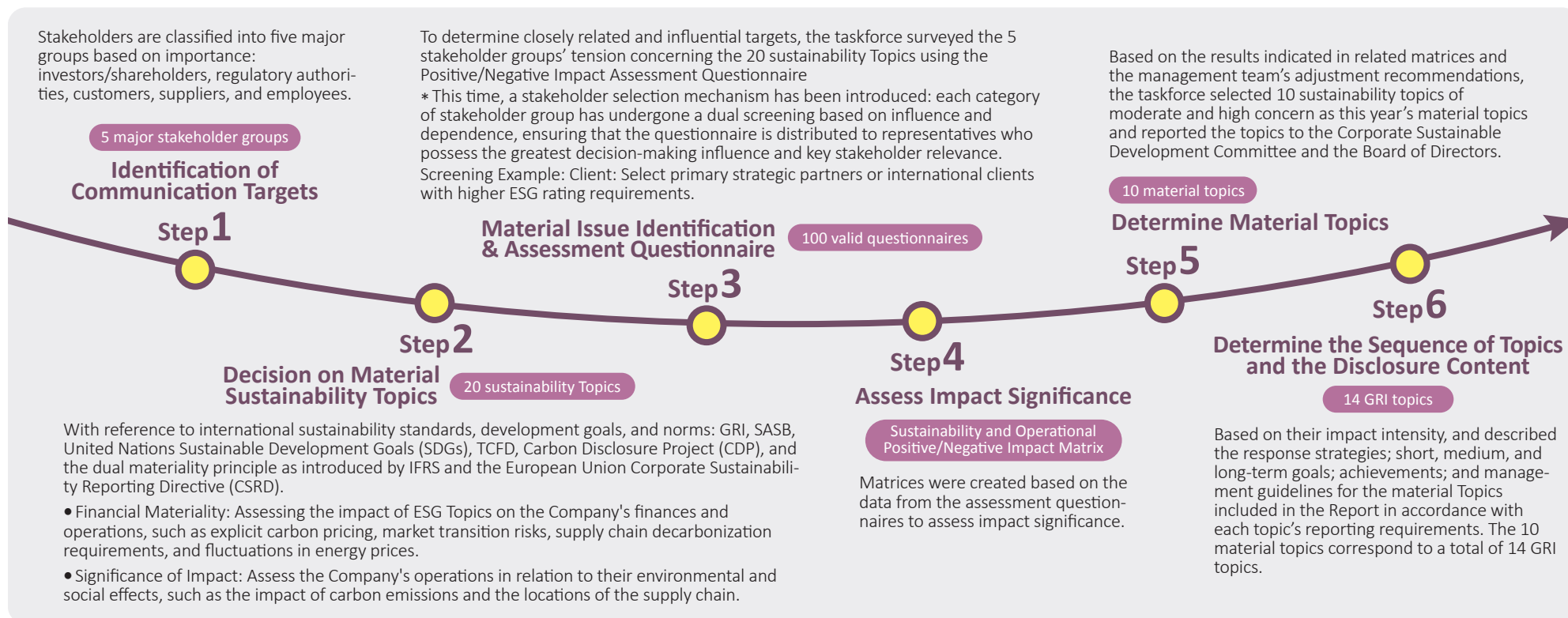




## 1.1 Material Topics and Stakeholder Engagement

Chicony Power has followed GRI standards and the four principles of Inclusivity, Materiality, Response, and Impact entailed in 2021 AA1000 AP (AA1000 Accountability Principles) to determine the material Topics related to the Company's operations. Additionally, the Company has identified its major stakeholders by referencing the five aspects highlighted in AA1000 Stakeholder Engagement Standard 2015, which are Dependency, Responsibility, Tension, Influence, and Diverse Perspectives, and engages with them to ensure their input is integrated into the Company's sustainability-related decision-making processes.

