care programs:

- Viral hepatitis screening.
- Dedicated lactation room for employees.
- On-site employee cafeteria offering healthy lunch and dinner.

防癌篩檢		
α-胎兒蛋白(AFP)	2.06	(0～6.99 ng/mL)
攝護腺特異抗原(PSA)	1.37	(0～4 ng/mL)
CA19-9腫瘤標記	17	(0～35 U/mL)
大腸直腸癌(CEA)	1.1	(0～5.5 ng/mL)
CA72-4胃癌標記	1.1	(0～6.9 U/ml)
細胞角質素(Cyfra 21-1)	1.5	(0～3.3 ng/mL)
EB病毒囊鞘早期抗體/核抗體免疫球蛋白A	1.1	(0～4.5 EU/mL)
病毒性肝炎篩檢		
B型肝炎病毒表面抗原Ag	Negative(-)0.69	(0～0.99 COI)
B型肝炎病毒表面抗體Ab-定量	Positive(+)11.92	(0～9.99 IU/mL)
C型肝炎病毒抗體Ab	Negative(-)0.11	(0～0.99 COI)
A型肝炎病毒抗體IgG	Reactive(+)1.02	(0～0.99 S/CO)
類風濕關節炎檢查		
C反應蛋白(CRP)	Negative	(Negative)

Occupational Health and Safety Management Policy

- Continue to implement the ISO 45001 Occupational Health and Safety Management Systems
- Dispatch personnel for specialized training on hazardous machinery and operations, increasing the holding rate of valid certification to 25%
- Strengthen management systems and drive the planning and execution of occupational health and safety projects
- Establish management systems to identify foreseeable and potential ESH risks
- Cultivate the professional expertise of OHS management personnel to adapt to new regulatory standards and emerging international trends

Occupational Health and Safety Management (ISO 45001)

Since its establishment, Co-Tech has deeply understood that employees and supplier partners are the most crucial assets for corporate sustainability. Therefore, improving working environment quality, ensuring labor safety, and preventing occupational accidents represent essential corporate social responsibilities. To put this into practice, Co-Tech proactively obtained OHSAS 18001 Occupational Health and Safety Management certification in 2013 to reduce on-site hazards, and actively works toward securing ISO 45001:2018 certification starting in late 2016. Through a Plan-Do-Check-Act (PDCA) management cycle, Co-Tech implements comprehensive occupational health and safety management to build a safe and healthy workplace. The Company executes safe production practices using institutionalized, documented, and systematic approaches, actively conducting education and training, regulatory audits, hazard identification, and risk assessment.

Co-Tech has designated on-site safety and the upgrade of work-area grating materials as priority improvements. Each unit across the plant assesses high, medium, and low risk levels based on work areas, machinery (including fixed and mobile equipment), and related ancillary equipment. Through progressive engineering enhancements, administrative management, and individual protective measures, Co-Tech prioritizes high-risk items according to its scheduled timeline to continuously improve the working environment and reduce employee hazards. In 2025, Co-Tech implemented the ISO 45001 management improvement plan, which focused on upgrading the grid plate material in the dissolution tanks to prevent slip, trip, and fall hazards.

Grid Plate Material Update (After Improvement)

Grid Plate Material Update (After Improvement)

Occupational Health and Safety Management System

The organizational structure of Co-Tech includes an Occupational Safety Office, staffed by one Occupational Health and Safety Manager and one Health and Safety Officer to implement health and safety management practices. To enhance its health and safety management system, Co-Tech obtained OHSAS 18001 certification in 2013 in accordance with regulatory requirements. In 2019, the Company successfully transitioned to ISO 45001:2018 certification through a third-party verification body, ensuring the continuous operation and optimization of its occupational health and safety management system. Workers covered under this management system include all employees, contractors, suppliers, and visitors participating in company activities.

Occupational Safety

Co-Tech Development has established an “Occupational Health and Safety Committee” to evaluate, coordinate, and recommend policies regarding labor health and safety. The organizational structure includes one Chairperson (10%), four Committee Members (40%), four Labor Representatives (40%), and two Occupational Safety Personnel (serving concurrently as Executive Secretaries) (10%). Their specific functions and composition are detailed as follows:

1. Chairperson: Served by the head of the plant.
2. Executive Secretary: Served concurrently by the Director of the Occupational Safety Office.
3. Committee Members: Served by the Plant Manager and the Director of the Project Department.
4. Labor Representatives: Served by employee representatives elected during the labor-management meetings.
5. Occupational Safety Personnel: Served by the Occupational Health and Safety Manager and Health and Safety Officer.