This report aims to align with international trends in sustainability disclosure and proactively respond to relevant requirements from regulatory authorities. It further adopts the International Financial Reporting Standard (IFRS) S1, "General Requirements for Disclosure of Sustainability-related Financial Information", emphasizing the financial impacts of sustainability Topics. The Company applies the principle of Double Materiality, which not only assesses how the enterprise is affected by environmental and social Topics (Financial Materiality) but also evaluates how the enterprise impacts the environment and society (Impact Materiality), to ensure the completeness of the disclosed information.



## Step 1 Stakeholder Identification and Decision on Material Sustainability Topics

The Company adheres to the five principles of the AA1000 SES stakeholder engagement standards: dependence, responsibility, concern, influence, and diverse perspectives, and distributes a stakeholder identification questionnaire to the working group members, resulting in a total of 33 valid responses collected. The statistical results of the questionnaire are reviewed and approved by the ESG Task Force, ultimately determining five major stakeholders. (Consistent with last year)

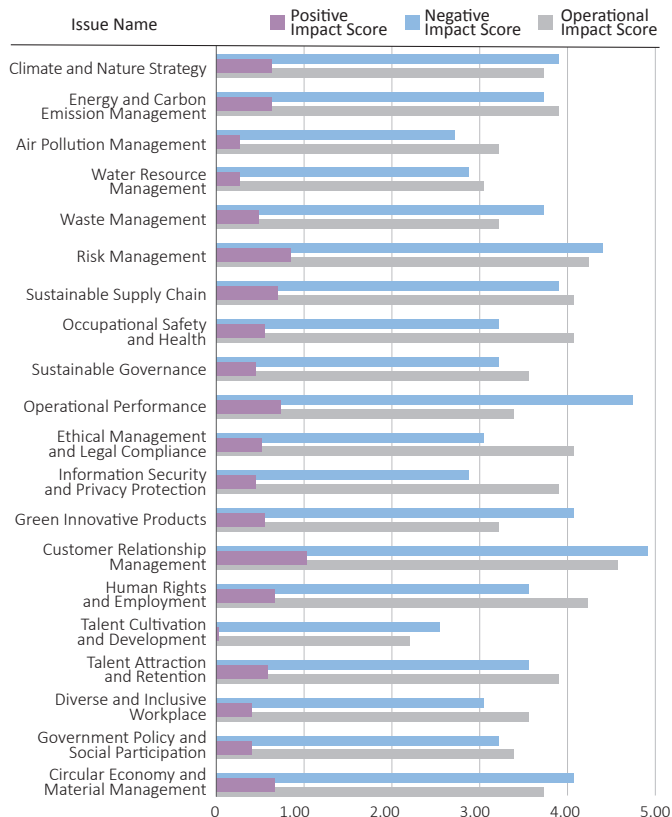
The Company has identified 20 material sustainability Topics through stakeholder engagement, industry trend analysis, and alignment with international laws and standards. These Topics will undergo further assessments of their positive/negative impacts to ensure that their effects on the Company's operations, finances, risk management, and stakeholders are fully considered.



## Step 3 Material Issue Identification & Assessment Questionnaire

**Sustainable Development Impact :** To assess the positive/negative impacts of various Topics on the economy, human rights, and the environment, the Company distributed impact assessment questionnaires to 5 major categories of stakeholders, receiving a total of 100 valid responses.

**Impact on Operations :** To assess the impact of sustainability Topics on the Company's operational revenue and brand value, a questionnaire was distributed to relevant ESG personnel within the group, resulting in the collection of 13 valid responses.



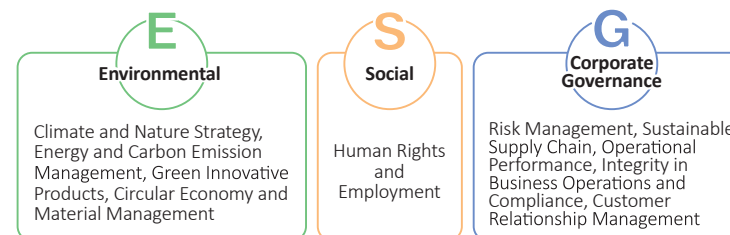
## Step 4 Step 5 Assess Impact Significance

The Company has developed a material topic matrix based on the assessment data of operational impacts and sustainable development impacts. After internal discussions, it was determined that the thresholds for both operational impacts and sustainable development impacts should be greater than 0.5. Ultimately, 10 major sustainable Topics for this year have been identified. Compared to the previous year, there has been a reduction of five material sustainability Topics (water resource management/wastewater treatment, occupational safety and health management, talent development and cultivation, social participation, customer privacy and information security). The adjustments are as follows:

• **Environmental:** Although water resource management is not listed as a material issue for this year, given its impact on business operations and the environment, relevant management strategies and performance data will still be included in this year's report to ensure transparency of information. Climate change and biodiversity are interrelated Topics. The Company, based on considerations of risk management and strategic integration, has merged them into a Climate and Nature Strategy to comprehensively respond to global sustainability trends and corporate carbon reduction commitments.

• **Social:** The Company continues to disclose management measures and performance related to occupational safety and health, serving as a core focus for sustainable development. Although social participation is not listed as a material issue for this year, it is still included in the report to explain the relevant achievements and impacts, demonstrating the Company's long-term commitment to social responsibility. Talent cultivation and development will be integrated under the Topics of human rights and employment, strengthening the overall governance framework for human resource development and labor rights management.

• **Governance:** The Company will incorporate cybersecurity management into its ongoing disclosure scope and continuously strengthen data protection mechanisms based on the existing information security management framework to ensure the safety of customer privacy and confidential information, maintaining a high standard of cybersecurity management system.