In accordance with occupational health and safety regulations, the Occupational Health and Safety Committee conducts regular reviews every three months on legally required items. Each committee member provides updates on OHS implementation, reviews recent occupational injury incidents, and proposes improvement measures. Through case studies, these insights are shared across units to minimize accidents and enhance employee operational safety. Additionally, the Committee promotes governmental safety and health regulations during meetings to elevate employee safety and health awareness, ensuring workers strictly follow safety protocols and wear protective gear, supported by random safety and health audits conducted by health and safety personnel.

Prevention of Occupational Accidents

1. General Working Environment Maintenance:

Co-Tech implements a complete smoking ban across its offices and plants. In addition to regular maintenance of air conditioning systems and cooling towers, carbon dioxide levels are monitored regularly to protect workforce health. Additionally, lighting systems in plants and offices undergo routine testing and maintenance, maintaining light intensity above 300 lux.

2. Employee Health Maintenance:

Annual health check-ups are conducted regularly for employees. Since 2023, additional health check-up items and individual abdominal ultrasound scans have been uniformly provided to all employees at Grade 5 or above. If abnormalities are detected, cases are listed on a tracking registry and continuously monitored by nursing personnel. Health education seminars are also organized accordingly.


Health Examinations

3. On-site Key Operational Environment Maintenance:

For production personnel in contact with controlled substances, safety data sheets are provided in the workplace for operator reference to ensure effective hazard prevention. Additionally, Co-Tech records and inspects the consumption of listed toxic chemicals and enforces designated area management controls. During the compounding phase of copper foil processing, localized exhaust scrubbers are deployed where dust occurs, and protective masks are distributed to employees to minimize personnel exposure to trace harmful dust.

4. Employee Safety Protection:

A review of historical employee injury records revealed that cuts and caught-in injuries during on-site operations were the main causes of incidents. To prevent recurrence, a dedicated health and safety management unit operates at the plant. In addition to quarterly health and safety committee meetings to review environmental, health, and safety conditions, the unit conducts irregular on-site inspections. Safety notices are issued for equipment concerns, near misses, and potential worker hazards, requiring the responsible supervisors to implement corrective actions and complete follow-up verifications before cases are closed.

5. Disaster Prevention and Control:

The EHS Department formulates annual action plans to execute and oversee safety education, safety drills, and toxic chemical spill response across all departments.


Fire Drill

6. Hazard Reduction for Employees:

Statistical data indicates that employees are most vulnerable to cuts and caught-in injuries within the plant area. Cuts primarily occur during copper foil sampling and cutting processes due to improper tool handling, whereas pinch injuries result from personnel being struck or squeezed by machinery during operations. We will continue to implement preventive and corrective measures to address these specific operational risks.

Occupational Accident Prevention and Improvement

In 2025, Co-Tech conducted comprehensive safety inspections across its production plants and implemented corrective enhancements in areas prone to occupational hazards, as outlined below:

Replacement of Damaged Sockets

Before Replacement

After Replacement

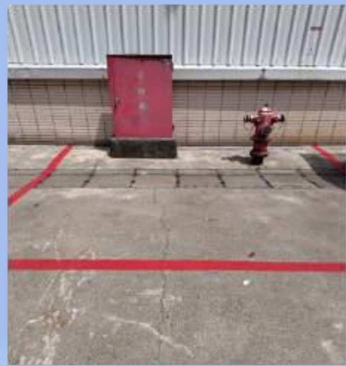
Inadequate Shaft Guarding for Cooling Tower Water Pumps

Before Improvement

After Improvement

Prohibition of Objects in Front of Fire Hydrant Cabinets

Before Improvement



After Improvement

Occupational Health and Safety Training

Co-Tech shall conduct health and safety training programs for employees and contractors operating within the plant area.

On-site Employees

In addition to general health and safety education and emergency response training, regular in-service training is systematically provided for OHS personnel, fixed crane operators, forklift operators, and first aid personnel, primarily delivered by certified external training institutions.

Contractors

The Health and Safety Office shall coordinate with construction supervisors and contractors to provide health and safety orientation for all personnel entering the plant for construction, implement hazard notifications and maintain official records through engineering meetings.