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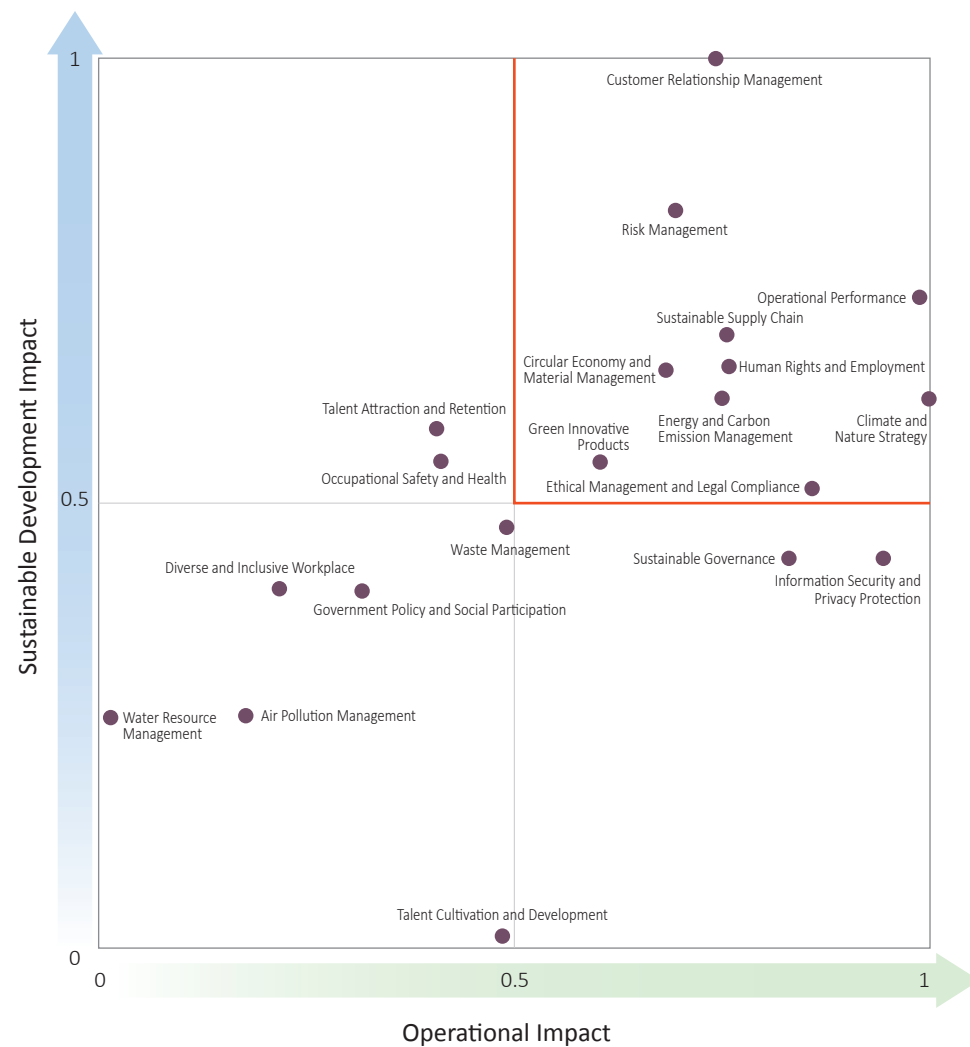
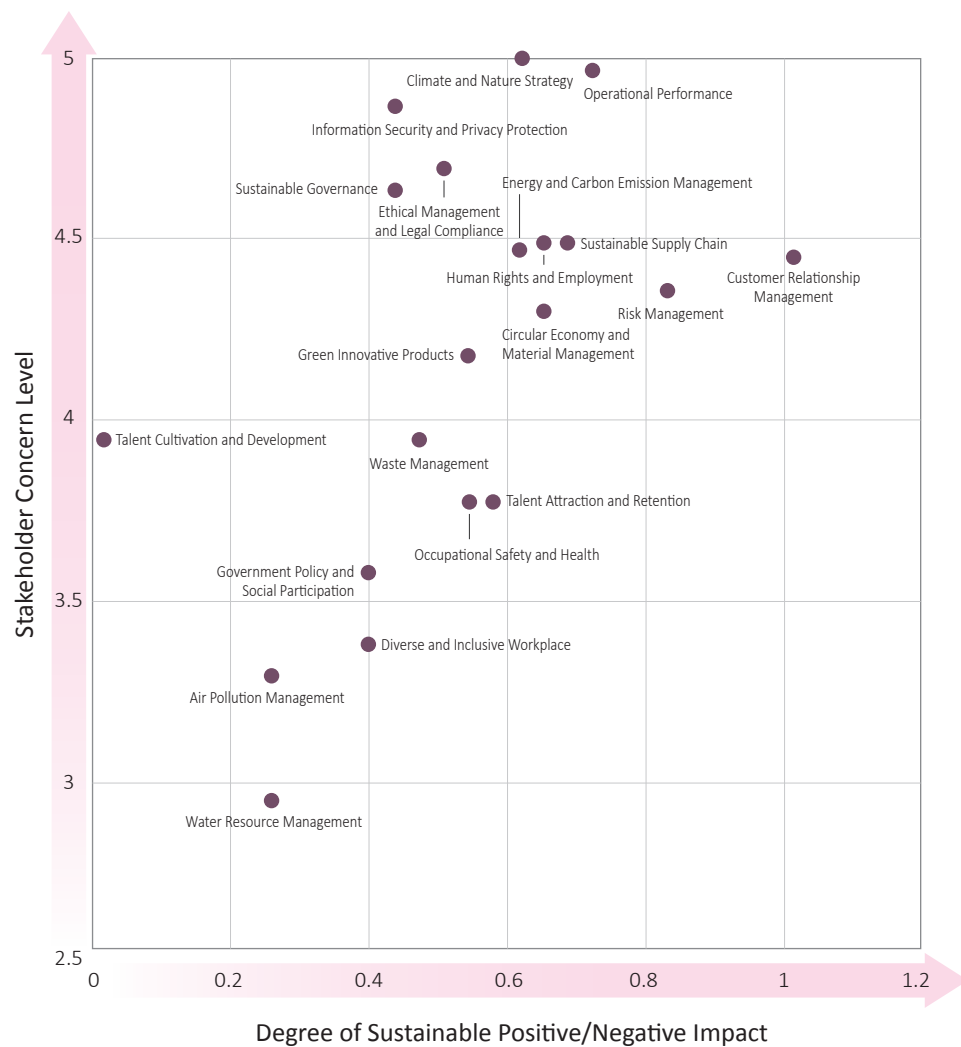
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Appendix