Employee In-service Training

Health Promotion Training

Contractor Training

Contractor Training

Work-related Injury Statistics

To prevent work-related injuries, Co-Tech has established facility safety inspection management procedures, conducting irregular monthly checks for hazard factors such as entrapment and machinery entanglement, while completing immediate improvements for any disaster risks identified on-site. In addition, management regulations for occupational disaster and incident investigation have been implemented. When property loss or disaster (incident) affects process equipment or employees during work hours, necessary first-aid measures and disaster response operations are immediately deployed. Incident causes are thoroughly investigated, analyzed, and statistically recorded to establish effective countermeasures that prevent similar incidents from recurring. During the 2022 on-site inspections, findings classified under hazard labeling, environmental conditions, and electric shock represented the most frequent categories of non-compliance.

Statistical Table of On-site Safety Deficiency Audit Findings

	Contact with chemicals	Labeling	Fall	Electric shock	Crushing and entanglement	Fall	Cutting	Collapse	Environ ment	Others	Subtotal
2023	3	6	4	3	1	3	0	0	3	12	35
2024	2	2	3	3	1	2	0	0	4	9	26
2025	0	5	0	1	1	4	0	0	3	11	25

Key Performance Indicators for Occupational Safety

		Frequency Rate (FR)	Severity Rate (SR)	Injury Severity Rate (IR)
2023	The Company	3.36	114	0.62
2024	The Company	1.62	68	0.33
2025	The Company	0	0	0
Average among peers over the last three years		2.14	402	0.92

Disabling Injury Frequency Rate (FR) refers to the total number of disabling injuries per million working hours. The total number of disabling injuries is calculated as: the total number of persons, including death, permanent total disability, permanent partial disability, and temporary total disability.

FR = Number of disabling injuries / Total hours worked * 1,000,000
Disabling Injury Severity Rate (SR)
SR = Total lost workdays / Total hours worked * 1,000,000
Injury Severity Rate (IR)

$$IR = \sqrt{\frac{FRxSR}{1000}}$$

Note: The above statistics do not include traffic accidents involving employees commuting to and from work.

Health Promotion Activities

The Health Promotion Mark for Healthy Workplace Certification has been obtained.


證書編號：HPAA1120673

健康職場認證
健康促進標章

金居開發股份有限公司
斗六一廠、斗六二廠

致力於推動**職場菸害防制暨健康促進**，積極落實職場無菸及健康促進措施，建立優良之健康工作環境，經評定符合**健康職場認證-健康促進標章**。

衛生福利部國民健康署
署長吳昭軍

本證有效期間：113年1月1日至115年12月31日

Health Promotion Activities

In addition to fulfilling its corporate social responsibility, the Company extends its safety standards to contractors operating within the plant. To advance its occupational health and safety management system and establish effective contractor management and communication mechanisms for hazard elimination, the Company formulated the “Contractor Health and Safety Management Procedures”. This manual outlines health and safety management requirements for contractors working on-site, ensuring communication and workplace hazard notifications are systematically conducted through engineering meetings. Beyond careful procurement selection of qualified contractors for outsourced projects, supervisors must verify worker qualifications and licenses prior to site entry. Construction safety meetings are held to inform contractors of mandatory safety and environmental regulations, alongside potential risks. If electrical power is needed, supervisors assist in coordinating power allocation to maintain strict workplace safety. Upon contractor entry, strict access controls are applied to personnel, vehicles, and construction tools. In addition to continuous operational oversight by supervisors, health and safety personnel perform irregular inspections. Furthermore, contractors are required to strictly comply with environmental regulations and maintain physical isolation and safety markings within designated construction areas to safeguard on-site personnel and protect the environment.

6 Social Care and Contributions

Social Care and Contributions

Social Care and Contributions

Guided by its core philosophy of "Giving back to the community that supports the Company", Co-Tech is committed not only to sustainable operations and employee well-being but also to actively engaging with local communities and fostering good neighborly relations. Concurrently supporting the sustainability philosophy advocated by the Paul Chiang Arts and Cultural Foundation, the Company contributes to initiatives across humanities, education, and arts and culture.

Sponsoring Community and Remote Area Development

Co-Tech provides an annual sponsorship of NT$2,000 to the neighboring Zhonghe Temple for the traditional Ghost Festival (Zhongyuan Pudu) rituals, while distributing the offerings to low-income households. Embracing its role as a corporate citizen, Co-Tech gives back to society by consistently supporting education, culture, and ESG development. Its sponsorship of the Paul Chiang Arts and Cultural Foundation aims to enhance humanities and artistic growth in Hualien and Taitung, drive local creative and tourism sectors, and bring the vibrant cultural energy of the region to the international art stage.