1.1 Material Topics and Stakeholder Engagement

1.2 Stakeholder Communication



## Comparison Table of Material Sustainability Topics

	The previous fiscal year	This year
<b>E</b> Environmental	<ul style="list-style-type: none"> <li>Energy Management</li> <li>Green Product Design</li> <li>Water Resource Management / Wastewater Treatment</li> <li>Climate Change</li> <li>Biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>Climate and Nature Strategy</li> <li>Energy and Carbon Emission Management</li> <li>Green Innovative Products</li> <li>Circular Economy and Material Management</li> </ul>
<b>S</b> Social	<ul style="list-style-type: none"> <li>Occupational Safety and Health Management</li> <li>Talent Development and Cultivation</li> <li>Human Rights and Employment</li> <li>Social Participation</li> </ul>	<ul style="list-style-type: none"> <li>Human Rights and Employment</li> </ul>
<b>G</b> Corporate Governance	<ul style="list-style-type: none"> <li>Legal Compliance and Ethical Management</li> <li>Operational Risk</li> <li>Economic Performance</li> <li>Privacy Protection and Information Security</li> <li>Supply Chain Management</li> <li>Customer Relationship Management</li> </ul>	<ul style="list-style-type: none"> <li>Risk Management</li> <li>Sustainable Supply Chain</li> <li>Operational Performance</li> <li>Ethical Management and Legal Compliance</li> <li>Customer Relationship Management</li> </ul>

Dimension	Material Topics	Significance to Chicony Power
Environmental	Climate and Nature Strategy	Chicony Power adopts green product designs to continuously improve the energy efficiency of its products, comply with hazardous-substances-related laws and regulations, and increase its use of renewable and recyclable materials. Additionally, the Company is committed to environmental protection, green production, and green products promotion to reduce carbon emissions and impacts on the environment. Implementation plans and programs are formulated on a yearly basis, and the progress toward each goal is regularly tracked and reviewed to ensure that the Company's products are aligned with sustainable operations, and that the goals are achieved.
	Energy and Carbon Emission Management	
	Green Innovative Products	
	Circular Economy and Material Management	
Social	Human Rights and Employment	Employees are Chicony Power's most important partners. The Company attaches great importance to the work environment, career development, and care of employees by establishing diversified internal communication channels and continuously promoting various employee-oriented projects to create a good work environment for employees.
Corporate Governance	Ethical Management and Legal Compliance	The Ethical Management Promotion Taskforce regularly assesses and monitors changes in laws and regulations and the Company's compliance. It carries out the formulation, supervision, and implementation of the Company's ethical management policy and prevention programs and makes annual reports to the Board of Directors.
	Risk Management	All responsible units determine, analyze, measure, monitor, respond to, and report their operational risks based on their business-related risk characteristics and impact levels, and improve response measures to reduce risk impacts on the Company.
	Operational Performance	Maintaining stable financial performance is Chicony Power's commitment to all stakeholders.
	Supply Chain Management	To standardize supply chain management procedures, Chicony Power has formulated the Supplier Management Procedures. Suppliers are assessed and audited on the basis of key factors such as performance in labor rights, environmental protection, and health and safety management. Improvement measures are developed based on the assessment results to assist suppliers in making continuous progress, with the aim of enhancing supply chain sustainability and management capability, reducing supply chain operational risks, and building partnerships for sustainable development.
	Customer Relationship Management	The Company views suppliers as important partners for sustainable growth. It has carried out sustainable supply chain management to reduce operational risks and continuously provide responsible and quality services to customers.