Achievements in Proactive Community Engagement

1. Co-Tech annually invites the TFCF Child Center and Xinyi Children's Home to perform at its year-end party, donating NT$20,000 each as festive meal grants.
2. In 2023, Co-Tech donated NT$5,000,000 to the Alliance Cultural Foundation.
3. In 2024, Co-Tech donated NT$5,000,000 to the Paul Chiang Arts and Cultural Foundation.
4. In 2025, Co-Tech donated NT$5,000,000 to the Paul Chiang Arts and Cultural Foundation.
5. In 2025, Co-Tech donated one unit (NT$25,000) for the vulnerable family service vehicle under the Social Affairs Department of Yunlin County Government.

	2023	2024	2025
Community activities	2,000	2,000	2,000
Community/Remote area care	5,040,000	5,040,000	5,065,000
Total	5,042,000	5,042,000	5,067,000

Unit: NT$

GRI Content Index

GRI Standards	Disclosure	Page	Omission and Explanation
Universal Standard			
GRI 1: Foundation 2021			
	GRI Content Index	95-104	GRI Content Index
	Statement of Use	01-02	About This Report
GRI 2: General Disclosures			
Organization and Reporting Practices			
2-1	Organizational details	7-10	Company Profile
2-2	Entities included in the organization's sustainability reporting	01	About This Report
2-3	Reporting period, frequency and contact point	01-02	About This Report
2-4	Restatements of information	01	No information has been restated. Should any corrections arise, they are annotated within the relevant sections.
2-5	External assurance		The information is self-disclosed and internally verified by the Company, with no external assurance obtained.
Activities and Workers			
2-6	Activities, value chain and other business relationships	01, 16-32, 12-15	Regarding this Report; Corporate Governance; Supply Chain Management
2-7	Employees	74-78	Employees of Co-Tech
2-8	Workers who are not employees	74-78	Employees of Co-Tech

GRI Content Index

GRI Standards	Disclosure	Page	Omission and Explanation
Governance			
2-9	Governance structure and composition	17-32	Corporate Governance
2-10	Nomination and selection of the highest governance body	17-32	Corporate Governance
2-11	Chair of the highest governance body	17-32	Corporate Governance
2-12	Role of the highest governance body in overseeing the management of impacts	17-32	Corporate Governance
2-13	Delegation of responsibility for managing impacts	17-32	Corporate Governance
2-14	Role of the highest governance body in sustainability reporting	17-32	Corporate Governance
2-15	Conflicts of interest	17-32	Corporate Governance
2-16	Communication of critical concerns	17-32	Corporate Governance
2-17	Collective knowledge of the highest governance body	17-32	Corporate Governance
2-18	Evaluation of the performance of the highest governance body	17-32	Corporate Governance
2-19	Remuneration policies		Please refer to the 2025 Annual Report/Corporate Governance Report - Remuneration Paid during the Most Recent Fiscal Year to Directors and Management Team
2-20	Process to determine remuneration		Please refer to the 2025 Annual Report/Corporate Governance Report - Implementation of Corporate Governance - Composition, Duties and Responsibilities, and Operation of the Compensation Committee

GRI Content Index

GRI Standards	Disclosure	Page	Omission and Explanation
2-21	Annual total compensation ratio	-	Compensation is considered confidential information and will not be disclosed for the current year.
Strategy, Policies and Practices			
2-22	Statement on sustainable development strategy	03, 39	Chairman’s Message; ESG Task Force
2-23	Policy commitments	17-32, 83, 84-92	Corporate Governance; Human Rights Protection; Occupational Health and Safety
2-24	Embedding policy commitments	17-32, 12-15, 84-92	Corporate Governance; Supply Chain Management; Occupational Health and Safety
2-25	Processes to remediate negative impacts	17-32, 33-34, 36-37	Corporate Governance; Operational Risk Management; Information Security Risk
2-26	Mechanisms for seeking advice and raising concerns	17-32, 35	Corporate Governance; Code of Conduct
2-27	Compliance with laws and regulations		No material regulatory violations during the 2025 reporting period.
2-28	Membership associations	10-11	External Organization Participation
Stakeholder Negotiation			
2-29	Approach to stakeholder engagement	39-43	Communicating with Stakeholders
2-30	Collective bargaining agreements		No collective bargaining agreement signed in 2025
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	44-48	Identification of and Response to Material Topics
3-2	List of material topics	44-48	Identification of and Response to Material Topics
3-3	Management of material topics	44-48	Identification of and Response to Material Topics
Economic Indicators			