## 1.2 Stakeholder Communication

Stakeholder demands are crucial to the Company's sustainability and success. The Company firmly believes that through active Engagement and response with stakeholders, it can gain a deeper understanding of their needs and expectations, and incorporate these into short-, medium-, and long-term strategic planning. This not only strengthens corporate resilience but also creates value for stakeholders and opens up new opportunities for sustainable operations.

### 2024 Stakeholder Communication Implementation Results

Stakeholder	Topics of Major Concerns	GRI	Communication Channels and Frequency	2024 Stakeholders Communication Practices and Achievements
<b>Government and Governing Agencies</b> 	<ul style="list-style-type: none"> <li>Sustainable Governance</li> <li>Ethical Management and Legal Compliance</li> <li>Risk Management</li> </ul>	GRI 2-27 Legal Compliance GRI 2-15 Conflicts of Interest GRI 2-16 Communication of Critical Concerns GRI 205 Anti-corruption GRI 206 Anti-competitive Behavior	1.Participate in policy-related information meetings and workshops held by governing agencies on an irregular basis. 2.Cooperate with governing agencies' supervision and audits. 3.Set up contact personnel to maintain good interactive relationships with governing agencies.	1.Continuously listed as a constituent stock in the Taiwan High Compensation 100 Index. 2.Participated in 2024 Corporate Governance Evaluation audiovisual advocacy courses. 3.Participated in TWSE's Advocacy Meeting for Listed Companies in November.
<b>Customers</b> 	<ul style="list-style-type: none"> <li>Green Innovative Products</li> <li>Customer Relationship Management</li> <li>Human Rights and Employment</li> <li>Energy and Carbon Emission Management</li> <li>Risk Management</li> </ul>	GRI 302 Energy GRI 202 Market Presence GRI 401 Employment	1.Hold QBR meetings with major customers on a quarterly or biannual basis to understand the Company's competitiveness ranking (according to customers), and improvements to be achieved in terms of product R&D, costs, lead time, and after-sales services. 2.Hold QBR meetings with major customers on a quarterly or biannual basis to understand customer needs and the future orientation of products so that preparations can be made in advance to shorten new products' development timelines. 3.Arrange regular RBA audits to ensure that the Company's factories comply with relevant laws and regulations and meet customers' requirements. 4.Participate in customers' ESG/SER workshops on an irregular basis. 5.Build self-owned plants in Thailand.	1.Held in-person, phone, or video-based QBR (Quarterly Business Review), QTR (Quarterly Technical Review), and EBR (Executive Business Review) meetings with major customers. 2.All factories in Mainland China have received the RBA VAP (Validated Assessment Program) Silver Medal. Both the Suzhou Factory and the Chongqing Factory have been selected as "Preferred Factories" by the RBA. 3.Customers conducted irregular audits of the Company's factories and proposed relevant product quality requirements. 4.Company representatives visited customers on an irregular basis or communicated with them via phone calls and e-mail to confirm customers' needs and the future orientation of products. 5.Participated in customers' in-person or video-based ESG/SER (Social and Environmental Responsibility) workshops to understand customers' goals and directions. 6.All factories continue to implement IWA Energy. Strengthening the Management System for Energy Conservation and Carbon Reduction in Factories 7.Continue to increase production capacity at Thailand Factory in response to customers' China Plus One strategy to meet customers' needs. 8.Deployed mutually-supportive production capacity at the Dongguan Factory, Suzhou Factory, Chongqing Factory and Thailand Factory.