GRI Content Index

GRI Standards	Disclosure	Page	Omission and Explanation
GRI201: 2016 Economic Performance			
GRI 3: 3-3 Management of material topics	Operating Performance	6, 16	Business Development; Operational Performance
201-1	Direct economic value generated and distributed	16	Operational Performance
201-2	Financial implications and other risks and opportunities due to climate change	33-34, 36-37	Operational Risk Management; Information Security Risk
201-4	Financial assistance received from government	16	Operational Performance
GRI 202: Market Presence 2016			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	79-82	Workplace Well-being; Compensation, Benefits, and Well-being
GRI 204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	13-15	Supply Chain Management
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	35	Code of Conduct
205-2	Communication and training about anti-corruption policies and procedures	35	Code of Conduct
205-3	Confirmed incidents of corruption and actions taken	35	No such incidents occurred during the 2025 reporting period.
GRI 206: Anti-competitive Behavior 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		No legal actions for anti-competitive behavior, anti-trust, and monopoly practices in 2025
Environmental Indicators			

GRI Content Index

GRI Standards	Disclosure	Page	Omission and Explanation
GRI 301: Materials 2016			
301-1	Materials used by weight or volume	69	Resource Utilization; Raw Materials Utilization
301-2	Recycled input materials used	70, 71	Resource Utilization; Waste Control and Management
301-3	Reclaimed products and their packaging materials	72	Resource Utilization
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	64	Internal Energy and Resource Consumption Status
302-3	Energy intensity	64-65	Climate Change Response
302-4	Reduce energy consumption	66-67	Climate Change Response
GRI 303: Water and Effluents 2018			
303-3	Water withdrawal	68	Water Stewardship
303-4	Water discharge	68	Water Stewardship
303-5	Water consumption	68	Water Stewardship
GRI 305: Emissions 2016			
GRI 3: 3-3 Management of Material Topics	Climate change	60-63	Climate Change Response

GRI Content Index

GRI Standards	Disclosure	Page	Omission and Explanation
305-1	Direct (Scope 1) GHG emissions	65	Climate Change Response
305-2	Energy indirect (Scope 2) GHG emissions	65	Climate Change Response
305-4	GHG emissions intensity	65	Climate Change Response
305-5	Reduction of GHG emissions	65-66, 67-68	Greenhouse Gas and Carbon Inventory; Pollution Prevention
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	67-68	Pollution Prevention and Control
GRI 306: Waste 2020			
GRI306-3	Waste generated	70-71	Waste Management
GRI306-4	Waste diverted from disposal	70-71	Waste Management
GRI306-5	Waste directed to disposal	70-71	Waste Management
GRI 307: Environmental Compliance 2016			
307-1	Non-compliance with environmental laws and regulations	67-68	Pollution Prevention and Control (Regulatory Compliance)
Social Indicators			
GRI 401: Employment 2016			
GRI 3: 3-3 Management of Material Topics	Labor/management relations	79	Workplace Well-being

GRI Content Index

GRI Standards	Disclosure	Page	Omission and Explanation
401-1	New employee hires and employee turnover	76	Employees of Co-Tech
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	79-82	Employee Benefits
401-3	Parental leave	83	Human Rights Protection
GRI 402: Labor/Management Relations 2016			
402-1	Minimum notice periods regarding operational changes	83	Human Rights Protection
GRI 403: Occupational Health and Safety 2018			
GRI 3: 3-3 Management of Material Topics	Occupational Health and Safety	84-92	Occupational Health and Safety
403-1	Occupational Health and Safety Management System	84-92	Occupational Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	84-92	Occupational Health and Safety
403-3	Occupational health services	84-92	Occupational Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	84-92	Occupational Health and Safety
403-5	Worker training on occupational health and safety	84-92	Occupational Health and Safety
403-6	Promotion of worker health	84-92	Occupational Health and Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	84-92	Occupational Health and Safety

GRI Content Index

GRI Standards	Disclosure	Page	Omission and Explanation
403-8	Workers covered by an occupational health and safety management system	84-92	Occupational Health and Safety
403-9	Work-related injuries	84-92	Occupational Health and Safety
403-10	Work-related ill health	84-92	Occupational Health and Safety
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	77, 78	Education and Training; Performance Appraisal
404-3	Percentage of employees receiving regular performance and career development reviews	77, 78	Education and Training; Performance Appraisal
-	Promotion system, employee well-being, employee privacy	74-83	Healthy and Supportive Workplace
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	17-32, 74-75	Corporate Governance; Talent Structure
405-2	Ratio of basic salary and remuneration of women to men	80	Compensation, Benefits, and Well-being
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	83	Human Rights Protection; no such incidents occurred during the 2025 reporting period
GRI 408: Child Labor 2016			

GRI Content Index

GRI Standards	Disclosure	Page	Omission and Explanation
408-1	Operations and suppliers at significant risk for incidents of child labor	10, 83	Supplier Corporate Social Responsibility; Human Rights Protection; no such incidents occurred during the 2025 reporting period
GRI 416: Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	50-54, 55	Products and Services Overview; Green Products
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		No violations occurred during the 2025 reporting period
GRI 417: Marketing and Labeling 2016			
417-1	Requirements for product and service information and labeling	50-54	Product Information Labeling
417-2	Incidents of non-compliance concerning product and service information and labeling		No violations occurred during the 2025 reporting period
417-3	Incidents of non-compliance concerning marketing communications		No violations occurred during the 2025 reporting period
	Green Products	55	Green Products
	Certification Achievements	55-56	Various Management System Certifications
GRI 418: Customer Privacy 2016			

GRI Content Index

GRI Standards	Disclosure	Page	Omission and Explanation
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		No violations occurred during the 2025 reporting period
Social Care	Social welfare activities, community development, and social relations	94	Social Care and Contributions

SASB Content Index

Sustainability Accounting Standards Board (SASB) Standards

Disclosure Scope: CO-TECH DEVELOPMENT CORPORATION (Douliu Plant)

Sector: Resource Transformation

Industry: Electronic Equipment

Disclosure Topics and Accounting Indicators

Material Topics	Code	Metric	Description	Report section
Energy Management	RT-EE-130a.1	1. Total energy consumed 2. Percentage grid electricity 3. Percentage renewable		Energy Consumption within the Organization
Hazardous Waste Management	RT-EE-150a.1	Weight of hazardous waste generated Percentage recycled		Waste Management
	RT-EE-150a.2	Number and aggregate quantity of reportable spills Quantity recovered Number of recalls issued	0 times 0 kilograms 0 items	
Product Safety	RT-EE-250a.1 RT-EE-250a.2	Number of recalls issued Total units recalled Total amount of monetary losses as a result of legal proceedings associated with product safety	0 times 0 items NT$0	
Product Lifecycle Management	RT-EE-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	0.00%	N/A
	RT-EE-410a.2	Percentage of eligible products, by revenue, certified to Energy Star certification	Not applicable	N/A
	RT-EE-410a.3	Revenue from renewable energy-related and energy efficiency-related products	NT$0	N/A
Material Sourcing	RT-EE-440a.1	Description of the management of risks associated with the use of critical materials		
Business Ethics	RT-EE-510a.1	Description of policies and practices for prevention of corruption and bribery Description of policies and practices for prevention of anti-competitive behavior		Internal Controls; Risk Management; Code of Conduct
	RT-EE-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	NT$0	
	RT-EE-510a.3	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	NT$0	

Activity Metrics

Activity metrics	Code	Metric	Report section
Number of units produced by product category	RT-EE-000.A	Please refer to the Annual Report of the Company.	2025 Annual Report
Number of employees	RT-EE-000.B	Please refer to the Report section	Employees of Co-Tech

Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies

Disclosures	Report section	Page	Remarks
Article 3, Paragraph 2 Include an assessment of ESG (environmental, social and governance) related risks and shall set out relevant performance metrics for managing its identified material topics.	Operational Risk Management, Information Security Risk, Identification of and Response to Material Topics	33-34, 36-37, 44-48	
Article 3, Paragraph 3 Include a GRI content index, which specifies each of the GRI Standards to which the contents of the report correspond, and specify in the report whether the topic-specific disclosures have been assured or certified by a third party.	Appendix GRI Content Index	95-104	
Article 4, Paragraph 3 Enhance industry-specific disclosure of the sustainability metrics.	Appendix SASB Content Index	105-106	
Article 4-2 Disclose the average and median salaries of full-time employees in non-management positions, and the change in those two figures compared to those of the preceding fiscal year.	Compensation, Benefits, and Well-being	79-80	
Article 4-1 Disclose the governance regarding climate-related risks and opportunities, the actual and potential climate-related impacts, as well as the metrics and targets to identify, assess, and manage climate-related issues.	Climate Change	60-63	

CO-TECH DEVELOPMENT
CORPORATION