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1.1 Material Topics and Stakeholder Engagement

1.2 Stakeholder Communication

Stakeholder	Topics of Major Concerns	GRI	Communication Channels and Frequency	2024 Stakeholders Communication Practices and Achievements
<b>Investors / Shareholders</b> 	<ul style="list-style-type: none"> <li>Sustainable Governance</li> <li>Ethical Management and Legal Compliance</li> <li>Risk Management</li> <li>Operational Performance</li> <li>Customer Relationship Management</li> </ul>	GRI 2-27 Legal Compliance GRI 2-15 Conflicts of Interest GRI 2-16 Communication of Critical Concerns GRI 201 Economic Performance GRI 205 Anti-corruption GRI 206 Anti-competitive Behavior	1. Hold a regular shareholders meeting every year 2. Release quarterly financial reports and monthly revenue reports, and irregularly disclose the Company's important financial and business information on the Market Observation Post System (MOPS). 3. Hold at least one investor briefing every quarter. 4. Set up bilingual (Chinese and English) sustainable development and investor service pages on the Company's official website. 5. Issue a sustainability report every year. 6. Set up a spokesperson, deputy spokesperson, and investor relations contact for the Company	1. The regular shareholders meeting was held on May 27, 2024, to explain the Company's operational performance to shareholders and respond to shareholders' Topics of concern. 2. As of December 31, 2024, the Company had participated in 5 domestic/international investor briefings. 3. The Company compiled and released a bilingual (Chinese and English) 2023 sustainability report. 4. The Company compiled and released English versions of the 2023 annual report and financial report to strengthen information disclosure for international investors. 5. As of December 31, 2024, 35 pieces of material information had been released in both Chinese and English.
<b>Suppliers</b> 	<ul style="list-style-type: none"> <li>Circular Economy and Material Management</li> <li>Sustainable Supply Chain</li> <li>Human Rights and Employment</li> <li>Occupational Safety and Health</li> </ul>	GRI 204 Procurement Practices GRI 308 Supplier Environmental Assessment GRI 414 Supplier Social Assessment GRI 401 Employment GRI 403 Occupational Health and Safety GRI 404 Training and Education	1. Hold quarterly QBR meetings and irregular meetings with suppliers to share market information. 2. Carry out supplier guidance measures in response to quality Topics or new Topics to seek win-win results. 3. Conduct supplier ratings and monthly received materials quality ratings. 4. Conduct supplier audits and implement annual audits for suppliers determined to have lower quality performance.	1. Required suppliers to develop Business Continuity Plans for various environmental impacts (such as earthquakes, floods, epidemics, etc.). 2. Carried out price negotiation on a quarterly basis, and offered discounted prices for specific projects on an irregular basis to seek win-win results. 3. Held quarterly QBR meetings with major suppliers, and shared each other's operating status and market information. 4. Conducted annual supplier audits. 5. Required suppliers to systematically carry out the ESG practices specified in relevant regulations.
<b>Employees</b> 	<ul style="list-style-type: none"> <li>Operational Performance</li> <li>Human Rights and Employment</li> <li>Occupational Safety and Health</li> <li>Talent Cultivation and Development</li> <li>Diverse and Inclusive Workplace</li> </ul>	GRI 201 Economic Performance GRI 401 Employment GRI 403~GRI 409	1. Announcements on the Company's website: Update the information related to the industry and the Company on a daily basis. 2. Held quarterly labor-management meetings. 3. Annually hold employee forum. 4. Periodically hold new employee forum. 5. The television wall rotates daily to display the Company's operations, benefits, achievements, and promotional matters.	1. Updated the information related to the industry and the Company on the Company's internal website on a daily basis. 2. Held monthly Canteen Committee meetings and safety officer meetings. 3. Held quarterly labor-management meetings. 4. Held monthly Employee Welfare Committee meetings. 5. Held a conference for the entire employee body in August. 6. Conducted employee education and training on a continuous basis. 7. Announced employee promotion information in May and November. 8. Organized Chicony Group's Family Day activities in November.